

# FY 2025 Earnings Investors Call Results Presentation





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

## Revenues reached record high at US\$1.4bn, +5% YOY

Headline revenues of US\$1,410m (+5% YOY) and Underlying\* Revenues at US\$1,436m (+7% YOY) reflecting broad based performance across almost all the core markets

## Headline Net profit US\$257m, -10% YOY, ROE 6%, -1% YOY

Underlying Net Profit of US\$266m, -7% YOY and ROE of 6.2%, -0.8%, reflecting resilience despite increased provision and tax charges

## Record Total Assets reaching US\$50bn, +8% YOY

Record high levels achieved by a combination of growth across Loans and Securities portfolio

## Healthy Balance Sheet T1 Ratio 16.0%, NSFR 127%, LCR 237%

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



\*Adjusted for FX on a constant currency basis i.e., BRL -3%, EGP -10% YE 2025 vs. YE 2024



## 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 2025

- / **Portfolio Management function established to further improve return on capital** of Wholesale Bank and Treasury
- / **Launched newly refreshed Values** to foster Performance culture
- / **New strategic KPIs launched consistently across the group** to improve Performance management.
- / **Initiated ila Bank Carve-out**, to establish ila as a separate entity
- / **Continued ila customer expansion, growing deposit base and revenues** by launching new products & features
- / **New 'Next Generation' core banking system** went live successfully at ila Bank
- / **AFS further expanded its regional footprint** with the successful rollout of Merchant Acquiring in the UAE
- / **Redesigned Digital & IT operating model and launched new Data Management function** to enable more advanced data analytics and AI



## We are a more sustainable bank today

### Our 2025 Achievements

- ✓ Launched 3-year environmental reduction plan of our global operations.
- ✓ Integrated sustainability-linked assessment into credit approval processes.
- ✓ Finalized Group ESG Risk Standard that defines how we manage ESG risk.
- ✓ Measured Scope 3 financed emissions.
- ✓ Training program for our client-facing teams to accelerate sustainable finance.
- ✓ Developed action plan to strengthen D,E&I

*We continue to integrate sustainability deeper into our business to generate greater value for our stakeholders*



## Bank ABC



**Transaction Bank of the Year, Middle East** – The Banker, Financial times



**Best Wholesale Bank of the Year** – The International Banker



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



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



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



**Best Bank for Sustainable Finance** – Euromoney Awards for Excellence



**Best Corporate Cross-Border Payments Solution in Middle East** – Global Finance Best Treasury & Cash Management Providers Awards



**Best Digital Bank in Bahrain** – Euromoney Awards for Excellence



**Best Bank for Long-Term Liquidity Management in Africa** – Global Finance Best Treasury & Cash Management Providers Awards



**MENA Best Cash Management Bank of the Year** – MEED MENA Banking Excellence Awards



**Best Corporate Cross-Border Payments Solution in Africa** – Global Finance Best Treasury & Cash Management Providers Awards



**Best AI Virtual Assistant in the Middle East for AI Fatema** – AI World Series Awards



**Best Cash Management Bank in Tunisia** – Global Finance



**Best Cash Management Bank in Bahrain** – Global Finance Best Treasury & Cash Management Providers Awards



## Bank ABC Islamic



**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**

**Best Islamic Corporate Bank in Bahrain**

**Best Digital Offering by an Islamic Bank in Bahrain**

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

**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**



**Best Sukuk House in Bahrain** – Euromoney Islamic Finance Awards



## ila Bank



**Best Online Payments Solution in Bahrain**

**Best Online Product Offerings in Bahrain**

**Best User Experience (UX) Design in Bahrain**

**Best Mobile Banking App in the Middle East**

**Best Mobile Banking App in Bahrain**

**Best Open Banking APIs in the Middle East**

**Best in Social Media Marketing and Services in Bahrain**

**Best Consumer Digital Bank in Bahrain**

**Most Innovative Digital Bank in Bahrain**

**Best Digital-Only Bank in Bahrain**

**Best Open Banking APIs in Bahrain**



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



**Bahrain Best Consumer Digital Bank** – Euromoney Awards for Excellence

*Proud third-time winner*

## ‘Transaction Bank of the Year - Middle East’ for 2025

Underscoring strategic progress, exceptional client experience and industry leading innovations within Global Transaction Banking



## 5 Dividend Recommendation

**Recommendation, for approval at the AGM: a cash dividend maintained at 2.75c per share equivalent to US\$ 85.5 million**

- / Improved pay-out ratio of 33% of Net Profit
- / Dividend yield of 8.6%\*
- / Allows for sustainable business growth with balance sheet strength

Net Profit Payout



\* calculated based on closing price as of 3<sup>rd</sup> Feb 2026 (\$ 0.320)

