

## Immediate Release

### **BBK discloses its financial results for the year ended 31st December 2023**

BBK (trading code BBK) announces its financial results for the year ended 31<sup>st</sup> December 2023 with a net profit attributable to the owners of the Bank of BD 74.5 million, representing an increase of 15.7% over the net profit of the previous year.

#### **For the fourth quarter of 2023:**

The Bank achieved a net profit attributable to the owners of the Bank of BD 17.9 million, 10.1% lower than the net profit of BD 19.9 million achieved during the corresponding period of last year. The basic and diluted earnings per share for the fourth quarter amounted to 10 fils compared to 12 fils during last year. The decrease in net profit was mainly attributable to the higher share of loss from associates and joint ventures.

Total comprehensive income attributable to the owners of the Bank amounted to BD 24.0 million during the fourth quarter of 2023, compared to BD 54.7 million during the same period of last year, representing a decrease of 56.1%. This is mainly attributable to the decrease in the fair value reserve of investment securities during the year.

#### **For the full financial year ended 31st December 2023:**

BBK achieved a net profit attributable to the owners of the Bank of BD 74.5 million compared to BD 64.4 million achieved during the previous year, representing an increase of 15.7%. The basic and diluted earnings per share amounted to 43 fils compared to 37 fils during the prior year.

The total comprehensive income attributable to the owners of the Bank for the year 2023 amounted to BD 84.4 million, compared to BD 84.5 million reported during last year. The decrease is mainly related to a lower increase in market valuations during the year, which was compensated for by higher net profit from core activities.

The increase in net profit was mainly attributable to higher net interest income due to active balance sheet management in addition to the well positioning of the Bank's liquidity and assets toward market conditions and interest rates. On the other hand, the share of income from associate companies and joint ventures has decreased, while operating expenses increased mainly due to BBK's strong belief in investing in its human capital, as well as efforts towards implementing various strategic and business initiatives which aim to provide customers with better banking experience.

Total shareholders' equity attributable to the owners of the Bank increased to BD 611.1 million as of end of December 2023, compared to BD 596.3 million as of end of the financial year 2022, an increase of 2.5%. The increase is mainly related to the improvement in investment securities' market valuations as well as net profit recorded during the year.

Total assets increased by 3.9% to reach BD 3,901.9 million as of end of December 2023 compared to BD 3,753.9 million reported at end of financial year 2022. The increase is mainly related to cash and balances with central banks and the treasury bills portfolio.

Based on the positive financial results for the year ended 31<sup>st</sup> December 2023, the Board of Directors recommended paying cash dividend of 30 fils per share (including 10 fils interim dividend paid earlier) and stock dividend of 5% per share equivalent to 5 shares for every 100 shares for the year 2023 for the shareholders registered with the Bank on the record date, subject to the approvals of the regulatory authorities and the shareholders at the Annual General Meeting (AGM).

Commenting on the financial results, the Board of Directors expressed their satisfaction stating, "BBK's outstanding financial performance reflects the bank's ability to perform despite the challenging economic environment, which is demonstrated with the net profit nearing pre-COVID-19 levels. BBK's robust business model, strategic initiatives, and the capabilities of the team all contribute to its success. As the final year of our current 2022-2024 strategic cycle approaches, the focus remains on achieving the strategic goals which emphasize digital transformation, sustainability and enhancing customer experience".

Dr. AbdulRahman Saif, BBK's Group Chief Executive added "BBK's remarkable achievement during 2023 expressed with a strong financial performance, highlights the ongoing efforts to achieve its strategic goals and provide the best services to our customers. Despite the low economic growth as compared to pre-COVID level, BBK has continued to excel through balance sheet optimization and achieving various initiatives aimed at enhancing customer experience, which was reflected in strong financial results driven mainly from core business activities".

"Such initiatives included introducing "BBK Business" platform which provides digital services and onboarding capabilities to Corporates and Small & Medium Enterprises (SMEs), launch of wealth management platform which is integrated with our unified mobile application, and expanding our digital presence, through opening new Sitra Branch which provides a self-service BBKPLUS Zone equipped with cutting-edge digital services aimed at easing the customers' experience".

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