Al Salam Bank B.S.C.

Condensed Consolidated Interim Financial Information for the nine months period ended 30 September 2021.

The full set of financial statements, which were reviewed by the external auditors, KPMG, are available on Bahrain Bourse's website.

بنك السلام
Al Salam Bank

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	30 September 2021 (Reviewed)	31 December 2020 (Audited)
	BD '000	BD '000
ASSETS		
Cash and balances with banks and Central Bank	308,472	288,266
Placements with financial institutions	150,967	37,965
Sovereign Sukuk	557,658	393,108
Corporate Sukuk	23,835	16,395
Financing assets	752,897	814,449
Finance lease assets	549,958	469,363
Non-trading investments	95,908	98,034
Investment properties	59,007	67,586
Development properties	2,943	2,943
Investment in associates	16,515	12,036
Other assets	43,881	35,237
Goodwill	25,971	25,971
TOTAL ASSETS	2,588,012	2,261,353
LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS, OWNERS' EQUITY AND NON-CONTROLLING INTEREST		
LIABILITIES		
Placements from financial institutions	153,632	116,883
Customers' current accounts	422,357	363,970
Murabaha term financing	128,573	221,671
Other liabilities	52,074	52,282
TOTAL LIABILITIES	756,636	754,806
EQUITY OF INVESTMENT ACCOUNTHOLDERS		
Wakala from financial institutions	237,830	264,784
Wakala and Mudaraba from customers	1,294,375	960,596
TOTAL EQUITY OF INVESTMENT ACCOUNTHOLDERS	1,532,205	1,225,380
OWNERS' EQUITY		
Share capital	241,972	230,450
Treasury stock	(9,743)	(7,530)
Reserves	66,357	57,846
Total owners' equity	298,586	280,766
Non-controlling interest	585	401
TOTAL EQUITY	299,171	281,167
TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS, OWNERS' EQUITY AND NON-CONTROLLING INTEREST	2,588,012	2,261,353

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	30 September 2021 (Reviewed)	30 September 2020 (Reviewed)
	BD '000	BD '000
Balance as of 1 January	281,167	320,074
Impact of adopting FAS 32	57	-
Balance as at 1 January 2021 (restated)	281,224	-
Net profit for the period	16,063	8,038
Movement in fair value	2,045	(3,579)
Movement from reserve to income statement	(483)	-
Foreign currency re-translation	2,190	(467)
Total recognised income and expense	19,815	3,992
Cash dividend for the year 2019	-	(8,551)
Modification loss	-	(24,768)
Subsidy from government	-	2,143
Purchase of treasury stock	(2,213)	(772)
Movements in non-controlling interest	345	(210)
Balance at 30 September	299,171	291,908

CONDENSED CONSOLIDATED INCOME STATEMENT	Three months ended 30 September 2021 (Reviewed)	Three months ended 30 September 2020 (Reviewed)	Nine months ended 30 September 2021 (Reviewed)	Nine months ended 30 September 2020 (Reviewed)
	BD '000	BD '000	BD '000	BD '000
OPERATING INCOME				
Finance income	20,197	20,284	58,343	57,412
Income from Sukuk	6,240	4,951	16,634	14,334
Loss (net) from non-trading investments	(647)	(5,396)	(1,951)	(8,690)
Income / (loss) from properties	(99)	(66)	517	(105)
Fees and commission, net	2,341	1,799	6,153	5,620
Share of profit from associates	359	-	2,287	1,953
Other (loss)/income	(808)	2,514	(431)	3,725
Total operating income	27,583	24,086	81,552	74,249
Finance expense on placements from financial institutions	(1,087)	(865)	(3,193)	(3,395)
Finance expense on Murabaha term financing	(317)	(1,451)	(2,329)	(4,073)
Return on equity of investment accountholders before Group's share as a Mudarib and Wakala	(16,181)	(12,690)	(50,648)	(39,250)
Group's share as a Mudarib	60	401	168	874
Group's Wakala fee	5,953	5,062	24,029	16,482
Share of profit of investment accountholders	(10,168)	(7,227)	(26,451)	(21,894)
Net operating income	16,011	14,543	49,579	44,887
OPERATING EXPENSES				
Staff cost	4,422	3,746	13,018	11,152
Premises cost	483	499	1,528	1,668
Depreciation	361	709	946	1,196
Other operating expenses	3,393	2,453	9,348	7,975
Total operating expenses	8,659	7,407	24,840	21,991
PROFIT BEFORE IMPAIRMENT ALLOWANCES	7,352	7,136	24,739	22,896
Net impairment charge	(1,860)	(6,182)	(8,676)	(14,858)
NET PROFIT FOR THE PERIOD	5,492	954	16,063	8,038
ATTRIBUTABLE TO:				
- Shareholders of the Bank	5,562	972	16,224	8,073
- Non-controlling interest	(70)	(18)	(161)	(35)
	5,492	954	16,063	8,038
Basic and diluted earnings per share (fils)	2.4	0.4	7.0	3.5

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	30 September 2021 (Reviewed)	30 September 2020 (Reviewed)
	BD '000	BD '000
Net cash from / (used in) operating activities	382,854	(123,269)
Net cash used in investing activities	(162,479)	(30,894)
Net cash (used in) / from financing activities	(96,450)	136,811
NET CHANGE IN CASH AND CASH EQUIVALENTS	123,925	(17,352)
Cash and cash equivalents at 1 January	291,645	299,324
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	415,570	281,972

These condensed consolidated interim financial information have been authorised for issue in accordance with a resolution of the Board of Directors dated 2 November 2021.

H.E. Shaikh Khalid bin Mustahil Al Mashani
Chairman

Matar Mohamed Al Blooshi
Deputy Chairman

Rafik Nayed
Group Chief Executive Officer