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GROWTH[↗] is the
new CONSTANT[→]

First Half 2025 Earnings presentation

17 July 2025

Remarkable performance in H1'25 driven by continued business momentum



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- ✓ **Delivered strong operational performance** across all key areas
- ✓ **Executing on our growth strategy** with discipline and precision



- ✓ **Accelerated progress by building on a solid foundation:**
 - Upgrading our technology infrastructure to drive innovation and scalability
 - Streamlining operations to unlock greater efficiencies, whilst continuing with 'good' costs
 - Elevating customer engagement by enhancing and enriching every customer touchpoint
 - Ensuring regulatory compliance and setting high standards of governance



- ✓ **Focused on generating value** for all stakeholders including our customers, community and economy, whilst **delivering sustainable and superior returns** to our shareholders



H1'25 Net profit grows 50% year-on-year



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H1'25 earnings led by solid asset and revenue growth, and strong recoveries

 **Net Profit** **₹208mn** **+50%**
yoy

- Double-digit revenue growth, driven by, both, higher interest and non-interest income
- Well-balanced and sustainable growth in balance sheet, with both, loans and deposits growing ~15-16% ytd
- Asset quality metrics improve further with Gross NPL ratio declining to 2.2%, complemented by an enhanced provision coverage of 148%

Delivering sustainable returns



Return on Shareholders' Equity

19.8%

Return on Assets

1.8%



Strong asset growth

Total Assets **₹24bn** **+21%**
yoy

Loans, advances & Islamic financing

₹13.4bn

+29% yoy

Customer Deposits (incl Islamic deposits)

₹15.6bn

+29% yoy



Further improvement in asset quality

Gross NPL ratio **2.2%** **FY'24 3.9%**

Provision coverage

148%

(incl collaterals: 204%)

Cost of Risk

-59bps

(H1'24: -11bps)



Solid capital position

Capital Adequacy Ratio **16.3%** **FY'24 17.4%**

CET1 ratio

12.1%

(FY'24: 12.7%)

Total Equity (incl AT1)

₹2.8bn

+15% yoy



Robust liquidity & funding metrics

ELAR

17%

FY'24: 17%

ASRR

80%

FY'24: 76%

Loans/ Deposits

86%

FY'24: 85%

Higher net interest income and strong recoveries lead to double-digit growth in net profits



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H1'25 net profit growth driven by higher revenue growth ...

- Operating income in H1'25, +24% yoy, led by, both, higher NII and non-interest income
- NII +13% yoy in H1'25, on the back of continued growth in assets and improved asset yields
- Non-interest income +70% yoy in H1'25 driven by our strategic focus to enhance cross-sell and FX income, gains realised on the investment book and property-related gains in Q1 2025; core fees & commissions income increased +21% yoy

... coupled with disciplined expense management and strong recoveries

- Costs increased by 19% yoy, in line with growth in business activity; CI ratio improved to 47% on positive jaws ratio
- Strong recoveries led to a net reversal in impairment charges of AED (32) million in H1'25, translating into an annualised cost of risk of -59bps

H1'25 Net profit bridge

(in AED Mn)



Income statement highlights (in AED Million)

| | H1'25 | %chg vs H1'24 | Q2'25 | %chg vs Q1'25 | %chg vs Q2'24 |
|---------------------------------------|--------------|---------------------|--------------|---------------------|---------------------|
| Net Interest Income | 275 | 13 | 158 | 35 | 43 |
| Non-Interest Income | 98 | 70 | 50 | 4 | 90 |
| Total Income | 374 | 24 | 208 | 26 | 52 |
| Operating Expenses | (177) | 19 | (89) | 2 | 26 |
| Operating Profit | 197 | 29 | 119 | 53 | 79 |
| Impairment reversal/(loss) | 32 | nr | (2) | nr | nr |
| Net Profit before tax | 228 | 50 | 117 | 5 | 51 |
| Taxes | (21) | 51 | (11) | 4 | na |
| Net Profit after tax | 208 | 50 | 106 | 5 | 51 |
| Key Ratios ¹ (%) | H1'25 | chg vs H1'24 | Q2'25 | chg vs Q1'25 | chg vs Q2'24 |
| Net Interest Margin (NIM) | 2.79 | (0.2) | 3.09 | 0.6 | 0.5 |
| Cost-Income ratio | 47.4 | (2.0) | 42.9 | (10.0) | (8.7) |
| Cost of Risk (CoR) | (0.59) | (0.5) | (0.11) | 1.0 | 0.4 |
| Return on Shareholders' Equity (RoSE) | 19.8 | 4.3 | 19.6 | (0.4) | 4.2 |
| Return on Assets (RoA) | 1.8 | 0.4 | 1.8 | (0.0) | 0.3 |

¹ Ratios are annualised, where relevant

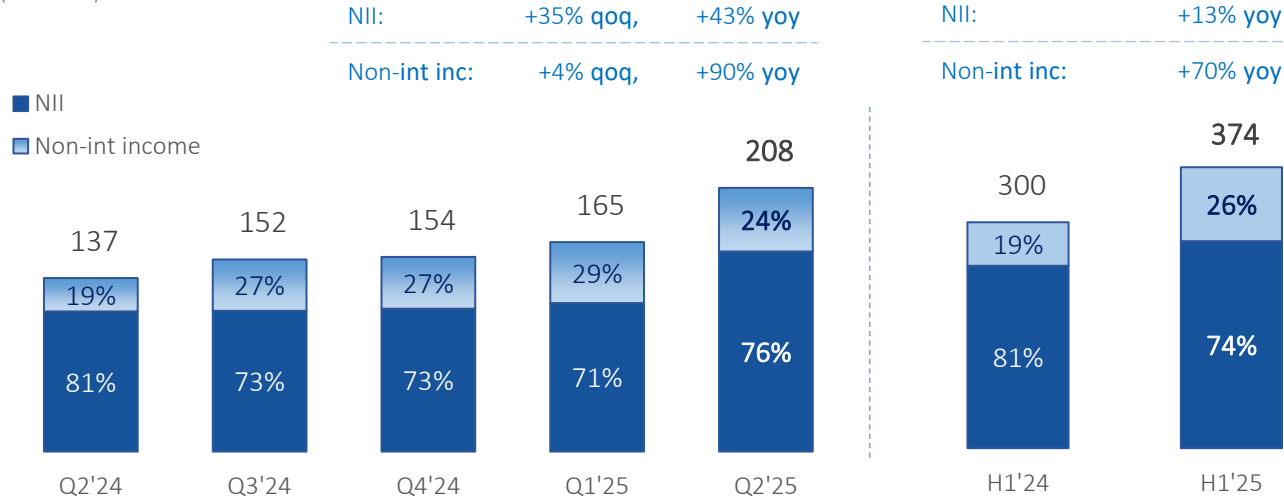
Strong asset growth and strategic focus on enhancing non-interest income through cross-sell and FX income, drive double-digit growth in total income



