

## **BBK discloses its financial results for the quarter ended 31<sup>st</sup> March 2022**

BBK (trading code BBKB.BH) announces its financial results for the quarter ended 31<sup>st</sup> March 2022. The Group achieved a net profit attributable to the owners of the bank of BD 15.1 million compared to BD 14.3 million achieved during the same period of last year, representing an increase of 5.6%. The basic and diluted earnings per share amounted to 9 fils, on par with last year. Total comprehensive income attributable to the owners of the bank for the three months ended 31<sup>st</sup> March 2022 amounted to BD 28.7 million, an increase of 55.1% compared to the BD 18.5 million achieved during the same period of last year.

Total revenues (including share of income from associated companies and joint ventures) for the quarter has increased by 11.7% from BD 28.2 million achieved during last year to BD 31.5 million achieved this year. This increase was driven by an increase in the bank's share of profit from associated companies and joint ventures to BD 2.3 million, compared to a share of loss of BD 1.4 million during last year, and increase in fees and commission income by 19.4% from BD 3.6 million achieved during the first quarter of 2021 to BD 4.3 million during the current year. On the other hand, investment and other income was lower by 9.8% to stand at BD 4.6 million (BD 5.1 million during the same period of last year), and net interest income was slightly lower by 2.9% at BD 20.3 million (BD 20.9 million during the same period of last year). Furthermore, the bank's continuous investment in its strategic initiatives and human capital led to an increase in total operating costs to BD 15.4 million compared to BD 14.0 million during the same period of last year, an increase of 10.0%. In addition, net provision charges for the first quarter of the current year amounted to BD 0.8 million, compared to a write-back of BD 0.3 million during the same period of last year.

The growth in total comprehensive income was led by the significant increase in the valuation of investment securities, in addition to higher net profit.

The total shareholders' equity attributable to the owners of the Bank as of end of March 2022 stood at BD 539.7 million lower than 31<sup>st</sup> December 2021 of BD 542.8 million, mainly due to the cash dividend payment declared to shareholders during the first quarter of 2022, partially offset by interim profit and increase in investment securities' fair value reserve.

The total assets by the end of March 2022 reached BD 3,708.1 million (31<sup>st</sup> December 2021: BD 3,672.7 million), registering a slight increase of 1.0%. Cash and balances with central banks increased by 38.4% to reach BD 394.1 million (31<sup>st</sup> December 2021: BD 284.8 million), treasury bills increased by 6.7% to stand at BD 298.0 million (31<sup>st</sup> December 2021: BD 279.2 million), and net loans and advances to customers increased by 1.4% to BD 1,629.5 million (31<sup>st</sup> December 2021: BD 1,607.2 million). On the other hand, deposits and amounts due from banks and other financial institutions decreased by 34.3% to BD 221.8 million (31<sup>st</sup> December 2021: BD 337.5 million) and investment securities dropped by 2.0% to BD 966.3 million (31<sup>st</sup> December



2021: BD 985.8 million). Customer deposits stood at BD 2,130.2 million (31<sup>st</sup> December 2021: BD 2,125.6 million) continued to be the bank's core source of stable funding, with a comfortable net loans to customer deposits ratio of 76.5% (31<sup>st</sup> December 2021: 75.6%).

Commenting on the bank's results, the Board of Directors stated "we are delighted with the good financial performance, and the bank's ability to continue to provide attractive returns to its shareholders. This robust performance was achieved despite the massive challenges and instability in the operating environment worldwide, reflecting BBK's resilience and the success of its business model. We believe that our success in BBK is always linked to the success of our stakeholders and the welfare of the communities in which we operate, thus supporting our stakeholders and the communities in which we operate to navigate through such dynamic and challenging environment is a core value. As the Bank celebrates its 50 years of leadership and innovation, we are looking back with pride to our numerous achievements in the past, and we look forward with optimism to further support our nation, stakeholders and the communities in which we operate to achieve their aspirations, and to continue providing attractive returns to our shareholders".

Also commenting on the results, Dr. AbdulRahman Saif, BBK's Group CE said "the first quarter of 2022 was another bright chapter in BBK's long history of success and innovation. The robust financial performance is a living testament of the success of the bank's strategic plan 2019-2021 which was achieved at extremely exceptional circumstances. This success will be our stepping stone for pursuing more ambitious objectives as the year 2022 marks the start of the new strategic cycle. Digital transformation will continue to be the main theme of our new strategic cycle, while at the same time we will aim to target organic and inorganic growths. All of this came at a time where the Bank celebrates its Golden Jubilee, as the Bank continues to lead a journey of leadership and innovation, offering the best financial and banking services in the Kingdom of Bahrain. We are totally committed to continue the journey with the same passion and determination, to continue rewarding our shareholders with attractive returns, to continue supporting our customers with innovative products and services, and to continue supporting the current and future aspirations of all our stakeholders and the communities in which we operate. BBK launched various initiatives in terms of banking products and community investments to celebrates its 50<sup>th</sup> anniversary, and many other initiatives will be announced during the year."

The full set financial statements and the press release are available on Bahrain Bourse's website.