

Al Salam Bank - Bahrain B.S.C.

Consolidated Financial Statements for the year ended
31 December 2020.

These statements have been extracted from the consolidated financial statements on which KPMG issued an unmodified audit report dated 10 February 2021.

مصرف السلام
Al Salam Bank



Bahrain البحرين

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (AUDITED)	31 December 2020	31 December 2019 (Restated)
	BD '000	BD '000
ASSETS		
Cash and balances with banks and Central Bank	288,266	219,456
Sovereign Sukuk	393,108	345,305
Placements with financial institutions	37,965	114,803
Corporate Sukuk	16,395	22,162
Financing assets	814,449	685,756
Finance lease assets	469,363	389,742
Non-trading investments	98,034	108,991
Investment properties	67,586	72,774
Development properties	2,943	2,943
Investment in associates	12,036	10,640
Other assets	35,237	44,260
Goodwill	25,971	25,971
TOTAL ASSETS	2,261,353	2,042,803
LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS, OWNERS' EQUITY AND NON-CONTROLLING INTEREST		
LIABILITIES		
Placements from financial institutions	116,883	211,459
Customers' current accounts	363,970	289,456
Murabaha term financing	221,671	145,590
Other liabilities	52,282	41,481
TOTAL LIABILITIES	754,806	687,986
EQUITY OF INVESTMENT ACCOUNTHOLDERS		
Wakala from financial institutions	264,784	210,887
Wakala and Mudaraba from customers	960,596	823,856
TOTAL EQUITY OF INVESTMENT ACCOUNTHOLDERS	1,225,380	1,034,743
OWNERS' EQUITY		
Share capital	230,450	221,586
Treasury stock	(7,530)	(6,758)
Reserves	57,846	104,547
Total owners' equity	280,766	319,375
Non-controlling interest	401	699
TOTAL EQUITY	281,167	320,074
TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS, OWNERS' EQUITY AND NON-CONTROLLING INTEREST	2,261,353	2,042,803

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (AUDITED)	31 December 2020	31 December 2019
	BD '000	BD '000
Balance as of 1 January	320,074	304,822
Impact of adopting FAS 33	-	(3,631)
Balance as at 1 January 2019 (restated)	-	301,191
Net profit for the year	9,118	21,130
Net changes in fair value	(241)	-
Movement in fair value of Sukuks	1,587	8,268
Foreign currency re-translation	(561)	(238)
Total recognised income and expense	9,903	29,160
Cash dividend for the year	(8,551)	(7,353)
Modification loss	(24,768)	-
Subsidy from government	2,143	-
Purchase of treasury stock	(772)	(2,903)
Movements in non-controlling interest	(274)	(21)
Transactions with non-controlling interest	(16,588)	-
Balance at 31 December	281,167	320,074

CONSOLIDATED INCOME STATEMENT (AUDITED)	31 December 2020	31 December 2019 (Restated)
	BD '000	BD '000
OPERATING INCOME		
Finance income	74,863	59,712
Income from Sukuk	19,481	17,066
(Loss) / Income from non-trading investments	(8,964)	2,633
Loss from properties	(1,825)	(1,442)
Fees and commission, net	7,406	7,639
Share of profit from associates	1,953	1,209
Other income	3,665	4,889
Total operating income	96,579	91,706
Finance expense on placements from financial institutions	(4,265)	(4,171)
Finance expense on Murabaha term financing	(5,559)	(5,583)
Return on equity of investment accountholders before Group's share as a Mudarib and Wakala	(60,186)	(50,271)
Group's share as a Mudarib	925	1,002
Group's Wakala fee	29,926	20,844
Share of profit of investment accountholders	(29,335)	(28,425)
Net operating income	57,420	53,527
OPERATING EXPENSES		
Staff cost	14,759	15,394
Premises cost	2,293	2,269
Depreciation	1,882	1,599
Other operating expenses	11,091	10,525
Total operating expenses	30,025	29,787
PROFIT BEFORE IMPAIRMENT ALLOWANCES	27,395	23,740
Impairment charge for financing, net	(17,136)	(2,531)
Impairment charge for investment and others	(1,141)	(79)
NET PROFIT FOR THE YEAR	9,118	21,130
ATTRIBUTABLE TO:		
- Shareholders of the Bank	9,142	21,093
- Non-controlling interest	(24)	37
	9,118	21,130
Basic and diluted earnings per share (fils)	4.3	9.7

CONSOLIDATED STATEMENT OF CASH FLOWS (AUDITED)	31 December 2020	31 December 2019 (Restated)
	BD '000	BD '000
Net cash (used in) / from operating activities	(31,052)	99,008
Net cash (used in) / from investing activities	(38,854)	4,594
Net cash from / (used in) financing activities	62,042	(20,654)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(7,864)	82,948
Cash and cash equivalents at 1 January	299,509	216,561
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	291,645	299,509

These consolidated financial statements have been authorized for issue in accordance with a resolution of the Board of Directors dated 10 February 2021.

H.E. Shaikh Khalid bin Mustahil Al Mashani
Chairman

Matar Mohamed Al Blooshi
Deputy Chairman

Rafik Nayed
Group Chief Executive Officer