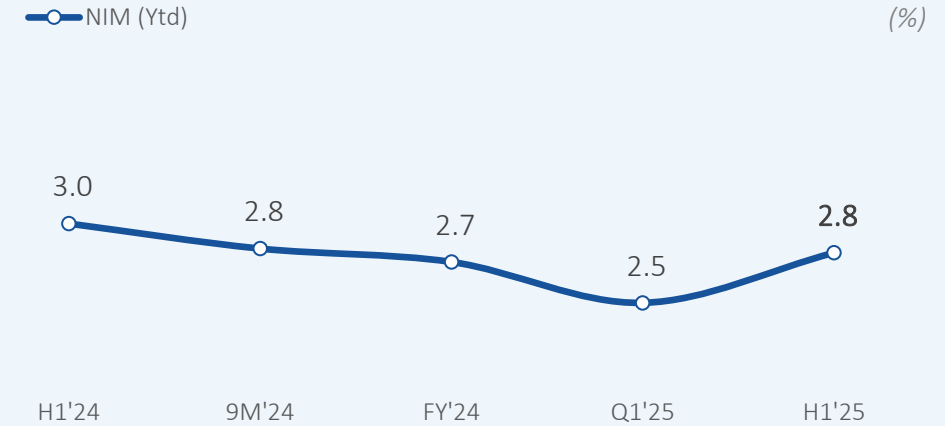
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Operating income: both, NII and non-interest income recorded double-digit growth in H1'25 yoy

(AED Mn)

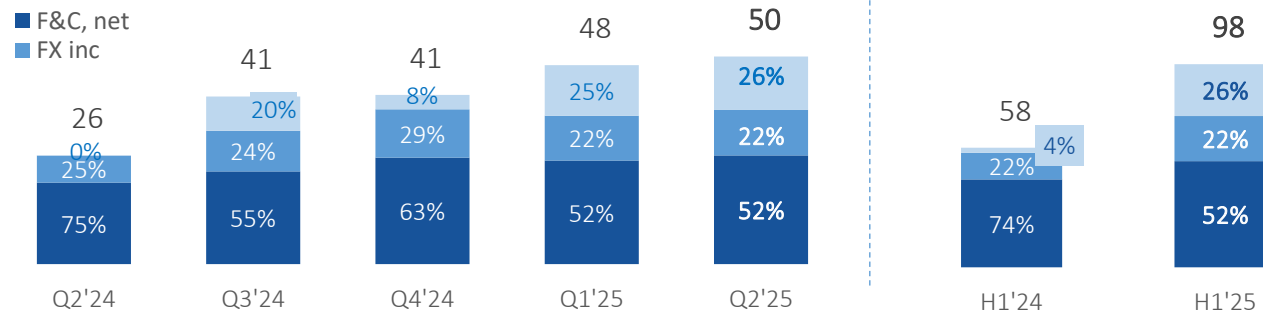


NIM increased 6bps ytd and 32bps vs Q1'25 on improvement in asset yields and stabilising cost of funds



Increasing contribution from non-interest income; core fees & commissions and FX income up 21% and 70% yoy in H1'25, respectively

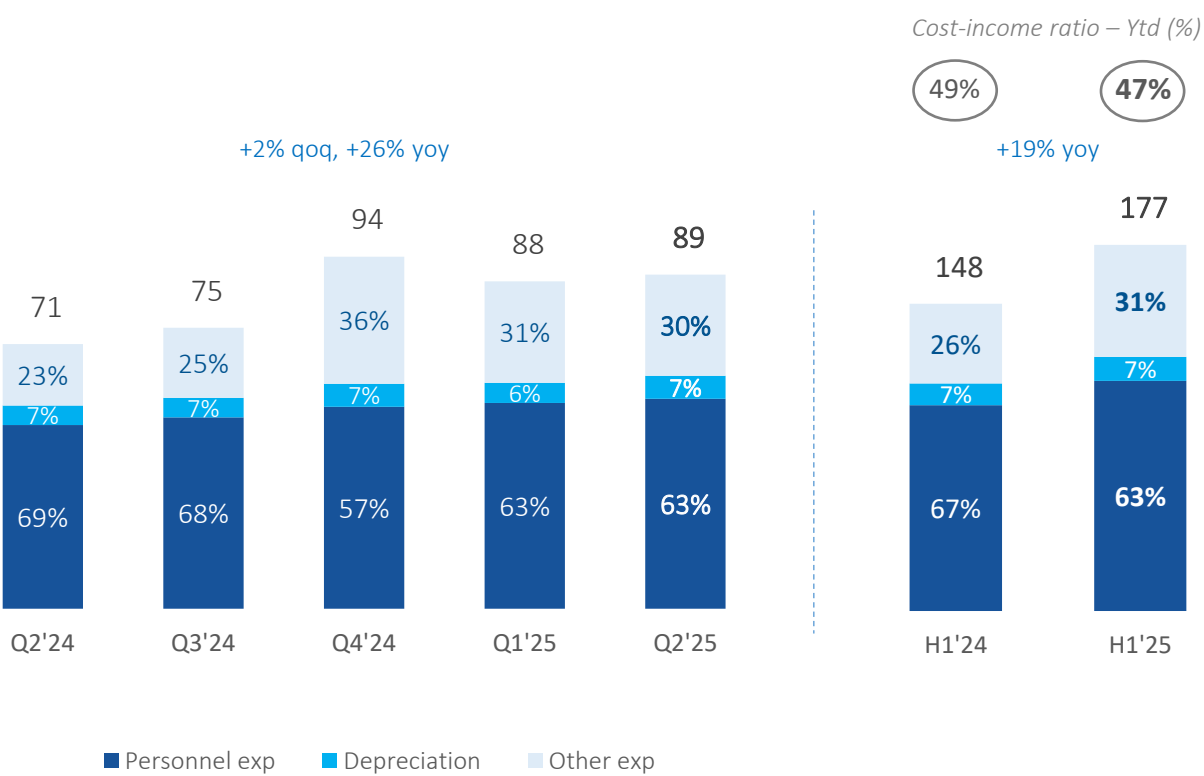
(AED Mn)



