9M 2026 Earnings Presentation

October 2026

Disclamer

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Rounding

Rounding differences may appear throughout the presentation.

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1. Performance Highlights

Key Highlights: 9M 2026

Income Statement

- **Operating income grew 11% YoY to AED 10.4 billion**, with non-interest income up 18% to AED 3.9 billion, lifting its contribution to 37% of operating income and further diversifying earnings.
- **Net interest income** grew **7% YoY** to **AED 6.5 billion**, on 33% customer loan growth, with NIM at 2.7%, driving a record 9M **profit before tax of AED 7.3 billion** (+18% YoY).

Balance Sheet

- **Total assets** grew **33% YoY** to **AED 406 billion**, crossing AED 400 billion for the first time, driven by customer loans (+33%) and investments (+75%).
- **Loans and advances** increased **33% YoY to AED 191 billion**, supported by diversified origination, while **customer deposits grew 27% YoY**, with YTD inflows of AED 32.2 billion exceeding loan growth.

Asset Quality

- **Industry-leading asset quality,** with the **NPL ratio improving to 0.7**% (Sep 2025: 1.1%) and **provision coverage** strengthening to **311%**, reflecting disciplined credit risk management.
- **Net impairment write-back of AED 116 million** in 9M 2026 (**cost of credit of -8bps**), with the Q3 2026 charge broadly neutral at AED 7 million.

Capitalization

- **Capital ratios** remained robust, with **CET1 at 13.2%**, **Tier 1 at 15.6%** and **CAR at 16.7%,** comfortably above regulatory thresholds, including the full D-SIB buffer.
- **CAR up 222bps YTD**, supported by strong internal capital generation and **two USD 500 million** AT1 issuances in 2026, lifting regulatory capital to AED 46.6 billion.

Delivering on Strategic Priorities

- Two USD 500 million AT1 issuances (Feb and Jul) and a USD 500 million five-year senior bond (Sep), all well supported by international investors
- AED 10 billion commitment to industrial financing over five years under the "Make it in the Emirates" initiative
- Launched NEO On Arrival, enabling instant digital banking for all international visitors to the UAE
- Collaboration with Citi and Swift to advance always-on cross-border payments using Swift's blockchain infrastructure

Recognised Across Industry

- **The Digital Banker MEA Retail Banking Innovation Awards:** Best Digital Bank (UAE and Middle East), Best Mobile Banking App of the Year and Best SME Bank (UAE and Middle East)
- **Global Finance World's Best Digital Bank Awards:** Best Neobank (UAE and Middle East) and Best Corporate Mobile Banking App – UAE
- **Asian Banking & Finance Awards:** AI Initiative of the Year, Technology and Operations Bank of the Year, and Digital Transformation of the Year – UAE
- Best Islamic Retail Bank (Middle East and UAE) by **Digital Banker Global Islamic Finance Awards**

Key Financial Performance in 9M 2026

- AED **10.4bn** — Total Operating Income
- AED **7.3bn** — Net Profit Before Tax
- **21%** — YoY Loans and Advances (inc. Banks) Growth
- **27%** — YoY Deposit Growth
- **0.7%** — NPL to Gross Loans Ratio
- **16.7%** — Capital Adequacy Ratio

Ratings

FitchRatings	A	SUSTAINALYTICS	27.1 Medium Risk
Moody's	A3		
S&P Global	A	S&P Global	37

2. Financial Highlights

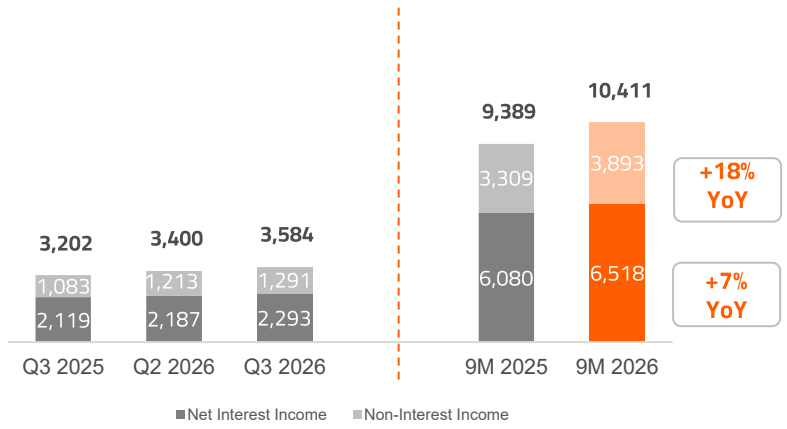
Operating Income Rises to AED 10.4 Billion on Balanced Revenue Growth

AEDm	9M 2025	9M 2026	YoY (%)	Q3 2025	Q3 2026	YoY (%)
Total Operating Income	9,389	10,411	11% ↑	3,202	3,584	12% ↑
Operating Expenses	(2,882)	(3,267)	13% ↑	(1,015)	(1,124)	11% ↑
Operating Profit	**6,508**	**7,143**	**10% ↑**	**2,187**	**2,461**	**13% ↑**
Impairment Allowance	(366)	116	NM ↓	(121)	(7)	(95%) ↓
Net Profit Before Tax	**6,142**	**7,259**	**18% ↑**	**2,066**	**2,454**	**19% ↑**
Tax	(961)	(1,137)	18% ↑	(357)	(380)	6% ↑
Net Profit After Tax	**5,181**	**6,122**	**18% ↑**	**1,708**	**2,074**	**21% ↑**

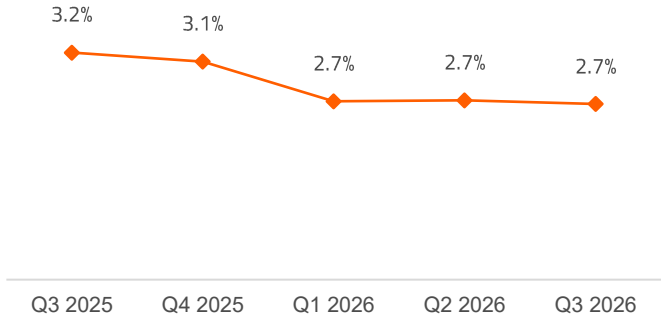
Key Highlights

- **Net Interest Income** increased by **7% YoY** to **AED 6.5 billion**, as balance sheet growth outweighed the impact of lower benchmark rates.
- **NIM remained stable at 2.7%**, with the impact of the 25bps increase in the CBUAE Base Rate in September 2026 yet to be reflected in margins.
- **Non-interest income** rose by **18%** YoY to **AED 3.9 billion** (**37%** of operating income), supported by a near doubling of investment income and broad-based growth in other heads.
- Strong profitability sustained, with **record 9M net profit of AED 6.1 billion, up 18% YoY**, supported by 10% growth in operating profit and net impairment write-backs of AED 116 million.

