

ANNUAL REPORT
2019

Looking
Confidently
To The Future

Your Partner Bank



AL Baraka banking groups philosophy, in essence, is that Allah, the Almighty, grants mankind the power to inherit the land on earth .As such , Man is not the owner of wealth , but he is responsible for it .

The purpose of Man, by the commandment of Allah, The Almighty, is to construct, embellish, create and build on this earth .Man is therefore also ordained to create jobs for others .Thus, the wealth bestowed upon us belongs to Allah , The Almighty.

Therefore, we must apply Shari'a rules related to ownership of wealth in creating the wealth and in investing , exchanging , growing and spending the wealth.



Shaikh Saleh Abdullah kamel

Chairman of the Board of Directors
Albaraka Banking Group

Contents

4	Al Baraka Vision & Mission
6	Financial Highlights
8	Board of Directors
9	Board of Directors Committees
10	Executive Management
11	Organizational Chart
12	General Manager's Report
13	Director's Report
16	Sharia Supervisory Board Report
17	Independent Auditors' report

21	STATEMENT OF FINANCIAL POSITION
22	STATEMENT OF INCOME
23	STATEMENT OF CHANGES IN EQUITY
24	STATEMENT OF CASH FLOWS

25	Branches
26	Correspondent Banks
27	Subsidiaries And Associate Companies
28	Al Baraka Global Network



06

Financial Highlights



20

Financial Statements

13

Board of Directors Report



28

Al Baraka Global Network

25



Branches



OUR VISION

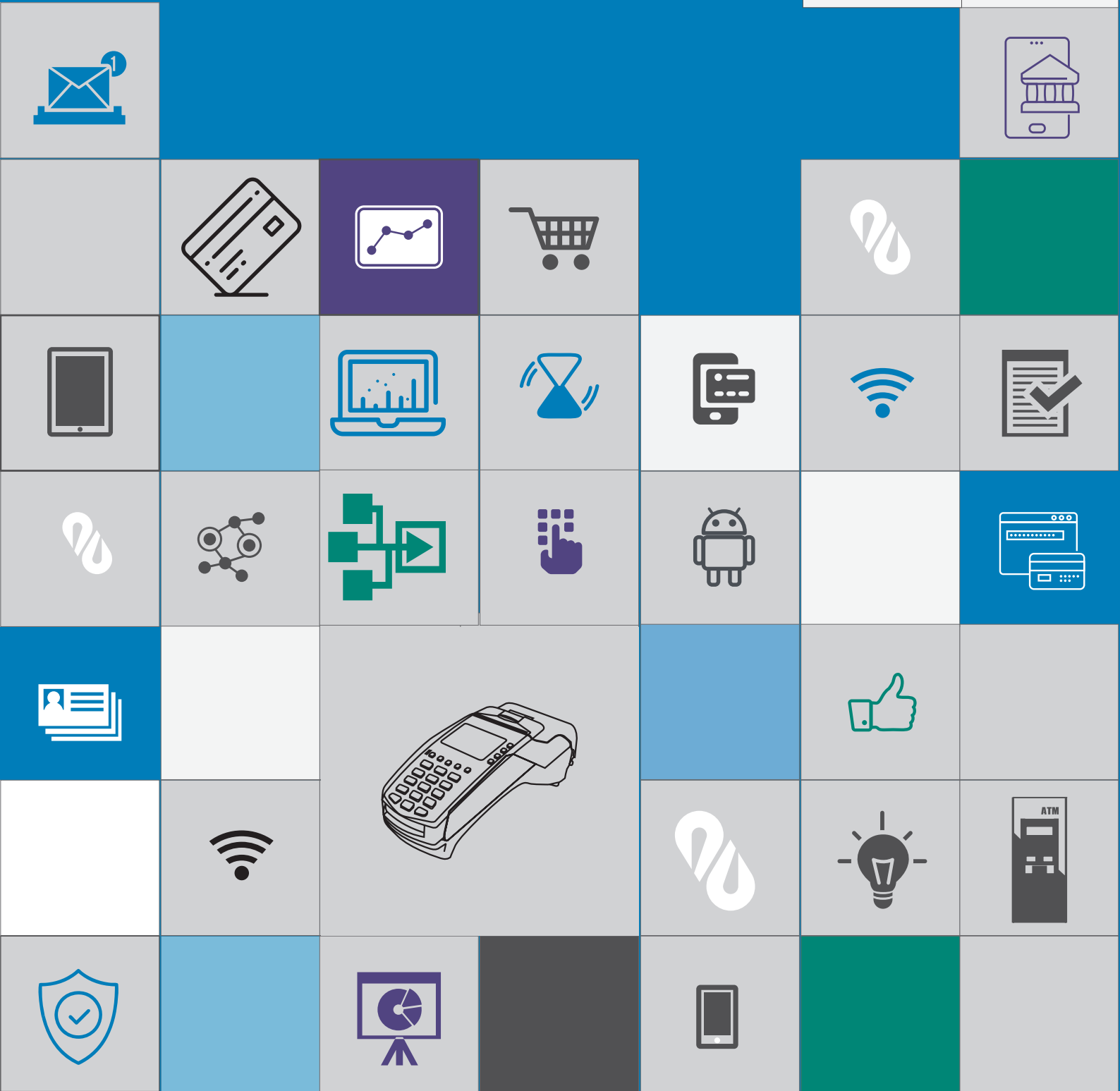
We believe society needs a fair and equitable financial system, one which rewards efforts and contributes to the development of the community

OUR MISSION

To meet the financial needs of communities across the world by conducting business ethically in accordance with our beliefs, practicing the highest professional standards and sharing the mutual benefits with the customers, staff and shareholders who participate in our business success



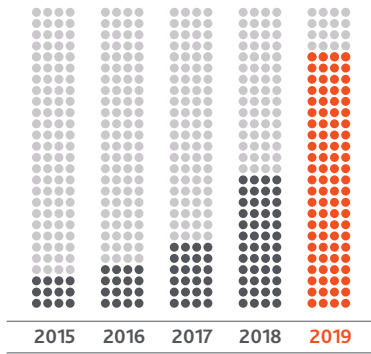
Looking Confidently To The Future



Financial Highlights

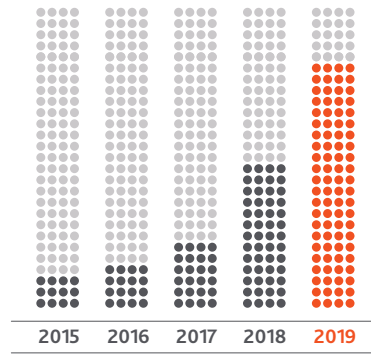
Statement	مليون جنيه				
	2019	2018	2017	2016	2015
Total Assets	15,976	9,206	4,392	2,692	2,241
Total Finance & Investments	9,623	5,399	2,939	1,561	1,303
Total Deposits	12,828	6,648	3,411	1,784	1,684
Total Equity	1,050	741	453	335	286
Total operating Income	1,058	775	385	247	211
Operating Costs	594	345	199	148	126
Net Operating Income	464	430	186	99	86
Net Income	443	368	153	77	59

