

Al Baraka Group B.S.C.

# SUMMARY DOCUMENTS OF E-ORDINARY GENERAL MEETING

**Wednesday, 22 March 2023**

Electronic AGM Services (eAGM)  
Manama, Kingdom of Bahrain



*Your Partner Bank*



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## Invitation to the e-Ordinary General Meeting

The Board of Directors of Al Baraka Group B.S.C (C.R No. 48915-1) is pleased to invite you to attend the e-Ordinary General Assembly meeting at 11:00 am (Bahrain Time) on Wednesday March 22<sup>nd</sup> 2023 under the administration of Bahrain Clear company, in order to consider the agenda items set below and pass appropriate resolutions regarding them. In the event that the quorum is not complete or a technical issue/glitch occurs during the meeting at the electronic platform, the second or third meeting of the Ordinary General Assembly will be held electronically at the same time and as per the below notes No. (9):

1. To approve the minutes of the Ordinary General Assembly meeting held on March 30<sup>th</sup> 2022.
2. To discuss and approve the Directors Report on the activities of the Bank for the Financial Year ended on December 31<sup>st</sup> 2022.
3. To review the Unified Sharia Supervisory Board's Report for the financial year ended on December 31<sup>st</sup> 2022.
4. To review the External Auditors' report for the financial year ended on December 31<sup>st</sup> 2022.
5. To discuss and approve the consolidated financial statements for the financial year ended on December 31<sup>st</sup> 2022.
6. To approve the related parties' transactions as stated in note No. (26) of the above financial statements, which accommodates with the Article 189 of the Commercial Companies Law.
7. To approve the following Board of Directors' recommendations, after obtaining the required official approvals:
  - a. The transfer of 10% of the Net Income attributable to equity holders of the Parent amounting to US\$ 14,311,590 to the Statutory Reserve.
  - b. The transfer of US\$ 128,804,312 to the Retained Earnings.
8. To approve a remuneration of US\$ 1.5 Million to the Members of the Board of Directors for the financial year ended on December 31<sup>st</sup> 2022, after obtaining the required approval from the Minister of Industry & Commerce.
9. Election of 12 members out of 13 at the Group Board of Directors for a new term of three years from the date of election (March 2023 - March 2026) and the appointment of the Group's CEO as the 13th member, subject to the approval of the Central Bank of Bahrain (the CEO's appointment at the board as an "executive member" based on his capacity as CEO and according to the Article No. 24 of the Group's Articles of Association).
10. To approve the appointment of the Unified Sharia Supervisory Board for a new term of three years (2023-2026) from the date of appointment based on the recommendation of the Board of Directors, and authorizing and empower the Board of Directors to determine the aggregate annual benefits and remuneration for the members of the Unified Sharia Supervisory Board.
11. To review the Corporate Governance Report as per the instruction of the Central Bank of Bahrain:
  - a. To review the evaluation of the Board, Board Members and Board Committees (included in the annual report distributed to shareholders).
  - b. To review the Board Members attendance percentage report for the board meetings for the year 2022 (included in the annual report distributed to shareholders).
12. To authorize the management of Al Baraka Group to pay an amount of US\$ 609,589 as Zakat on behalf of all shareholders amounting to US Cent 4.96 for each 100 shares, and to approve that the amount to be deducted directly from the retained earnings, and the management has the right to authorize whomever it deems appropriate to distribute the Zakat to the parties entitled to it.
13. To absolve the Directors from liability for the Financial Year ended on December 31<sup>st</sup> 2022.
14. To approve the aggregate benefits and remuneration of US\$ 105,000 to the members of the Unified Sharia Supervisory Board for the financial year ended on December 31<sup>st</sup> 2022.



## Invitation to the e-Ordinary General Meeting

15. To ratify the recommendation of the Board of Directors to re-appoint Messrs. PricewaterhouseCoopers as External Auditors for Al Baraka Group for the financial year ending on December 31<sup>st</sup> 2023, and to authorize and empower the Board of Directors or its delegate to determine their remuneration, subject to the approval of the Central Bank of Bahrain.
16. To discuss any urgent matter arises according to Article 207 of Commercial Companies Law No. 21/2001 and its amendments.

