



NBB CONTINUES TO REPORT DOUBLE-DIGIT GROWTH IN PROFITS WITH A 16% INCREASE IN ATTRIBUTABLE PROFIT FOR THE YEAR ENDED 31 DECEMBER 2023

Manama – 27 FEBRUARY 2024:

Fourth quarter

National Bank of Bahrain B.S.C. (NBB) has reported a 16% increase in its net profit attributable to shareholders to BHD 20.1 million (USD 53.3 million) for the fourth quarter ended 31 December 2023, compared to BHD 17.3 million (USD 45.9 million) in the same period of 2022. The increase is mainly due to higher income from the underlying loans, placements, and investment securities activities, in addition to lower provisioning requirements in the fourth quarter of 2023 compared to the same period in 2022.

Earnings per share increased to 9 fils (USD 2 cents) for the fourth quarter of 2023 compared with 8 fils (USD 2 cents) in the same quarter of 2022.

Total comprehensive income attributable to NBB's shareholders for the quarter decreased by 60% to BHD 11.5 million (USD 30.5 million) compared to BHD 28.8 million (USD 76.4 million) in 2022. The decrease is attributable to the mark-to-market movements of the Bank's debt and equity securities.

Year-to-date

NBB has reported a 16% increase in its net profit attributable to shareholders to BHD 79.1 million (USD 209.8 million) for the year ended 31 December 2023, compared to BHD 68.1 million (USD 180.6 million) in 2022. The rise in net profit was a result of increased income from loans, placements, and investment securities, as well as lower provisions compared to 2022.

Earnings per share for the year increased to 35 fils (USD 9 cents) compared with 30 fils (USD 8 cents) in 2022.

Total comprehensive income attributable to NBB's shareholders for the year decreased by 4% to BHD 74.8 million (USD 198.4 million) compared with BHD 78.1 million (USD 207.2 million) in 2022. The decrease is due to the mark-to-market movements of the Bank's debt and equity securities.

Balance sheet

The Group's total equity attributable to owners as at 31 December 2023 at BHD 565.0 million (USD 1,498.7 million) remained at similar levels compared to BHD 565.9 million (USD 1,501.1 million) reported at 31 December 2022.

The Group's total assets increased by 12% during the year to BHD 5,372.5 million (USD 14,250.7 million) compared to BHD 4,785.3 million (USD 12,693.1 million) recorded on 31 December 2022.

Dividends

Following the Group's strong performance, the Board of Directors proposed a cash dividend of BHD 68.0 million or 30% per share, inclusive of 10% interim dividends announced during August 2023. The proposal of BHD 68.0 million represents the Group's highest cash dividends to-date.

The appropriations are subject to the approvals of the regulatory authorities and the shareholders at the Annual General Meeting.

Commentary

On the occasion, Farouk Yousuf Khalil Almoayyed, Chairman of NBB, said: "NBB has proudly closed the year with notable financial and non-financial achievements underpinned by our 6% growth in operating income, a reflection of the Group's sustained growth across its core activities. This was also supported by a 12% growth in our balance sheet resulting from the Group's effective management and ongoing demand for its elevated offerings and financial solutions. Across our non-financial activities, NBB has remained a pioneer in the ESG banking realm, becoming the first Bank in the Kingdom of Bahrain to encourage carbon emission reduction through our auto finance product, in addition to launching the first ESG-linked interest rate swap in the Kingdom. NBB continues to reaffirm its role as a sustainably-driven organisation with a promise to positively impact the Bahraini community."

Usman Ahmed, Group CEO of NBB, commented: “We are pleased to announce record results for the full year ending 31 December 2023 with an attributable net profit of BHD 79.1 million, representing the Group’s highest profit levels and a growth of 16% compared to 2022. Total assets at BHD 5.4 billion also mark the highest levels registered in NBB's history, registering growth in both business and treasury-related activities. NBB also celebrated several non-financial achievements during its fourth quarter, including being named the “Best Bank for CSR in Bahrain” for the third consecutive year by the Euromoney Awards for Excellence 2023. We would like to congratulate our shareholders and team members for a successful 2023, as we look forward to another strong year ahead.”

We would like to inform our shareholders that the full set of audited consolidated financial statements and the press release are available on the Bahrain Bourse website.

National Bank of Bahrain B.S.C. shares are traded on Bahrain Bourse under the trading code: NBB.

Ends