Main Financial Highlights



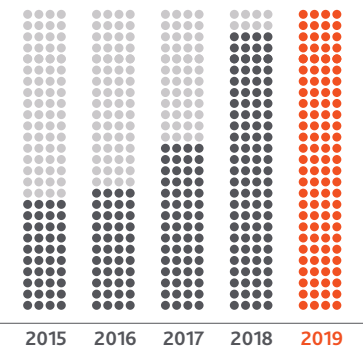
Total Deposits

Millions SDG



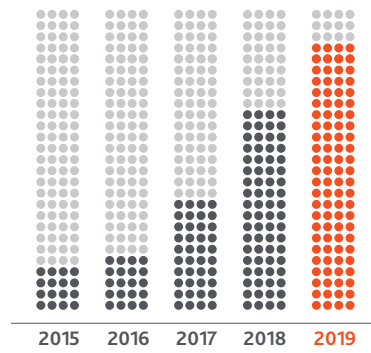
Total Assets

Millions SDG



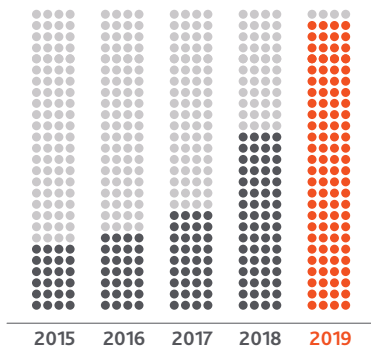
Total Equity

Millions SDG



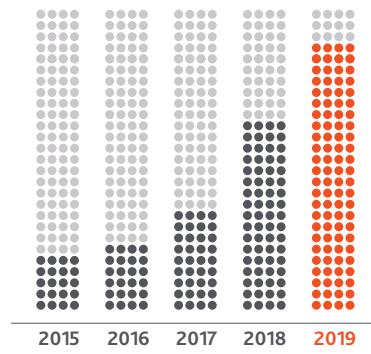
Total Operation of Investment and finance

Millions SDG



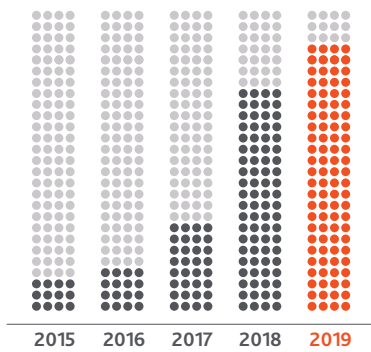
Operating Costs

Millions SDG



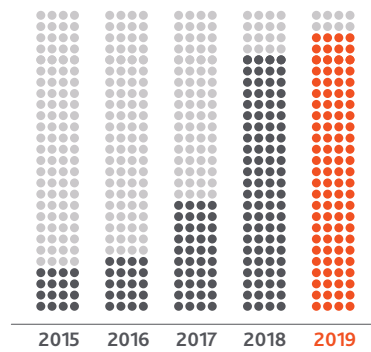
Total operating Income

Millions SDG



Net income

Millions SDG



Net operating Income

Millions SDG

Board of Directors



	Name	Nationality	Board of Directors
1	Mr. Adnan Ahmed Yousef	Bahraini	Chairman
2	Mr. Abdelrahman Ahmed Osman **	Sudanese	Vice – Chairman
3	Yassir Ismail Muzafar	Bahraini	Board Member
4	Dr. Izzeldin Ibrahim Hassan	Sudanese	Board Member
5	Dr. Ahmad Albadawi M. Alamin	Sudanese	Board Member
6	Dr. Mekki Madani Alshibli**	Sudanese	Board Member
7	Mr. Kamal Ahmed Elzubeir	Sudanese	Board Member
8	Mr. Ahmed E. Ahmed Abdellatif	Sudanese	Board Member
9	Mr. Saoud Mamoun Alberier	Sudanese	Board Member
10	Mr. Joseph Makeen Iskander	Sudanese	Board Member
11	Mohammed Alsharif Mohammed Alamin	Sudanese	Secretary Of the board of Directors