# 2025 Detailed Financial Performance

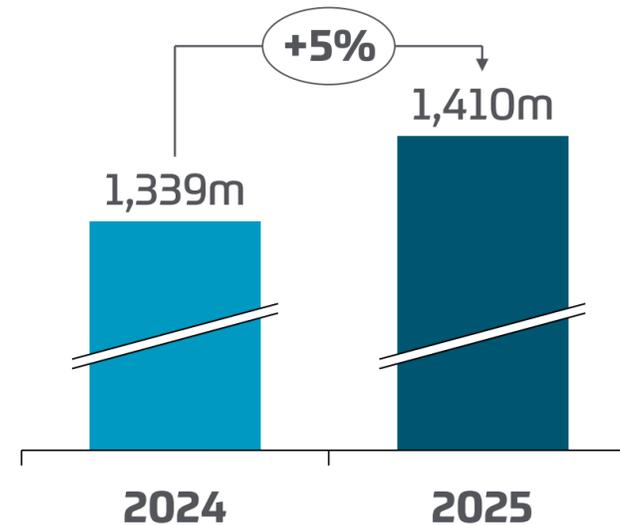


**Net Profit at \$257m  
and ROE of 6%**



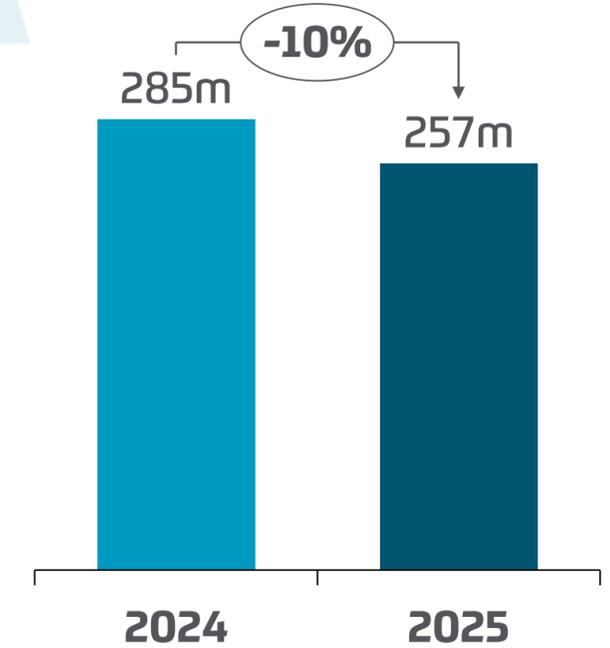
## Total Operating Income, \$m

- Continued momentum with revenues at US\$1,410 million, 5% growth YoY reflecting strong core business growth and stable funding base, despite globally challenging environment
- Revenues tracking higher on a YoY basis across almost all of our units



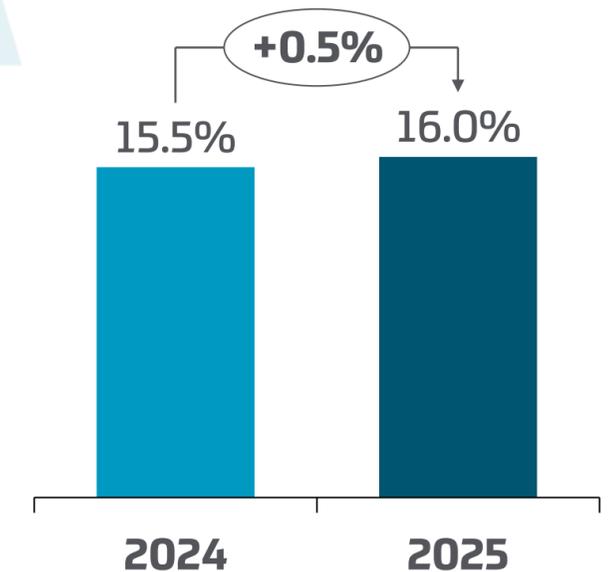
## Net Profit, US\$m

- Net operating profit (before provisions and taxation) grew by +5%
- Net Profit of US\$257m, drop of -10% YoY due to higher provisions and tax charges



## T1 Capital Ratio, %

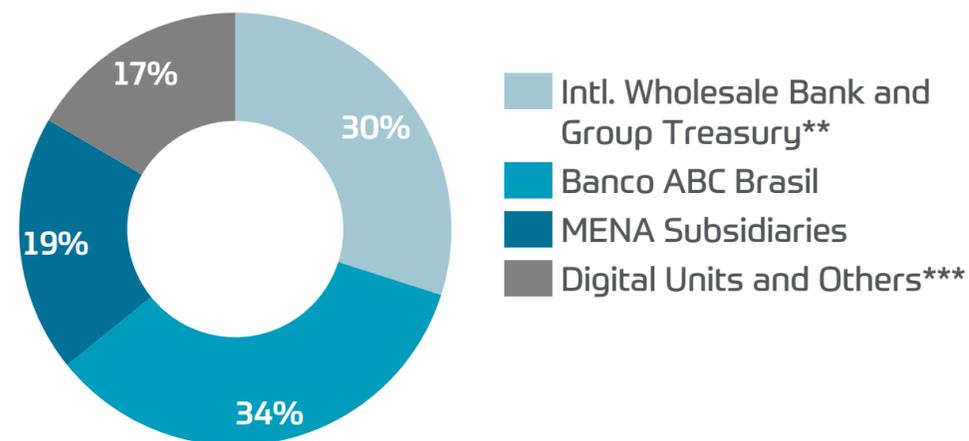
- Remains strong and well above the regulatory minimum of 10.5%
- CET 1 Ratio (13.7%) comprises the majority of Tier 1 Ratio



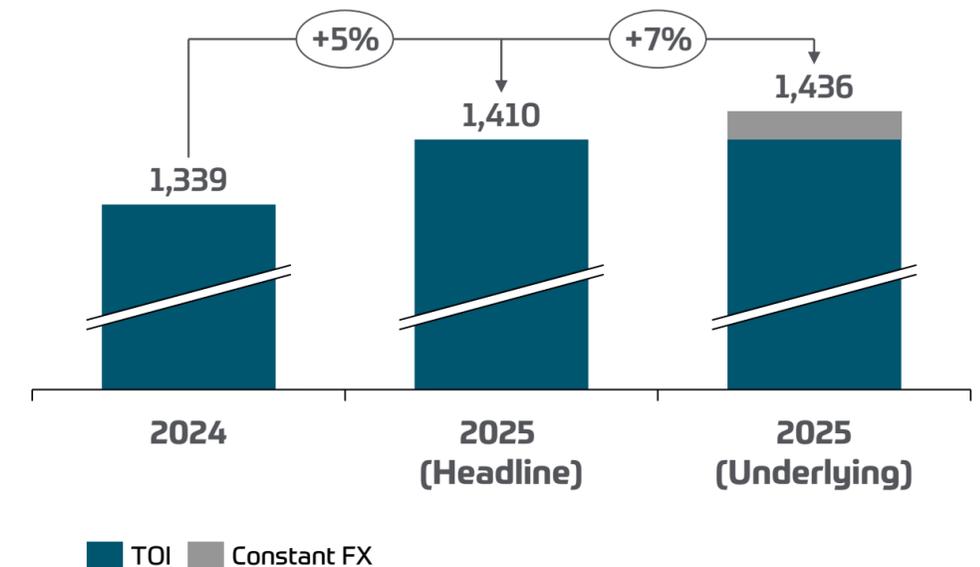
**Strong underlying performance, driven by resilient core business growth**

- / Headline TOI reached US\$1,410m (+5% YoY), Underlying\* TOI reached US\$1,436m, +7% higher on a YoY basis
- / TOI was well diversified across our markets and business lines with International Wholesale and Group Treasury contributing the 30%, Brasil at 34%, MENA subsidiaries at 19% and Digital units and others at 17%

## 2025 TOI by business



## 2025 TOI Headline vs. Underlying FX adjusted, US\$m



\*Adjusted for FX on a constant currency basis i.e., BRL -3%, EGP -10% YE 2025 vs. YE 2024

\*\*International wholesale bank 22% and Group Treasury 8%

\*\*\* Includes activities of Digital units (Arab Financial Services, ila) and Equity income.

