

**UAB**

البنك العربي المتحد  
UNITED ARAB BANK



عاماً متحدون  
years united

**CREATING VALUE.  
DELIVERING PROFITABLE GROWTH.**

Financial Year 2025 Earnings presentation  
9 February 2026



# Creating value. Delivering profitable growth.



**Consistently delivering strong results while driving sustainable growth**



**Executing customer-centric transformation initiatives**



**Islamic and Retail banking franchises building momentum**



**Invest in people, products, processes and systems, with disciplined cost management**



**Resilient balance sheet supported by robust fundamentals**



**Credit rating upgrades reflecting tangible progress**



**Committed to long-term value creation and sustainable shareholder returns**

# FY'25 Net Profit up 45% year-on-year

## FY'25 earnings growth driven by solid asset and revenue growth, and strong recoveries

 **Net Profit** **₹438mn** **+45%**  
yoy

- Core business momentum continues to drive revenue growth across both, interest and non-interest income
- Investing in our people, products, processes and systems, albeit maintaining discipline on non-discretionary expenses
- Successfully raised AED 1.0bn via a 2-year senior unsecured dual tranche term loan facility enhancing capacity to meet clients' needs

**1.03**  
AED Billion

### Fully subscribed rights issue

Paid-up capital increased by 50%; one of the largest<sup>2</sup> capital raises in recent years by a UAE listed entity

**Delivering sustainable returns**



Return on Shareholders' Equity

**16.0%**

Return on Assets

**1.8%**

Cash Dividend per share<sup>3</sup>

**3.5 fils**



### Strong asset growth

Total Assets **₹27bn** **+26%**  
yoy

Loans, advances & Islamic financing

**₹14.6bn**

**+26%** yoy

Customer Deposits (incl Islamic deposits)

**₹17.8bn**

**+31%** yoy



### Asset quality metrics remain healthy

Gross NPL ratio **2.8%** **FY'24**  
3.9%

Provision coverage

**107%**

(incl collaterals: 183%)

Cost of Risk

**-41bps**

(FY'24: -47bps)



### Strengthened capital position

Capital Adequacy Ratio<sup>4</sup> **21.5%** **FY'24**  
17.4%

CET1 ratio<sup>4</sup>

**17.4%**

(FY'24: 12.7%)

Total Equity

**₹4.0bn**

**+58%** yoy



### Robust liquidity & funding metrics

ELAR **17%** **FY'24: 17%**

ASRR **70%** **FY'24: 76%**



### Improved Credit Ratings

Moody's **Baa2 / P-2 / Stable**

Fitch **BBB+ / F2 / Stable**

1 VR – Viability Rating, CFS – Core Financial Strength 2 Largest in terms of percentage increase in paid-up capital

3 Subject to shareholders' approval at the AGM

4 Post proposed dividend

# Stellar growth in profits attributable to consistent operational performance, coupled with strong recoveries and disciplined expense management

## FY'25 net profit growth driven by higher revenue growth ...

- Operating income in FY'25, +31% yoy, led by, both, higher NII and non-interest income
- NII +24% yoy in FY'25, on the back of continued growth in assets and stable NIMs
- Non-interest income +56% yoy in FY'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 +13% yoy

## ... coupled with disciplined expense management and strong recoveries

- Costs increased by 15% yoy, in line with growth in business activity; CI ratio improved to 46% on positive jaws ratio
- Strong recoveries led to a net reversal in impairment charges of AED 51 million in FY'25, translating into a cost of risk of -41bps

## Income statement highlights (in AED Million)

	FY'25	%chg vs FY'24	Q4'25	%chg vs Q3'25	%chg vs Q4'24
Net Interest Income	579	24	151	1	34
Non-Interest Income	218	56	65	15	58
<b>Total Income</b>	<b>797</b>	31	<b>216</b>	5	41
Operating Expenses	(365)	15	(97)	6	3
<b>Operating Profit</b>	<b>431</b>	50	<b>119</b>	3	100
Impairment reversal/(loss)	51	18	16	444	(58)
<b>Net Profit before tax</b>	<b>482</b>	46	<b>135</b>	14	38
Taxes	(44)	48	(13)	19	44
<b>Net Profit after tax</b>	<b>438</b>	45	<b>122</b>	13	38
<b>Key Ratios <sup>1</sup> (%)</b>	<b>FY'25</b>	<b>chg vs FY'24</b>	<b>Q4'25</b>	<b>chg vs Q3'25</b>	<b>chg vs Q4'24</b>
Net Interest Margin (NIM)	2.73	(0.0)	2.60	(0.1)	0.1
Cost-Income ratio	45.9	(6.6)	44.9	0.8	(16.4)
Cost of Risk (CoR)	(0.41)	0.1	(0.54)	(0.6)	0.9
Return on Shareholders' Equity (RoSE)	16.0	(0.1)	14.1	(1.1)	(3.4)
Return on Assets (RoA)	1.8	0.3	1.9	0.1	0.2

## FY'25 Net profit bridge

(in AED Mn)



<sup>1</sup> 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

## Operating income: both, NII and non-interest income grew strongly in FY'25 yoy

(AED Mn)

