

Results Presentation

for year ended 31 December 2024





- 1 **2024 Financial Performance – Key Highlights**
- 2 **Update on Group Strategy Execution**
- 3 **Update on Sustainability Programme**
- 4 **2024 Awards**
- 5 **Dividend Proposal – Strong YOY Growth**
- 6 **2024 Detailed Financial Performance**

Strong momentum in strategy execution accelerates the delivery of our vision as **MENA's International Bank of the Future**



Strong revenue momentum continued in 2024 with 5% YoY growth

2024 Revenues at US\$1,339 million reflecting core business growth and origination across the franchise, despite FX headwinds in some key markets.

Healthy Balance Sheet T1 Ratio 15.5%, NSFR 123%, LCR 198%

Capital, Funding and Liquidity metrics remain strong with healthy buffers to maintain growth momentum.

Record Net profit US\$285m +21% YoY

Strong growth driven across many markets and disciplined management of operating expenses and cost of credit.

ROE 7.0%, +120bps YoY

Reflecting the positive momentum to improve returns to our shareholders through successful execution of our strategy



MENA's International Bank of the Future

1 Accelerate our Core Businesses

Accelerate
Wholesale
& Treasury

Boost
Retail

Capitalize
on Brazil's
Success

Creating near-term value for the Bank

2 Maximize value of our Digital Units



Creating longer-term value for the Bank

3 Strengthen our Operating Model

Improve
Org Effectiveness

Enhance
Steering Ability

Strengthen
Process Efficiency

Develop
Agile Infrastructure

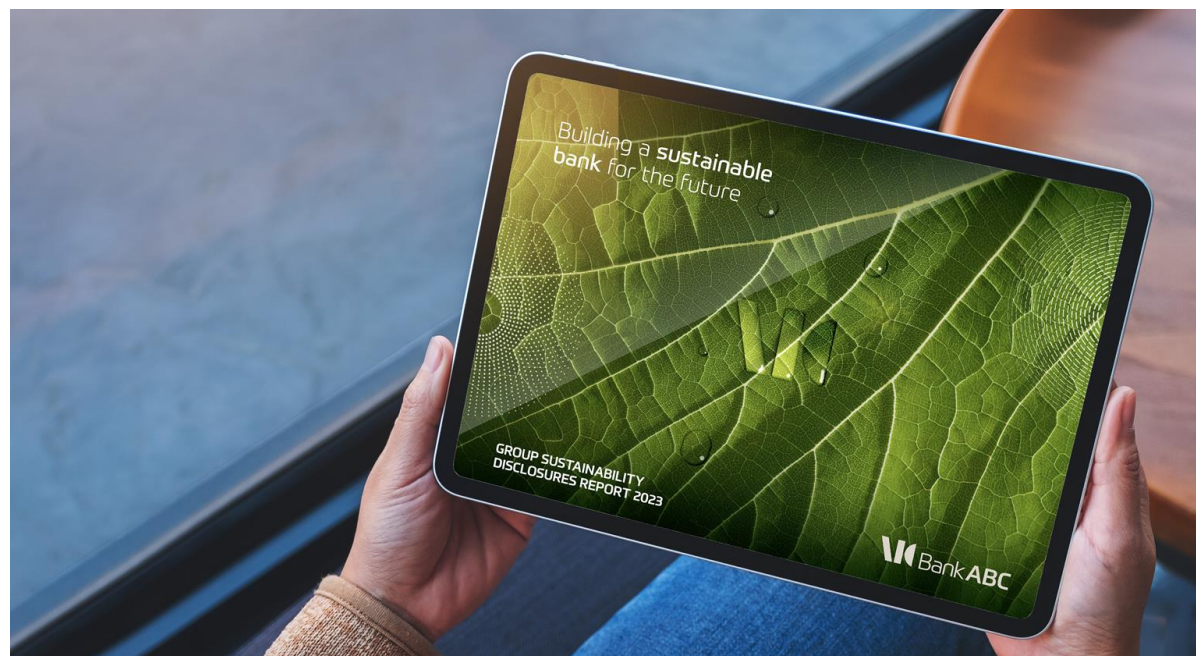
Driving Execution and future-proofing the Bank

Continued momentum in Executing our Transformation Roadmap in 2024

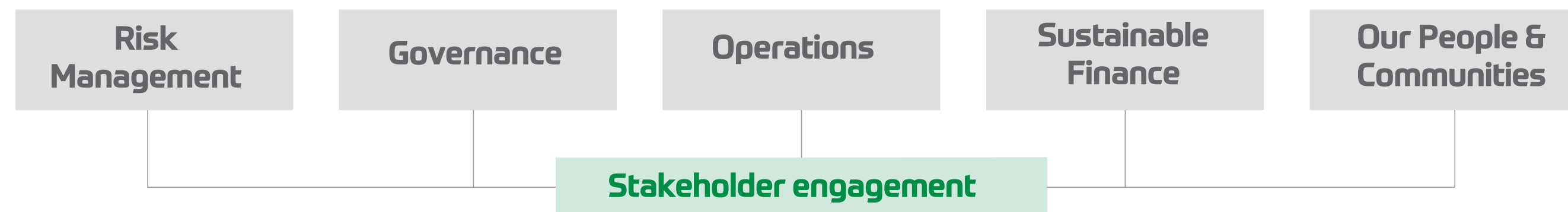
- / Strong across the board performance in **Wholesale, Treasury, Retail and Banco BAC Brasil**
- / Cash, trade and supply chain finance enhancements to our new **WB digital banking platform**
- / Driving accelerated **revenue growth in our digital units, ila and AFS**
- / Published first **Group Sustainability Disclosures Report**
- / Progressed new **Core Banking system** implementation
- / Developing Bank ABC's **AI programme as a cornerstone of our innovation strategy**

Embedding sustainability across Bank ABC's value chain to:

- ✓ Reduce our environmental impact
- ✓ Ensure we are 'Fit for purpose'
- ✓ Become a source of value creation



Bank ABC's Sustainability Strategy



2024 Achievements

- ✓ Published our inaugural Group Sustainability Disclosure Report for 2023.
- ✓ Set up Sustainability Steering Committee to oversee progress.
- ✓ Measured our material ESG KPIs.
- ✓ Developed a 3-year environmental reduction plan for our operations.
- ✓ Strengthened our capability: (i) increased headcount of sustainability specialists, (ii) Accelerated training across our global network.

2025 Objectives

- ✓ Deliver reductions in energy, water and GHG emission of operations.
- ✓ Measure Scope 3 financed emissions.
- ✓ Client ESG Risk Assessment integrated into our credit decision and client engagement.
- ✓ Training program for our client-facing teams to accelerate sustainable/transition finance.
- ✓ Implement action plan to improve D,E&I KPIs.
- ✓ Meet our ESG regulatory and disclosure requirements across all our jurisdictions.

A 3-year program(2023-2026) of action plans has been rolled out to integrate sustainability across the Bank's divisions and geographic units.

Proud second time winner

Best Bank for ‘Transaction Banking in the Middle East’ by The Banker- FT

The globally-renowned The Banker – Financial Times honours Bank ABC for its excellence in Wholesale Banking banking demonstrated through strategic transformation and digitisation, double-digit growth and innovative solutions.



Innovative banking triumphs again

Best Bank for ‘Innovation in Digital Banking in the Middle East’ by The Banker- FT

Bank ABC was recognised for the accelerated execution of its digital transformation agenda and bespoke innovation programme that have generated significant value for stakeholders and driven the industry forward.