** Independent Auditor

Board of Directors Committees

Committee



Executive and Policies Committee



Board Affairs, Remuneration , Sustainability and Social Responsibility Committee



Auditing, Risk and Compliance Committee



Compliance and Governance Committee

General Secretariat

Member's Name

Title

Mr.Abdelrahman Ahmed Osman

Chairman

Dr.Izzeldin Ibrahim Hassan

Vice Chairman

Mr.Saoud Mamoun Alberier

Member

Mr. Joseph Makeen Iskander

member

Dr.Izzeldin Ibrahim Hassan

Chairman

Dr.Ahmad Albadawi M.Alamin

Vice Chairman

Mr.Abdelrahman Ahmed Osman

Member

Mr.Kamal Ahmed Elzubeir

member

Yassir Ismail Muzafar

Chairman

Dr.Mekki Madani Alshibli

Vice Chairman

Mr.Ahmed E.Ahmed Abdellatif

Member

Mr.Kamal Ahmed Elzubeir

member

Dr.Ahmad Albadawi M.Alamin

Chairman

Dr.Mekki Madani Alshibli

Vice Chairman

Mr. Joseph Makeen Iskander

Member

Mr.Ahmed E.Ahmed Abdellatif

member

Mohammed Alsharif Mohammed Alamin

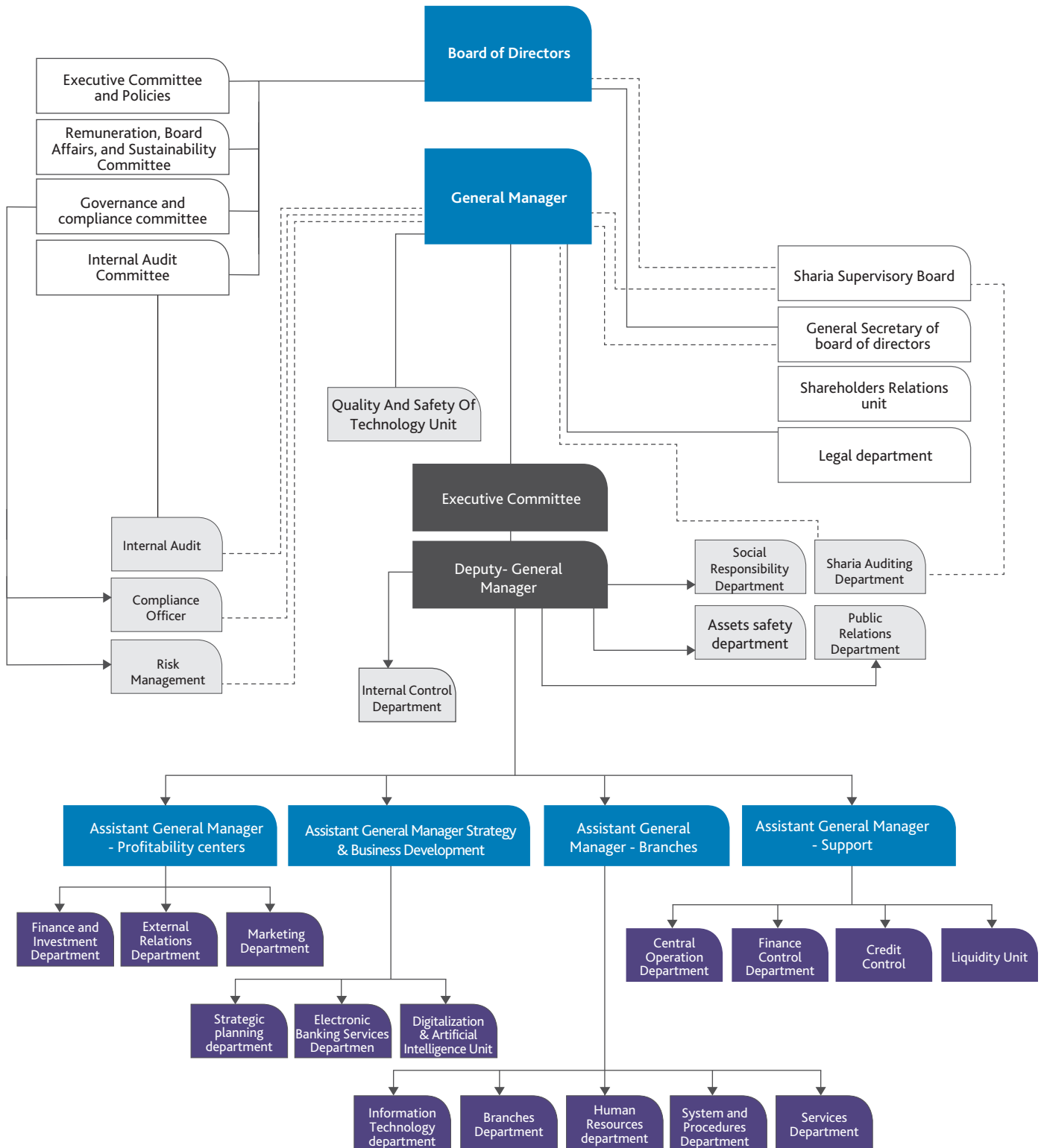
Board Secretary

Executive Management



1	Mr. Alrasheed Abdulrahman Ali	General Manager
2	Mr. Abdulhafiz Fahmi Mohammed	Deputy – General Manager
3	Dr. Mohammed Ahmed Omer Taha	Assistant General Manager - Branches
4	Mr. Abdulbasit Abdulrahman Osman	Assistant General Manager - profitability Centers
5	Mr. Ayman Ahmed Mohammed Abdulla	Assistant General Manager - Strategy & Business Development
6	Mr. Albashir Omer Albashir	Assistant General Manager - Support Services
7	Mr. Mohammed Majzoub Waraq Mohammed	Assistant General Manager - Main Branch Manager

Organizational Chart



General Manager Report



Alrasheed Abdulrahman Ali
General Manager

The internal conditions during the year 2019 were not conducive to business success, as the economic scene was complex and required urgent solutions to stop the economic decline (negative growth rates, successive rise in inflation rates, deterioration of the value of the national currency against foreign currencies, the increasing weakness in the business climate, the scarcity of money which has a significant impact on the banking system, in addition to the repercussions of the country's name being on the American list of countries sponsoring terrorism ...), and the major political changes that occurred in the country raised the ceiling of ambitions in light of extremely complex geopolitical conditions.

In light of these difficult situations, we had to strongly adhere to Al Baraka's broad strategic perspective, which is based on four main themes, the first of which embodies the aspirations and desires of shareholders, the second concerns measures of ability to develop products and services to be the first choice for customers, the third theme is to redesign the way in which internal systems and processes work. (Productivity, service quality and excellence, risk management ...) in order to satisfy customers, shareholders and employees, and the fourth theme focuses on what we need for growth and building distinctive results in the future by building competencies with a high level of performance and potential.

The bank continues to adopt its development approach in all its activities and activities to keep up with the developments in the banking industry to be full of good quantitative and qualitative achievements at various levels and in the administrative, service, operational and financial sectors to enhance the competitive position of the bank. The work programs that have been implemented, have resulted in the involvement of all stakeholders in the bank and obtaining

their support and positive contributions in the important and required change needed to ensure the achievement of sustainable success, as we moved forward towards digital innovation and we have prepared ourselves for technological change to make rapid changes in the way in which our business is performed by simplifying and improving procedures to increase effectiveness in

the implementation of all policies, procedures and measures to provide services that enable customers' consent.

We also aimed to expand the geographical network of the bank and to proceed with the renovation of some branches and the reconstruction of some in an attractive manner. In the aspect of human resources and capacity building, we have come a great way, according to quality levels, to enable most levels to fulfill their responsibilities and duties to upgrade work, improve performance and develop its capabilities through organized programs that contribute to improving operational efficiency and achieving the required increases in employee productivity. Regarding financial resources and their uses, we have created new financial means and tools that have enabled steady increases in growth rates. This has strengthened our position in managing liquidity successfully and meeting clients' financial needs. This great continuous effort has been reflected in all budget items, where the volume of the bank's activity reached 16 billion SDG, a growth rate of 74%, and net profits reached 443 million SDG, with a growth rate of 20%.

Alrasheed Abdulrahman Ali
General Manager



Adnan Ahmed Yousif
Chairman

Board Of Director's Report For The Year Ended 31 December 2019

In the name of Allah , the most beneficent and merciful . Prayers and peace be upon the last Apostle and Messengers, prophet Muhammad (peace be upon him) his family and companions.

Dear shareholders

We are pleased to welcome you to the annual general assembly of the shareholders of Al Baraka Bank of Sudan, in which we review the most prominent achievements of the bank and the financial results for the year 2019.

Reports indicate that the global economic growth rate declined during the year 2019 to reach 2.9% compared to 3.6% in 2018, its lowest level since the global financial crisis in 2008, and trade tensions between the United States and China negatively affected product prices and the global investment climate in general. It seems that, the year 2020 is not promising.

