

# Results Presentation

for period ended 31 March 2025





**Strong momentum in strategy execution accelerates the delivery of our vision as MENA's International Bank of the Future**



## Net profit US\$76m, headline +1%, +11% underlying\* YoY

Resilient underlying growth across core markets with disciplined management of operating expenses and cost of risk. Adjusting for FX impact on BRL and EGP primarily, underlying growth YoY was 11%.

## Healthy Balance Sheet T1 Ratio 15.0%, NSFR 126%, LCR 209%

Capital, Funding and Liquidity metrics remain strong with healthy buffers to maintain growth momentum.

## Robust underlying\* revenue momentum

Headline revenues of US\$332m and Underlying Revenues at US\$360m (+5%) reflecting improvements in drivers of core business growth and origination across the franchise

## ROE 7.4%\*\*, +10bps YoY

Reflecting the positive momentum to improve returns to our shareholders through successful execution of our strategy

\*Adjusted for FX, BRL -16%, EGP -30% Q1 2025 vs. Q1 2024

\*\*Annualized return on equity, extrapolated YTD Mar net profit



## MENA's International Bank of the Future

### 1 Accelerate our Core Businesses

Accelerate  
Wholesale  
& Treasury

Boost  
Retail

Capitalize  
on Brazil's  
Success

Creating near-term value for the Bank

### 2 Maximize value of our Digital Units



Creating longer-term value for the Bank

### 3 Strengthen our Operating Model

Improve  
Org Effectiveness

Enhance  
Steering Ability

Strengthen  
Process Efficiency

Develop  
Agile Infrastructure

Driving Execution and future-proofing the Bank

## Continued momentum in executing our Transformation Roadmap in Q1-2025

- / Launched Sustainable Finance Framework for the Group
- / Launched ila Gulf Air Co-branded Credit Card in Bahrain
- / Launched Bank ABC mobile banking app in Egypt
- / Established Portfolio Management team in place
- / Established new Data Management function
- / Initiated AI center of Excellence and automated multiple complex processes using AI
- / Launched KPIs pilot across the bank
- / Prestigious awards for delivering on our vision in Q1-2025



# 2025 Awards – Continued recognition for consistent excellence

## Bank ABC



**Best Bank for Trade Finance in Bahrain –**  
Global Finance World’s Best Trade Finance Awards



**World’s Best Financial Innovation Lab Award for ABC Labs –** Global Finance Innovators Awards



**Global Corporate Sukuk Deal of the Year for US\$500 million AerCap Sukuk –** Global Banking & Markets Awards Middle East

