Rise every day

H1 2026 Earnings Presentation

July 2026

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Rounding

Rounding differences may appear throughout the presentation.

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1. Performance Highlights

Key Highlights: H1 2026

Income Statement

- **Non-interest income** grew **17% YoY** to **AED 2.6 billion**, lifting its contribution to **38%** of operating income and further strengthening earnings diversification.
- **Net interest income** grew **7% YoY** to **AED 4.2 billion**, supported by robust lending growth and a stable low-cost funding base (**CASA 63%**), with margins stabilizing sequentially.

Balance Sheet

- **Total assets** grew **25% YoY** to **AED 366 billion**, reflecting broad-based balance sheet expansion across all core business segments.
- **Loans and advances** increased **26% YoY**, supported by diversified origination, while **customer deposits grew 28% YoY**, reinforcing a deposit-led funding model.

Asset Quality

- **Industry-leading asset quality** maintained, with **NPL ratio at 0.9%** and **provision coverage of 271%**, reflecting disciplined credit risk management.
- **Credit costs** turned negative, with a **net write-back of AED 122 million** and **cost of risk of -14bps**, highlighting the continued resilience of the loan portfolio.

Capitalization

- **Capital ratios** remained robust, with **CET1 at 13.8%**, **Tier 1 at 15.6%** and **CAR at 16.9%** comfortably above regulatory thresholds, including the full D-SIB buffer.
- **Strong earnings generation**, disciplined capital management and improved capital efficiency continued to underpin the resilient capital position.

Key Financial Performance in H1 2026

- AED **6.8bn** Total Operating Income
- AED **4.8bn** Net Profit Before Tax
- **17%** YoY Loans and Advances (inc. Banks) Growth
- **28%** YoY Deposit Growth
- **0.9%** NPL to Gross Loans Ratio
- **16.9%** Capital Adequacy Ratio

Delivering on Strategic Priorities

- Successful issuance of USD 500 million AT1 bond in Feb 2026 - first UAE bank capital transaction of 2026, with 4.2x oversubscription
- UAE's first fully digital home loan pre-approval
- First UAE bank to enable UAE-based Pakistani nationals to open accounts with Mashreq Pakistan fully remotely, via app
- AI-powered customer engagement: chatbot now resolves 89% of queries across 120 banking use cases without agent transfer

Recognised Across Industry

- #1-ranked Bank in Trade Finance for the UAE and Bahrain
- **Euromoney Awards for Excellence 2026 -** Middle East's Best Bank, Middle East's and UAE's Best Digital Bank
- Best Private Bank - Middle East and UAE by **the Global Private Banker**
- Islamic Retail Bank of the Year – Middle East by **the Banker**
- **MEA Finance Banking Technology Awards 2026** - Best Overall AI Strategy and AI Use in Regulatory Compliance

Ratings

Fitch Ratings	A
Moody's	A3
S&P Global	A

ESG Score

Sustainalytics	27.1 Medium Risk
S&P Global	37

2. Financial Highlights

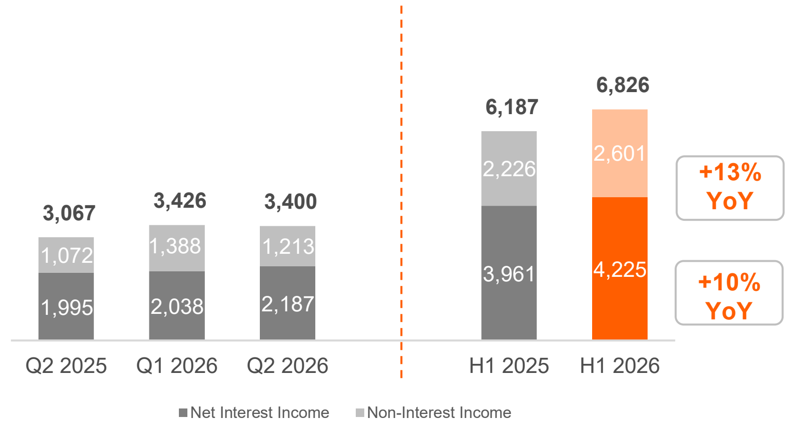
Operating Income Reaches AED 6.8 Billion on Balanced Revenue Growth

AEDm	H1 2025	H1 2026	YoY (%)	Q2 2025	Q2 2026	YoY (%)
Total Operating Income	6,187	6,826	10% ↑	3,067	3,400	11% ↑
Operating Expenses	(1,866)	(2,144)	15% ↑	(948)	(1,084)	14% ↑
Operating Profit	**4,321**	**4,682**	**8%** ↑	**2,119**	**2,316**	**9%** ↑
Impairment Allowance	(245)	122	NM ↓	(144)	209	NM ↓
Net Profit Before Tax	**4,076**	**4,805**	**18%** ↑	**1,975**	**2,525**	**28%** ↑
Tax	(604)	(757)	25% ↑	(295)	(404)	37% ↑
Net Profit After Tax	**3,472**	**4,048**	**17%** ↑	**1,680**	**2,121**	**26%** ↑

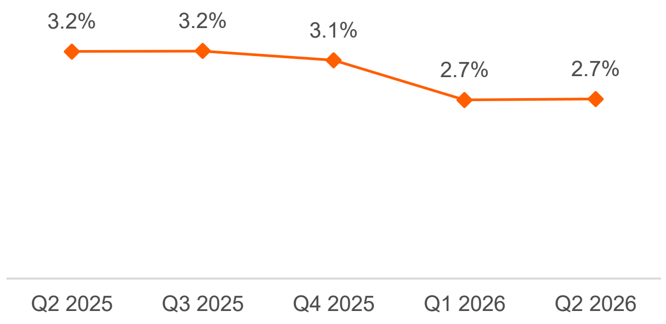
Key Highlights

- **Net Interest Income** increased by **7% YoY** to **AED 4.2 billion**, driven by volume growth and a stable low-cost funding base (**CASA at 63%**).
- **NIM** stabilizes at **2.7%** as the benchmark rate environment holds steady and prior rate-cut effects have been absorbed through balance sheet repricing.
- **Non-interest income** rose by **17%** YoY to **AED 2.6 billion** (**38%** of operating income), supported by broad-based growth in investment, fee and other income.
- Strong profitability sustained, with **net profit up 17% YoY**, translating revenue diversification and balance-sheet resilience into bottom-line growth.

