Al Baraka Group delivers record performance

Reports 2025 total net income of USD 357 Million and Assets exceeding USD 31 Billion

The performance was driven by a robust momentum across all banking subsidiaries, a significant increase in operating income, and a qualitative expansion in commercial activities

Manama

Al Baraka Group continued to deliver record-breaking results, announcing its strongest financial performance in its history for the year ended 2025. The performance was driven by a robust momentum across all banking subsidiaries, a significant increase in operating income, and a qualitative expansion in commercial activities throughout the Group's banking network.

Against an increasingly challenging and volatile global economic backdrop, the Group once again demonstrated its exceptional ability to convert uncertainty into opportunity. Net income attributable to the shareholders of the parent company for the fourth quarter of 2025 increased by 41% to USD 47 million, compared with USD 33 million for the same period in 2024, reflecting the strength of the Group's business model and superior operational efficiency. Basic earnings per share rose to US cents 2.44 in Q4 2025, compared with US cents 1.31 in Q4 2024.

The Group also recorded a 93% increase in total comprehensive income attributable to the shareholders of the parent company during the last three months of 2025, reaching USD 44 million compared with USD 23 million in the corresponding period of 2024, supported by improved subsidiary performance and effective foreign exchange risk management.

Total net income for the fourth quarter of 2025 grew by 36% to USD 90 million, compared with USD 66 million for the same period in 2024, underscoring the strong business momentum achieved towards the year-end.

Furthermore, the Group reported a 57% increase in total comprehensive income during Q4 2025, reaching USD 85 million compared with USD 54 million for the same period in 2024, driven by enhanced subsidiary performance and prudent management of currency fluctuation risks.

For the full year 2025, net income attributable to shareholders of the parent company increased by 21% to USD 191 million, compared with USD 157 million in 2024. Basic earnings per share for 2025 rose to US cents 12.85, compared with US cents 10.09 in the previous year, demonstrating the Group's success in enhancing shareholder returns.

Total net income increased by 16% to reach USD 357 million in 2025, compared with USD 309 million in 2024, representing the highest annual profitability level in the Group's history.

ABG also achieved a 264% upsurge in total comprehensive income attributable to shareholders of the parent company during 2025, reaching USD 170 million compared with USD 47 million in 2024, supported by stronger subsidiary results and effective foreign currency risk management.

This strong performance reflects the Group's continued success in executing balanced growth strategies focused on expanding high-quality financing portfolios, strengthening investment products, diversifying income streams through cross-border services—particularly trade finance—, enhancing retail banking and digital service delivery, and further improving risk, liquidity, and capital management efficiency.

Additionally, ABG recorded a 99% increase in total comprehensive income during 2025, reaching USD 293 million compared with USD 147 million in 2024, primarily driven by foreign currency translation reserves.

Total assets grew by 18% to reach USD 31 billion, representing the highest level since the Group's inception. This growth was driven by strong expansion in customer deposit bases across its banking subsidiaries, particularly in Turkey, Jordan, and Egypt, which were effectively deployed into financing, investment, and commercial activities.

On this occasion, Shaikh Abdullah Saleh Kamel, Chairman of Al Baraka Group, stated:

"2025 was not merely a year of growth; it was a year in which the Group reaffirmed its ability to consistently generate sustainable value and strong returns even in the most challenging economic environments. These record results stand as clear testimony to the resilience of our business model and the strength of our banking network spanning three continents."

Mr. Houssem Ben Haj Amor, Board Member and Group Chief Executive Officer, commented:

"Our achievements in 2025 are the outcome of our disciplined approach centered on executing long-term strategic initiatives, making prudent investments in talent, technology, and cross-border product offerings, while simultaneously strengthening our compliance culture and enhancing operational and trade finance control frameworks."

