



PRESS RELEASE

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## Al Baraka Banking Group Reports Net income Attributable to Equity Shareholder of US\$ 113 million for the Year Ended 31 December 2021

Manama | February 23, 2022

Al Baraka Banking Group BSC (ABG), Bahrain Bourse and Nasdaq Dubai trading code "BARKA" announced its financial results for the 2021 year including the fourth quarter of 2021.

For the fourth quarter of 2021, the Group reported a net income attributable to the equity holders of the ABG parent of US\$ 23 million compared to a loss of US\$ (380) thousand during the fourth quarter of 2020. The increase in net profit is due to a combination of factors including: expense control, reduction in provisions as well as tax savings compared to the same period last year. The Basic and Diluted Earnings per Share were US Cents 0.62 compared to US Cents (1.3) during the corresponding period of last year. Net income increased by 29.1% to US\$ 43 million in Q4/2021 compared to US\$34 million in Q4, 2020 and total operating income was US\$ 318 million in Q4/2021 (Q4/2020: US\$ 301 million, +5.8%).

For the full 2021 year results, the Group reported net income attributable to the equity holders of the ABG parent was US\$ 113 million compared to US\$ 67 million in 2020, marking an increase of 69.3%. Correspondingly, the Basic and Diluted Earnings per Share in 2021 were US Cents 6.71 compared to US Cents 2.90 in 2020.

Equity attributable to the parent's shareholders and Sukuk holders amounted to US\$ 1.39 billion by the end of December 2021 compared to US\$ 1.42 billion by the end of December 2020 marking a decrease of 2.5%. Total net income of US\$ 190 million for the full year 2021 compared to US\$ 166 million in 2020, reflecting an increase of 14.3%.

Currency devaluation in some of the key markets the Group operates in impacted its results. Total operating income of the Group stood at US\$ 1.04 billion in 2021 compared to US\$ 1.14 billion in 2020, a decrease of 8.6%. In addition to currency devaluation, this stemmed from higher cost of funding in some markets. Generally, improving economic conditions in the



countries the Group operates in led to a drop in provisions from US\$ 290 million in 2020 to US\$ 254 million.

Total equity stood at US\$ 2.06 billion compared to US\$ 2.22 billion by the end of December 2020 with a decrease of 7.4%.

Total assets of the Group decreased by 0.2% to US\$ 28.18 billion at the end of 2021 compared to US\$ 28.25 billion at the end of 2020.

Commenting on the Group's performance and results during the year 2021, the Chairman of the Board of Directors of Al Baraka Banking Group, Shaikh Abdullah Saleh Kamel said, "We continued to face economic headwinds in 2021 and dedicated our efforts to limit the impact on the Group. Placing our customers at the centre of everything we do, we overcame the challenges and adjusted our strategy to a more effective one that yields returns to our customers, shareholders and employees."

Shaikh Abdullah Saleh Kamel added, "We continue to work with the Central Bank of Bahrain on converting our current Islamic Wholesale Banking license in the Kingdom of Bahrain to a Category 1 Investment Firm license".

Member of the Board of Directors and Group Chief Executive Officer of Al Baraka Banking Group, Mr. Mazin Manna, said, "The economic conditions that bedevilled the world in 2020, gradually improved in 2021 and allowed us to register a decent set of results. Going forward, we will continue to strengthen our risk management and compliance culture and will work towards ensuring that our resources are focused on the markets and businesses that give us the best returns and growth potential whilst ensuring adequate control of overheads and expenditure".

This press release in addition to the financial statements are available on the Bahrain Bourse and Group website at: [www.albaraka.com](http://www.albaraka.com)

#### **About Al Baraka Banking Group (ABD):**

ABG has a wide geographical presence in the form of subsidiary banking units and representative offices in 17 countries, which in turn provide their services in more than over 600 branches. Al Baraka Banking Group has operations in Jordan, Egypt, Tunis, Bahrain, Sudan, Turkey, South Africa, Algeria, Pakistan, Lebanon, Saudi Arabia, Syria, Morocco and Germany, in addition to two branches in Iraq and representative offices in Indonesia and Libya.

The Group and its Units offer retail, corporate, treasury and investment banking services, strictly in accordance with the principles of the Islamic Shari'a. The authorized capital of ABG is US\$ 2.5 billion.

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