



Management Discussion & Analysis

for Quarter ended 31st March 2026



Strong Q1'26 Profitability outcome with Profit Before Tax of **₪ 22.4M**, driven by robust income momentum , supported by growth in both sides of balance sheet, complemented through robust recoveries.

Sharjah, 13th May'2026 - Invest Bank P.S.C. today reported its financial results first quarter ended 31st March'2026

Key Highlights Q1-2026

Net Loans & Advances

₪ 7.9Bn

+10% YTD

Customer Deposits

₪ 12.2Bn

+7% YTD

Total Assets

₪ 15.0Bn

+6% YTD

Operating Income

₪ 112.0Mn

+81% YoY

CASA Ratio

29.1%

+519bps YoY

Return on Equity

5.1%

+209bps YoY

Financial Highlights – Q1-2026

Total Assets increased by **₪ 3.3Bn** reaching **₪15.0Bn** (+28% YoY), driven by growth of interest earning assets

Net Loans increased by **₪ 2.8Bn** reaching **₪ 7.9Bn**. (+56% YoY) as the Bank focuses on growing its core business and diversifying the customer base. Growth is entirely attributable to performing book (Stage-1 & 2) representing strong quality of underlying assets, while maintaining >100% provision against stage 3 loans (net of IIS & collateral). Alongside core Wholesale Portfolio, the Bank's Retail Portfolio continues to expand marching towards book size of **₪1Bn**.

Customer Deposits increased by **₪ 2.9Bn** reaching **₪12.2 Bn** (+32% YoY), with a CASA ratio of 29.1% (vs. 23.9% last year) providing the bank with a stable & low cost funding base. This growth was visible across all the segments, with Retail banking CASA ratio closing at 39.5% (vs. 18.2% last year) reflecting continued trust & confidence placed by customers as the bank focuses on providing cutting-age digital banking solutions through introduction of new products.

Profit before tax: Group recorded profit before tax of **₪22.4Mn** (+97%), supported by robust growth across income streams

Operating income increased by 81%, reaching $\text{₹}112.0\text{Mn}$ (vs. $\text{₹}62.1\text{Mn}$), through higher Net Interest Income by $\text{₹}32\text{Mn}$ (+98%), with Net Interest Margin improving to 1.7% (+64bps), while Non-interest income was up by $\text{₹}18\text{Mn}$, (+62%), driven by core business growth through higher balance sheet volumes.

Operating expenses were at $\text{₹}97\text{Mn}$, (+58%) as the Bank continues to invest in talent and technology for future growth, with an improved Cost to Income ratio.

Net impairment charges: Net provision reversal was at $\text{₹}8\text{Mn}$ (-3Mn, YoY), largely driven by ECL on higher asset volumes, partially offset by higher recoveries

Capital Adequacy ratio (CAR): The Bank remains well capitalized with a healthy capital adequacy ratio of 18.8% (Dec'25: 20.2%).

Liquidity Position with Eligible Liquid Asset Ratio of 17.4% (vs. Dec-25: 20.7%) and Advances to Stable Resources Ratio at 75.3% (flat to Dec-25) reflecting strong liquidity position.

Reimbursement Asset (RA): During the quarter, the Group received $\text{₹}122.4\text{Mn}$ from Government of Sharjah under the Guarantee Agreement, reducing the balance to $\text{₹}1.4\text{Bn}$ at Mar-26 (vs. $\text{₹}1.5\text{Bn}$ in Dec-25).

Cash and Cash Equivalents: reported at $\text{₹}2.2\text{Bn}$, with YoY increase of $\text{₹}0.6\text{Bn}$ (+37%), of which $\text{₹}0.09\text{Bn}$ was generated through operating activities, $\text{₹}0.2\text{Bn}$ financing activities. This was partially utilized towards investing activities amounting to $\text{₹}0.3\text{Bn}$

Rating

Invest bank is rated by Capital Intelligence (CI), with the long term & short-term foreign currency ratings (LT/ST FCR) at BBB-/A3, with Extra ordinary support rating (ESL) of 'High'. The outlook for LT FCR and BSR is 'stable'. In 2025, CI had upgraded the Core Financial Strength (CFS) rating to 'b+' from 'b' and Bank standalone rating (BSR) to 'bb' from 'bb-



Edris AL Rafi

Chief Executive Officer

Financial Highlights Q1 2026

Income Statement Highlights (₪Mn)

	Q1-2026	Q1-2025	YoY %
Net interest income	63.9	32.3	97.9%
Non-interest income	48.2	29.8	61.8%
Total operating income	112.0	62.1	80.6%
Operating expenses	(97.3)	(61.6)	57.9%
Operating Profit	14.7	0.4	>300%
Net Impairments (Chg)/Release	7.7	10.9	-29.6%
Profit Before Tax	22.4	11.4	97.2%
Tax	(0.7)	(0.2)	170.5%
Profit After Tax	21.8	11.1	95.7%

Balance Sheet Highlights (₪Bn)

	Mar-26	Dec-25	YTD%
Total Assets	15.0	14.2	6.1%
Net loans & advances	7.9	7.2	10.4%
Deposits from customers	12.2	11.3	7.5%

Key Ratios (%)

	Q1-2026	*Q1-2025	YoY %
Return on Assets	0.6%	0.4%	0.2%
Return on Equity	5.1%	3.0%	2.1%
Net Interest Margin	1.7%	1.1%	0.6%
Stage 3 Loans to Total loans (%)**	35.8%	50.8%	15.0%
Stage-3 Loans Coverage Ratio***	104.1%	101.1%	3.0%
Eligible Liquid Asset Ratio	17.4%	19.6%	-2.1%
Capital Adequacy Ratio	18.8%	26.1%	-7.3%

* Q1-25 restated

** net of IIS

*** net of IIS & Collateral



OUTLOOK

Looking ahead, the Bank remains cautiously optimistic for the rest of the year 2026, amidst heightened regional uncertainty

ABOUT INVEST BANK

Invest Bank P.S.C. was established in 1975 as a public shareholding company, in the Emirate of Sharjah and its shares are publicly listed on the Abu Dhabi Securities Exchange (ADX).

Since inception, the Bank has made significant contribution to the economic development of Sharjah and the wider UAE. The Bank has built a solid reputation and strong relationships with its loyal corporate and retail clients and continues to be their trusted bank of choice. Invest Bank offers a wide range of banking services, adopting a customer driven, time and effort saving policy under the supervision of a highly qualified and specialized team.

DISCLAIMER

The information presented in this document has been prepared by Invest Bank P.S.C. and is intended to present general background information about the Invest Bank and its activities. The document is intended for the investors of the Bank and may include information about expectation on future events which are based on certain assumptions and judgements of the management, which should not be regarded as an investment advice.