



Mashreq al-Arabi Bank
مصرف المشرق العربي
الاسلامي للاستثمار

Annual Report

2022

**Al-Mashriq Al-Arabi Islamic
Bank for Investment
Financial Statement for the
Year ending on
December 2022 31**



27. Depreciation

Statement	2023	2022
	Thousand BRL	Thousand BRL
Buildings Depreciated	132,276	100
Equipment and Machine Depreciated	132,252	271,252
Motor Vehicle Depreciated Depreciated	11,000	100
Other Equipment Depreciated	132,132	132,132
Total Depreciated Depreciated	407,660	473
Accumulated Depreciation	132,276	132,276
Total	782,222	606,673

28. Transfer Expenses

Statement	2023	2022
	Thousand BRL	Thousand BRL
Commissions and Fees	275,222	271,222
Manufacturing Costs and Fees	132,252	271,272
Operational Expenses	132,272	132,272
Insurance for Office	100	100
Depreciation	100	100
Total	639,846	646,276

29. Contractual Obligations and the Insurances Received for each of them

Statement	2023	2022
	Thousand BRL	Thousand BRL
Contingent Liabilities	132,276	132,276
Less Contingent Liabilities Decreases	(132,276)	(132,276)
Contingent Liabilities	132,276	132,276
Less Contingent Liabilities Decreases	(132,276)	(132,276)
Contingent Liabilities	132,276	132,276
Less Contingent Liabilities Decreases	(132,276)	(132,276)
Total	132,276	132,276

30. Cash and Cash Equivalent

Statement	2023	2022
	Thousand BRL	Thousand BRL
Cash and Deposits at Central Bank of Brazil	132,276	132,276
Deposits at Banks and Other Financial Institutions	132,276	132,276
Total Cash	264,552	264,552
Total	264,552	264,552



22. (B) Revenues from Foreign Exchange Auction

Description	2022	2021
	(Thousand BHD)	(Thousand BHD)
Net sales (Net of Net Sales/Net Income)	1,000,000	500,000
Net sales (Net of Net Sales/Net Income)	1,000,000	500,000
Net sales (Net of Net Sales/Net Income)	1,000,000	500,000
Net sales (Net of Net Sales/Net Income)	1,000,000	500,000
Total	1,000,000	500,000

* Management accounts are a part of those of foreign currency transactions that are being reported in accordance with the law.

Foreign Currency Net Income	2022	2021
	(BHD)	(BHD)
Net sales (Net of Net Sales/Net Income)	1,000,000	500,000
Net sales (Net of Net Sales/Net Income)	1,000,000	500,000
Net sales (Net of Net Sales/Net Income)	1,000,000	500,000
Net sales (Net of Net Sales/Net Income)	1,000,000	500,000
Total	1,000,000	500,000

23. Other Revenues

Description	2022	2021
	(Thousand BHD)	(Thousand BHD)
Other Revenues	1,000	1,000
Total	1,000	1,000

24. Employees' Expenses

Description	2022	2021
	(Thousand BHD)	(Thousand BHD)
Salaries and Wages (Net of Net Sales/Net Income)	1,000,000	1,000,000
Salaries and Wages (Net of Net Sales/Net Income)	1,000,000	1,000,000
Salaries and Wages (Net of Net Sales/Net Income)	1,000,000	1,000,000
Salaries and Wages (Net of Net Sales/Net Income)	1,000,000	1,000,000
Salaries and Wages (Net of Net Sales/Net Income)	1,000,000	1,000,000
Salaries and Wages (Net of Net Sales/Net Income)	1,000,000	1,000,000
Salaries and Wages (Net of Net Sales/Net Income)	1,000,000	1,000,000
Total	1,000,000	1,000,000



20. Islamic Exchange Revenue

Description	2023	2022
	(Thousand BHD)	(Thousand BHD)
Profit/loss on Islamic Swap	1,827,184	1,275,000
Other Profit/loss on Islamic Swap	(28,271)	(81,232)
Profit/loss on Participating profits	(1,076)	(1,076)
Total	1,800,000	1,200,000

21. Net Fees and Commissions Revenues

Description	2023	2022
	(Thousand BHD)	(Thousand BHD)
Banking commissions	1,827,187	1,827,187
Interest of bank commissions	1,275,000	1,275,000
Profit/loss on IPO	100	1,076
Manufacturing Banking commissions	100,000	100,000
Other Banking commissions	170,000	100,000
Charges	(10,000)	(1,000)
Net bank commissions	3,572,287	3,572,287
Interest commissions	100	100
Exchange of currencies	10,000	10,000
Fees of leasing participants	10,000	10,000
Transfer and International Remittance	1,000,000	1,000,000
Other Profit/loss commissions	-	-
Total	4,682,287	4,682,287

22. (L) Revenues from Sale and Purchase of Foreign Currency

Description	2023	2022
	(Thousand BHD)	(Thousand BHD)
Revenues from Sale and Purchase of Foreign Currency	10,000	-
Total Sale and Purchase of Foreign Currency	10,000	-



18. Paid-up Capital

Malaysian capital is divided into three stages:

- 1 The first stage: The Malacca corporation with a registered amount of 100,000,000.000 RM under Companies Act 1965 (1965/1000000000) dated 22.10.1965. The first corporation to be formed in Malaysia had got the license granted by the former Malacca sultanate the 17th century 1609-1616. The first incorporation was through the first contract in accordance with a letter of the Sultan issued in 1610 in setting the first of Malacca Bay.
- 2 The second stage: The capital was increased from 100 million RM to 150 million RM after issuing 50 million shares in accordance with provisions of Companies Act No. 16 of 1965. The increase was made on 15.03.1966 according to order No. 1966 issued by Department of Companies Malaysia.
- 3 The third stage: The capital was increased from 150 million RM to 200 million by issuing 50 million shares in accordance with provisions of the Companies Act No. 16 of 1965, and the increase was made on 17.03.1967 according to order No. 1967 issued by Department of Companies Malaysia.
- 4 The fourth stage: The capital was increased from 200 million RM to 250 million by issuing 50 million shares in accordance with the provisions of the Companies Act No. 16 of 1965, and the increase was made on 17.03.1967 according to order No. 1967 issued by Department of Companies Malaysia.

19. Reserves

Mandatory Reserve

According to the Companies Act, a percentage of 10% of administrative deducted from the yearly income after tax is a required reserve. The total amounts for the current year increased 10% of the total capital, and the requirements in any proceeds resulting thereof must be distributed among shareholders. Distribution can continue by the approval of the General Board of the Bank provided that the required reserve should exceed 10% of the Share Capital.

Other Reserves

The total of other reserves consists of reserves for expanding future activities and assets responsibility, reserves according to the Bank's Board of Directors.



Classifications:

*This amount was calculated according to the Iraq tax rate of 15% of the tax profit. This amount was calculated according to the requirements.

*The tax for the previous years and the year ending on 31 January 2021 within year ending 2022.

16- Central Bank of Iraq Loan

Description	2022	2021
	(Million Euro)	(Million Euro)
Central Bank of Iraq Loan	27,029,200	7,842,700
	27,029,200	7,842,700

*This amount represents Central Bank of Iraq loan for the purpose of financing of its activities for the purpose of profit structure and financial transparency and financing.

17- Other Liabilities

Description	2022	2021
	(Million Euro)	(Million Euro)
Reserve provided to Directors	17,222,000	15,207,000
Non-allocated provisions	17,000	200,000
Manager of Depositor's liability account	192,000	12,207,000
Reserve allocated to shareholders	20,000	10,000
Provision for payable duty	0	10,000
- Guarantors	1,000	0
- Cash Bearer deposits	1,000,000	1,000,000
Reserve allocated to other holders	20,000	20,000
Trade Partner's liability	2,200,000	0
Current liability provided	0	0
Reclassification of third party liabilities - current liability	100	10,000
Off-balance sheet liabilities	1,000,000	0
- Corporate deposits	0	0
- Other	0	1000,000
Total	20,644,000	12,277,000



Statement	2022	2021
	(Thousand SAR)	(Thousand SAR)
Balance the Allowance/Provision Deductions		
Balance on 1 January	10,000	10,000
Additional during the year	100	100
Decrease during the year	(10,000)	(10,000)
Balance on 31 December	100	10,000

Statement	2022	2021
	(Thousand SAR)	(Thousand SAR)
Allowance of contractual obligations		
Balance on 1 January	100,000	100,000
Additional during the year	100,000	100,000
Balance on 31 December	200,000	100,000
Total	200,000	200,000

1- US Income Tax Appropriation

Statement	2022	2021
	(Thousand SAR)	(Thousand SAR)
Balance on 1 January	100,000	100,000
Net Income Tax for the year	100,000	100,000
Payments during the year	(100,000)	100
Balance on 31 December	100,000	100,000

2- US Income Tax Appropriation Settlement

Statement	2022	2021
	(Thousand SAR)	(Thousand SAR)
Net profit/loss before tax (Income Statement for US activities that at last, net recognized expenses)	100,000	10,000,000
Adjustable credits	100,000	
Balance for total expenses	200,000	
Total tax of total tax recognized expenses		100,000
Net profit after addition		10,000,000
Net tax amount realized		
80% of net profit/loss (80% of the current year's profit)		8,000,000
Amount of taxable profit (taxable profit)		4,000,000
Tax credit/loss		10,000
Final amount for annual		4,010,000