On the local level, the economy continued to suffer from a state of slowdown in growth as a result of its being affected by the persistence of a set of challenges, most notably the country's continued survival on the list of states sponsoring terrorism and the consequent impact of the productive capacities of the main value-generating sectors, in addition to the increase in foreign debt , despite the efforts made since the transformations Political events that occurred in the country during the year 2019.

The huge changes that occurred in the fourth quarter of 2018 by moving the official exchange rate from 29 to 47.5 SDG per Dollar affected the performance during 2019 and reports indicate that the gross domestic product for the year 2019 recorded a negative growth of 0.9% compared to 2.8% for

the year 2018 and inflation rates remained It is constantly increasing, as it was 43.5% at the beginning of the year and reached 57% at the end of the year 2019. As for the official exchange rate of the pound against the Dollar, it was almost stable in the range of 45.7 SDG to the dollar, while the price in the parallel market crossed the eighty barrier for the Dollar, and in the second half of the year the economy suffered From a severe lack of liquidity, and the trade balance deficit increased to \$ 5.3 billion compared to \$ 4.4 billion in 2018

The most Significant financial Indicators

Despite the difficult conditions the country is going through, our bank, thanks to Allah Almighty, and the successful implementation of its business strategy and the efforts made by everyone, have managed to achieve good growth rates, the most important indicators of which are reflected in the following:

- The total activity of the bank as of December 31, 2019 amounted to 16 billion SDG , a growth rate of 74% over the previous year.
- The deposits funds reached 12.8 billion SDG , a growth rate of 93% for the year 2018, as our bank succeeded in managing the liquidity crisis that the banking sector suffered from , with high efficiency, which contributed to attracting a lot of good dealings, and our bank seeks in this regard to maintain and develop its savings customer base through its system of saving facilitates , which are continuously developed.

The bank was able to improve the use rate of its resources, as the total financing and investment operations increased from 5.4 billion SDG in 2018 to 9.6 billion SDG in 2019 with a growth rate of 78% resulting in a net income from financing and investment 804 million SDG with a growth rate of 144%, which contributed to the increase in total operating income to reach 1.1 billion SDG, with a growth rate of 37%.

High inflation rates and the continuous depreciation of the Sudanese Pound caused the increase in total operating expenses, reaching 594 million SDG, an increase of 72% over the year 2018.

- The efforts made during the year 2019 resulted in achieving net profits after taxes and Zakat of 443 million SDG, a growth rate of 20% over the previous year, and total property rights increased to reach 1.1 billion SDG, a growth rate of 43%. It is worth noting, that our bank continues to succeed in maintaining the quality of its assets by reducing the percentage of non-producing assets to 0.3% and maintaining a coverage ratio for bad debts in the range of 74%.

- The rate of return on the bank's total activity is 2.8%, the rate of return on shareholders' equity is 42%, and the rate of return on paid capital is 159%, which are good rates in the banking sector, as the bank's classification was according to early warning indicators from the Central Bank of Sudan.

Customer Service Outlets

The bank provides its services to customers through 32 outlets (28 branches and 4 exchange offices). The bank intends to open three new branches and an exchange office during the next year, so that the number will be 36. The bank gives utmost importance to the work environment in the branches and to modernize their appearance in a way that meets the aspirations of customers. During the year 2019, new sites were constructed for the Alamarat and Hajj Abdullah branches, and the Al-Abyad and Sennar branches were rehabilitated, as well as Gadarif and Damazin branches are being rehabilitated.

There are 45 ATMs and 820 points of sale. As part of the bank's endeavor to develop electronic payment services, the updated version of banking mobile has been launched and the electronic payment system for seaport fees has been implemented by linking the Seaports Authority and the bank's branches and electronic channels, and signing contracts and memorandum of understanding with a number of agencies

operating in the travel and tourism sector

Products

With regards to the aspect of innovation and development of banking products, the (Al Baraka Distinctive Account) was launched, which combines the two features of a current account, a savings account and a good loan product for salaried individuals. An installment product was also expanded to cover customer needs.

Human Resources (HR)

The bank is committed to implementing a strategy in the field of human resources, and one of its most important priorities is to provide a vital and renewable work environment and invest in the human element to develop the capabilities of workers and enhance commitment to the bank's values (to the highest levels of professionalism) towards customers in order to achieve the desired goals. Several training programs have been implemented, included 547 employees in various sectors inside the country and abroad.

Technology, Digital Transformation and Business Intelligence

The bank continued its policy towards enhancing the technology environment and digital transformation, as with the grace of Allah Almighty, a comprehensive strategy for digital transformation has been developed that aims mainly to enhance customer experience and facilitate internal operations, and most of the basic infrastructure and technical systems have been modernized by implementing many significant projects.

Governance

Al Baraka Bank of Sudan complies with the best international standards and practices in the field of governance for the banking sector, and for its active contribution to the development of Islamic banking, according to appropriate principles and standards. The Board of Directors has given this aspect the utmost importance in terms of implementation, practice and compliance, and recently a specialized and permanent committee has been formed at the level of the Board of Directors under the name of the Governance and Compliance Committee.

It is worth noting, that the board of directors is committed to applying the annual evaluation (self-evaluation) for the chairman and members of the board of directors, the board

Board of Director's Report

and the board committees (Permanent committees), which are four specialized committees, and the self-evaluation of the Fatwa and Sharia Supervisory Board, in addition to the self-evaluation of the CEO (the General Manager), The Secretary of the Board of Directors assessment, according to the forms issued by Al Baraka Banking Group, and the results of this evaluation were ahead of the previous years, which indicates the effectiveness, efficiency, capabilities and accumulated experience of the Board and its permanent committees and the executive leadership of the bank.

Social Responsibility

According to the framework of the goals set by Al Baraka Banking Group in the aspect of social responsibility and sustainability, our philosophy is based on applying the rules of responsible financing and responsibility extends to all the bank's products and banking solutions in a way that serves the economy and the interests of individuals. In addition, the bank contributes significantly to supporting a number of essential sectors such as health, education, youth and sports activities, entrepreneurship and people with special needs are among the successful initiatives implemented by the bank and as the first experience in Sudan to contribute to the education and rehabilitation of the blind by printing and launching the curriculum for blind students (Braille) for the secondary stage with all its scientific courses in addition to support some scientific research centers that operate in the field of economic, social studies and research, and contribute to a paradigm shift in the economy.

Our Bank Strategy

We are proud of the success we have achieved in the past years, which enabled us to create real value for all the relevant parties, the broad strategic perspective of Al Baraka Bank, which is directed towards digital transformation, pushes us to adopt the specific means and tools to achieve our strategy for the period 2020-2024, which is embodied as follows:

Developing and increasing business to achieve the best sustainable growth rates

- Upgrading the level of operating efficiency, optimizing the utilization of resources and assets, enhancing their value and performance in various operations to provide services that meet expectations.

