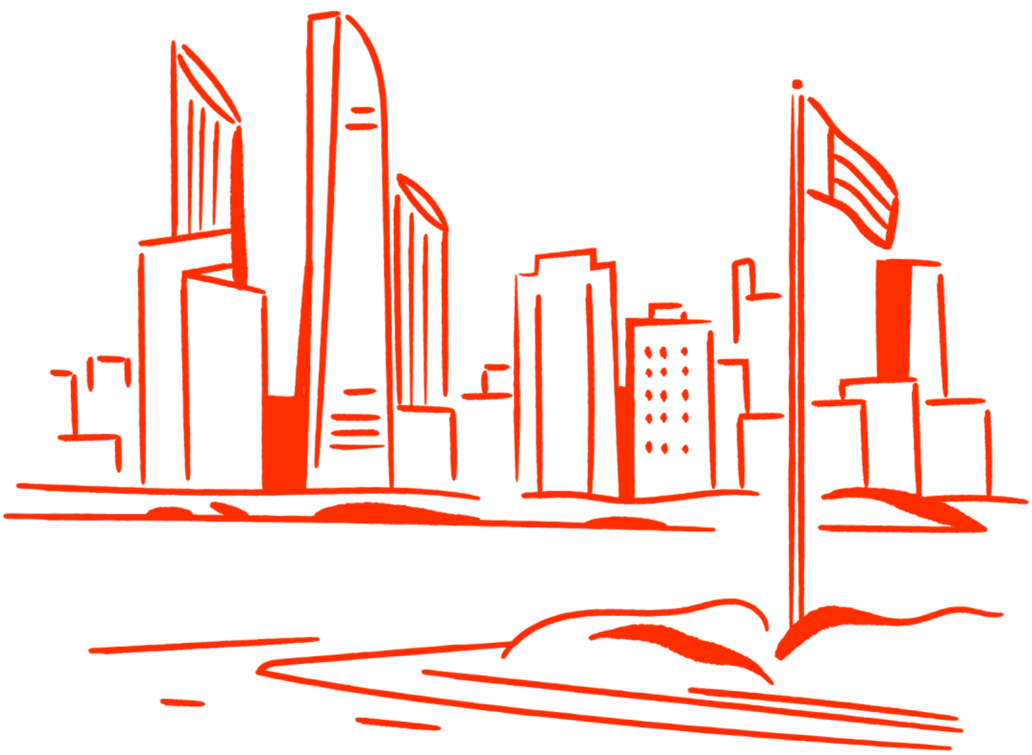
H1 2026

The National Bank of Ras Al Khaimah (P.S.C.)

Financial Results Press Release and
Management Discussion & Analysis



Record Profits Driven by Resilience, Sustainable Growth and a Fortress Balance Sheet

Ras Al Khaimah, United Arab Emirates, July 23, 2026 — The National Bank of Ras Al Khaimah (Rakbank) today reported its financial results for the first half of 2026

Profit After Tax	Total Assets	Deposits	Return on Equity	Return on Assets
Đ 1.7B	**Đ 108.6B**	**Đ 75.1B**	**25.2%**	**3.2%**
+25%	**+14%**	**+23%**	**+305 bps**	**+16 bps**

All variances are YoY

Open for business. Supporting Customers when it matters

Rakbank remained open for business, maintaining uninterrupted access to services and credit while supporting customers through relief where needed — staying true to our commitment to being a digital bank with a *human* touch.

Delivering exceptional profitability through a challenging backdrop

Profitability was supported by an industry-leading net interest margin of 3.9%, a CASA ratio of 64.3% and focused execution across the franchise, with results also including the Đ 473M gain on sale of the merchant acquiring business.

Balance sheet momentum continues with ample liquidity

Growth across customer lending, investment securities and deposits sustained balance sheet momentum, supported by stable, granular funding and ample liquidity, with ELAR at 13.0%.

Resilient asset quality, strong provision coverage and capital strength

Asset quality remained resilient, with impaired loans improving to 1.8% from 2.1% year-on-year, supported by disciplined underwriting and one of the highest Stage 3 coverage ratios sector-wide at 85.9%. Capital adequacy stood at 19.3%, well above regulatory requirements.

