

National Bank of Fujairah PJSC Management Discussion and Analysis Report

For the nine-month period ended 30 September 2025

NBF posted its best nine months net profit of AED 945.4 million, surging 45.3% year-on-year underpinned by robust balance sheet growth of 11.7%

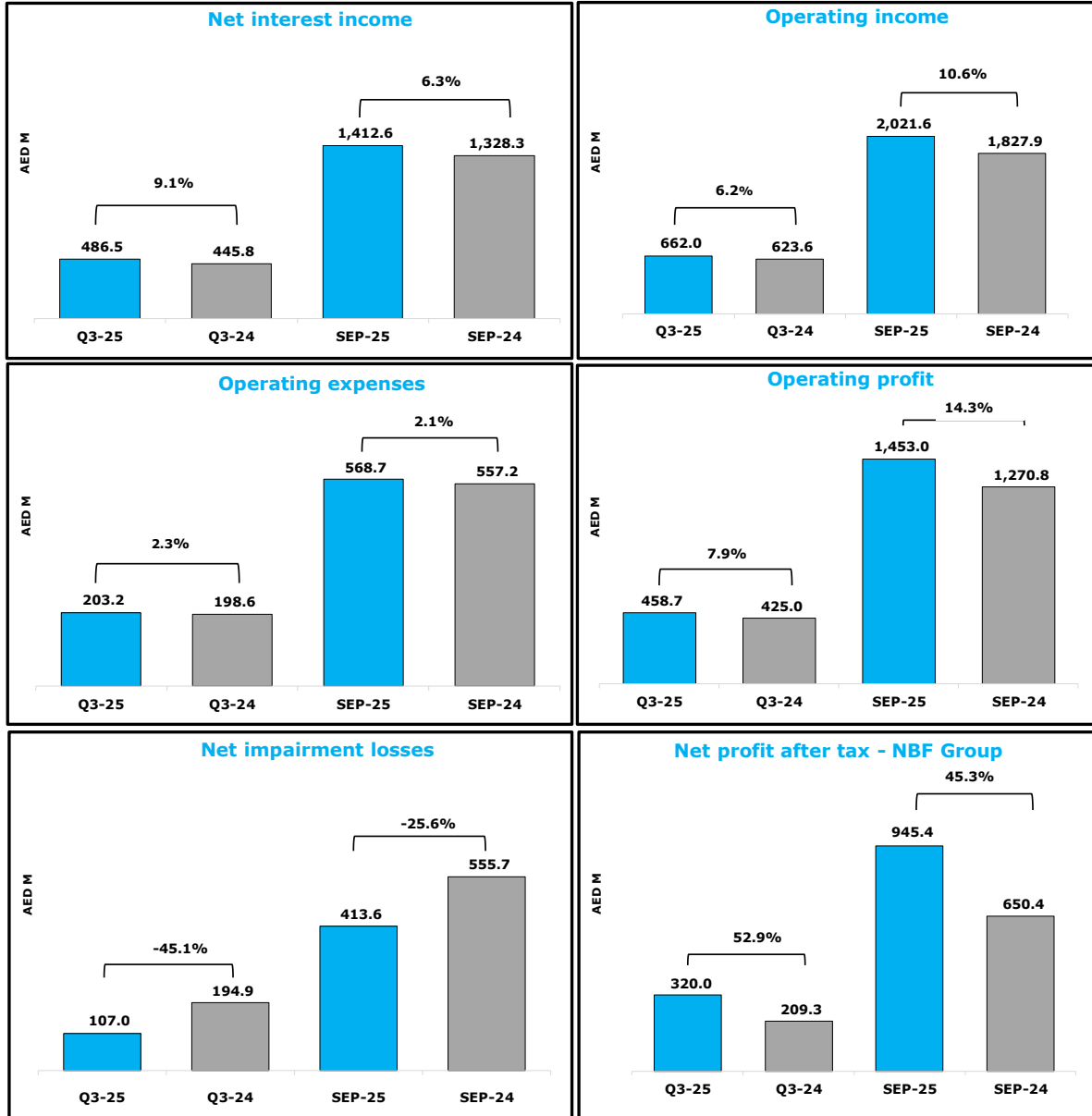
29 October 2025: NBF is pleased to announce its results today for the nine-month period ended 30 September 2025.