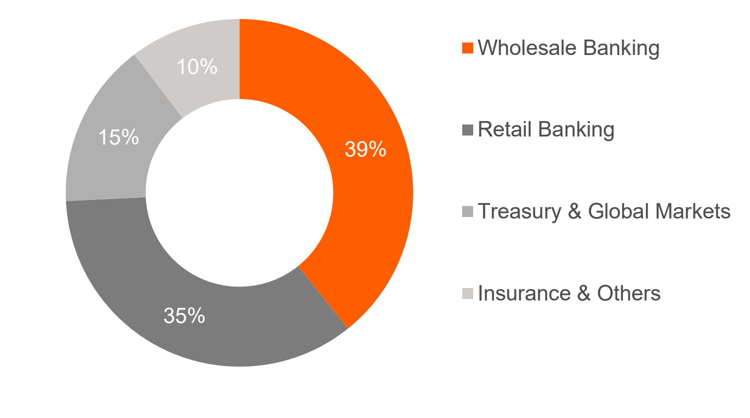
Total Operating Income (AEDm)



Net Interest Margin (%)

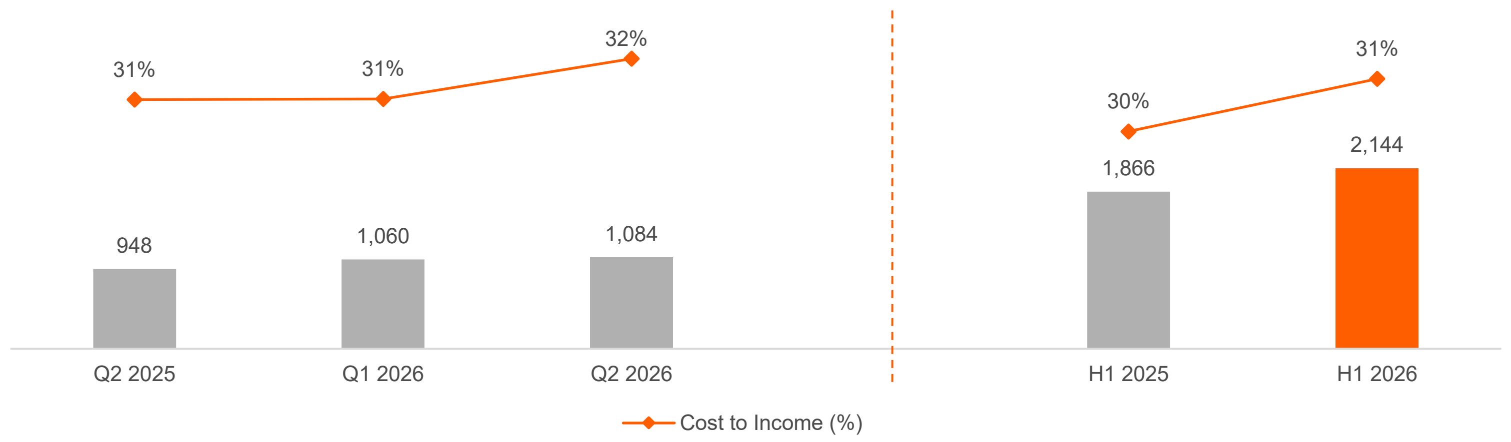


Total Operating Income by Segment (%)



Efficient Growth Supports Sustainable Returns

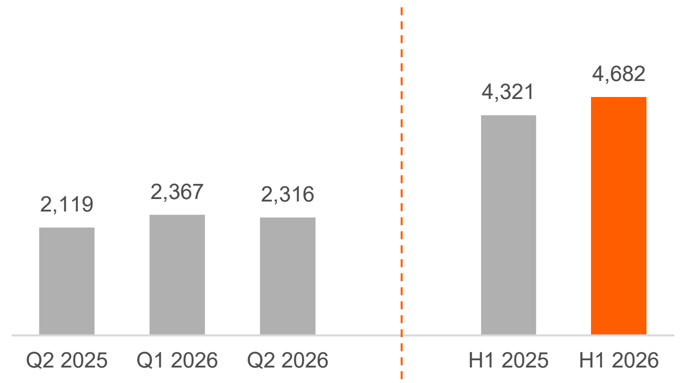
Operating Expense (AEDm) and Cost to Income Ratio (%)



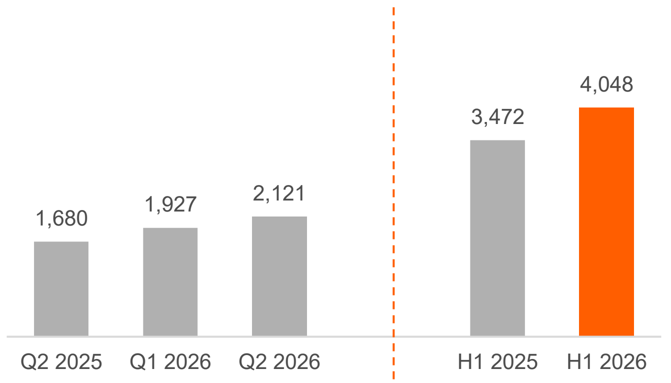
Key Highlights

- **Operating expenses** increased 15% YoY 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%**, reflecting strong operating leverage and continued focus on maintaining cost efficiency despite higher strategic investments.
- **RoE** further improved to 20.7% and RoA remained strong at 2.2%, supported by resilient earnings, efficient capital deployment and the strength of Mashreq's diversified business model.

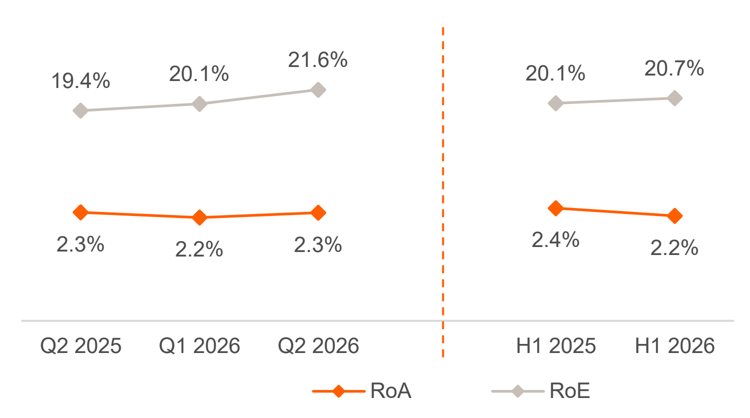
Operating Profit (AEDm)



Net Profit after Tax (AEDm)



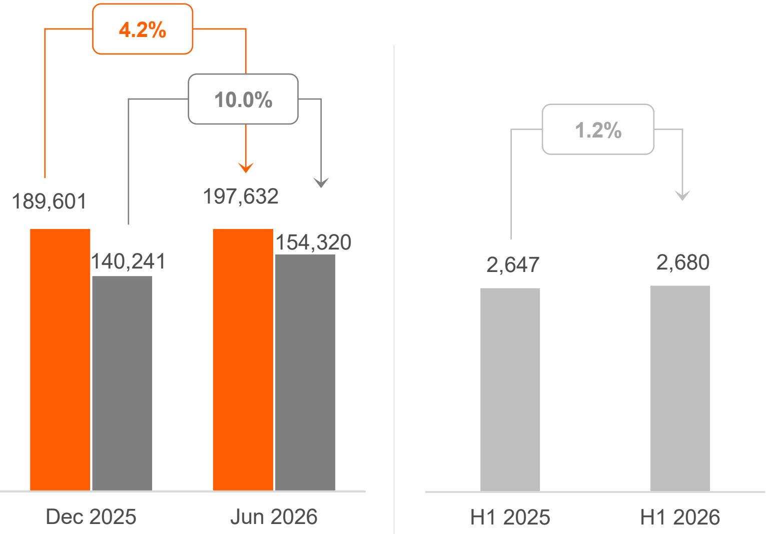
Return on Equity (%) and Return on Assets (%)