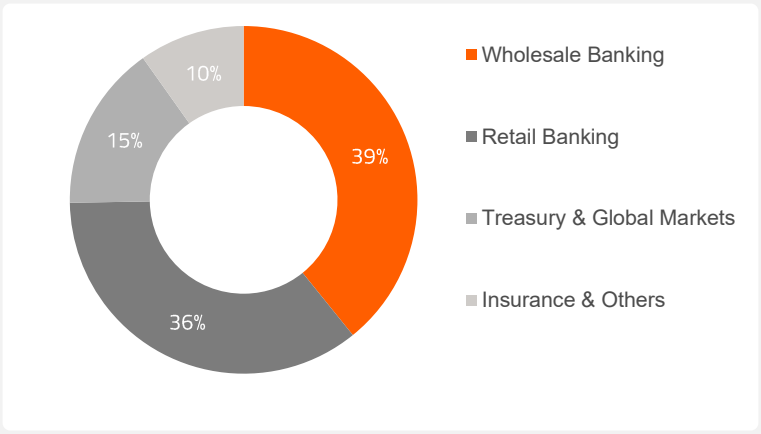
Total Operating Income (AEDm)



Net Interest Margin* (%)



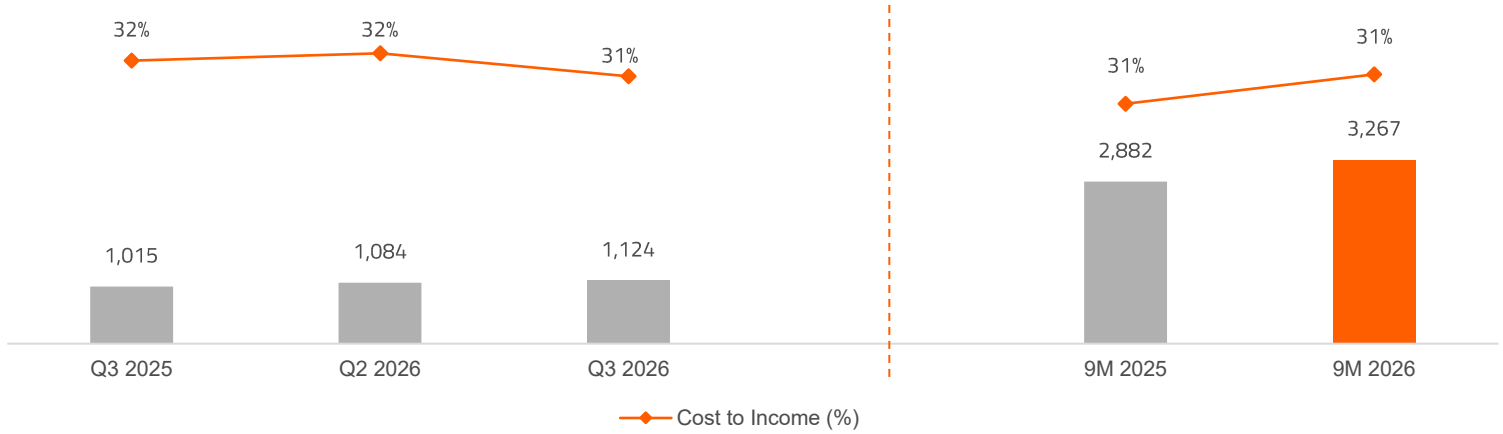
Total Operating Income by Segment (%)



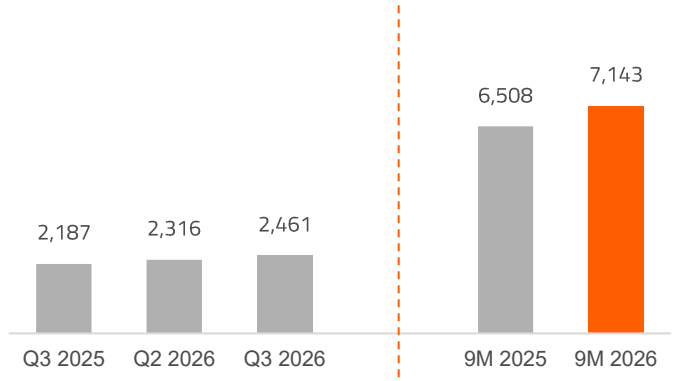
*NIM calculated on YTD basis

Strong Operating Profit Growth Supports Sustainable Returns

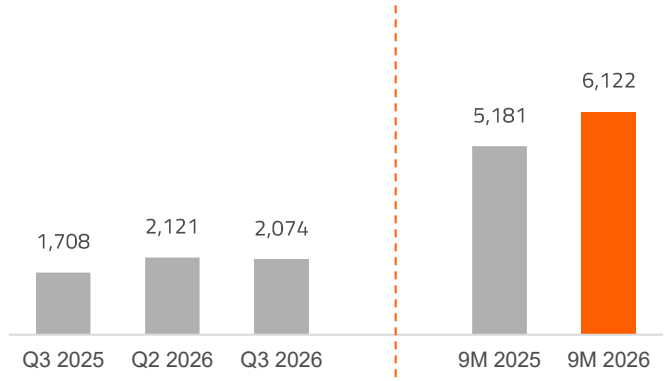
Operating Expense (AEDm) and Cost to Income Ratio (%)



Operating Profit (AEDm)



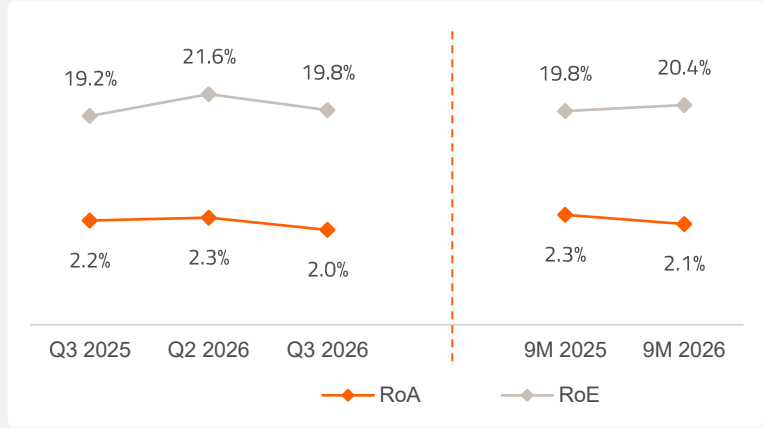
Net Profit after Tax (AEDm)



Key Highlights

- **Operating expenses** grew **13% YoY** (4% QoQ) as Mashreq continued to invest in strategic initiatives aimed at enhancing digital capabilities, technology platforms and execution capacity.
- **Cost-to-income** ratio held steady at **31%** in 9M 2026. In Q3 2026 it improved by 54 bps QoQ, as operating income growth (+5% QoQ) outpaced cost growth (+4% QoQ), reflecting positive operating leverage and cost efficiency.
- **RoE** improved to **20.4%** (19.8% in 9M 2025) and **RoA** remained solid at **2.1%**, supported by resilient earnings and efficient capital deployment. RoA reflects the rapid expansion of the balance sheet, with total assets up 33% YoY.