Additional recognitions received for the Bank's excellence across business disciplines, innovation and strategic achievements.

Regional

- ✓ **'Best Corporate Cross-Border Payments Solution in the Middle East'** - Global Finance
- ✓ **'Best Bank for Long-term Liquidity Management – Africa'** - Global Finance
- ✓ **World's Best Financial Innovation Labs Award for ABC Labs** – Global Finance
- ✓ **'Best Trade Finance Provider in the Middle East'** – Global Finance
- ✓ **'Best Trade Finance Bank in the Middle East'** – Global Trade Review (GTR)
- ✓ **'Fastest Growing Digital Bank in MENA Central'** for ila Bank - Mastercard
- ✓ **'Best Open Banking APIs in the Middle East'** for ila Bank – Global Finance

Country

- ✓ **'Best Trade Finance Provider in Bahrain'** – Global Finance
- ✓ **'Best Bank for Cash Management – Bahrain'** - Global Finance
- ✓ **'Best Bank for Cash Management – Tunisia'** - Global Finance
- ✓ **'Bahrain's Best Digital Bank'** - Euromoney Awards for Excellence
- ✓ **'Best Islamic Financial Institution in Bahrain'** for ABC Islamic- Global Finance
- ✓ **'Bahrain's Most Transformed Islamic Bank'** - Euromoney
- ✓ **'Best Islamic Bank in 2023'** - IFN Best Banks Polls
- ✓ **'Best Digital Bank in Bahrain'** for ila Bank – MENA Banking Excellence Awards by MEED
- ✓ **'Best Consumer Digital Bank in Bahrain'** for ila Bank – Global Finance
- ✓ **'Best in Innovation'** for ila Bank – Global Finance
- ✓ **'Best in Social Media & Marketing Services'** for ila Bank– Global Finance
- ✓ **'Best in Transformation'** for ila Bank– Global Finance
- ✓ **'Best in User Experience Design'** for ila Bank– Global Finance
- ✓ **'Best Opening Banking APIs in Bahrain'** for ila Bank – Global Finance

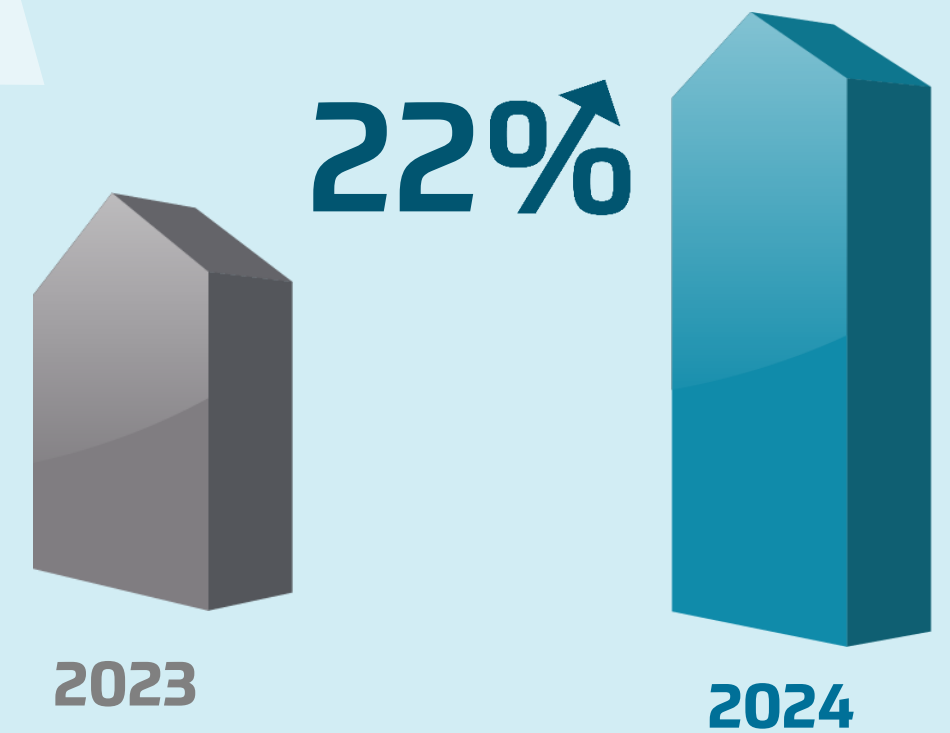
Deals

- ✓ **'Global Sovereign Sukuk Deal of the Year'** for Bank ABC's role as JLM & Bookrunner in US\$ 1 billion Sukuk for Ministry of Finance & National Economy, Bahrain – BLS Middle East
- ✓ **'IFN Hybrid Deal of the Year'** for ABC Islamic's role as JLM & Bookrunner in US\$1 billion hybrid Ijarah- Tawarruq Sukuk transaction for Energy Development Oman – IFN News
- ✓ **'Global Corporate Sukuk Deal of the Year'** for Bank ABC's role as JLM & Bookrunner in US\$ 1 billion Sukuk transaction for EDO Gas – BLS Middle East
- ✓ **'Islamic Finance Deal of the Year'** – North America' for Bank ABC's role as JLM & Bookrunner in US\$ 600 million corporate Sukuk transaction for Air Lease Corp. – Euromoney Islamic

5 22% YOY Increase in Dividends in Line with Profit Growth

Recommendation, for approval at the AGM: a cash dividend of 2.75c per share equivalent to US\$ 85.5 million (+22% YOY)

Dividends



- / Maintain pay-out ratio of 30% of Net Profit
- / Dividend yield of 8.6%
- / Allows for sustainable business growth with balance sheet strength