## Bank ABC Islamic

**Best Islamic Corporate Bank in Bahrain –** Islamic Finance News (IFN) awards

**Best Digital Offering by an Islamic Bank in Bahrain –** Islamic Finance News (IFN) awards

**IFN Most Innovative Deal of the Year for AerCap Holdings’** US\$500 million Sukuk

**IFN Sukuk Deal of the Year for AerCap Holdings’** US\$500 million Sukuk

**IFN Bahrain Deal of the Year for Bahrain Steel’s** US\$450 million ESG financing facility

**IFN Ijarah Deal of the Year for Oman Telecommunications** Company’s US\$500 million Sukuk.

**IFN Oman Deal of the Year for Oman Telecommunications** Company’s US\$500 million Sukuk.

## ila Bank

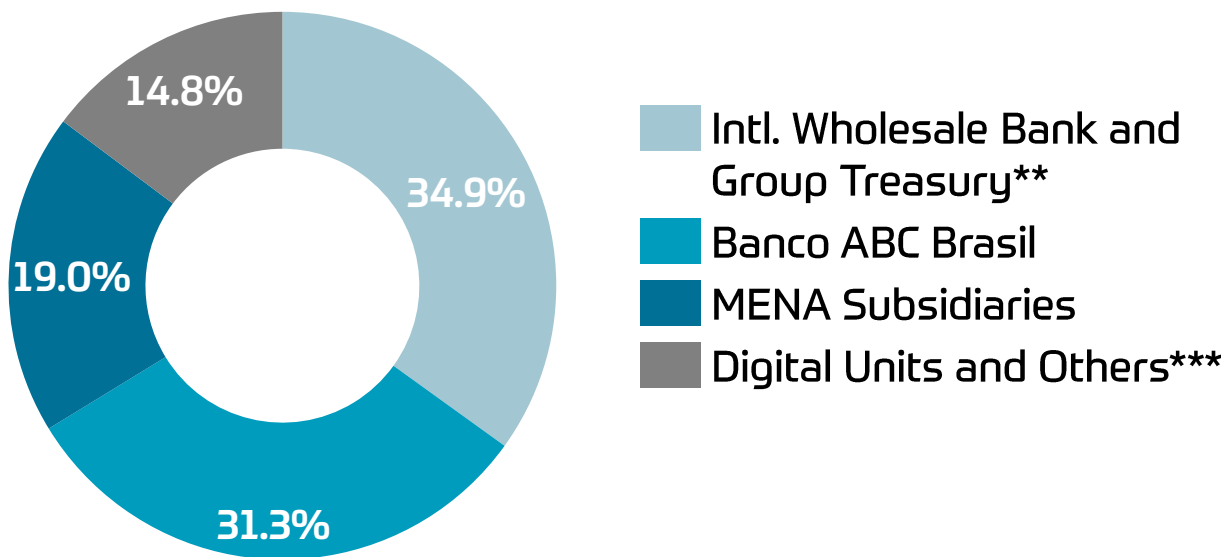


**MENA Retail Bank of the Year –** MEED MENA Banking Excellence Awards

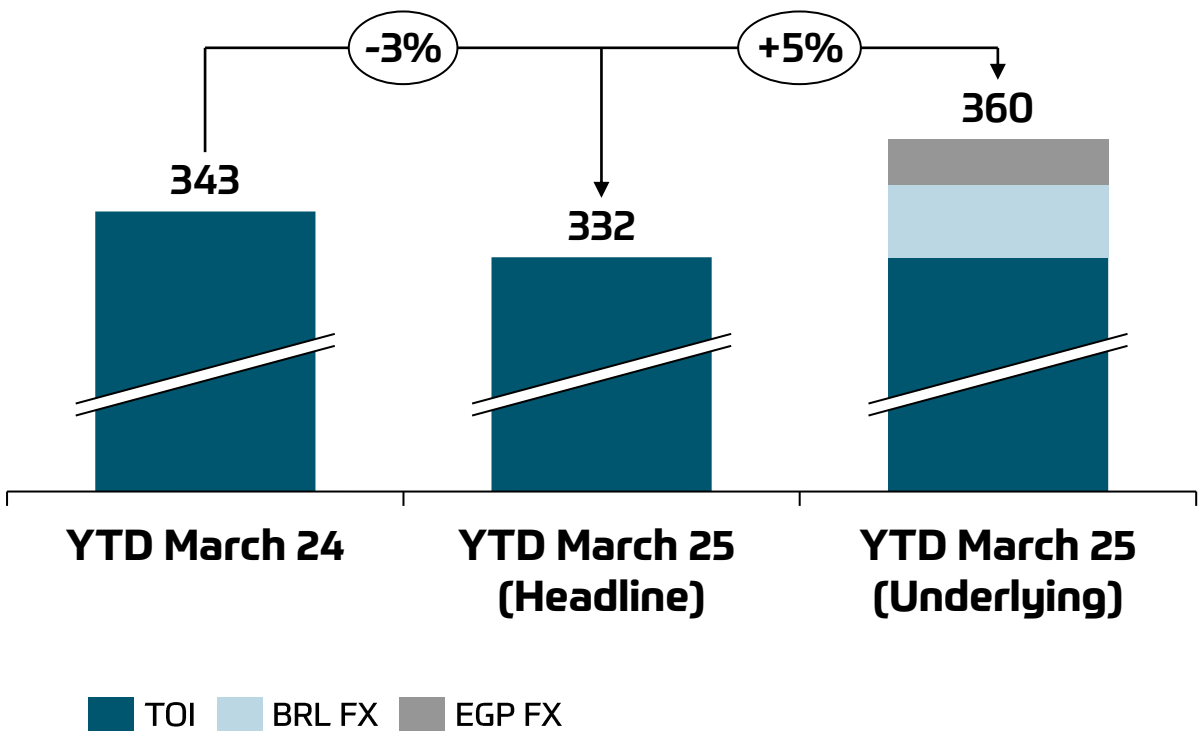
Robust underlying performance, driven by strong core business growth

- / Headline TOI reached US\$332m (-3% YoY), Underlying TOI reached US\$360m\*, +5% higher on a YoY basis
- / TOI was well diversified across our markets and business lines with International Wholesale and Group Treasury contributing the highest share at 35%, followed by Brasil at 31%, MENA subsidiaries at 19% and Digital units and others at 15%

YTD March 2025 TOI by business



YTD March 2025 TOI Headline vs Underlying FX adjusted, US\$m



\*Adjusted for FX, BRL -16%, EGP -30% Q1 2025 vs. Q1 2024  
\*\*International wholesale bank 27.1% and Group Treasury 7.8%  
\*\*\* Includes activities of Digital units (Arab Financial Services, ila) and Equity income.

