

## Interim Consolidated Statement of Financial Position

As at 31 March 2022 (Reviewed)

	Reviewed 31 March 2022 BD 000	Audited 31 December 2021 BD 000
<b>ASSETS</b>		
Cash and balances with banks and Central Bank of Bahrain	83,421	113,407
Due from banks	127,977	98,015
Financing contracts	1,048,105	1,057,975
Investments in equity	7,156	7,071
Investments in sukuk	375,487	355,042
Receivables and other assets	145,505	203,500
Premises, equipment and right of use assets	3,885	4,272
<b>TOTAL ASSETS</b>	<b>1,791,536</b>	<b>1,839,282</b>
<b>LIABILITIES, EQUITY OF INVESTMENT ACCOUNT HOLDERS AND OWNERS' EQUITY</b>		
<b>LIABILITIES</b>		
Customers' current accounts	135,902	137,769
Due to banks	11,610	4,433
Due to non-banks	220,690	348,455
Other liabilities	23,793	19,063
<b>TOTAL LIABILITIES</b>	<b>391,995</b>	<b>509,720</b>
<b>EQUITY OF INVESTMENT ACCOUNT HOLDERS - QUASI EQUITY</b>		
Banks	311,396	201,051
Non-banks and individuals	918,646	944,433
<b>TOTAL EQUITY OF INVESTMENT ACCOUNT HOLDERS - QUASI EQUITY</b>	<b>1,230,042</b>	<b>1,145,484</b>
<b>OWNERS' EQUITY</b>		
<b>Equity attributable to shareholders of the Parent</b>		
Share capital	132,519	132,519
Statutory reserve	27,942	27,942
Fair value through equity reserve	1,935	1,850
Proposed dividend	-	21,767
Retained earnings	7,103	-
<b>TOTAL OWNERS' EQUITY</b>	<b>169,499</b>	<b>184,078</b>
<b>TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNT HOLDERS AND OWNERS' EQUITY</b>	<b>1,791,536</b>	<b>1,839,282</b>
<b>OFF-BALANCE SHEET</b>		
<b>EQUITY OF RESTRICTED INVESTMENT ACCOUNT HOLDERS</b>	<b>126,040</b>	<b>136,710</b>
<b>ASSETS UNDER MANAGEMENT</b>	<b>718,105</b>	<b>660,739</b>
<b>CONTINGENT LIABILITIES AND COMMITMENTS</b>	<b>60,426</b>	<b>59,224</b>

## Interim Consolidated Statement of Income

For the three months ended 31 March 2022 (Reviewed)

	Three months ended 31 March	
	2022 BD 000	2021 BD 000
Income from financing contracts	14,819	14,461
Income from sukuk	3,660	3,699
Income from investments	583	366
Income from due from banks	280	245
Share of loss from associate	-	(137)
<b>OPERATING INCOME</b>	<b>19,342</b>	<b>18,634</b>
Return on equity of investment account holders (wakala)	(4,493)	(3,862)
Return on equity of investment account holders (mudaraba) before Group's share as mudarib	(2,370)	(2,500)
Group's share as mudarib	2,044	2,108
Return on equity of investment account holders (mudaraba) after Group's share as mudarib	(326)	(392)
Profit on due to banks and non-banks	(1,324)	(2,986)
<b>NET OPERATING INCOME</b>	<b>13,199</b>	<b>11,394</b>
Staff costs	3,084	2,981
Depreciation and amortisation	326	486
Allowance for impairment and credit losses - net	400	868
Other expenses	2,286	2,115
<b>TOTAL OPERATING EXPENSES</b>	<b>6,096</b>	<b>6,450</b>
<b>NET INCOME FOR THE PERIOD</b>	<b>7,103</b>	<b>4,944</b>
<b>Attributable to:</b>		
Shareholders of the Parent	7,103	4,945
Non-controlling shareholders	-	(1)
	<b>7,103</b>	<b>4,944</b>