Overview of Results and Operational Performance for the nine-month period ended 30 September 2025

NBF recorded year-on-year growth of 45.4% to close the nine-month period at a net profit before tax of AED 1.04 billion compared to AED 715.0 million in the corresponding period of 2024. Further, NBF posted its best ever net profit after tax for a nine-month period, amounting to AED 945.4 million, compared to AED 650.4 million in the corresponding period of 2024 with a corporate tax charge of AED 94.0 million. On the back of a strong Q3 2025 performance, NBF posted a net profit after tax of AED 320.0 million in the third quarter of 2025, a rise of 52.9% over the corresponding quarter of 2024. These results show the bank's continued momentum on quality business growth and effective asset and liability management amid global volatility and uncertainty, regional tensions and oil price fluctuations. Moreover, reduction in impairment provisions and continued careful management of costs and cost of risk, also contributed to this robust set of results.

NBF maintained its policy of prudent and transparent recognition of problem accounts. NBF booked net impairment provisions of AED 413.6 million for the nine-month period ended 30 September 2025 compared to AED 555.7 million in the corresponding period of 2024, representing a substantial reduction of 25.6%. The asset quality measured by the combined IFRS 9 stage 2 and 3 mix improved to 8.7% compared to 10.2% as at 31 December 2024.

Summary of Income Statement performance for the nine-month period ended 30 September 2025



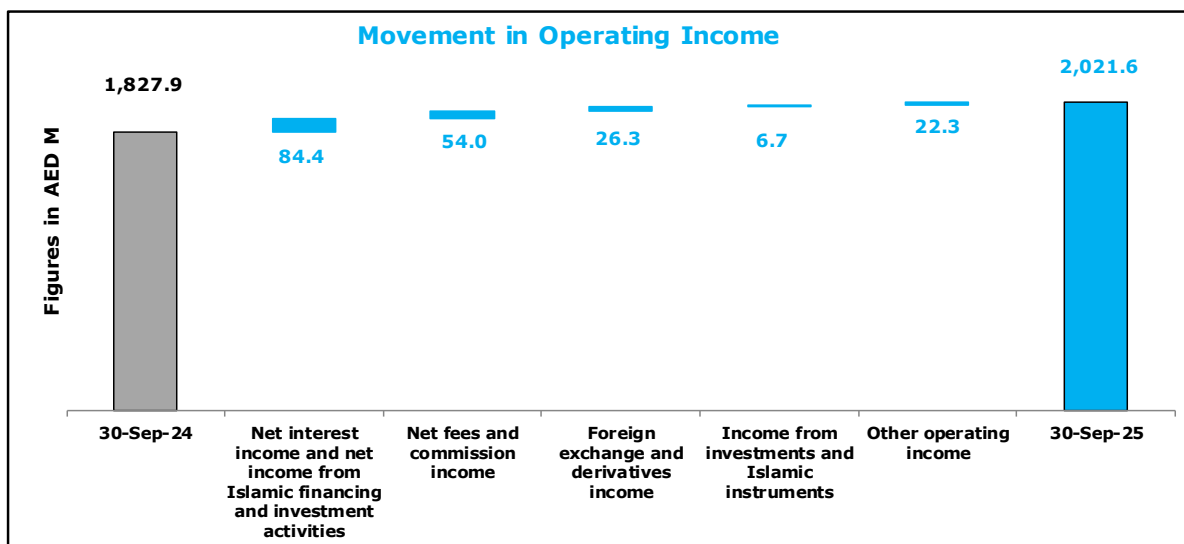
Supported by higher revenue generation from balance sheet growth and the on-going cost discipline, NBF posted an operating profit of AED 1.5 billion for the nine-month period, a rise of 14.3% compared to AED 1.3 billion in the corresponding period of 2024; and up 7.9% for the three-month period ended 30 September 2025 over the corresponding period of 2024.

Operating income touched AED 2.0 billion, up 10.6% compared to AED 1.8 billion in the corresponding period of 2024; and up 6.2% for the three-month period ended 30 September 2025 over the corresponding period of 2024 reflecting the enhanced focus on key business segment growth, proactive asset and liability management and the bank's commitment to delivering exceptional customer service.

