

BBK Financial Performance

for the year 2020

21 March 2021

Strategic Plans & Developments

2021 marks the last year of BBK's current 3 years Corporate Strategy plan.

The Bank will soon start on working on the next strategy for 2022-2024

BBK new strategy focuses on 2 pillars:

Strengthening core activities

Adapting latest FinTech innovations

The main strategic directions of the new strategy are as follows:

Revitalize international operations

Improve BBK's market share by being top digitally enabled relationship Retail bank in Bahrain

Grow retail products offerings

Grow Corporate banking business cautiously

Major Corporate Events

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- Women empowerment - Appointment of 5 women members to the Bank's and its subsidiaries' boards of directors reflects the keenness of BBK Group to enhance women's representation on their boards of directors.
- During March 2020, BBK announced the repayment of its USD 400 million bond, highlighting its robust financial position and high levels of liquidity. Funded by borrowing under REPO with a total amount of USD 1.05 billion at the end of the year 2020.
- Based on a regulatory directive issued by the CBB as concessionary measures to mitigate the impact of COVID-19, a one-off modification losses (net of Government grants) arising from the 6-month payment holidays provided to financing customers without charging additional interest has been recognized directly in equity. Furthermore, the Group have offered the customers an additional four months installments deferment option starting from beginning of September 2020. This has been extended by another six months up to June 2021 to further support our clients

Major Corporate Events

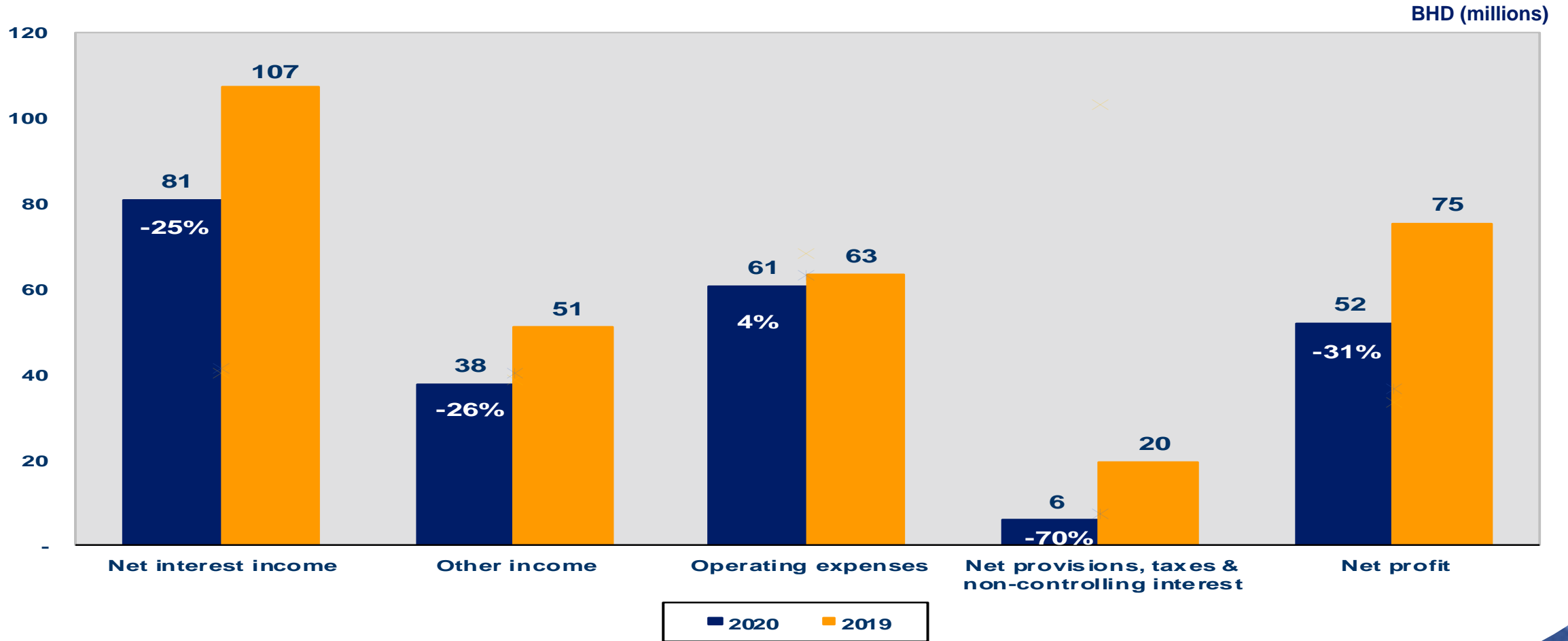
- The Bank was able to successfully launch a number of initiatives, including:
 - Rolling out the new state-of-the-art branches at City Center Mall and Tala Plaza features the BBKPlus digital zone with a range of self-service technologies.
 - The “BBK PLUS” application allowing customers to open instantly a number of savings accounts.
 - Introducing a new Digital Cash Management Platform “BBK BanKey”.
 - BBK introduces Bulk Deposit Machines for Corporate Clients at their own premises.
 - Launch of 2 training programs for Bahraini students as part of BBK Corporate Social Responsibility strategy BBKcares, focusing on Learning and Training.
 - The introduction of the open banking services.