**Notice:** The Draft resolutions for the above items and the passing quorum for voting on each will be available electronically with the rest of the meeting attachments on Al Baraka Group and Bahrain Clear Company's website before sufficient time of the meeting.

All shareholders who intend to attend the meeting, or whomever they authorize, are kindly requested to register in advance to receive the invitation and the meeting link, by adhering to the required steps as per the following link: <https://eagm.bahrainclear.com/en/>

**Abdulla Saleh Kamel**  
Chairman

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### Notes:

1. Registration of the attendance for the shareholders and proxyholders will start electronically 24 hours before the meeting time by visiting the above link of Bahrain Clear.
2. Holders of proxies (other than representatives of juristic persons) may not be the Chairman, Directors and employees of the Group (Article 203, Commercial Companies Law 21/2001, as amended).
3. Adopting electronic voting exclusively in voting on all agenda items.
4. Electronic copies of the meeting documents will be available on the meeting date at Al Baraka Group website <https://www.albaraka.com/en/> and at Bahrain Clear website <https://eagm.bahrainclear.com/en/>
5. For any other inquiries related to the e-Ordinary General assembly meetings, please send an email to the Investor Relations Department at the Group [aghaffar@albaraka.com](mailto:aghaffar@albaraka.com) or call the following numbers 00973 17520701 – 00973 17541122, Mr. Ahmed AbdulGhaffar Investor Relations at Al Baraka Group.
6. The meeting will be recorded electronically, in audio and video, for record-keeping purposes.
7. We recommend you to attend the e-meeting from your computer or laptop in order to have better quality services. Also, you have the option to attend the meeting using your tablet or smartphone (Mobile).
8. It is not possible for the shareholder to change his/her vote after he/she has voted, and this is based on the resolution of the Ministry of Industry and Commerce No. (63) of 2021 regarding measures for meetings by electronic means and the conditions and controls of the electronic voting system in the general assembly of the joint-stock company.
9. The Ordinary General Assembly Meeting shall be valid if attended by shareholders representing more than 50% of the capital. If the said quorum is not obtained, the Second Meeting shall be held with the same agenda on 29<sup>th</sup> March 2023 at the same time and place. The Second Meeting shall not be considered valid unless it is attended by shareholders with voting rights who represent at least 30% of the capital. If the said quorum in the Second Meeting is not obtained, the Third Meeting shall be held on 05<sup>th</sup> April 2023 at the same time and place, and the third meeting will be valid, regardless of the number of attendees.

**Al Baraka Group** (b.s.c.)  
Al Baraka Headquarters  
P.O. Box 1882  
Bahrain Bay, Kingdom of Bahrain  
Tel: +973 17541122  
Fax: +973 17536533  
[albaraka.com](http://albaraka.com)

**Investors Relations:**  
Mr. Ahmed AbdulGhaffar  
First Vice President - Investors Relations  
Tel: +973 17520701  
+973 17541122  
Fax: +973 17910911  
[aghaffar@albaraka.com](mailto:aghaffar@albaraka.com)

**Shares Registrar:**  
Bahrain Clear  
Bahrain Financial Harbor – 4th floor  
Tel: +973 17108833  
email: [registry@bahrainbourse.com](mailto:registry@bahrainbourse.com)



## Proxy form

I, the undersigned \_\_\_\_\_, being a shareholder in Al Baraka Group B.S.C. appoint Mr. / Ms. \_\_\_\_\_ to represent me and vote on my behalf in the e-Ordinary and General Assembly Meeting to be successively held on Wednesday 22 March 2023, or any subsequent adjournment of these meetings.