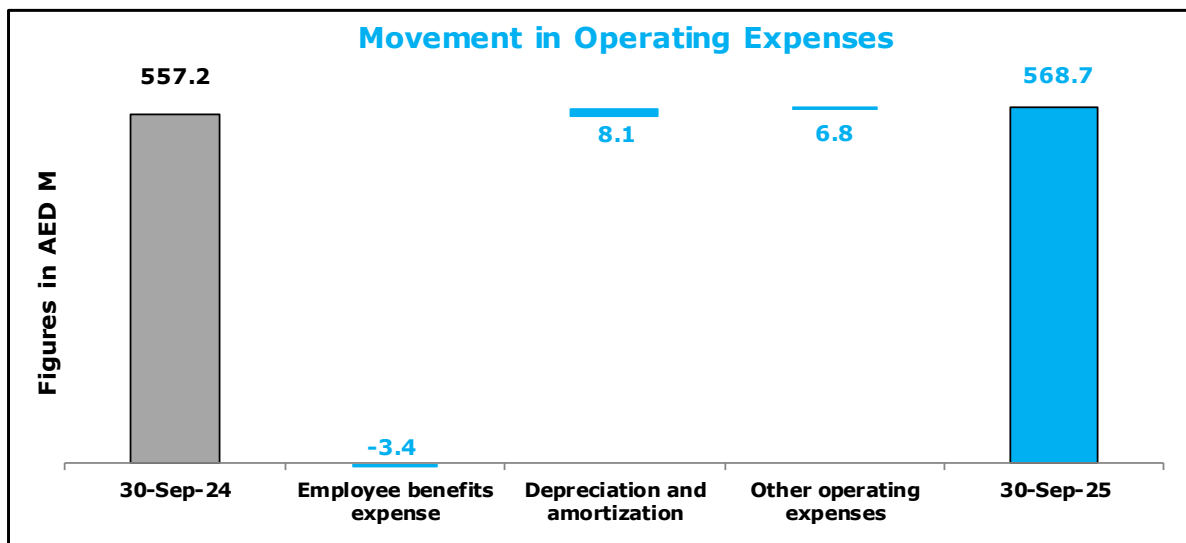
Net interest income and net income from Islamic financing and investment activities grew 6.3% to AED 1.4 billion for the nine-month period ended 30 September 2025 compared to AED 1.3 billion in the corresponding period of 2024. It was up 9.1% for the three-month period ended 30 September 2025 compared to the corresponding period of 2024.

Net fees, commission and other income rose 21.3% to AED 434.5 million for the nine-month period ended 30 September 2025 compared to AED 358.1 million in the corresponding period of 2024.

Foreign exchange and derivatives income experienced a solid growth of 18.9% compared to the corresponding period of 2024, reaching AED 165.5 million for the nine-month period ended 30 September 2025. It was up 13.0% for the three-month period ended 30 September 2025 compared to the corresponding period of 2024.



Operating expenses increased by 2.1%, reflecting NBF's strategic focus on efficiency and excellence and investments in digitalization. This is executed with a fine balance of investments in its businesses, systems, infrastructure and people to deliver exceptional customer service, enhance innovation and deal with competitiveness in line with the changing market demands. These measures improved NBF's cost-to-income ratio to 28.1% compared to 30.5% in the corresponding period of 2024, remaining in the mid-industry range.



Summary of financial position as at 30 September 2025

Figures in AED M

	SEP-2025	DEC-2024	Change %	SEP-25	SEP-24	Change %
Total Assets	67,987	60,879	11.7%	67,987	58,529	16.2%
Loans and Advances and Islamic Financing Recievables	36,306	32,392	12.1%	36,306	30,830	17.8%
Customer Deposits and Islamic Customer Deposits	49,128	45,757	7.4%	49,128	41,846	17.4%
Total Equity	7,482	6,856	9.1%	7,482	8,048	-7.0%

Total assets rose by 11.7% to reach AED 68.0 billion compared to AED 60.9 billion at 2024 year-end, up by 16.2% from 30 September 2024.

Loans and advances and Islamic financing receivables rose by 12.1% to reach AED 36.3 billion compared to AED 32.4 billion at 2024 year-end, up by 17.8% from 30 September 2024.

Customer deposits and Islamic customer deposits increased by 7.4% to reach AED 49.1 billion compared to AED 45.8 billion at 2024 year-end, up by 17.4% from 30 September 2024. Current and Saving Accounts (CASA) deposits stood at 43.7% of total customer deposits, balancing the impact of fixed-term deposit products.

Summary of the cash flows and capital expenditure during the nine-month period ended 30 September 2025

During the period, surplus liquidity has been deployed to fund quality loans and investment book growth and the overall position remains well within the bank's risk appetite and regulatory expectations. Cash and cash equivalents amounted to AED 2.4 billion compared to AED 2.0 billion on 30 September 2024.

