



INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2019 (Reviewed)

	Reviewed 30 September 2019 US\$ '000	Audited 31 December 2018 US\$ '000
<b>ASSETS</b>		
Cash and balances with banks	1,474	1,206
Due from banks	996	8,496
Murabaha receivables	-	9,502
Mudaraba receivables	-	2,496
Financing receivables	839	841
Investment in sukuk	16,293	73,405
Investment in equities and funds	4,691	4,771
Equipment	135	137
Other assets	656	1,180
Investment in real estate	26,025	26,556
<b>TOTAL ASSETS</b>	<b>51,109</b>	<b>128,590</b>
<b>LIABILITIES AND OWNERS' EQUITY</b>		
<b>Liabilities</b>		
Due to short term sukuk investors and banks	-	74,271
Staff payables	897	1,494
Other liabilities	624	678
<b>Total liabilities</b>	<b>1,521</b>	<b>76,443</b>
<b>Owners' Equity</b>		
Share capital	59,039	59,039
Accumulated losses	(17,733)	(15,174)
Reserves	8,282	8,282
<b>Total owners' equity</b>	<b>49,588</b>	<b>52,147</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>51,109</b>	<b>128,590</b>

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the nine months ended 30 September 2019 (Reviewed)

	Three months ended 30 September		Nine months ended 30 September	
	2019 US\$ '000	2018 US\$ '000	2019 US\$ '000	2018 US\$ '000
<b>Income from:</b>				
Investment in sukuk	175	846	234	2,605
Investment in equities and funds	11	1	89	60
Due from banks and Murabaha receivables	38	68	132	161
Financing receivables	19	622	19	752
Mudaraba receivables	-	11	16	44
Less: Return to short term sukuk investors and banks	(72)	(573)	(823)	(1,587)
	171	975	(333)	2,035
Investment banking fees	71	217	215	358
Ijarah income	336	308	973	965
Other income	-	7	2	242
Foreign exchange loss	-	-	(1)	(2)
<b>OPERATING INCOME</b>	<b>578</b>	<b>1,507</b>	<b>856</b>	<b>3,598</b>
<b>OPERATING EXPENSES</b>				
Staff costs	543	541	2,049	1,775
Depreciation	173	181	533	543
Other general and administrative expenses	288	250	881	708
<b>OPERATING EXPENSES</b>	<b>1,004</b>	<b>972</b>	<b>3,463</b>	<b>3,026</b>
<b>NET (LOSS) PROFIT FOR THE PERIOD BEFORE IMPAIRMENT PROVISION</b>	<b>(426)</b>	<b>535</b>	<b>(2,607)</b>	<b>572</b>
Net reversals for credit losses	-	-	-	280
Unrealised fair value loss on investments in funds	-	-	-	(285)
Impairment recoveries (provision) on investments - net	-	(14)	48	9
<b>NET (LOSS) PROFIT FOR THE PERIOD</b>	<b>(426)</b>	<b>521</b>	<b>(2,559)</b>	<b>576</b>

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the nine months ended 30 September 2019 (Reviewed)

	Share capital US\$ '000	Reserves				Accumulated losses US\$ '000	Total owners' equity US\$ '000
		Statutory reserve US\$ '000	General reserve US\$ '000	Investment fair value reserve US\$ '000	Total reserves US\$ '000		
<b>Balance as of 1 January 2019</b>	<b>59,039</b>	<b>3,881</b>	<b>2,226</b>	<b>2,175</b>	<b>8,282</b>	<b>(15,174)</b>	<b>52,147</b>
Net loss for the period	-	-	-	-	-	(2,559)	(2,559)
<b>Balance at 30 September 2019</b>	<b>59,039</b>	<b>3,881</b>	<b>2,226</b>	<b>2,175</b>	<b>8,282</b>	<b>(17,733)</b>	<b>49,588</b>
Balance at 1 January 2018	59,039	3,881	2,226	2,460	8,567	(13,465)	54,141
Transition adjustment on adoption of FAS 30 as of 1 January 2018	-	-	-	-	-	(2,007)	(2,007)
Restated balance as of 1 January 2018	59,039	3,881	2,226	2,460	8,567	(15,472)	52,134
Net profit for the period	-	-	-	-	-	576	576
Cumulative changes in fair value	-	-	-	(285)	(285)	285	-
Balance at 30 September 2018	59,039	3,881	2,226	2,175	8,282	(14,611)	52,710

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2019 (Reviewed)

	Nine months ended 30 September	
	2019 US\$ '000	2018 US\$ '000
Net cash used in operating activities	(16,736)	(5,065)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(16,736)</b>	<b>(5,065)</b>
Cash and cash equivalents at 1 January	19,210	30,327
<b>CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER</b>	<b>2,474</b>	<b>25,262</b>

**Hassan Amin Jarrar** Chairman  
**Ameer Abdul Ghani** Director  
**Amer Sadiq** Chief Executive Officer

- These were extracted from the Interim Condensed Consolidated Financial Statements on which Ernst & Young issued an unqualified opinion dated 6<sup>th</sup> November 2019 which are available on LMC website.
- These Interim Condensed Consolidated Financial Statements have been authorized for issuance in accordance with a resolution of the board of Directors dated 6<sup>th</sup> November 2019
- The Group's total equity as at 30 September 2019 is US \$49,588 million which is less than the minimum capital requirement of US \$100 Million required under LR Module of Volume 2 of the Central Bank of Bahrain (CBB) rule book (LR-2.5.2B), and the Shareholders of the Bank, in their Extraordinary General Meeting ("EGM") held on 28 March 2019, passed a resolution approving the conversion of the Bank's license from an Islamic Wholesale Bank to an Investment Firm Category 1, subject to CBB approval.
- Liquidity Management Centre B.S.C. (c) is Licensed by the Central Bank of Bahrain as Wholesale Islamic Bank.

Liquidity Management Centre B.S.C. (c)