

## Al Salam Bank Announces Financial Results for the Third Quarter and Period Ended 30 September 2023

**Manama, Bahrain – 12 November 2023** – Al Salam Bank (Bahrain Bourse Trading Code "SALAM", Dubai Financial Market Trading Code "SALAM\_BAH") announced today net profits attributable to shareholders of BD 10.45 million (US\$ 27.72 million) in the third quarter of 2023 compared to BD 6.77 million (US\$ 17.95 million) in the same quarter in 2022, reflecting a significant increase of 54%. The increase is predominantly driven by the growth in core banking activities and additional earnings derived from key strategic initiatives including uplifts from the acquisition of a majority stake in Al Salam Bank Algeria. Correspondingly, earnings per share increased to 4.2 fils (US\$ 11.1 cents) in Q3 2023 compared to 2.9 fils (US\$ 7.7 cents) for the same period in 2022. Total operating income for the quarter was BD 71.44 million (US\$ 189.50 million) – a 62% increase from the BD 44.16 million (US\$ 117.15 million) recorded in the third quarter of 2022.

For the nine-month period ended 30 September 2023, the Bank reported net profits attributable to shareholders of BD 31 million (US\$ 82.24 million) compared to BD 20.29 million (US\$ 53.81 million) for the same period in 2022, reflecting an increase of 53%. Earnings per share correspondingly increased to 12.4 fils (US\$ 32.9 cents) in Q3 2023 compared to 8.6 fils (US\$ 22.8 cents) for the same period in 2022. Total operating income for the nine months ended 30 September 2023 stood at BD 202.49 million (US\$ 537.11 million) compared to BD 101.05 million (US\$ 268.03 million) for the same period in 2022, reflecting an increase of 100%. Total shareholders' equity increased by 8.5% to BD 329.04 million (US\$ 872.78 million) period ended 30 September 2023 compared to BD 303.25 million (US\$ 804.38 million) as at 31 December 2022, driven by the net profits for the period.

Total assets increased by 27% to BD 4.97 billion (US\$ 13.18 billion) for the period ended 30 September 2023 up from BD 3.89 billion (US\$ 10.34 billion) as at year-end 31 December 2022. Financing assets increased by 30% in the first nine months of 2023 to BD 2.59 billion (US\$ 6.86 billion). The growth was driven by the organic growth of the Bank's operations coupled with the consolidation of Al Salam Bank Algeria. The Bank continued to maintain a strong capital adequacy ratio of 19.9% as of 30 September 2023.

His Excellency Shaikh Khalid bin Mustahil Al Mashani, Chairman of Al Salam Bank, commented: "We are delighted to announce a substantial increase in profitability, coupled with strong balance sheet growth. With the completion of two M&A transactions over the past two years, the Bank continues to successfully optimize its position to achieve ambitious growth aspirations. We have confidence that we will sustain our growth trajectory by implementing strategic initiatives centered around customer-centricity, digitization, and continued market share acquisition. The Bank is well positioned to deliver value to our shareholders despite market conditions and increased competition."

Mr. Rafik Nayed, Group Chief Executive Officer of Al Salam Bank, said: "We take pride in our robust balance sheet and profitability growth. Al Salam Bank continues to demonstrate its agility in successfully navigating volatile market conditions through identifying and seizing significant strategic opportunities. The Bank is now well positioned to continue to deliver strong results on a sustainable basis. We are committed to implementing our forward-looking initiatives enabling us to capitalize on emerging opportunities and to drive shareholder value."

The full set of the financial statements, which were reviewed by the external auditors, KPMG, are available on Bahrain Bourse's website.