Broad-Based Growth Across All Business Segments

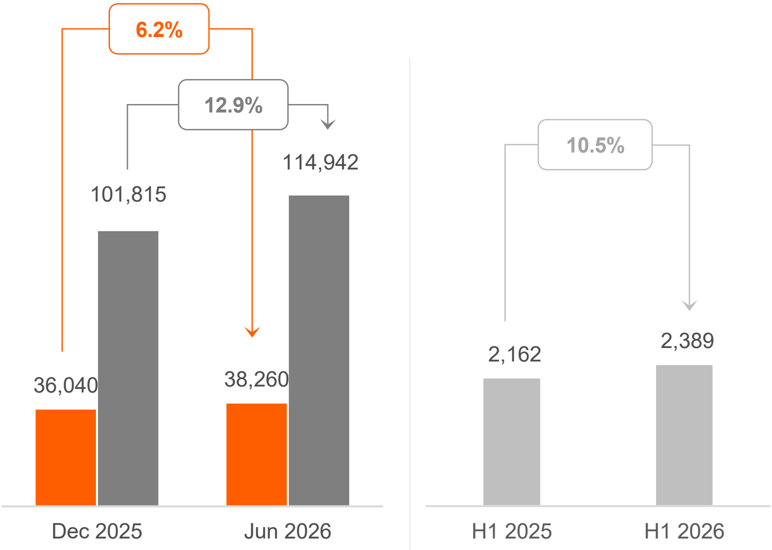
Wholesale Banking (AEDm)

- **Largest business segment,** accounting for **54% of assets, 48% of liabilities and 39% of operating income**, underpinned by a diversified corporate, institutional and FI franchise.
- **Assets grew 4% YTD and 2% QoQ to AED 198 billion**, driven by broad-based lending across key corporate and institutional sectors.
- **Operating income** up by **1% YoY**, as stronger fee generation and transaction activity largely offset lending margin normalization.



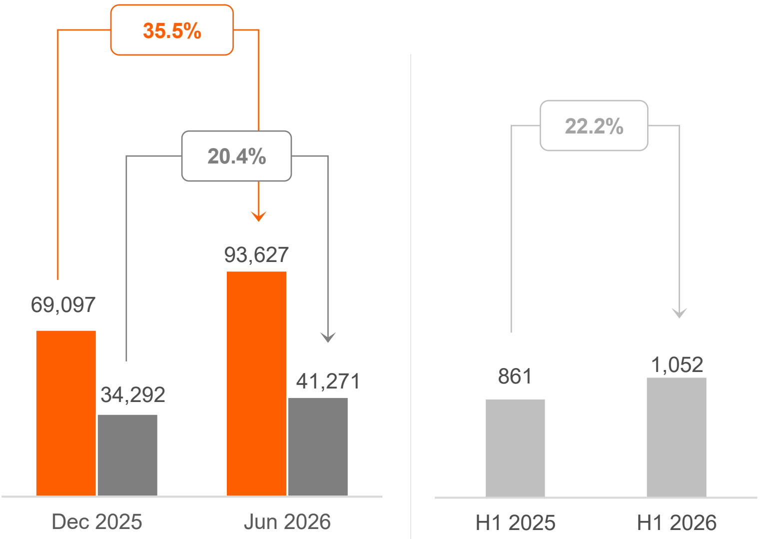
Retail Banking (AEDm)

- **Assets grew 6% YTD to AED 38 billion** (10% of total assets), supported by **mortgage, business loans and wealth management.**
- **Liabilities grew 13% YTD**, contributing **36% of total liabilities,** highlighting the segment's growing role in Mashreq's funding mix.
- **Operating income up 10% YoY,** reflecting improved customer monetization, deeper product penetration and a more diversified revenue mix.



Treasury & Global Markets (AEDm)

- **Assets grew 35% YTD to AED 94 billion** (26% of total assets), reflecting continued expansion of high-quality investment assets.
- **Investment portfolio** more than **doubled to AED 76.1 billion (+107% YoY)** funded by deposit inflows and invested in high-quality liquid securities.
- **Operating income +22% YoY,** as disciplined balance sheet management improved returns on the larger investment portfolio.



Assets Liabilities Operating income

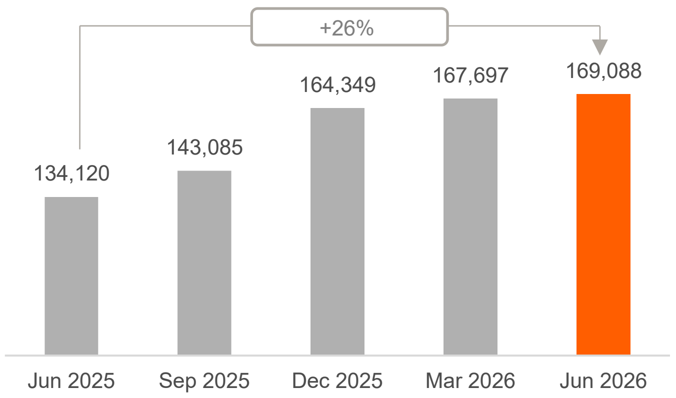
Assets Reach AED 366 Billion as Lending Momentum Continues

AEDm	Jun-25	Jun-26	YoY (%)	Dec-25	YTD (%)
Loans and Advances to Banks	63,047	62,043	(2%)	65,721	(6%)
Net Loans and Advances to Customers	111,944	139,594	25%	138,071	1%
Net Islamic Financing and Investment Products	22,177	29,494	33%	26,278	12%
Total Loans and Advances to Customers	**134,120**	**169,088**	**26%**	**164,349**	**3%**
Total Assets	**293,635**	**365,748**	**25%**	**334,634**	**9%**
Balances due to Banks	48,534	32,793	(32%)	38,922	(16%)
Customer Deposits	177,645	227,190	28%	204,895	11%
Total Liabilities	**256,639**	**321,703**	**25%**	**294,057**	**9%**
Shareholders' Funds	**35,876**	**42,785**	**19%**	**39,374**	**9%**

