

## Directors' Report

Al Baraka Group B.S.C. (c) delivered outstanding results in 2025, achieving an all-time high net income of US\$ 357 million. This exceptional performance reflects the strength of our business model, the discipline of our execution, and the strategic advantage of our diversified geographic footprint.

The year demanded focus and decisive action, with higher funding costs, currency devaluations, and elevated inflation placing pressure on operating conditions across several markets. The Group responded by sharpening its focus on expanding low-cost CASA deposits, enforcing strict budgetary control, optimizing the use of resources, and implementing targeted operational restructuring where needed. Combined with continued volume growth, these measures enabled the Group to maintain momentum and deliver our strongest year on record.

## Financial Performance

Al Baraka Group's total operating income reached US\$ 1.3 billion in 2025, compared to US\$ 1.1 billion in 2024. Net income for the year amounted to US\$ 357 million, versus US\$ 309 million in 2024, demonstrating the Group's ability to sustain strong profitability despite a more complex operating environment. Net income attributable to the equity holders of the parent reached US\$ 191 million in 2025, compared to US\$ 157 million the previous year. Basic and diluted earnings per share stood at US\$ cents 12.85 in 2025, compared to US\$ cents 10.09 in 2024.

The Group's performance was driven by sustained growth in financing and investment income, continued improvements in asset quality, and disciplined cost management. Supported by diversified income streams and prudent risk management, the Group delivered balanced contributions across its network while maintaining strong financial fundamentals.

Building on this momentum, the Group further strengthened its financial position by optimizing its funding mix, with a sustained focus on expanding low-cost CASA deposits and deploying resources more efficiently. This disciplined approach supported effective cost control and enabled the Group to continue delivering consistent value for customers and shareholders.

Operational growth remained robust across key markets in 2025, with Egypt emerging as a major contributor and Turkey together with Jordan leading in overall business volumes. These drivers helped deliver the Group's remarkable results, surpassing the record performance achieved in 2024, underpinned by balance sheet growth and prudent cost management.

## Governance and Oversight

Throughout the year, the Board maintained close oversight of the Group's strategic priorities, with a clear focus on risk management, digital transformation, and operational efficiency. Regular engagement with management on key risk indicators, progress against digital initiatives, and performance against Group-wide KPIs ensured alignment with our long-term objectives and supported effective decision-making across the Group.

This oversight directly informed several structural and governance initiatives aimed at strengthening execution and collaboration across the Group. These included cross-border account opening initiatives at the Unit level, expansion of inter-Group trade finance activities, enhancements to subsidiary governance frameworks, and continued automation and digitalization across operations. Strong Sharia governance remained a central pillar of the Group's operating model, supporting stability, confidence, and trust across all markets.

Maintaining a robust capital and liquidity position remained a key priority, with capital adequacy ratios maintained well above regulatory requirements, supported by diversified funding sources and sound liquidity management practices. During the year, the Group also continued to strengthen governance, compliance, leadership development and succession planning, with closer oversight of subsidiaries and more structured succession planning for senior management roles.

## Outlook

Building on the progress achieved in 2025, the Board's focus in 2026 will be on scaling up end-to-end digital products and services, enhancing customer experience, and improving operational efficiency. By harnessing advanced technologies, including artificial intelligence, the Group aims to drive smarter operations, accelerate automation, and lift productivity, while strengthening non-financing revenue streams to support more resilient growth.

As the Group undertakes this next phase of transformation, sustainability and social responsibility remain integral to our long-term vision. Continued progress across our ESG agenda and related initiatives reflects our continued commitment to ethical practices and nurturing the communities we serve.

In concluding, I would like to express my sincere gratitude to our shareholders, customers, and employees for their ongoing support; I would also like to thank the Unified Shari'a Supervisory Board, the Central Bank of Bahrain, the Ministry of Industry and Commerce and all the regulatory authorities of our subsidiaries for their wise guidance over the past year. We remain committed to upholding the values set by our founding father, Shaikh 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,

A handwritten signature in blue ink, appearing to be "Abdullah Saleh Kamel".

Abdullah Saleh Kamel  
Chairman



a) Board of directors' remuneration details :

Name	Fixed remunerations					Variable remunerations					End-of-service award	Aggregate amount (Does not include expense allowance)	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	49,383.703	5,655.000	-	-	55,038.703	-	-	-	-	-	-	55,038.703	377.000
2. Mr. Mohammed Al Shroogi	57,132.537	9,048.000	-	-	66,180.537	-	-	-	-	-	-	66,180.537	2,284.331
3. Mr. Tawfig Shaker Mufti	57,132.537	14,703.000	-	-	71,835.537	-	-	-	-	-	-	71,835.537	-
4. Mr. Housseem Ben Haj Amor	41,634.870	6,786.000	-	-	48,420.870	-	-	-	-	-	-	48,420.870	2,381.323
5. Dr. Khaled Abdulla Ateeq	69,530.672	14,703.000	-	-	84,233.672	-	-	-	-	-	-	84,233.672	3,075.025
6. Mrs. Dalia Hazem Khorshid	46,284.169	9,048.000	-	-	55,332.169	-	-	-	-	-	-	55,332.169	2,705.727
7. Dr. Ziad Ahmed Bahaaeldin	48,608.819	10,179.000	-	-	58,787.819	-	-	-	-	-	-	58,787.819	689.866
8. Mr. Saud Saleh Al Saleh	45,509.287	7,917.000	-	-	53,426.287	-	-	-	-	-	-	53,426.287	-
9. Mr. Abdul Elah Abdul Rahim Sabbahi	46,284.169	7,917.000	-	-	54,201.169	-	-	-	-	-	-	54,201.169	-
10. Mr. Fahd bin Ibrahim Al Mufarrij	54,033.005	10,179.000	-	-	64,212.005	-	-	-	-	-	-	64,212.005	1,481.034
11. Mr. Masood Ahmed Al Bastaki	57,132.537	14,703.000	-	-	71,835.537	-	-	-	-	-	-	71,835.537	2,807.972
12. Mr. Naser Mohamed Ali Al Nuwais	49,383.701	10,179.000	-	-	59,562.701	-	-	-	-	-	-	59,562.701	1,799.088
<b>Total</b>	<b>622,050.000</b>	<b>121,017.000</b>	<b>-</b>	<b>-</b>	<b>743,067.000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>743,067.000</b>	<b>17,601.366</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 minister of industry and commerce and 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 (if any).

**Expenses Allowance:**

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



b) Executive management remuneration details :

Executive management	Total paid salaries and allowances	Total paid remuneration (Bonus)	Any other cash/ in kind remuneration for 2025	Aggregate Amount
Top 6 remunerations for executives, including CEO* and Senior Financial Officer**	BHD 1,327,204.763	BHD 1,397,719.460	BHD 271,713.953	BHD 2,996,638.176

**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

Mohamed Al Shroogi  
Vice Chairman