Innovating ahead while maintaining robust cost disciplines

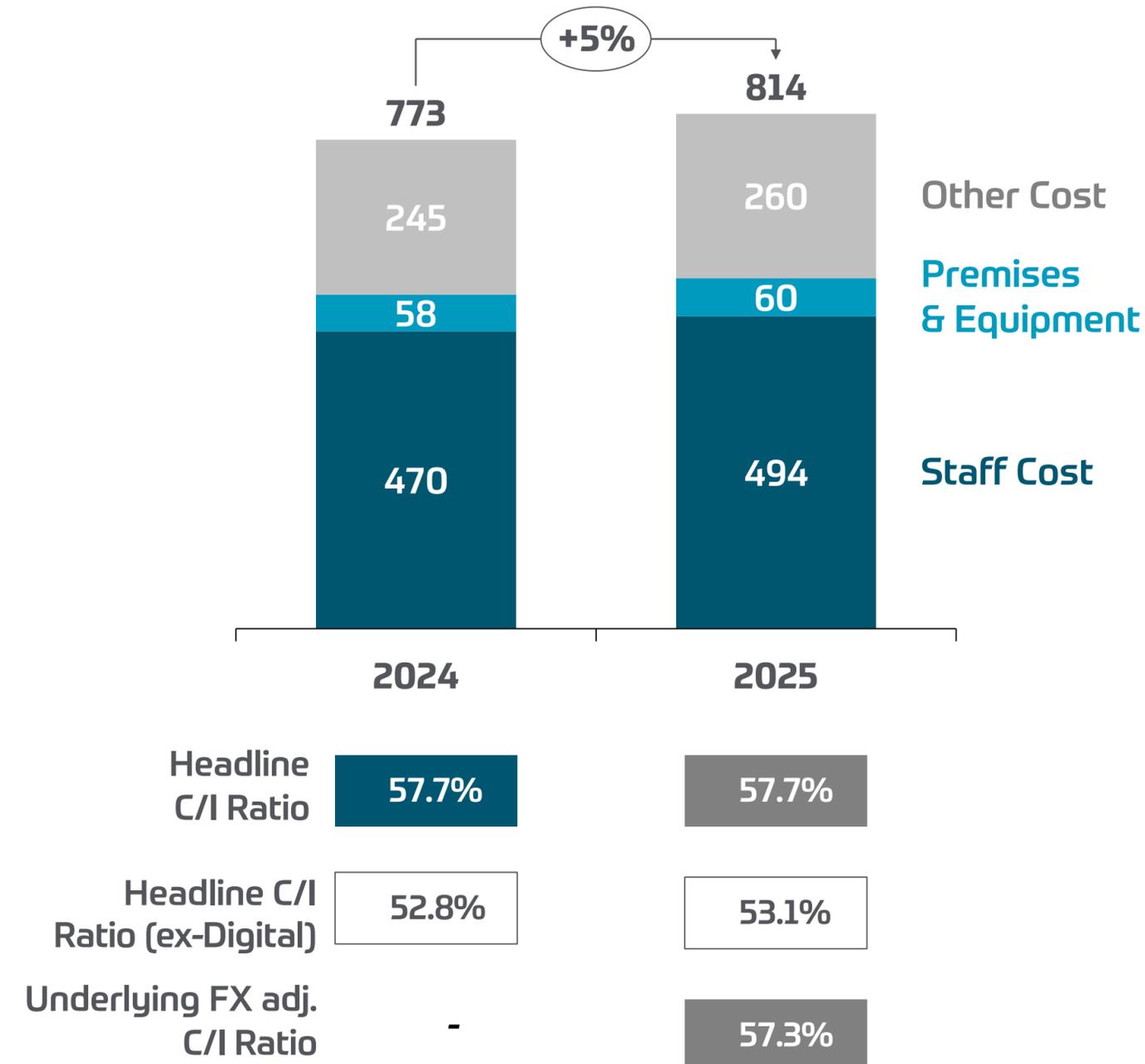


The Group continues to enforce appropriate cost discipline without compromising on investments into the Group’s digital transformation and strategic initiatives to build its “Bank of the Future”

Cost to income ratio at 57.7% on a headline basis:

- 1) 53.1% when adjusted for ongoing investment in digital initiatives
- 2) Underlying\* C/I at 57.3%, lower than previous year