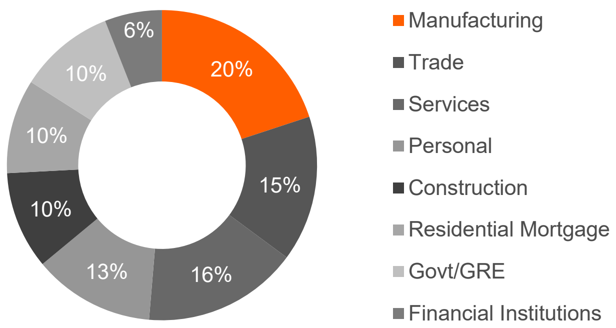
Key Highlights

- **Total assets** expanded to **AED 366 billion, up 25% YoY and 9% YTD,** reflecting sustained business growth and continued expansion across Mashreq's franchises.
- **Deposit inflows** of **AED 22.3 billion** in H1'26 outpaced **loan growth** of **AED 4.7 billion**, funding the larger investment portfolio.
- Total **lending** reached **AED 169 billion (+26% YoY) as the loan originations** remained healthy across sectors and segments.
- Well-diversified loan book with **no single sector exceeding 20% of total exposure.**
- **Wholesale banking assets** increased by **23%** YoY to **AED 198 billion** while **Retail Banking assets** are up **9%** YoY to **AED 38 billion**.

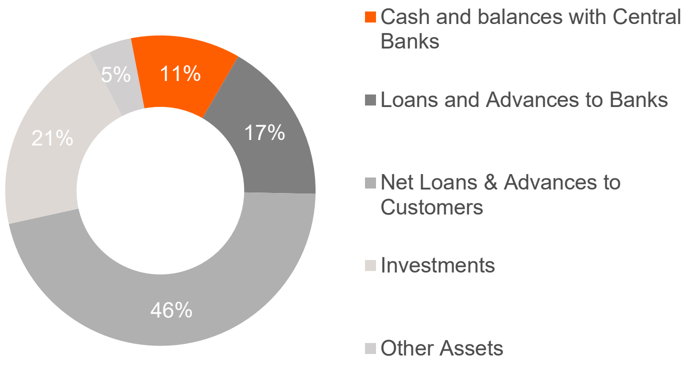
Customer Loans (AEDm)



Gross Loans and Advances Portfolio (%)

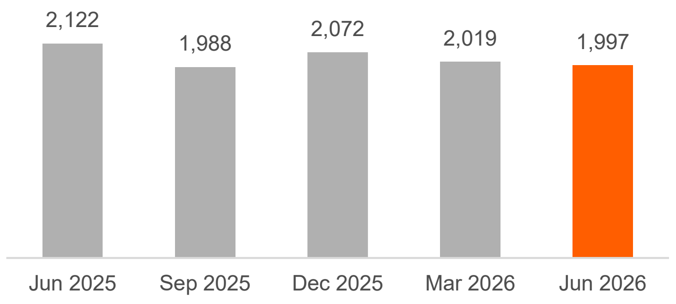


Asset Mix (%)

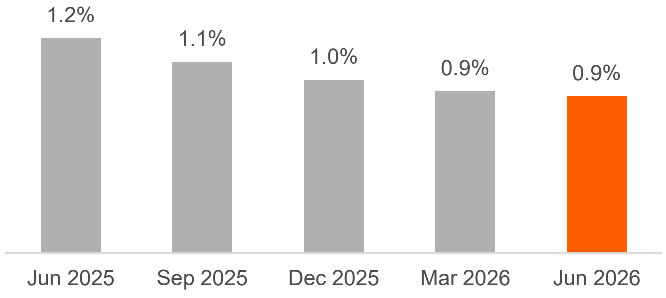


Best-in-Class Asset Quality Maintained

Non-Performing Loans (AEDm)



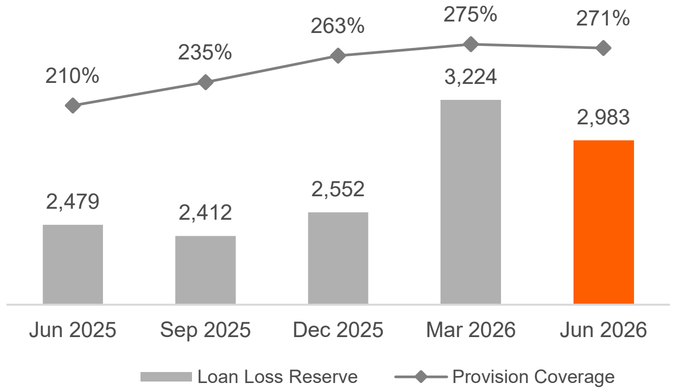
NPL Ratio (%)



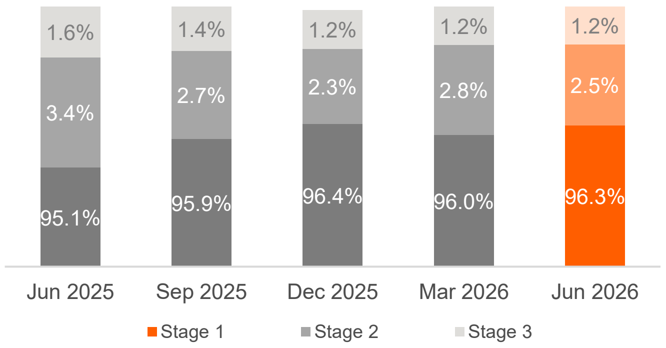
Key Highlights

- **Best-in-class asset quality** maintained despite continued balance sheet expansion, reflecting disciplined underwriting and resilient portfolio quality.
- **NPL ratio** remained at industry leading **0.9%**, highlighting the consistency of Mashreq's credit performance.
- **Provision coverage** stayed robust at **271%**, reinforcing Mashreq’s conservative provisioning position and strong loss-absorption capacity.
- **Net impairment** writeback of **AED 122mn** in H1 2026 as recoveries outpaced new provisioning, reflecting continued resilience of the high-quality loan portfolio.

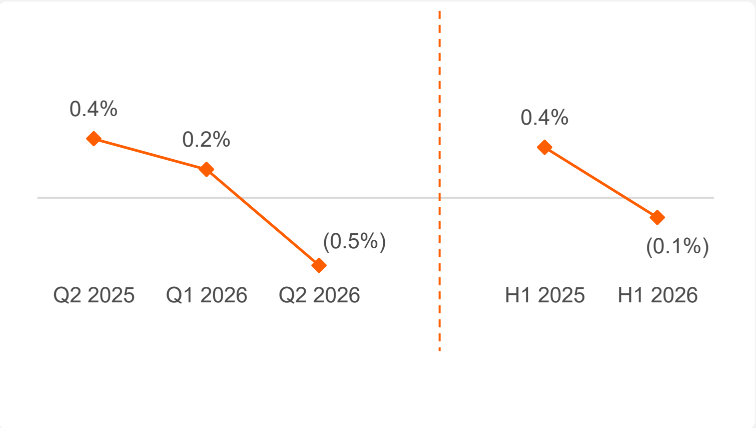
Loan Loss Reserve (AEDm) and Coverage Ratio (%)