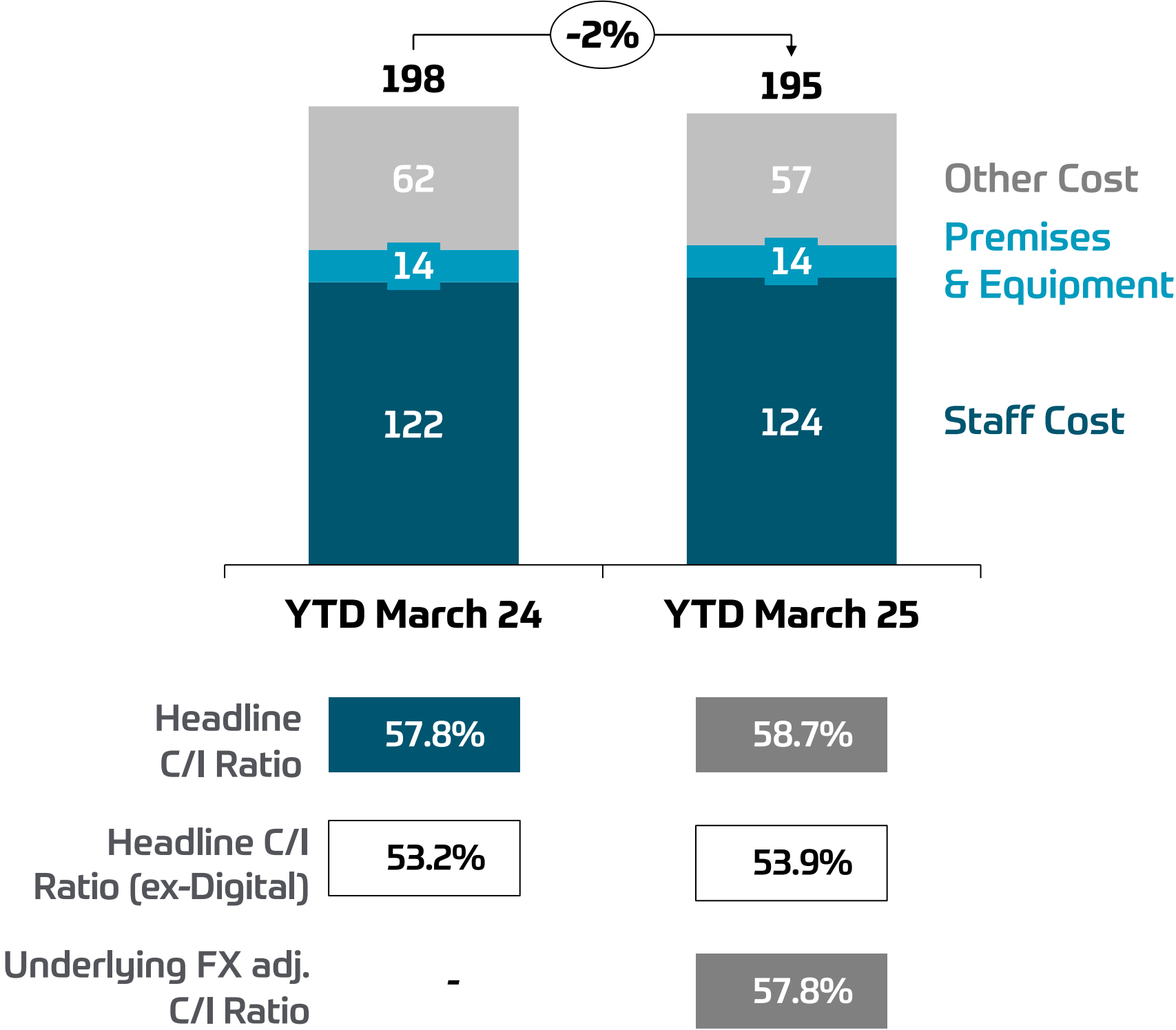


Innovating ahead  
while maintaining  
robust cost  
disciplines



- / The Group continues to enforce appropriate cost discipline without compromising on investments into the Group’s digital transformation and strategic initiatives to build its “Bank of the Future”
- / Cost to income ratio at 58.7% on a headline basis:
  - 1) 53.9% when adjusted for ongoing investment in digital initiatives and FX
  - 2) Headline C/I adjusted for FX is 57.8%, flat on an underlying basis