## Operating Expenses and Cost to Income Ratio

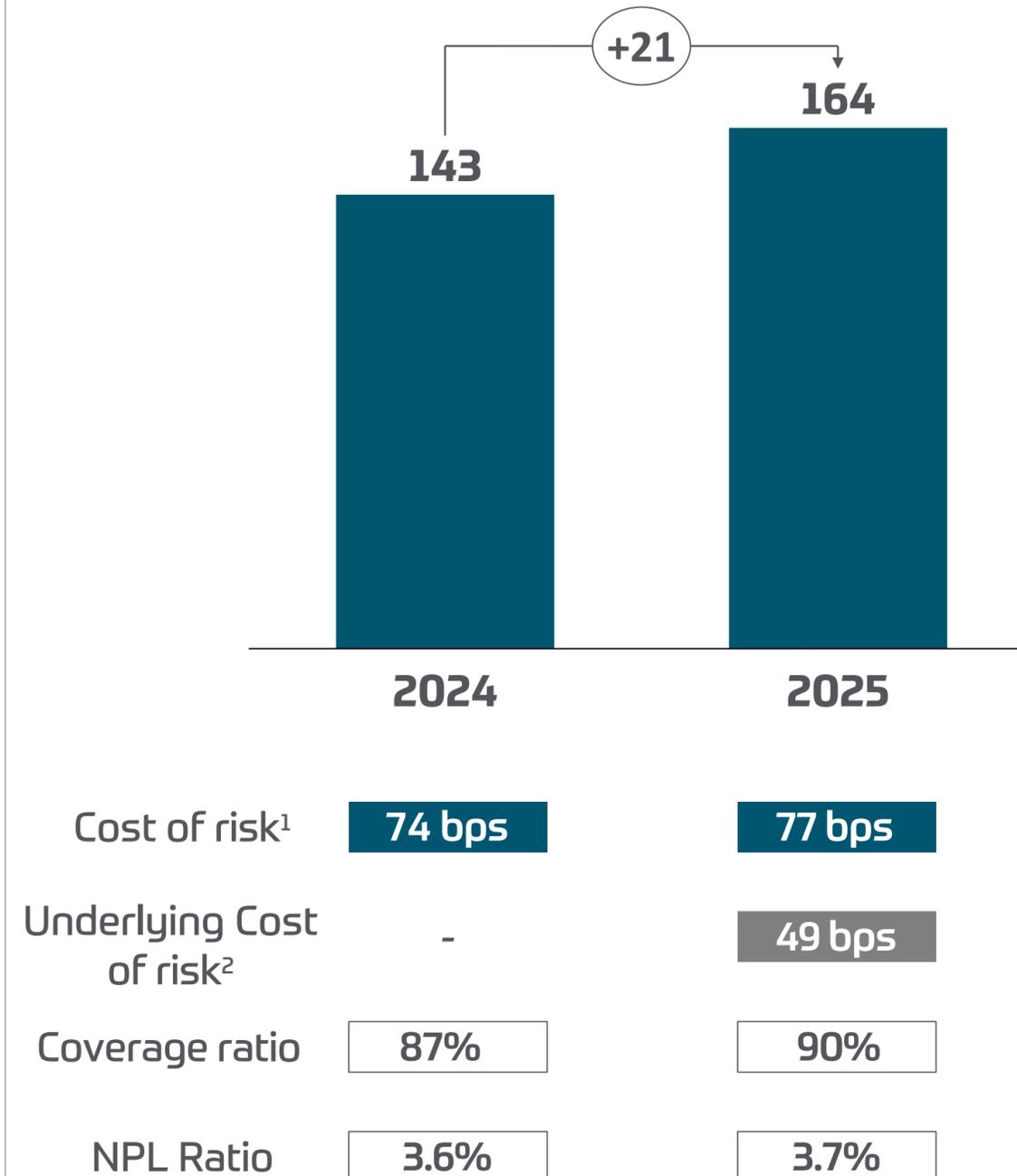


\*Adjusted for FX on a constant currency basis i.e., BRL -3%, EGP -10% YE 2025 vs. YE 2024

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

- / **Headline Cost of Risk at 77bps (Underlying at 49bps) compared to 74bps last year, reflecting improvement in the portfolio**
- / **Headline ECL charge and Cost of risk impacted by one-off customer related credit event in US**
- / **NPL Ratio and Coverage ratio remain at healthy levels**

