

BBK B.S.C- Consolidated Financial Statements

31 December 2019



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

BD millions

	2019	2018
ASSETS		
Cash and balances with central banks	376.4	191.0
Treasury bills	484.4	410.4
Deposits and amounts due from banks and other financial institutions	278.3	239.2
Loans and advances to customers	1,670.9	1,772.5
Investment securities	875.0	800.3
Investments in associated companies and joint ventures	70.6	62.9
Interest receivable and other assets	74.2	77.9
Premises and equipment	35.2	27.5
TOTAL ASSETS	3,865.0	3,581.7
LIABILITIES AND EQUITY		
Liabilities		
Deposits and amounts due to banks and other financial institutions	363.1	258.7
Borrowings under repurchase agreement	313.4	199.0
Term borrowings	333.0	144.5
Customers' current, savings and other deposits	2,169.5	2,374.5
Interest payable and other liabilities	139.0	104.6
Total liabilities	3,318.0	3,081.3
Equity		
Share capital	129.7	108.2
Treasury stock	(5.2)	(2.5)
Perpetual tier 1 convertible capital securities	-	86.1
Share premium	105.6	41.0
Statutory reserve	61.6	54.1
General reserve	54.1	54.1
Cumulative changes in fair values	11.2	(25.1)
Foreign currency translation adjustments	(12.2)	(11.7)
Retained earnings	144.6	148.9
Proposed appropriations	54.5	44.6
Attributable to the owners of the Bank	543.9	497.7
Non-controlling interest	3.1	2.7
Total equity	547.0	500.4
TOTAL LIABILITIES AND EQUITY	3,865.0	3,581.7

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2019

BD millions

	2019	2018
Interest and similar income	176.4	165.8
Interest and similar expense	(69.1)	(55.9)
Net interest and similar income	107.3	109.9
Fee and commission income - net	26.6	28.2
Other income	17.6	18.9
Total operating income	151.5	157.0
Staff costs	(38.1)	(36.4)
Other expenses	(25.1)	(21.3)
Total operating expenses	(63.2)	(57.7)
Total provisions - net	(18.9)	(35.3)
Net operating income	69.4	64.0
Share of profit from associated companies and joint ventures	6.8	4.1
PROFIT FOR THE YEAR BEFORE TAX	76.2	68.1
Tax expense	(0.2)	(0.4)
PROFIT FOR THE YEAR AFTER TAX	76.0	67.7
Attributable to:		
Owners of the Bank	75.4	67.1
Non-controlling interest	0.6	0.6
	76.0	67.7
Basic earnings per share (BD)	0.059	0.056
Diluted earnings per share (BD)	0.059	0.052

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2019

BD millions

	2019	2018
Profit for the year	76.0	67.7
Other comprehensive income / (loss):		
Items that will not be reclassified to profit or loss		
Fair value through other comprehensive income reserve (equity instruments)	7.6	6.5
Items that are or may be reclassified subsequently to profit or loss		
Movement in translation reserve:		
Foreign currency translation adjustments	(0.5)	(2.4)
Movement in hedging reserve:		
Effective portion of changes in fair value	(1.1)	0.4
Movement in fair value reserve:		
Net change in fair value	30.6	(21.3)
Net amount transferred to profit or loss	(2.7)	(2.9)
Other comprehensive income / (loss) for the year	33.9	(19.7)
Total comprehensive income for the year	109.9	48.0
Attributable to:		
Owners of the Bank	109.3	47.4
Non-controlling interest	0.6	0.6
	109.9	48.0

The consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and segmental information have been extracted from the consolidated financial statements of BBK B.S.C. for the year ended 31 December 2019 which were audited by Ernst & Young who expressed an unqualified opinion on 17 February 2020.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2019

BD millions

	Attributable to the owners of the Bank and capital securities' holders					Non-controlling interest	Total equity
	Share capital	Others	Retained earnings	Proposed Appropriations	Total		
Balance at 1 January 2018	108.2	216.7	134.6	39.2	498.7	2.2	500.9
Profit for the year	-	-	67.1	-	67.1	0.6	67.7
Other comprehensive loss	-	(19.2)	(0.5)	-	(19.7)	-	(19.7)
Total comprehensive income	-	(19.2)	66.6	-	47.4	0.6	48.0
Share - based payments	-	-	(0.6)	-	(0.6)	-	(0.6)
Distribution on perpetual tier 1 convertible capital securities	-	-	(7.1)	-	(7.1)	-	(7.1)
Dividends paid	-	-	-	(37.8)	(37.8)	(0.2)	(38.0)
Donations	-	-	-	(1.4)	(1.4)	-	(1.4)
Movement in treasury stock	-	(1.5)	-	-	(1.5)	-	(1.5)
Movement in non-controlling interest	-	-	-	-	-	0.1	0.1
Proposed appropriations	-	-	(44.6)	44.6	-	-	-
Balance at 31 December 2018	108.2	196.0	148.9	44.6	497.7	2.7	500.4
Profit for the year	-	-	75.4	-	75.4	0.6	76.0
Other comprehensive income/loss	-	35.8	(1.9)	-	33.9	-	33.9
Total comprehensive income	-	35.8	73.5	-	109.3	0.6	109.9
Share-based payments	-	-	0.6	-	0.6	-	0.6
Distribution on perpetual tier 1 convertible capital securities	-	-	(3.6)	-	(3.6)	-	(3.6)
Conversion of perpetual tier 1 convertible capital securities	21.5	(21.5)	-	-	-	-	-
Dividends paid	-	-	(12.8)	(43.0)	(55.8)	(0.2)	(56.0)
Donations	-	-	-	(1.6)	(1.6)	-	(1.6)
Movement in treasury stock	-	(2.7)	-	-	(2.7)	-	(2.7)
Transfer to statutory reserve	-	7.5	(7.5)	-	-	-	-
Proposed appropriations	-	-	(54.5)	54.5	-	-	-
Balance at 31 December 2019	129.7	215.1	144.6	54.5	543.9	3.1	547.0

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2019

BD millions

	2019	2018
Net cash from / (used in) operating activities	118.1	(92.1)
Net cash used in investing activities	(51.6)	(69.7)
Net cash from / (used in) financing activities	125.2	(103.6)
NET CHANGE IN CASH AND CASH EQUIVALENTS	191.7	(265.4)
Foreign currency translation adjustments - net	(0.3)	(2.2)
Cash and cash equivalents at beginning of the year	345.4	613.0
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	536.8	345.4

SEGMENTAL INFORMATION

For the year ended 31 December 2019

BD millions

	Retail banking	Corporate banking	International banking	Investment, treasury and other activities	Total
31 December 2019					
Operating income before share of profit from associated companies and joint ventures	53.5	31.7	25.9	40.4	151.5
Segment result	25.6	17.7	(9.0)	34.9	69.2
Share of profit from associated companies and joint ventures	5.7	-	-	1.1	6.8
Profit for the year					76.0
Profit attributable to non-controlling interest					(0.6)
Profit for the year attributable to the owners of the Bank					75.4
31 December 2018					
Operating income before share of profit from associated companies and joint ventures	53.2	31.9	26.1	45.8	157.0
Segment result	26.2	(9.2)	1.8	44.8	63.6
Share of profit from associated companies and joint ventures	4.4	-	-	(0.3)	4.1
Profit for the year					67.7
Profit attributable to non-controlling interest					(0.6)
Profit for the year attributable to the owners of the Bank					67.1