Operating Expenses and  
Cost to Income Ratio

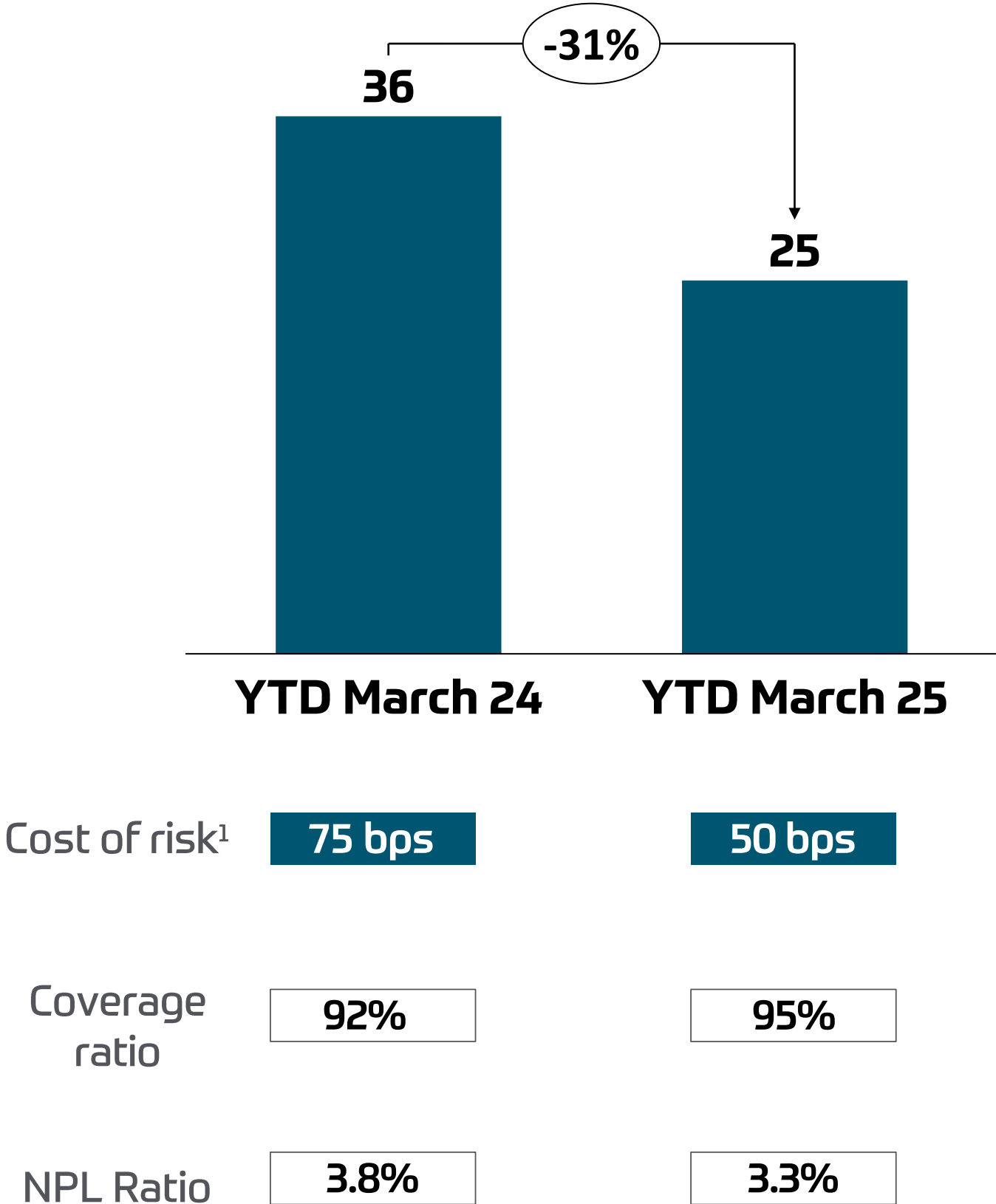


Business growth  
being prudently  
managed, with  
healthy level of  
risk appetite and  
risk frameworks

- / ECL charge -31% YoY to US\$25m reflecting improvement in Q1 cost of risk
- / Headline Cost of risk at 50bps, improved compared to YTD March 2024 levels
- / NPL Ratio and Coverage ratio remain at healthy levels

1. Credit Loss expense / Gross Loans

ECL charge and cost of risk, US\$m, bps



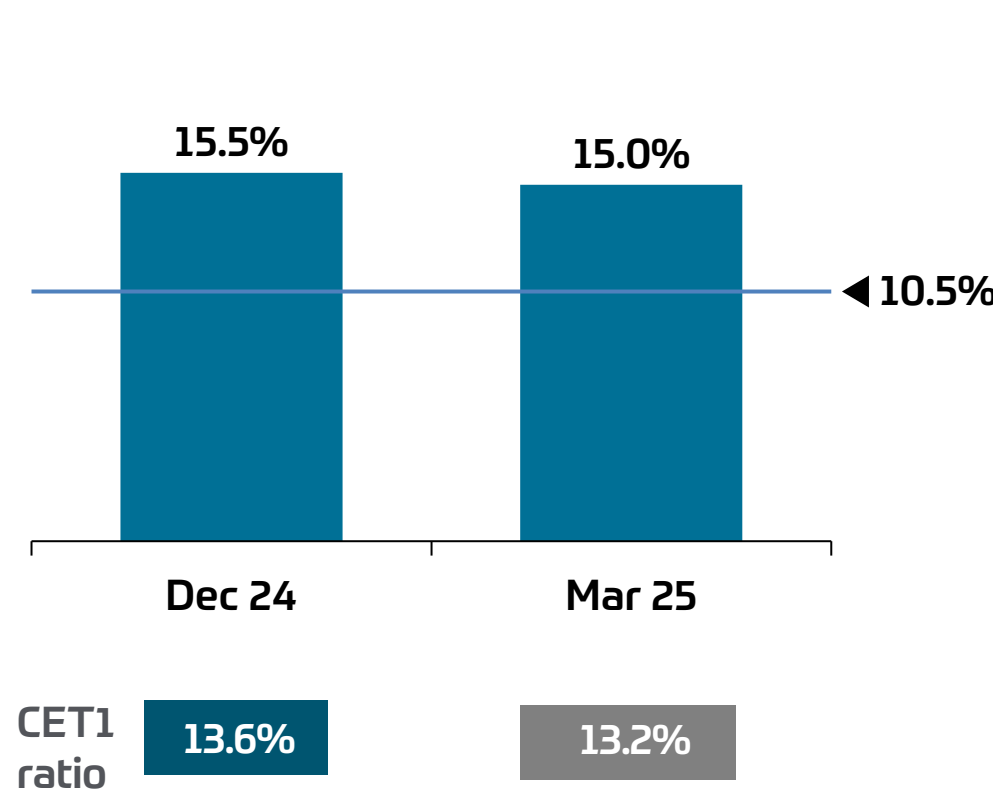
Balance sheet strength was maintained, with robust capital ratio levels