Al Baraka Islamic Bank B.S.C.(c)

CONSOLIDATED FINANCIAL STATEMENTS 31 December 2025 (Audited)

alBaraka Bank

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 December 2025

	2025 BD'000	2024 BD'000
ASSETS		
Cash and balances with banks and financial institutions	**58,319**	58,986
Receivables	**259,146**	177,556
Ijara muntahia bittamleek and ijara receivables	**216,207**	217,460
Musharakat	**117,634**	74,358
Investments	**377,729**	377,729
Investment in joint venture	**-**	6,511
Investments in real estate	**3,247**	2,911
Premises and equipment	**30,257**	29,920
Intangibles and goodwill	**9,185**	8,251
Other assets	**22,092**	16,535
TOTAL ASSETS	**1,093,816**	970,217
LIABILITIES, QUASI EQUITY AND OWNERS' EQUITY		
Liabilities		
Current accounts	**126,860**	109,954
Murabaha and other payables	**-**	45,939
Other liabilities	**46,264**	40,337
Total liabilities	**173,124**	196,230
QUASI EQUITY		
Participatory investment accounts	**842,212**	692,335
Subordinated mudaraba	**2,347**	2,361
Total quasi equity	**844,559**	694,696
Owners' equity		
Share capital	**57,100**	57,100
Perpetual equity-type instruments	**36,192**	36,192
Reserves	**(8,307)**	(9,074)
Accumulated losses	**(18,773)**	(14,638)
Equity attributable to parent's shareholders	**66,212**	69,580
Non-controlling interests	**9,921**	9,711
Total owners' equity	**76,133**	79,291
TOTAL LIABILITIES, QUASI EQUITY AND OWNERS' EQUITY	**1,093,816**	970,217
OFF-BALANCE SHEET ITEMS:		
ASSETS UNDER MANAGEMENT	**464,558**	339,724
CONTINGENCIES AND COMMITMENTS	**96,332**	74,088

CONSOLIDATED STATEMENT OF INCOME
For the year ended 31 December 2025

	2025 BD'000	2024 BD'000
Income from financing	**38,257**	44,654
Income from investments	**29,407**	40,114
Share of income from investment in joint venture	**-**	220
Income from banking services	**3,093**	2,611
Other income	**3,754**	3,046
Group's mudarib / agency fee from off-balance assets under management	**47**	51
TOTAL INCOME	**74,558**	90,696
Cost of murabaha and other payables	**(1,253)**	(8,453)
TOTAL OPERATING INCOME BEFORE ATTRIBUTION TO QUASI EQUITY	**73,305**	82,243
Net income attributable to quasi-equity	**(43,223)**	(53,076)
TOTAL OPERATING INCOME	**30,082**	29,167
OPERATING EXPENSES		
Staff cost	**(12,496)**	(12,347)
Depreciation and amortization	**(4,342)**	(4,316)
Other operating expenses	**(13,626)**	(12,771)
TOTAL OPERATING EXPENSES	**(30,464)**	(29,434)
NET OPERATING LOSS	**(382)**	(267)
Reversals / (allowances) for impairment - net	**507**	(1,813)
NET INCOME / (LOSS) BEFORE TAXATION	**125**	(2,080)
Taxation	**(3,082)**	(5,520)
LOSS FOR THE YEAR	**(2,957)**	(7,600)
Attributable to:		
Equity of the parent's shareholders	**(4,067)**	(9,695)
Non-controlling interests	**1,110**	2,095
	(2,957)	(7,600)