Authorization for the following:

### The e-Ordinary General Meeting:

	Yes	No	Abstain
1. To approve the minutes of the Ordinary General Assembly meeting held on March 30 <sup>th</sup> 2022.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. To discuss and approve the Directors Report on the activities of the Bank for the Financial Year ended on December 31 <sup>st</sup> 2022.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. To review the Unified Sharia Supervisory Board's Report for the financial year ended on December 31 <sup>st</sup> 2022.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. To review the External Auditors' report for the financial year ended on December 31 <sup>st</sup> 2022.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. To discuss and approve the consolidated financial statements for the financial year ended on December 31 <sup>st</sup> 2022.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. To approve the related parties' transactions as stated in note No. (26) of the above financial statements, which accommodates with the Article 189 of the Commercial Companies Law.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. To approve the following Board of Directors' recommendations, after obtaining the required official approvals:			
a. The transfer of 10% of the Net Income attributable to equity holders of the Parent amounting to US\$ 14,311,590 to the Statutory Reserve.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. The transfer of US\$ 128,804,312 to the Retained Earnings.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. To approve a remuneration of US\$ 1.5 Million to the Members of the Board of Directors for the financial year ended on December 31 <sup>st</sup> 2022, after obtaining the required approval from the Minister of Industry & Commerce.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Election of 12 members out of 13 at the Group Board of Directors for a new term of three years from the date of election (March 2023 - March 2026) and the appointment of the Group's CEO as the 13th member, subject to the approval of the Central Bank of Bahrain (the CEO's appointment at the board as an "executive member" based on his capacity as CEO and according to the Article No. 24 of the Group's Articles of Association).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. To approve the appointment of the Unified Sharia Supervisory Board for a new term of three years (2023-2026) from the date of appointment based on the recommendation of the Board of Directors, and authorizing and empower the Board of Directors to determine the aggregate annual benefits and remuneration for the members of the Unified Sharia Supervisory Board.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. To review the Corporate Governance Report as per the instruction of the Central Bank of Bahrain:			
a. To review the evaluation of the Board, Board Members and Board Committees (included in the annual report distributed to shareholders).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. To review the Board Members attendance percentage report for the board meetings for the year 2022 (included in the annual report distributed to shareholders).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. To authorize the management of Al Baraka Group to pay an amount of US\$ 609,589 as Zakat on behalf of all shareholders amounting to US Cent 4.96 for each 100 shares, and to approve that the amount to be deducted directly from the retained earnings, and the management has the right to authorize whomever it deems appropriate to distribute the Zakat to the parties entitled to it.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



## Proxy form

13. To absolve the Directors from liability for the Financial Year ended on December 31<sup>st</sup> 2022.
14. To approve the aggregate benefits and remuneration of US\$ 105,000 to the members of the Unified Sharia Supervisory Board for the financial year ended on December 31<sup>st</sup> 2022.
15. To ratify the recommendation of the Board of Directors to re-appoint Messrs. PricewaterhouseCoopers as External Auditors for Al Baraka Group for the financial year ending on December 31<sup>st</sup> 2023, and to authorize and empower the Board of Directors or its delegate to determine their remuneration, subject to the approval of the Central Bank of Bahrain.
16. To discuss any urgent matter arises according to Article 207 of Commercial Companies Law No. 21/2001 and its amendments.

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Shareholder Name : \_\_\_\_\_

Individual (CPR): \_\_\_\_\_ Corporate (CR No.) : \_\_\_\_\_

Investor No.: \_\_\_\_\_

Number of Shares: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_ / \_\_\_\_\_ / 2023

### Important Notes to the Shareholders:

1. The shareholders or the persons who have been authorized to attend must send the above data at least 24 hours before the date of the meeting.
2. The appointed proxy shall neither be the Chairman nor a director or an employee of the Company.