Return on Equity (%) and Return on Assets (%)



Broad-Based Growth Across All Business Segments

Kindly confirm if the highlights are correct

Wholesale Banking (AEDm)

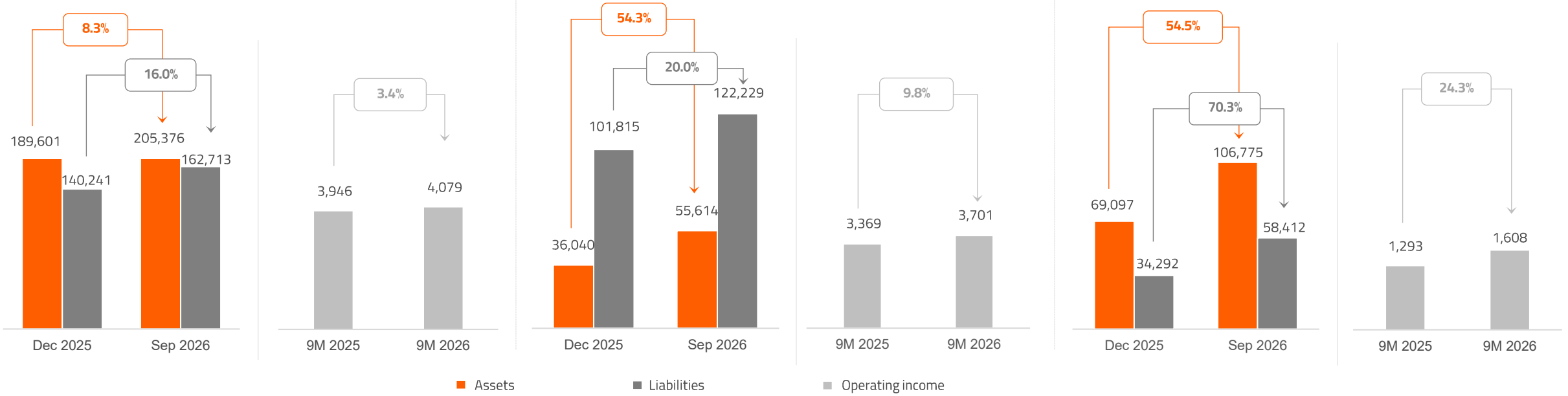
- **Largest business segment**, accounting **for 51% of assets, 45% of liabilities and 39% of operating income**, underpinned by a diversified corporate, institutional and FI franchise.
- **Assets grew 8% YTD and 4% QoQ to AED 205 billion**, driven by broad-based lending across key corporate and institutional sectors.
- **Operating income** up **3%** YoY, as stronger non-interest income more than offset lower lending margin normalization.

Retail Banking (AEDm)

- **Assets grew 54% YTD to AED 56 billion** (14% of total assets), supported by **mortgage, business loans and wealth management**.
- **Liabilities grew 20% YTD**, contributing **34% of total liabilities**, highlighting the segment's growing role in Mashreq's funding mix.
- **Operating income up 10% YoY**, driven by 20% growth in non-interest income and 4% growth in net interest income, due to deeper product penetration.

Treasury & Global Markets (AEDm)

- **Assets grew 55% YTD to AED 107 billion** (26% of total assets), reflecting continued expansion of high-quality investment assets.
- **Investment portfolio expanded 75% YoY to AED 83.7 billion**, funded by deposit inflows and invested in high-quality liquid securities.
- **Operating income +24% YoY**, the fastest-growing banking segment, as net interest income rose 26% on the larger investment portfolio.



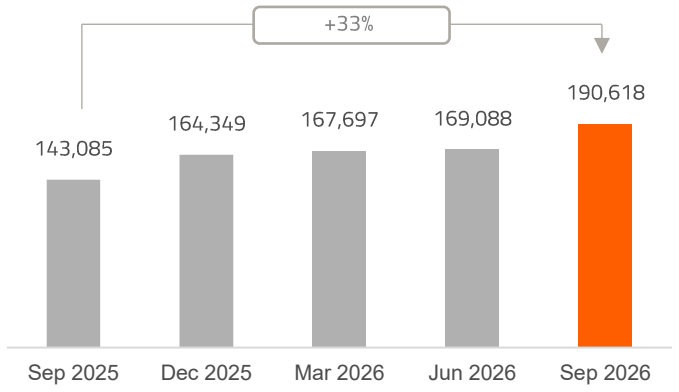
Total Assets Cross AED 400 Billion as Lending Momentum Accelerates

AEDm	Sep 2025	Sep 2026	YoY (%)	Dec 2025	YTD (%)
Loans and Advances to Banks	65,380	61,671	(6%) ↓	65,721	(6%) ↓
Net Loans and Advances to Customers	120,910	161,465	34% ↑	138,071	17% ↑
Net Islamic Financing and Investment Products	22,175	29,153	31% ↑	26,278	11% ↑
Total Loans and Advances to Customers	**143,085**	**190,618**	**33%** ↑	**164,349**	**16%** ↑
Total Assets	**305,464**	**405,550**	**33%** ↑	**334,634**	**21%** ↑
Balances due to Banks	41,123	36,916	(10%) ↓	38,922	(5%) ↓
Customer Deposits	187,167	237,090	27% ↑	204,895	16% ↑
Total Liabilities	**266,540**	**358,269**	**34%** ↑	**294,057**	**22%** ↑
Shareholders' Funds	**37,771**	**45,966**	**22%** ↑	**39,374**	**17%** ↑

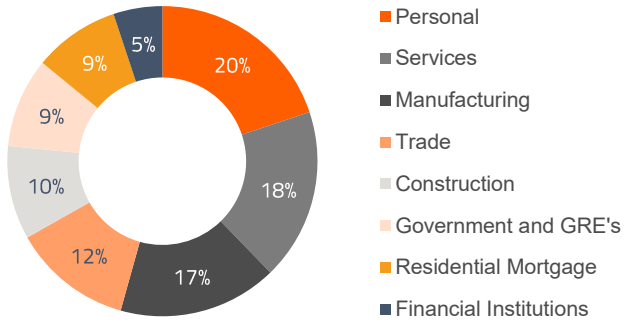
Key Highlights

- **Total assets** surpassed AED 400 billion, reaching **AED 406 billion, up 33% YoY and 21% YTD**, reflecting sustained business growth and continued expansion across Mashreq's franchises.
- **Total lending** reached **AED 191 billion (+33% YoY),** led by personal and services lending.
- Well-diversified loan book with **no single sector exceeding 20% of total exposure**.
- **Lending momentum** accelerated in **Q3 2026,** with customer loans growing by **AED 21.5 billion** (+13% QoQ). YTD deposit inflows of AED 32.2 billion continued to exceed loan growth of AED 26.3 billion.
- **Wholesale Banking assets** increased by **20%** YoY to **AED 205 billion**, while **Retail Banking assets** are up **58%** YoY to **AED 56 billion**.

