

Al Salam Bank Announces Financial Results for the Third Quarter and Period Ended 30 September 2024

Manama-Bahrain. 12 November 2024 – Al Salam Bank (Bahrain Bourse Trading Code “SALAM”, Dubai Financial Market Trading Code “SALAM_BAH”) announced today net profits attributable to shareholders of BD 14.0 million (USD 37.2 million) for the third quarter of 2024 (“Q3 2024”) compared to BD 10.4 million (USD 27.7 million) in the same quarter in 2023, reflecting a significant increase of 34.3%. The increase in profitability was predominantly driven by the strong performance of the Group’s core banking operations, subsidiaries and associates.

Correspondingly, earnings per share increased to 4.9 fils (USD 13.0 cents) in Q3 2024 compared to 4.0 fils (USD 10.6 cents) for the same period in 2023. Total comprehensive income attributable to owners of the parent for the quarter increased by 127.9%, from BD 13.7 million (USD 36.4 million) in Q3 2023 to BD 31.3 million (USD 82.9 million). Total income for the quarter was BD 92.6 million (USD 245.5 million), a 48.1% increase from the BD 62.5 million (USD 165.7 million) recorded in the third quarter of 2023.

For the nine-month period ended 30 September 2024 (“September 2024”), the Bank reported net profits attributable to shareholders of BD 42.3 million (USD 112.3 million) compared to BD 31.0 million (USD 82.2 million) for the same period in 2023, reflecting an increase of 36.5%. Correspondingly, earnings per share increased to 15 fils (USD 39.8 cents) in September 2024 compared to 11.8 fils (USD 31.3 cents) for the same period in 2023. Total comprehensive income attributable to owners of the parent for the nine months period ended 30 September 2024 stood at BD 71.1 million (USD 188.6 million), reflecting an 80.2% increase from the BD 39.5 million (USD 104.7 million) reported in the same period in 2023. Total income for the nine months period ended 30 September 2024 stood at BD 255.4 million (USD 677.6 million), reflecting a 43.5% increase from the BD 178.0 million (USD 472.2 million) recorded for the same period in 2023.

Total equity attributable to the parents’ shareholders increased by 8.5% to BD 366.2 million (USD 971.4 million) compared to BD 337.4 million (USD 895.0 million) as of 31 December 2023 driven by the net profit generated during the period.

Total assets increased by 33.5% to BD 6.87 billion (USD 18.23 billion) for the period ended 30 September 2024 up from BD 5.14 billion (USD 13.65 billion) as of 31 December 2023 following the acquisition and consolidation of Kuwait Finance House (Bahrain) B.S.C. (c) in addition to the organic growth recorded during the period. Financing assets increased by 37.7% in the first nine months of 2024, closing at BD 3.68 billion (USD 9.77 billion). Despite the substantial growth in asset base, the Bank continued to maintain a strong capital adequacy ratio of 20.4% as of 30 September 2024.

His Excellency Shaikh Khalid bin Mustahil Al Mashani, Chairman of Al Salam Bank, commented: “Al Salam Bank continues to deliver sustainable shareholder value driven by aggressive market share acquisition, the optimization of key group assets, and the diversification of funding and asset base. Looking ahead, and as a diversified financial group, we are confident in our ability to achieve further growth from our Banking and Takaful assets in Bahrain and the region, and our upcoming Asset Management initiative in the Dubai International Financial Center under our new brand, ASB Capital.”

Rafik Nayed, Group Chief Executive Officer of Al Salam Bank, added: “We are very pleased with the Bank’s performance for the first nine months of 2024 during which we implemented many of our strategic initiatives. While we continue to deliver further growth, revenue diversification, and

optimization, the Bank is geared towards completing a successful and efficient integration of the KFH-Bahrain operations by Q4 2024 following the acquisition in Q2 2024. As the largest Islamic Bank in Bahrain and backed by our track record in M&A as the lead consolidator in our sector, we are proud of our ability to consistently deliver a seamless banking experience to our existing and new clients while we continue to deliver sustainable growth to our shareholders.”

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

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