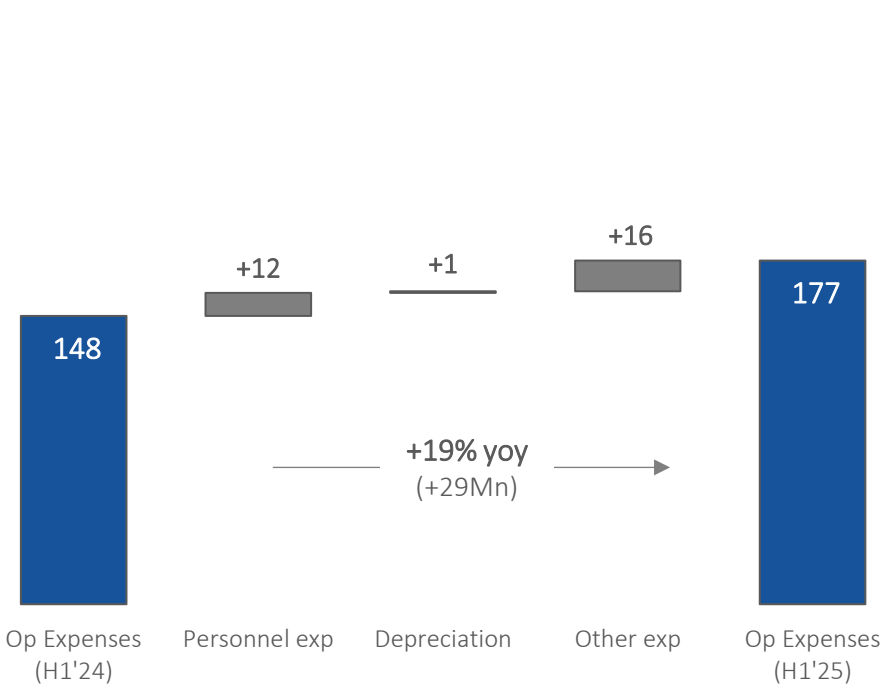
Positive jaws ratio in H1'25 drives improvement in cost-income ratio; expense growth reflects investment in the business and non-discretionary regulatory driven expenses

Efficiently managing expenses and investing across people, products, processes and systems, in line with the medium-term growth strategy

Operating expenses by type (AED Mn) & Cost-income ratio (%)

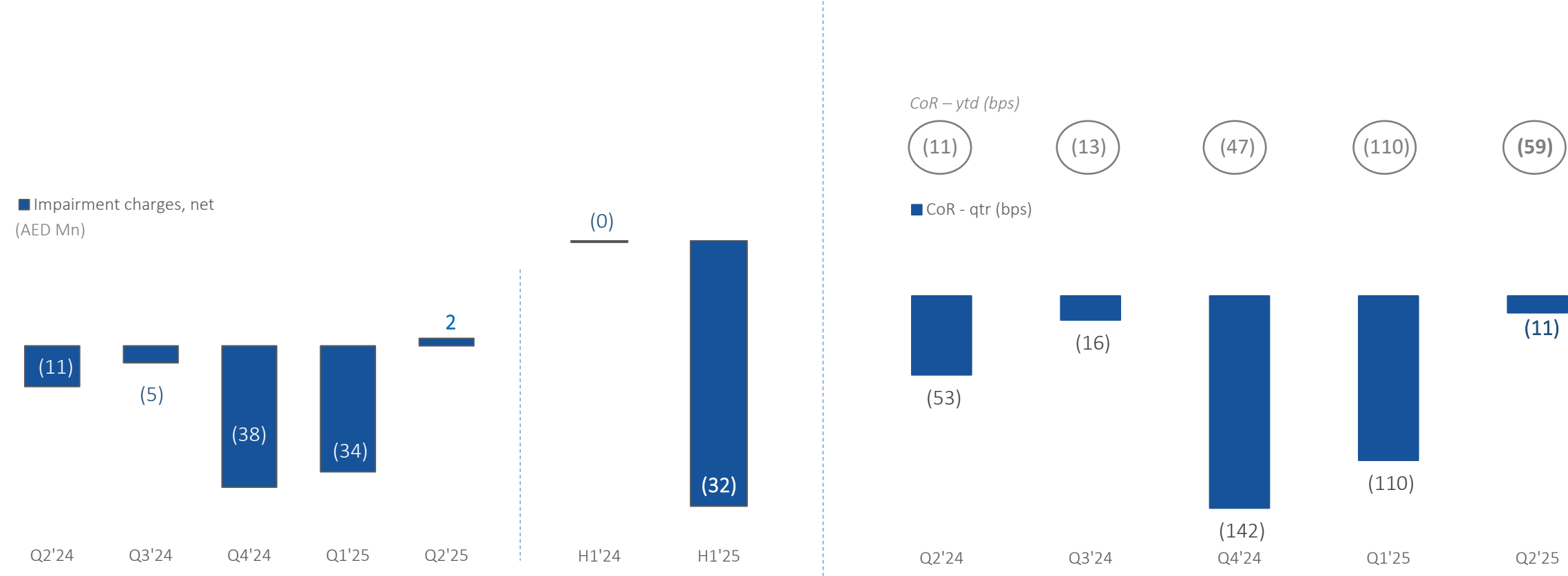


Operating expenses H1'25 bridge (AED Mn)



Strong recoveries and prudent risk management lead to net impairment reversals in H1'25

Firmly focused on ensuring healthy asset quality and implementation of prudent risk management practices, amid strong business growth



CoR – annualised, calculated as net impairment charges on loans, advances & Islamic financing, other financial assets and contingent liabilities, as a percentage of gross loans and advances

Well-balanced growth in balance sheet with both loans and deposits growing in mid-teens ytd



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Balance Sheet highlights

(in AED Billion)