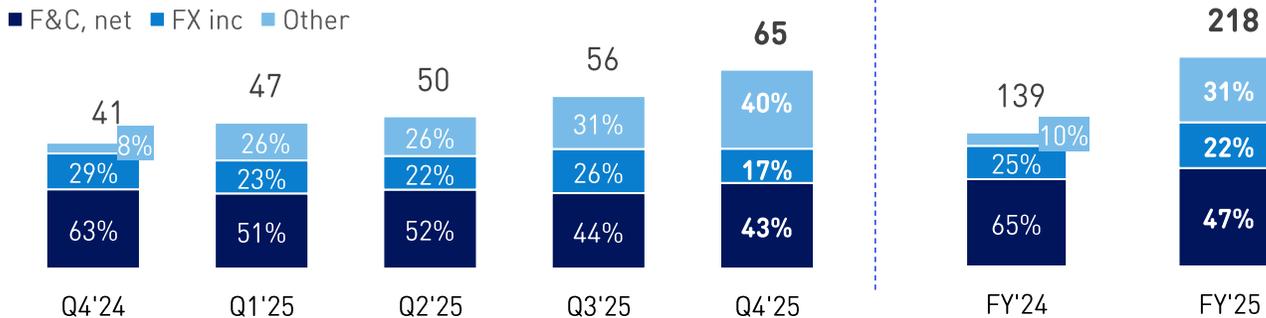


## Ytd NIM was stable vs FY'24 despite lower interest rates



## Increasing contribution from non-interest income; core fees & commissions and FX income up 13% and 38% yoy in FY'25, respectively

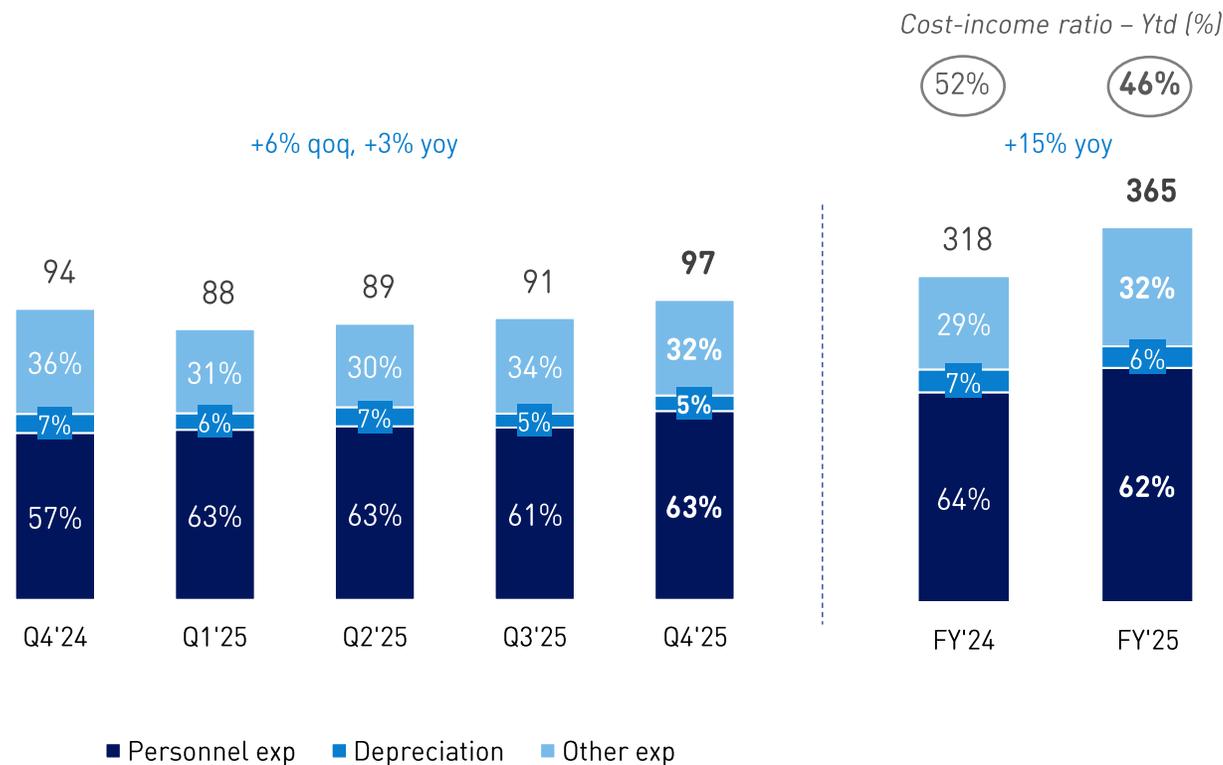
(AED Mn)



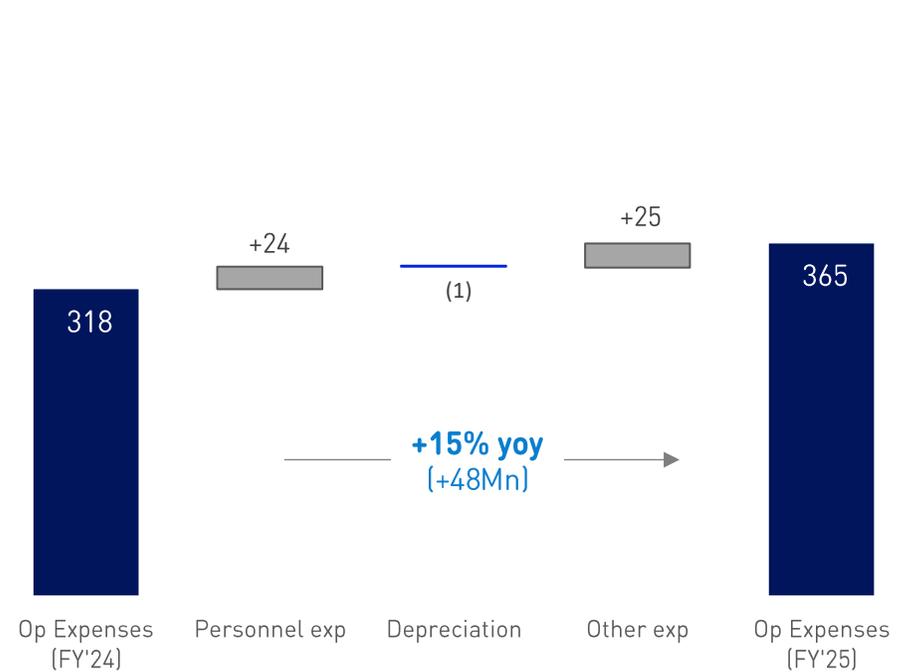
# Expense growth reflects investment in the business and non-discretionary regulatory driven expenses; cost-income ratio improved to 46% on the back of positive jaws ratio