12.A- Clients' Deposits

Description	2022	2021
	Thousand BHD	Thousand BHD
Money market accounts - Banks Government securities - Depositors Government securities - Holders Government deposits - Holders Total	100 22,822,222 2,252,112 11,100 25,185,434	100 18,522,112 2,272,222 100 20,906,534

12.B- Current Accounts

Description	2022	2021
	Thousand BHD	Thousand BHD
Bills of exchange drawn with the bank Cheques drawn with the bank National saving cheques National Bank Bill Maintenance of the withdrawal limit at the bank National Bank of Commerce bill Total Footnote 2 - B	122,471 227,100 11,000 100 728,262 10,000 1,189,933 1,189,933	114,800 2,122,112 100 100 110,100 100 2,347,212 2,347,212

13- Cash Insurance

Description	2022	2021
	Thousand BHD	Thousand BHD
Deposits for letters of credit Government bonds Total	12,222,112 2,222,112 14,444,224	12,222,112 2,222,112 14,444,224

14- Miscellaneous Appropriations

Description	2022	2021
	Thousand BHD	Thousand BHD
Deposits on 1 January Additional being charged Deposits being charged Balance on 31 December	1,222,112 100 11,222,112 100	1,222,112 100 11,222,112 1,222,112



19. Projects under implementation

Statement	Buildings	General Equipments	Automated Software	Automated Security Systems	Total
	(Thousand AED)	(Thousand AED)	(Thousand AED)	(Thousand AED)	(Thousand AED)
Balance as at 31/12/2021	18,000,000	154,700	1,071,000	10,000	19,335,700
Increases during the year	1,620,000	70,000	200,000	100,000	2,090,000
Decreases during the year	(1,000,000)	(104,700)	(500)	(500)	(1,105,200)
Balance as at 31/12	8,620,000	70,000	1,569,500	100,000	10,359,500

Classification:

- The debits in the amount of assets and buildings represent the purchase of an amount of (18,000,000) thousand AEDs in these assets and amount of (154,700) thousand AEDs in the amount of buildings, and the credits of an amount of (1,000,000) thousand AEDs in the amount of disposals of fixed buildings and an amount of (104,700) thousand AEDs in the amount of disposals for the purposes of the entity.
- The credits of the total and buildings amount represents the completion of the transfer transactions of the property.
- Increases in the amount of assets and equipment represent the payment of the amount due for the purchase of the assets observed in the trade credit account at the purchase date.
- Decreases represent a transfer to the fixed assets account of transfer amount and the sale of another asset.
- Increases in the amount of systems and software represent the purchase of the financial system and the payment of bank fees.
- Increases in the total amount represent the bank's opening expenses.

20. Other Assets

Statement	2022	2021
	(Thousand AED)	(Thousand AED)
Islamic Activity/ Islamic Transactions	10,000	10,000
Islamic Activity/ Islamic Transactions	10,700	0
Non-Islamic activity/ Islamic Transactions	2,070,000	2,070,000
Non-Islamic activity/ Islamic Transactions	2,070,000	2,070,000
Amounts for the purpose of the entity	100,000	100,000
Employed investments	270,000	270,000
Prepaid expenses	10,000	10,000
Legal expenses	10,000	100
Expenses Account/ Islamic Transactions	10,000	10,000
Other Expenses	1,000,000	1,000,000
Islamic Transactions/ Islamic Transactions	10,000	0
Fixed Assets/ Islamic Transactions	20,000	0
Total	7,600,000	7,600,000





9-Intangible Assets

Item(s)	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
	Yen million	Yen million	Yen million	Yen million	Yen million	Yen million
• Software as of 12/31/2023	88,758	104,884	104,071	107,481	100	107,481
• Software during the year	21,200	101,801	107,942	104,000	1,104,000	1,017,000
• Amortization during the year	(14,200)	(142,000)	(104,000)	(104,000)	(100)	(104,000)
• Amortization of intangible assets	(10,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
• Balance as of 12/31	85,758	104,685	107,913	107,481	100	107,481

Additional explanation

- Software for computer systems represents the cost incurred on the opening business.
- Software is purchased and exchange operates as the infrastructure of the bank and the purchase of various computer systems as well as a fixed intangible asset.
- Software for the group's other representative entities with the purchase of its business and software intangible assets represents total of the reports.
- Software for the bank's business operations and its computer systems/other adjustment entries.



2-4 Property and Equipment (continued)

Type	31/03/2024	31/03/2023	31/03/2022	31/03/2021	31/03/2020	31/03/2019	
	YTD	YTD	YTD	YTD	YTD	YTD	
Land Buildings Leasehold Equipment Motor vehicles Furniture and fixtures Computer equipment Other Total	2,000,000 1,000,000 1,000,000 1,000,000 1,000,000 1,000,000 1,000,000 1,000,000 1,000,000 1,000,000 1,000,000	1,500,000 800,000 800,000 800,000 800,000 800,000 800,000 800,000 800,000 800,000	1,200,000 600,000 600,000 600,000 600,000 600,000 600,000 600,000 600,000 600,000	900,000 400,000 400,000 400,000 400,000 400,000 400,000 400,000 400,000 400,000	600,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000	400,000 200,000 200,000 200,000 200,000 200,000 200,000 200,000 200,000 200,000	200,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000

Notes:

- 1. Property and equipment are stated at cost less accumulated depreciation.
- 2. The amount of depreciation expense for each period is determined by the straight-line method over the estimated useful life of the asset.
- 3. Depreciation expense for the period ended 31/03/2024 is approximately 1,000,000.



4. Share Investments in Companies

Statement	2023	2022
	Million AED	Million AED
Long term investments Total	27,702,276 27,702,276	26,892,276 26,892,276

Classification

Statement represent the following:

1. (27) Million AED investment in the Headq. of the Group
2. (27) Million AED investment in National companies
3. (27) Million AED investment in the long term investment company
4. (27) Million AED investment in the National Islamic company
5. (27) Million AED investment in long term investment with a value of 27 Million, the product of 27 percent of investment in National bank.

5-F Islamic Funding

Statement	2023	2022
	Million AED	Million AED
Statement		
Statement 1 (Islamic)	27,702,276	26,892,276
Statement for national Islamic project (Statement for National)	27,702,276	26,892,276
Statement for national project (Statement for National)	1,400,000	1,400,000
Islamic financing (Statement for National)	1,000,000	1,000,000
Investment financing (Islamic)	24,302,276	24,492,276
Investment financing (Islamic) (National Islamic)	2,000,000	1,400,000

Investment financing (Islamic) was closed up to investment with 27% for National 1.

5-F Islamic Funding- Less Islamic Funding Allocation

Statement	2023	2022
	Million AED	Million AED
Statement as at 1 January	1,200,000	1,200,000
Additional funding (May 2023)	1,200,000	1,200,000
Statement as at 31 December	2,400,000	2,400,000



Leasing

A contract by which the Bank (the lessor) leases to the client (the lessee) a certain asset or service (asset) for the term of a certain period to custody for a definite period and a given definite date. The leasing is paid with the lease covering the leased asset for a specified property or other contract.

Free Interest Loan

Free interest loan is a loan without profit, which contract according to the Islamic law during for a definite period provided that the borrower repays the loan without opportunity of their period without increasing the amount without or that loan.

Specialization

It is a contract between the Bank and the client by which one of the parties (money holder) provides a specific amount of money and the other party (specialized) invests this money in a particular activity or project. The profit is distributed between the two parties according to the shares agreed upon in the contract. The specialized loan is free in the event of violation, default or breach of any of the conditions of the specialized contract, otherwise the money holder bears the entire.

Authorisation

It is a contract between the Bank and the client by which one of the parties (the principal) grants the other party (the assignee) an amount of money and authorizes the latter to invest this amount of money in its will conditions. The satisfaction of the assignee is determinedly compulsory according to what he allows or allows increase or reduction the expected profit and investment profit for the assignee on good performance. The assignee bears the responsibility of the loss in the event of violation, default or breach of any of the terms and conditions of the authorisation contract, otherwise they shall be borne by the principal.

Charges

Movements of capital value which represent participation in the ownership of a particular asset (house or) will be based whether it is already existing or will form the future and the ownership of rights is not on setting an investment after it is formed by charge holders, and the ownership of goods either custody or the ownership of projects management participation or operational loans. In that case, charges holder's shall be secure of their participation of the leased assets or the rights of goods under the custody or the event of the participation of operational projects.





Financial liabilities

The Bank provides financial liabilities in the context of usual business. The financial liabilities include documentary credits, letters of credit, and approved letters financial liabilities are listed in the financial statements in the value within the other liabilities in a line item that using these financial liabilities are characterized under liabilities, have contractual commitments characterized in contracts that is become contingent within "net fee and commission" over the life of security, and that constituting the substance of expected expenses (royalty or license) that will be incurred when they are realized (including the security).

Any contract amounts starting they issued from financial liabilities are treated financial statement under "Trading account". Any financial financial liabilities characterized under "liabilities and commitments" when the security is implemented, executed, or agreed.

3. Definitions

The following terms are used in the financial statements and their definitions are determined as follows:

Participation

It is a contract between the Bank and the client, according to which both of them contribute to a particular investment project (ending or open) or in the property of a particular asset whether participation in form a definite period (during which the Bank makes strategic investments with the client) or with part of the share in the property (usually with the client) over the object of participation (including participation). The profits are shared according to the contract concluded between the two parties. They bear losses according to their share in the object of participation.

Profit

It is a commodity which the Bank uses the client's investment, or production shared costs and it is generated (manufacturing) over against a selling price which consists of purchase cost and agreed appropriate margin.

