			STATEMENT OF PROFIT OR LOSS For the year ended 31 December 2019		
				2019 US\$'000	
			Interest and similar income Interest expense	44,226 (17,386)	
Alubaf Arab International Bank B.S.C(c)			Net interest and similar income	26,840	
STATEMENT OF FINANCIAL POSITIO	ON Audited	Audited	Fee and commission income Gain (loss) on investments classified as FVTPL Gain on investment securities - net	3,569 535 481	
	2019 US\$'000	2018 US\$'000	Foreign exchange gain - net Other income	1,421 119	
ASSETS			OPERATING INCOME	32,965	
Cash and balances with central bank and other banks	428,235	364,769	Reversal (charge) of provision for expected credit losses	8,469	
Deposits with banks and other financial institution	ons 378,891	339,105	NET OPERATING INCOME	41,434	
Investments classified as fair value through profit and loss	3,028	14,517	Staff costs	8,736	
Investment securities	234,930	205,597	Depreciation	881 3.076	
Loans and advances Property, equipment and software	92,740 8.987	163,338 9.758	Other operating expenses		
Interest receivable	6,237	6,628	OPERATING EXPENSES	12,693	
Other assets	949	1,176	NET PROFIT FOR THE YEAR	28,741	
TOTAL ASSETS	1,153,997	1,104,888			
LIABILITIES AND EQUITY Liabilities Deposits from banks and other			STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 December 2019		
financial institutions Due to banks and other financial institutions	646,770	644,570		2019	
Due to banks and other financial institutions Due to customers	89,196 75 <i>.</i> 504	87,783 65.642		US\$'000	
Interest payable	2,188	1,634	NET PROFIT FOR THE YEAR	28,741	
Other liabilities	9,315	7,192	Other comprehensive income:		
Total liabilities	822,973	806,821	Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Equity Share capital	250.000	250.000	Fair value change in cash flow hedge	(442)	
Statutory reserve	25,631	22,757	Unrealised fair value gain (loss) on investments classified as	()	
Retained earnings	37,219	26,352	fair value through other comprehensive income (FVOCI)	8,455	
Fair value reserve Proposed dividend	3,174 15,000	(6,042) 5,000	Charge (reversal) for expected credit loss on FVOCI for the ye	ar <b>1,203</b>	
Total equity	331,024	298,067	Other comprehensive income (loss) for the year	9,216	
TOTAL LIABILITIES AND EQUITY	1,153,997	1,104,888	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	37,957	
			I		

## STATEMENT OF CHANGES IN EQUITY - For the year ended 31 December 2019

Share Statutory Retained Fair value Proposed capital reserve earnings reserve dividend US\$'000 US\$'000 US\$'000 US\$'000 US\$'000	Total US\$'000
Balance as at 1 January 2019 250,000 22,757 26,352 (6,042) 5,000	298,067
Net profit for the year 28,741	28,741
Other comprehensive income 9,216	9,216
Dividends paid (5,000)	(5,000)
Proposed dividend for 2019 (15,000) - 15,000	-
Transfer to Statutory reserve 2,874 (2,874)	-
Balance as of 31 December 2019 250,000 25,631 37,219 3,174 15,000	331,024
Balance as at 1 January 2018     250,000     21,257     17,852     126     5,000	294,235
Net profit for the year 15,000	15,000
Other comprehensive loss (6,168) -	(6,168)
Dividends paid (5,000)	(5,000)
Proposed dividend for 2018 (5,000) - 5,000	-
Transfer to Statutory reserve - 1,500 (1,500)	-
Balance as of 31 December 2018 250,000 22,757 26,352 (6,042) 5,000	298,067