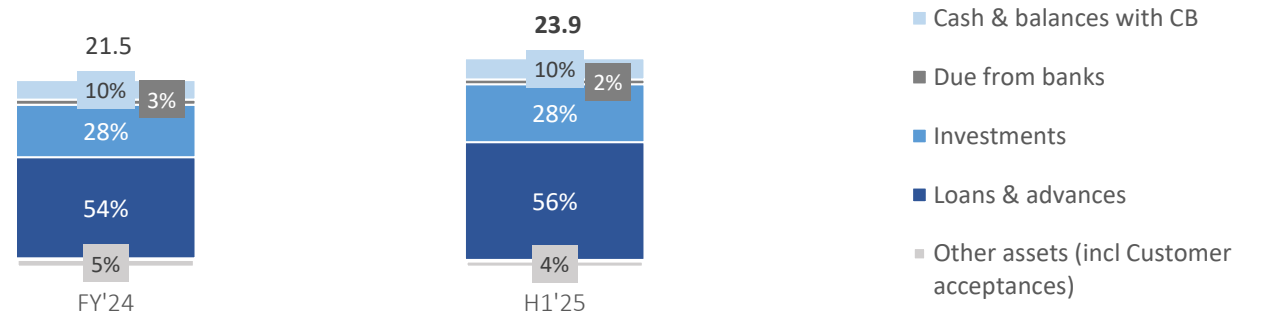
| | Jun'25 | %chg vs Mar'25 | %chg vs Dec'24 | %chg vs Jun'24 |
|-------------------------------|--------|----------------|----------------|----------------|
| Total Assets | 23.9 | 2 | 11 | 21 |
| Loans and advances | 13.4 | 8 | 16 | 29 |
| Investments | 6.6 | (3) | 10 | 27 |
| Customers' deposits | 15.6 | 4 | 15 | 29 |
| <i>of which CASA deposits</i> | 5.7 | 7 | 25 | 29 |
| Total Equity (incl AT1) | 2.8 | 5 | 9 | 15 |

Key ratios (%)

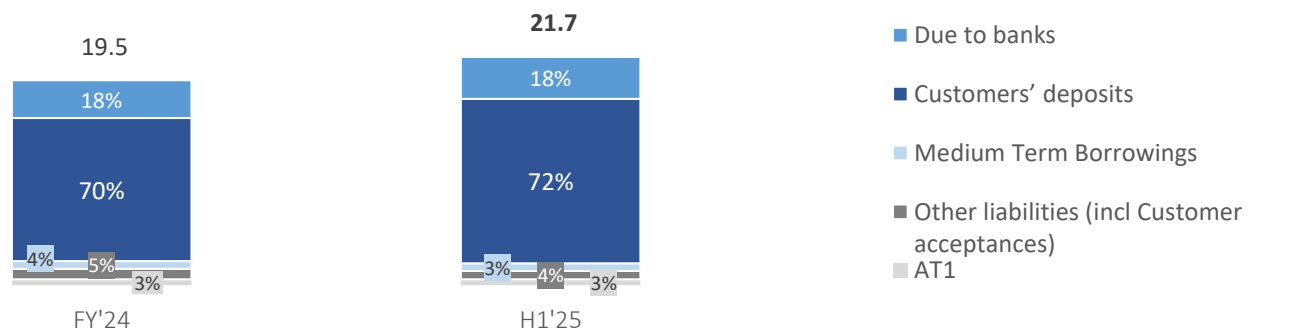
| | Jun'25 | Mar'25 | Dec'24 | Jun'24 |
|---|--------|--------|--------|--------|
| NPL ratio | 2.2 | 3.4 | 3.9 | 4.5 |
| Provision coverage | 148 | 118 | 118 | 125 |
| Provision coverage (incl collaterals) | 204 | 175 | 172 | 190 |
| Advances to Stable Resources ratio (ASRR) | 80 | 74 | 76 | 75 |
| Eligible Liquid Assets ratio (ELAR) | 17 | 18 | 17 | 19 |
| CASA% | 36 | 36 | 34 | 36 |
| CET1 ratio | 12.1 | 12.6 | 12.7 | 13.0 |
| Tier1 ratio | 15.1 | 15.9 | 16.2 | 16.8 |
| CAR% | 16.3 | 17.1 | 17.4 | 18.0 |

Robust foundation with a solid capital position and adequate liquidity; business pipeline remains robust as we diligently execute and fulfill our customers' borrowing needs

Assets primarily deployed across loans and high-quality investments ...

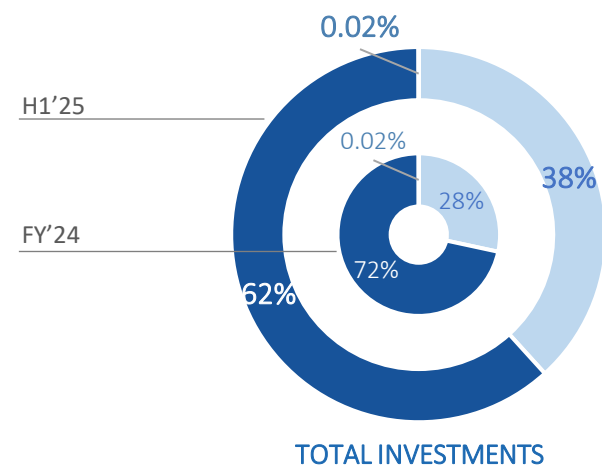


... funded by customer deposits as the major source



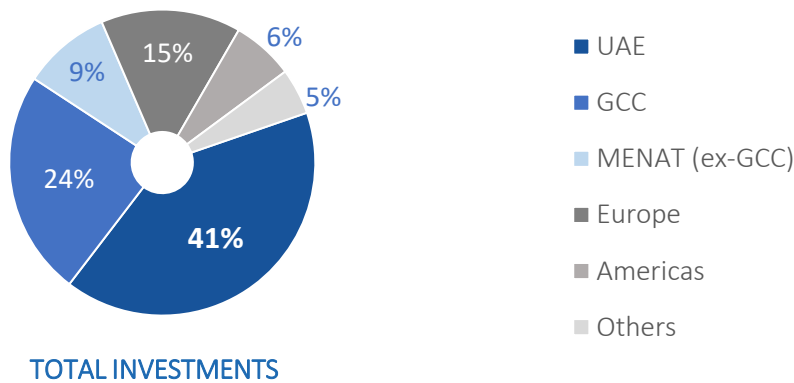
Quality investment portfolio mandated to meet liquidity requirements and enhance yield