Outstanding returns supported by durable earnings

A diversified franchise, durable revenues and a fortress balance sheet translated into outstanding returns, with ROE at 25.2%, up from 22.1%, and ROA at 3.2%, up from 3.1% in H1'25.

Raheel Ahmed
Group CEO

The first half of 2026 demonstrated the resilience of both the UAE economy and Rakbank. Against a backdrop of continued regional uncertainty, we remained focused on what mattered most: our customers, colleagues and the country we serve. Rakbank remains open for business across all products and services, maintaining continuity while supporting customers through short-term disruption and helping them pursue their long-term ambitions. We remain in a position of strength, with a robust balance sheet, strong capital and liquidity, resilient asset quality, and disciplined risk management.
We remain grateful to the leadership of the UAE for fostering an environment of stability, confidence and long-term growth.

Against this backdrop, Rakbank delivered another record financial performance during the first half of 2026, generating record Profit Before Tax of Ð 1.9B. Results were driven by our diversified business model, solid balance sheet growth, and disciplined execution across all business segments.

Our strategic execution continues to build a stronger, more diversified and future-ready bank. We continue to be guided by our vision to be digital with a *human* touch. AI is increasingly becoming part of how we serve customers and operate the Bank. Digital logins exceeded 34M during H1 2026, more than double the same period last year. Since launching Rai last year, our AI-powered assistant has supported more than 1M customer conversations, achieving a 95% positive engagement rate.

We also launched the Rakbank AI Literacy Programme in partnership with the Dubai Future Foundation, equipping every colleague with practical AI skills to accelerate adoption across the organisation.

Across our businesses, Personal Banking continued to strengthen customer engagement and now has one of the most diversified wealth platforms and propositions in the industry, including crypto, commodities, bonds, funds and sukuks. We continue to enhance the proposition of our Elevate Card, our signature credit card, enabling customers to earn and redeem rewards across any airline or hotel worldwide, while benefiting from zero foreign exchange fees on international spending. Our proposition was further recognised by Euromoney, naming Rakbank Middle East's Best for Premier Banking and UAE's Best for Premier Banking.

Business Banking remains central to our identity and to the UAE's economic success. During the first half of the year, we supported over 7,800 businesses as they established and grew their operations. We also launched She Means Business to support women entrepreneurs and signed a strategic Memorandum of Understanding with the Emirates Growth Fund to strengthen SME growth and ecosystem collaboration. Our commitment was recognised by Euromoney, naming Rakbank Best SME Bank in the UAE for the second consecutive year, and by The Digital Banker, which recognised us as SME Growth Partner of the Year.

Wholesale Banking continued to strengthen its position across aviation, infrastructure, manufacturing, trade and capital markets. During the first half of 2026, Rakbank successfully issued a $ 600M five-year Senior Unsecured Bond, attracting an order book of more than $ 1.3B and demonstrating strong investor confidence. We also completed landmark aviation financing transactions, including a $ 110M financing facility for flydubai and aircraft financing for Emirates Airline, while receiving more than 10 industry awards, including Best Bank for Trade Finance and Domestic Supply Chain Finance Initiative of the Year in the UAE.

2026 carries special meaning as Rakbank marks 50 years with you. For five decades, we have grown alongside the UAE, evolving from our roots in Ras Al Khaimah into a larger, more diversified bank with a broader role in the country's economy. This milestone is a celebration of trust, relationships and service with our customers, colleagues, partners and communities who have shaped our journey. Our heritage matters because it reminds us that banking is ultimately built on trust, earned over time, strengthened through service and renewed in every interaction.

As part of our 50-year milestone we recently unveiled our refreshed brand identity together with our new Personal Banking mobile app, reflecting our continued evolution and commitment to delivering simpler, faster and more intuitive banking experiences.

To our customers, thank you for the trust you continue to place in Rakbank. We remain committed to delivering banking that combines digital innovation with the trusted relationships, expertise and service that have defined us for the past five decades.

The external environment will continue to evolve, and we will remain vigilant, selective and agile. But we enter the second half of the year with confidence, supported by strong foundations, a clear strategy and a franchise that is diversified, resilient and more relevant to the customers and communities we serve.

