

**Al Salam Bank- Sudan
(Public limited Company)
Unaudited Financial Statements
For The Three Months Ended
March 31, 2025**



Allied Accountants
Bannaga & Co.
Certified Public Accountants

Atbara Street
Al Taka Building - 2nd Floor
P.O.Box 1603 Khartoum
Republic of Sudan

Tel.: +249183 772383
Tel.: +249183 772173
Fax: +249183 772184

“Independent Auditor’s Report”

Report on Review of Interim Financial Statements
Al-Salam Bank – Sudan
To: Members of Board of Directors

Introduction

We have reviewed the accompanying statement of financial position of Al-Salam bank as of march 31,2025 and the related statement of income , cash flow and change in equity for the three- month period then ended , and summary of significance accounting policies and other explanatory notes , Management is responsible for preparation and fair presentation of these interim financial statements in accordance with standards issued by Accounting and Auditing Organization for Islamic financial institution and international accounting standard (34) . Our responsibility is to express conclusion on the interim financial statements based on our review.

Scope of Review

We conducted review in accordance with Accounting and Auditing Organization for Islamic financial institution and international standard on review engagement (2410) Review of Interim Financial Statements by Independent Auditor of an entity. A review of interim financial statements consists of making inquiries, primary of persons responsible for financial and accounting matters and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Accounting and Auditing Organization for Islamic financial institution and international standard on auditing and consequently dose not enable us to obtain assurance that we would be aware of all significant matters that might be identified in an audit.

Conclusion:

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give true and fair view of financial position of Al-Salam bank at March 31, 2025 and its performance and its cash flow for the three – month period then ended in accordance with standards issued by Accounting and Auditing Organization for Islamic financial institution and international accounting standard (34).

Abdelgadir Bannaga /PhD /FCCA

Jeddah on Shawal 11, 1446H
Corresponding to April 9, 2025G



AL SALAM BANK

**Condensed Statement of Financial Position
As at March 31, 2025**

	Note	March 31,2025 Unaudited SDG	December 31,2024 Audited SDG
Assets: -			
Cash and cash equivalents		28,466,135,407	25,307,940,678
Deferred sales receivables (net)		35,675,482,849	31,280,877,667
Investments held to maturity	(3)	33,569,500	33,569,500
Investments in Mudaraba	(4)	3,476,552,845	3,476,552,845
Musharaka financing	(5)	230,235,730	230,235,730
Investments available for sale	(6)	39,572,741,779	30,774,521,980
Investments in property		468,281,029	468,281,029
Other assets		27,027,866,533	21,858,990,073
Fixed assets (net)		1,642,330,888	1,694,019,658
Total Assets		136,593,196,560	115,124,989,160
Liabilities, Unrestricted investment accounts and Equity:-			
Liabilities: -			
Current Account		16,791,947,704	15,863,520,760
Other liabilities		24,522,970,385	20,934,183,584
Provisions and accrual		7,648,820,056	6,594,949,102
Total Liabilities		48,963,738,145	43,392,653,446
Unrestricted investment accounts holders		30,637,934,471	27,345,931,954
Owners' Equity: -			
Paid up capital	(8)	326,229,750	326,229,750
Reserves	(9)	53,395,485,641	43,687,452,153
Retained earnings		3,269,808,553	372,721,857
Total equity		56,991,523,944	44,386,403,760
Total Liabilities, Unrestricted investment accounts and equity		136,593,196,560	115,124,989,160
Contra accounts: -	(10)	66,265,544,147	54,931,266,236

The accompanying notes (1) to (10) form an integral part of these Statements

Mohamed Ahmed Alamin
Acting General Manager

Dr. Mohamed Ali Khamis Alhosani
Board Member

Abdulrahman Ahmed Abdullah Senan
Board member

AL SALAM BANK

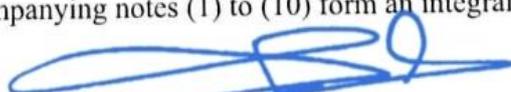
Condensed Income Statement For the three Months ended March 31, 2025