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 (%)

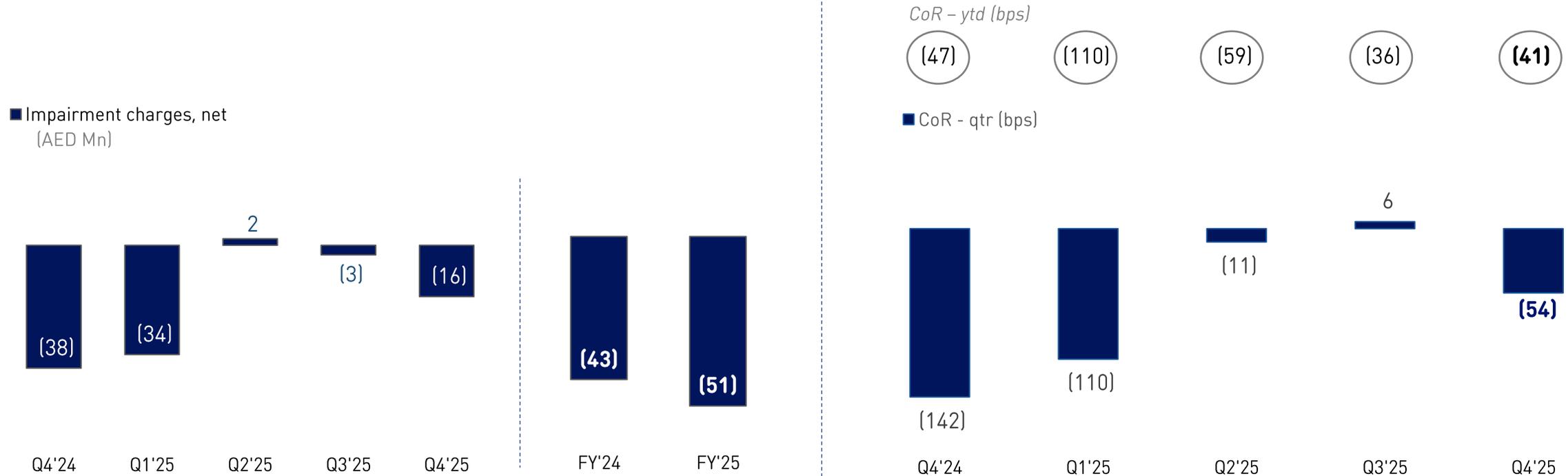


Operating expenses FY'25 bridge (AED Mn)



# Strong recoveries and prudent risk management lead to net impairment reversals in FY'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

# Robust fundamentals and strong customer-led growth remain key drivers of our sustainable and profitable growth

## Balance Sheet highlights

(in AED Billion)

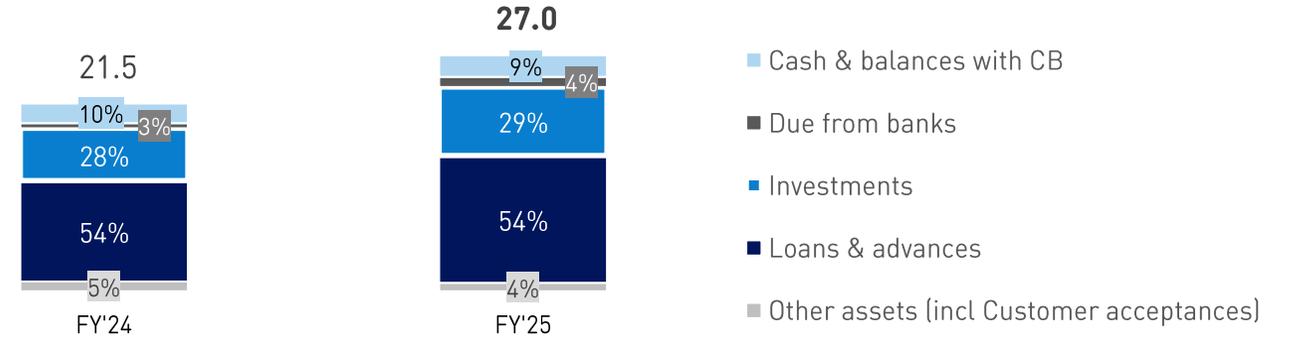
	Dec'25	%chg vs Sep'25	%chg vs Dec'24
Total Assets	27.0	10	26
Loans and advances	14.6	3	26
Investments	7.9	6	31
Customers' deposits	17.8	24	31
<i>of which CASA deposits</i>	6.5	31	42
Total Equity (incl AT1)	4.0	2	58