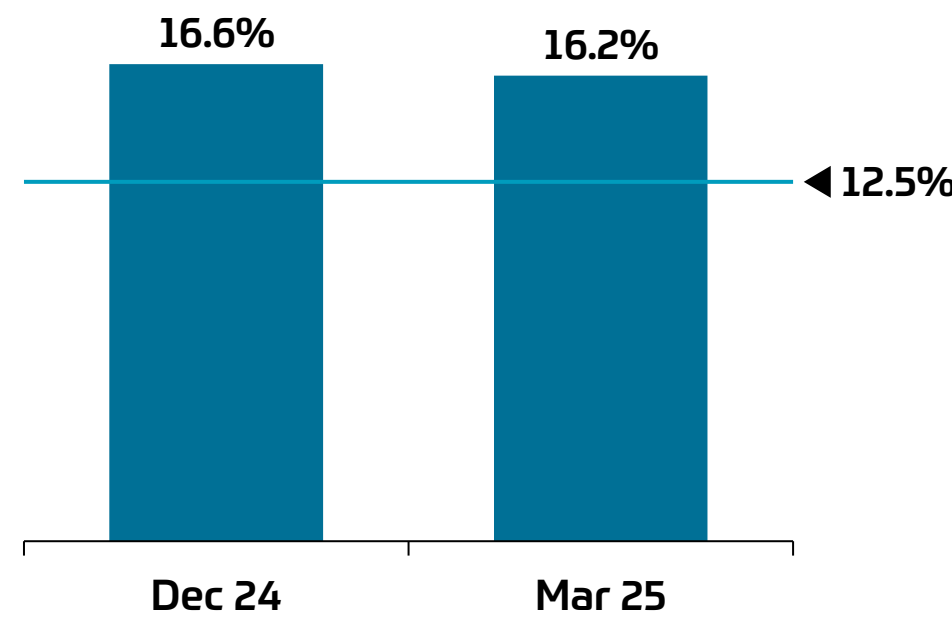
## Overview

- / Strong T1 Ratio at 15%, after payment of dividend
- / CET 1 Ratio 13.2% comprises the majority of Tier 1 Ratio