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

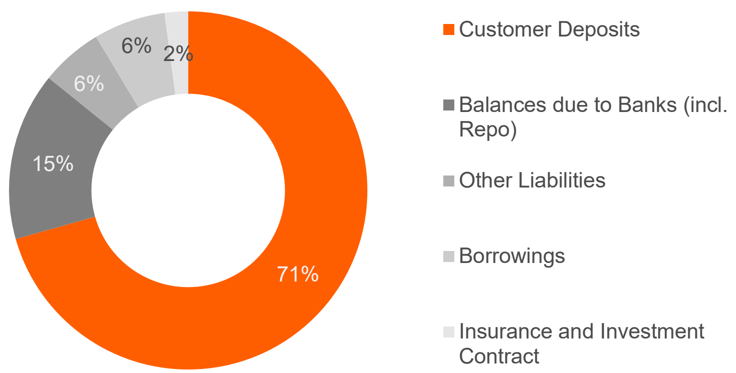


Cost of Credit (%)

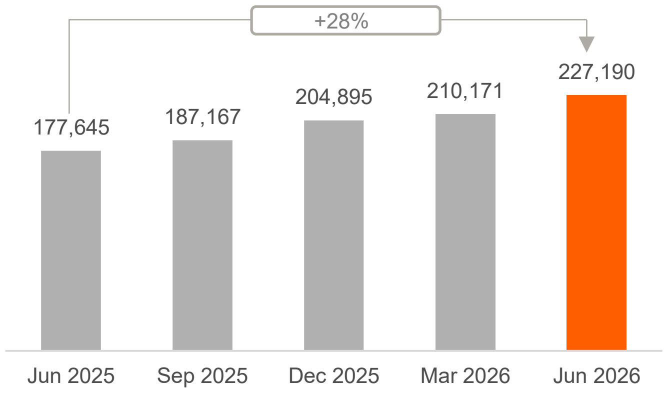


Funding Profile Strengthened Through Deposit Growth

Liability Mix (%)



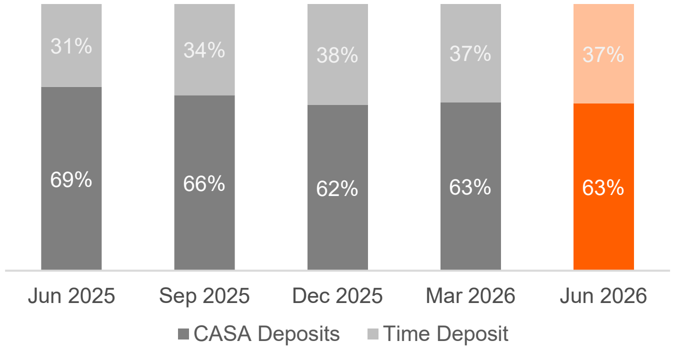
Customer Deposits (AEDm)



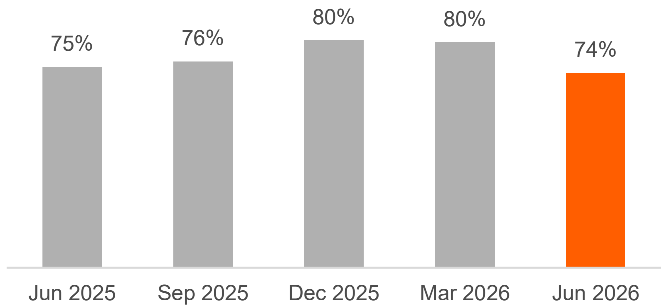
Key Highlights

- **Funding mix** strengthened as higher medium-term funding complemented robust deposit inflows, creating a more diversified liability structure.
- **Customer deposits grew 28% YoY to AED 227 billion**, driven by broad-based growth and the strength of Mashreq's funding franchise.
- **CASA ratio** remained robust at **63%**, providing a stable, low-cost funding base and supporting margin resilience.
- **Loan to Deposit ratio remained healthy at 74%**, highlighting deposit growth continued to comfortably support loan expansion.

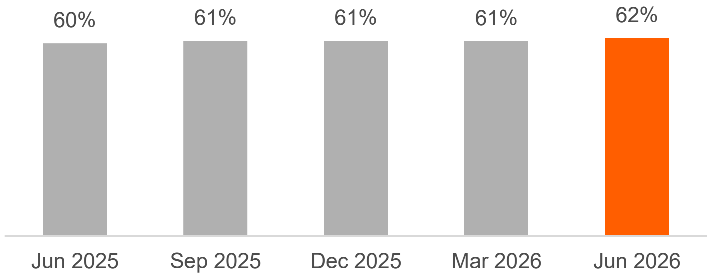
Deposit Breakdown (%)



Loans to Deposits (%)

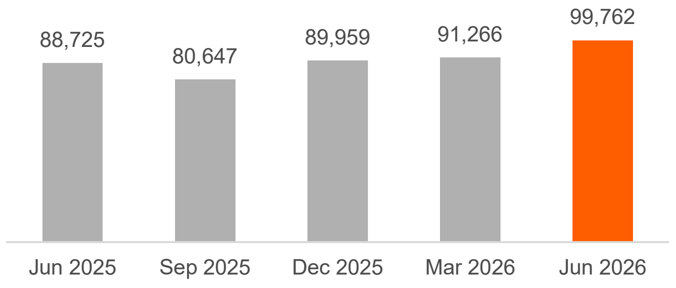


Deposit to Total Assets (%)

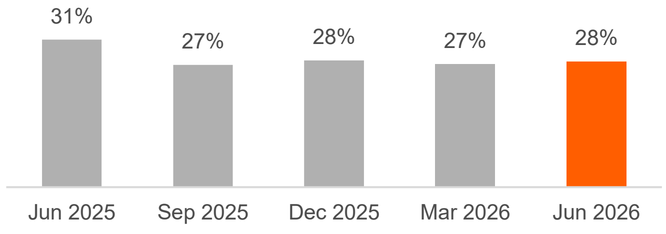


Strong Liquidity Position – LCR at 147%

Liquid Assets* (AEDm)



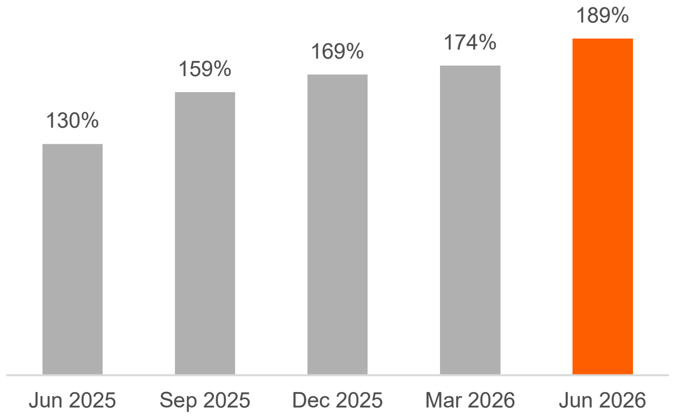
Liquid Asset Ratio (%)