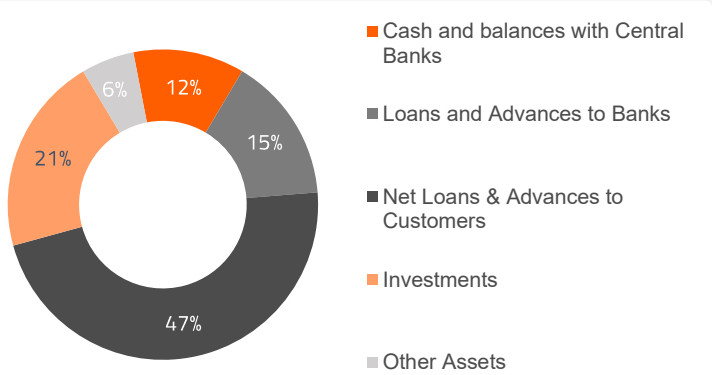
Customer Loans (AEDm)



Gross Loans and Advances Portfolio (%)

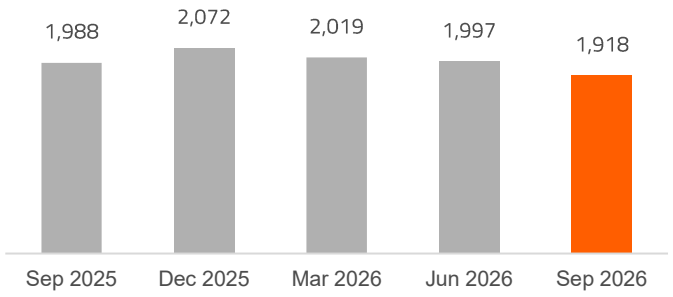


Asset Mix (%)

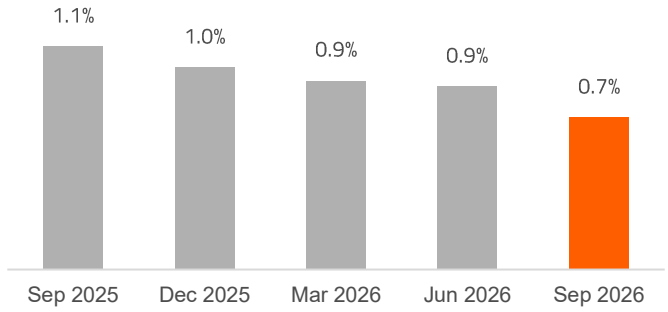


Best-in-Class Asset Quality Maintained

Non-Performing Loans (AEDm)



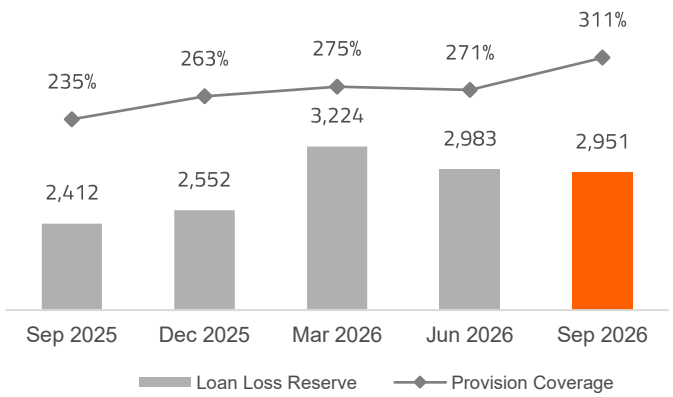
NPL Ratio (%)



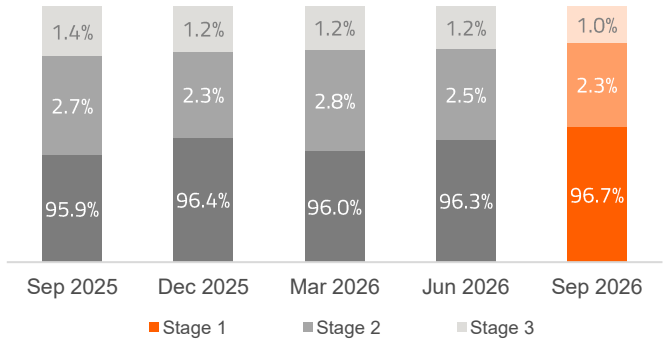
Key Highlights

- **Best-in-class asset quality** maintained despite continued balance sheet expansion with customer loans up 13% QoQ, reflecting disciplined underwriting and resilient portfolio quality.
- **NPL ratio** further improved and remained industry-leading at **0.7%**, with NPLs declining 4% QoQ to AED 1.9 billion.
- **Provision coverage** strengthened further to **311%** (Jun 2026: 271%), reinforcing Mashreq's conservative provisioning position and strong loss-absorption capacity.
- **Net impairment** write-back of **AED 116 million** in 9M 2026 (cost of credit of -0.1%, vs 0.3% in 9M 2025), with the Q3 2026 impairment charge broadly neutral at AED 7 million, reflecting continued resilience of the high-quality loan portfolio.

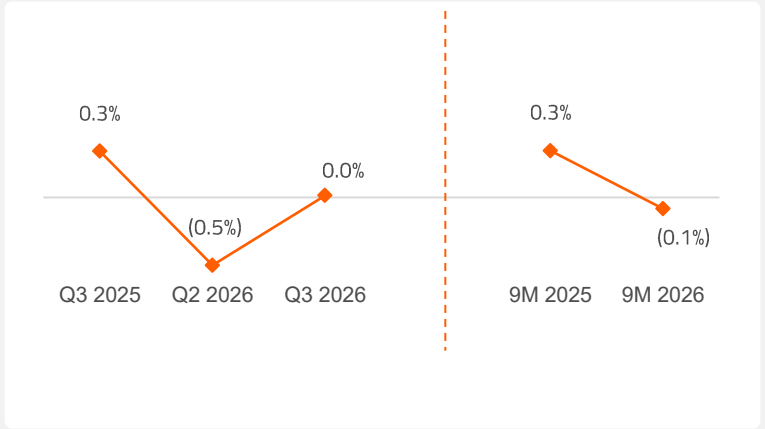
Loan Loss Reserve (AEDm) and Coverage Ratio (%)



Loans and Advances Split - ECL Staging as per IFRS-9 (%)

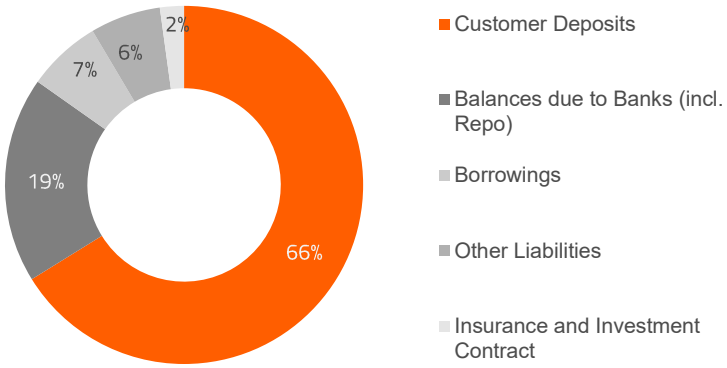


Cost of Credit (%)

