

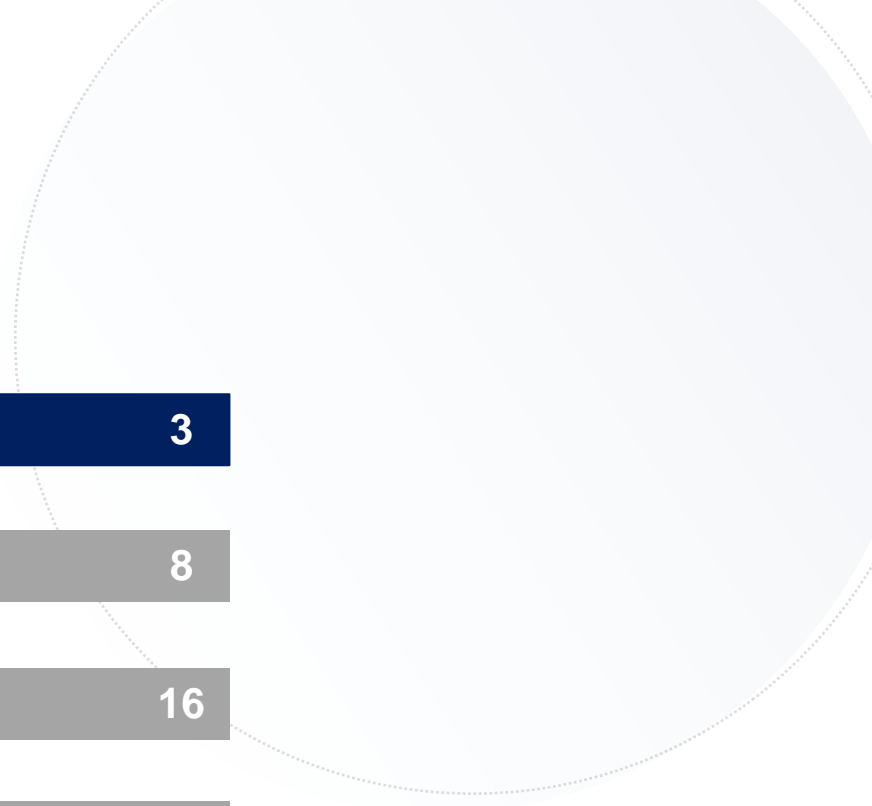
البنك العربي  
ARAB BANK



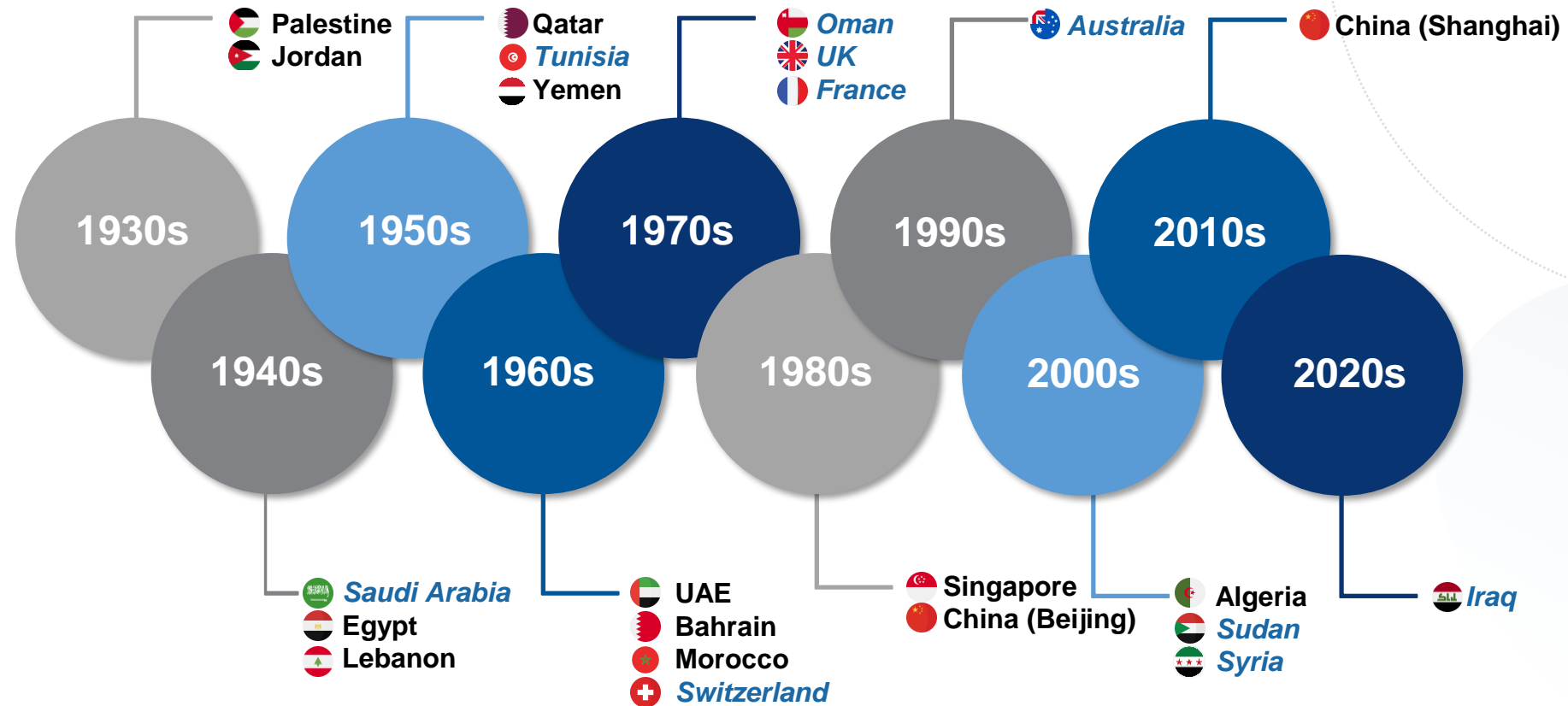


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# Arab Bank has a rich legacy of regional and international expansion since 1930