20192018US\$'000US\$'000OPERATING ACTIVITIESNet profit for the year28,74115,000Adjustments for:(Reversal) charge of provision for expected credit losses(8,469)5,838Depreciation8811,004Amortisation of investments carried at amortised cost326536Gain on investment securities - net(481)(270)Unrealised (gain) loss on investments classified as FVTPL(488)325Gain on disposal of property, equipment and software-(7)Amortisation of assets classified as loans and advances(924)(848)Operating profit before changes in operating assets and liabilities19,58621,578Balances with central bank(127,002)-Deposits with banks and other financial institutions(126,884)15,400Investment sclassified as fair value through profit and loss11,9774,558Investment securities(220)(2,769)(2,769)Loans and advances82,234(35,634)Due to anks and other financial institutions2,20075,013Due to banks and other financial institutions1,413(45,634)Due to banks and other financial institutions2,2174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities32,19016,123Purchase of investment and software(110)(391)	STATEMENT OF CASH FLOWS For the year ended 31 December 2019		
Net profit for the year28,74115,000Adjustments for: (Reversal) charge of provision for expected credit losses(8,469)5,838Depreciation8811,004Amortisation of investments carried at amortised cost326536Gain on investment securities - net(481)(270)Unrealised (gain) loss on investments classified as FVTPL(488)325Gain on disposal of property, equipment and software-(7)Amortisation of assets classified as loans and advances(924)(848)Operating profit before changes in operating assets and liabilities19,58621,578Balances with central bank(127,002)-Deposits with banks and other financial institutions(126,884)15,400Investment securities(220)(2,769)Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to customers9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities32,19016,123Purchase of property, equipment and software(110)(391)			
Adjustments for:(Reversal) charge of provision for expected credit losses(8,469)5,838Depreciation8811,004Amortisation of investments carried at amortised cost326536Gain on investment securities - net(481)(270)Unrealised (gain) loss on investments classified as FVTPL(488)325Gain on disposal of property, equipment and software-(7)Amortisation of assets classified as loans and advances(924)(848)Operating profit before changes in operating assets and liabilities19,58621,578Balances with central bank(127,002)-Deposits with banks and other financial institutions(126,884)15,400Investments classified as fair value through profit and loss11,9774,558Investment securities(220)(2,769)(2,769)Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to customers9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities32,190(6,123Purchase of property, equipment and software(110)(391)	OPERATING ACTIVITIES		
Adjustments for:(Reversal) charge of provision for expected credit losses(8,469)5,838Depreciation8811,004Amortisation of investments carried at amortised cost326536Gain on investment securities - net(481)(270)Unrealised (gain) loss on investments classified as FVTPL(488)325Gain on disposal of property, equipment and software-(7)Amortisation of assets classified as loans and advances(924)(848)Operating profit before changes in operating assets and liabilities19,58621,578Balances with central bank(127,002)-Deposits with banks and other financial institutions(126,884)15,400Investments classified as fair value through profit and loss11,9774,558Investment securities(220)(2,769)(2,769)Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to customers9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities32,190(6,123Purchase of property, equipment and software(110)(391)	Net profit for the year	28.741	15.000
Depreciation8811,004Amortisation of investments carried at amortised cost326536Gain on investment securities - net(481)(270)Unrealised (gain) loss on investments classified as FVTPL(488)325Gain on disposal of property, equipment and software-(7)Amortisation of assets classified as loans and advances(924)(848)Operating profit before changes in operating assets and liabilities19,58621,578Balances with central bank(127,002)-Deposits with banks and other financial institutions(126,884)15,400Investments classified as fair value through profit and loss11,9774,558Investment securities(220)(2,769)22,769)Loans and advances82,234(35,895)116Other assets22741520Deposits from banks and other financial institutions1,413(45,634)Due to customers9,862(28,163)11413Due to customers9,862(28,163)11413Due to customers9,862(28,163)11413Interest payable554548548Other liabilities2,1742581142Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities32,19016,123Purchase of property, equipment and software(110)(391)	Adjustments for:	-	
Amortisation of investments carried at amortised cost326536Gain on investment securities - net(481)(270)Unrealised (gain) loss on investments classified as FVTPL(488)325Gain on disposal of property, equipment and software-(7)Amortisation of assets classified as loans and advances(924)(848)Operating profit before changes in operating assets and liabilities19,58621,578Changes in operating assets and liabilities:Balances with central bank(127,002)-Deposits with banks and other financial institutions(126,884)15,400Investment securities(220)(2,769)Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions2,20075,013Due to banks and other financial institutions1,413(45,634)Due to sustomers9,862(28,163)Interest payable554548Other liabilities2,174258INVESTING ACTIVITIES12,488)5,425Purchase of investment securities(54,190)(4,644)Proceeds from disposal/redemption of investment securities32,19016,123Purchase of property, equipment and software(110)(391)	(Reversal) charge of provision for expected credit losses	(8,469)	5,838