Investments book primarily consist of debt instruments

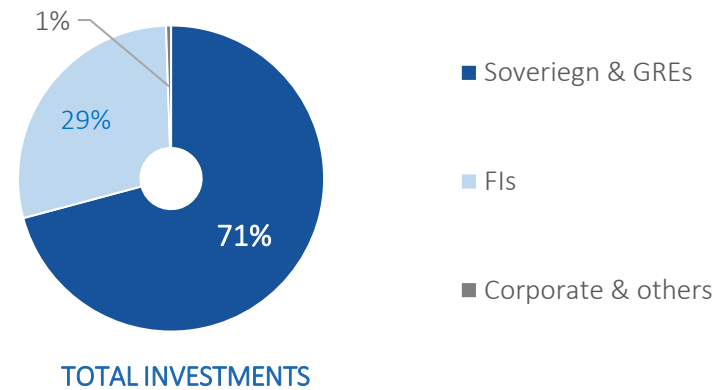


| | (AED Bn) | FY'24 | H1'25 |
|-----------------------|----------|-------|-------|
| Debt - Amortised cost | | 1.7 | 2.5 |
| Debt - FVOCI | | 4.3 | 4.1 |
| Equity - FVOCI | | 0.001 | 0.001 |
| | | 6.0 | 6.6 |

41% of exposure to UAE, 74% to MENAT (incl GCC and UAE)



Major exposure comprises of sovereign and GRE counterparts



1 Composition of investments is based on the market value of the underlying investments

Growth in loans driven by, both, corporate and retail customers; business pipeline remains robust with proficient execution

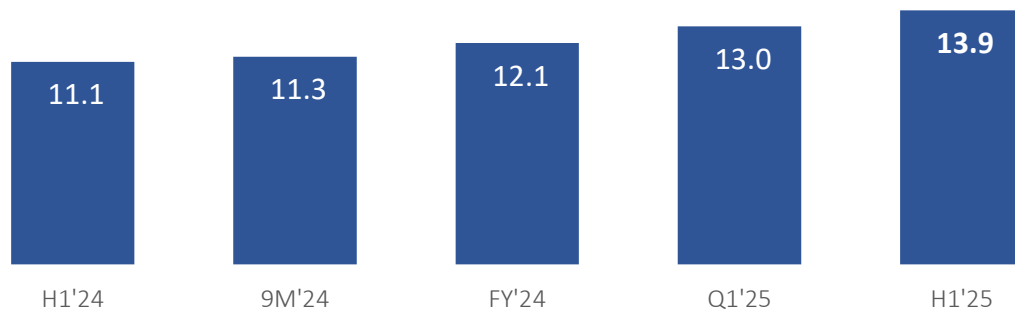


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Gross loans grew by 7% in Q2'25 and 15% ytd; business pipeline remains robust

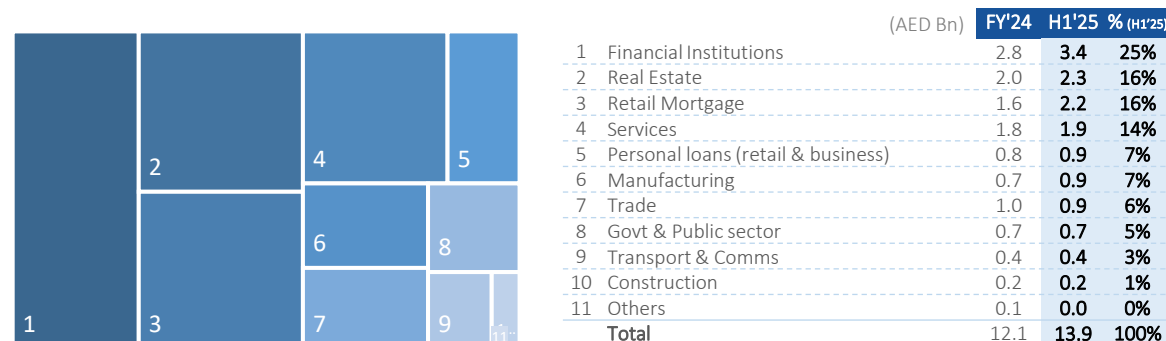
(AED Bn)

+7% qoq, +15% ytd, +25% yoy



GROSS LOANS, ADVANCES & ISLAMIC FINANCING

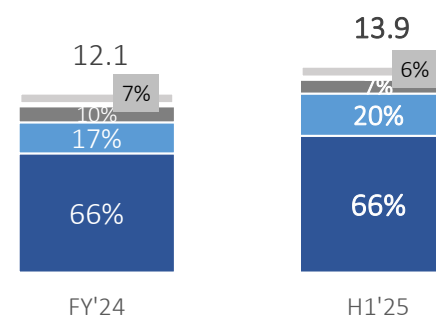
Diversified loan book across economic sectors



GROSS LOANS, ADVANCES & ISLAMIC FINANCING by ECONOMIC SECTOR

Growth in loans led by corporate (+15%) and retail term loans (+36%)

(AED Bn)



Trade Finance & other loans
Overdrafts
Retail TL
Corporate TL

| | FY'24 | H1'25 |
|-----------------------------|-------------|-------------|
| Trade Finance & other loans | 0.9 | 0.9 |
| Overdrafts | 1.2 | 1.0 |
| Retail TL | 2.1 | 2.8 |
| Corporate TL | 8.0 | 9.1 |
| Total | 12.1 | 13.9 |

GROSS LOANS, ADVANCES & ISLAMIC FINANCING

- Islamic financing represents 14.9% of total gross loan book (FY'24: 10.4%)

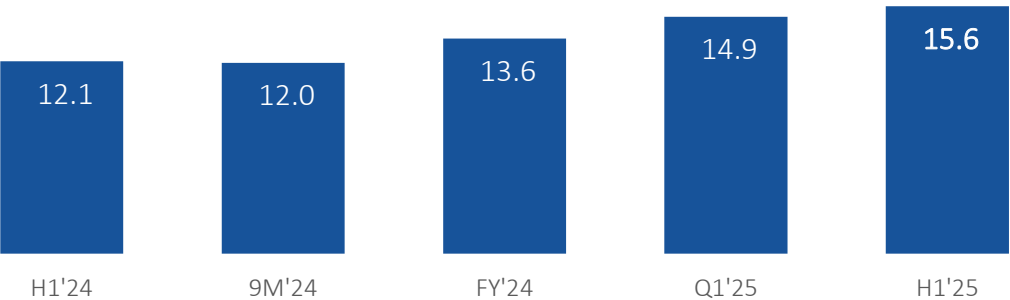
Customer deposits, incl CASA, witnesses strong growth; liquidity metrics remain robust



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Strong growth in customer deposits