## Key ratios (%)

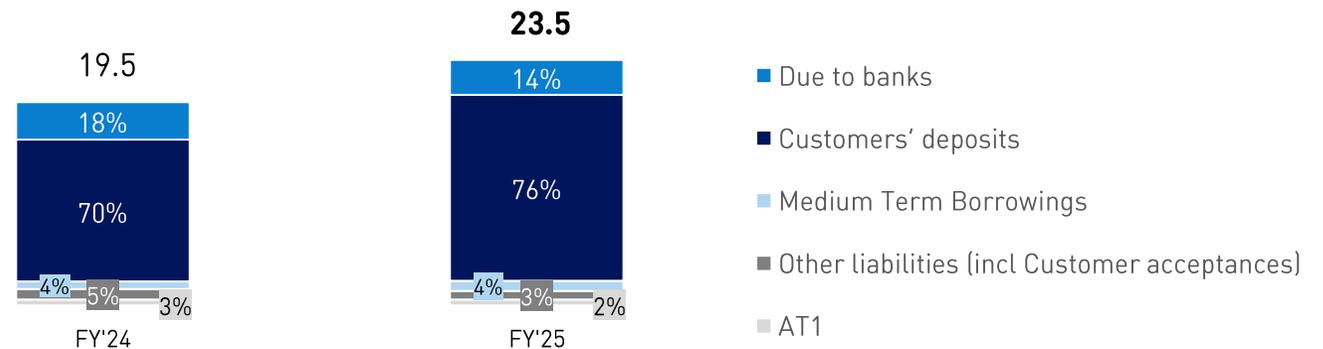
	Dec'25	Sep'25	Dec'24
NPL ratio	2.8	3.1	3.9
Provision coverage	107	103	139
Provision coverage (incl collaterals)	183	179	193
Advances to Stable Resources ratio (ASRR)	70	81	76
Eligible Liquid Assets ratio (ELAR)	17	14	17
CASA%	36	34	34
CET1 ratio	17.4	18.5	12.7
Tier1 ratio	20.3	21.6	16.2
CAR%	21.5	22.8	17.4

## 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 ...

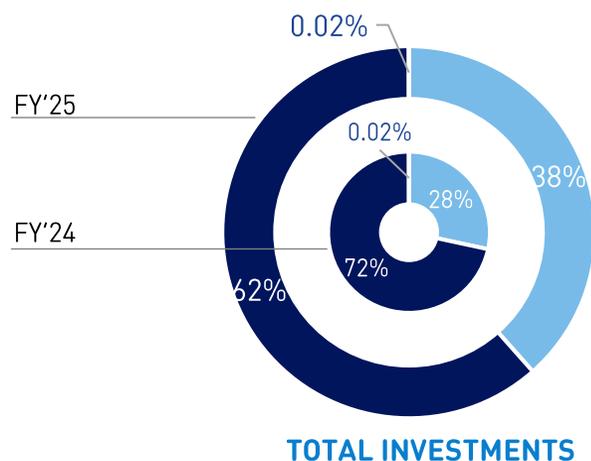


### ... funded by customer deposits as the major source



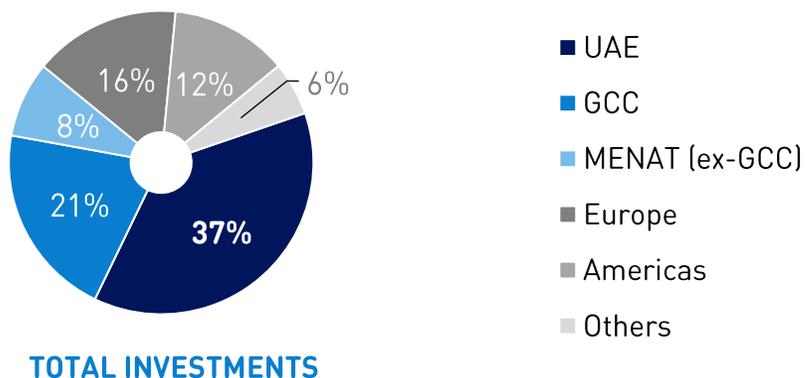
# Quality investment portfolio mandated to meet liquidity requirements and enhance yield

## Investments book primarily consist of debt instruments

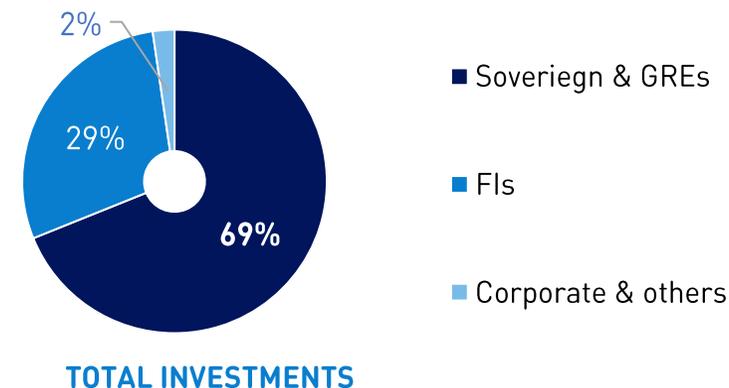


	(AED Bn)	
	FY'24	FY'25
Debt - Amortised cost	1.7	3.0
Debt - FVOCI	4.3	4.8
Equity - FVOCI	0.001	0.001
<b>Total</b>	<b>6.0</b>	<b>7.9</b>