Trading

It is a contract between the Bank (Manufacturer) and the client (the consumer) after the producer sells a product (usually commodity) to the client in way that both agree on its price and conditions, selling price, and date of delivery. The manufacturing and export services are made by the Bank, that is the Bank designs (manufactured) the product (the subject of trading) by itself or via a contractor and then sends it to the client with the same agreed open specifications at the agreed open delivery date.



The net impairment and impairment of any assets (or parts thereof) are written off when they are disposed of or there is no expected economic benefit from using the asset. Impairment or loss resulting from writing off the assets recorded, which represents the difference between the proceeds of disposing the asset and the net book value of the asset, is considered income statement. The following table of assets, under the used impairment methods are restated to the financial year statements (unaudited) as required:

Foreign Currencies

- ▶ Transactions made through foreign currency during the year are recorded according to the exchange rate effective on the date of recognition of the transactions except for those transactions effective fiscal date if they had already set the exchange rate, due to currency setting order.
- ▶ Non-monetary assets and liabilities are measured in foreign currency which are shown at their value in the date of setting their net value.
- ▶ Finite increases resulting from currency exchange during the year are recorded in income statement.
- ▶ Exchange differences for the items of assets and liabilities are recorded in foreign non-monetary currency fiscal as shown as part of change in net value if any.
- ▶ Currency valuation differences during the year are recorded as part of equity in income statement.

Appropriations

Appropriations are recognized when the Board has obligations in the date of financial position statement resulting from previous events, the realization of the obligations is probable, and the value of these obligations can be reliably measured.

Income Tax

Taxes recognized for the activities that they are calculated based on taxable profits (taxable profits other than deemed profits) in the financial statements due to the fact that the taxable profits include non-recurring revenues or non-deductible expenses according to the instructions of the tax authority.

Taxable is calculated according to the tax rules requirements applicable laws, regulations and instructions in Iraq, amounting to 15% for companies in accordance as reported in the financial No. 18.

Closing

Closing is made between financial assets and financial liabilities and showing the net amount in the financial position statement only when the requirements of requirements are fulfilled and also when they are paid or showing loss or when the settlement of assets and payment obligations is made in the same date.



Future Policies for Direct Credit Facilities

- Credit facilities are assigned by net amount after deducting cash credit from appropriations and classified debts to fit the suspended proceeds and commitments, they are withdrawn except for appropriations needed in their own development.
- Cash credit line appropriation is provided and restricted to be subjectable to collect the amounts due to the Bank, when an objective system becomes available that is credit affected together, the future cash flows for direct credit facilities, and when this requirement can be estimated the amount of appropriations assigned as required committed credit amount.
- Proceeds and commitments on suspended credit facilities granted to clients are suspended in accordance with the instructions of the Board of Bay.
- The credit facilities net amount of appropriation is cleared and written-off when there is no use of the procedure system when there is debiting the amount according to the suspension, even if the suspension is the appropriation is transferred to any other type of appropriation according to the local instructions of the Board of Bay.
- The amount of expected credit loss appropriation (financial commitment) is cleared upon settlement of obligations by cash receipts, so transferred appropriations amount according to the instructions of the Board of Bay.

Cash and Cash Equivalent

It is the cash amount balance which may or may not be according to better the interest issued by the Bank or may be to the Bank. This includes cash, balance with central Bank of Bay, balances with financial foreign governments banks and insurance institutions.

Accounting Policies Utilized in Properties, Buildings and Equipment

Properties and equipment are recognized at historical cost after deducting accumulated depreciation. The cost of properties and equipment includes the historical cost to acquire any part of the properties and equipment and the expenses of building being built. Construction progress for properties and equipment is not recognized. Other expenses are recognized committed credit indicated when they are without. Depreciation is computed on the basis of the cost of the depreciable asset less its residual value. Depreciation is computed by using straight-line method according to the expected useful life as follows:

Assets	Useful life in years
Buildings	10-20
Equipment, Machinery and Furniture	5
Means of Transportation	5
Electronic Systems	5



Business Information

Business activities with a group of assets and operations is understood to be under products or services subject to same risk profile different from those related to other business sectors. The geographic sector is defined as conducting products or services in a defined economic environment subject to risks and profiles different from those related to other economic sectors.

Valuation Adjustment

The number of consolidated financial statements and applying accounting policies requires the Bank's management to carry out estimates and judgments which affect the amounts of financial assets and liabilities and the flow of assets and liabilities. These estimates and judgments affect revenues, expenses and appropriate assets in the form of other comprehensive income. Specifically, the Bank's management issues significant judgments to estimate the amounts of loans credit loss and fair value. These estimations are based on multiple hypotheses and factors which have varying degrees of estimation variability. The actual results may differ from estimates due to changes resulting from the conditions and circumstances of these activities in future.

It is the belief of the Bank's management that its estimates within the consolidated financial statements are reasonable and stated as follows:

- 1 With respect to loans loss, the financial year is supported by the loans in accordance with local laws and regulations adopted by the financial authority and accounting standards.
- 2 The management is committed to the world class practices and requirements regarding loans for the purpose of increasing asset impairment and identification of the loans of the general status of these assets. The management also is committed to reported world class standards. The non-impairment of any is recorded in consolidated financial statements according to the instructions of the supervisory.
- 3 The management is free and a regular source of the non-essence. If any in the future, who have effect by not in order to determine any impairment. The impairment is recorded in consolidated financial statements for the following year.



Substantial Increase of Transitions between Stages

Transitioning operational credit risk stages are through multiple stages starting as watchlist, through standard rating, substandard increase for the credit of transitioning between stages for the general business credit, according to the following stages:

- **Watch Stage** Reported credit was over 10 credits. Part of operational credit was a chronic credit in the portfolio or delinquent within a period of the last 10 months operational credit that is recognized according to the management which is categorized as Stage 1.

- **Standard Stage** Reported operational credit was over 10 credits. Reported operational credit was over 10 credits and recognized assignments are recognized and recognized on the basis of credit concepts, they are consistent in reported credit portfolio and they have harmful effect on future credit flow from these financial institutions according to the relative from 10-20% -100-20% / defined above.

Financial Facilities

Financial risk was re-evaluated after changing from stages related to transition of when the operational agreed after replacing those of stages over a matter that the underlying ability according to a more clearly different conditions, or when making a substandard commitment on the current operational conditions, the representative commitment is dealt with as according to the original stages and allowing a new category. The Bank applied the new status of operational commitments in applying (IFRS 9) that led to enter the financial asset category (Net of Stage 1) in 2023, the result of transition was as follows:

Amounts to be reclassified for Watchlist (Murdah)	Amounts to be reclassified for Standard (Mudawana)	Amounts Reported for Watchlist (Murdah)	Amounts Reported for Standard of Financial Institutions (Mudawana)	Total (Murdah)
1,000,000,000	000	1,000,000,000	000,000,000	1,000,000,000

Quantitative Impact for applying the above-mentioned standard was calculated as follows:

	Amounts to be reclassified for Watchlist (Murdah) (Murdah)	Amounts to be reclassified to Standard (Mudawana) (Murdah)	Amounts Reported (Murdah)	Amounts Reported (Mudawana) (Murdah)
Amounts to be reclassified (31.12.2022)	1,000,000,000		1,000,000,000	000,000,000
Items Reclassified from Watchlist (Murdah)	1,000,000,000		100,000,000	900,000,000
Impact of applying the standard (31.12.2022)	1,000,000,000		100,000,000	900,000,000



IFRS No. 9 Financial Instruments

International Accounting Standards Board (IASB) has issued amendments on financial instruments according to IFRS No. 9 and pursuant to the instructions received from IASB to adopt these amendments as IFRS (2018-2019).

Islamic banks adopt the standard with reference to required credit loss allowances. It applies Islamic law relating Standard No. 98 (Treatment of Shari'ah and Islamic and Islamic Banking Standard No. 98 (Impairment of Assets) according to certain additional Islamic Accounting Standard No. 75 (Aggregations and Reserves).

A IASB No. 9 applying Standard No. 98 has been issued by Accounting and Auditing Department for Islamic Financial Institutions. This standard aims at setting the accounting rules and impairment requirement of assets and credit loss. This standard has been developed for assets. This standard also presents a classification of the financial assets and describes it credit loss. It also explains the measurement methods followed in the field of financial assets impairment according to Islamic Shariah principles and provisions. In this Accounting Standard No. 98, various study of the subject has been done IFRS No. 9 has similar structure with differences and their efforts in calculating and applying the method of required credit loss. Applying IFRS No. 9 has the following benefits:

- Early recognition of credit loss
- Clearing loss appropriations for all types of credit loss
- Possible fluctuations due to changes in economic circumstances for 12 months which could increase losses
- Adequacy of financial reports with credit risk management system.

A committee was formed at the direction of the following Departments: Finance Department, Credit, Banking Department, Risk Management Department, Internal Control Department, and Information Technology Department and under the supervision of the Board of Directors to ensure success of applying IFRS No. 9 financial instruments. The committee set forth a plan approved and certified by Board of Directors to apply the new standard with being committed for calculating required credit loss. The Board has prepared the method to calculate required credit loss for financial instruments according to the following procedures: under:

Financial Books of Amortized Cost:

Bank's management aims at keeping these financial assets according to its business model after allowing contractual cash payments which are represented by payments of both as a liability for accounting determination. These assets are recognized when purchased at cost plus acquisition expenses. Amortizations are calculated using effective yield method by subtracting it of the amount of interest. The decrease of any amortizations due to the requirement will result in modifying or increase the full or part liability by increase or decrease recorded in income statement. The decreased amount is the value of these assets represents the difference between the amount set out in the records and the actual amount of required cash flow deducted by the price of original proceeds. The net participation is directly by means of this process unless within the circumstances set out in International Financial Reporting Standard. In the event of selling any of these assets before its due date, the result of sale is recorded within income statement in a separate item and disclosing this according to the requirements of International accounting standards.