**Al Baraka Group (B.S.C.)**  
Al Baraka Headquarters  
P.O. Box 1882  
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**Investors Relations:**  
Mr. Ahmed AbdulGhaffar  
First Vice President - Investors Relations  
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+973 17541122  
Fax: +973 17910911  
aghaffar@albaraka.com

**Shares Registrar:**  
Bahrain Clear  
Bahrain Financial Harbor – 4th floor  
Tel: +973 17108833  
email: registry@bahrainbourse.com



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2022

	2022 US\$ '000	31 December 2021 US\$ '000 (restated)	1 January 2021 US\$ '000 (restated)
<b>ASSETS</b>			
Cash and balances with banks	4,396,612	5,681,353	5,156,577
Receivables	10,437,573	10,975,647	11,937,952
Mudaraba and Musharaka financing	1,497,324	3,493,107	2,698,516
Investments	5,234,714	4,495,469	5,098,597
Ijarah Muntahia Bittamleek	2,233,356	2,018,800	1,747,627
Property and equipment	461,472	524,111	468,919
Other assets	720,783	604,888	759,466
<b>TOTAL ASSETS</b>	<b>24,981,834</b>	<b>27,793,375</b>	<b>27,867,654</b>
<b>LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND OWNERS' EQUITY</b>			
<b>LIABILITIES</b>			
Customer current and other accounts	6,451,061	7,579,275	7,344,227
Due to banks	971,459	1,253,451	1,600,555
Long term financing	308,037	286,833	319,364
Other liabilities	1,151,678	1,114,895	1,270,981
<b>TOTAL LIABILITIES</b>	<b>8,882,235</b>	<b>10,234,454</b>	<b>10,535,127</b>
<b>EQUITY OF INVESTMENT ACCOUNTHOLDERS</b>			
Financial institutions	670,694	744,793	538,321
Non-financial institutions and individuals	13,462,134	14,813,540	14,624,227
<b>TOTAL EQUITY OF INVESTMENT ACCOUNTHOLDERS</b>	<b>14,132,828</b>	<b>15,558,333</b>	<b>15,162,548</b>
<b>EQUITY</b>			
Share capital	1,242,879	1,242,879	1,242,879
Treasury shares	(15,000)	(15,655)	(17,462)
Share premium	16,059	16,619	18,084
Reserves	208,363	196,539	183,121
Cumulative changes in fair values	55,006	55,736	32,940
Foreign currency translations	(1,127,651)	(940,728)	(800,489)
Retained earnings	483,571	402,874	350,296
<b>EQUITY ATTRIBUTABLE TO PARENT'S SHAREHOLDERS</b>	<b>863,227</b>	<b>958,264</b>	<b>1,009,369</b>
Sukuk (Tier 1 Capital)	400,000	400,000	400,000
<b>EQUITY ATTRIBUTABLE TO PARENT'S SHAREHOLDERS AND SUKUK (TIER 1 CAPITAL) HOLDERS</b>	<b>1,263,227</b>	<b>1,358,264</b>	<b>1,409,369</b>
Non-controlling interest	703,544	642,324	760,610
<b>TOTAL EQUITY</b>	<b>1,966,771</b>	<b>2,000,588</b>	<b>2,169,979</b>
<b>TOTAL LIABILITIES, EQUITY OF INVESTMENT ACCOUNTHOLDERS AND EQUITY</b>	<b>24,981,834</b>	<b>27,793,375</b>	<b>27,867,654</b>