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



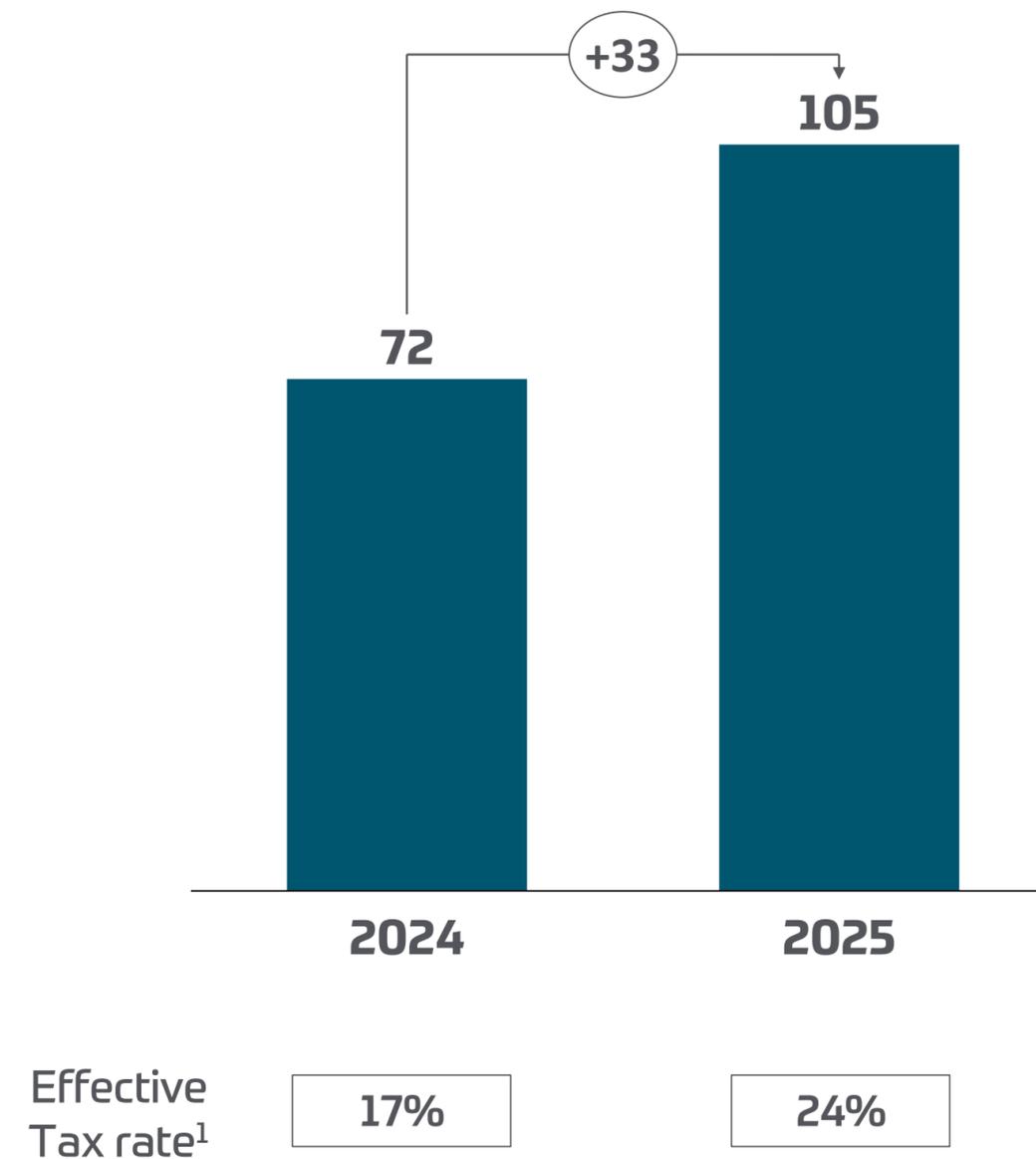
1. Credit Loss expense / Gross Loans

2. Underlying cost of risk after factoring adjustments including customer related credit event in US

## Introduction of Domestic Minimum Top-up Taxes (DMTT) in Bahrain and Brazil impacted the Group's Tax charges

- / Tax charge US\$105m primarily increased due to introduction of DMTT in Bahrain and Brazil
- / Effective tax rate for the group at 24% in 2025 compared to 17% in 2024

### Tax charge and Effective Tax rate, US\$m, %

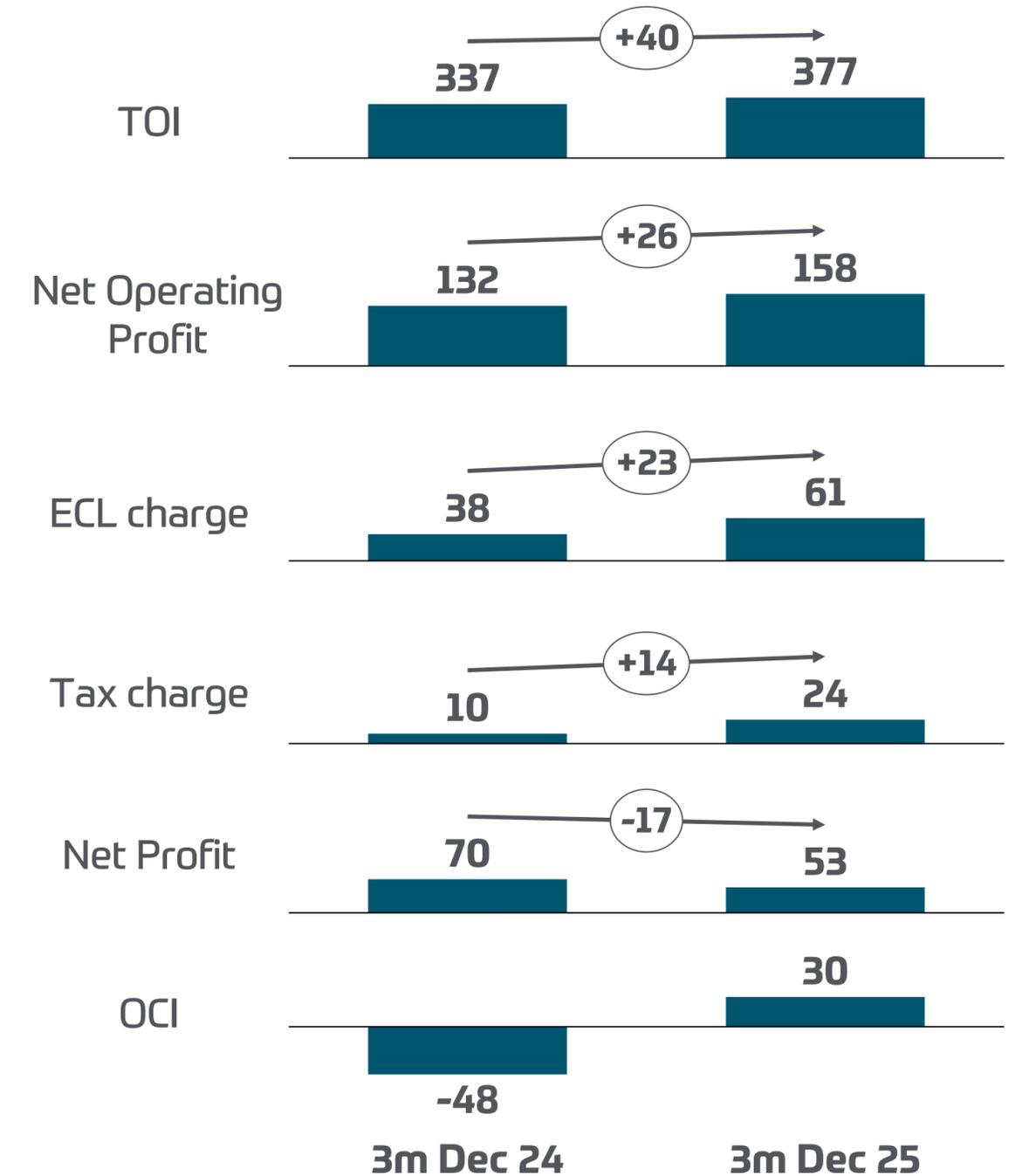


1. Tax charge / Profit before taxation

Continue to navigate market volatility with resilience and focused execution of strategy

- / Total Operating Income for Q4 2025 was US\$377m, \$40m compared to Q4 2024, driven by business growth across core markets
- / Net Operating Profit for Q4 2025 was US\$158m, +\$26m compared to Q4 2024, driven by positive revenue jaws
- / Q4 2025 ECL charge increased, due to a customer related credit event in the US
- / Tax charge for Q4 2025 increased, primarily due to new tax regulation in Bahrain and Brazil
- / Despite global economic challenges, resilient net profit of US\$53m for Q4 2025, reflecting a -\$17m change compared to the Q4 2024, primarily due to higher ECL and Tax charges
- / OCI for Q4 2025 was +US\$30m, compared to -\$48m same period last year, due to BRL weakness in Q4 2024 which subsequently normalized during 2025