## Interim Consolidated Statement of Cash Flows

For the three months ended 31 March 2022 (Reviewed)

	Three months ended 31 March	
	2022 BD 000	2021 BD 000
<b>OPERATING ACTIVITIES</b>		
Net income for the period	7,103	4,944
Adjustments for:		
Allowance for impairment and credit losses - net (excluding recovery from written off accounts)	412	879
Depreciation	326	486
Share of loss from associate	-	137
Net gain on sale of repossessed assets	(41)	-
Foreign exchange gain	(173)	(47)
Operating income before changes in operating assets and liabilities	7,627	6,399
Changes in operating assets and liabilities:		
Mandatory reserve with Central Bank of Bahrain	(1,266)	(1,872)
Due from banks	(25,681)	(580)
Financing contracts	9,692	(12,050)
Receivables and other assets	61,034	3,642
Customers' current accounts	(1,867)	2,283
Due to banks	7,177	(69,758)
Due to non-banks	(127,765)	19,118
Other liabilities	5,670	4,468
Net cash flows used in operating activities	(65,379)	(48,350)
<b>INVESTING ACTIVITIES</b>		
Proceeds from disposal of investments	-	550
(Purchase) disposal of investment in sukuk - net	(20,716)	9,163
Purchase of premises and equipment - net	61	(1,772)
Net cash flows (used in) from investing activities	(20,655)	7,941
<b>FINANCING ACTIVITIES</b>		
Net movement in equity of investment account holders	84,558	46,054
Payments of obligation in relation to right of use assets	(264)	(223)
Net cash flows from financing activities	84,294	45,831
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,740)</b>	<b>5,422</b>
Cash and cash equivalents at 1 January	178,285	155,774
<b>CASH AND CASH EQUIVALENTS AT 31 MARCH</b>	<b>176,545</b>	<b>161,196</b>

## Interim Consolidated Statement Of Changes in Owners' Equity

For the three months ended 31 March 2022 (Reviewed)

	Equity attributable to shareholders of the Parent					Total	Non-controlling shareholders	Total owners' equity
	Share capital	Statutory reserve	Fair value through equity reserve	Retained earnings	Proposed dividend			
	BD 000	BD 000	BD 000	BD 000	BD 000	BD 000	BD 000	BD 000
Balance at 1 January 2022	132,519	27,942	1,850	-	21,767	184,078	-	184,078
Net income for the period	-	-	-	7,103	-	7,103	-	7,103
Other comprehensive income for the period	-	-	85	-	-	85	-	85
Total comprehensive income for the period	-	-	85	7,103	-	7,188	-	7,188
Dividend	-	-	-	-	(21,767)	(21,767)	-	(21,767)
<b>Balance at 31 March 2022</b>	<b>132,519</b>	<b>27,942</b>	<b>1,935</b>	<b>7,103</b>	<b>-</b>	<b>169,499</b>	<b>-</b>	<b>169,499</b>
Balance at 1 January 2021	132,519	25,640	1,018	311	-	159,488	7,741	167,229
Net income for the period	-	-	-	4,945	-	4,945	(1)	4,944
Other comprehensive income for the period	-	-	434	-	-	434	-	434
Total comprehensive income for the period	-	-	434	4,945	-	5,379	(1)	5,378
Net movement in share of non-controlling shareholders	-	-	-	-	-	-	(9)	(9)
Balance at 31 March 2021	132,519	25,640	1,452	5,256	-	164,867	7,731	172,598

These statements have been extracted from the interim condensed consolidated financial statements for the period ended 31 March 2022, reviewed by EY. These interim condensed consolidated financial statements were approved by the Board of Directors on 8 May 2022. Kuwait Finance House (Bahrain) B.S.C.(c) is licensed by the CBB as an Islamic retail bank.

Hamad Abdulmohsen AlMarzouq  
Chairman of the Board of Directors

Abdulhakeem Yaqoub Alkhayat  
Managing Director and Chief Executive Officer

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