

Al Salam Bank AGM Approves Dividend Distribution of 8% of Paid Up Capital

19 March 2020, Manama, Bahrain

Shareholders of Al Salam Bank-Bahrain (ASBB) (Bahrain Bourse Trading Code “SALAM”, Dubai Financial Market Trading Code “SALAM_BAH”) approved in their ordinary Annual General Meeting (AGM) a dividend distribution of 8% of the paid-up share capital, amounting to BD 17.727 million, for the year ended 31 December 2019. The dividend distribution comprises of 4% cash dividends equating to BD 8.863 million and 4% bonus shares equating to 88.634 million shares (one share for each 25 shares in ASBB).

Al Salam Bank’s AGM also approved the consolidated financial statements for the year ended 31 December 2019. The Bank’s net profit attributable to shareholders recorded a significant increase of 14% to BD 21.1 million in 2019. Correspondingly, earnings per share increased significantly to 9.8 fils for 2019, compared to 8.7 fils per share for the year 2018.

The Bank’s Extraordinary General Meeting, which was also held today, approved an amendment to the Memorandum and Articles of Association of the Bank to reflect the increase in the Bank’s paid up share capital arising from the issuance of bonus shares, as well as amendments to reflect the new provisions of Bahrain Commercial Companies Law.

The Chairman of Al Salam Bank, Mr. Khaleefa Butti Omair Al Muhairi, commented: “The robust performance of 2019 enabled the Bank to steadily increase its dividend distribution for the year. We are committed to continuing our efforts to generate valuable returns to shareholders.”

Mr. Al Muhairi added, “During 2019, we reported significant growth in market share, net profit, total deposits, and financing facilities. The strong performance reflects the Bank’s ability to tactically address market challenges and navigate towards achieving the targets set by the Board of Directors. Going forward, we will continue to execute our strategy which is designed to implement holistic enhancements and growth initiatives to improve market standing and optimize our business model.”

Commenting on the strong performance and dividend distribution, Group CEO of Al Salam Bank-Bahrain, Mr. Rafik Nayed, said: “Our transformation strategy, which focuses

on strengthening core banking activities and digitizing the Bank's operations, is positioning us well for future growth. Although only the maiden year of strategy implementation has concluded, we are already witnessing the strength of a more diversified business model, a robust approach to capital deployment, and rigorous risk management."

Mr. Nayed added, "We are pleased with the strong performance reported in 2019 and we look forward to building on these results to put the bank in a strong financial position to face the global economic challenges of 2020 associated with Coronavirus while capturing the range of new opportunities that maintain the momentum of successes from the first year of implementation of our transformation strategy."

Al Salam Bank-Bahrain B.S.C (ASBB) is a leading regional Islamic bank headquartered in the Kingdom of Bahrain and is licensed and regulated by the Central Bank of Bahrain. It offers a comprehensive range of innovative and unique Shari'a-compliant financial products and services through its extended network of branches and ATMs utilizing the state-of-art technology to meet various banking requirements. In addition to its retail banking services, the Bank also offers corporate banking, private banking, investment as well as treasury services.

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About Al Salam Bank-Bahrain

Al Salam Bank-Bahrain B.S.C (ASBB) is an Islamic bank headquartered in the Kingdom of Bahrain, and licensed and regulated by the Central Bank of Bahrain.

ASBB was established on 19 January 2006 in the Kingdom of Bahrain with paid-up capital of BD 120 million (US\$ 318 million) and commenced commercial operations on 17 April 2006. The Bank was listed on Bahrain Bourse on 27 April 2006 and subsequently on the Dubai Financial Market (DFM) on 26 March 2008.

ASBB completed its merger with the Bahraini Saudi Bank (BSB) on 22 December 2011. On 2 February 2014, Al Salam Bank-Bahrain and BMI Bank B.S.C. (c) confirmed the conclusion of a business combination between the two institutions after obtaining the approval of their shareholders at their respective extraordinary general assembly meetings, and of 30 March 2014 BMI Bank became a wholly owned subsidiary of ASBB.

ASBB offers its customers a comprehensive range of innovative and unique Shari'a-compliant financial products and services through an extended network of branches and ATMs, utilizing the state-of-art technologies to meet various banking requirements. In addition to its retail banking services, the Bank also offers Corporate Banking, Private Banking, Investment and Treasury services. The Bank's high-caliber management team is comprised of highly qualified and internationally experienced professionals with proven expertise in key areas of banking, finance, and related fields.