Digital Transactions
(YoY)
+38%

Card Spends
(YoY)
+6%

Payment through our rails - In/Out
(YoY)
+10%

Digitally Active Customers
(YoY)
+17%

Record profitability demonstrates the strength of the franchise

Operating income for H1'26 amounted to ⃃ 3.1B, up 22% YoY driven by continued business momentum and a more diversified earnings base.

Net interest income increased by 5% YoY to ⃃ 1.9B, supported by earning asset growth, while NIM remained resilient at 3.9% despite lower rates and a more competitive funding environment. Non-interest income reached ⃃ 1.3B, up 58% YoY, driven by growth in FX volumes, fees and commissions, and gain from the sale of the merchant acquiring business. Fee-to-total income improved to 40.3% from 30.9% in H1'25, reflecting a stronger non-interest income contribution and continued progress in diversifying the Bank's income base

Operating expenses for H1'26 were ⃃ 916M (+3% YoY), reflecting continued investments in technology, data and customer experience, while cost efficiency improved with the cost-to-income ratio improving to 29.3% from 34.6% in H1'25. Net impairment charges for the period amounted to ⃃ 329M, reflecting prudent provisioning in response to the operating environment, even as asset quality continued to improve, with the impaired loans ratio declining to 1.8% from 2.1%. Consequently, the cost of risk increased to 1.1%, compared with 0.70% in the prior year

Fortress Balance sheet supports growth and resilience

Total assets increased by 14% YoY to ⃃ 108.6B as at Jun'26 driven by strong growth in earning assets. Gross loans and advances grew by 19% YoY to ⃃ 60.8B, with momentum across all business segments. Personal Banking loans and advances increased to ⃃ 25.8B, led by mortgage and expat lending, while Business Banking loans and advances rose to ⃃ 11.4B, driven primarily by SME and commercial loans. Wholesale Banking loans and advances increased to ⃃ 23.6B with our corporate portfolio growing more than 55% YoY. Investment securities increased to ⃃ 22.6B,while due from other banks remained at ⃃ 16.5B

On the funding side, customer deposits increased by 23% YoY to ⃃ 75.1B, supported by broad-based growth across all segments. CASA deposits increased to ⃃ 48.3B, with Business Banking remaining the largest contributor to the Bank's CASA base. Personal Banking deposits surpassed ⃃ 25B, while Wholesale Banking continued to improve its funding mix through escrow and corporate current account balances. Time deposits also increased, primarily from Wholesale Banking and Personal Banking, providing additional tenor funding to support lending and investment growth. A more granular and diversified deposit base, complemented by increased term funding, further strengthened the Bank's funding profile and reinforced the strength of its balance sheet

Continued Investment in Technology and digital capabilities

Capital expenditure amounted to ⃃ 132M in H1'26, compared with ⃃ 125M in the same period last year, reflecting continued investment in technology, data and digital capabilities. These investments support simpler, faster and more accessible banking services, while strengthening operational efficiency and customer engagement across the franchise.

Cash Flows

Cash and cash equivalents stood at ⃃ 10.5B as at Jun'26, reducing by ⃃ 0.4B compared with Jun'25. Net cash used in operating activities was ⃃ 265M, while ⃃ 2.6B was used in investing activities and ⃃ 1.7B was used in financing activities

Credit Ratings

Rakbank's investment-grade ratings reflect the Bank's institutional strength, supported by strong capitalization, sound funding, ample liquidity, prudent risk management and a diversified business model. During the reporting period, Moody's affirmed the Bank's Baa1/P-2 rating with a Stable outlook, while Fitch maintained its BBB+/F2 rating and Capital Intelligence maintained its A/A1 rating, both with Stable outlook.