Basis for Consolidating Financial Statements

The consolidated financial statements include the financial statements of the Bank as at 31.12.2023 and include entities whose results are/their/governance/relationships and location of the Bank. These entities comprise entities in the Bank by an equalised list of 100%. The financial statements of these two companies were consolidated alongside the financial statements of the Bank. The Bank management continued to apply the accounting policies adopted in preparing financial statements in accordance with Islamic accounting standards adopted in the financial statements.

International Reporting Standards, New, and Amended Issues (with non-applicable) Explanations

• **IFRS No. 1 Measurement of Financial Instruments (amendment)** These amendments include particular amendments on the following matters:

- **Subsidiarity**
- **Measurement uncertainties**
- **Structural Equivalence**
- **Business of Issuing Shares**
- **Measuring the costs of other comprehensive income resulting from investments when adopt property rights method (optional)**

It is worthy that these amendments affect the financial position or financial performance of the Bank and the Bank does not expect any material effect on these amendments on the operations of Bank's financial statements.

IFRS No. 16 (Property and Equipment)

Long-term tangible assets (primarily, buildings) owned by the Bank in carrying out its main activities, particularly those related to its banking business, are recognized as property, plant and equipment. The cost of these assets are recognized and distributed accordingly, over the depreciable life, using straight-line method. This standard will be applicable with the following:

1. From the recognition and over the entire.
2. Depreciation expenses.
3. Addressing the impact of changes in property following ownership.

Significant Accounting Policies

The accounting policies followed in preparing these financial statements were adopted according to Islamic accounting standards issued for the application of new standards and changes approved as of 2023 and according to the national bank of Islamic Bank Group.



ii Statement of Financial Assets

For the financial year ended on 31 December 2023

(in million RM)

	31 Dec 2023		31 Dec 2022		31 Dec 2021		31 Dec 2020	
	RM	USD	RM	USD	RM	USD	RM	USD
Total								
Share capital of the bank (RM100 million)	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Reserves	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other financial assets	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other non-financial assets	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Liabilities	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Equity	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000

The above statement - includes assets and liabilities as at the reporting date, and is based on the financial statements prepared by the bank.

The above statement - is the responsibility of the management and is subject to audit by the external auditors.

	31 Dec 2023		31 Dec 2022		31 Dec 2021		31 Dec 2020	
	RM	USD	RM	USD	RM	USD	RM	USD
Total								
Share capital of the bank (RM100 million)	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Reserves	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other financial assets	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other non-financial assets	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Liabilities	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Equity	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000



Comparative Income Statement
For the financial year ended on 31 December 2023
(Statement B)

	In thousands	2023	2022
		Thousands of riyals	Thousands of riyals
Revenues			
Operating Revenues	100	2,584,271	2,177,428
Other Banking Revenues	171	2,155,247	2,154,881
Other Non-banking/Investment Revenues	2019	75,883	-
Net Income (Loss)/Other Income Revenues	2019	2,735,401	4,332,309
Total Income/Revenues of Group (Company Revenues from Operating Revenues)	100	888	2,778
Expenses			
Operating Expenses		18,848,278	4,754,887
Employee Expenses	100	1,278,934	1,278,247
Marketing Expenses	171	1,278,934	1,278,247
General and Administrative (G&A) Expenses (Depreciation and Amortization)	100	2,276,775	1,281,288
Transfer Expenses and others	100	285,247	285,275
Total Operating Expenses		4,754,887	4,123,257
Profit/(Loss) Before Tax (Income Tax)	2,778	4,754,887	489,052
Profit/(Loss) After Tax	2,778	3,652,798	375,875
Impairment losses of assets of the Year		-	-
Total Impairment losses/(Reversals)	1	2,478,247	742,247

Signature	Signature	Signature	Signature
Financial Manager Tayseer Alsharabi	Managing Director Mudharaj Al-Sharabi	Accounting Director Abdulrahman Alsharabi	Chairman of Board of Directors Tayseer Alsharabi Al-Sharabi



Financial Position Statement
As at 31 December 2023
Statement 6

	Applicable to	2023	2022
		Thousands of AED	Thousands of AED
Assets			
Net on-hand collections of investments of the	12	158,400,000	164,480,000
Business and deposits of Islamic entities (Finance	13	157,875,000	170,000,000
Cash			
Sukuk held	14	4,785,000	4,785,000
Investments (exclusive of tangibles)	15	207,000,000	200,000,000
Islamic financing	16	100,000,000	84,000,000
Properties and equipment (at book value)	17	10,000,000	10,000,000
Intangible assets	18	1,000,000	10,000,000
Prepaid and accrued expenses	19	1,000,000	10,000,000
Other assets		10,000,000	10,000,000
Tangibles		100,000,000	100,000,000
Available for sale			
Islamic deposits	20A	20,000,000	20,000,000
Islamic accounts	20B	1,000,000	10,000,000
Cash (exclusive)	21	100,000,000	100,000,000
Investments (exclusive)	22	1,000,000	10,000,000
Islamic bank of deposit	23	100,000	100,000
Other liabilities	24	20,000,000	10,000,000
Total liabilities	25	100,000,000	100,000,000
Equity			
Paid capital	26	100,000,000	100,000,000
Reserves	27	10,000,000	10,000,000
Retained income	28	10,000,000	10,000,000
Accumulated losses	29	10,000,000	10,000,000
Net Equity			
Total liabilities and Equity		100,000,000	100,000,000
As Attributed to Shareholders (Net Assets)	30	100,000,000	100,000,000

Financial Manager
 Taysir Al-Jahili
 Director (No. 14248)

Accounting
 Hudaib Al-Jahili
 Director (No. 14249)

Managing Director
 Muhammad Al-Jahili

Head of Board of Directors
 Nayif Al-Jahili & Partners

Subject to our report No. A/1/20/2023-2024 on 20.03.2024

Chief Audit Officer (CAO)
 Mohamed Al-Jahili & Partners
 Member of the Association of Chartered
 Accountants

Member of the Board of Directors
 Mohamed Al-Jahili & Partners
 Member of the Association of Chartered
 Accountants



Ministry of Arab Bank
البنك العربي
بنك التجار

Financial Statements





Clarifications on Financial Statements:

1. The shareholders account (2,070,000) shows in total all equity balance represents amounts belonging to the shareholders registered at Meistring AG (Swiss Islamic Bank).
2. The shareholders account (20,000,000) shows in total all of investment balance represents their share amount belonging to the shareholders in which the bank has invested.
3. The shareholders account (2,070,000) shows in total all of equity balance represents amounts belonging to the shareholders registered with Meistring AG (Swiss Islamic Bank).
4. The shareholders account (20,000,000) shows in total all of equity balance represents the equity amounts belonging to the shareholders in which the bank has invested.



Consolidated Comprehensive Income Statement
For the financial year ended on 31 December 2022

(Statement in EGP)

		2022		2021		2020
		Actual	Adjusted	Actual	Adjusted	
Revenue						
Interest Income		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Dividend Income		100,000	100,000	100,000	100,000	100,000
Income from Real Estate Activities		100,000	100,000	100,000	100,000	100,000
Income from Investment Activities		100,000	100,000	100,000	100,000	100,000
Other Income		100,000	100,000	100,000	100,000	100,000
Expenses						
Interest Expense		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Administrative Expenses		100,000	100,000	100,000	100,000	100,000
Provision for Credit Losses		100,000	100,000	100,000	100,000	100,000
Provision for Real Estate Losses		100,000	100,000	100,000	100,000	100,000
Provision for Investment Losses		100,000	100,000	100,000	100,000	100,000
Other Expenses		100,000	100,000	100,000	100,000	100,000
Income before Tax		100,000	100,000	100,000	100,000	100,000
Income Tax Expense		100,000	100,000	100,000	100,000	100,000
Net Income		100,000	100,000	100,000	100,000	100,000
Other Comprehensive Income						
Revaluation of Real Estate		100,000	100,000	100,000	100,000	100,000
Other Comprehensive Income		100,000	100,000	100,000	100,000	100,000
Income before Tax		100,000	100,000	100,000	100,000	100,000
Income Tax Expense		100,000	100,000	100,000	100,000	100,000
Net Income		100,000	100,000	100,000	100,000	100,000



Ministry of Arab Bank
البنك العربي
بنك الأردن

Consolidated Financial Statements





III: Compliance Officers:

The reports of compliance officer for the year subject to auditing were reviewed and they were prepared according to the instructions concerning format, date writing, and they included:

- ▶ Sharia Supervisory Board statements
- ▶ Risk Management statements
- ▶ Sharia Councils (Departmental)
- ▶ Money laundering and terrorist financing reporting departments
- ▶ Standard Sharia statements such as capital adequacy, risk, liquidity, etc. and others.

III: Internal Control and Internal Sharia Control:

A. Internal control system includes the following procedures conducted with Sharia activities related and type:

B. The reports of internal control department and Sharia control were reviewed. The departments required to submit additional efforts such as strengthening, expansion of all Bank's activities, in the respect, see mentioned following the number of objectives in the table:

1. The departments which included the following units:

- ▶ Auditing the work of internal department and branch, treasury, etc.
- ▶ Auditing quarterly and monthly balances.
- ▶ Auditing the reports of Risk Management Department.
- ▶ Auditing liquidity and supervisory statements (related to Bank of Iraq).
- ▶ Auditing daily activities of the main branch and other branches.
- ▶ Strengthening inventory processes in the work units for the main branch and other branches.