	March 31, 2025 Unaudited SDG	March 31, 2024 Unaudited SDG
Income		
Deferred sales	1,214,979,718	459,655,566
Income from investments	-	-
Total income from financing and investments	1,214,979,718	459,655,566
Less: Return on unrestricted investment accounts	-	(102,482,268)
Bank's share in income from investments (as Mudarib and as fund owner)	1,214,979,718	357,173,298
Income from direct investments	3,424,979,622	1,413,352,922
Income from banking services	126,076,074	302,742,517
Gain on exchange of foreign currency	10,942,933	2,036,669
Other income	246,112	419
Total Bank's revenue	4,777,224,459	2,075,305,825
Expenses		
Staff cost	(440,542,624)	(377,590,892)
Operation expenses	(391,916,593)	(121,990,295)
Depreciation	(51,688,769)	(27,723,627)
Provision for financing risk	-	-
Total expenses	(884,147,986)	(527,304,814)
Net operation profits	3,893,076,473	1,548,001,011
Gains on valuation of foreign currencies	3,400,705,986	2,226,551,488
Profit before Zakat & tax	7,293,782,459	3,774,552,499
Provision for Zakat	(241,919,333)	(152,865,631)
Provision for business Profit Tax	(754,070,444)	-
Net income for the period	6,297,792,682	3,621,686,868
Basic earnings per share	51.93	29.86



Mohamed Ahmed Alamin
Acting General Manager

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Dr. Mohamed Ali Khamis Alhosani
Board Member

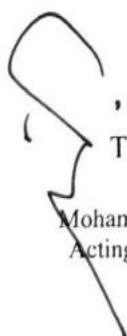


Abdulrahman Ahmed Abdullah Senan
Board member

AL SALAM BANK

Condensed Statement of Cashflow For the three Months ended March 31, 2025

	March 31, 2025 Unaudited SDG	100 Unaudited SDG
Cash follows from operating activities:		
Net income for the period	6,297,792,682	3,621,686,868
Adjustments for:		
Provision for Zakah	241,919,333	152,865,631
Provision for Tax	754,070,444	-
Gains on valuation of foreign currencies	(3,400,705,986)	(2,226,551,488)
Depreciation of fixed assets	51,688,769	27,723,627
Return on unrestricted investment accounts	-	102,482,268
	3,944,765,242	1,678,206,906
Changes in operating assets, liabilities:		
Provisions and accrual	57,881,177	240,574,737
Net cash from provided by operating activities	4,002,646,419	1,918,781,643
Cash follows from investing activities:		
Deferred sales receivables	(4,394,605,182)	(8,139,993,926)
Investments available for sale	(2,490,892,296)	(826,162,635)
Projects in progress	-	(146,861,750)
Net cash (used in) investing activities	(6,885,497,478)	(9,113,018,311)
Cash follows from financing activities:		
Other assets	(5,168,876,460)	(3,261,398,697)
Current accounts	928,426,944	2,494,032,842
Other liabilities	3,588,786,801	2,737,009,459
Unrestricted investment accounts	3,292,002,517	2,924,831,705
Net cash from financing activities	2,640,339,802	4,894,475,309
Increase in cash and cash equivalents for the period	(242,511,257)	(2,299,761,359)
Gains on valuation of foreign currencies	3,400,705,986	2,226,551,488
Cash and cash equivalents at the beginning of the period	25,307,940,678	21,202,141,474
Cash and cash equivalents at the end of the period	28,466,135,407	21,128,931,603



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Acting General Manager

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Dr. Mohamed Ali Khamis Alhosani
Board Member

Abdulrahman Ahmed Abdullah
Board member

AL SALAM BANK

Condensed Statement of Changes in Equity For the three Months ended March 31, 2025