## 3m Dec 2024 vs 3m Dec 2025, US\$m



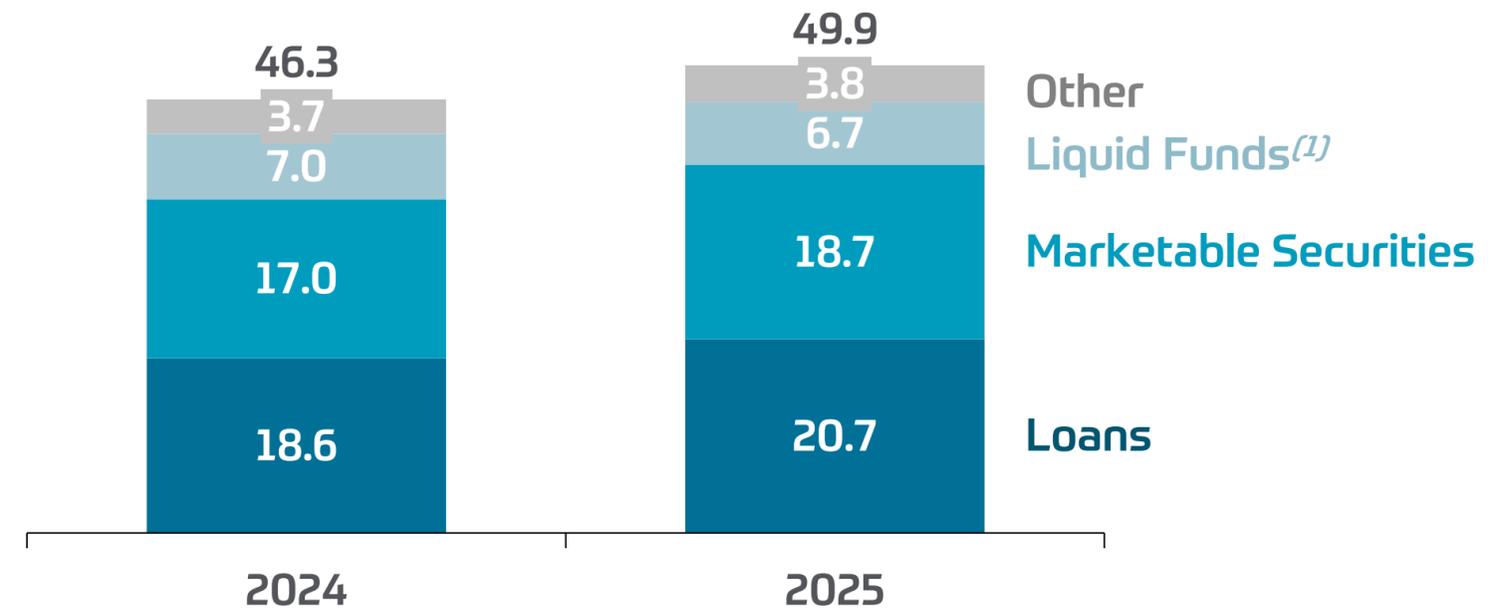
**Record Asset levels reflecting financial resilience amid evolving macroeconomic environment conditions**



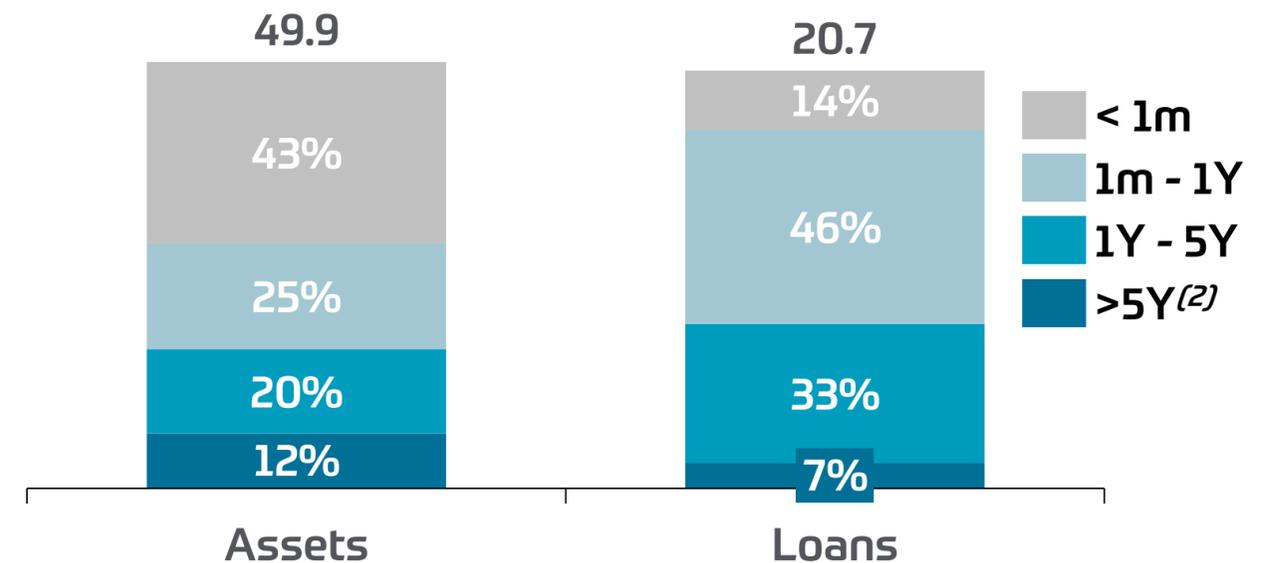
- / Record levels of Total Assets reached at US\$49.9bn at the end of 2025, compared to US\$46.3bn at the 2024 year-end, +8%, driven by robust loan and securities growth, FX movement and portfolio management activity
- / Headline Loans increased 11% compared with 2024 yearend, reflecting strong underlying growth in core business.
- / 68% of Total Assets maturing within 1-year
- / Net loans to customer deposits ratio at 77%

1) Liquid funds includes placements with banks & other financial institutions and securities bought under repurchase agreements. 2) Undated included in >5 years.