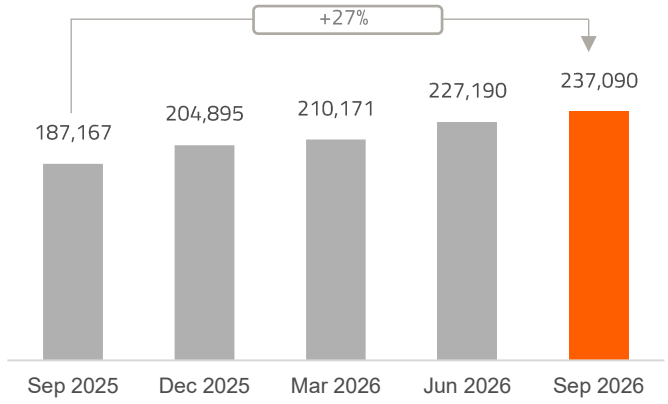


Diversified Funding Base Supports Lending Growth

Liability Mix (%)



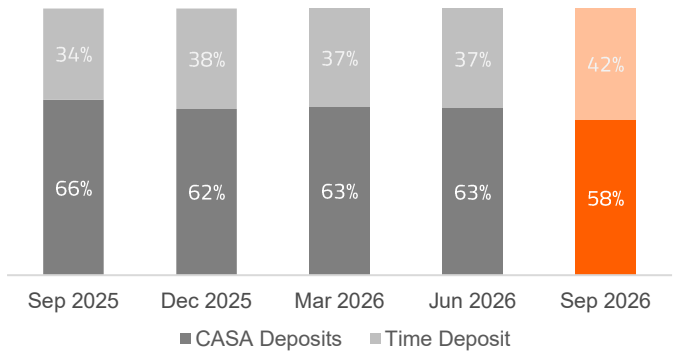
Customer Deposits (AEDm)



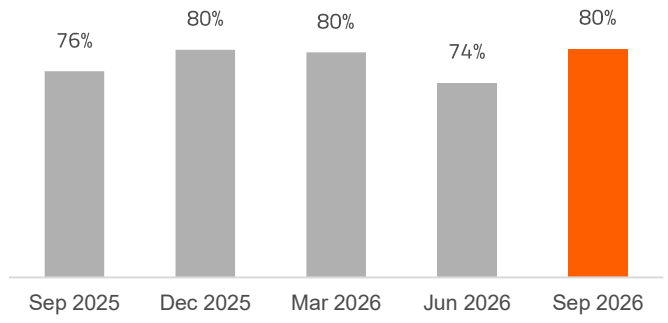
Key Highlights

- **Funding mix** strengthened as higher repo and medium-term funding complemented robust deposit inflows, creating a more diversified liability structure.
- **Customer deposits grew 27% YoY to AED 237 billion**, supported by growth in both Retail and Wholesale Banking liabilities (+26% and +25% YoY respectively).
- **CASA** represents **58%** of total customer deposits, underpinning a resilient, low-cost funding base as the rate cycle turns.
- **Loan to Deposit ratio stood at a healthy 80%**, in line with Dec 2025 and Mar 2026 levels, as Q3 lending growth outpaced deposit inflows.

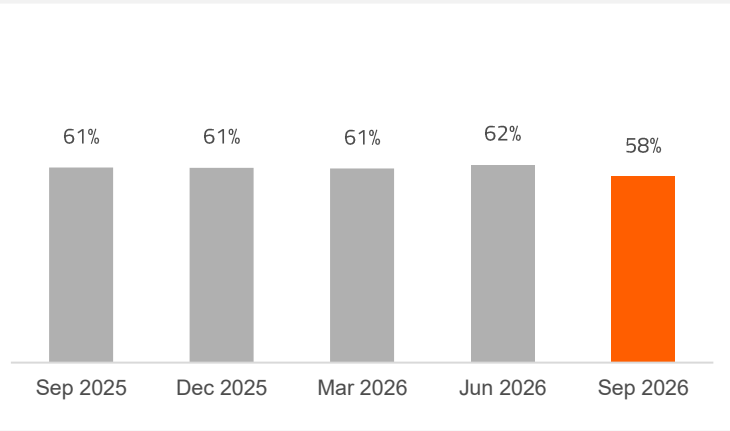
Deposit Breakdown (%)



Loans to Deposits (%)

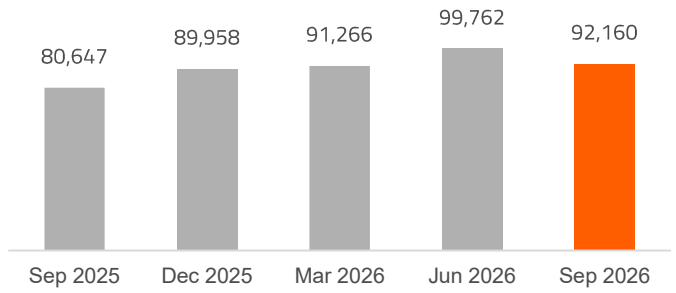


Deposit to Total Assets (%)

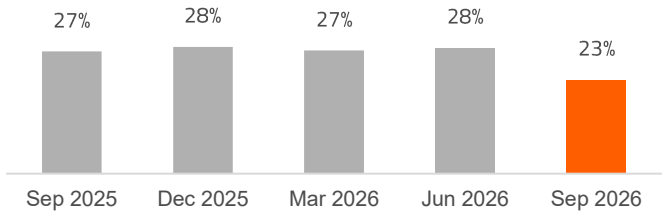


Liquidity Comfortably Above Regulatory Requirements – LCR at 124%

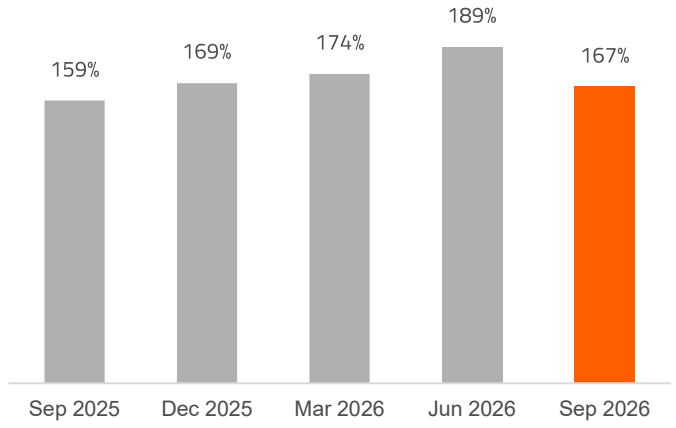
Liquid Assets* (AEDm)