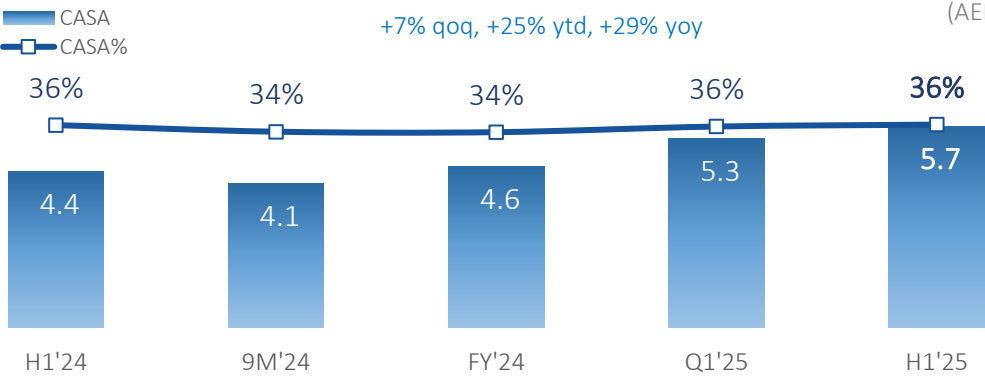
+4% qoq, +15% ytd, +29% yoy (AED Bn)



CUSTOMER DEPOSITS

Increase in CASA contribution to support funding costs optimisation

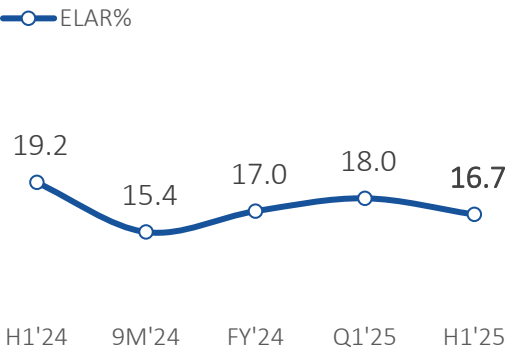
+7% qoq, +25% ytd, +29% yoy (AED Bn)



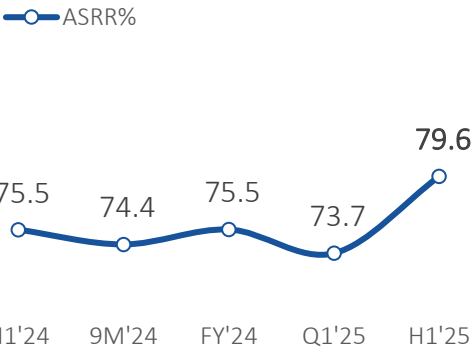
CASA (Current, Call & Savings Accounts)

Regulatory liquidity ratios well within regulatory thresholds

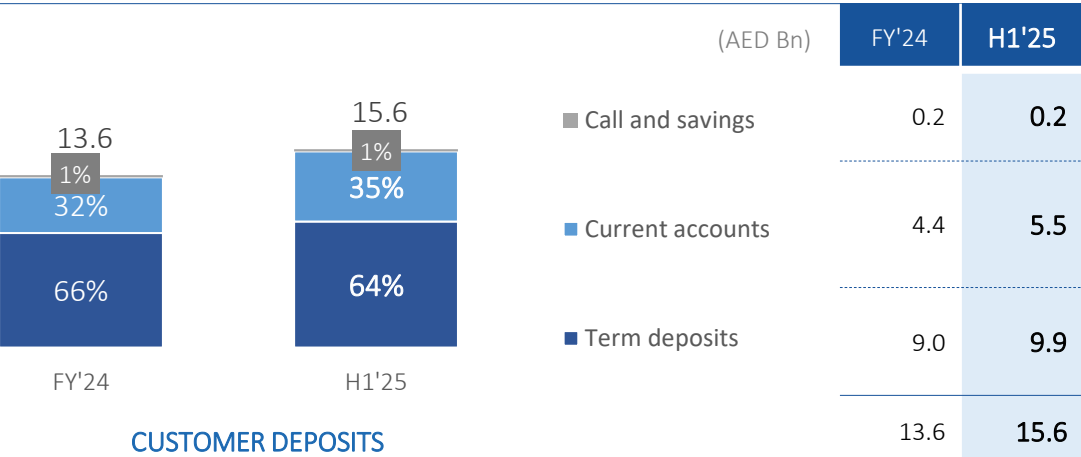
Eligible Liquid Assets Ratio



Advances to Stable Resources Ratio



Customer deposits by type



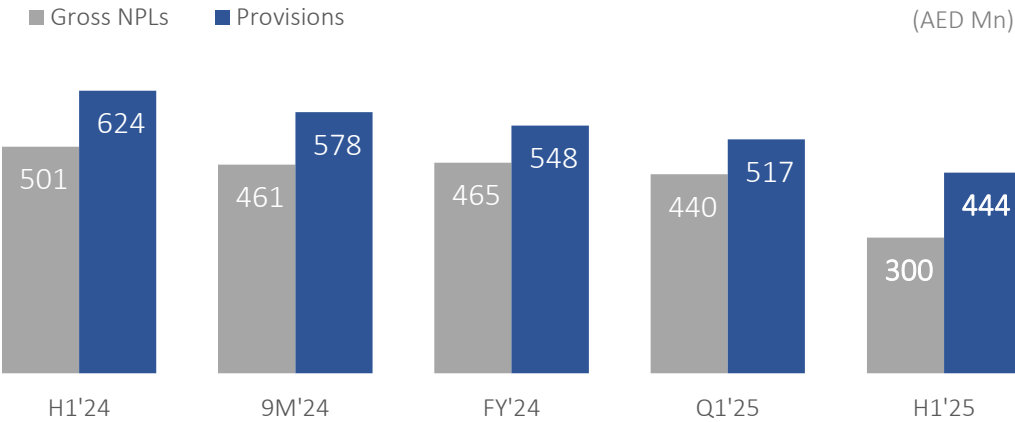
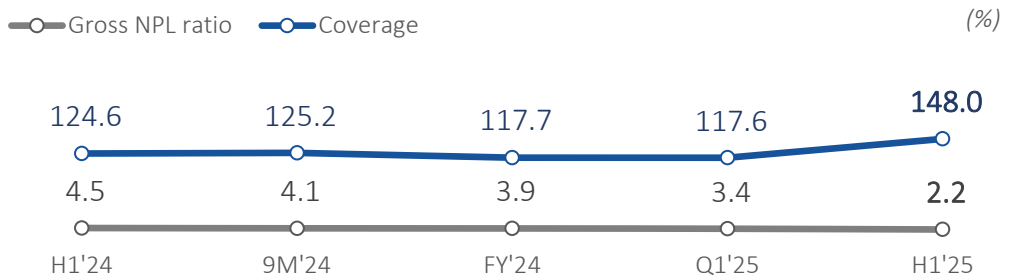
CUSTOMER DEPOSITS