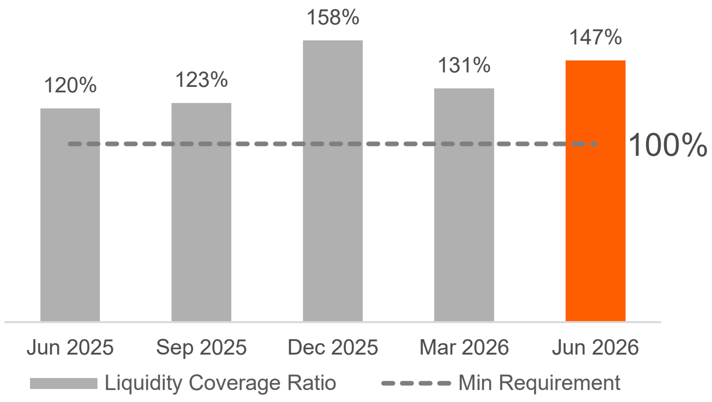
Key Highlights

- **Liquid assets** rose to **AED 100 billion**, with a ratio of **28%,** maintaining a strong stock of high-quality liquid assets.
- High-quality liquid asset mix, with **Level 3 Investments comprising just 0.1%**
- **LCR** remained comfortably above regulatory requirements at **147%**, highlighting prudent liquidity management through changing market conditions.
- **Net interbank lender position** strengthened further, with the **IBA/IBL ratio** reaching **189%**, reinforcing Mashreq's position as a net liquidity provider.

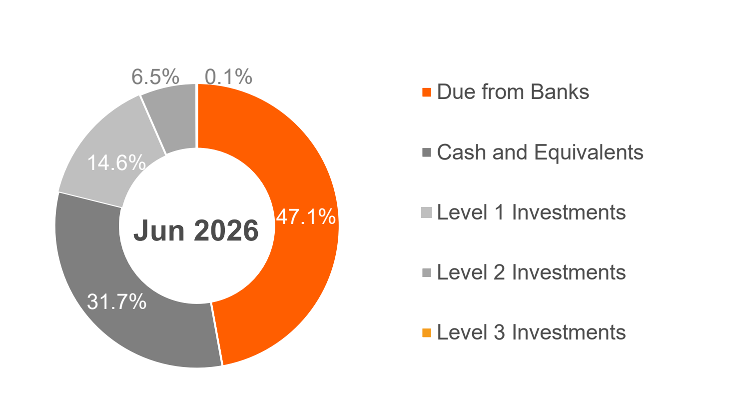
Interbank Assets to Interbank Liabilities (%)



Liquidity Coverage Ratio (%)



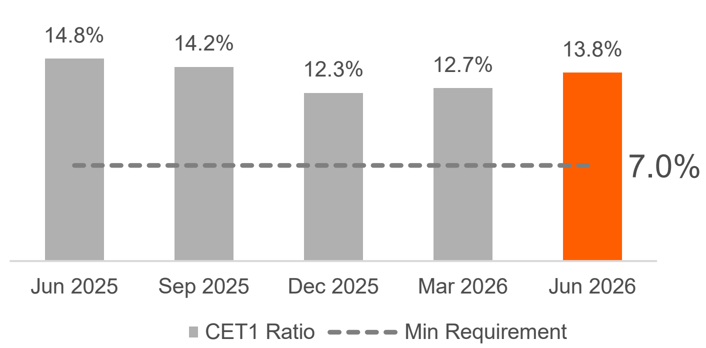
Liquid Asset Mix (%)



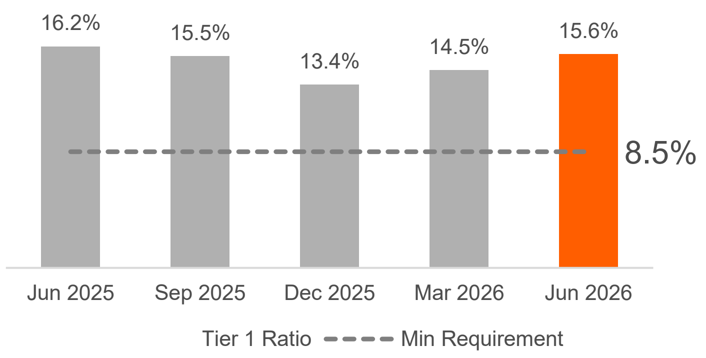
*Stock of HQLA and total cash inflows during 30-day period

Capitalization Buffers Remain Well Above Regulatory Requirements

CET 1 Ratio (%)



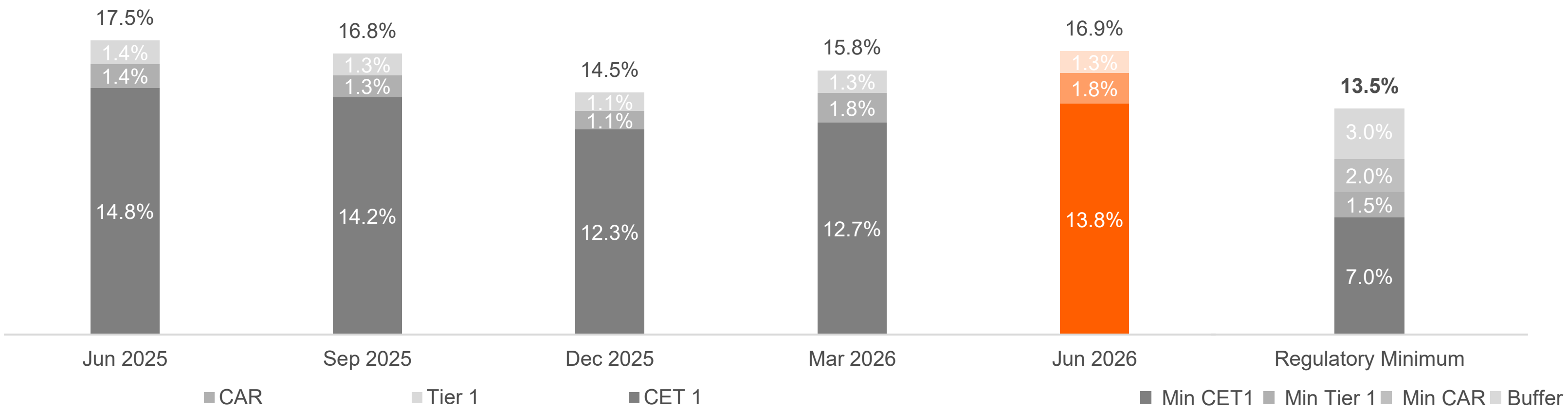
Tier 1 Capital Ratio (%)



