بنك الاستثمار

# Management Discussion & Analysis

for Half Year ended 30th June 2026

INB, reports strong H1'26 Profit Before Tax of Ð80.5M (+61% YoY) underpinned by high double-digit growth on both sides of the balance sheet, higher net interest margins, robust fee income momentum, complemented by sustained recoveries.

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Sharjah, 6th August'2026 - Invest Bank P.S.C. today reported its financial results for half year ended 30th June'2026

## Key Highlights H1-2026

| Operating Income | CASA Ratio | Return on Equity |
|---|---|---|
| **Ð258.8Mn** | **32.0%** | **9.1%** |
| +78% YoY | +891bps YoY | +257bps YoY |

| Net Loans & Advances | Customer Deposits | Total Assets |
|---|---|---|
| **Ð8.8Bn** | **Ð13.3Bn** | **Ð16.1Bn** |
| +22% YTD | +17% YTD | +14% YTD |

## Financial Highlights – H1-2026

**Total Assets** increased by Ð3.5Bn reaching Ð16.1Bn (+27% YoY), marching towards being highest ever balance sheet size since inception.

**Net Loans** increased by Ð2.9Bn reaching Ð8.8B(+49% YoY) as the bank continues to diversify customer base to accelerate Retail Banking business alongside building on its Wholesale Banking capabilities. The loan growth was attributable to performing (Stage-1 & 2) portfolio, representing strong quality of underlying assets, while stage-3 loans continue to decline through specific reserves (100% coverage). Alongside core wholesale portfolio growth (+18% YTD), the Retail loan book closed at Ð1.1Bn (+73% YTD), crossing Ð1Bn mark.

**Customer Deposits** increased by Ð3.1 Bn reaching Ð13.3 Bn (+30% YoY), with a CASA ratio of 32.0% (Dec'25 : 29.8%) 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 46% (vs. 35% in Dec'25) reflecting continued trust & confidence placed by customers as the bank continues to work towards enhancing its digital capabilities to cater to customer's banking requirements.

**Profit before tax:** Group recorded profit before tax of Ð80.5Mn (+61% YoY), supported by robust growth across income streams

**Operating income** increased by 78%, reaching Đ259Mn (vs. Đ146Mn), through higher Net Interest Income by Đ86Mn (+111%), with Net Interest Margin improving to 2.2% (+84bps), while Non-interest income was up by Đ27Mn, (+40%), driven by core business growth through higher balance sheet volumes, especially foreign exchange income.

**Operating expenses** were at Đ203Mn, (+49%) as the Bank continues to invest in talent & technology for future growth, with an improved Cost to Income ratio (H1-26 : 78% vs. H1-25 : 93%)

**Net impairment charges:** Net provision reversal was at Đ24Mn (-16Mn, YoY), largely as ECL increased due to higher asset volumes.

**Capital Adequacy ratio (CAR):** The Bank remains well capitalized with a healthy capital adequacy ratio of 18.2% (Dec'25 : 20.2%),

**Liquidity Position** remains strong with Eligible Liquid Asset Ratio of 22.1% (vs. Dec-25: 20.7%) and Advances to Stable Resources Ratio at 74.6% (Dec'25 : 75.4%).

**Reimbursement Asset (RA):** During H1-26, the Group received Đ245Mn from Government of Sharjah under the Guarantee Agreement, reducing the balance to Đ1.3Bn at June-26 (vs Đ1.5Bn as at Dec-25).

**Cash and Cash Equivalents:** reported at Đ2.9Bn, with YoY increase of Đ1.1Bn (+60%). During H1-26, Đ1.1Bn was generated through operating activities, of which Đ0.3Bn was utilized towards investing activities & Đ0.2Bn towards financing activities

## Rating

INB was recently assigned a long term Issuer Default Investment Grade Rating of **BBB+,** by Fitch Ratings. Credit Ratings by 2 leading Agencies are summarized as below

| Agency | Rating | Outlook | Date |
|---|---|---|---|
| Fitch Ratings | BBB+/F2 | Stable | July-2026 |
| Capital Intelligence | BBB-/A3 | Stable | Oct-2025 |

INVEST BANK P.S.C.
GENERAL MANAGEMENT

**Edris AL Rafi**

Chief Executive Officer

INB

# Financial Highlights H1 2026

## Income Statement Highlights (฿Mn)

| Particulars | H1-2026 | H1-2025 | YoY % | Q2-2026 | Q1-2026 | QoQ % |
|---|---|---|---|---|---|---|
| Net interest income | 164.1 | 77.7 | 111.2% | 100.1 | 63.9 | 56.8% |
| Non-interest income | 94.7 | 67.9 | 39.5% | 46.6 | 48.2 | -3.3% |
| **Total operating income** | **258.8** | **145.6** | **77.8%** | **146.7** | **112.0** | **30.9%** |
| Operating expenses | (202.7) | (135.8) | 49.3% | (105.4) | (97.3) | 8.3% |
| **Operating Profit** | **56.1** | **9.8** | **>300%** | **41.3** | **14.7** | **180.4%** |
| Net Impairments (Chg)/Release | 24.4 | 40.3 | -39.4% | 16.8 | 7.7 | 117.6% |
| **Profit Before Tax** | **80.5** | **50.1** | **60.8%** | **58.0** | **22.4** | **158.9%** |
| Tax | (5.9) | (1.1) | NA | (5.3) | (0.7) | 709.4% |
| **Profit After Tax** | **74.6** | **48.9** | **52.4%** | **52.8** | **21.8** | **142.4%** |

## Balance Sheet Highlights (฿Bn)

| Particulars | Jun-26 | Dec-25 | YTD% | Mar-26 | QoQ % |
|---|---|---|---|---|---|
| Total Assets | 16.1 | 14.2 | 13.9% | 15.0 | 7.3% |
| Net loans & advances | 8.8 | 7.2 | 22.1% | 7.9 | 10.5% |
| Deposits from customers | 13.3 | 11.3 | 17.2% | 12.2 | 9.1% |

## Key Ratios (%)

| Particulars | H1-2026 | H1-2025 | YoY (%) | Q2-2026 | Q1-2026 | QoQ (%) |
|---|---|---|---|---|---|---|
| Return on Assets | 1.0% | 0.8% | 0.2% | 1.3% | 0.6% | 0.7% |
| Return on Equity | 9.1% | 6.5% | 2.6% | 12.7% | 5.4% | 7.3% |
| Net Interest Margin | 2.2% | 1.3% | 0.8% | 2.5% | 1.8%* | 0.8% |
| Stage 3 Loans to Total loans (%)** | 28.1% | 45.8% | -17.7% | 28.1% | 35.8% | -7.7% |
| Provision Coverage Ratio (Stage-3)*** | 100.2% | 100.8% | -0.6% | 100.2% | 99.6%* | 0.6% |
| Eligible Liquid Asset Ratio | 22.1% | 19.4% | 2.7% | 22.1% | 17.4% | 4.7% |
| Capital Adequacy Ratio | 18.2% | 25.9% | -7.7% | 18.2% | 18.8% | -0.6% |

* Q1-26 updated
** net of IIS
*** net of IIS & including 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, with Government of Sharjah being the largest shareholder (70%), along with Sharjah Social Security Fund (18%), with its shares being 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.