Net Profit Payout



2024 Detailed Financial Performance

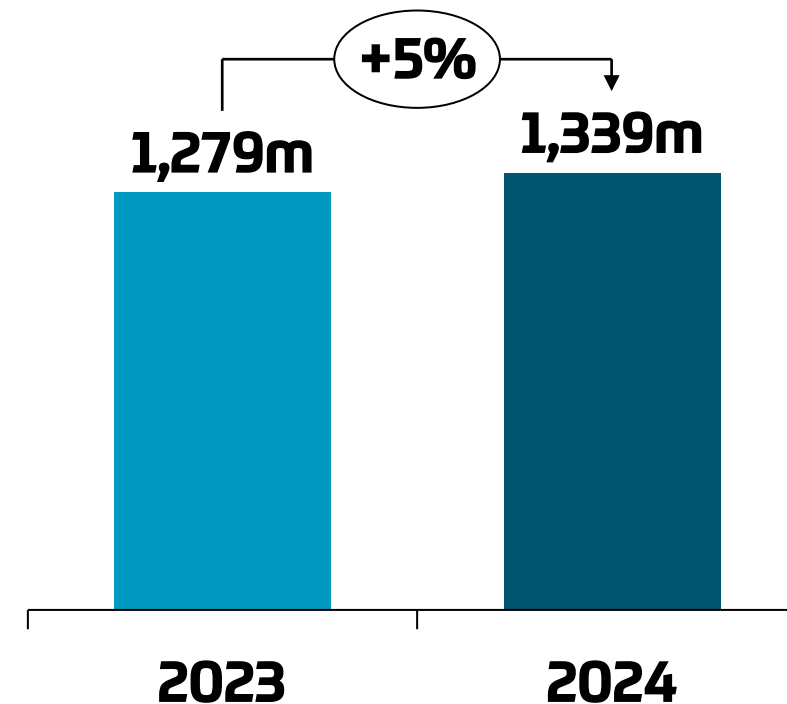


Net Profit at \$285m, a growth of 21% YoY



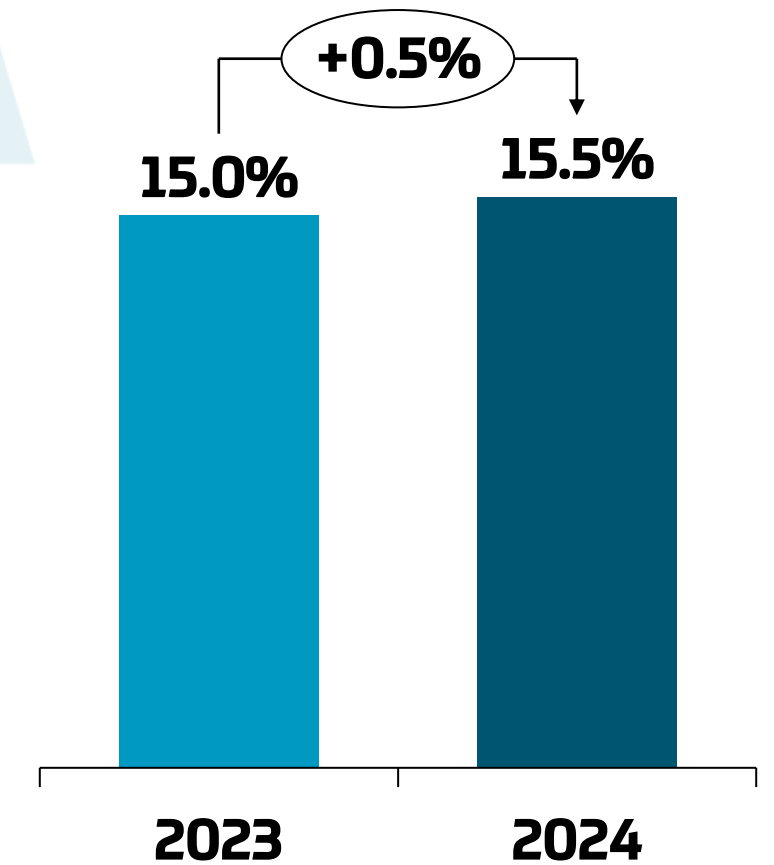
Total Operating Income, \$m

- / Continued momentum with revenues at US\$1,339 million, 5% growth YoY on the back of strong core business growth and stable funding base, despite FX headwinds in some key markets
- / Revenues tracking higher on a YoY basis across almost all of our units



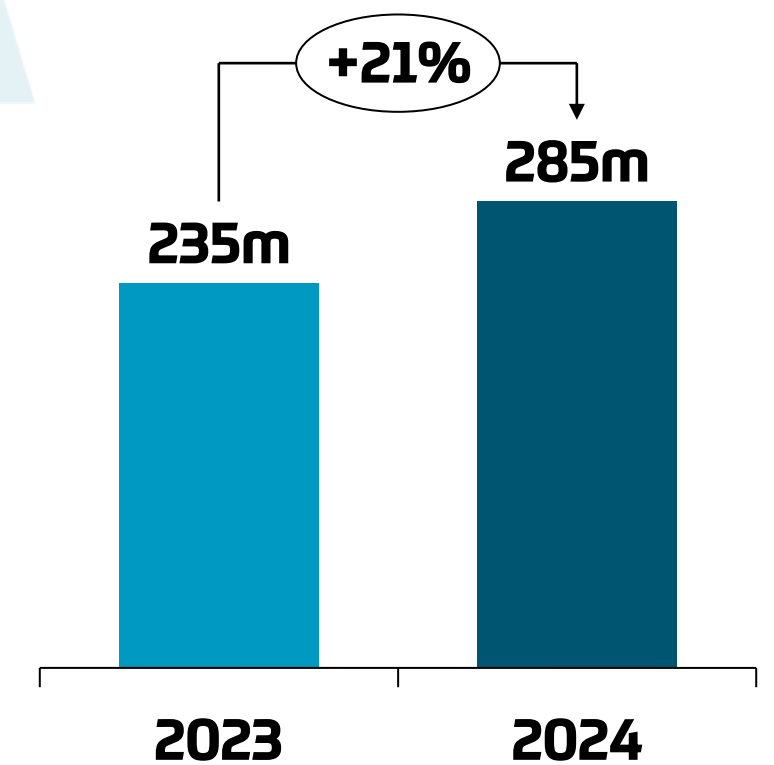
T1 Capital Ratio, %

- / Remains strong and well above the regulatory minimum of 10.5%
- / CET 1 Ratio (13.6%) comprises the majority of Tier 1 Ratio



Net Profit, US\$m

- / Net operating profit (before provisions and taxation) grew by +10%
- / Net Profit of US\$285m, a strong 21% growth



Record high performance, driven by strong core business growth despite FX headwinds in key markets

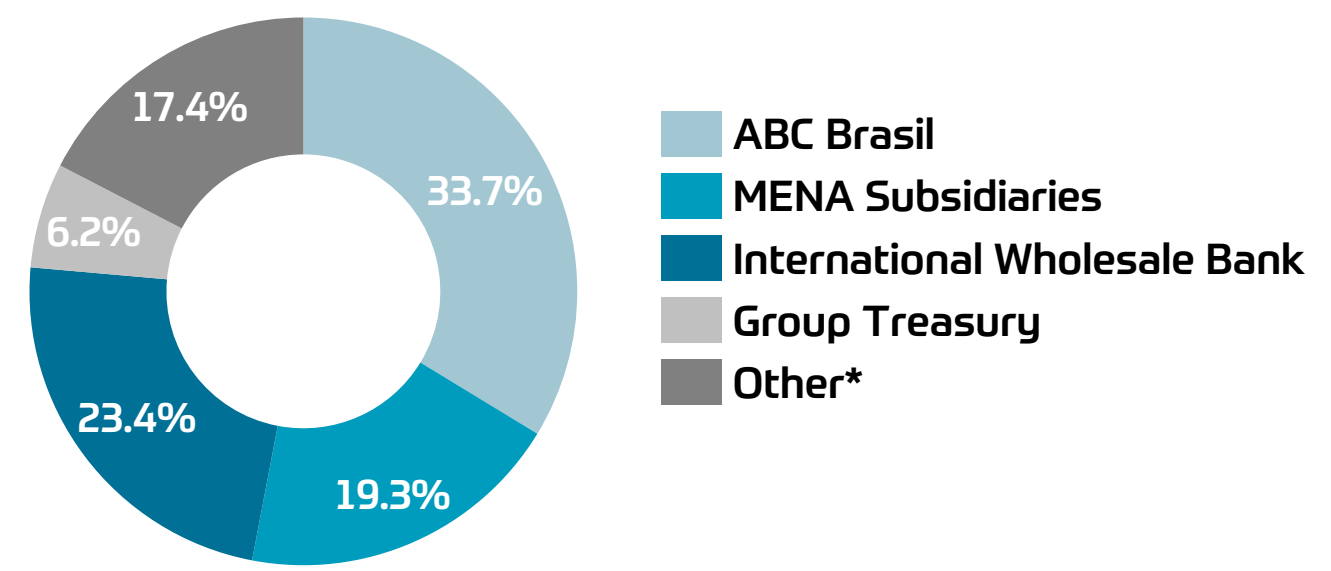


/ TOI reached US\$1,339 million by YE 2024, +5% higher on a YoY basis, and was well diversified across our markets and business lines