Gain on investment securities - net(481)(270)Unrealised (gain) loss on investments classified as FVTPL(488)325Gain on disposal of property, equipment and software-(7)Amortisation of assets classified as loans and advances(924)(848)Operating profit before changes in operating assets and liabilities19,58621,578Changes in operating assets and liabilities:19,58621,578Balances with central bank(127,002)-Deposits with banks and other financial institutions(126,884)15,400Investments classified as fair value through profit and loss11,9774,558Investment securities(220)(2,769)Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions2,20075,013Due to customers9,862(28,163)Interest payable554548Other liabilities2,174258INVESTING ACTIVITIES110(4,644)Proceeds from disposal/redemption of investment securities32,19016,123Purchase of property, equipment and software(110)(391)	Depreciation	881	1,004
Unrealised (gain) loss on investments classified as FVTPL(488)325Gain on disposal of property, equipment and software-(7)Amortisation of assets classified as loans and advances(924)(848)Operating profit before changes in operating assets and liabilities19,58621,578Changes in operating assets and liabilities:Balances with central bank(127,002)-Deposits with banks and other financial institutions(126,884)15,400Investments classified as fair value through profit and loss11,9774,558Investment securities(220)(2,769)Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions2,20075,013Due to banks and other financial institutions9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities32,190(6,644)Proceeds from disposal/redemption of investment securities32,19016,123Purchase of property, equipment and software(110)(391)	Amortisation of investments carried at amortised cost	326	536
Gain on disposal of property, equipment and software-(7)Amortisation of assets classified as loans and advances(924)(848)Operating profit before changes in operating assets and liabilities19,58621,578Changes in operating assets and liabilities:Balances with central bank(127,002)-Deposits with banks and other financial institutions(126,884)15,400Investments classified as fair value through profit and loss11,9774,558Investment securities(220)(2,769)Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions2,20075,013Due to banks and other financial institutions9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities32,190(4,644)Proceeds from disposal/redemption of investment securities32,19016,123Purchase of property, equipment and software(110)(391)		(481)	1 -1
Amortisation of assets classified as loans and advances(924)(848)Operating profit before changes in operating assets and liabilities19,58621,578Changes in operating assets and liabilities:Balances with central bank(127,002)-Deposits with banks and other financial institutions(126,884)15,400Investments classified as fair value through profit and loss11,9774,558Investment securities(220)(2,769)Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions1,413(45,634)Due to customers9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities32,19016,123Purchase of property, equipment and software(110)(391)		(488)	
Operating profit before changes in operating assets and liabilities19,58621,578Changes in operating assets and liabilities: Balances with central bank(127,002)-Deposits with banks and other financial institutions(126,884)15,400Investments classified as fair value through profit and loss11,9774,558Investment securities(220)(2,769)Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities32,19016,123Purchase of property, equipment and software(110)(391)		-	. ,
Changes in operating assets and liabilities: Balances with central bank(127,002)Deposits with banks and other financial institutions(126,884)15,400Investments classified as fair value through profit and loss11,9774,558Investment securities(220)(2,769)Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions1,413(45,634)Due to customers9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities32,190(6,644)Proceeds from disposal/redemption of investment securities32,19016,123Purchase of property, equipment and software(110)(391)	Amortisation of assets classified as loans and advances	(924)	(848)
Balances with central bank(127,002)Deposits with banks and other financial institutions(126,884)15,400Investments classified as fair value through profit and loss11,9774,558Investment securities(220)(2,769)Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions1,413(45,634)Due to customers9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities32,190(4,644)Proceeds from disposal/redemption of investment securities32,19016,123Purchase of property, equipment and software(110)(391)	Operating profit before changes in operating assets and liabilities	19,586	21,578
Deposits with banks and other financial institutions(126,884)15,400Investments classified as fair value through profit and loss11,9774,558Investment securities(220)(2,769)Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions9,862(28,163)Interest payable5545480ther liabilitiesOther liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities32,19016,123Purchase of property, equipment and software(110)(391)			