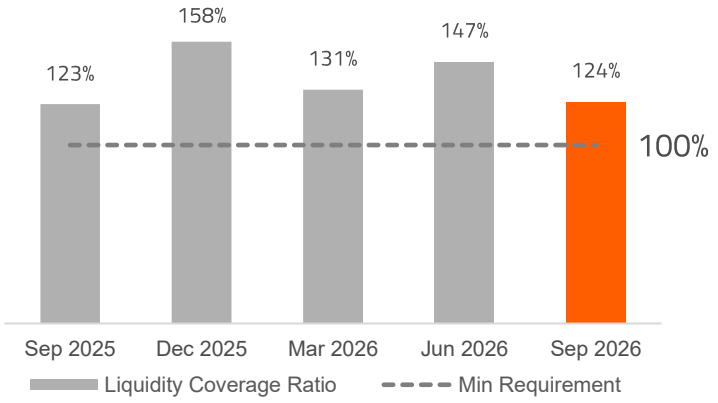
Liquid Asset Ratio (%)



Interbank Assets to Interbank Liabilities (%)



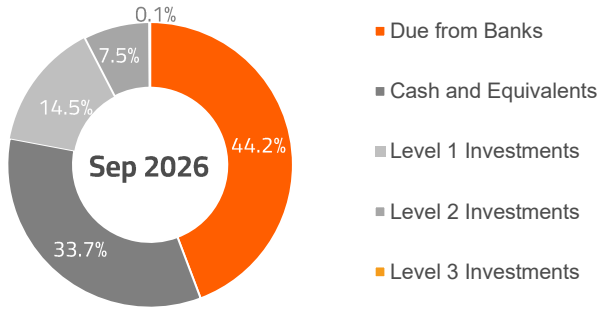
Liquidity Coverage Ratio (%)



Key Highlights

- **Liquid assets** stood at **AED 92 billion** (+14% YoY), with a liquid asset ratio of **23%**, as surplus liquidity built up in H1 2026 was deployed into lending and investment growth in Q3 2026.
- High-quality liquid asset mix, with **Level 3 Investments comprising just 0.1%.**
- **LCR** remained comfortably above the regulatory minimum at **124%,** highlighting prudent liquidity management through changing market conditions.
- **Net interbank lender position** maintained, with the **IBA/IBL ratio** at **167%** (159% in Sep 2025), reinforcing Mashreq's position in the interbank market.

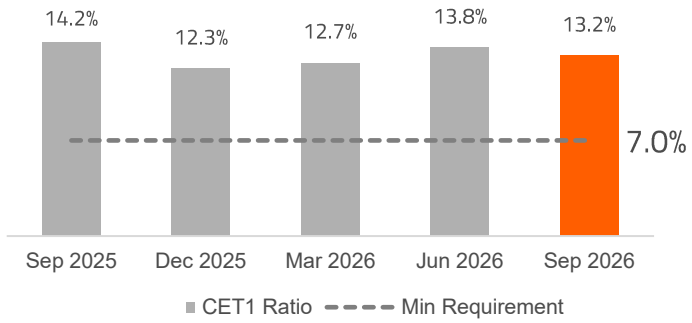
Liquid Asset Mix (%)



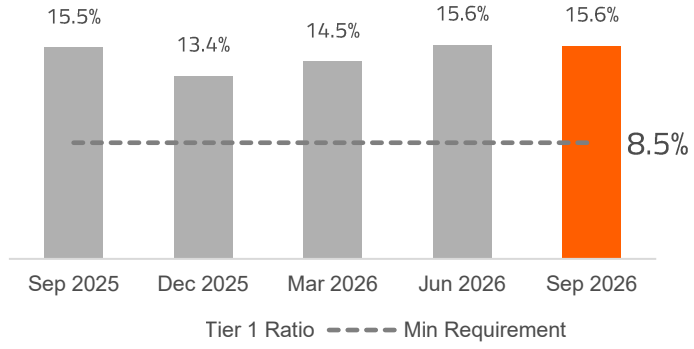
*Stock of HQLA and total cash inflows during 30-day period

Robust Capital Position Supports Continuous Growth

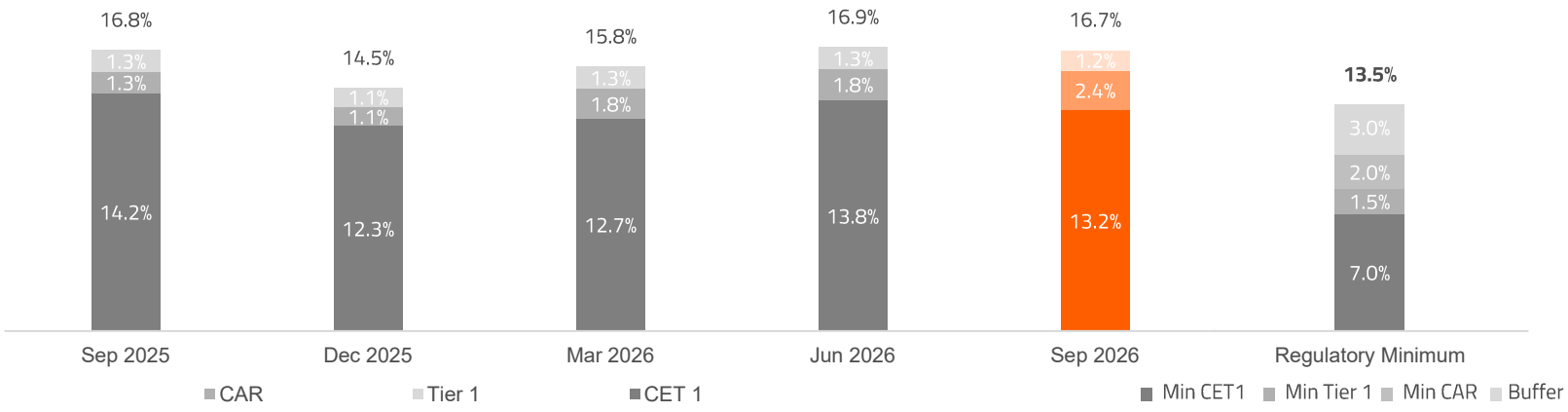
CET 1 Ratio (%)



Tier 1 Capital Ratio (%)



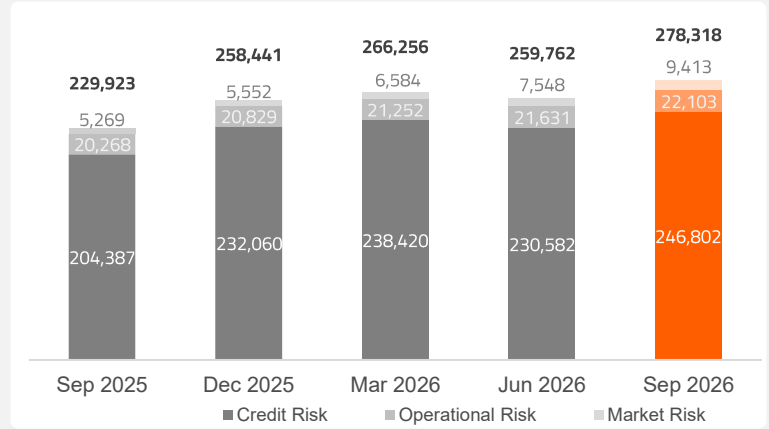
Capital Ratio Stack (%) Vs Regulatory Min Stack (%)



Key Highlights

- **Capital position remained robust**, with CET1 at 13.2%, Tier 1 at 15.6% and CAR at 16.7%, providing a comfortable buffer over regulatory requirements at each level (incl. 3.0% buffer).
- **Tier 1 capital** strengthened by a second **USD 500 million AT1 issuance** in Jul 2026 , supported by international investors, lifting the AT1 contribution to 2.4% of RWAs from 1.8% in Jun 2026.
- **CET1 ratio** moderated slightly to **13.2%** as RWAs grew 7% QoQ to AED 278 billion to support lending growth – **CET1 capital up AED 5.0 billion** YTD on strong internal capital generation.
- **Capital efficiency continued to improve**, with RWA growth (+7% QoQ) well below customer loan growth (+13% QoQ).