III: Money Laundering and Terrorist Financing Reporting Departments:

A. The Bank has taken measures for preventing money laundering and terrorist financing in accordance with Money laundering and Terrorist Financing Law No. 18/2015 and the regulations and instructions issued by central Bank of Iraq.

B. The Bank reviewed the reports of the said department and its format, date writing, which were prepared in accordance with the law and instructions concerning format, date writing, and they included the following:

- ▶ Statements and documents related to penalties, sanctions, closing transactions and freezing accounts.
- ▶ Statements and instructions regarding compliance in money laundering and terrorist financing instructions received through central Bank of Iraq.
- ▶ Monitoring and reporting made by the reporting unit, concerned with the procedures of money laundering and terrorist financing.
- ▶ Software system for monitoring money laundering and terrorist financing.

C. We reviewed the policies and procedures prepared by the Bank's management related to the said department.



9. Foreign Exchange Transaction Summary

a. The losses of foreign purchase (short foreign-exchange) sales for the period 2023-2024 is 20,55,000 amount to 200,000,000 (with according to the Bank's records), distributed as follows:

Details	Amount (USD)
Short-term purchases	15,700,000
Trade purchases	40,000,000
Profit losses for exchange contracts	100,000,000
Purchase of bank's own shares	10,000,000
Total	267,000,000

b. The institution governing the approval of the real ownership of the ongoing relations has been adopted.

10. Legal Proceedings

The legal department of the Bank confirms that there are no lawsuits filed by the Bank against others with the amount of only 200,000,000 which have not yet been resolved with the date of the report and the lawsuits being filed against the bank amount to 200,000,000.

11. Subsequent events

The exchange rate of the dollar per one unit of Egyptian pound is 27.00000000 according to the Central Bank's table the 10/1/2024 and the balance sheet amount 200,000,000,000 in the amount of 5400000000 of the change in the exchange rate.

12. Capital Adequacy Ratio

Capital adequacy ratio reached 164.99% as of December 2023, as are higher than the minimum regarding the reserve base of 100%.

13. Liquidity Ratio

The liquidity ratio was 117% at the date of the financial statements.



ii Income Statement

a. The bank achieved a profit of 1,000,000,000 before tax for the year ended with compared to a profit of 1,000,000,000 in the previous year.

b. The income of bank from bank profits and financing amounted to 1,000,000,000 at the end of the financial statements, compared to 1,000,000,000 at 31 December 2021, with an increase of 0%.

c. The income of nonbank income of banking operations amounted to 10,000,000,000 at the end of the financial statements compared to 10,000,000,000 as at 31 December 2021, with an increase of 0% and same with of the previous, for example:

Details	Amount 2022 (Rp)	Amount 2021 (Rp)
Income of credit commissions	10,000,000	1,000,000
Credit commissions	1,100,000	1,000,000
Manufacturing banking commissions	100,000	0
Other banking commissions	100,000	0
Total	10,000,000	1,000,000

d. Salary and gratuity/leave/retiring income as at December 2022 amounted to 1,000,000,000 and also is 1,000,000,000 during the previous year. This revenue constitutes a loss of 0% compared to the previous year (December 2021).

e. General wage contracts of employees at the end of the financial statements amounted to 1,000,000,000 compared to 1,000,000,000 at 31 December 2021, with an increase of 0%.

f. Operating expenses at the end of the financial statements amounted to 1,000,000,000 compared to 1,000,000,000 at 31 December 2021, with an increase of 0%.



6. Other assets

The balance of other assets amounted to 178,877,836,168 as of 31 December 2023 compared with 1,447,448,148 as of the end of 2022. These assets include:

- a. The balance of non-current assets relating to 10,000,000,000 paid to their general trading companies for contracts concluded with them to reorganize in the bank.
- b. 10,000,000,000 in assets for others:
 1. An amount of 10,000,000,000 of investment in insurance
 2. An amount of 100,000,000 of investment in Saudi Water Company
 3. An amount of 270,000,000 of investment in Al-Jawhary
 4. The amount of 10,000,000 of investment of Islamic bank.

7. Clients' Deposits, Saving Deposits, and Cash Insurance

The clients' deposits account (current saving deposits) and cash insurance, as the end of the financial statements amounted to 127,840,840,168 compared to 107,048,877,168 for the last year, with an increase of 20,791,963,000, equivalent to 19%. These are the details of the financial accounts:

- a. The balance of current accounts payable as of 31 December 2023 amounted to 127,840,840,168 compared to 107,048,877,168 as of December 2022, with an increase of 20,791,963,000 equivalent to 19%.
- b. The balance of insurance of letters of guarantee and documentary credits amounted to 178,877,836,168 as of 31 December 2023, which is more 178,877,836,168 as of 2022, with an increase of 178,877,836,168 equivalent to 100%.



6. Financial Investments

a. Meritaj's investments in official companies as of 31/12/2023 amounted to 10,000,000,000, representing the entire capital contribution of Meritaj to and the total of Meritaj's in invested assets:

Name of company involved with its shares	Company's capital (DZD)	Contribution amount (DZD)
Meritaj-Meritaj, S.A.	10,000,000,000	10,000,000,000
Meritaj-BMeritaj, S.A.	10,000,000,000	10,000,000,000
Total	0	20,000,000,000

b. The bank's contribution to the establishment of the first Islamic Finance Company amounted to 1,000,000,000 in the capital of the Meritaj Finance Company, amounting to 100,000,000.

c. In part of the assets purchased for an amount of 10,000,000,000 with a value of 10,000,000,000, Meritaj is of Meritaj-BMeritaj (Meritaj - BMeritaj) Investments under the 100,000,000 (100,000,000) investment Meritaj under a contract dated 2023/02/01 and the agreement procedure is as follows:



ii) Islamic Funding:

a. The balance of Islamic funds granted by the bank on 31 December 2023 amounted to (26,775,470) SAR in addition to the amount of (28,262,970) SAR on 31 December representing the balance of profits of current and fixed property financing and the guarantee of the Islamic Bank (IBF).

b. The guarantee submitted by the customers was a personal guarantee in addition to that of mortgage and property charge.

c. The total Islamic financing in the amount of (26,775,470) SAR including current fixed financing.

d. The grossed-up required credit reserve amounted to (2,788,430) SAR on 31 December, where the said provision was calculated based on the direction of the Islamic Bank of Iraq contained in its letter No. 1/2023 on 30/12/2023 in accordance with International Finance Reporting Standard No. 19 (IFRS), which exceeds its calculated according to instruction No. 10 for the year 2023 issued by the Islamic Bank of Iraq amounting to (2,500,000).

e. The total amount of Islamic financing granted to the target (IBF) customers amounted to (24,987,040) SAR representing (93%) of the Islamic financing financing provided, amounting to (24,974,470) SAR on the date of the financial statements.

ii) Contractual Credit:

a. The contractual credit on 31 December amounted to (20,262,760) compared (20,710,760) SAR on 31 December with an increase of (449,000) SAR or increase of (2.1%).

b. The appropriation of expected credit loss for issued contractual credit was calculated with an amount of (2,200,000) SAR.

c. Issued contractual credit to the target customers increased (1.7%).

d. The balance of the property credit reserve amounted to an amount of (2,200,000) SAR on the date of the financial statements.

Type of Contractual Credit	Balance on 31.12.2023 (SAR)
Nonperforming	(2,200,000)
Lower of credit	(2,200,000)
Total	(2,200,000)

a. The Islamic guarantee referred for issuing Islamic credit was real guarantee, charge account of mortgage and property charge for some of them that require sure.



In Cash

The total balance was 177,926,056 SAR as on 31 December 2023, while it was 175,771,877 SAR as on 31 December 2022, and was detailed the following table:

a. The total balance in the bank's currency amounted to 167,166,477 SAR as on 31 December 2023, according to deposits and treasury, while it was 171,764,792 SAR as on 31 December 2022, an increase of 4,401 SAR from the previous year.

b. The total balance with the central bank of Saudi Arabia was 10,759,579 SAR as on 31 December 2023, which coincided with the statements of the central bank of Saudi Arabia, while it was 17,006,085 SAR as on 31 December 2022, an increase of 6,247 SAR from the previous year.

c. The total balance with Saudi banks amounted to 13,456,000 SAR as on 31 December 2023, which coincided with the statements received from banks, while it was 13,007,000 SAR as on 31 December 2022, an increase of 4,400 SAR from the previous year.

d. The total balance with the international financial institutions was 6,154,580 SAR as on 31 December 2023, while it was 12,000,000 SAR as on 31 December 2022, an increase of 5,845 SAR from the previous year. The amount of 5,845 SAR has been returned for banking purposes.

e. A provision for expected credit loss was established in the balance of cash in the bank and covered institutions by 177,926,056 SAR, equal to the institutions covering the commitments arising to the report.

f. The percentage of cash in foreign banks as on 31 December 2023 is 0.17% of the capital and reserves.

g. The bank relied on cash received by foreign banks for banking purposes as on 31 December 2023.

h. Cash assets for foreign currencies as on 31 December 2023 were measured at the bank of exchange rates as follows:

