

## STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2019

	2019 US\$'000	2018 US\$'000
Interest and similar income	44,226	42,861
Interest expense	(17,386)	(14,068)
<b>Net interest and similar income</b>	<b>26,840</b>	<b>28,793</b>
Fee and commission income	3,569	4,856
Gain (loss) on investments classified as FVTPL	535	(383)
Gain on investment securities - net	481	270
Foreign exchange gain - net	1,421	752
Other income	119	99
<b>OPERATING INCOME</b>	<b>32,965</b>	<b>34,387</b>
Reversal (charge) of provision for expected credit losses	8,469	(5,838)
<b>NET OPERATING INCOME</b>	<b>41,434</b>	<b>28,549</b>
Staff costs	8,736	7,798
Depreciation	881	1,004
Other operating expenses	3,076	4,747
<b>OPERATING EXPENSES</b>	<b>12,693</b>	<b>13,549</b>
<b>NET PROFIT FOR THE YEAR</b>	<b>28,741</b>	<b>15,000</b>

## STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2019

	2019 US\$'000	2018 US\$'000
<b>NET PROFIT FOR THE YEAR</b>	<b>28,741</b>	<b>15,000</b>
<b>Other comprehensive income:</b>		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
Fair value change in cash flow hedge	(442)	-
Unrealised fair value gain (loss) on investments classified as fair value through other comprehensive income (FVOCI)	8,455	(4,321)
Charge (reversal) for expected credit loss on FVOCI for the year	1,203	(1,847)
<b>Other comprehensive income (loss) for the year</b>	<b>9,216</b>	<b>(6,168)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>37,957</b>	<b>8,832</b>

## STATEMENT OF CASH FLOWS

For the year ended 31 December 2019

	2019 US\$'000	2018 US\$'000
<b>OPERATING ACTIVITIES</b>		
Net profit for the year	28,741	15,000
Adjustments for:		
(Reversal) charge of provision for expected credit losses	(8,469)	5,838
Depreciation	881	1,004
Amortisation of investments carried at amortised cost	326	536
Gain on investment securities - net	(481)	(270)
Unrealised (gain) loss on investments classified as FVTPL	(488)	325
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 liabilities	19,586	21,578
Changes in operating assets and liabilities:		
Balances with central bank	(127,002)	-
Deposits with banks and other financial institutions	(126,884)	15,400
Investments classified as fair value through profit and loss	11,977	4,558
Investment securities	(220)	(2,769)
Loans and advances	82,234	(35,895)
Interest receivable	391	116
Other assets	227	415
Deposits from banks and other financial institutions	2,200	75,013
Due to banks and other financial institutions	1,413	(45,634)
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
<b>INVESTING ACTIVITIES</b>		
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)
Proceeds from sale of property and equipment	-	7
Net cash flows (used in) from investing activities	(22,110)	11,095
<b>FINANCING ACTIVITY</b>		
Dividends paid	(5,000)	(5,000)
Cash flows used in financing activity	(5,000)	(5,000)
<b>NET MOVEMENT IN CASH AND CASH EQUIVALENTS</b>	<b>(150,598)</b>	<b>11,520</b>
Cash and cash equivalents at 1 January	689,354	677,834
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>538,756</b>	<b>689,354</b>

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

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## STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	Audited 2019 US\$'000	Audited 2018 US\$'000
<b>ASSETS</b>		
Cash and balances with central bank and other banks	428,235	364,769
Deposits with banks and other financial institutions	378,891	339,105
Investments classified as fair value through profit and loss	3,028	14,517
Investment securities	234,930	205,597
Loans and advances	92,740	163,338
Property, equipment and software	8,987	9,758
Interest receivable	6,237	6,628
Other assets	949	1,176
<b>TOTAL ASSETS</b>	<b>1,153,997</b>	<b>1,104,888</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
Deposits from banks and other financial institutions	646,770	644,570
Due to banks and other financial institutions	89,196	87,783
Due to customers	75,504	65,642
Interest payable	2,188	1,634
Other liabilities	9,315	7,192
<b>Total liabilities</b>	<b>822,973</b>	<b>806,821</b>
<b>Equity</b>		
Share capital	250,000	250,000
Statutory reserve	25,631	22,757
Retained earnings	37,219	26,352
Fair value reserve	3,174	(6,042)
Proposed dividend	15,000	5,000
<b>Total equity</b>	<b>331,024</b>	<b>298,067</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,153,997</b>	<b>1,104,888</b>

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

	Share capital US\$'000	Statutory reserve US\$'000	Retained earnings US\$'000	Fair value reserve US\$'000	Proposed dividend 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