

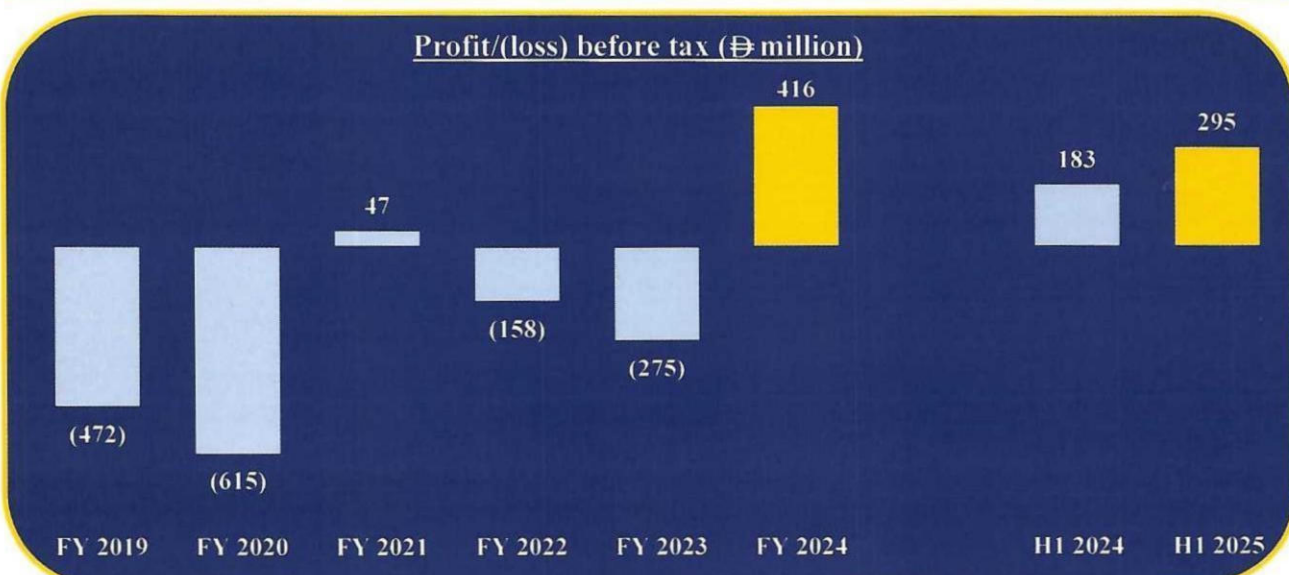
Bank of Sharjah P.J.S.C

Bank of Sharjah ("the Bank") today announced its financial results of the period ended 30 June 2025. The following Management Discussion and Analysis provides an overview of the Bank's key financial performance.

Bank of Sharjah achieved a record performance in H1 2025 with net profit of ₪268 million, an increase of 57% compared to the same period last year.

Profit before tax reached AED 295 million, a marked improvement from AED 183 million for the period ended 30 June 2024. The growth was driven by significant increases in net interest income, investment income, and strong credit risk management.

Key Highlights (H1 2025)



Operating Income	Cost to Income Ratio	NIM	ROA	ROE
₪ 453mn	31.3%	1.6%	1.1%	13.0%
↑	↓	↑	↑	↑
₪ 300mn	40.1%	1.2%	0.9%	9.4%

Total Assets	Net Loans & Advances	NPL Ratio (Net of ECL & collateral)	Loans to Deposits Ratio	CAR
₪ 47.1bn	₪ 30.1bn	3.8%	93.2%	14.0%
↑	↑	↓	↑	↓
₪ 43.6bn	₪ 24.3bn	4.4%	86.6%	15.0%

Statement of Profit or Loss

- Profit before tax reported at AED 295 million for the period ended 30 June 2025 compared to a profit of AED 183 million for the period ended 30 June 2024. The strong balance sheet evolution, coupled with increased business and diversified revenue growth had drove the Bank's financial performance.
- Net profit stood at AED 268 million reflecting a remarkable increase compared to a net profit of AED 171 million for the period ended 30 June 2024.
- Net interest income increased by 54.9% to AED 319 million for the period ended 30 June 2025 compared to AED 206 million for the period ended 30 June 2024 leading to a higher operating income of AED 453 million.
- Operating income for the period ended 30 June 2025 increased to AED 453 million, up by 51.0% compared to the period ended 30 June 2024, primarily driven by a higher net interest income.