No.	Foreign Currency	Exchange Rate
1.	USD	1 SAR for each USD 1.36
2.	EUR	1 SAR for each EUR 1.66
3.	JPY	1 SAR for each JPY 115.627
4.	GBP	1 SAR for each GBP 0.68 SAR
5.	AUD	1 SAR for each AUD 0.67 SAR



In Applying International Accounting Standards and the Standards of Accounting and Auditing Organization for Islamic Financial Institutions:

The Bank applied the international accounting standards for the second year consecutively:

As for the Islamic Banking Institutions, the international related factors were applied in accordance with the standards of Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) No. 11 (2009) issued by the Islamic Accounting and Auditing Board in 2009 as follows:

• International Financial Reporting Standard (IFRS) No. 9

The Bank applied IFRS No. 9 and the appropriate requirements being the changes occurring in reported credit losses for Islamic financing and credit with revolving commitments with the introduction of Expected Credit Losses (ECL) as set in IFRS 9 (No. 11) and issued in 2018 (IFRS) (Statement on Preparing Financial Statements for Banks). As for the reported credit losses resulting from the judging credit, the exposure at default (EAD) was determined using credit transfer measurement factors organized in categories (IFRS) in the light of the nature of the credit category, instead in accordance with the requirements of Basel (credit adjusted EAD) and in the form of the credit transfer measurement (Measurement of the credit incorporating reported credit losses - paragraph 7). The bank has adopted the new rule on the calculation of EAD (ECL) for the first stage of 10% and 100% for the second and third stages without being able to assess the risk reduction (provisions provided) when that of the provision of statements within the first stage are a fixed total charge of 100% (which should be the new rule on the development of credit loss) 100% within 10% as assessed in the methodology applied in the valuation process and the results of applying these standards conform with IFRS No. 9. The details reported in the attached schedule to the credit loss ratio are as follows:

- 1- The exposure net losses on Islamic bank financing have been increased towards 11,000,000,000.
- 2- The exposure net losses on the judging credit have been increased by an amount of 100,000,000,000.
- 3- The exposure net losses on credit of foreign banks have been increased by an amount of 100,000,000,000.



Abdul Wahid (Abdul Wahid bin Abdul)
Chartered Accountant (Management)
Member of the Association of Certified
Accountants

Abdul Wahid (Abdul Wahid bin Abdul)
Chartered Accountant & Inspector
Member of the Association of Certified
Accountants

To Messrs. Respected Shareholders of Al-Ma'atryq Al-Ahli Islamic Bank for (Investment)

Re: Auditor's Report

Dear Sir/Madam,

We are pleased to inform you that we have checked the financial position statement of Al-Ma'atryq Al-Ahli Islamic Bank for Investment (private shareholding company) as on 31 December 2023, the results and other comprehensive income statement, changes in equity statement and cash flow statement pertaining to the financial year that ending on the expiration of the certificate issued No. 11 to ME, and the annual report of the Board/management preparation accordance with the Companies Law No. 20 for the year 2023, as attached and the regulatory administrative issued Maatryq Islamic Law No. 10 for the year 2016, issued Maatryq as No. 23 for the year 2023, and in accordance with appropriate accounting and reporting standards.

We have reviewed the information and explanation necessary to set opinion, in particular set forth, which we have compared in accordance with applicable regulations and standard setting provisions, including the related rules for the Bank's activities being within our competence.

Management Responsibility

The management is responsible for preparing financial statements and disclosing them according to the international accounting standards and following with following regulatory requirements for Islamic Financial Institutions, in addition to its responsibility in preparing and implementing an internal control system, particularly with respect to preparing and disclosing financial statements and financial information that management believes to be true and correct without. This responsibility also includes selecting and applying appropriate accounting policies relating to financial statements accounting entries.

Auditor's Responsibility

Our responsibility is to express a clear opinion based on the financial statements submitted to us in accordance with local and international audit standards and standards. These standards require us to plan and perform the audits obtain reasonable assurance about whether the financial statements are free from any material misstatement. The audit includes a comprehensive audit including the data and documents supporting the accounts shown in the financial statements for the financial year ending on 31 December 2023 and disclosing them. It also includes an evaluation of the accounting principles adopted by the management according to the local and international standards and standards based on the general agreement and practice the following standards and rules:-



Ministry of Audit and Finance
Qurtulmuş Audit və Maliyyə Nazirliyi
Azərbaycan Respublikası

Auditor's Report





Electronic Banking System

The Monthly Al-Sharh Islamic Bank continues to invest in the implementation of its various digital activities to enhance speed, accuracy and effectiveness of work and facilitate the process of the best banking services to the customers of the Bank across the globe. In addition to other systems, these have been implemented with a capacity will regard to the work of the Money, Accounting, and Financial Tracking/Reporting Departments, as well as to build the departments in the management of the Bank across the regulatory authorities, (independant of which is the Central Bank of Iraq) in addition to the systems of Money, the Banking System, and the Iraq payment system.

Conclusion:

In conclusion, the Board of Directors of the Bank has only asked its thanks and praise to all those who contributed to the achievement of the results mentioned in the report.

It, however, has extended its thanks and appreciation to all those who contributed to support the better journey and provided it with support and assistance in various fields, most notably the Central Bank of Iraq and the Department of Foreign Exchange. It also thanks the banks' workers for their efforts in meeting the demands and completing their work.

We are pleased to thank to all the employees of the Bank, particularly the Foreign Customers, for their efforts in achieving the results achieved in the report, ending with continued success.

May God guide us towards success.



Haidar Al-Sayid Hussain Al-Masoudi
Head of Board of Directors





8. Below is a statistical list of the courses and participants during the year (2023)

No.	Training place	Courses No.	No. of participants
01	Central Bank of Iraq	001	01
02	AMBA	101	01
03	Bank/Federation for Human Resources Development	01	01
04	AMBA IIA	01	01
05	Al-Mawana & Media Company for Building Investments and Training	01	01
06	AMBA IIA	01	01
07	External Courses	01	..

9. Below is a list of the names and job titles of the bank's employees (part-time employees) with increased the highest results during the year:

No.	Name	Job Title
1	Amir Al-Husseini Al-Husseini	Assistant Managing Director
2	Muhammad Al-Husseini Al-Husseini	Director of the Money Laundering and Financial Planning Reporting Service
3	Ali Husein Al-Husseini	Director of Credit Department
4	Ali Husein Al-Husseini	Director of Legal Department
5	Muhammad Husein Al-Husseini	Director of HR for this Bank

10. Below is a list of the names and job titles of the bank's employees (part-time employees) with increased the highest results during the year:

No.	Job Title	No.
01	Department Director	101
02	Branch Director	01
03	Department Assistant Director	01
04	Branch Assistant Director	01



A list of the names of the bank's main employees, and their job addresses during the year 2023:

No.	Name	Job Title
1	Abdullateef Ali Hassan	Managing Director
2	Amir Abdullateef Abdullateef	Assistant Managing Director
3	Amir Ali Shaki	Director of Sharia Supervision and Audit Department
4	Abdul Mueez Ali Abdullateef	Director of Compliance Department
5	Haji Ali Ali Abdullateef	Director for Finance Department
6	Muhammad Ali Abdullateef	Director of Human Resources Department
7	Ali Hassan Abdullateef	Director of Credit Department
8	Salim Muhammad Ali Abdullateef	Director International Department
9	Muhammad Abdullateef	Director of Risk Management Department
10	Muhammad Abdullateef Abdullateef	Director of the Money Laundering and Financial Planning Reporting Section
11	Ali Hassan Abdullateef	Director of Legal Department
12	Muhammad Ali Abdullateef	Director of Cyber Information Security Department
13	Abdul Ali Abdullateef	Director of Building Quality Management Department
14	Yusuf Muhammad Abdullateef	Director of Economic Trade Department
15	Muhammad Abdullateef Abdullateef	IT Department Director
16	Muhammad Ali Abdullateef	Director of Human Resources & Administration Department
17	Amir Abdullateef Abdullateef	Director of Building Operations Department



Executive Administration

The Executive Management (headed by the Managing Director) bears forward to the responsibility of implementing the strategy, general management, oversight and directing the Board of Directors and following up on their implementation to the Board in a timely manner, with all its duties and tasks, to achieve the objectives and implementation of the business strategy and vision issued by the Board of Directors in the light of the laws, regulations and instructions in this regard, as well as the Bank's full commitment to all instructions and directions issued by the Islamic Bank of Iraq and in compliance with the Banking Law No. 184 of 1993, the Companies Law No. 197 of 1979 as amended, the Money Laundering and Financing of Terrorism and Extremism Law No. 187 of 2015, the Anti-Money Laundering Law No. 182 of 2015 and its instructions issued thereunder.

In order to achieve the optimal performance of the work entrusted to the general management, oversight and directing, they committed themselves to be held in the bank to study the various activities according to the operations with periodic recommendations, proposals and studies to the committees established by the Board of Directors, Acting Committee or Board of the Managing Director (PT) members.

Employees of the Bank and their Qualifications

The bank confirms that throughout its business process, it has had a sound foundation of banking experts as well as support staff, expertise and improved work development by engaging them in practical and scientific workshops as well as internal and external workshops. It guarantees quality, integrity and leadership in the banking business. In this regard, the bank is keen to raise the efficiency of its employees and promoting them to meet distinguished efforts. It seeks to achieve this by adopting a solid and strategic system to grant the employees financial incentives as well as group incentives in the banking industry along with those in the international banking to the employees.

1. The number of employees in the bank (including personnel) with the year 2023 was 1766 employees (Male: 1000 and female: 766) and the bank has a total of 11,216,000,000 shares. The number of paid by the bank during the year was 100,000,000 shares. Many employees were also trained in banking courses with the aim of developing knowledge, regulatory and regulatory and preparing financial statements in accordance with international standards and a sound banking regulations.