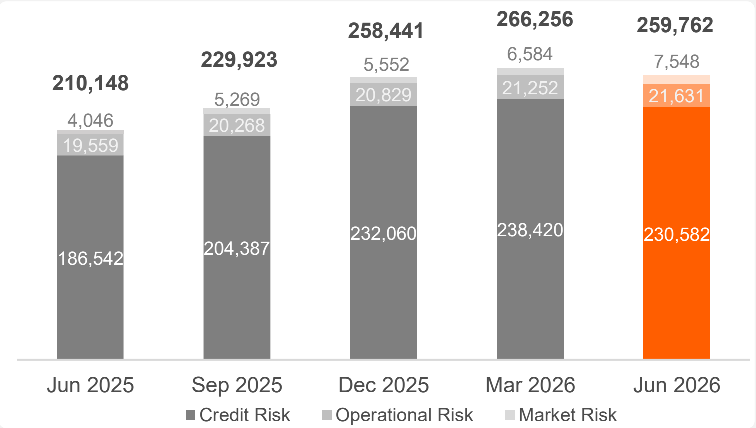
Key Highlights

- **Capital base** remained well supported by strong internal capital generation, resilient asset quality and disciplined risk management.
- **Capital position** remained robust - **CET1 13.8%, Tier 1 15.6%, CAR 16.9%,** providing a comfortable buffer above regulatory requirements (incl. 3.0% buffer).
- **RWAs** declined **sequentially** by **2%** as lower credit risk-weighted assets more than offset continued business growth, highlighting improved capital efficiency.

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



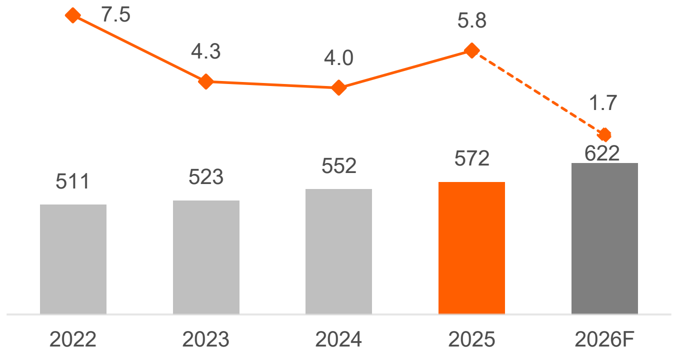
Risk-weighted Assets (AEDm)



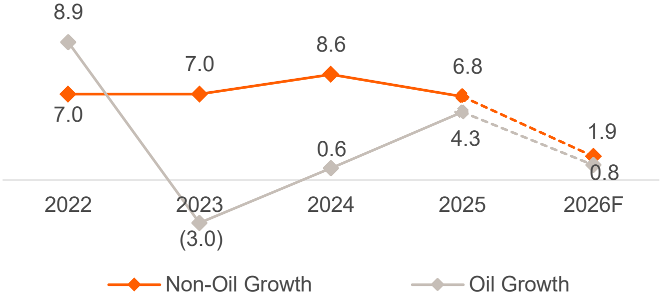
3. Macroeconomic Overview

UAE Economy: Highly Attractive Strong and Resilient

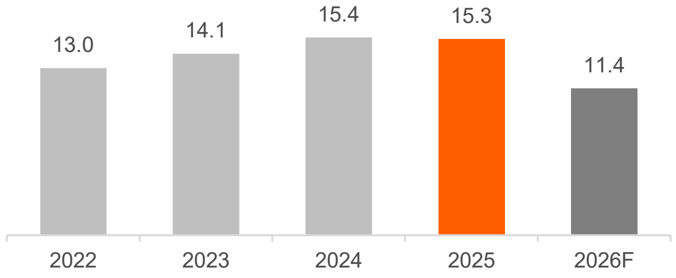
UAE: Nominal GDP (USDbn) and Real GDP Growth (%)



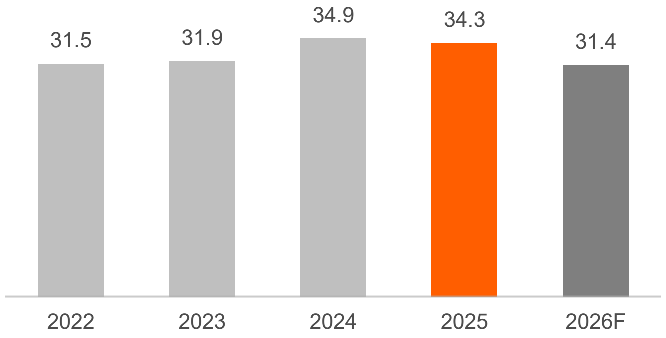
Oil and Non-Oil GDP Growth (%)



Current Account Balance as % of GDP



Government Gross Debt to GDP (%)



2nd largest economy in the GCC

Nominal GDP expected to reach USD 622 billion in 2026F

$54,214 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

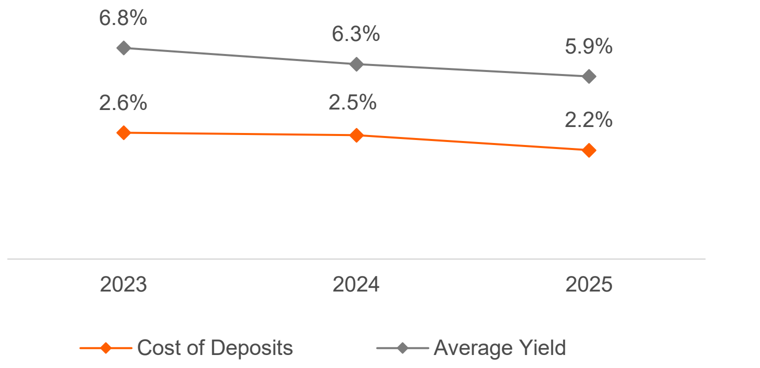
3rd

largest proven Oil reserve in Arab region

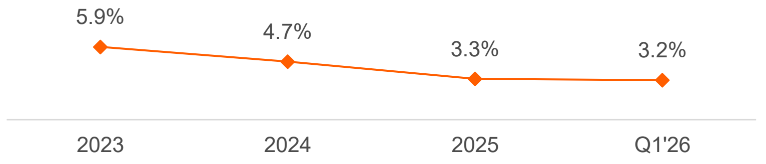
Source: IMF Apr'26, World Bank, OPEC ASB 2025, CBUAE

UAE Banking Sector: Sound Fundamentals - Mashreq Outperforms across Key Metrics

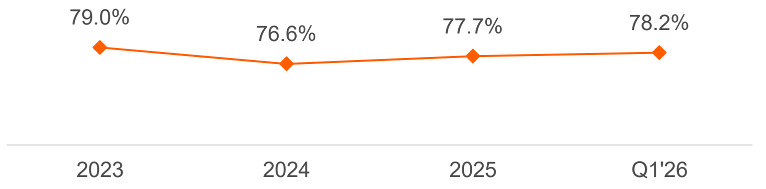
Yield & Cost of Funds (%)