Re-design the way in which our systems and internal processes work (productivity, service quality, risk management ...) by conferring them top priority that we work to implement,

taking advantage of the huge investments that have been made in the industry of technology to ensure the provision of competitive products serve customers.

- Increasing interest in the activities environment as we continue to keep up with the best international practices in terms of organization, methods and work methods, establishing a new phase that is in line with our aspirations to reach a distinctive position in the bank's commitment in order to fulfilling the rights of shareholders, customers, employees and all stakeholders.

Dear shareholders

In conclusion, we extend our sincere thanks and appreciation to the Al Baraka Banking Group for its continuous support to us, the Central Bank of Sudan, the General Commercial Register and the Khartoum Stock Exchange for their cooperation with us, and we also thank the Sharia Supervisory Board and the external auditors for their directives and advice. For this bank, and the abundant praise for the brothers, colleagues, members of the board of directors, the executive management team, and the staff for their efforts, loyalty and their appreciated role in the bank's success and development.

In conclusion, our last prayer is praise be to Allah, Master of the Universe.

Chairman of the Board of Directors

Report of the Fatwa and Shari'a Supervisory Board



In the name of Allah, Most Gracious, Most Merciful

Report of the Fatwa and Shari'a Supervisory Board

Al Baraka Bank - Sudan

Praise be to Allah, the Lord of the Worlds, and prayers and peace be upon our master Muhammad, the seal of the Prophets and upon all other Prophets and Messengers:

This is the report of the Fatwa and Shariah Supervisory Board submitted to the general assembly of shareholders of Al Baraka Bank - Sudan for the period from 01/01/2019 to 31/12/2019.

Pursuant to the Control Standard of the Financial institutions No. (1) regarding Shari'a Supervisory Boards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) (Bahrain), the Fatwa and Sharia Supervisory Board submits the following report to the General Assembly of Shareholders of Al Baraka Bank — Sudan:


The Board held thirteen meetings at the Bank's premises during the year 2019 , where it:

1. Reviewed the samples of the contracts executed.
2. Reviewed a number of models of investment operations contracts.
3. Issued a number of "Fatwas" and directives related to various subjects in the aspects of the bank's activities documented in the minutes.
4. Responded to several inquiries from a number of branches and management of the bank.
5. Held a meeting in which it reviewed the draft report of the legal auditor, the financial statements and clarifications thereon, heard an explanation from the Director of the Financial Supervision Department, and made some observations documented by the minutes of the meeting
6. The Board supervised the work of the Bank in 2019 , and is pleased to decide the following:
 - a) The responsibility of ensuring that the institution operates in accordance with the provisions of the Islamic Shari'a lies on the Administration. However, the responsibility of the Board is limited to expressing an independent opinion based on its supervision of the Bank's operations and in preparing a report for you.
 - b) The responsibility for calculating and paying Zakat lies on the Bank's management in accordance with the law and circulars of the Sudanese Zakat Chamber, and the directives of the Fatwa and Shari'a Supervisory Board of the Bank.
 - c) The distribution of profits and bearing of losses by investment accounts are in accordance with the basis approved by us pursuant to the provisions and principles of Islamic Sharia.
 - d) The Board, through its review of the contract samples and transactions entered into by the Bank during the year ending 31 December 2019, concluded to the fact that that all transactions of the Bank are almost in accordance with the provisions of the Islamic Sharia
 - e) There is no money related to illegitimate gain.
 - f) The Board thanks the Bank's officials for their cooperation in accomplishing its tasks.

Members of the Fatwa and Shari'a Supervisory Board

Signed Dr. Abdullah Mohamed Ahmed Abdullah 

Signed Dr. Abdul Setter Abdul krim of Gbado 

Signed Dr. Mustaeen Ali Abdulhameed 

Signed Dr. Hammad Mohamed Ahmed AL- Bashir*

CS/010/2

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AlBaraka Bank Sudan
P.O. Box 3583, Khartoum
Sudan

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فاكس: ٥٨٥ ٧٨٨ ٢٤٩١٨٣ +
www.albaraka.com.sd

بنك البركة السودان
ص. ب. ٣٥٨٣، الخرطوم
السودان

Report of The Independent Auditor

To The Shareholders Al Baraka Bank Sudan (Public Shareholding Company)

Report On The Audited Financial Statements

Mubarak El-Awad & Co.

Mubarak El-Awad & Co.
Chartered Certified Accountants &
Financial Consultants

مبارك العوض وشركاؤه
محاسبون قانونيون
وإستشاريون ماليون

REPORT OF THE INDEPENDENT AUDITOR TO THE SHAREHOLDERS OF AL BARAKA BANK SUDAN (PUBLIC SHAREHOLDING COMPANY) REPORT ON THE AUDITED FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **Al Baraka Bank Sudan** (the bank), which comprise the statements of financial position as at 31 December 2019, statement of income, statement of changes in equity and statement of cash flows for the year then ended, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the bank as of 31 December 2019 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and Financial Accounting Standards (FAS) issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and the companies law for the year 2015.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) and Auditing Standards issued by (AAOIFI). Our responsibility under those standards is set forth in the "Auditor's responsibility" section on the audit of the financial statements of our report. We are also independent of the bank in accordance with the international standards of ethics of the board of accountants "code of ethics for professional accountants (IESBA Code) of professional ethical requirements relating to our audit of the bank's financial statements. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

The key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of the financial statements for the current year. We have addressed these matters in the context of our audit of the financial statements as a whole, and do not express a separate opinion on these issues. We have identified the following key audit matters and addressed them in our report:

1) Provisions for impairment of financing assets:

The financial assets accounted for 37% of the total assets of the Bank as at 31 December 2019 and represent a significant portion of the statement of financial position. And the related impairment provision is considered a significant matter for the audit.

Our audit procedures include:

- The Central Bank of Sudan's (CBOS) circulars specifies certain percentages for calculating the general provision for impairment of non-performing and doubtful loans. According to CBOS circulars, the Bank calculates a general provision for impairment of financing assets of 1% on financing assets not subject to special provision (specific) that varies according to the financing instrument and the period of delay in payment. The mortgage offered against the financing is deducted according to the type of mortgage at specific rates of the CBOS for each type of mortgage.

Report of The Independent Auditor

To The Shareholders Al Baraka Bank Sudan (Public Shareholding Company)

Report On The Audited Financial Statements

Mubarak El-Awad & Co.

Mubarak El-Awad & Co.

Chartered Certified Accountants &
Financial Consultants

مبارك العوض وشركاؤه

محاسبون قانونيون

وإستشاريون ماليون

- In order to provide adequate disclosure of exposure level, we have taken into account the impact of the application of Financial Accounting Standard (FAS) No. 30 issued by the Accounting and Auditing Organization for Islamic Financial Institutions (Financial Assets and Credit Losses), as well as the related CBOS circulars.