	Paid up capital	Retained earnings	Statutory reserve	General reserve	Property revaluation reserve	Foreign Invt's revaluation reserve	Foreign assets reserve	Total
	SDG	SDG	SDG	SDG	SDG	SDG	SDG	SDG
Balance at January 1, 2024	323,549,000	(2,111,700,193)	323,549,000	284,407,948	307,550,184	15,018,388,372	10,769,717,958	24,915,462,269
Net income for the year	-	5,326,362,471	-	-	-	-	-	5,326,362,471
Capital expenses	2,680,750	-	-	-	-	-	-	2,680,750
Reserves	-	(2,680,750)	2,680,750	-	-	-	-	-
Revaluation Diff	-	(2,839,259,671)	-	-	-	14,141,898,270	2,839,259,671	14,141,898,270
Balance at December 31, 2024	326,229,750	372,721,857	326,229,750	284,407,948	307,550,184	29,160,286,642	13,608,977,629	44,386,403,760
Net income for the period	-	6,297,792,682	-	-	-	-	-	6,297,792,682
Reserves	-	-	-	-	-	-	-	-
Revaluation Diff	-	(3,400,705,986)	-	-	-	6,307,327,502	3,400,705,986	6,307,327,502
Balance at March 31, 2025	326,229,750	3,269,808,553	326,229,750	284,407,948	307,550,184	35,467,614,144	17,009,683,615	56,991,523,944

The accompanying notes (1) to (10) form an integral part of these Statements

Mohamed Ahmed Alamin
Acting General Manager

Dr. Mohamed Ali Khamis Alhosani
Board Member

Abdulrahman Ahmed Abdullah
Board member

AL SALAM BANK

NOTES TO CONDENCED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025

(1) Incorporation and activities

Al Salam Bank (the Bank) was established as a public limited liability company in Khartoum in December 28, 2004 under companies' law 1925 with registration certificate No. 23335. The bank provides commercial banking services according to Islamic rules and principles. The bank started its commercial operations on May 2005, Providing its services from the head office, which is located at Bort -Sudan and Bort -Sudan branch .

(2) Basis of preparation

a) Accounting Standards

The interim condensed financial statements have been prepared in accordance with the Standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), and the international Accounting Standard no (34) and the requirements of the Central Bank of Sudan and the banks' Shari'a Supervisory Board (SSB).

b) Accounting Policies

The interim condensed financial statements should be read with financial statements as at December 31, 2024 and its attached notes. The interim condensed financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and also the results for the period ended 31, March, 2025 are not indicative of the results that may be expected for the year ended 31 December 2025.

c) Functional currency

The functional currency of these condensed financial statements is Sudanese Geneih (SDG).

AL SALAM BANK**NOTES TO CONDENCED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2025****(3) Investments held to maturity**

	<u>March 31,2025</u>	<u>December 31,2024</u>
	<u>Unaudited</u>	<u>Audited</u>
	<u>SDG</u>	<u>SDG</u>
Shahama securities	33,569,500	33,569,500
	<u>33,569,500</u>	<u>33,569,500</u>

(4) Investment in Mudaraba

	<u>March 31,2025</u>	<u>December 31,2024</u>
	<u>Unaudited</u>	<u>Audited</u>
	<u>SDG</u>	<u>SDG</u>
Mudaraba with corporate & customers	690,000,000	690,000,000
Mudaraba with Hyper deal company	1,130,000,000	1,130,000,000
Al-Baraka investment fund fourth	15,000,000	15,000,000
Second investment fund - Hyper Deal Co	41,220,000	41,220,000
The animal production fund - Hyper Deal Co	250,000,000	250,000,000
Mudaraba with local banks	<u>2,140,665,689</u>	<u>2,140,665,689</u>
	<u>4,266,885,689</u>	<u>4,266,885,689</u>
Less : Provision for financing risk	<u>(790,332,844)</u>	<u>(790,332,844)</u>
	<u>3,476,552,845</u>	<u>3,476,552,845</u>

(5) Musharka financing

	<u>March 31,2025</u>	<u>December 31,2024</u>
	<u>Unaudited</u>	<u>Audited</u>
	<u>SDG</u>	<u>SDG</u>
Musharaka	460,471,461	460,471,461
Less : Provision for financing risk	<u>(230,235,731)</u>	<u>(230,235,731)</u>
	<u>230,235,730</u>	<u>230,235,730</u>

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NOTES TO CONDENCED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025

(6) Investments available for sale

	Ownership percentage	<u>March 31,2025</u> <u>Unaudited</u> <u>SDG</u>	<u>December 31,2024</u> <u>Audited</u> <u>SDG</u>
Alsalam bank- Bahrain	0.98%	18,452,341,112	13,230,593,530
AL Salam bank- Algeria	3.60%	17,437,372,000	14,454,000,000
King Abdullah city	0.06%	3,450,177,775	2,857,077,558
Local investment funds		232,800,892	232,800,892
Al Salam Real Estate Company	50%	50,000	50,000
		<u>39,572,741,779</u>	<u>30,774,521,980</u>

