FINANCIAL RESULTS

30 September 2023 (Reviewed)

DAILY **tribune**

Interim Consolidated Statement			Interim Consolidated				
of Financial Position			Statement of Income				
As at 30 September 2023 (Reviewed)	Reviewed	Audited	For the nine months ended 30 September 2023 (Reviewed)				
	Reviewed Auditec 30 September 31 December			Three months ended 30 September		Nine months ended 30 September	
	2023 BD 000	2022 BD 000	-	2023	2022	2023	2022
ASSETS		22 000		BD 000	BD 000	BD 000	BD 000
Cash and balances with banks and							
the Central Bank of Bahrain	94,674	78,648	Income from financing contracts	17,882	13,549	51,101	42,789
Due from banks	61,791	45,028	Income from sukuk	3,339	3,565	9,841	10,828
Financing contracts	1,014,870	999,251	Income from investments	755	779	2,107	2,187
Investments in equity	3,144	3,419	Income from due from banks	577	342	1,602	1,163
Investments in sukuk	279,043	290,034	OPERATING INCOME	22,553	18,235	64,651	56,967
Receivables and other assets	123,180	144,993			10,200	0 1,00 1	00,001
Premises, equipment and right of use assets	3,893	3,707	Return on equity of investment account holders (wakala)	(12,049)	(5,415)	(32,341)	(14,641)
TOTAL ASSETS	1,580,595	1,565,080	Return on equity of investment				
LIABILITIES, EQUITY OF INVESTMENT			account holders (mudaraba) before Group's share as				
ACCOUNT HOLDERS AND OWNERS' EQUITY			mudarib	(2,311)	(2,318)	(6,661)	(7,112)
LIABILITIES			Group's share as mudarib	2,071	2,019	5,913	6,158
Customers' current accounts	115,254	137,461			_		
Due to banks	38,672	17,339	Return on equity of investment account holders (mudaraba)				
Due to non-banks	93,720	108,784	after Group's share as mudarib	(240)	(299)	(748)	(954)
Other liabilities	22,310	19,960					
TOTAL LIABILITIES	269,956	283,544	Profit on due to banks and non-banks	(1,769)	(879)	(4,857)	(3,249)
EQUITY OF INVESTMENT ACCOUNT HOLDERS - QUASI EQUITY				8,495	11,642	26,705	38,123
Banks	235,832	264,155	-		_		
Non-banks and individuals	903,879	832,285	Staff costs	2,944	3,102	9,288	9,455
TOTAL EQUITY OF INVESTMENT ACCOUNT HOLDERS - QUASI EQUITY	1,139,711	1,096,440	Depreciation and amortisation (Reversal of) allowance for	407	364	1,000	1,058
OWNERS' EQUITY			impairment and credit	440	04	(4.4)	(06)
Equity attributable to shareholders			losses - net	418	94	(11)	(36)
of the Parent			Other expenses	3,042	2,448	8,424	7,379
Share capital	132,519	132,519	TOTAL OPERATING		_		
Statutory reserve	30,405	30,405	EXPENSES	6,811	6,008	18,701	17,856
Proposed dividend	-	22,172	NET INCOME FOR THE	1,684	5,634	8,004	20,267
Retained earnings	8,004	-	PERIOD	,	5,034	8,004	20,207
TOTAL OWNERS' EQUITY	170,928	185,096					
TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNT HOLDERS AND OWNERS' EQUITY	1,580,595	1,565,080					
OFF-BALANCE SHEET EQUITY OF RESTRICTED INVESTMENT ACCOUNT HOLDERS	126,119	122,380					
ASSETS UNDER MANAGEMENT	740,702	725,987					
	140,102	120,001					
CONTINGENT LIABILITIES AND COMMITMENTS	37,023	57,128					

	Interim Consolidated Statement
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	of Cash Flows

For the nine months ended 30 September 202	23 (Reviewed)		
	Nine months ended 30 September		
	2023 BD 000	2022 BD 000	
OPERATING ACTIVITIES			
Net income for the period	8,004	20,267	
Adjustments for:			
Allowance for (reversal of) impairment and credit losses - net (excluding recovery from written off accounts)	546	(10)	
Depreciation and amortisation	1,000	1,058	
Net loss on sale of investment	-	88	
Foreign exchange gain	(868)	(617)	
Sukuk premium amortisation	1,075	1,266	
Operating income before changes in operating assets and liabilities	9,757	22,052	
Changes in operating assets and liabilities: Mandatory reserve with the Central Bank of Bahrain	(690)	(16,467)	
Due from banks	-	(125)	
Financing contracts	(15,433)	51,238	
Receivables and other assets	(829)	34,028	
Customers' current accounts	(22,207)	3,616	
Due to banks	21,333	7,756	
Due to non-banks	(15,064)	(230,579)	
Other liabilities	2,580	4,241	
Net cash flows used in operating activities	(20,553)	(124,240)	
INVESTING ACTIVITIES			
Proceeds from disposal of investments	249	911	
Disposal of investments in sukuk - net	9,921	53,197	
Purchase of premises and equipment - net	(1,186)	(208)	
Net cash flows from investing activities	8,984	53,900	
FINANCING ACTIVITIES			
Net movement in equity of investment account holders	43,271	(48,019)	
Net obligation in relation to right of use assets - net	681	(291)	
Net cash flows from (used in) financing activities	43,952	(48,310)	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	32,383	(118,650)	
Cash and cash equivalents at 1 January	74,526	178,285	
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	106,909	59,635	

Interim Consolidated Statement of Changes in Owners' Equity

For the nine months ended 30 September 2023 (Reviewed)

	Share capital	Statutory reserve	Fair value through equity reserve	Retained earnings	Proposed dividend	Total owners' equity
	BD 000	BD 000	BD 000	BD 000	BD 000	BD 000
Balance at 1 January 2023	132,519	30,405	-	-	22,172	185,096
Net income for the period	-	-	-	8,004	-	8,004
Total comprehensive income for the period	-	-	-	8,004	-	8,004
Dividend	-	-	-	-	(22,172)	(22,172)
Balance at 30 September 2023	132,519	30,405	-	8,004	-	170,928
Balance at 1 January 2022	132,519	27,942	1,850	-	21,767	184,078
Net income for the period	-	-	-	20,267	-	20,267
Other comprehensive income for the period	-	-	(795)	-	-	(795)
Total comprehensive income for the period	-	-	(795)	20,267	-	19,472
Dividend	-	-	-	-	(21,767)	(21,767)
Transfer from fair value through equity reserve	-	-	(283)	-	-	(283)
Balance at 30 September 2022	132,519	27,942	772	20,267	-	181,500

These statements have been extracted from the interim condensed consolidated financial statements for the period ended 30 September 2023, reviewed by EY. These interim condensed consolidated financial statements were approved by the Board of Directors on 7 November 2023. Kuwait Finance House (Bahrain) B.S.C.(c) is licensed by the CBB as an Islamic retail bank.

> Mohammad Naser AlFouzan Chairman of the Board of Directors

Abdulhakeem Yaqoub Alkhayyat Managing Director and Chief Executive Officer

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