Committees Emanating from Board of Directors:

1- Audit Committee:

In the context of auditing financial management, the audit committee was formed to support the Board of Directors in their work and to ensure the transparency and integrity of the financial statements, which is considered as an achievement by the Board of Directors. The committee is responsible for the work mentioned in it, which is under the laws, decrees, and processes in effect. This path of governance reflects the bank's adherence, which the committee continues to follow, as follows: the committee has the authority for looking for meetings, the special requests from these meetings, and how to handle the demands.

2- Remuneration and Rewarding Committee:

The Remuneration and Rewarding Committee was formed from the Board of Directors to assist it with the tasks mentioned in it that are consistent with the laws, decrees, and processes in effect. The Board possesses a comprehensive of the main pillars of the Bank and strives upon its achievement and achievement of its goals. It is among the tasks of the primary committee to prepare salaries, bonuses and incentives for the Bank's executive management, as well as developing procedures for assessing and awarding employees, members of the Board of Directors and executive management.

3- Governance Committee:

It includes all methods and procedures for how the Board and the Bank's executive management manage all activities and work centers. It also represents the relationship that requires a cooperative relationship between working with members of the Board, shareholders, and stakeholders, and how the interaction between all of these parties is in supporting the Bank's operations to reach goals that benefit the Bank's interest, and utilizing all available resources and increase the effectiveness of the Bank's internal and legal control systems. The committee consists of five people, including the president of the council.

4- Risk Management Committee:

The Risk Management Committee is related to the Board of Directors and is concerned with studying the general risks of various contracts and activities facing the group. It also deals with liquidity, interest rates, exchange rates, credit, and legal in addition to the market and operational risks. The objectives of risk management are to ensure identifying the different categories and negative impacts of all banking activities that affect the institution from during the general review of policies and procedures, their follow-up and work to attend their inherent necessity in accordance with the Islamic sharia, work and laws.



In addition to the foregoing, we will hereinafter the names of main members of Board of Directors and the shares owned by each as on 30.12.2022:

No.	Name	Position	Number of Shares
1)	Hasbi Saadati Saqfi	Non-Exec Director	100,000,000
2)	Wahid Wahidatul Mahdumani	Non-Exec Director	100,000,000
3)	Alii Saadati Saqfi	Non-Exec Director	100,000,000
4)	Mahdumani Ali Saadati	Non-Exec Director	50,000
5)	Mahdumani Ali	Non-Exec Director	0,000,000,000
6)	Alii Saadati Saqfi	Non-Exec Director	0,000
7)	Hasbi Saadati Saqfi	Non-Exec Director	0,000

Below is a table of the names of classic members of Board of Directors and the shares owned by each as on 31.12.2022:

No.	Name	Position	Number of Shares
1)	Hasbi Saadati Saqfi	Classic Shareholder	10,000,000
2)	Wahid Wahidatul Mahdumani	Classic Shareholder	100,000,000
3)	Alii Saadati Saqfi	Classic Shareholder	100,000,000
4)	Wahid Wahidatul Mahdumani	Classic Shareholder	100,000,000
5)	Mahdumani Ali Saadati Saqfi	Classic Shareholder	50,000
6)	Alii Saadati Saqfi	Classic Shareholder	100,000,000



Background on the Board of Directors



Mohamed Elshaker Mohamed Elshaker
Board of Directors Member

Age: 48 (2023)

**Field: Civil & infrastructure and building
Sector**

18-19 (2013) years of building experience. He started working as a Branch Director with the former Director of Technical Staff. He also served as a member of the Board of Directors of Bahari Bank, the was assigned to manage several private banks and government departments, former co-Regional Director for several banks in the Technical Kingdom of Saudi Arabia.



Jamal Abdel-Hamid
Board of Directors Member

Age: 48 (2023)

Field: Graduate of Technical Engineering

Technical experience for 28 years, starting with working as an expert in the Ministry of Labor and Social Affairs and great experience in the social protection network to work and become Director of Information Technology in the Social Insurance Authority in the Ministry. He is also a member of the top Egyptian syndicate with colleague (former) from 2010.



Background on the Board of Directors



Mr. Mohamed Al-Mutairi
Board of Directors Member

Mr. Mohamed Al-Mutairi
Head, Member of Accounting

Working experience of up to 20 years and continuing to offer in the accounting field where he began to work as the Director of General Account in National Bank in the year of Account Director General of National Bank and Member Director of National Board of National Bank and the chairman of the committees of the government sector in several in Director General of National Bank and after the retirement from government service he started focused on supporting the private sector, especially the Islamic sector for banking work, where he worked with several Islamic banks in Iraq.



Mr. Khalid Al-Jalal
Board of Directors Member

Mr. Khalid Al-Jalal
Head, Non-Executive Director of Bank Management

He continued to work in the field of banking experience and experience at National Bank in the position of Head of National Board of Executive Board for five years. He started to work in the same position at National Bank for several years. He was later appointed to be the member of Board of National Board of Executive Board of National Bank of Iraq for the year 2011-2012. He continued his work in the banking sector in National Board of National Board of Executive Board in 2016 then he worked in the position of Director of Executive Body of International Islamic Bank.



Mr. Hisham Al-Hadi Al-Mutairi
Board of Directors Member

Mr. Hisham Al-Hadi Al-Mutairi
Head, Member of Management

Working experience of over ten years (10 years), where he started working in the banking field in several Director of the various departments up to a banking consultant, alongside National Managing Director and Executive Director of National Bank, Member of the National Board of Directors.



Background on the Board of Directors



Mr. Mohamed Mohamed Alshaker
Deputy Head of Board of Directors

Born in Baghdad, 1970
Master's Degree of Finance
Master

He worked in the economic, trade, industrial and financial fields by filling several leading positions in several active companies in Iraq. He filled the positions of Managing Director of Iraq & Africa for Trade and Finance, Managing Director of their Strategic Company for General Trading, Managing Director, Deputy of the General Company for Manufacturing, Automobile and Services.



Mr. Fahy Khalifa Al-Musallam
Head of Board of Directors

Born in Baghdad, 1958
MBA Bachelor Degree of Management
and Economics

He worked in trade sector since 1979. He developed expertise in industrial sector since 1979, and he covered trading, finance and foreign exchange market administrative position in several companies. He is started by the General Board of Iraq to be a member of the Committee of Managing and controlling the Bank of Trade Banking Sector with Finance Sector.



Structure of Board of Directors

The Board of Directors consists of seven non-executive independent members. They have long banking, academic, and trading experience. They were chosen and elected by the General Board of the Bank among qualified candidates after observing strict criteria and requirements at level of Bank of Iraq through Mr. Abdul Hussein Al-Husseini, our independent Managing Director of the Bank. The Board of Directors of the Bank had during the year 2023 no meetings to discuss or study the reports presented to it about the Bank's current activities and full financial statements and consolidated financials related to the work and activities of the Bank without any of the members, including the Chairman of the Board, receiving any cash or kindred remuneration for attending these meetings. They or their firms related to them did not have any dealings with the Bank through the year ending.

Below are the details of the Board and the full members of the Board of Directors as on 31/12/2023.



17. Ensuring that the Bank implements the best practices of internal management as set out in (Internal Management Rules and Procedures) issued by the Board on 12/01/2019.

18. Ensuring the availability of sufficient Management Information Systems (MIS) to cover all Bank's activities.

19. Monitoring a culture of governance at the Bank, using appropriate and Executive Administration to implement the same and extending training courses issued therein to address the Bank's challenges in terms of implement governance rules on their institutions. Moreover, the Bank shall ensure that its credit policy implements corporate governance to its clients, especially companies, in a way that increases value through business and through positive environmental, their alignment to the Bank's corporate governance.

20. Ensuring that the Bank's comply with sustainability principle set forth Appendix No. 1 Annex.

21. Hiring the professionals required to support shareholders' growth who are qualified to meet their the Bank's needs in order to enhance a sustainable governance. Thoroughly testing external auditors to enhance shareholders' respect who own public finance.

22. Adopting an organizational structure for the Bank that achieves the best administrative effect.

23. Determining the executive powers vested in Bank's Executives (as in the Managing Director, Executive Administration, Senior operations, credit granting or saving or transfers, changes, investment, guarantee, lease, mortgage or others if needed).

24. Adopting measures to ensure that the Bank's has effective internal control covering its entire activity.

25. Ensuring that the Executive Administration is informed of the official website of the Managing Director's Office with regard to any case of breaching shareholders' authority promptly the Executive Administration (EIA) and Managing Director. Moreover an Internal Audit of the Bank in the event of creating a person in line of breaching Internal Audit.

26. Board of Director's overall performance shall be assessed at least once a year. The result of assessment shall be presented to the General Board by adopting regulations for assessment of Board's business which include as a minimum the following:

26.1. Setting specific objectives and determining the role of the Board with regard to responsibility to enhance these objectives in a method-based manner.

26.2. Monitoring key performance indicators (KPIs & KRAs) for the Managing Director and Executive Administration activities to be conducted from the coverage reports on the Bank and the annual work plan and can be used to measure regular performance of Executive Administration.

26.3. Interactions between the Board and the shareholders, and the necessity for holding such a communication regular.

26.4. The regular regular meetings between the Board and the Executive Administration.

26.5. The role of the member and the independence of Board's meetings and the extent to which he attends the said meetings. In addition, the performance shall be compared with other institutions, and the internal member assigned to conduct feedback for the purpose of improving services.

