

## Directors Report

Al Baraka Group B.S.C. (c) delivered exceptional results in 2024, with net income jumping 9% to US\$308.5 million. This remarkable performance and the steady improvements to the Group's operations reflect our clear vision, robust business model, and adaptive strategies, as well as the high standards of professionalism among our team.

Our performance also highlights our ability to create more value for our shareholders while navigating a challenging global landscape. Rising funding costs, currency devaluation, persistent inflation, and geopolitical tensions posed significant hurdles during the year. Moreover, fluctuating interest rates and volatile currencies across our markets tested our adaptability. In response to these challenges, we implemented strategic measures to expand and restructure operations, streamline processes, and optimize costs.

### FINANCIAL PERFORMANCE

Al Baraka Group's total operating income reached US\$ 1.1 billion in 2024. The net income for the year was US\$ 308.5 million, up by 9% from last year. The net income attributable to the equity holders of the parent amounted to US\$ 157.3 million, higher by 10% than the US\$ 143.5 million achieved in 2023. The Basic and Diluted Earnings per Share in 2024 was US Cents 10.09 compared to US Cents 8.94 in 2023. The major contributor to the net income in 2024 was our subsidiary in Turkey, in addition to our Banks in Egypt and Jordan. Despite adverse foreign currency movements, the Group performed well, which is evidence of an efficient management of resources and the business in general. Our diversified income streams, particularly from increased financing and investment income, and lower cost of risk, helped stabilize the Group's overall financial performance.

To further strengthen our foundation, we prioritized diversifying our product offerings and enhancing fee income, with a focus on retail financing and low-cost deposits. Our proactive measures to manage inflationary pressures and rising operating costs enabled us to maintain a competitive cost-to-income ratio while delivering consistent value to our customers.

A major highlight of the year was our progress in digital transformation. By enhancing our digital capabilities, forming strategic partnerships with fintech leaders, and launching innovative products, we solidified our position as a leader in Islamic banking. Also, our Trade Finance Platform, now operational across all our markets, has created new opportunities for growth by strengthening connectivity within our network. Additionally, the launch of our cross-border account opening initiative reflects our commitment to delivering seamless financial services and supporting collaboration across our subsidiaries.

Our commitment to sustainability and social responsibility remains a cornerstone of our operations. In 2024, we supported global communities through impactful initiatives, advanced environmental sustainability, and the promotion of financial inclusion. Our soon-to-be-released ESG Report, which is aligned with international standards, will highlight our emphasis on transparency and governance and will reaffirm our commitment to ethical practices.

As we look to 2025, we are focused on accelerating income growth, expanding digital transformation, and enhancing collaboration across our Units. By maintaining disciplined cost management, robust liquidity, and a balanced maturity profile, we aim to ensure sustainable growth, profitability, and resilience in the years ahead.

I would like to express my sincere gratitude to our shareholders, customers, and employees for their ongoing support. The challenges of 2024 have only strengthened our resolve to succeed, and we remain committed to upholding the values set by our founding father, Sheikh Saleh Abdullah Kamel, May Allah Almighty have mercy on him. Together, we will continue our journey of excellence in Islamic finance.

May the peace, mercy, and blessings of Allah be upon you.

On behalf of the Board of Directors,



**Abdullah Saleh Kamel**  
Chairman



First. Board of directors' remuneration details:

Name	Fixed remunerations					Variable remunerations					End-of-service award	Aggregate amount	Expenses Allowance *****
	Remunerations of the chairman and BOD*	Total allowance for attending Board and committee meetings	Salaries**	Others****	Total	Remunerations of the chairman and BOD	Bonus	Incentive plans	Others *****	Total			
1. Shaikh Abdullah Saleh Kamel	52,212.470	9,048.000	-	-	61,260.470	-	-	-	-	-	-	61,260.470	-
2. Mr. Mohammed Al Shroogi	49,021.579	11,310.000	-	-	60,331.579	-	-	-	-	-	-	60,331.579	4,444.212
3. Mr. Tawfig Shaker Mufti	45,830.689	13,572.000	-	-	59,402.689	-	-	-	-	-	-	59,402.689	-
4. Mr. Housseem Ben Haj Amor	37,321.647	9,048.000	-	-	46,369.647	-	-	-	-	-	-	46,369.647	1,558.218
5. Dr. Khaled Abdulla Ateeq	54,339.731	15,834.000	-	-	70,173.731	-	-	-	-	-	-	70,173.731	1,830.849
6. Mrs. Dalia Hazem Khorshid	40,512.537	11,310.000	-	-	51,822.537	-	-	-	-	-	-	51,822.537	268.673
7. Dr. Ziad Ahmed Bahaeldin	43,703.428	13,572.000	-	-	57,275.428	-	-	-	-	-	-	57,275.428	577.217
8. Mr. Saud Saleh Al Saleh	39,448.907	9,048.000	-	-	48,496.907	-	-	-	-	-	-	48,496.907	738.671
9. Mr. Abdul Elah Abdul Rahim Sabbahi	40,512.537	9,048.000	-	-	49,560.537	-	-	-	-	-	-	49,560.537	-
10. Mr. Fahd bin Ibrahim Al Mufarrij	49,021.579	12,441.000	-	-	61,462.579	-	-	-	-	-	-	61,462.579	268.673
11. Mr. Masood Ahmed Al Bastaki	45,830.689	15,834.000	-	-	61,664.689	-	-	-	-	-	-	61,664.689	1,830.846
12. Mr. Naser Mohamed Ali Al Nuwais	47,957.949	12,441.000	-	-	60,398.949	-	-	-	-	-	-	60,398.949	2,944.215
13. Mr. Musa Abdel-Aziz Shihadeh ●	19,786.257	5,655.000	-	-	25,441.257	-	-	-	-	-	-	25,441.257	-
<b>Total</b>	<b>565,500.000</b>	<b>148,161.000</b>	<b>-</b>	<b>-</b>	<b>713,661.000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>713,661.000</b>	<b>14,461.574</b>

**Notes:**

All amounts stated in Bahraini Dinars.

Remunerations of the chairman and BOD:

\* Includes fixed remunerations and remunerations calculated by points system. The remuneration is the proposed amounts and are subject to approval by the Shareholders in the AGM.

**Salaries:**

\*\* Mr. Housseem Ben Haj Amor's salary is included in the Executive Management remuneration disclosure.

**Other remunerations:**

\*\*\* It includes in-kind benefits – specific amount - remuneration for technical, administrative and advisory works (if any).

\*\*\*\* It includes the board member's share of the profits - Granted shares (insert the value) (if any).

**Expenses Allowance:**

\*\*\*\*\* It includes Per-diem, Ticket and Hotel Fees.

● Mr. Musa Abdel-Aziz Shihadeh, a former member of the ABG Board of Directors, deceased on July 4, 2024



Second: Executive management remuneration details

Executive management	Total paid salaries and allowances	Total paid remuneration (Bonus)	Any other cash/ in kind remuneration for 2024	Aggregate Amount
Top 6 remunerations for executives, including CEO* and Senior Financial Officer**	BHD 1,291,587.646	BHD 866,718.500	BHD 193,316.866	BHD 2,351,623.012

Note: All amounts stated in Bahraini Dinars.

\* The highest authority in the executive management of the company, the name may vary: (CEO, President, General Manager (GM), Managing Director...etc.

\*\* The company's highest financial officer (CFO, Finance Director, ...etc)

**Abdullah Saleh Kamel**  
Chairman

**Mr. Mohamed Al Shroogi**  
Vice Chairman