**Abdulla Saleh Kamel**  
Chairman

**Housseem Ben Haj Amor**  
Board member and Group Chief Executive Officer



## CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2022

	2022 US\$ '000	31 December 2021 US\$ '000 (restated)
<b>INCOME</b>		
Net income from jointly financed contracts and investments	1,408,471	1,301,626
Return on equity of investment accountholders before Group's share as a Mudarib	(1,310,448)	(1,069,616)
Group's share as a Mudarib	337,894	363,856
Return on equity of investment accountholders	(972,554)	(705,760)
Group's share of income from Equity of Investment accountholders (as a Mudarib and Rabalmaal)	435,917	595,866
Mudarib share for managing off-balance sheet Equity of Investment Accountholders	17,755	12,122
Net income from self financed contracts and investments	402,980	162,503
Other fees and commission income	170,318	163,692
Other operating income	144,573	91,665
	1,171,543	1,025,848
Profit paid on long term financing	(32,811)	(33,031)
<b>TOTAL OPERATING INCOME</b>	<b>1,138,732</b>	<b>992,817</b>
<b>OPERATING EXPENSES</b>		
Staff expenses	285,301	280,422
Depreciation and amortisation	50,587	58,272
Other operating expenses	186,167	185,197
<b>TOTAL OPERATING EXPENSES</b>	<b>522,055</b>	<b>523,891</b>
<b>NET OPERATING INCOME FOR THE YEAR BEFORE NET ALLOWANCE FOR CREDIT LOSSES / IMPAIRMENT AND TAXATION</b>		
	616,677	468,926
Net allowance for credit losses / impairment	(239,635)	(249,099)
<b>NET INCOME BEFORE TAXATION</b>	<b>377,042</b>	<b>219,827</b>
Taxation	(137,588)	(62,713)
<b>NET INCOME FOR THE YEAR</b>	<b>239,454</b>	<b>157,114</b>
Attributable to:		
Equity holders of the parent	143,116	94,105
Non-controlling interest	96,338	63,009
	239,454	157,114
Basic and diluted earnings per share - US cents	9.06	5.17

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**Abdulla Saleh Kamel**  
Chairman

**Housseem Ben Haj Amor**  
Board member and Group Chief Executive Officer





## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2022

	2022 US\$ '000	2021 US\$ '000 (restated)
Net cash from / (used in) operating activities	361,112	(138,237)
Net cash (used in) / from investing activities	(606,692)	564,954
Net cash from financing activities	49,513	46,847
Foreign currency translation adjustments	(297,784)	(304,656)
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	<b>(493,851)</b>	<b>168,908</b>
Cash and cash equivalents at 1 January	2,706,114	2,537,206
<b>CASH AND CASH EQUIVALENTS AT 31 December</b>	<b>2,212,263</b>	<b>2,706,114</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNER'S EQUITY

For the year ended 31 December 2022

	Equity attributable to parent's share- holders and Sukuk holders US\$ '000	Non-controlling interest US\$ '000	Total equity US\$ '000
At 1 January 2022	1,387,370	670,757	2,058,127
Restatement	(29,106)	(28,433)	(57,539)
Restated balance as of 1 January 2022	1,358,264	642,324	2,000,588
Movement in treasury shares	95	-	95
Net movement in cumulative changes in fair value for investments	(591)	(585)	(1,176)
Net movement in other reserves	(2,488)	(11,077)	(13,565)
Foreign currency translation	(186,693)	(111,091)	(297,784)
Net income for the year	143,116	96,338	239,454
Dividends of subsidiaries	-	(32,149)	(32,149)
Zakah paid on behalf of shareholders	(347)	-	(347)
Profit distributed on perpetual tier 1 capital	(33,300)	-	(33,300)
Movement related to subsidiaries' tier 1 capital	(5,244)	(11,256)	(16,500)
Effect of change in ownership	(9,585)	40,546	30,961
Net movement in non-controlling interest	-	90,494	90,494
At 31 December 2022	1,263,227	703,544	1,966,771
At 1 January 2021	1,423,569	798,825	2,222,394
Restatement	(14,200)	(38,215)	(52,415)
Restated balance as of 1 January 2021	1,409,369	760,610	2,169,979
Movement in treasury shares	(363)	-	(363)
Net movement in cumulative change in fair values	22,796	7,698	30,494
Net movement in other reserves	2,143	1,640	3,783
Foreign currency translation	(150,317)	(154,339)	(304,656)
Net income for the year	94,105	63,009	157,114
Dividends of subsidiaries	-	(18,196)	(18,196)
Zakah paid on behalf of shareholders	(1,015)	-	(1,015)
Profit distributed on perpetual tier 1 capital	(31,500)	-	(31,500)
Movement related to subsidiaries' tier 1 capital	5,706	(12,706)	(7,000)
Effect of change in ownership	7,340	-	7,340
Net movement in non-controlling interest	-	(5,392)	(5,392)
Balance at 31 December 2021 (restated)	1,358,264	642,324	2,000,588