Significant improvement in Gross NPL ratio down to 2.2% from 3.9% at end-FY'24 and 4.5% a year ago, with provision coverage enhanced further to 148%

Committed to ensuring adherence to prudent risk practices with proactive portfolio management being a key focus area

Significant improvement in Gross NPL ratio coupled with improved provision coverage

Provision coverage including collaterals is at 204% as of Jun-25



94% of loans are in Stage 1

| in AED Mn | FY'24 | | | H1'25 | | |
|--------------------|---------------|------------|--------------------|---------------|------------|--------------------|
| | Exposure | ECL | Provision Coverage | Exposure | ECL | Provision Coverage |
| Stage 1 | 11,392 | 102 | 0.9% | 13,093 | 92 | 0.7% |
| Stage 2 | 217 | 118 | 54% | 469 | 146 | 31% |
| Stage 3 | 465 | 328 | 71% | 300 | 206 | 69% |
| GROSS LOANS | 12,074 | 548 | | 13,862 | 444 | |

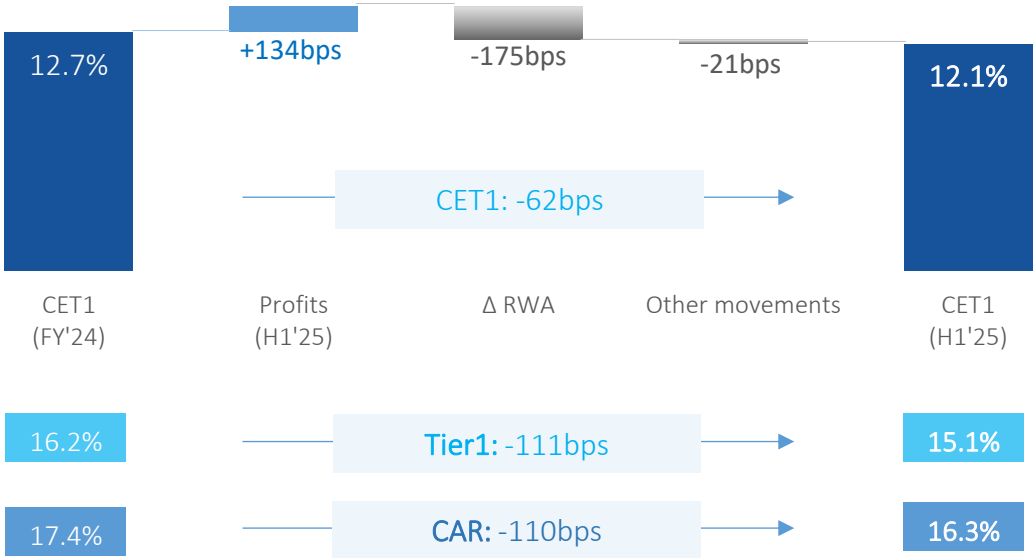
1 Gross NPLs and Gross Loans are net of Interest in suspense

Robust capital position and improved shareholder returns; upcoming rights issue will boost capital for further growth and enhance resilience to unforeseen macroeconomic shocks

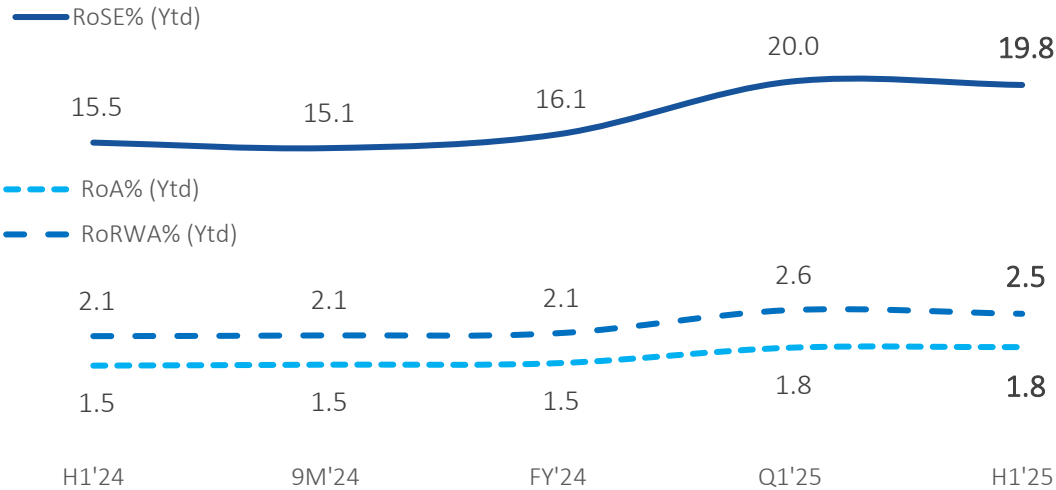


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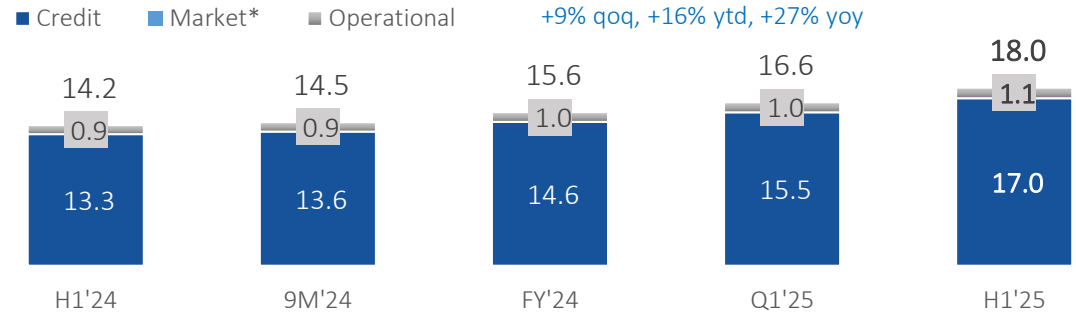
Deploying capital towards balance sheet growth (RWA) to enhance organic capital generation capacity



