



INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2020

| | Reviewed 30 June 2020 US\$ '000 | Audited 31 December 2019 US\$ '000 |
|---|--|---|
| ASSETS | | |
| Cash and balances with banks | 2,376 | 2,233 |
| Due from banks | 1,000 | 1,000 |
| Financing receivables | - | 560 |
| Investment in sukuk | 16,331 | 16,560 |
| Investment in equities and funds | 4,691 | 4,691 |
| Equipment | 143 | 135 |
| Other assets | 730 | 388 |
| Investment in real estate | 25,553 | 25,866 |
| TOTAL ASSETS | 48,824 | 51,433 |
| LIABILITIES AND OWNERS' EQUITY | | |
| Liabilities | | |
| Staff payables | 1,312 | 1,254 |
| Other liabilities | 408 | 636 |
| Total liabilities | 1,720 | 1,890 |
| Owners' Equity | | |
| Share capital | 59,039 | 59,039 |
| Accumulated losses | (20,217) | (17,778) |
| Reserves | 8,282 | 8,282 |
| Total owners' equity | 47,104 | 49,543 |
| TOTAL LIABILITIES AND OWNERS' EQUITY | 48,824 | 51,433 |

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the six months ended 30 June 2020

| | Six months ended 30 June | |
|--|-----------------------------|-------------------|
| | 2020 US\$ '000 | 2019 US\$ '000 |
| Income from: | | |
| Investment in sukuk | 389 | 59 |
| Investment in equities and funds | - | 78 |
| Due from banks and Murabaha receivables | 10 | 94 |
| Mudaraba receivables | - | 16 |
| Less: Return to short term sukuk investors and banks | - | (751) |
| | 399 | (504) |
| Investment banking fees | 167 | 144 |
| Ijarah income | 643 | 637 |
| Other income | 364 | 2 |
| Foreign exchange loss | - | (1) |
| OPERATING INCOME | 1,573 | 278 |
| Staff costs | 485 | 1,506 |
| Depreciation | 315 | 360 |
| Other general and administrative expenses | 422 | 593 |
| OPERATING EXPENSES | 1,222 | 2,459 |
| NET PROFIT (LOSS) FOR THE PERIOD BEFORE IMPAIRMENT PROVISION | 351 | (2,181) |
| Net allowance for credit losses | (790) | - |
| Impairment (provision) recoveries on investments (including investment in real estate) | (2,000) | 48 |
| NET (LOSS) FOR THE PERIOD | (2,439) | (2,133) |

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the six months ended 30 June 2020

| | Reserves | | | | | | Total owners' equity US\$ '000 |
|--------------------------------|----------------------------|--------------------------------|------------------------------|--|-----------------------------|---------------------------------|-----------------------------------|
| | Share capital US\$ '000 | Statutory reserve US\$ '000 | General reserve US\$ '000 | Investment fair value reserve US\$ '000 | Total reserves US\$ '000 | Accumulated losses US\$ '000 | |
| Balance as of 1 January 2020 | 59,039 | 3,881 | 2,226 | 2,175 | 8,282 | (17,778) | 49,543 |
| Net loss for the period | - | - | - | - | - | (2,439) | (2,439) |
| Balance at 30 June 2020 | 59,039 | 3,881 | 2,226 | 2,175 | 8,282 | (20,217) | 47,104 |
| Balance at 1 January 2019 | 59,039 | 3,881 | 2,226 | 2,175 | 8,282 | (15,174) | 52,147 |
| Net loss for the period | - | - | - | - | - | (2,133) | (2,133) |
| Balance at 30 June 2019 | 59,039 | 3,881 | 2,226 | 2,175 | 8,282 | (17,307) | 50,014 |

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2020

| | Six months ended 30 June | |
|--|-----------------------------|-------------------|
| | 2020 US\$ '000 | 2019 US\$ '000 |
| Net cash flow from operating activities | 153 | 1,530 |
| Cash used in investing activity | (10) | - |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | 143 | 1,530 |
| Cash and cash equivalents at 1 January | 3,233 | 19,210 |
| CASH AND CASH EQUIVALENTS AT 30 JUNE | 3,376 | 20,740 |

* Note: The full consolidated statement of cash flows is available in LMC's website.

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 27th August 2020 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 27th August 2020
- Liquidity Management Centre B.S.C. (c) is Licensed by the Central Bank of Bahrain as Wholesale Islamic Bank.
- The Group's total equity as at 30 June 2020 is US\$ 47.104 million (31 December 2019: US\$ 49.543 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 27 April 2020, passed a resolution approving the conversion of the Bank's license from an Islamic Wholesale Bank to a Bahrain Shareholding Company subject to CBB approval.

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

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