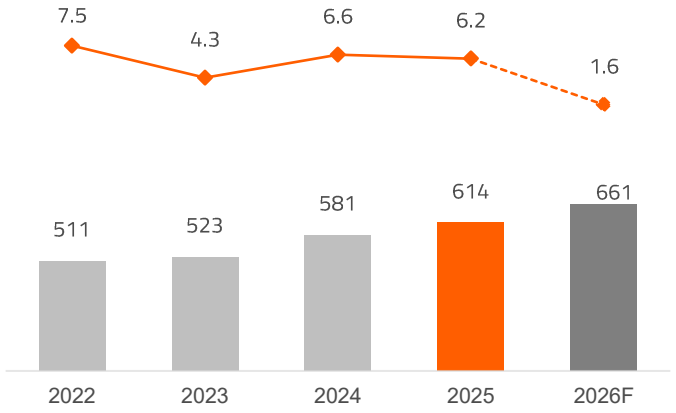
Risk-weighted Assets (AEDm)



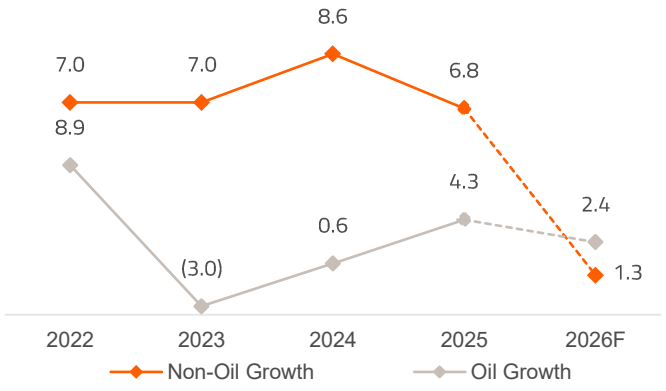
3. Macroeconomic Overview

UAE Economy: Highly Attractive, Strong and Resilient

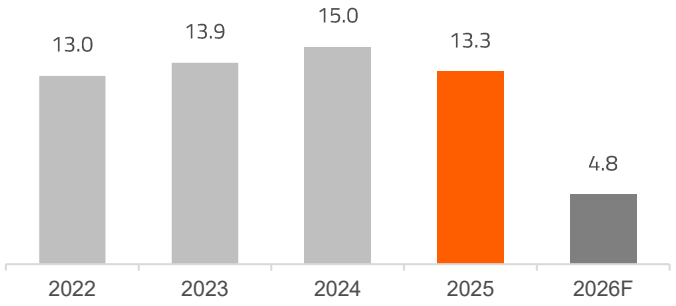
UAE: Nominal GDP (USDbn) and Real GDP Growth(1) (%)



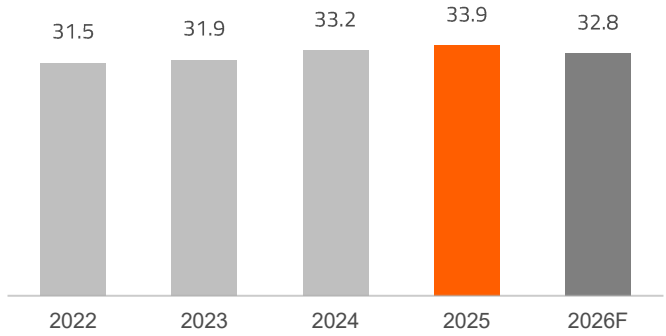
Oil and Non-Oil GDP Growth(1) (%)



Current Account Balance as % of GDP



Government Gross Debt to GDP (%)



2nd largest economy in the GCC

Nominal GDP expected to reach USD 661 billion in 2026F

$57,109 per capita GDP

Current price for 2026F

"AA-"/ "Aa2" / "AA"

Fitch / Moody's / S&P Rating

Supported by the economic strength and high GDP per capita

120bn

Barrels Oil Reserves

4th

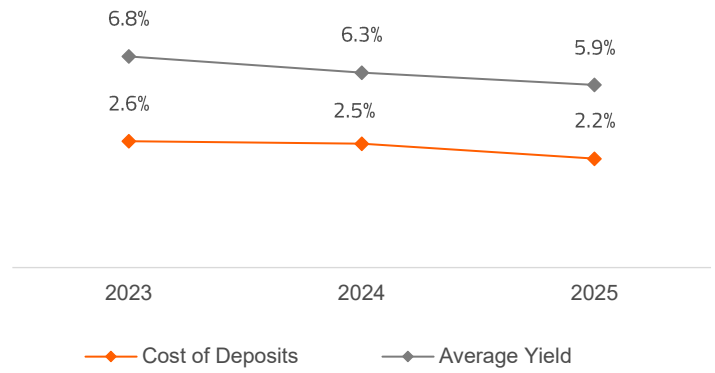
largest proven Oil reserve in Middle East

i.e., c.8% of Global Reserves

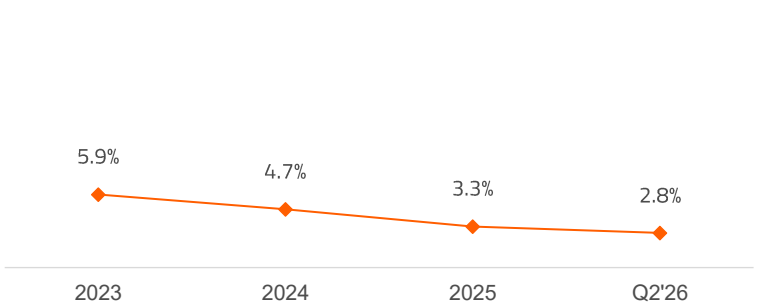
(1) Real GDP growth rates as per CBUAE
Sources: IMF Oct'26, OPEC ASB 2026, CBUAE