Major Corporate Events

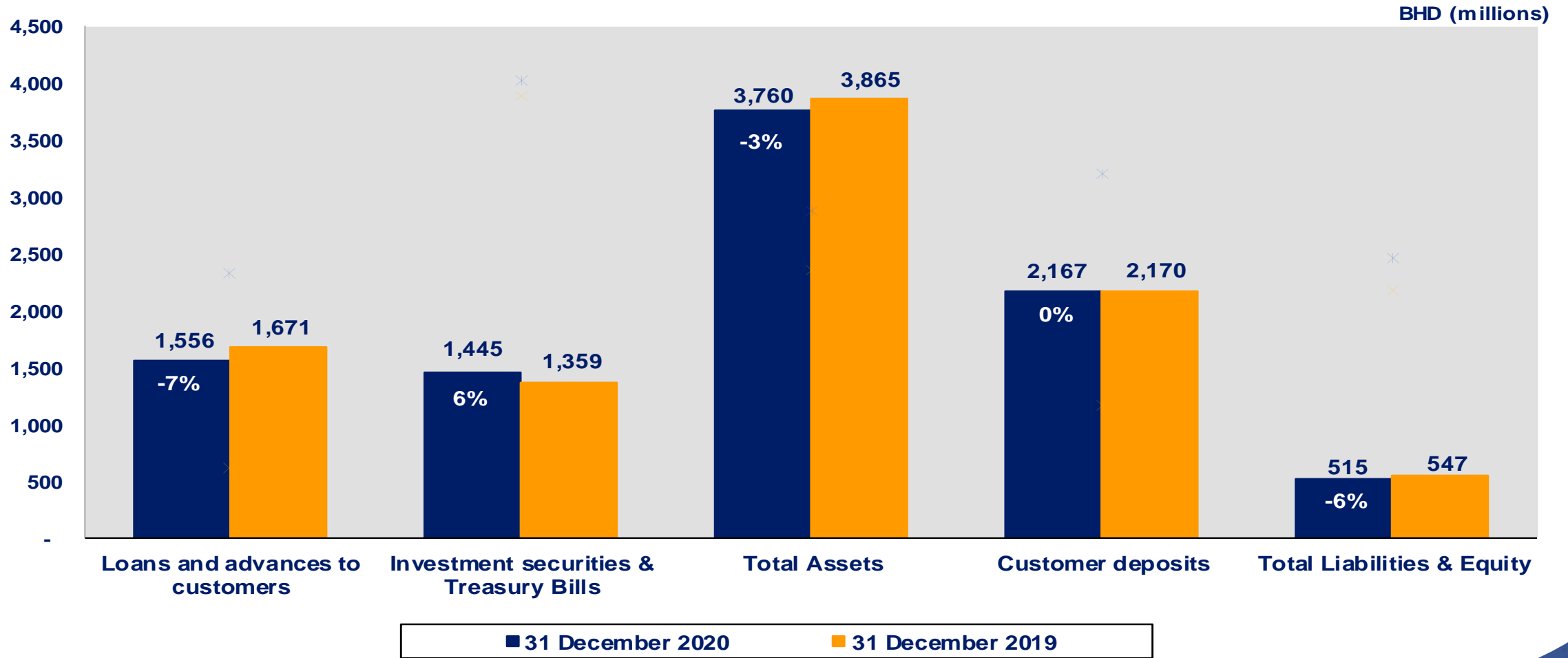
- As part of its social responsibilities, BBK continued its contribution to the community through various grants and donations.
- During the year the Bank and Ithmaar Holdings executed a memorandum of understanding to streamline the formal process of the potential acquisition of Ithmaar Bank Bahrain. Subsequently, the Bank has appointed the main financial advisor to start the due diligence.

Financial Highlights

Financial Performance For the year 2020



Financial Position At 31 December 2020



Profitability

Return on Average Equity	%
Return on Average Assets	%
Earning Per share	BHD
Cost/ Income	%

Full year 2020	Full year 2019
11.36	14.86
1.32	1.95
0.039	0.056
51.17	40.02

Assets Quality

Specific Coverage Ratio	%
ECL Coverage Ratio (ECL/ PL)	%
Gross NPL/ Gross Loans	%

61.22	73.98
1.89	1.57
6.27	5.88

Regulatory Ratios

CAR	%
NSFR	%
LCR	%

21.80	21.72
134.19	128.65
289.65	407.11

Q&A Session

Thank You