

BBK B.S.C- Interim Condensed Consolidated Financial Statements

31 March 2019 (Reviewed)

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2019 (Reviewed)
BD '000s

	Reviewed 31 March 2019	Audited 31 December 2018
ASSETS		
Cash and balances with central banks	263,084	191,028
Treasury bills	381,495	410,380
Deposits and amounts due from banks and other financial institutions	236,804	239,174
Loans and advances to customers	1,698,325	1,772,528
Investment securities	839,198	800,263
Investments in associated companies and joint ventures	64,215	62,935
Interest receivable and other assets	82,362	77,849
Premises and equipment	33,032	27,543
TOTAL ASSETS	3,598,515	3,581,700
LIABILITIES AND EQUITY		
Liabilities		
Deposits and amounts due to banks and other financial institutions	277,035	258,676
Borrowings under repurchase agreement	198,997	198,997
Term borrowings	144,542	144,542
Customers' current, savings and other deposits	2,360,291	2,374,480
Interest payable and other liabilities	129,737	104,566
Total liabilities	3,110,602	3,081,261
Equity		
Share capital	108,165	108,165
Treasury stock	(1,714)	(2,521)
Perpetual tier 1 convertible capital securities	86,098	86,098
Share premium	41,016	41,016
Statutory reserve	54,082	54,082
General reserve	54,082	54,082
Cumulative changes in fair values	(13,005)	(25,105)
Foreign currency translation adjustments	(11,781)	(11,711)
Retained earnings	168,086	148,967
Appropriations	-	44,617
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE BANK AND CAPITAL SECURITIES' HOLDERS	485,029	497,690
Non-controlling interest	2,884	2,749
Total equity	487,913	500,439
TOTAL LIABILITIES AND EQUITY	3,598,515	3,581,700

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Three-month period ended 31 March 2019 (Reviewed)
BD '000s

	Three-month ended	
	31-Mar-19	31-Mar-18
Interest and similar income	44,143	37,290
Interest and similar expense	(14,970)	(12,706)
Net interest and similar income	29,173	24,584
Fee and commission income - net	6,392	6,802
Other income	5,344	6,213
Total operating income	40,909	37,599
Staff costs	9,382	9,093
Depreciation	1,396	886
Other expenses	4,460	4,155
Total operating expenses	15,238	14,134
Net provision for credit impairment	7,105	8,304
Net provision/(write-back) for impairment/expected credit losses on investments	419	(227)
Total provision for impairment/allowance for expected credit losses	7,524	8,077
Net operating income	18,147	15,388
Share of profit from associated companies and joint ventures	2,005	1,587
PROFIT FOR THE PERIOD BEFORE TAXATION	20,152	16,975
Net tax write-back/(provision)	14	(159)
PROFIT FOR THE PERIOD AFTER TAXATION	20,166	16,816
Attributable to:		
Owners of the Bank	20,031	16,697
Non-controlling interest	135	119
	20,166	16,816
Basic earnings per share (BD)	0.019	0.015
Diluted earnings per share (BD)	0.016	0.013

INTERIM CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

Three-month period ended 31 March 2019 (Reviewed)
BD '000s

	Three-month ended	
	31-Mar-19	31-Mar-18
Profit for the period	20,166	16,816
Other comprehensive income/(loss)		
<i>Items that will not be reclassified to profit or loss</i>		
Fair value through other comprehensive income reserve (equity instruments)	4,341	2,488
<i>Items that are or may be reclassified subsequently to profit or loss</i>		
<i>Movement in translation reserve:</i>		
Foreign currency translation adjustments	(71)	26
<i>Movement in hedging reserve:</i>		
Effective portion of changes in fair value	(352)	110
<i>Movement in fair value reserve:</i>		
Net changes in fair value	8,919	(5,074)
Net amount transferred to profit or loss	(1,198)	(2,697)
Other comprehensive income/(loss) for the period	11,639	(5,147)
Total comprehensive income for the period	31,805	11,669
Attributable to:		
Owners of the Bank	31,670	11,550
Non-controlling interest	135	119
	31,805	11,669

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, segmental information, accounting policies and notes have been extracted from the interim condensed consolidated financial statements of BBK B.S.C. for the three-month period ended 31 March 2019 which were reviewed by Ernst & Young, who have expressed an unqualified conclusion on 29 April 2019.