Improved shareholder returns



Risk-weighted assets



* Market RWA are negligible (below AED 15Mn) across the periods and hence not visible on the chart

Continue to capitalise on positive GDP growth and strong business momentum

Remain cautiously optimistic on the macroeconomic outlook



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We remain **cautiously optimistic** on the outlook for FY 2025:

- positive GDP growth¹, further picking up pace ahead, with strong contribution from non-oil sectors
- geopolitical risks, 'tariff wars' and potential slowdown globally may impact growth sentiment and momentum
- impact from expected rate cuts and stability of crude oil prices in light of increased production / demand dynamics
- vigilant towards any signs of turnaround in the economic cycle (impact from tariff wars, interest rates, real estate activity)



Continue to strengthen our foundation



Transform into an agile & customer-centric institution



Focused on delivering sustainable returns

- Robust business pipeline to continue to support loan growth & NII
- Strategic focus to enhance non-interest income contribution
- Ensuring balanced growth within risk appetite, supported by adequate coverage
- Capital increase from ongoing rights issue to support growth and strengthen buffers
- Continue to enhance returns for our shareholders through diligent execution of growth strategy



GROWTH is the new constant

¹ UAE real GDP growth forecast: UAE CB - 4.4% for 2025, 5.4% for 2026, IMF – 4.0% for 2025, 5.0% for 2026

Appendix

Summary financials – Income statement and related ratios



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| Income statement highlights (AED Million) | H1'25 | H1'24 | %chg vs H1'24 | Q2'25 | Q1'25 | %chg vs Q1'25 | Q2'24 | %chg vs Q2'24 |
|---|------------|-------|------------------|------------|-------|------------------|-------|------------------|
| Net Interest Income | 275 | 243 | 13 | 158 | 117 | 35 | 111 | 43 |
| Non-Interest Income | 98 | 58 | 70 | 50 | 48 | 4 | 26 | 90 |
| Total Income | 374 | 300 | 24 | 208 | 165 | 26 | 137 | 52 |
| Operating Expenses | (177) | (148) | 19 | (89) | (88) | 2 | (71) | 26 |
| Operating Profit | 197 | 152 | 29 | 119 | 78 | 53 | 66 | 79 |
| Net Impairment reversal / (loss) | 32 | 0 | nr | (2) | 34 | nr | 11 | nr |
| Net Profit before tax | 228 | 152 | 50 | 117 | 112 | 5 | 77 | 51 |
| Taxes | (21) | (14) | 51 | (11) | (10) | 4 | (7) | na |
| Net Profit after tax | 208 | 139 | 50 | 106 | 102 | 5 | 70 | 51 |

| Key Ratios (%) | H1'25 | H1'24 | chg vs H1'24 | Q2'25 | Q1'25 | chg vs Q1'25 | Q2'24 | chg vs Q2'24 |
|---------------------------------------|--------|--------|-----------------|--------|--------|-----------------|--------|-----------------|
| Net Interest Margin (NIM) | 2.79 | 2.97 | (0.2) | 3.09 | 2.47 | 0.6 | 2.62 | 0.5 |
| Cost-Income ratio | 47.4 | 49.4 | (2.0) | 42.9 | 53.0 | (10.0) | 51.7 | (8.7) |
| Cost of Risk (CoR) | (0.59) | (0.11) | (0.5) | (0.11) | (1.10) | 1.0 | (0.53) | 0.4 |
| Return on Shareholders' Equity (RoSE) | 19.8 | 15.5 | 4.3 | 19.6 | 20.0 | (0.4) | 15.4 | 4.2 |
| Return on Assets (RoA) | 1.8 | 1.5 | 0.4 | 1.8 | 1.8 | (0.0) | 1.5 | 0.3 |

Summary financials – Balance sheet and related ratios



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| Balance sheet highlights (AED Billion) | Jun-25 | Jun-24 | %chg vs Jun'24 | Mar-25 | %chg vs Mar'25 | Dec-24 | %chg vs Dec'24 |
|--|--------|--------|-------------------|--------|-------------------|--------|-------------------|
| Total Assets | 23.9 | 19.8 | 21 | 23.4 | 2 | 21.5 | 11 |
| Loans, advances & Islamic financing | 13.4 | 10.4 | 29 | 12.5 | 8 | 11.5 | 16 |
| Investments | 6.6 | 5.2 | 27 | 6.8 | (3) | 6.0 | 10 |
| Customers' deposits | 15.6 | 12.1 | 29 | 14.9 | 4 | 13.6 | 15 |
| <i>of which CASA deposits</i> | 5.7 | 4.4 | 29 | 5.3 | 7 | 4.6 | 25 |
| Total Equity (incl AT1) | 2.8 | 2.4 | 15 | 2.7 | 5 | 2.6 | 9 |

| Key Ratios (%) | Jun-25 | Jun-24 | chg vs Jun'24 | Mar-25 | chg vs Mar'25 | Dec-24 | chg vs Dec'24 |
|---|--------|--------|------------------|--------|------------------|--------|------------------|
| Gross Non-performing loans ratio (NPL) | 2.2 | 4.5 | (2.4) | 3.4 | (1.2) | 3.9 | (1.7) |
| Provision coverage | 148 | 125 | 23.4 | 118 | 30.3 | 118 | 30.2 |
| Provision coverage (incl collaterals) | 204 | 190 | 13.4 | 175 | 28.6 | 172 | 32.2 |
| Advances to Stable Resources ratio (ASRR) | 80 | 75 | 4.1 | 74 | 5.9 | 76 | 4.1 |
| Eligible Liquid Assets ratio (ELAR) | 17 | 19 | (2.4) | 18 | (1.2) | 17 | (0.2) |
| CASA% | 36 | 36 | 0.2 | 36 | 0.7 | 34 | 2.9 |
| Common Equity Tier 1 (CET1) ratio | 12.1 | 13.0 | (0.9) | 12.6 | (0.5) | 12.7 | (0.6) |
| Tier 1 ratio | 15.1 | 16.8 | (1.7) | 15.9 | (0.7) | 16.2 | (1.1) |
| Capital Adequacy ratio (CAR) | 16.3 | 18.0 | (1.7) | 17.1 | (0.7) | 17.4 | (1.1) |

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