Other Information

Management is responsible for other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of financial statements, our responsibility is to read the other information identified above and in so doing, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Responsibilities of Management for the financial statements

The preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and Financial Accounting Standards (FAS) issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) is the responsibility of the Board of Directors. This responsibility includes: designing, implementing and maintaining internal control systems relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or errors, the selection and application of appropriate accounting policies, and the preparation of reasonable accounting estimates That are appropriate in such circumstances.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Auditing Standards of the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

صندوق بريد ٣١٢٠، الخرطوم ١١١١١ - منزل رقم ٣٧٥، طريق مأمون البرير - متفرع من شارع عبید ختم، الخرطوم - السودان كارتون: +٢٤٩ (١) ٨٢ ٢٨٩٨١٠ - فاكس: +٢٤٩ (١) ٨٢ ٢٨٩٨١١

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Report of The Independent Auditor

To The Shareholders Al Baraka Bank Sudan (Public Shareholding Company)

Report On The Audited Financial Statements

Mubarak El-Awad & Co.

Mubarak El-Awad & Co.
Chartered Certified Accountants &
Financial Consultants

مبارك العوض وشركاؤه
محاسبون قانونيون
وإستشاريون ماليون

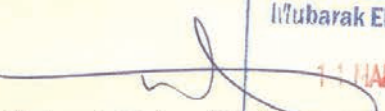
As part of an audit in accordance with Auditing Standards of the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), we exercise professional judgment and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidenced obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate whether the preparation and presentation of the financial statements of the Bank have been made in all material respects, in accordance with the provisions and principles of Islamic Sharia.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

Report on Other Legal and Regulatory Requirements

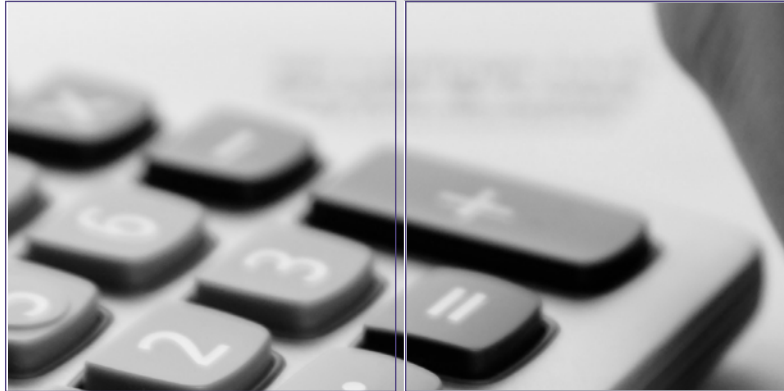
In our opinion, the financial statements of the Bank as of 31 December 2019 have met all the essential aspects of the legal, regulatory and other local requirements which are as follows:

- Appropriate requirements of the Companies Act 2015.
- Banking Regulatory Act and the Central Bank of Sudan requirements
- Fatwa and Sharia Supervisory Board.
- The Memorandum and the Articles of Association of the Bank.


Mubarak El-Awad Mohammed - Partner
Mubarak El-Awad & Co.
Chartered Certified Accountants
Khartoum, Sudan
11 March, 2020



Financial Statements



Total Professional Fees
Repairs
Office Maintenance
Repairs - Other
Total Repairs
Businesses Fleet Administration
Employee Committee
Fees
Financial Reports Fee
Management Fees
Fees

1,100.00
14,888.16
9,094.00
281.40
24,263.63
1,712.40
10.00
5,241.04
5,682.04
381,948.49
2,339.93
63.50
21.14
112.92
4,860.00




STATEMENT OF FINANCIAL POSITION

ALBARAKA BANK SUDAN


STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

ASSETS	Notes	2019 SDG	2018 SDG
Cash and cash equivalents	4	4,337,254,255	2,844,628,381
Net of deferred sales receivables	5	5,909,978,495	2,732,495,591
Investments in available-for-sale securities	6	404,277,656	405,392,663
Investments in securities	7	1,296,164,500	890,591,500
Net of Musharaka financing	8	428,661,991	301,288,392
Net financing and other investments	9	1,009,596,356	488,593,116
Net of Ijara ended by ownership	10	2,477,956	6,399,644
Murabaha assets	11	539,645,433	544,788,664
Net Fixed assets	12	867,918,706	701,821,620
Investment in subsidiaries, associates and other companies	13	32,132,576	31,474,576
Net other assests	14	1,128,660,317	256,974,622
Improvements in rented premises	15	19,831,863	1,827,988
Total assets		15,976,600,104	9,206,276,757
LIABILITIES, UNRESTRICTED INVESTMENT ACCOUNTS AND EQUITY			
LIABILITIES			
Customers' current and saving accounts	16	7,008,896,155	4,124,368,922
Other liabilities	17	2,023,406,195	1,759,727,845
Provisions	18	74,622,926	56,953,764
Total Liabilities		9,106,925,276	5,941,050,531
EQUITY OF UNRESTRICTED INVESTMENT ACCOUNTS HOLDERS	19	5,232,866,397	1,905,476,260
SUPPORTING LOANS	20	586,462,500	619,044,400
EQUITY			
Share capital	21/2	287,039,835	253,526,638
Retained earnings		267,833,720	167,829,108
Reserves	22	495,472,377	319,349,820
Toatal equity		1,050,345,932	740,705,566
TOTAL LIABILITIES AND UNRESTRICTED INVESTMENT ACCOUNTS AND EQUITY		15,976,600,104	9,206,276,757
Contra accounts	35	652,407,449	558,713,333


General Manager
AlRashid AbdulRahman Ali


Board Member
Dr. Izzeldin Ibrahim Hassan


Vice Chairman of the Board
Abdelrahman Ahmed Osman


STATEMENT OF INCOME

ALBARAKA BANK SUDAN


STATEMENT OF INCOME

AT 31 DECEMBER 2019

INCOME	Notes	2019 SDG	2018 SDG
Income from deferred sales receivables	23	813,271,956	274,046,914
Income from Ijara	24	280,284	335,616
Income from investments	25	413,452,239	241,555,468
		1,227,004,479	515,937,998
Less: Return of unrestricted investment account holders	26	(423,447,867)	(186,418,192)
Net income from deferred sales receivable and investment		803,556,612	329,519,806
Income from fees and commissions of banking services	27	96,093,803	85,898,083
Other income	28	158,398,752	359,946,998
		254,492,555	445,845,081
Total operating income		1,058,049,167	775,364,887
EXPENSES			
staff expenses	29	280,384,002	163,564,616
Depreciation and amortization	30	42,532,885	18,982,079
Central Bank of Sudan Penalties	31	7,500	112,500
General and administration expenses	32	270,644,149	161,688,578
Provision for Investment and Financing Risk	33	(34,701,703)	27,989,376
Total Expenses		558,866,833	372,337,149
Net Profit for the year before taxes and Zakat		499,182,334	403,027,738
Zakat	46	(6,333,647)	(1,380,191)
Business profit tax	47	(49,154,780)	(33,637,294)
NET PROFIT FOR THE YEAR		443,693,907	368,010,253
Earning per share	36	5.41	5.08