UAE Banking Sector: Strong Fundamentals Backing Promising Growth

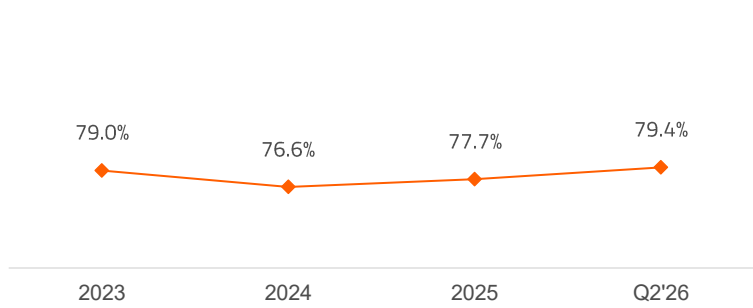
Yield & Cost of Funds (%)



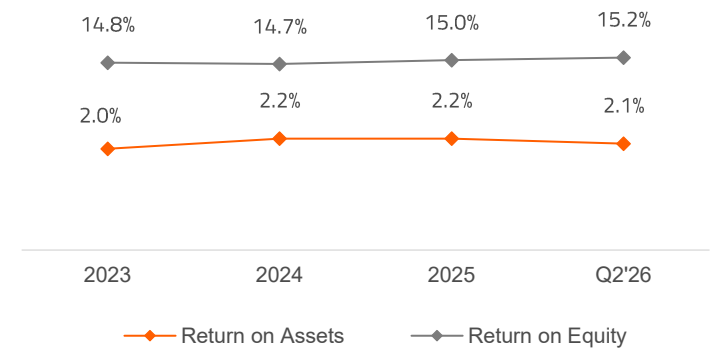
NPL Ratio (Gross, %)



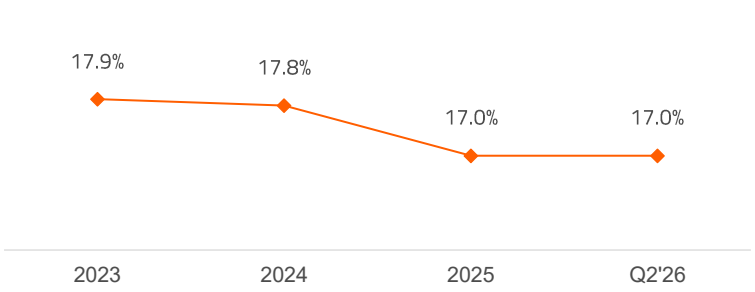
Loan to Deposit Ratio (%)



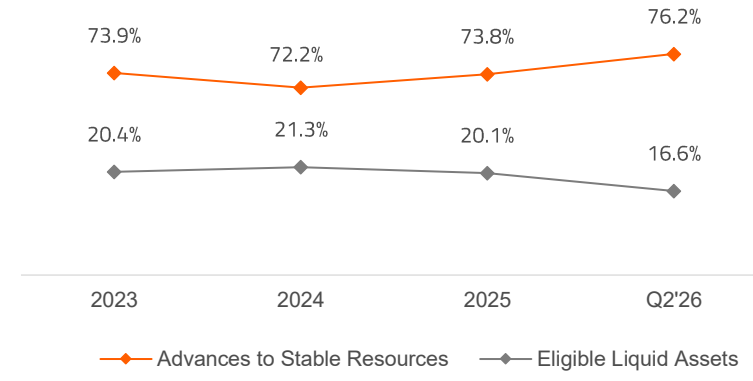
Profitability Ratios (%)



Capital Adequacy (%)



Liquidity Ratios (%)



Mashreq outperforms the UAE banking sector across key metrics with NPL ratio of 0.7% and RoE of 20.4% in 9M'26.

Sources: CBUAE

4. Appendix

Financial Highlights: Income Statement

Income Statement (AEDm)	9M 2026	9M 2025	Δ% YoY	Q3 2026	Q2 2026	Q3 2025	Δ% QoQ	Δ% YoY
Net Interest Income and Income from Islamic Financing	**6,518**	**6,080**	**7%**	**2,293**	**2,187**	**2,119**	**5%**	**8%**
Fees & Commission	1,076	1,032	4%	360	248	388	45%	(7%)
Investment Income	599	311	92%	264	286	99	(8%)	168%
Insurance, FX and Other Income	2,218	1,966	13%	667	679	597	(2%)	12%
Non-Interest Income	**3,893**	**3,309**	**18%**	**1,291**	**1,213**	**1,083**	**6%**	**19%**
Total Operating Income	**10,411**	**9,389**	**11%**	**3,584**	**3,400**	**3,202**	**5%**	**12%**
Operating Expenses	(3,267)	(2,882)	13%	(1,124)	(1,084)	(1,015)	4%	11%
Operating Profit	**7,143**	**6,508**	**10%**	**2,461**	**2,316**	**2,187**	**6%**	**13%**
Impairment Allowance	116	(366)	NM	(7)	209	(121)	NM	(95%)
Net Profit before Tax	**7,259**	**6,142**	**18%**	**2,454**	**2,525**	**2,066**	**(3%)**	**19%**
Tax	(1,137)	(961)	18%	(380)	(404)	(357)	(6%)	6%
Net Profit after Tax	**6,122**	**5,181**	**18%**	**2,074**	**2,121**	**1,708**	**(2%)**	**21%**
Non-Controlling Interest	(133)	(92)	45%	(41)	(49)	(23)	(16%)	76%
Profit attributable to Owners of the Parent	**5,988**	**5,089**	**18%**	**2,033**	**2,072**	**1,685**	**(2%)**	**21%**

Financial Highlights: Balance Sheet

Balance Sheet Highlights (AEDm)	Sep 2026	Sep 2025	Δ% YoY	Sep 2026	Jun 2026	Dec 2025	Δ% QoQ	Δ% YTD
Loans to Customers	190,618	143,085	33%	190,618	169,088	164,349	13%	16%
Loans to Banks	61,671	65,380	(6%)	61,671	62,043	65,721	(1%)	(6%)
Investments	83,659	47,789	75%	83,659	76,145	50,624	10%	65%
Cash and Due from Central Bank	47,001	31,402	50%	47,001	41,782	33,532	12%	40%
Other Assets	22,417	17,658	27%	22,417	16,506	20,224	36%	11%
Investments in Properties	184	150	23%	184	184	184	-	-
Total Assets	**405,550**	**305,464**	**33%**	**405,550**	**365,748**	**334,634**	**11%**	**21%**
Customer Deposits	237,090	187,167	27%	237,090	227,190	204,895	4%	16%
Balances due to banks	36,916	41,123	(10%)	36,916	32,793	38,922	13%	(5%)
Loans and Sukuk	23,986	6,267	283%	23,986	20,833	15,310	15%	57%
Other Liabilities	30,559	26,438	16%	30,559	24,814	27,793	23%	10%
Repo	29,719	5,546	436%	29,719	16,073	7,136	85%	316%
Minority Interest	1,315	1,153	14%	1,315	1,260	1,202	4%	9%
Shareholder's Equity	45,966	37,771	22%	45,966	42,785	39,374	7%	17%
Total Liabilities & Equity	**405,550**	**305,464**	**33%**	**405,550**	**365,748**	**334,634**	**11%**	**21%**

Thank You!

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