27. The Board shall submit to General Board of the International related to matters of Bank's or financial institutions and/or administrative of its shareholders with a view to achieving maximum transparency and open dealing with shareholders.

28. The Board shall ensure that corporate the quality of directors, flexibility, and effectiveness related to the Bank's activities.



1. Adopting plans to the Bank's business objectives in their work, with strategic objectives and measures in light of the National Shari'ah approach, and conducting the business activities that are in compliance with plans while supervising the performance and assessing and evaluating them, if necessary, to ensure appropriate implementation of the strategy.

2. Supervising Executive Administration and following up its performance, verifying Shari'ah based financial ratios and its adequacy, and adopting appropriate policies and procedures in the regular operations and control of the Bank's performance.

3. Adopting a policy of supervising and assessing the Executive Administration's performance by employing Key Performance Indicators (KPI) and Key Performance Ratios (KPR) to determine, measure, and monitor performance and progress in accordance with the scope for which the Bank was constituted.

4. Assessing the feasibility of business policies, plans, and procedures at the Bank, which include all of its activities, comply with relevant laws, Shari'ah principles in an administrative sense, and are reasonable/legality.

5. Assessing the values of the Bank and conducting clear lines of responsibility and accountability for all Bank's activities, conducting activities through clear strategy, objectives, and performance indicators for the administrators of the Bank.

6. Assuring the responsibility of the execution of all Bank's procedures (relating to financial ratios and regular implementation of the requirements set out by Central Bank of Iraq) the requirements set out by other supervising and reporting entities related to Bank's business, ensuring administrators ensuring management of the Bank with the framework of legal statute and Bank's internal policies, and that its activities could be reasonably approved on Bank's activities.

7. Following up the implementation of Bank's strategy by the Executive Board.

8. Monitoring the financial accounts and rate indicators of the Bank and the comprehensive report of the results of implementing a budget plan for the Executive Board to be discussed and approved.

9. Monitoring compliance with international standards in all activities administered by the Bank.

10. Monitoring and approving the annual plan and budgets related to Bank's activities and following up implementation of the same.

11. Monitoring activities of Board of Directors including members from the Bank or other members.

12. Approving activities of members to ensure their responsibility in Executive Administration's policies, strategy and following up their performance regularly, supervising them, and that their accounts, and following their operations and activities regarding the subject of accountability.

13. Approving and following up the services of the Executive Auditor, being the implementation and business and assessing its performance.

14. Adopting internal control and supervision regulations to the Bank and ensure their validity, ensuring that the Executive Auditor and Shari'ah Auditor is relative bodies, in coordination with the external auditor (if the company) to reviewed these regulations at least once a year. The Shari'ah Auditor retains adequacy of these regulations to Bank's development.

15. Ensuring independence of external auditor (i.e. the company) from conducting business with projects.

16. Adopting effective risk management strategy and supervising its implementation, the said strategy shall include the level of acceptable risk, ensuring that the Bank avoids taking high-risk that increasing uncertainty of the operational sufficient equipment and infrastructure for the management of the Bank, and handling and capable of determining measuring being and controlling all types of risks faced by the Bank.



Board of Directors' Report Al-Maqaraj Al-Arabi Islamic Bank For Investment Private Shareholding Company

Overview of the Bank and capital developments

The Bank was constituted as a private shareholding company with registered shareholding capital (net of financial liabilities) of SAR 2,000,000,000.000 on 01/01/2017. The Bank carried out its business activities based on the license granted by the National Bank authority (NBA) for the 100% shareholding (100% NBS). The Bank commenced its business through its first branch in Al-Riyadh with a total of 10 branches located in 08 of the Kingdom by the National Bank authority. The capital was increased in the investment during the year 2017 by SAR 100M. The second branch was increased during the year 2018 to reach 1000 million (100M) and the third branch was increased during the year 2019 by which the capital reached 1000 million (100M).

Main Activities and Objectives of the Bank

The Bank carries out all types of Islamic banking business in conformity with Islamic law, Shariah and Islamic banking legislation as it is bound to full compliance with all laws, regulations, and instructions governing banking business. The activities of the Bank include the opening of financial accounts and issuing investments services, providing Islamic banking services (including financing, insurance and services and trading customers' interests) by opening (conventional) credit, Islamic financing, and interest trading through selling and purchasing foreign currency contracts (Basis Al-Hijab). The Bank also carries out expanding Islamic banking by developing and providing banking services and products offered by the Bank. One of the objectives of expanding services is to open branches in large provinces to meet customers' demands under the supervision of the National Bank authority as per the license law No. 10 for the year 2016 (compared to No. 01 for the year 1977) as amended, under Article 4-a of the law No. 01 for the year 2017, and the Islamic Banking and Financing of the Kingdom Law No. 01 for the year 2017.

Board of Directors

The Board of Directors was constituted a rigorous, well-structured and stable institution to take, advise, direct and monitor banking business as it is bound to full compliance with all laws, regulations, and instructions governing banking business. The activities of the Board include but not limited to the responsibility of having economic, financial and security strategies and recommendations, and a risk audit, with the Board for operations. The Board is keen on applying principles of corporate governance to the Bank with regard to financial issues. The Board exercises its functions within the scope of its responsibility to uphold full accuracy and integrity of the financial statements and financial reports, which are disclosed in the report, notes of activities and key drivers of interest return and expenses. The Board of Directors exercises the following responsibilities:



Ministry of Agriculture and Rural Affairs
قائمة المزارعين
المنتجين

Board of Directors' Report





Statement of Head of Board of Directors

In the name of Allah, the Most Gracious, the Most Merciful
Calling and performance, Members of the Board of Directors, and Stakeholders:

Overview

We thank the members of the Board of Directors and the staff for their efforts to present to you the achievement of our bank, which includes the implementation of strategies, financial position and cash flows for the past year and the results of the work achieved in 2022. The developments witnessed by the banking industry this year posed a great challenge to keep pace with these developments, whether in the presence of technological innovation.

While undergoing a state of uncertainty given to how good regulations a structured technology that serve the banking sector. We have established a solid foundation based on customer and employee satisfaction in business ethics and international banking standards, and on the basis of consistency in meeting the diverse banking needs, providing the best banking services (good banking with excellence, opening new horizons in credit, raising the status of our bank to a strategic position and strengthening customer performance with embracing a strategy to meet the challenges that the bank may face in the

The bank has achieved many achievements in all fields. At the financial level of the bank, the bank has completed the capital increase in accordance with the statute of the bank. Also, the increase that differs from the previous year and the bank has focused on using it in the banking activities of increasing its performance in the capital.

As for the organizational administrative level, the bank has continued to upgrade its system of procedures and strategy to improve its structure. This contributed to the continuity and maintenance issued by the bank. We are adopting the methodology of the quality goals, considering an integral system by preparing a series of policies and procedures for the various departments and banking business in addition to expanding the organizational structure through and spreading office throughout the capital and some governorates.

The bank's strategy that showed success a corporate governance and practices year on growth is reported to be greater for the current year.

In conclusion, once again thank the shareholders, all members of the Board of Directors and the Executive Management for their trust and approval that the bank will continue its forward and dynamic efforts in good regulations and strategic plans.



Nabil Al-Jarrah **Head of Board of Directors**

Head of Board of Directors



Ministry of Arab Bank
وزارة المصارف العربية
Ministry of Arab Bank

Statement of Head of Board of Directors





Our Vision

To be the first Islamic bank that has the leadership and excellence in meeting the needs and expectations of customers while achieving high evaluation of performance in all areas of banking.

Our Mission

Maximize banking services to customers everywhere as well as achieving excellence and customer, growth and strategic performance, while the values of reliability, innovation and quality.

Strategic goals

1. Improving the quality of banking services to achieve customer satisfaction.
2. Attracting banking and financing a professional banking staff in line with the development of banking services.
3. Achieve good profitability, resources, innovation and expansion.
4. Developing the banking systems and procedures to enhance and improve an advanced electronic banking services.
5. Achieving performance growth in compliance with the quality structure provided.
6. Maintaining positive image, control operational risks and operate with the lowest possible risk through.
7. Maintaining liquidity levels to achieve a balance between liquidity and profitability.
8. Expanding the presence of banking services by expanding the branch branch network in strategic areas of the.

Our Values

- Maximize the principles of banking and stability.
- Excellence.
- Efficiency and excellence in customer services.
- Working on the principle of innovation and continuous improvement.
- Maximize customer loyalty.

Quality policy

Our bank always seeks to be the leader in providing the banking services ensuring the quality of banking services provided and managing the available resources wisely and efficiently based on effective management practices and standards (ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 27001:2017) which are subject to enhance efficiency and excellence in customer services. Working on a high level of performance, keep pace with technological developments, continuously improve our operations and standards by laws and international laws and regulations. The final goal is financial success.



Ministry of Health of the Republic of Serbia
Kvalitet zdravstvenih usluga
Kvalitet života

Who Are We?



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Mashreq al-Arabi Bank
مصرف المشرق العربي
المصارف الإسلامية

Al-Mashreq Al-Arabi Islamic Bank for Investment
Financial Statement for the Year ending on
December 2022/31

Muhammed Khayyat Khalid Al-Khazry
Chartered Accountant & Company Director
Member of Iraqi Association of Certified
Accountants

Muhammad Raedawi Ibrahim Al-Sayid
Chartered Accountant & Company Director
Member of Iraqi Association of Certified
Accountants



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REPORT**

— 2022

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