General Manager
AlRashid AbdulRahman Ali


Board Member
Dr:Izzeldin Ibrahim Hassan


Vice Chairman of the Board
Abdelrahman Ahmed Osman

STATEMENT OF CHANGES IN EQUITY


ALBARAKA BANK SUDAN

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019


		Share capital	Statutory reserve	Fixed Assets Revaluation Surplus	Investment Revaluation Reserve	Foreign exchange gains reserve	Retained earnings	Total
	Notes	SDG	SDG	SDG	SDG	SDG	SDG	SDG
Balance at 1 January 2019		253,526,638	89,951,471	21,180,689	21,213,219	187,004,441	167,829,108	740,705,566
Shares capital increase		33,513,197	-	-	-	-	(33,513,197)	-
Net profit for the year		-	-	-	-	-	443,693,907	443,693,907
Convert to 'foreign exchange gains reserve	22	-	-	-	-	131,753,166	(131,753,166)	-
Transfer to statutory reserve	22	-	44,369,391	-	-	-	(44,369,391)	-
Cash dividends for the year 2018		-	-	-	-	-	(134,053,541)	(134,053,541)
Balance at 31 December 2019		287,039,835	134,320,862	21,180,689	21,213,219	318,757,607	267,833,720	1,050,345,932

Notes		21/2	22	22	22	22		
Balance at 1 January 2018		209,126,638	53,150,446	21,180,689	32,163,181	-	137,652,961	453,273,915
Shares capital increase		44,400,000	-	-	-	-	(44,400,000)	-
Investment revaluation reserve	22	-	-	-	(10,949,962)	-	-	(10,949,962)
Net profit for the year		-	-	-	-	-	368,010,253	368,010,253
Convert to 'foreign exchange gains reserve	22	-	-	-	-	187,004,441	(187,004,441)	-
Transfer to statutory reserve	22	-	36,801,025	-	-	-	(36,801,025)	-
Cash dividends for the year 2017		-	-	-	-	-	(43,000,000)	(43,000,000)
Proposed dividends		-	-	-	-	-	(26,628,640)	(26,628,640)
Balance at 31 December 2018		253,526,638	89,951,471	21,180,689	21,213,219	187,004,441	167,829,108	740,705,566

Notes		21/2	22	22	22	22		
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General Manager
AlRashid AbdulRahman Ali


Board Member
Dr:Izzeldin Ibrahim Hassan


Vice Chairman of the Board
Abdelrahman Ahmed Osman


STATEMENT OF CASH FLOWS

ALBARAKA BANK SUDAN


STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

CASH FLOWS FROM OPERATING ACTIVITIES:	2019 SDG	2018 SDG
Net profit for the year	443,693,907	368,010,253
Adjustments for non-cash items:-		
Gain on sale of fixed assets	(5,016,001)	(168,708,264)
Depreciation and amortization	42,532,885	18,162,311
Return of unrestricted investment account holders	423,447,867	186,418,192
Zakat	6,333,647	1,380,191
Business profit tax	49,154,780	33,637,294
Provision for investment and finance risk	(34,701,703)	27,989,376
Other provisions	(37,819,265)	(61,105,122)
Net cash from (used in) operating activities	887,626,117	405,784,231
CASH FLOWS FROM INVESTING ACTIVITIES:		
deferred Sales receivables	(3,133,231,077)	(1,679,909,726)
Musharaka financing	(128,931,351)	(98,854,465)
Investments in available-for-sale securities	1,115,007	(51,793,249)
Investments in securities	(405,573,000)	(365,831,824)
Net of Ijara ended by ownership	3,921,688	4,046,625
Improvements in rented premises	(18,823,643)	892,438
Net financing and other investments	(521,003,240)	(261,562,378)
Net Fixed assets	(202,794,202)	(455,438,981)
Investment in subsidiaries, associates and other companies	(658,000)	(7,621,382)
Net cash from (used in) investing activities	(4,405,977,818)	(2,916,072,942)
CASH FLOWS FROM FINANCING ACTIVITIES:-		
Other assets	(874,534,836)	(21,431,151)
Customers' current and saving accounts	2,884,527,233	1,773,664,223
Other liabilities	263,678,350	1,269,562,449
Unrestricted investment account holders	2,903,942,270	960,648,642
Supporting Loans	(32,581,900)	502,898,500
Share Capital	33,513,197	44,400,000
Reserves	176,122,557	25,851,064
Proposed dividends	(343,689,295)	(150,829,666)
Net cash from (used in) financing activities	5,010,977,575	4,404,764,061
Increase (decrease) in cash and cash equivalents	1,492,625,874	1,894,475,350
Cash and cash equivalents at beginning of the year	2,844,628,381	950,153,031
Cash and cash equivalents at end of the year	4,337,254,255	2,844,628,381


General Manager
AlRashid AbdulRahman Ali


Board Member
Dr:Izzeldin Ibrahim Hassan


Vice Chairman of the Board
Abdelrahman Ahmed Osman

Branches

No	Branch	TEL	E.MAIL
1	Burj (Main Branch)	0187112200	burg-branch@albaraka.com.sd
2	Khartoum North	0187112290	bahri-branch@albaraka.com.sd
3	Soug Arabi	0187112230	sougarabi-branch@albaraka.com.sd
4	Omdurman	0187112260	omdurman-branch@albaraka.com.sd
5	South Khartoum	0187112500	khartoumjanoub-branch@albaraka.com.sd
6	Mughtribin	0187112530	mogbranch@albaraka.com.sd
7	Soug Libya	0187112382	souklibya-branch@albaraka.com.sd
8	Sajjana	0187112320	sagana-branch@albaraka.com.sd
9	Hirifiain	0187112350	hirafeen-branch@albaraka.com.sd
10	Ammarat	0187112920	amarat-branch@albaraka.com.sd
11	AL-zahraa	0187112413	zahraa-branch@albaraka.com.sd
12	PortSudan	0187112860	portsudan-branch@albaraka.com.sd
13	Garri	0187112470	garry-branch@albaraka.com.sd
14	Soug Mahali	0187112560	soukmahali-branch@albarak.com.sd
15	Gadariff	0187112830	gadarif-branch@albaraka.com.sd
16	Meddani	0187112950	medani-branch@albaraka.com.sd
17	Hassahisa	0187112563	hasaheisa-branch@albaraka.com.sd
18	Hajj Abdalla	0187112650	hagabdalla-branch@albaraka.com.sd
19	El-Obeid	0187112440	elobeid-branch@albaraka.com.sd
20	Nyala	0187112804	nyala-branch@albaraka.com.sd
21	Sinnar	0187112680	sinnar-branch@albaraka.com.sd
22	Dongla	0187112890	dongola-branch@albaraka.com.sd
23	Dammazin	0187112710	damazeen-branch@albaraka.com.sd
24	Kosti	0187112770	kosti-branch@albaraka.com.sd
25	Rabbak	0187112740	rabak-branch@albaraka.com.sd
26	Aswag Omdurman	0187112950	omdurman_market@albaraka.com.sd
27	ALSitteen	0187112981	alsteen-branch@albaraka.com.sd