Above information available on www.bbkonline.com

Reviewed by Ernst & Young

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Three-month period ended 31 March 2019 (Reviewed)
BD '000s

	Attributable to the owners of the Bank and capital securities' holders					Non-controlling interest	Total equity
	Share capital	Others	Retained earnings	Appropriations	Total		
Balance at 1 January 2019	108,165	195,941	148,967	44,617	497,690	2,749	500,439
Profit for the period	-	-	20,031	-	20,031	135	20,166
Other comprehensive income for the period	-	12,030	(391)	-	11,639	-	11,639
Total comprehensive income	-	12,030	19,640	-	31,670	135	31,805
Share - based payments	-	-	(512)	-	(512)	-	(512)
Unclaimed dividends	-	-	(9)	-	(9)	-	(9)
Dividends paid	-	-	-	(43,017)	(43,017)	-	(43,017)
Donations	-	-	-	(1,600)	(1,600)	-	(1,600)
Movement in treasury stock	-	807	-	-	807	-	807
Balance at 31 March 2019	108,165	208,778	168,086	-	485,029	2,884	487,913
Balance at 1 January 2018	108,165	216,660	134,632	39,161	498,618	2,217	500,835
Profit for the period	-	-	16,697	-	16,697	119	16,816
Other comprehensive loss for the period	-	(3,820)	(1,327)	-	(5,147)	-	(5,147)
Total comprehensive income	-	(3,820)	15,370	-	11,550	119	11,669
Share-based payments	-	-	(439)	-	(439)	-	(439)
Dividends paid	-	-	-	(37,761)	(37,761)	-	(37,761)
Movement in non-controlling interest	-	-	-	-	-	151	151
Donations	-	-	-	(1,400)	(1,400)	-	(1,400)
Movement in treasury stock	-	(159)	-	-	(159)	-	(159)
Balance at 31 March 2018	108,165	212,681	149,563	-	470,409	2,487	472,896

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

Three-month period ended 31 March 2019 (Reviewed)
BD '000s

	Three-month ended	
	31-Mar-19	31-Mar-18
Net cash from/(used in) operating activities	172,195	(241,528)
Net cash (used in)/from investing activities	(31,633)	1,731
Net cash used in financing activities	(44,331)	(39,759)
Foreign currency translation adjustments	(70)	26
NET CHANGE IN CASH AND CASH EQUIVALENTS	96,161	(279,530)
Cash and cash equivalents at beginning of the period	345,398	612,958
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	441,559	333,428

SEGMENTAL INFORMATION

Three-month period ended 31 March 2019 (Reviewed)
BD '000s

31 March 2019	Retail Banking	Corporate Banking	International Banking	Investment, treasury and other activities	Total
Operating income before share of profit from associated companies and joint ventures	13,965	8,351	5,622	12,971	40,909
Segment result	7,310	1,813	(3,785)	12,823	18,161
Share of profit from associated companies and joint ventures	1,696	-	-	309	2,005
Profit for the period					20,166
Profit attributable to non-controlling interest					(135)
Profit attributable to the owners of the Bank					20,031

31 March 2018	Retail Banking	Corporate Banking	International Banking	Investment, treasury and other activities	Total
Operating income before share of profit from associated companies and joint ventures	12,166	7,527	6,116	11,790	37,599
Segment result	5,167	(3,114)	1,383	11,793	15,229
Share of profit from associated companies and joint ventures	1,687	-	-	(100)	1,587
Profit for the period					16,816
Profit attributable to non-controlling interest					(119)
Profit attributable to the owners of the Bank					16,697

Accounting policies and Notes :

- The interim condensed consolidated financial statements of the Group for the three-month period ended 31 March 2019 are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2018. In addition, results for the three-month period ended 31 March 2019 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2019.
- Other income for the three-month period ended 31 March 2019 includes BD 1,476 thousand (31 March 2018: BD 1,123 thousand) of dividend income, which is of a seasonal nature.
- At the Annual General Meeting held on 20 March 2019, the shareholders approved the proposed appropriations of the year ended 31 December 2018.

Murad Ali Murad
Chairman

Mohamed Abdulrahman Hussain
Board Member

Reyadh Yousif Sater
Chief Executive