## 2025 Assets by Instrument, US\$bn



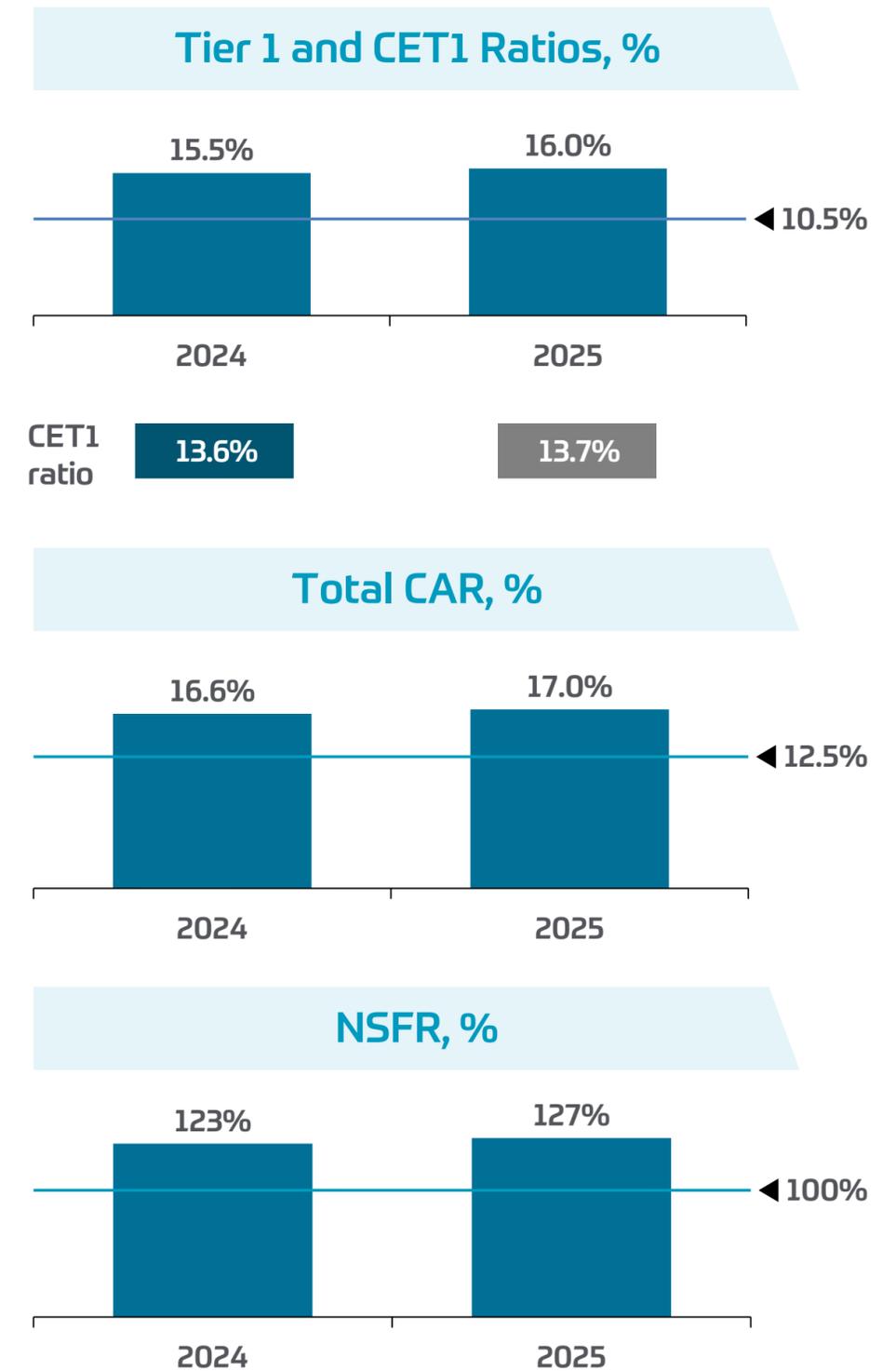
## 2025 Assets by Maturity, US\$bn



**Balance sheet strength was maintained, with robust capital ratio levels**



- / Strong T1 Ratio at 16.0%, after payment of dividend and issuance of AT1 in Q4 2025, supporting RWA growth
- / CET 1 Ratio 13.7% comprises the majority of Tier 1 Ratio
- / Total CAR of 17.0% as of YE 2025
- / RWA stood at US\$30.8bn as of YE 2025, increasing by 8% over YE 2024
- / Healthy liquid position with LCR of 237%<sup>1</sup> and NSFR of 127%



1) LCR calculated net of trapped liquidity.

## Resilient 2025 results reflect continued delivery of Bank ABC's accelerated growth strategy

**Strong TOI momentum with revenues reaching record high at US\$1.4bn, +5%**, reflecting broad based performance across almost all the core markets

**Operating expenses were at US\$814m**, with improving underlying\* C/I ratio of 57.3% reflecting the Group's continued cost discipline without compromising on investments into its strategic transformation agenda

**Steady Cost of Risk with healthy Coverage Ratio**, Headline Cost of Risk at 77bps, (Underlying at 49bps) compared to 74bps last year, reflecting improvement in the portfolio. Headline ECL charge and Cost of risk impacted by a customer related credit event in US

**Headline Net profit at US\$257m -10% YoY**, Underlying\* net profit, adjusting for FX impact was US\$266m -7% YoY, reflecting resilience despite increased provision and tax charges

**Headline ROE at 6.0%**, underlying\* ROE on constant FX basis at 6.2%

**Well diversified Balance Sheet with Strong capital and liquidity position**, Tier 1 Ratio at 16.0%, LCR at 237% and NSFR at 127% positioning the Bank well for future growth and sustained resilience

# Appendix: Normalized Financials

## Profit or Loss

US\$ millions	2019	2020	2021	2022	2023	2024	2025	▲ Headline YoY %	▲ Underlying YoY %
Net Interest Income	564	516	592	786	935	902	970	8%	10%
Non-Interest Income*	311	233	277	315	344	437	440	1%	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>1,410</b>	<b>5%</b>	<b>7%</b>
Total Operating Expenses	-524	-486	-569	-690	-764	-773	-814	5%	6%
<b>Net Operating Profit</b>	<b>351</b>	<b>263</b>	<b>300</b>	<b>411</b>	<b>515</b>	<b>566</b>	<b>596</b>	<b>5%</b>	<b>8%</b>
Provisions	-82	-329	-106	-119	-145	-143	-164	15%	17%
<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>432</b>	<b>2%</b>	<b>5%</b>
Taxes*	-33	-9	-66	-83	-74	-72	-105	46%	50%
M.I.	-42	-14	-28	-55	-61	-66	-70	6%	9%
<b>Net Profit</b>	<b>194</b>	<b>-89</b>	<b>100</b>	<b>154</b>	<b>235</b>	<b>285</b>	<b>257</b>	<b>-10%</b>	<b>-7%</b>