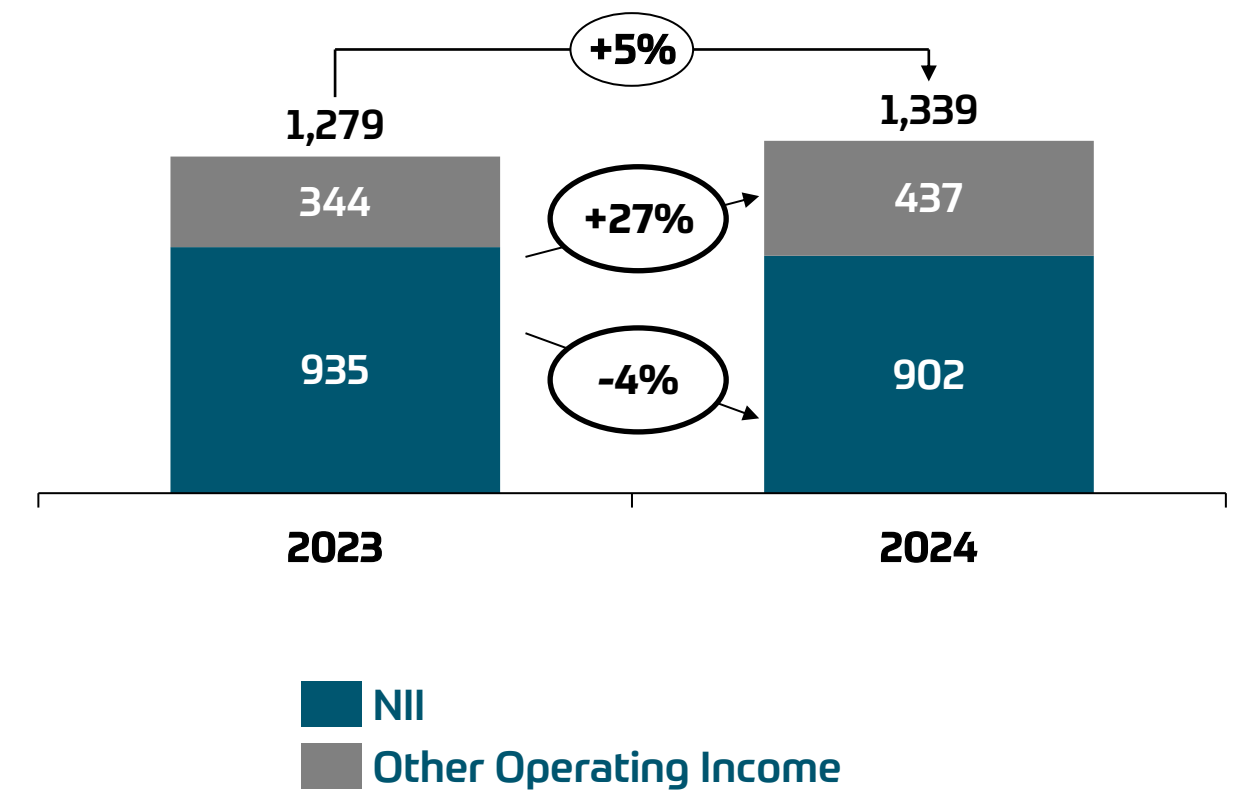
/ Net interest income at US\$902m -4% year on year reflecting some FX pressure and margin compression in key markets, absorbed by broad based underlying growth across almost all the core markets

/ Other operating income at US\$437m, up a strong 27% YoY reflecting increasing client cross sell and ancillary fee income

2024 TOI by business



2024 NII vs Other income, US\$m



* Other income includes activities of Arab Financial Services, Ila and Equity income.

Performing while transforming and maintaining robust cost disciplines

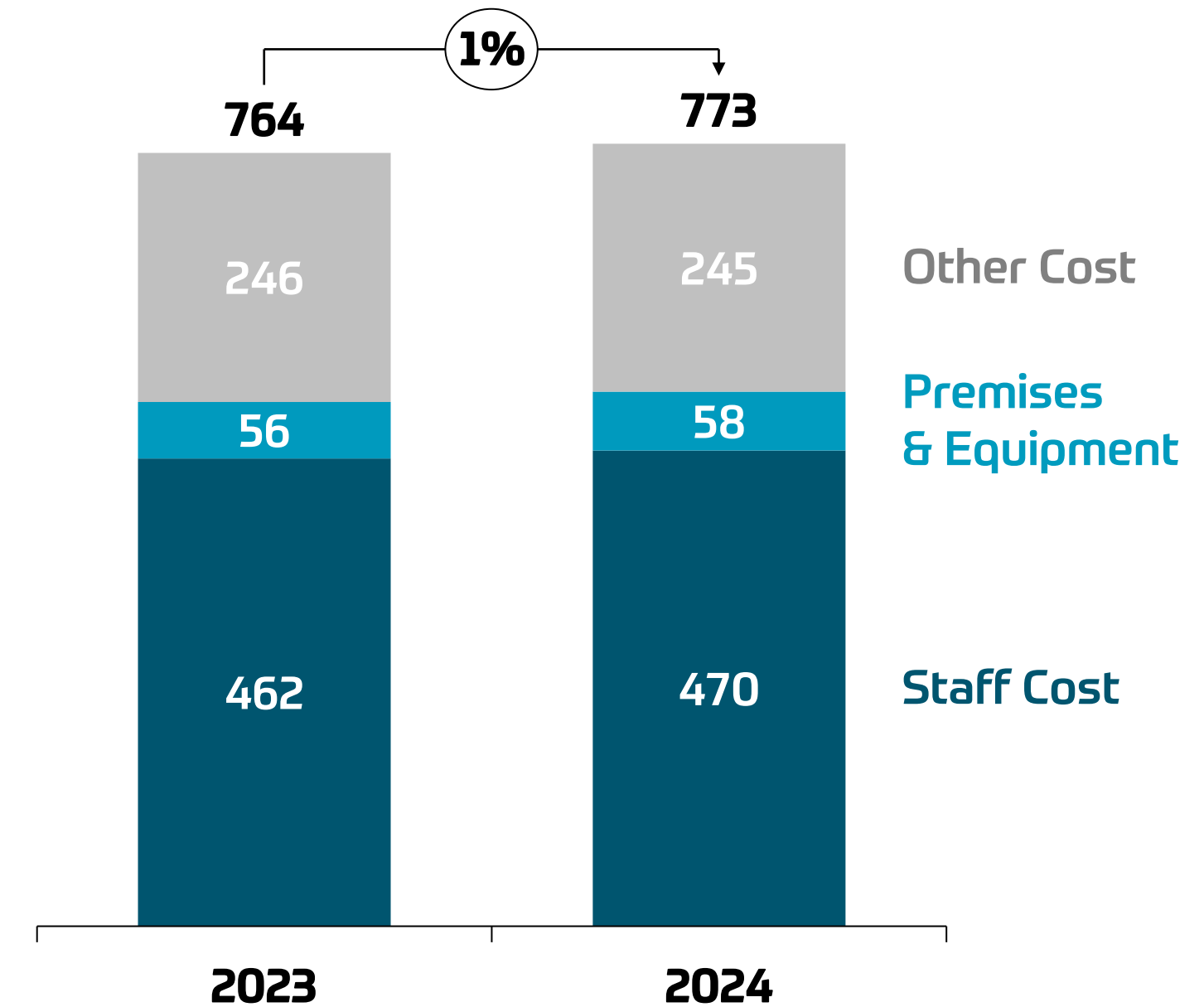


/ The Group continues to enforce appropriate cost discipline without compromising on investments into the Group’s digital transformation and strategic initiatives to build its “Bank of the Future”.