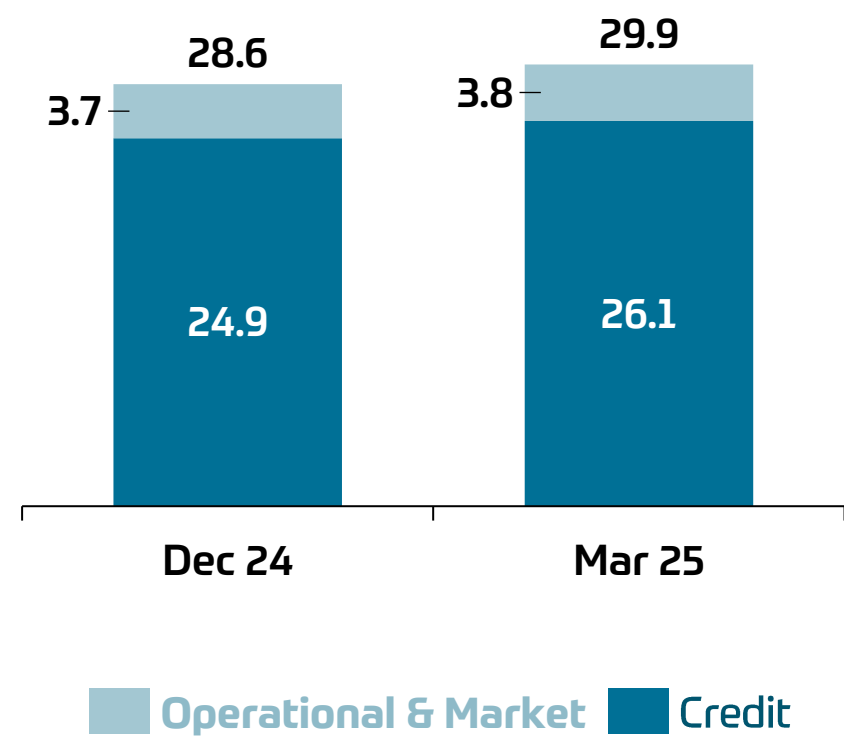
CET1 and Tier 1 Ratios, %



Total CAR, %



RWA by Type of Risk, US\$bn





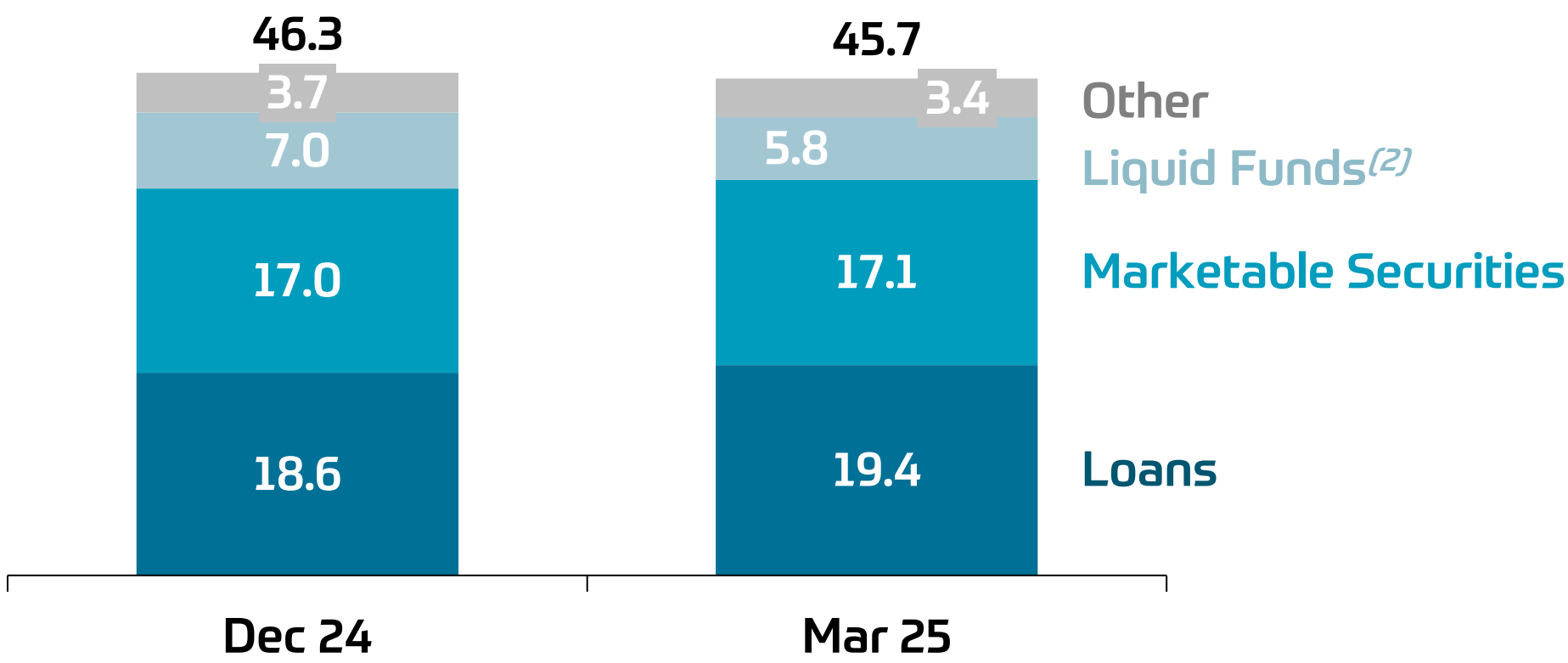
Strong Total Asset levels at US\$45.7bn reflecting financial resilience amid evolving macroeconomic environment conditions