Rating Agency	Last Update	Deposits	Outlook
Moody's	June '26	**Baa1/ P-2**	**Stable**
Fitch	June '26	**BBB+/F2**	**Stable**
Capital Intelligence	August '25	**A/A1**	**Stable**

Raheel Ahmed
Group CEO

Financial Highlights

(Đ M)	H1'26	H1'25	YoY (%)	Q2'26	Q2'25	YoY (%)
Net Interest Income	1,866	1,776	5.1%	919	909	1.1%
Non-Interest Income	1,259	795	58.4%	386	362	6.7%
Operating Income	**3,125**	**2,571**	**21.5%**	**1,305**	**1,271**	**2.7%**
Operating Expenses	(916)	(891)	2.9%	(440)	(456)	(3.6)%
Operating Profit	**2,209**	**1,680**	**31.5%**	**865**	**814**	**6.2%**
Net Impairment Charge	(329)	(173)	90.3%	(92)	(79)	15.2%
Profit Before Tax	**1,879**	**1,507**	**24.7%**	**774**	**735**	**5.2%**
Tax	(167)	(133)	25.1%	(69)	(66)	4.6%
Profit After Tax	**1,713**	**1,374**	**24.7%**	**705**	**669**	**5.3%**

(Đ B)	Jun'26	Jun'25	YoY (%)	YTD (%)
Total Assets	108.6	95.0	14.4%	3.4%
Gross Loans & Advances	60.8	51.3	18.7%	8.8%
Deposits	75.1	61.1	23.0%	6.7%

	H1'26	H1'25	YoY (%)	Q2'26	Q2'25	YoY (%)
Return on Common Equity	25.2%	22.1%	3.1%	20.6%	21.9%	(1.3)%
Return on Assets	3.2%	3.1%	0.2%	2.6%	2.9%	(0.3)%
Net Interest Margin[1]	3.9%	4.3%	(0.5)%	3.8%	4.3%	(0.6)%
Cost to Income	29.3%	34.6%	(5.3)%	33.7%	35.9%	(2.2)%
Impaired Loans Ratio[2]	1.8%	2.1%	(0.3)%	1.8%	2.1%	(0.3)%
Capital Adequacy Ratio	19.3%	18.8%	0.5%	19.3%	18.8%	0.5%

1- Net Interest Margin is calculated based on average interest earning assets
2- Stage 3 Loans and Advances to Gross Loans and Advances

Rakbank

Awards & Accolades for H1 2026

The UAE's Best Bank for SMEs
Euromoney
Awards for Excellence

Middle East's Best for Premier Banking
Euromoney
Private Banking Awards

UAE's Best for Premier Banking
Euromoney
Private Banking Awards

SME Growth Partner of the Year
The Digital Banker

Best Bank for Trade Finance
The Digital Banker

Best FinTech Solutions (Skiply)
MEA Finance Banking Technology Awards

Exceptional new technology (Skiply)
MEA Business Achievements Awards

Best Supply Chain Finance Platform Initiative
The Digital Banker

Banking & Finance - Outstanding Leadership (CEO)
MEA Business Achievements Awards

Straight-Through Processing (STP) at a rate of 99.2% for all USD transfers
Citibank

Banking should feel simple. Human. Helpful.

So that's the kind we build.

Since 1976

We've helped people and businesses across the UAE grow with confidence — giving them the tools, the support, and the trust to make things happen. We started as a community bank and grew into one of the country's most dynamic financial institutions. What's never changed is our belief that banking should work for people, not the other way around.

Digital with a *human* touch

Today, we're leading a new chapter — one that combines smart digital innovation with genuine human connection. We call it digital with a human touch.

How we serve you

We serve customers across every segment through our Personal Banking Group (PBG), Business Banking Group (BBG), and Wholesale Banking Group (WBG). As the UAE's go-to SME bank, we're helping thousands of businesses grow and thrive with seamless, digital-first banking.

Our ecosystem

Our group also includes Skiply, the region's leading school payments app; Protego, our next-generation insurance aggregator; and RAK Insurance, one of the UAE's most trusted insurers — together creating an ecosystem that makes life simpler and safer for our customers.

Shaping what's next

From empowering entrepreneurs and SMEs to launching the UAE's first crypto brokerage for retail customers and our own AI-powered digital assistant, we're shaping the future of banking while keeping the heart of it the same: people.

GET IN TOUCH

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- tiktok.com/@Rakbank
- linkedin.com/company/Rakbank

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rakbank | 50 years with you

Disclaimer

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