## 37% of exposure to UAE, 66% to MENAT (incl GCC and UAE)



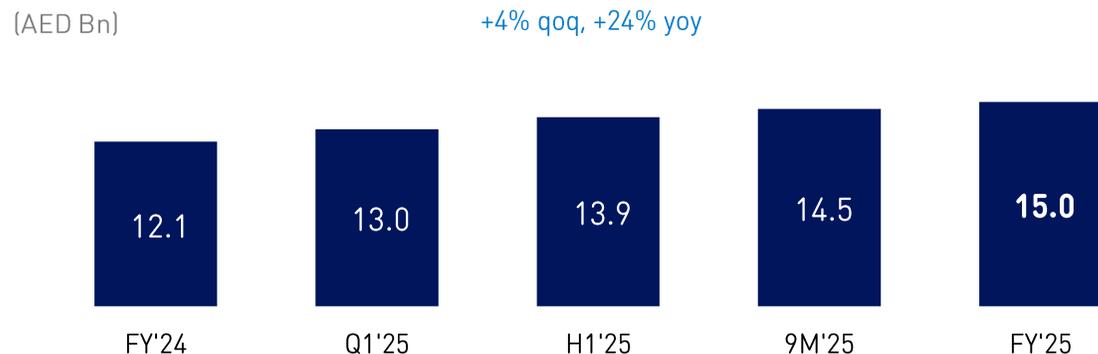
## Major exposure comprises of sovereign and GRE counterparts



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

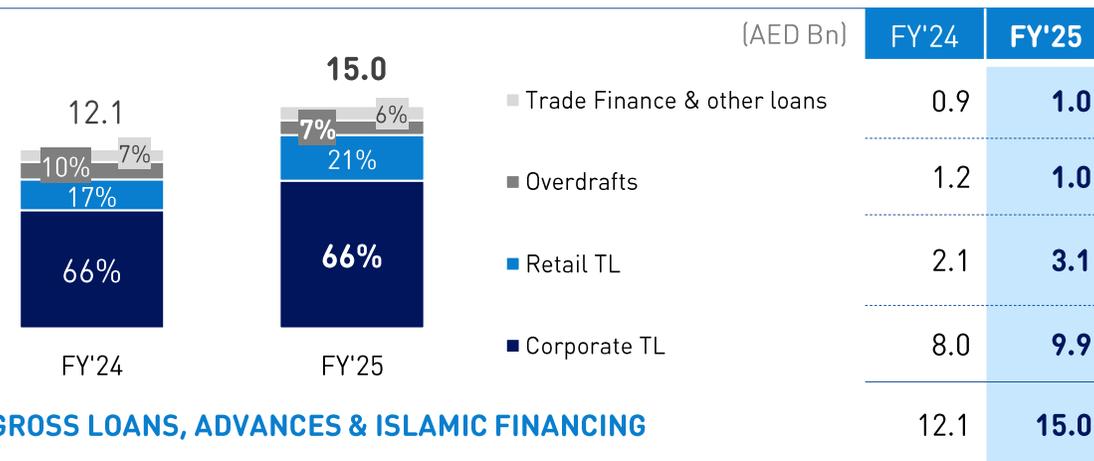
# Growth in loans driven by both - corporate and retail customers; retail lending and Islamic financing contribution increasing gradually

## Gross loans grew by 24% yoy; business pipeline remains robust



### GROSS LOANS, ADVANCES & ISLAMIC FINANCING

## Growth in loans led by corporate (+25%) and retail term loans (+49%)



### GROSS LOANS, ADVANCES & ISLAMIC FINANCING

- Islamic financing represents 15.9% of total gross loan book (FY'24: 10.4%)

## Diversified loan book across economic sectors

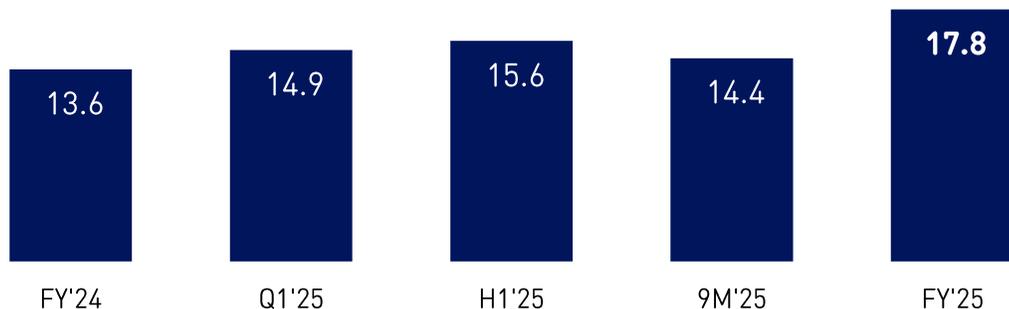


### GROSS LOANS, ADVANCES & ISLAMIC FINANCING by ECONOMIC SECTOR

# Liquidity and funding metrics remain well within regulatory thresholds; Focused on enhancing CASA deposits to support funding cost optimisation

## High-cost deposits shed leading to improvement in cost of funds

+24% qoq, +31% yoy (AED Bn)



**CUSTOMER DEPOSITS**

## Remain focused on enhancing CASA% to support funding costs optimisation

+31% qoq, +42% yoy (AED Bn)



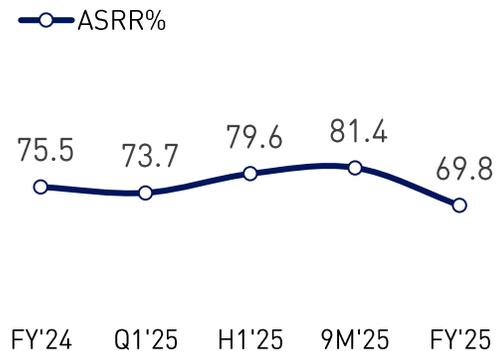
**CASA (Current, Call & Savings Accounts)**