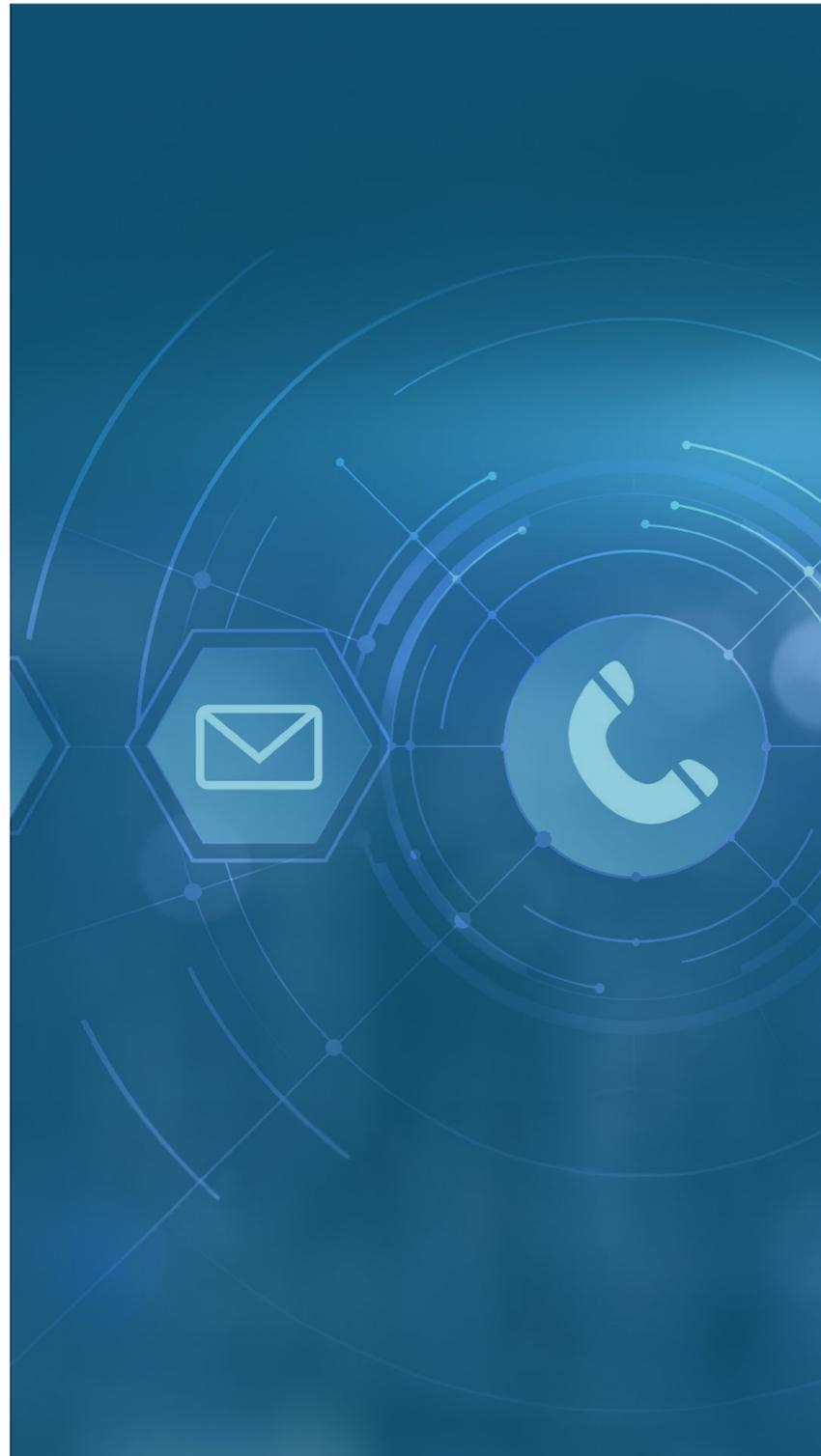
## Balance Sheet

US\$ millions	2019	2020	2021	2022	2023	2024	2025	▲ YE 24 vs. YE 25 %
Liquid Funds**	5,323	5,378	6,355	6,498	8,888	6,995	6,677	-5%
Marketable Securities	6,343	6,867	9,292	8,670	12,438	16,955	18,650	10%
Loans & Advances	16,452	15,656	16,716	18,190	19,096	18,649	20,661	11%
Other	1,950	2,506	2,538	3,281	3,470	3,666	3,924	7%
<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>49,912</b>	<b>8%</b>
Customer Deposits	17,065	17,667	21,459	21,831	23,847	22,675	26,874	19%
Bank Deposits	4,905	4,747	6,399	6,642	11,068	14,714	13,139	-11%
Borrowing	2,080	1,795	1,211	1,297	1,303	1,381	1,426	3%
Other	1,529	2,054	1,597	2,348	2,870	2,852	3,239	14%
<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>44,678</b>	<b>7%</b>
Shareholders' Equity	4,031	3,767	3,872	3,705	3,910	3,817	4,128	8%
Non-Controlling Interest	458	377	363	426	504	436	516	18%
Additional / Perpetual Tier-1 Capital	-	-	-	390	390	390	590	51%
<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>5,234</b>	<b>13%</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>49,912</b>	<b>8%</b>

## Key Metrics

<b>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>0.0%</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>16.0%</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>13.7%</b>	<b>0.1%</b>
<b>RoAE, %</b>	<b>4.9%</b>	<b>-</b>	<b>2.6%</b>	<b>3.7%</b>	<b>5.8%</b>	<b>7.0%</b>	<b>6.0%</b>	<b>-1.0%</b>

\* TOI and taxes includes normalization of BRL currency over hedge. 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.



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