- / +5% increase in TOI YoY
- / +1% increase in costs YoY
- / +4% “positive jaws”

/ Cost to income ratio continues to improve by 200bps to 57.7% on a headline basis and 52.8% when adjusted for ongoing investment in digital initiatives

Operating Expenses and Cost to Income Ratio



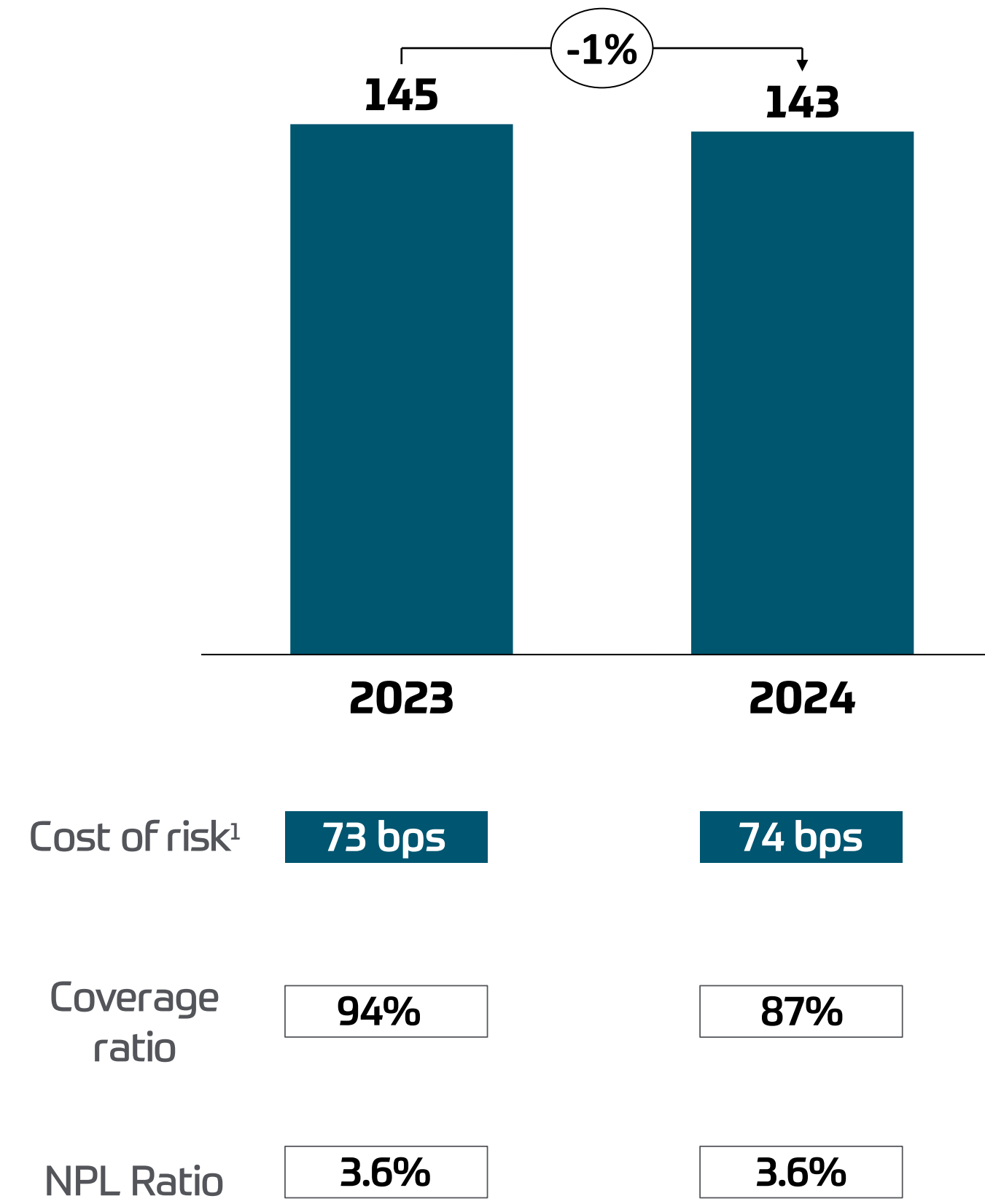
| | | |
|------------------------|-------|-------|
| C/I ratio | 59.7% | 57.7% |
| C/I Ratio (ex-Digital) | 54.8% | 52.8% |

Business growth being prudently managed, with healthy level of risk appetite and risk frameworks

- / ECL charge -1% YoY to US\$143m reflecting the contained cost of credit
- / Headline Cost of risk at 74bps inline with YE 2023 levels
- / NPL Ratio remain at consistent levels and Coverage ratio slightly lower at 87% due to write-offs and new NPL exposures with lower coverage

1. Credit Loss expense / Gross Loans

ECL charge and cost of risk, US\$m, bps



Balance sheet strength was maintained, with robust capital ratio levels



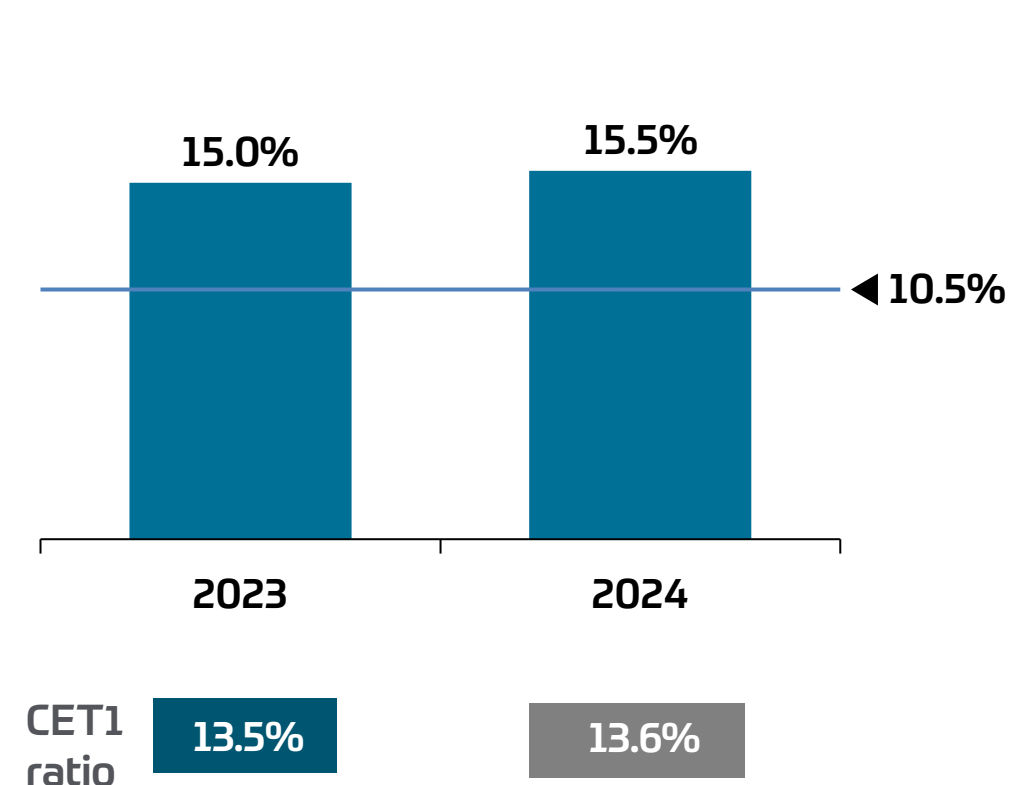
Overview

- / Capital base remains strong; T1 Ratio at 15.5%, improved 0.5% YoY
- / CET 1 Ratio 13.6%, improved 0.1% YoY comprises the majority of Tier 1 Ratio