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2025

	2025 BD'000	2024 BD'000
OPERATING ACTIVITIES		
Net income / (loss) before taxation	**125**	(2,080)
Adjustments for :		
Depreciation and amortization	**4,342**	4,316
(Reversals) / allowances for impairment - net	**(507)**	1,813
Gain on sale of premises and equipment	**(110)**	(15)
Loss on sale of investments	**861**	475
Unrealized gains on remeasurement of investment in real estate	**(326)**	-
Share of income from investment in joint venture	**-**	(220)
Operating profit before changes in operating assets and liabilities	**4,385**	4,289
Net changes in operating assets and liabilities:		
Balances with central banks in mandatory reserves	**(10,112)**	3,378
Receivables	**(39,222)**	(6,218)
Ijara muntahia bittamleek and ijara receivables	**982**	21,590
Musharakat	**(42,985)**	(13,699)
Other assets	**(5,541)**	(30)
Other liabilities	**6,325**	(2,854)
Murabaha and other payables	**(45,939)**	(106,235)
Current accounts	**16,905**	12,383
Participatory investment accounts	**149,877**	54,002
Tax paid	**(4,840)**	(5,201)
Net cash generated from / (used in) operating activities	**29,835**	(38,595)
INVESTING ACTIVITIES		
Purchase of investments	**(530,385)**	(333,768)
Proceeds from sale / redemption of investments	**529,799**	353,954
Net purchase of premises and equipment	**(4,174)**	(4,038)
Liquidation of investment in joint venture	**6,510**	-
Net cash generated from investing activities	**1,750**	16,148
FINANCING ACTIVITIES		
Net movement in subordinated mudaraba	**(14)**	(2,155)
Dividend paid by subsidiary	**(287)**	-
Zakah paid	**(68)**	(73)
Net cash used in financing activities	**(369)**	(2,228)
Foreign currency translation adjustments	**(141)**	(380)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**31,075**	(25,055)
Cash and cash equivalents at beginning of the year	**47,436**	72,491
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	**78,511**	47,436

During the year, right-of-use assets increased by BHD 1.161 million (2024: BHD 0.675 million), with corresponding additions to ijara liabilities of BHD 2.390 million (2024: BHD 0.098 million).

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY
For the year ended 31 December 2025

	Equity attributable to shareholders of the parent											
			Reserves									
	Share capital BD'000	Perpetual equity-type instruments BD'000	Statutory BD'000	General BD'000	Employee defined benefit plan BD'000	Cumulative changes in fair value of Investments BD'000	Revaluation of premises and equipment BD'000	Foreign exchange BD'000	Accumulated losses BD'000	Equity attributable to parent's shareholders BD'000	Non-controlling interest BD'000	Total owners' equity BD'000
Balance at 1 January 2025	**57,100**	**36,192**	**9,845**	**3,275**	**(129)**	**2,452**	**113**	**(24,630)**	**(14,638)**	**69,580**	**9,711**	**79,291**
(Loss) / income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(4,067)**	**(4,067)**	**1,110**	**(2,957)**
Other comprehensive (loss) / income for the year	**-**	**-**	**-**	**-**	**(77)**	**944**	**-**	**(100)**	**-**	**767**	**(613)**	**154**
Distribution of Zakat	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(68)**	**(68)**	**-**	**(68)**
Dividend paid by subsidiary	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(287)**	**(287)**
Balance at 31 December 2025	**57,100**	**36,192**	**9,845**	**3,275**	**(206)**	**3,396**	**113**	**(24,730)**	**(18,773)**	**66,212**	**9,921**	**76,133**
Balance at 1 January 2024	57,100	36,192	9,845	3,275	(109)	2,595	119	(24,835)	(4,870)	79,312	7,251	86,563
(Loss) / income for the year	-	-	-	-	-	-	-	-	(9,695)	(9,695)	2,095	(7,600)
Other comprehensive (loss) / income for the year	-	-	-	-	(20)	(143)	-	205	-	42	365	407
Distribution of Zakat	-	-	-	-	-	-	-	-	(73)	(73)	-	(73)
Deferred tax adjustment on revaluation of premises and equipment	-	-	-	-	-	-	(6)	-	-	(6)	-	(6)
Balance at 31 December 2024	57,100	36,192	9,845	3,275	(129)	2,452	113	(24,630)	(14,638)	69,580	9,711	79,291

These statements have been extracted from financial statements audited by PricewaterhouseCoopers, who expressed an unqualified opinion on 24 February 2026

Sabah Khalil Al Moayyed
Chairperson

Akram Yassin
Vice Chairman

Dr. Adel Abdulla Salem
Chief Executive Officer

YOUR PARTNER BANK

Al Baraka Islamic Bank B.S.C.(c), P.O. Box 1882 Manama, Kingdom of Bahrain, (An Islamic Retail Bank - Licensed by the Central Bank of Bahrain)

www.albaraka.bh