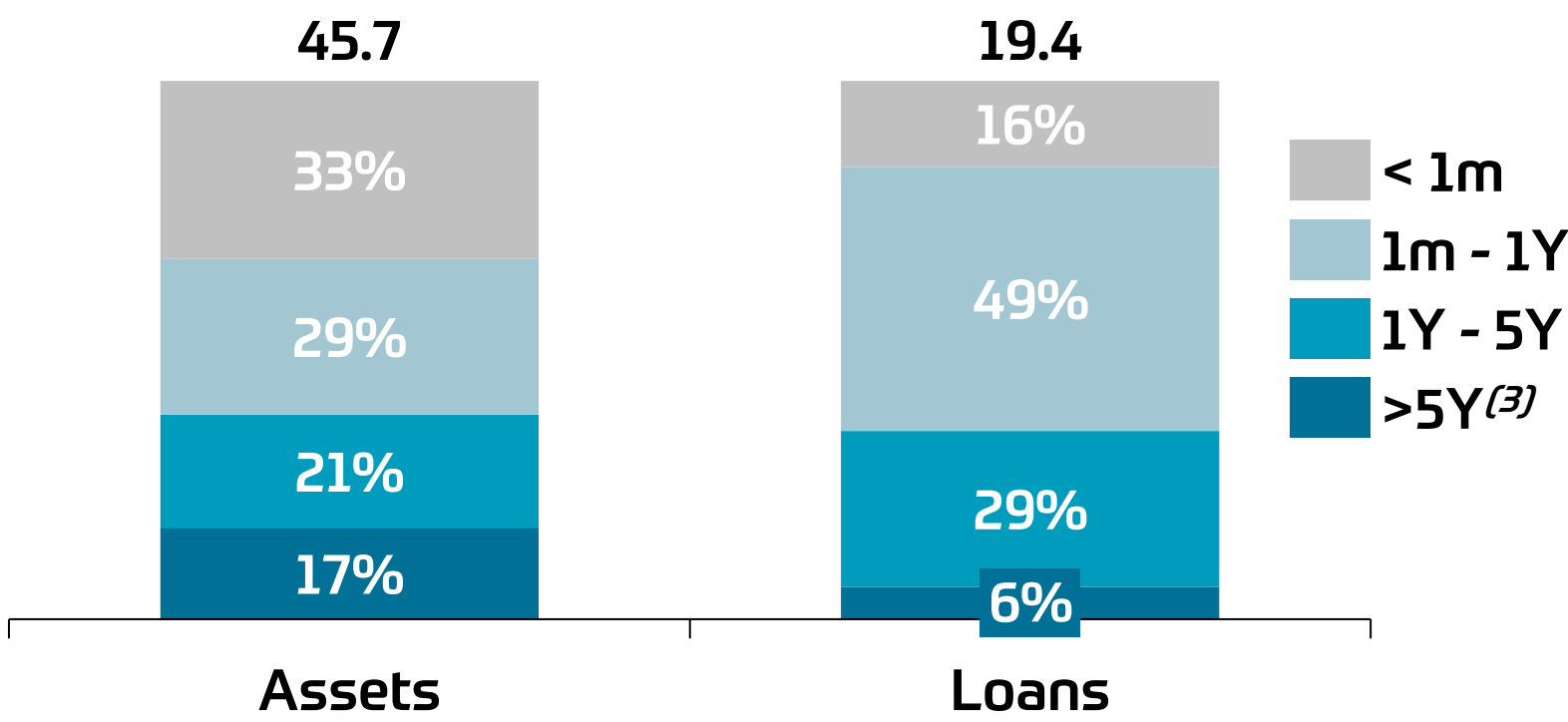
- / Total Assets of US\$45.7bn at the end of Mar 2025, compared to US\$46.3bn at the 2024 year-end, slight 1% decrease, due to liquid funds
- / Book weighted to short-term with 62% of Total Assets maturing within 1-year
- / Headline Loans increased 4% compared with 2024-year end, reflecting strong underlying growth in core business. Overall loans comprised 42% of Total Assets.
- / Net loans to customer deposits ratio at 82%
- / Strong liquid funds position with LCR of 209% <sup>1</sup> and NSFR of 126%

1) LCR calculated net of trapped liquidity. 2) Liquid funds includes placements with banks & other financial institutions and securities bought under repurchase agreements. 3) Undated included in >5 years.

## Mar 2025 Assets by Instrument, US\$bn



## Mar 2025 Assets by Maturity, US\$bn



## Strong YTD March results reflect continued momentum and delivery of Bank ABC Group's Growth Strategy

**Net profit at US\$76m +1% YoY**, Underlying net profit, adjusting for FX impact was a robust growth of 11% reflecting continued growth in core business with disciplined management of operating expenses and cost of risk

**Resilient start to 2025 with Headline Revenue of US\$332m and Underlying Revenues at 5% YoY**, reflecting robust core business growth and origination across the franchise

**Operating expenses were at US\$195m**, with underlying C/I ratio stable reflecting the Group's continued cost discipline without compromising on investments into its strategic transformation agenda