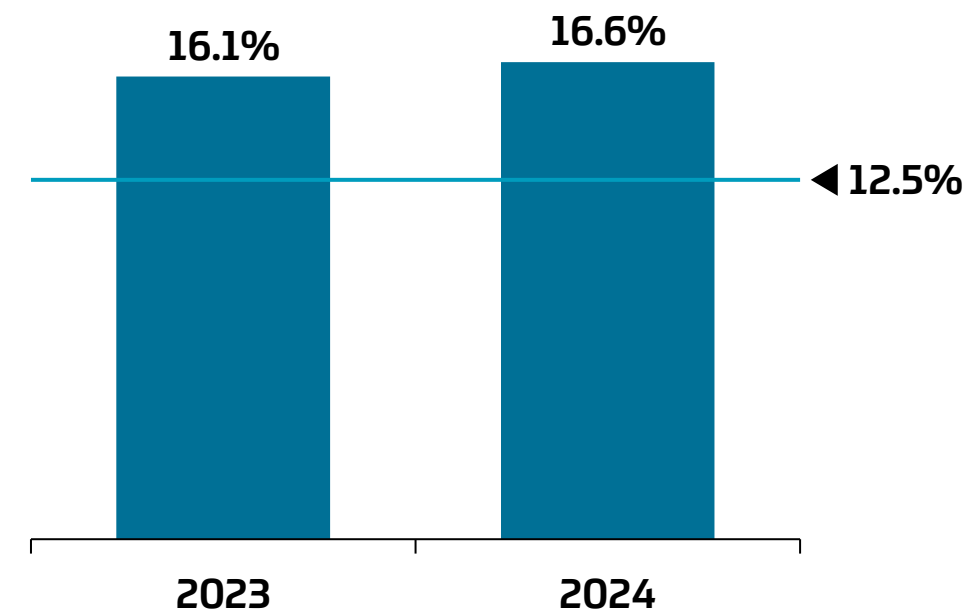
- / Total CAR of 16.6% as of 2024, improved 0.5% YoY

- / RWA stood at US\$28.6bn as of YE 2024, decreasing by 5.5% over YE 2023, reflecting FX devaluation in key markets and balance sheet optimization actions

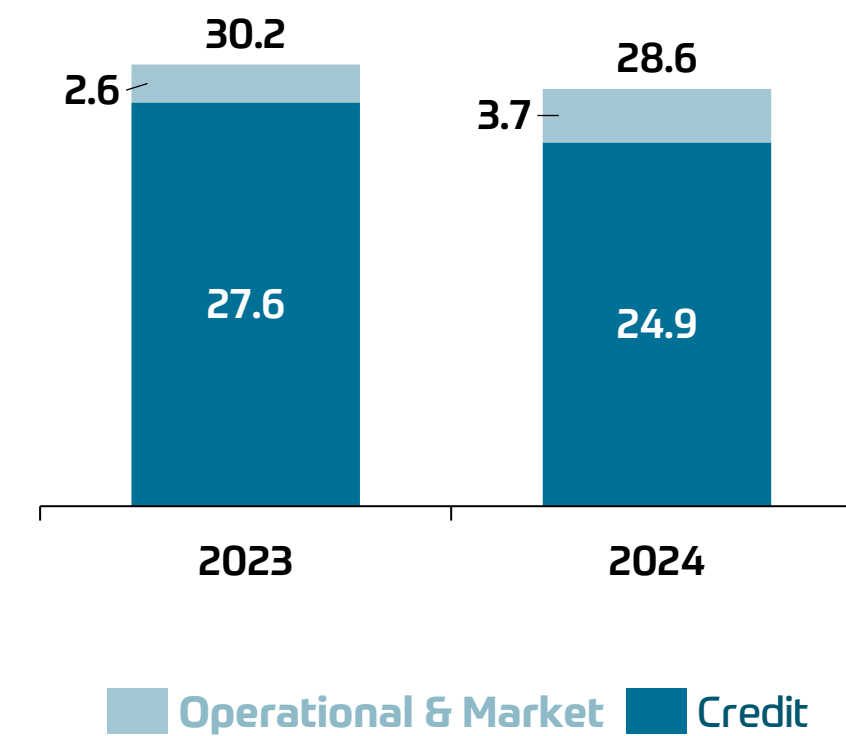
CET1 and Tier 1 Ratios, %



Total CAR, %



RWA by Type of Risk, US\$bn



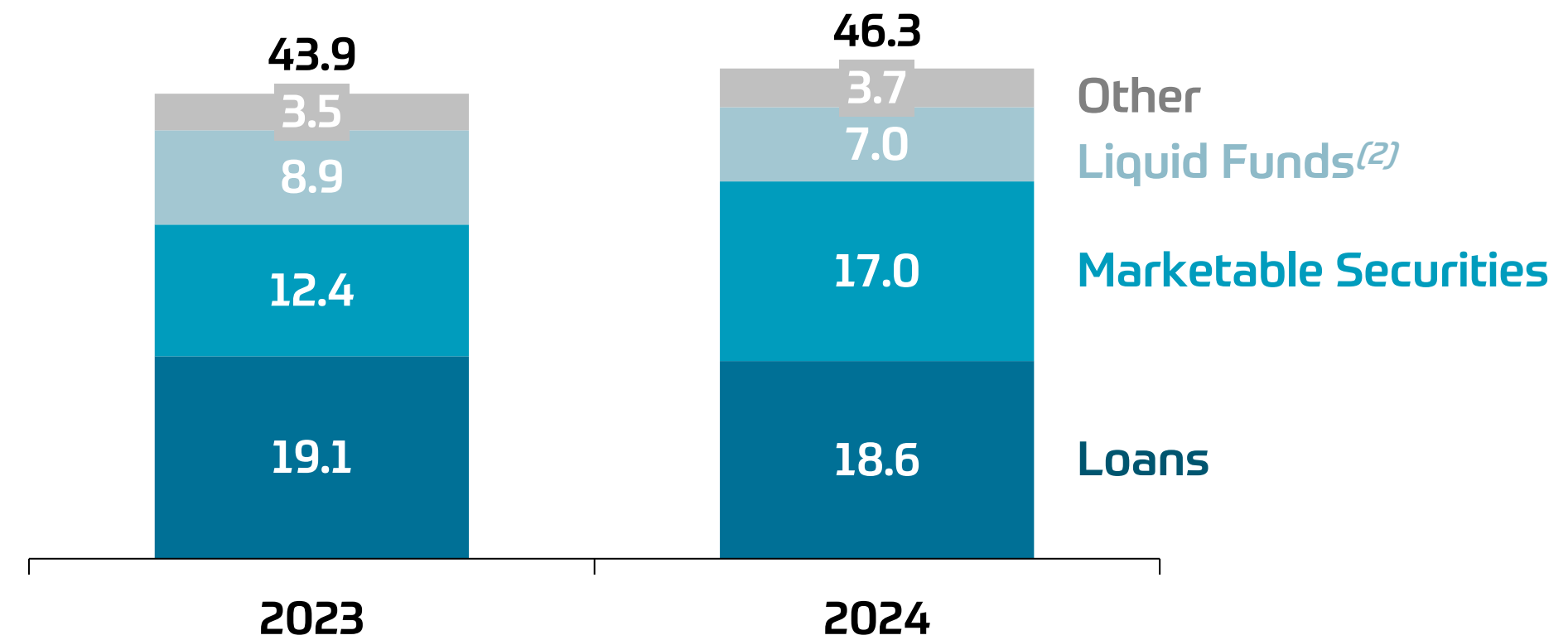
Total Assets reached US\$46.3 billion, an impressive 5% increase on year-end 2023