(7)Investments Analysis

	<u>March 31,2025</u> <u>Unaudited</u> <u>SDG</u>	<u>December 31,2024</u> <u>Audited</u> <u>SDG</u>
Local Investments (note 7/1)	4,441,489,996	4,441,489,996
Investments in GCC countries (note 7/2)	21,902,518,887	16,087,671,088
Foreign Investments (Al Salam Bank - Algeria)	17,437,372,000	14,454,000,000
	<u>43,781,380,883</u>	<u>34,983,161,084</u>

(7/1) Local Investments

	<u>March 31,2025</u> <u>Unaudited</u> <u>SDG</u>	<u>December 31,2024</u> <u>Audited</u> <u>SDG</u>
Shahama securities	33,569,500	33,569,500
Local investment funds	232,800,892	232,800,892
Al-Baraka investment fund	15,000,000	15,000,000
Mudaraba with customers	690,000,000	690,000,000
Mudaraba with Hyper Deal Co	1,421,220,000	1,421,220,000
Mudaraba with Local Banks	2,140,665,689	2,140,665,689
Musharaka	460,471,461	460,471,461
Al Salam Real Estate Company	50,000	50,000
Local land	468,281,029	468,281,029
Total	<u>5,462,058,571</u>	<u>5,462,058,571</u>
Less: provision for investment risk	<u>(1,020,568,575)</u>	<u>(1,020,568,575)</u>
	<u>4,441,489,996</u>	<u>4,441,489,996</u>

AL SALAM BANK

NOTES TO CONDENCED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED MARCH 31, 2025

(7/2) Investments in GCC countries

	<u>March 31,2025</u> <u>Unaudited</u> <u>SDG</u>	<u>December 31,2024</u> <u>Audited</u> <u>SDG</u>
AL Salam Bank – Bahrain	18,452,341,112	13,230,593,530
King Abdullah City shares	<u>3,450,177,775</u>	<u>2,857,077,558</u>
	<u>21,902,518,887</u>	<u>16,087,671,088</u>

8/ capital

	<u>March 31,2025</u> <u>Unaudited</u> <u>SDG</u>	<u>December 31,2024</u> <u>Audited</u> <u>SDG</u>
Paid up capital	<u>326,229,750</u>	<u>326,229,750</u>
	<u>326,229,750</u>	<u>326,229,750</u>

The authorized share capital of the bank comprises of 200 million share with nominal value of SDG 2,69 each ,issued and paid shares 121,275,000 .

9/ Reserves:-

	<u>March 31,2025</u> <u>Unaudited</u> <u>SDG</u>	<u>December 31,2024</u> <u>Audited</u> <u>SDG</u>
Property revaluation reserve	307,550,184	307,550,184
Foreign investments revaluation reserve	35,467,614,144	29,160,286,642
Foreign assets and liabilities revaluation reserve	17,009,683,615	13,608,977,629
General reserve	284,407,948	284,407,948
Statutory reserve (note 9/1)	<u>326,229,750</u>	<u>326,229,750</u>
	<u>53,395,485,641</u>	<u>43,687,452,153</u>

(9/1) Statutory reserve

As required by the banking regulation law of 2004 and the central bank of Sudan circular dated 7 April 2007, 10% of net profit must be transferred to statutory reserve. The bank may discontinue such annual transfers when the reserve equals 100% of the paid up capital.

AL SALAM BANK

**NOTES TO CONDENCED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2025**

(10) Contra accounts

The contra accounts which are not included in the statement of financial position are as follows.

	<u>March, 31,2025</u>	<u>December 31,2024</u>
	<u>Unaudited</u>	<u>Audited</u>
	<u>SDG</u>	<u>SDG</u>
Letters of credit	8,167,222,962	6,770,110,615
Letters of guarantee	10,977,568	10,231,725
Restricted investments accounts- Elneelein bank- Abu Dhabi	54,467,373,770	45,150,003,504
Written off debts	<u>3,619,969,847</u>	<u>3,000,920,392</u>
	<u>66,265,544,147</u>	<u>54,931,266,236</u>