**ROE annualized at 7.4%**, reflecting +10bps improved return on capital

**Strong capital and liquidity position**, positioning the Bank well for future growth and sustained resilience



# Appendix: Normalized Financials

## Profit or Loss

US\$ millions	2019	2020	2021	2022	2023	2024	YTD Mar 24	YTD Mar 25	▲ Headline YoY %	▲ Underlying YoY %
Net Interest Income	564	516	592	786	935	902	233	231	-1%	8%
Non-Interest Income*	311	233	277	315	344	437	110	101	-8%	-2%
<b>Total Operating Income (TOI)*</b>	<b>875</b>	<b>749</b>	<b>869</b>	<b>1,101</b>	<b>1,279</b>	<b>1,339</b>	<b>343</b>	<b>332</b>	<b>-3%</b>	<b>5%</b>
Total Operating Expenses	-524	-486	-569	-690	-764	-773	-198	-195	-2%	-5%
<b>Net Operating Profit</b>	<b>351</b>	<b>263</b>	<b>300</b>	<b>411</b>	<b>515</b>	<b>566</b>	<b>145</b>	<b>137</b>	<b>-6%</b>	<b>5%</b>
Provisions	-82	-329	-106	-119	-145	-143	-36	-25	-31%	-22%
<b>Profit before Taxes &amp; M.I.</b>	<b>269</b>	<b>-66</b>	<b>194</b>	<b>292</b>	<b>370</b>	<b>423</b>	<b>109</b>	<b>112</b>	<b>3%</b>	<b>14%</b>
Taxes*	-33	-9	-66	-83	-74	-72	-18	-21	17%	28%
M.I.	-42	-14	-28	-55	-61	-66	-16	-15	-6%	13%
<b>Net Profit</b>	<b>194</b>	<b>-89</b>	<b>100</b>	<b>154</b>	<b>235</b>	<b>285</b>	<b>75</b>	<b>76</b>	<b>1%</b>	<b>11%</b>

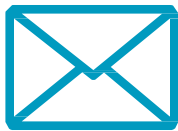
## Balance Sheet

US\$ millions	2019	2020	2021	2022	2023	2024	Mar 24	Mar 25	▲ YE 24 vs. Mar 25 %
Liquid Funds**	5,323	5,378	6,355	6,498	8,888	6,995	5,954	5,764	-18%
Marketable Securities	6,343	6,867	9,292	8,670	12,438	16,955	13,268	17,067	1%
Loans & Advances	16,452	15,656	16,716	18,190	19,096	18,649	18,675	19,353	4%
Other	1,950	2,506	2,538	3,281	3,470	3,666	3,538	3,546	-3%
<b>Total Assets</b>	<b>30,068</b>	<b>30,407</b>	<b>34,901</b>	<b>36,639</b>	<b>43,892</b>	<b>46,265</b>	<b>41,435</b>	<b>45,730</b>	<b>-1%</b>
Customer Deposits	17,065	17,667	21,459	21,831	23,847	22,675	22,260	23,630	4%
Bank Deposits	4,905	4,747	6,399	6,642	11,068	14,714	10,259	13,086	-11%
Borrowing	2,080	1,795	1,211	1,297	1,303	1,381	1,399	1,504	9%
Other	1,529	2,054	1,597	2,348	2,870	2,852	2,810	2,769	-3%
<b>Total Liabilities</b>	<b>25,579</b>	<b>26,263</b>	<b>30,666</b>	<b>32,118</b>	<b>39,088</b>	<b>41,622</b>	<b>36,728</b>	<b>40,989</b>	<b>-2%</b>
Shareholders' Equity	4,031	3,767	3,872	3,705	3,910	3,817	3,807	3,876	2%
Non-Controlling Interest	458	377	363	426	504	436	510	475	9%
Additional / Perpetual Tier-1 Capital	-	-	-	390	390	390	390	390	0%
<b>Total Equity</b>	<b>4,489</b>	<b>4,144</b>	<b>4,235</b>	<b>4,521</b>	<b>4,804</b>	<b>4,643</b>	<b>4,707</b>	<b>4,741</b>	<b>2%</b>
<b>Total Liabilities &amp; Equity</b>	<b>30,068</b>	<b>30,407</b>	<b>34,901</b>	<b>36,639</b>	<b>43,892</b>	<b>46,265</b>	<b>41,435</b>	<b>45,730</b>	<b>-1%</b>

## Key Metrics

<b>Normalized Cost to Income, %</b>	<b>60%</b>	<b>65%</b>	<b>65%</b>	<b>63%</b>	<b>60%</b>	<b>58%</b>	<b>58%</b>	<b>59%</b>	<b>1% ***</b>
<b>Tier 1 Ratio, %</b>	<b>16.9%</b>	<b>16.6%</b>	<b>15.9%</b>	<b>15.7%</b>	<b>15.0%</b>	<b>15.5%</b>	<b>14.8%</b>	<b>15.0%</b>	<b>-0.5%</b>
<b>CET 1, %</b>	<b>16.6%</b>	<b>16.2%</b>	<b>15.5%</b>	<b>14.0%</b>	<b>13.5%</b>	<b>13.6%</b>	<b>13.0%</b>	<b>13.2%</b>	<b>-0.4%</b>
<b>RoAE,%</b>	<b>4.9%</b>	<b>-</b>	<b>2.9%</b>	<b>3.9%</b>	<b>5.8%</b>	<b>7.0%</b>	<b>7.3%</b>	<b>7.4%</b>	<b>0.1% ***</b>

\* TOI and taxes includes normalization of BRL currency overhedge. Headline TOI 2019 \$865m, 2020 \$646m, 2021 \$854m, 2022 \$1,101m. Note that underlying adjustment for BAB Cayman branch hedging is no longer material due to tax changes in Brazil and hence not considered for FY 23 onwards and YOY comparison above \*\* Liquid funds includes placements with banks & other financial institutions and securities bought under repurchase agreements. \*\*\*Change Year on Year



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