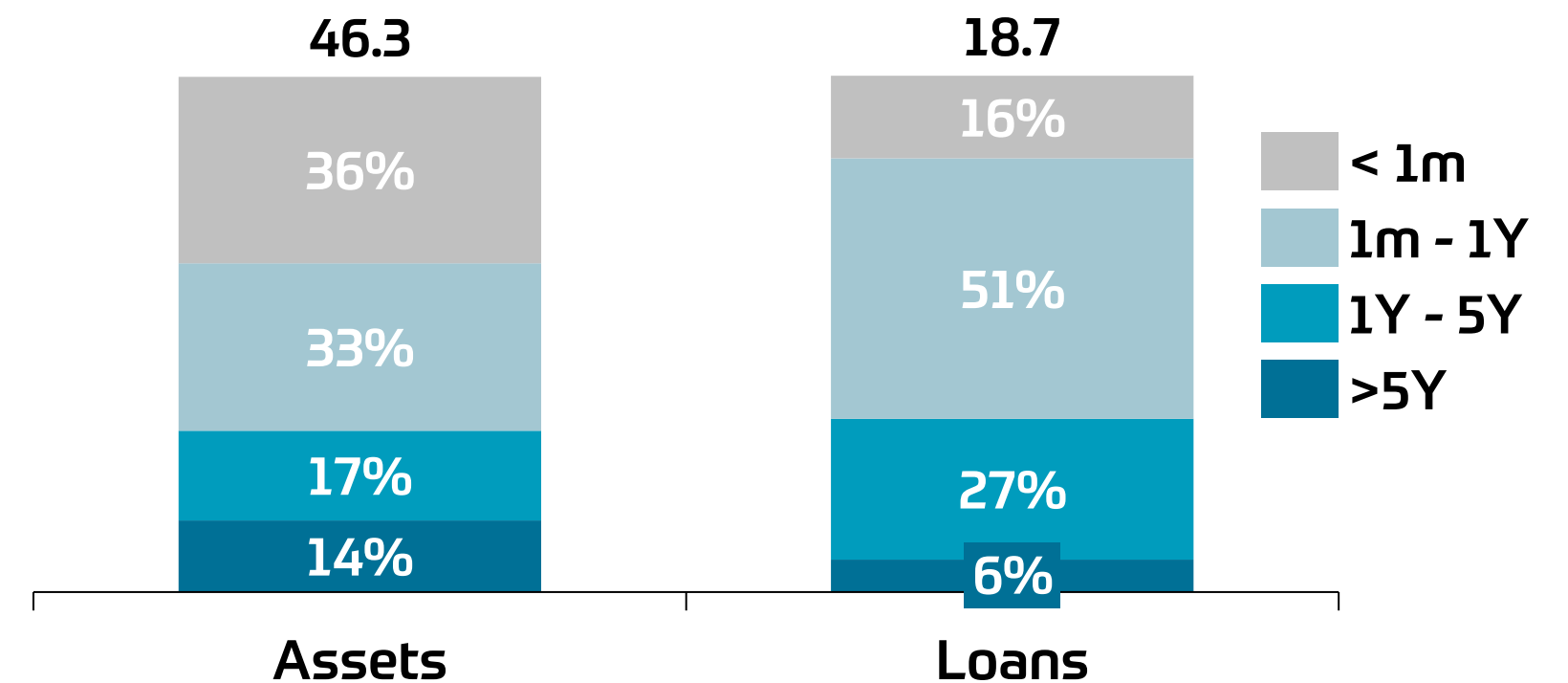
- / Total Assets of US\$46.3bn at the end of 2024, compared to US\$43.9bn at the 2023 year-end, a 5% increase, driven primarily by growth in securities
- / Book weighted to short-term with 69% of Total Assets maturing within 1-year
- / Headline Loans down 2% compared with 2023-year end, affected by FX in key markets., underlying growth of 7%. Overall loans comprised 40% of Total Assets.
- / Net loans to customer deposits ratio at 82%
- / Strong liquid funds position with LCR of 198%¹ and NSFR of 123%

¹ LCR calculated net of trapped liquidity. ² Liquid funds includes placements with banks & other financial institutions and securities bought under repurchase agreements. ³ >5 years includes undated.

2024 Assets by Instrument, US\$bn



2024 Assets by Maturity, US\$bn



Strong 2024 results reflect continued momentum and delivery of Bank ABC Group's Growth Strategy

Strong revenue momentum continued in 2024 reaching **US\$1,339 million**, a 5% growth YoY, with strong momentum backed by core business growth despite FX headwinds in key markets

Operating expenses were at **US\$773m**, 1% higher YoY with +4% “positive jaws” and 2% improvement in C/I ratio as the Group continues to enforce cost discipline without compromising on investments into its transformation agenda

Headline impairment charges (ECL) for the period were **US\$143m**, -1% YoY. Overall, cost of risk at 74 bps remained steady

Record Net profit **US\$285m +21% YoY**, ROE 7.0%, +120bps YoY, reflecting positive revenue momentum, disciplined management of operating expenses and cost of credit and improving return on capital

The Group maintains a strong balance sheet with **Total Assets at US\$46 billion and strong capital position**, giving buffers for growth with a 15.5% Tier 1 ratio (13.6% CET1), LCR of 198% and NSFR of 123%

Bank ABC continues to improve its position as a renowned leader in digital innovation with widespread industry recognition, with **28 awards across multiple categories**

Profit or Loss

| US\$ millions | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | ▲ YoY % |
|---------------------------------------|------------|------------|------------|--------------|--------------|--------------|------------|
| Net Interest Income | 564 | 516 | 592 | 786 | 935 | 902 | -4% |
| Non-Interest Income* | 311 | 233 | 277 | 315 | 344 | 437 | 27% |
| Total Operating Income (TOI)* | 875 | 749 | 869 | 1,101 | 1,279 | 1,339 | 5% |
| Total Operating Expenses | -524 | -486 | -569 | -690 | -764 | -773 | 1% |
| Net Operating Profit | 351 | 263 | 300 | 411 | 515 | 566 | 10% |
| Provisions | -82 | -329 | -106 | -119 | -145 | -143 | -1% |
| Profit before Taxes & M.I. | 269 | -66 | 194 | 292 | 370 | 423 | 14% |
| Taxes* | -33 | -9 | -66 | -83 | -74 | -72 | -3% |
| M.I. | -42 | -14 | -28 | -55 | -61 | -66 | 8% |
| Net Profit | 194 | -89 | 100 | 154 | 235 | 285 | 21% |