During the nine-month period ended 30 September 2025, NBF had incurred AED 75.1 million in capital expenditure relating to the additions of property, equipment and intangibles compared to AED 77.5 million in the corresponding period.

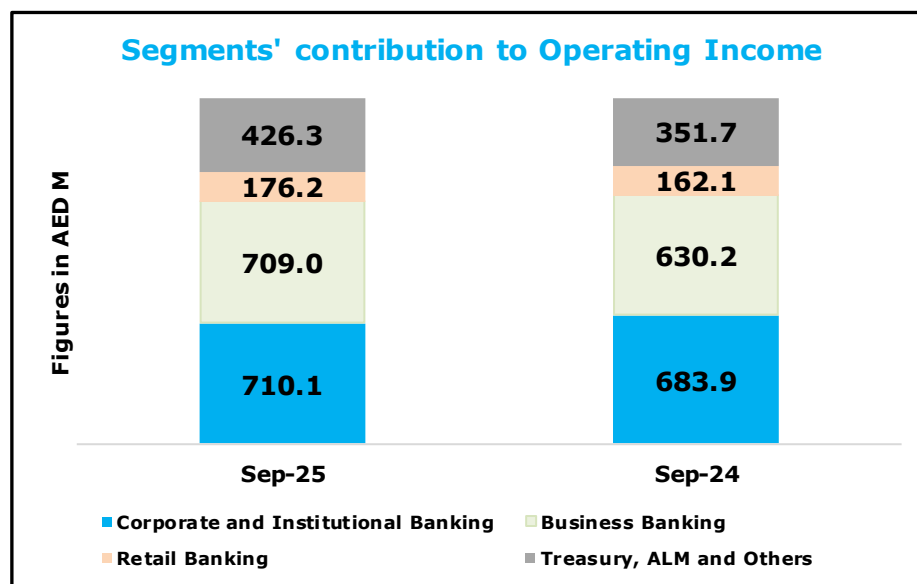
Key Performance Indicators

- Ample liquidity has been maintained with lending to stable resources ratios at 69.0% (2024: 67.3%) and eligible liquid assets ratio (ELAR) at 29.1% (2024: 29.9%), well ahead of Central Bank of the UAE's minimum requirements.
- The capital adequacy ratio (CAR) stood at 16.8% (CET 1 ratio of 15.7%) compared to 16.6% (CET 1 ratio of 15.5%) at 2024 year-end; exceeding regulatory requirements and ensuring a robust financial foundation.
- Return on average equity improved to 17.6%, up from 11.9% for the corresponding period in 2024.
- Return on average assets improved to 2.0%, up from 1.6% for the corresponding period in 2024.

Our Segmented Focus

NBF's business strategy continues to revolve around client relationships, supported by the segmented approach adopted by the bank to serve its customer needs. This assists in building diversification and maintaining stable growth.

For the nine-month period ended 30 September 2025, the operating income from Corporate and Institutional banking customers was AED 710.1 million, an increase of 3.8% compared to the corresponding period. For Business Banking segment, the operating income rose by 12.5% to AED 709.0 million. For Retail Banking, it increased by 8.7% while Treasury, ALM & others have increased by 21.2% compared to the corresponding period.



Expectation regarding the economy, sector and its impact on the bank

NBF's remarkable set of results underscores its sustained execution of business and operational strategy, its flexibility to respond swiftly to global headwinds and maintain long-term stability, the resilience in its core business and its ability to perform across business segments in what continues to be an uncertain and volatile global environment, intensified by geopolitical tensions, trade tariffs and commodity prices fluctuations.

Benefitting from the UAE economy poised to expand 4.5 per cent in 2025; well above the global average and regional peers, we will continue to scale new heights, build trusted relationships, deliver exceptional experience to our partners and people, drive digital innovation, operational efficiency and robust governance, placing us well for sustainable growth throughout the rest of 2025 and beyond.

Shareholding and Rating

NBF's key shareholders include the Government of Fujairah, Easa Saleh Al Gurg LLC and Investment Corporation of Dubai. Rated Baa1 / Prime-2 for deposits and A3 for counterparty risk assessment by Moody's and BBB+ / A-2 by Standard & Poor's, both with a stable outlook, the bank is listed on the Abu Dhabi Securities Exchange under the symbol "NBF". It has a branch network of 14 across the UAE.



Adnan Anwar
Chief Executive Officer

Bizim Məqsəd

Brian Mulholland
Chief Financial Officer