Investments classified as fair value through profit and loss11,9774,558Investment securities(220)(2,769)Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions1,413(45,634)Due to customers9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities32,19016,123Purchase of property, equipment and software(110)(391)			-
Investment securities(220)(2,769)Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions1,413(45,634)Due to customers9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIES9916,123Purchase of investment securities32,19016,123Purchase of property, equipment and software(110)(391)			
Loans and advances82,234(35,895)Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions1,413(44,634)Due to customers9,862(28,163)Interest payable554548Other liabilities2,174258INVESTING ACTIVITIES1123,488)5,425Purchase of investment securities(54,190)(4,644)Proceeds from disposal/redemption of investment securities32,19016,123Purchase of property, equipment and software(110)(391)	5 T		,
Interest receivable391116Other assets227415Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions1,413(45,634)Due to customers9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIES944,644Proceeds from disposal/redemption of investment securities32,19016,123Purchase of property, equipment and software(110)(391)			
Other assets227415Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions1,413(45,634)Due to customers9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities(54,190)(4,644)Proceeds from disposal/redemption of investment securities32,19016,123Purchase of property, equipment and software(110)(391)			
Deposits from banks and other financial institutions2,20075,013Due to banks and other financial institutions1,413(45,634)Due to customers9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities(54,190)(4,644)Proceeds from disposal/redemption of investment securities32,19016,123Purchase of property, equipment and software(110)(391)			
Due to banks and other financial institutions1,413(45,634)Due to customers9,862(28,163)Interest payable554548Other liabilities2,174258Net cash flows (used in) from operating activities(123,488)5,425INVESTING ACTIVITIESPurchase of investment securities(54,190)(4,644)Proceeds from disposal/redemption of investment securities32,19016,123Purchase of property, equipment and software(110)(391)			
Due to customers 9,862 (28,163)   Interest payable 554 548   Other liabilities 2,174 258   Net cash flows (used in) from operating activities (123,488) 5,425   INVESTING ACTIVITIES Purchase of investment securities (54,190) (4,644)   Proceeds from disposal/redemption of investment securities 32,190 16,123   Purchase of property, equipment and software (110) (391)			
Interest payable 554 548 Other liabilities 2,174 258 Net cash flows (used in) from operating activities (123,488) 5,425 INVESTING ACTIVITIES Purchase of investment securities (54,190) (4,644) Proceeds from disposal/redemption of investment securities 32,190 16,123 Purchase of property, equipment and software (110) (391)			
Other liabilities 2,174 258   Net cash flows (used in) from operating activities (123,488) 5,425   INVESTING ACTIVITIES Purchase of investment securities (54,190) (4,644)   Proceeds from disposal/redemption of investment securities 32,190 16,123   Purchase of property, equipment and software (110) (391)	Interest payable		
INVESTING ACTIVITIES (54,190) (4,644)   Purchase of investment securities 32,190 16,123   Purchase of property, equipment and software (110) (391)		2,174	258
Purchase of investment securities     (54,190)     (4,644)       Proceeds from disposal/redemption of investment securities     32,190     16,123       Purchase of property, equipment and software     (110)     (391)	Net cash flows (used in) from operating activities	(123,488)	5,425
Proceeds from disposal/redemption of investment securities32,19016,123Purchase of property, equipment and software(110)(391)	INVESTING ACTIVITIES		
Purchase of property, equipment and software (110) (391)	Purchase of investment securities	(54,190)	(4,644)
	Proceeds from disposal/redemption of investment securities	32,190	16,123
		(110)	
Proceeds from sale of property and equipment - 7	Proceeds from sale of property and equipment	-	7
Net cash flows (used in) from investing activities (22,110) 11,095	Net cash flows (used in) from investing activities	(22,110)	11,095
FINANCING ACTIVITY			
Dividends paid (5,000) (5,000)			
Cash flows used in financing activity (5,000) (5,000)	, , , , , , , , , , , , , , , , , , ,	(5,000)	(5,000)
NET MOVEMENT IN CASH AND CASH EQUIVALENTS (150,598) 11,520	NET MOVEMENT IN CASH AND CASH EQUIVALENTS	(150,598)	11,520
Cash and cash equivalents at 1 January 689,354 677,834	Cash and cash equivalents at 1 January	689,354	677,834
CASH AND CASH EQUIVALENTS AT 31 DECEMBER 538,756 689,354	CASH AND CASH EQUIVALENTS AT 31 DECEMBER	538,756	689,354

2018

42.861

(14,068)

28,793

4,856

(383)

270

752

99

34,387

(5,838)

28,549

7,798

1,004

4,747

13,549

15,000

2018

US\$'000

15,000

(4,321)

(1,847)

(6,168)

8,832

www.alubafbank.com, Swift: ALUBBHBM

US\$'000

The above is an extract of financial statements for the year ended 31 December 2019 which were approved by Board of Directors and on which Ernst & Young, auditors issued an unqualified audit report 10 February 2020.

Anthony C. Mallis Deputy Chairman	Moraja G. Solaiman Chairman		
Alubaf Arab International Bank B.	S.C(c)		
Alubaf Tower, Al-Seef District, Kingdom of Bahrain P.O. Box 11529, Tel: +973 17 517722, Fax: +973 17 5400	094		