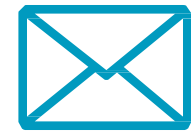
Balance Sheet

| US\$ millions | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | ▲ YoY % |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|------------|
| Liquid Funds** | 5,323 | 5,378 | 6,355 | 6,498 | 8,888 | 6,995 | -21% |
| Marketable Securities | 6,343 | 6,867 | 9,292 | 8,670 | 12,438 | 16,955 | 36% |
| Loans & Advances | 16,452 | 15,656 | 16,716 | 18,190 | 19,096 | 18,649 | -2% |
| Other | 1,950 | 2,506 | 2,538 | 3,281 | 3,470 | 3,666 | 6% |
| Total Assets | 30,068 | 30,407 | 34,901 | 36,639 | 43,892 | 46,265 | 5% |
| Customer Deposits | 17,065 | 17,667 | 21,459 | 21,831 | 23,847 | 22,675 | -5% |
| Bank Deposits | 4,905 | 4,747 | 6,399 | 6,642 | 11,068 | 14,714 | 33% |
| Borrowing | 2,080 | 1,795 | 1,211 | 1,297 | 1,303 | 1,381 | 6% |
| Other | 1,529 | 2,054 | 1,597 | 2,348 | 2,870 | 2,852 | -1% |
| Total Liabilities | 25,579 | 26,263 | 30,666 | 32,118 | 39,088 | 41,622 | 6% |
| Shareholders' Equity | 4,031 | 3,767 | 3,872 | 3,705 | 3,910 | 3,817 | -2% |
| Non-Controlling Interest | 458 | 377 | 363 | 426 | 504 | 436 | -13% |
| Additional / Perpetual Tier-1 Capital | - | - | - | 390 | 390 | 390 | 0% |
| Total Equity | 4,489 | 4,144 | 4,235 | 4,521 | 4,804 | 4,643 | -3% |
| Total Liabilities & Equity | 30,068 | 30,407 | 34,901 | 36,639 | 43,892 | 46,265 | 5% |

Key Metrics

| | | | | | | | |
|------------------------------|-------|-------|-------|-------|-------|-------|------|
| Normalized Cost to Income, % | 60% | 65% | 65% | 63% | 60% | 58% | -2% |
| Tier 1 Ratio, % | 16.9% | 16.6% | 15.9% | 15.7% | 15.0% | 15.5% | 0.5% |
| CET 1, % | 16.6% | 16.2% | 15.5% | 14.0% | 13.5% | 13.6% | 0.1% |
| RoAE,% | 4.9% | - | 2.9% | 3.7% | 5.8% | 7.0% | 1.2% |

* TOI and taxes includes normalization of BRL currency overhedge. Headline TOI 2019 \$865m, 2020 \$646m, 2021 \$854m, 2022 \$1,101m. Note that underlying adjustment for BAB Cayman branch hedging is no longer material due to tax changes in Brazil and hence not considered for FY 23 onwards and YOY comparison above ** Liquid funds includes placements with banks & other financial institutions and securities bought under repurchase agreements.



For more information, contact us on
InvestorRelations@bank-abc.com



Bank ABC Head Office

P.O. Box 5698, Manama Kingdom of Bahrain

www.bank-abc.com



IMPORTANT: The following applies to this document, the oral presentation of the information in this document by Arab Banking Corporation B.S.C. ("Bank ABC") or any person acting on behalf of Bank ABC, and any question-and-answer session that follows the oral presentation (collectively, the "Information"). In accessing the Information, you agree to be bound by the following terms and conditions.

This presentation has been prepared by Bank ABC and has not been independently verified. This document is an advertisement and does not constitute a prospectus for the purposes of the Prospectus Directive (as defined below). The Information does not constitute or form part or all of, and should not be construed as, any offer of, or any invitation to sell or issue, or any solicitation of any offer to purchase, subscribe for, underwrite or otherwise acquire, or a recommendation regarding, any securities of Bank ABC, nor shall it or any part of it nor the fact of its presentation or distribution form the basis of, or be relied on in connection with, any contract or any commitment whatsoever or any investment decision. The Information is confidential and is being provided to you solely for your information and may not be reproduced, retransmitted or further distributed to any other person or published, in whole or in part, for any purpose. This presentation contains data compilations, writings and information that are proprietary and protected under copyright and other intellectual laws and may not be redistributed or otherwise transmitted by you to any other person for any purposes.

The Information is only being distributed to and is only directed at: (A) persons in member states of the European Economic Area (other than the United Kingdom) who are "qualified investors" within the meaning of Article 2(1)(e) of Directive 2003/71/EC (as amended including by Directive 2010/73/EU and together with any relevant implementing measures in that relevant member state, the "Prospectus Directive") ("Qualified Investors"); (B) in the United Kingdom, Qualified Investors who are "Investment Professionals" falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") and/or high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order; and (C) such other persons as to whom the Information may be lawfully distributed and directed under applicable laws (all such persons in (A) to (C) above together being referred to as "relevant persons"). Securities issued by Bank ABC are only available to, and any invitation, offer or agreement to purchase securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on the Information.

This presentation is not intended for distribution or publication in the United States. Neither this document nor any part or copy of it may be distributed, directly or indirectly, in the United States. The distribution of this document in certain jurisdictions may be restricted by law and persons in to whose possession this presentation comes should inform themselves about and observe any such restrictions. By reviewing this presentation, you represent and agree that you are located outside the United States and you are permitted under the laws of your jurisdiction to receive this presentation. This presentation is not an offer to sell or a solicitation of any offer to buy the securities of Bank ABC in the United States. Bank ABC's securities have not been and will not be registered under the Securities Act of 1933, as amended.

Nothing contained in the Information shall be deemed to be a forecast projection or estimate of Bank ABC's future economic performance. The Information contains forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "projects", "expects", "intends", "may", "will", "seeks" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements are statements that are not historical facts and include statements about Bank ABC's beliefs and expectations. These statements are based on current plans, estimates and projections and, therefore, undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made. Although Bank ABC believes that the beliefs and expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such beliefs and expectations will be realised.

The information and opinions contained in this presentation or in oral statements of the representatives of Bank ABC are provided as at the date of this presentation or as at the other date if indicated and are subject to change without notice.

MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

No reliance may be placed for any purpose whatsoever on the Information or on any assumptions made as to its completeness. By accepting these materials, you will be deemed to acknowledge and agree to the matters set forth above.

THIS DOCUMENT DOES NOT DISCLOSE ALL THE RISKS AND OTHER SIGNIFICANT ISSUES RELATED TO AN INVESTMENT IN THE SECURITIES/THE TRANSACTION. PRIOR TO TRANSACTING, POTENTIAL INVESTORS SHOULD ENSURE THAT THEY FULLY UNDERSTAND THE TERMS OF THE SECURITIES/TRANSACTION AND ANY APPLICABLE RISKS.

/THE TRANSACTION. PRIOR TO TRANSACTING, POTENTIAL INVESTORS SHOULD ENSURE THAT THEY FULLY UNDERSTAND THE TERMS OF THE SECURITIES/TRANSACTION AND ANY APPLICABLE RISKS.