## Regulatory liquidity ratios well within regulatory thresholds

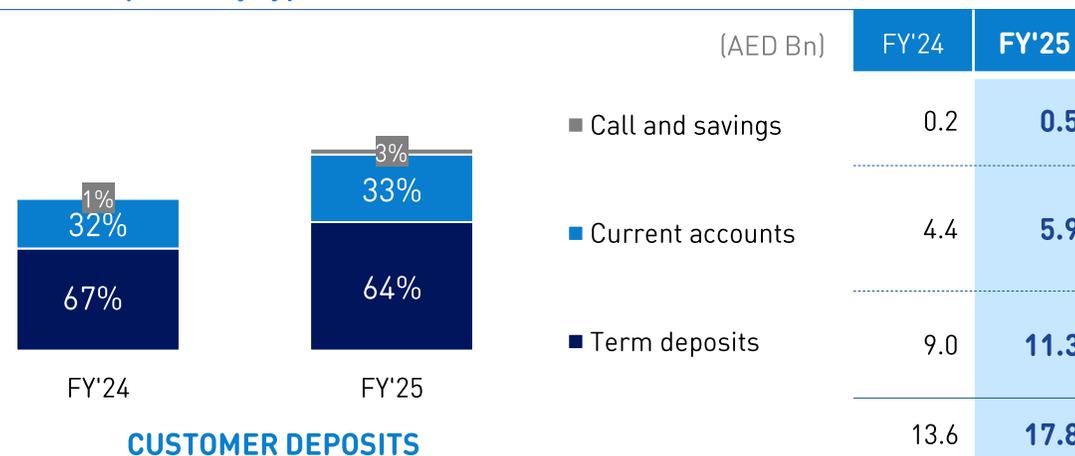
### Eligible Liquid Assets Ratio



### Advances to Stable Resources Ratio



## Customer deposits by type

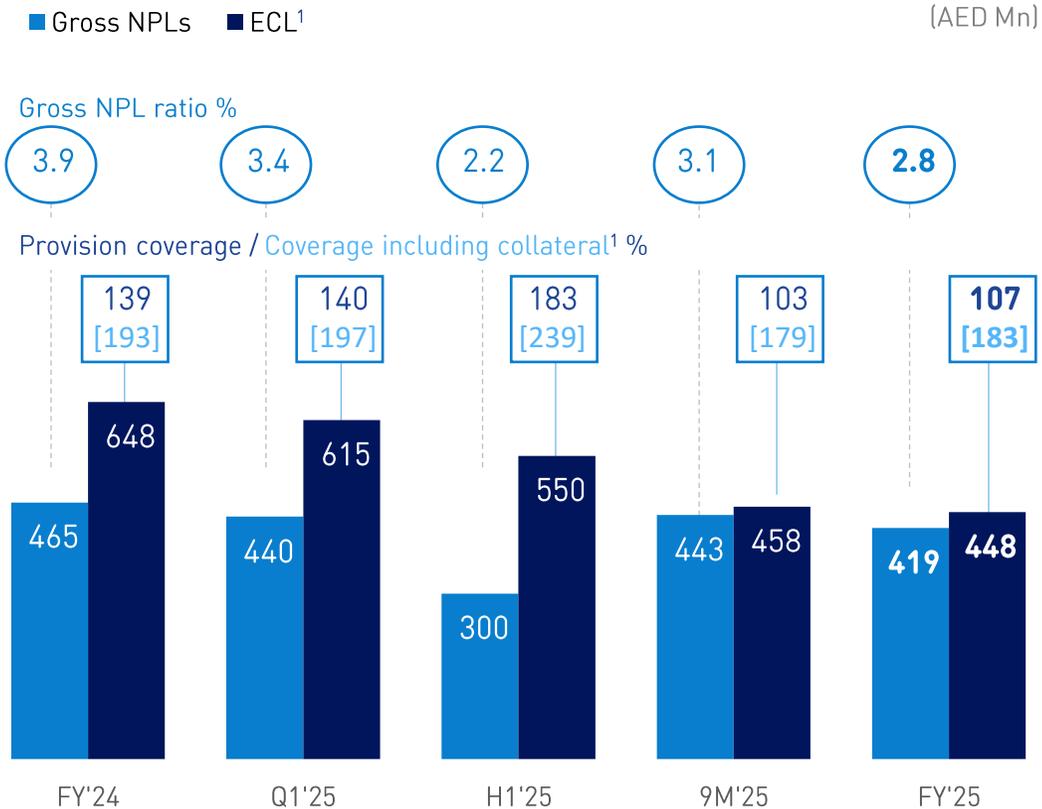


**CUSTOMER DEPOSITS**

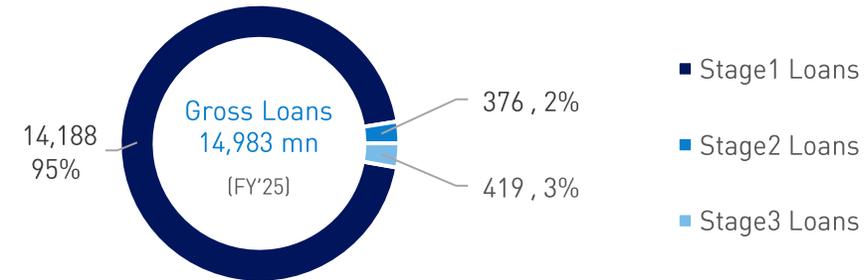
# Asset quality metrics remain healthy

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

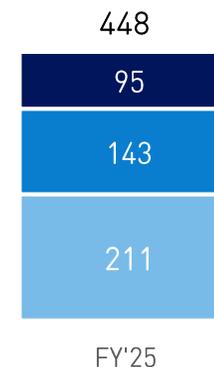
## Gross NPL ratio remains steady, coupled with healthy provision coverage