Statement of Financial Position

- Total assets increased by 8.0% in the first half of 2025 and reached AED 47.1 billion. This increase was driven by financing growth.
- Net loans and advances increased by 23.9% in the first half of 2025 and reached AED 30.1 billion, highlighting market share gains in key segments and significant landmark deals in wholesale banking.
- Customers' deposits grew by 8.8% in the first half of 2025 and reached AED 32.3 billion.
- Total equity stood at AED 4.1 billion, an increase of 7.9%, primarily led by the growth in profits.
- Capital ratios experienced a minor decrease compared to the same period last year, primarily attributable to business expansion and growth.

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Management Discussion & Analysis Report
for the period ended 30 June 2025

Financial Summary

Statement of Profit or Loss Highlights (₪ Mn)		H1'25	H1'24	Variance
Net interest income		319	206	54.9%
Non-interest income		134	94	42.6%
Operating income		453	300	51.0%
Net impairment loss on financial assets		(16)	4	-
Net operating income		437	304	43.8%
General and administrative expenses		(142)	(121)	17.4%
Profit before tax		295	183	61.2%
Income tax expense		(27)	(12)	125.0%
Net profit for the period		268	171	56.7%

Key Profitability Ratios (%)		H1'25	H1'24	Variance
Net Interest Margin		1.6%	1.2%	40 bps
Cost-to-income ratio		31.3%	40.1%	(880 bps)
Return on Equity		13.0%	9.4%	360 bps
Return on Assets		1.1%	0.9%	20 bps

Statement of Financial Position Highlights (₪ Bn)		30 June 2025	31 December 2024	Variance
Total assets		47.1	43.6	8.0%
Loans and advances, net		30.1	24.3	23.9%
Investment securities, net		9.7	10.1	(4.0%)
Customers' deposits		32.3	29.7	8.8%
Total equity		4.1	3.8	7.9%
Commitments and contingent liabilities		3.3	2.6	26.9%

Key Financial Position Ratios (%)		H1'25	H1'24	Variance
Non-performing loans ratio (Net of ECL & collateral)		3.8%	4.4%	(60 bps)
Non-performing loans coverage ratio		85.6%	83.7%	190 bps
Loans and advances to customers' deposits ratio		93.2%	86.6%	660 bps
Capital adequacy ratio		14.0%	15.0%	(100 bps)
Tier 1 capital ratio		12.9%	13.8%	(90 bps)
Common equity tier 1 capital ratio		12.9%	13.8%	(90 bps)

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Sheikh Mohammed bin Saud Al Qasimi, Chairman of Bank of Sharjah

“Bank of Sharjah has maintained strong momentum in the first half of 2025, building on the stolid results achieved in the first quarter. Our record net profit reflects enhanced business performance, operational efficiency, and financial resilience.

These results are driven by steady balance sheet growth, a well-diversified business mix, improved operational capabilities, and a prudent approach to risk. They reaffirm the Board’s confidence in the Bank’s strategic direction and its ability to deliver sustainable, long-term returns, while maintaining conservative risk management and corporate governance.

As we enter the second half of 2025, we remain focused on disciplined execution and value creation. The broader UAE economy also continues to demonstrate resilience, supported by stable oil prices, robust real estate activity, and sustained growth in trade and tourism.”



Mr. Mohamed Khadiri, CEO of Bank of Sharjah

“Our strategic transformation is well underway, and our first-half performance reflects the tangible progress we are making across all business lines. We have grown and diversified our balance sheet, deepened client relationships, and improved cross-selling, delivering solid results.

These achievements are made possible by the passion, agility, and client-first mindset of our people. I am proud of the ambition and discipline that continues to drive our teams forward.

Bank of Sharjah remains firmly focused on sustainable, profitable growth, through prudent capital deployment and sound risk governance. With a strong foundation and improving fundamentals, we are well positioned to deliver consistent returns for our shareholders while contributing to the ongoing growth and diversification of the UAE economy.”



Mohamed Khadiri
Chief Executive Officer