Correspondent Banks

Al Baraka Islamic Bank	Manama / Bahrain
Al Baraka Turk Participation	Istanbul / Turkey
Al Baraka Bank Egypt	Cairo / Egypt
Al Baraka Bank Syria	Damascus / Syria
Al Baraka Bank Lebanon	Beirut / Lebanon
Abu Dhabi Islamic Bank	Abu Dhabi / UAE
Arab African International Bank	Cairo / Egypt
National Bank of Egypt	Cairo / Egypt
El Nilein Bank	Abu Dhabi / UAE
Qatar National Bank	Doha / Qatar
Commercial Bank Of Ethiopia	Addis Ababa / Ethiopia
Al Baraka Bank Tunisia	Tunisia

Subsidiaries And Associate Companies

Subsidiaries And Associate Companies

Albaraka Real Estate Management Company

Albaraka Insurance Company

Al Braka Exports Development Company Ltd

Albraka Financial Service Company

Capital Contribution

Arab Agricultural Investment Company (Sudan)

Alhaj Abdulla Ice Factory

National Agency For Insurance and Finance of Export

Forus Development Company Ltd

Electronic Banking Services Company

Microfinance Guarantee Agency

Albaraka Banking Group



Lebanon

Al Baraka Bank Lebanon

Justinian Street
BAC Center, 12th Floor
Sanayeh, near Chamber of Com & Inds.
Beirut, Lebanon
Tel: +9611 748061 to 65
Fax: +9611 748061 to 65 Ext: 700
al-baraka.com

Established **1991**

Branches **06**

Bahrain

Al Baraka Islamic Bank

Al Baraka Headquarters -
Bahrain Bay P.O. Box 1882
Manama, Kingdom of Bahrain
Tel: +973 17 535 300
Fax: +973 17 533 993
albaraka.bh

Established **1984**

Branches **08**

Sudan

Al Baraka Bank- Sudan

Baraka Tower
P. O. Box: 3583
Khartoum
Sudan
Telephone: + 249 187 112000
Fax: + 249 183 788585
Website: www.albaraka.com.sd

Established **1984**

Branches **27**

Algeria

Banque Al Baraka D'algerie

Hai Bouteldja Houidef, Villa No. 1
Rocade Sud, Ben Aknoun
Algiers, Algeria
Tel: +213 23 38 12 73
Fax: +213 23 38 12 76/77
albaraka-bank.com

Established **1991**

Branches **31**

South Africa

Al Baraka Bank Limited

2 Kingsmead Boulevard, Kingsmead
Office Park, Stalwart Simelane Street,
P.O. Box 4395 Durban 4000
South Africa
Tel: +2731 364 9000
Fax: +2731 364 9001
albaraka.co.za

Established **1989**

Branches **11**

Pakistan

Al Baraka Bank (Pakistan) Limited

Al Baraka House, 162
Bangalore Town Main Shahrah-e-Faisal
Karachi, Pakistan
Tel: +92 21 34307000
Fax: +92 21 34530981
albaraka.com.pk

Established **2010**

Branches **191**

Syria

Al Baraka Bank Syria

Alshahbader Street
P.O. Box 100 Damascus, Syria
Tel: +963 11 443 78 20
Fax: +963 11 443 78 10
albarakasymia.com

Established **2009**

Branches **13**

Tunisia

Al Baraka Bank Tunisia

88, Avenue Hedi Chaker
1002, Tunis, Tunisia
Tel: +216 71 186 500 / +216 71 186 600
Fax: +216 71 780 235 / +216 71 908 170
albarakabank.com.tn

Established **1983**

Branches **37**

Jordan

Jordan Islamic Bank

P.O. Box 926225
Amman 11190 Jordan
Tel: +9626 567 7377
Fax: +9626 566 6326
jordanislamicbank.com

Established **1978**

Branches **105**

Albaraka Banking Group



Egypt



Al Baraka Bank Egypt

60, Mohie Elddin Abu Elezz Street
P.O. Box 455, Dokki
Giza, Egypt
Tel: +2023 748 1222
Fax: +2023 761 1436/7
albaraka-bank.com.eg

Established **1980**

Branches **32**



Iraq



Erbil Branch

60Mt Street - Erbil, Iraq
Tel: +964 750 370 98 /90/91/92/93
www.albarakatürk.com.iq

Established **1983**

Branches **37**



Turkey




Al Baraka Türk Participation Bank


Saray Mahallesi
Dr. Adnan Buyukdeniz Caddesi, No. 6 34768
mranıya,
Istanbul, Turkey
Tel: +90 216 666 01 01
Fax: +90 216 666 16 00
albaraka.com.tr

Established **1985**

عدد الفروع **230**



Morocco



BTI Bank Morocco

BTI Bank S.A
157, Avenue Hassan II Casablanca 20
000 - Morocco
Tel: +212 5 20 51 51 51
fax: +212 5 22 26 47 89
btibank.ma/

Established **2017**

Branches **04**



Indonesia




Al Baraka Banking Group


Ravindo Building, 10th Floor Jalan Kebon
Sirih, No. 75
Jakarta Pusat 10340 Indonesia
Tel: +62 21 316 1345
Fax: +62 21 316 1074
albaraka.com

Established **2008**

Representative Office



Libya



Al Baraka Banking Group

Tripoli Tower, Tower 1
14th Floor, Of ce No. 144
P.O. Box 93271 Tripoli, Libya
Tel: +218 (21) 336 2310, +218 (21) 336 2311
Fax: +218 (21) 336 2312
albaraka.com

Established **2011**

Branches **31**



Kingdom of Saudi Arabia



Itqan Capital

برج ذا هيد كوارترز، بنيس باراك، طريق
الكورنيش، جدة 21482 ، صندوق بريد: 8021
هاتف: +966125106030
فاكس: +966125106033
الموقع الإلكتروني: www.itqancapital.com

Established **2007**