## 95% of loans are in Stage 1



## Healthy coverage ratios across the portfolio

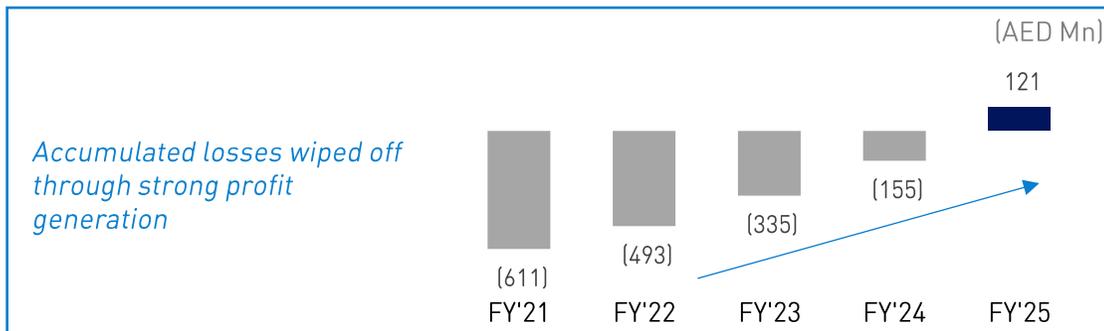
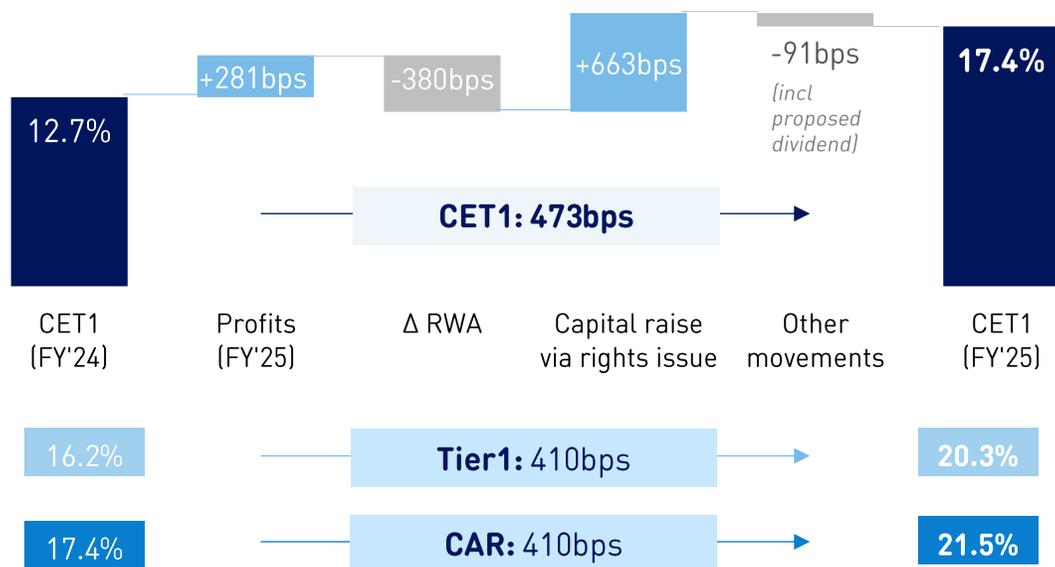


	Provision Coverage <sup>1</sup>	Coverage incl Collateral <sup>1</sup>
Stage 1 ECL	0.7%	40.8%
Stage 2 ECL	37.9%	124.4%
Stage 3 ECL	50.3%	126.6%

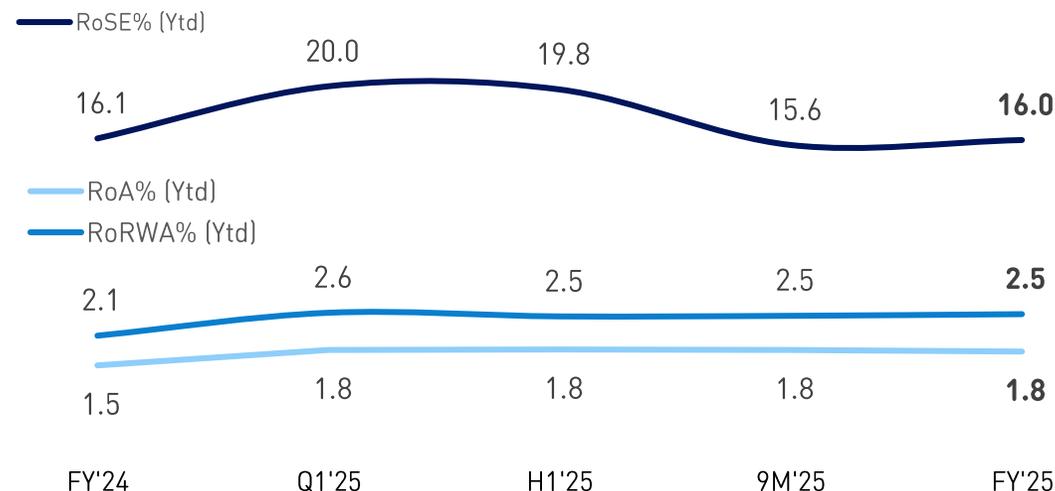
<sup>1</sup> ECL & Provision coverage includes ECL on loans, advances and Islamic financing + ECL on unfunded exposures

# Robust capital position and improved shareholder returns; successful rights issuance has boosted capital for further growth and enhanced resilience towards unforeseen macroeconomic shocks