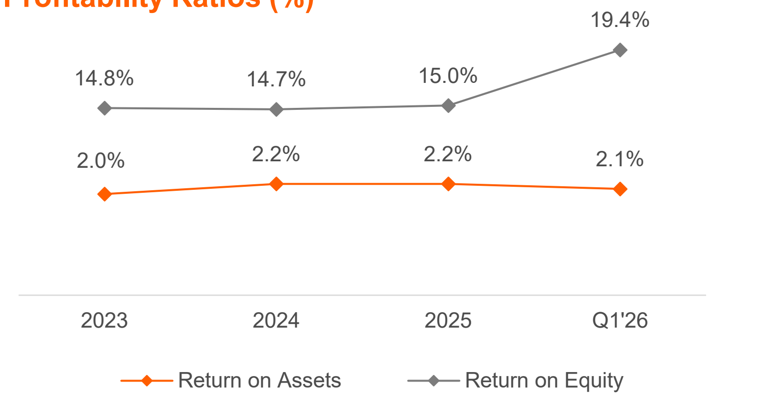
NPL Ratio (Gross, %)



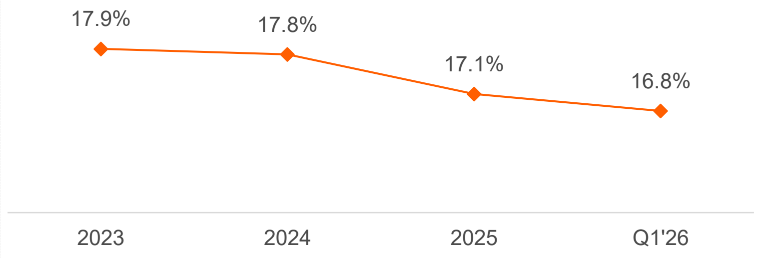
Loan to Deposit Ratio (%)



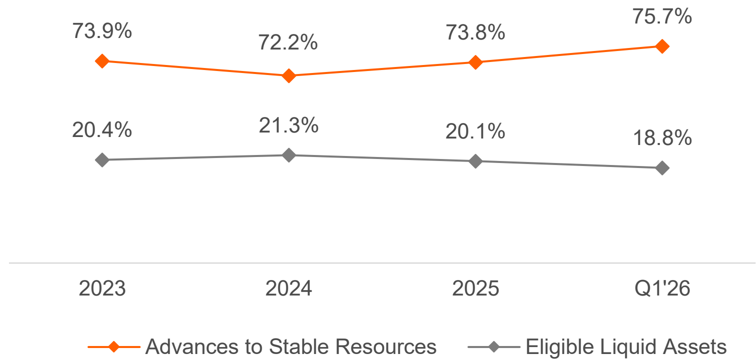
Profitability Ratios (%)



Capital Adequacy (%)



Liquidity Ratios (%)



Mashreq outperforms the UAE banking sector across key metrics with NPL ratio of 0.9%, ROE of 20.7%, and a CAR of 16.9% in H1'26.

Source: UAE Central Bank

4. Appendix

Financial Highlights

Income Statement (AEDm)	H1 2026	H1 2025	Δ% YoY	Q2 2026	Q1 2026	Q2 2025	Δ% QoQ	Δ% YoY
Net Interest Income and Income from Islamic Financing	**4,225**	**3,961**	**7%**	**2,187**	**2,038**	**1,995**	**7%**	**10%**
Fees & Commission	716	644	11%	248	468	296	(47%)	(16%)
Investment Income	335	213	57%	286	48	100	495%	185%
Insurance, FX and Other Income	1,551	1,370	13%	679	872	676	(22%)	0%
Non-Interest Income	**2,601**	**2,226**	**17%**	**1,213**	**1,388**	**1,072**	**(13%)**	**13%**
Total Operating Income	**6,826**	**6,187**	**10%**	**3,400**	**3,426**	**3,067**	**(1%)**	**11%**
Operating Expenses	(2,144)	(1,866)	15%	(1,084)	(1,060)	(948)	2%	14%
Operating Profit	**4,682**	**4,321**	**8%**	**2,316**	**2,367**	**2,119**	**(2%)**	**9%**
Impairment Allowance	122	(245)	NM	209	(87)	(144)	NM	NM
Net Profit before Tax	**4,805**	**4,076**	**18%**	**2,525**	**2,280**	**1,975**	**11%**	**28%**
Tax	(757)	(604)	25%	(404)	(353)	(295)	14%	37%
Net Profit after Tax	**4,048**	**3,472**	**17%**	**2,121**	**1,927**	**1,680**	**10%**	**26%**
Non-Controlling Interest	(92)	(68)	35%	(49)	(43)	(32)	12%	52%
Profit attributable to Owners of the Parent	**3,955**	**3,404**	**16%**	**2,072**	**1,883**	**1,648**	**10%**	**26%**

Financial Highlights

Balance Sheet Highlights (AEDm)	Jun 2026	Jun 2025	Δ% YoY	Jun 2026	Mar 2026	Dec 2025	Δ% QoQ	Δ% YTD
Loans to Customers	169,088	134,120	26%	169,088	167,697	164,349	1%	3%
Loans to Banks	62,043	63,047	(2%)	62,043	58,325	65,721	6%	(6%)
Investments	76,145	36,704	107%	76,145	62,117	50,624	23%	50%
Cash and Due from Central Bank	41,782	46,096	(9%)	41,782	35,596	33,532	17%	25%
Other Assets	16,506	13,518	22%	16,506	20,385	20,224	(19%)	(18%)
Investments in Properties	184	150	23%	184	184	184	0%	0%
Total Assets	**365,748**	**293,635**	**25%**	**365,748**	**344,305**	**334,634**	**6%**	**9%**
Customer Deposits	227,190	177,645	28%	227,190	210,171	204,895	8%	11%
Balances due to banks	32,793	48,534	(32%)	32,793	33,538	38,922	(2%)	(16%)
Loans and Sukuk	20,833	5,202	301%	20,833	16,753	15,310	24%	36%
Other Liabilities	24,814	21,600	15%	24,814	27,787	27,793	(11%)	(11%)
Repo	16,073	3,659	339%	16,073	14,335	7,136	12%	125%
Total Liabilities	**321,703**	**256,639**	**25%**	**321,703**	**302,583**	**294,057**	**6%**	**9%**
Minority Interest	1,260	1,120	12%	1,260	1,195	1,202	5%	5%
Shareholder’s Equity	42,785	35,876	19%	42,785	40,527	39,374	6%	9%
Total Equity	**44,045**	**36,996**	**19%**	**44,045**	**41,722**	**40,577**	**6%**	**9%**
Total Liabilities & Equity	**365,748**	**293,635**	**25%**	**365,748**	**344,305**	**334,634**	**6%**	**9%**

Thank You!

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