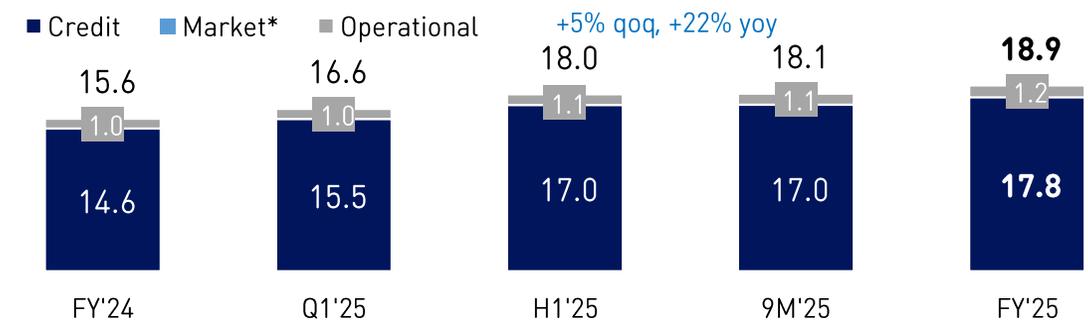
## Strong earnings and new capital raised via a fully subscribed rights issue has significantly strengthened the capital position



## Improved shareholder returns



## Disciplined growth in risk-weighted assets



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

# Continue to capitalise on favourable economic fundamentals and strong business momentum

We remain **cautiously optimistic** on the outlook for FY 2026:

- positive GDP growth<sup>1</sup>, 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)



**Leveraging the robust foundation set**



**Building an agile & customer-centric institution**



**Focused on delivering sustainable returns**

- Healthy business pipeline to continue to support loan growth & NII
- Strategic focus to enhance non-interest income & CASA contribution
- Ensuring balanced growth within risk appetite, supported by adequate coverage
- Increased capital to enable continued growth and strengthen buffers
- Continue to enhance returns for our shareholders through disciplined execution of growth strategy and stable dividend policy

<sup>1</sup> UAE real GDP growth forecast: UAE CB - 4.9% for 2025, 5.3% for 2026, IMF - 4.8% for 2025, 5.0% for 2026

# APPENDIX



عاماً متحدون  
years united

# UAB<sup>®</sup>

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# Summary financials – Income statement and related ratios

Income statement highlights (AED Million)	FY'25	FY'24	%chg vs FY'24	Q4'25	Q3'25	%chg vs Q3'25	Q4'24	%chg vs Q4'24
Net Interest Income	579	467	24	151	151	1	113	34
Non-Interest Income	218	139	56	65	56	15	41	58
<b>Total Income</b>	<b>797</b>	606	31	<b>216</b>	207	5	154	41
Operating Expenses	(365)	(318)	15	(97)	(91)	6	(94)	3
<b>Operating Profit</b>	<b>431</b>	288	50	<b>119</b>	116	3	59	100
Net Impairment reversal / (loss)	51	43	18	16	3	444	38	(58)
<b>Net Profit before tax</b>	<b>482</b>	331	46	<b>135</b>	118	14	98	38
Taxes	(44)	(30)	48	(13)	(11)	19	(9)	44
<b>Net Profit after tax</b>	<b>438</b>	301	45	<b>122</b>	108	13	89	38

Key Ratios (%)	FY'25	FY'24	chg vs FY'24	Q4'25	Q3'25	chg vs Q3'25	Q4'24	chg vs Q4'24
Net Interest Margin (NIM)	2.73	2.73	(0.0)	2.60	2.73	(0.1)	2.47	0.1
Cost-Income ratio	45.9	52.5	(6.6)	44.9	44.1	0.8	61.3	(16.4)
Cost of Risk (CoR)	(0.41)	(0.47)	0.1	(0.54)	0.06	(0.6)	(1.42)	0.9
Return on Shareholders' Equity (RoSE)	16.0	16.1	(0.1)	14.1	15.2	(1.1)	17.5	(3.4)
Return on Assets (RoA)	1.8	1.5	0.3	1.9	1.8	0.1	1.7	0.2

# Summary financials – Balance sheet and related ratios

<b>Balance sheet highlights (AED Billion)</b>	<b>Dec-25</b>	Dec-24	%chg vs Dec'24	Sep-25	%chg vs Sep'25
Total Assets	<b>27.0</b>	21.5	26	24.5	10
Loans, advances & Islamic financing	<b>14.6</b>	11.5	26	14.1	3
Investments	<b>7.9</b>	6.0	31	7.4	6
Customers' deposits	<b>17.8</b>	13.6	31	14.4	24
<i>of which CASA deposits</i>	<b>6.5</b>	4.6	42	4.9	31
Total Equity (incl AT1)	<b>4.0</b>	2.6	58	4.0	2

<b>Key Ratios (%)</b>	<b>Dec-25</b>	Dec-24	chg vs Dec'24	Sep-25	chg vs Sep'25
Gross Non-performing loans ratio (NPL)	<b>2.8</b>	3.9	(1.1)	3.1	(0.3)
Provision coverage	<b>107</b>	139	(32.3)	103	3.6
Provision coverage (incl collaterals)	<b>183</b>	193	(9.8)	179	4.1
Advances to Stable Resources ratio (ASRR)	<b>70</b>	76	(5.7)	81	(11.6)
Eligible Liquid Assets ratio (ELAR)	<b>17</b>	17	0.4	14	3.2
CASA%	<b>36</b>	34	2.7	34	1.9
Common Equity Tier 1 (CET1) ratio	<b>17.4</b>	12.7	4.7	18.5	(1.1)
Tier 1 ratio	<b>20.3</b>	16.2	4.1	21.6	(1.2)
Capital Adequacy ratio (CAR)	<b>21.5</b>	17.4	4.1	22.8	(1.2)

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