# Arab Bank's extensive network and longstanding presence in MENA underpins its deep-rooted understanding of, and commitment to the region



## Key Subsidiaries

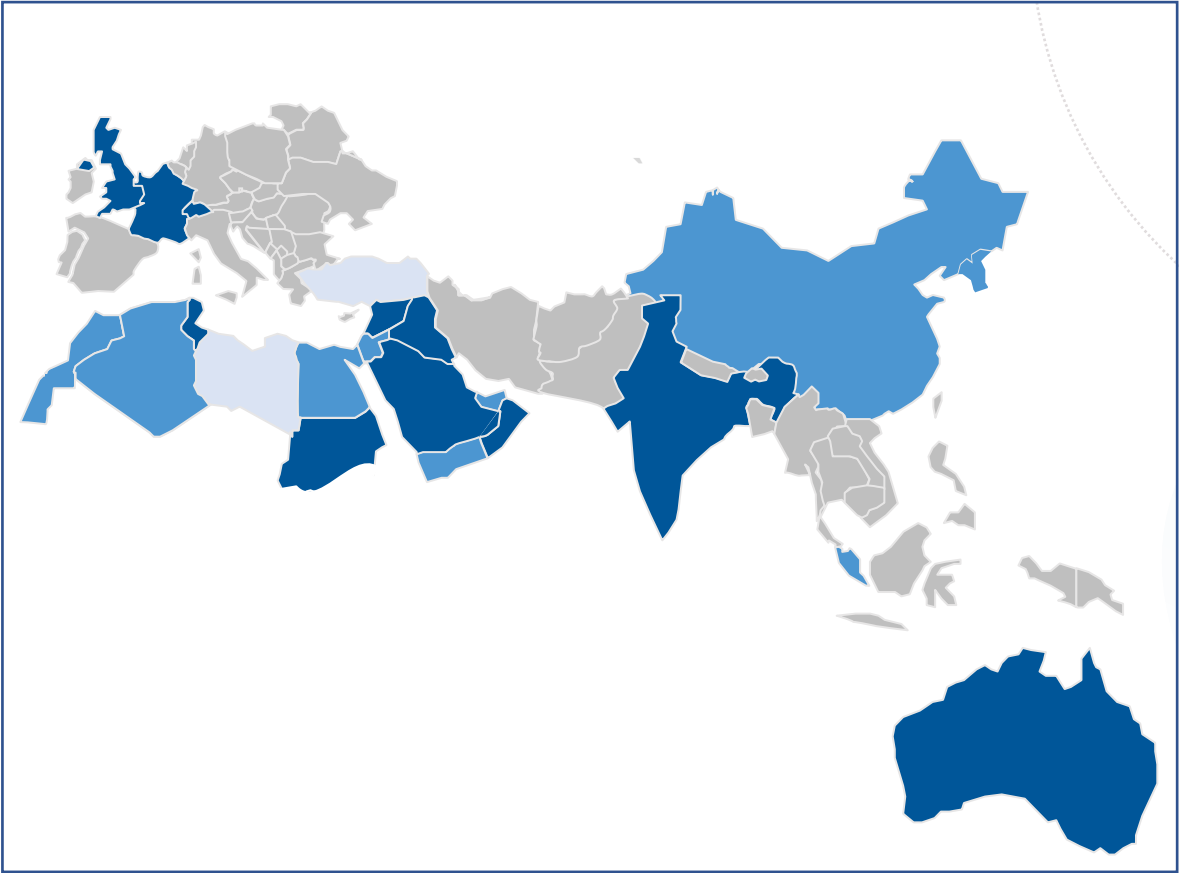
-  Arab Bank Australia Limited (100%)
-  Europe Arab Bank plc (100%)
-  Islamic International Arab Bank (100%)
-  Arab Tunisian Bank (64%)
-  Oman Arab Bank (49%)
-  Arab Bank - Syria (51%)
-  Arab Sudanese Bank Limited (100%)
-  Arab Bank Iraq (63.8%)
-  AB Invest - Jordan (100%)
-  Arab National Leasing Co. (100%)
-  Al Nisr Al Arabi Ins. Co. (68%)
-  Acabes International Pvt. (100%)

## Key Affiliates

-  Arab National Bank (40%)
-  Arabia Group Holding Limited (47.3%)

## Sister Company

-  Arab Bank (Switzerland) Ltd.
- 



■ Arab Bank Subsidiaries, Affiliates and Sister company   ■ Arab Bank plc Branches   ■ Other Investments

\* Excluding affiliates

## Arab Bank Group



**600+** Branches



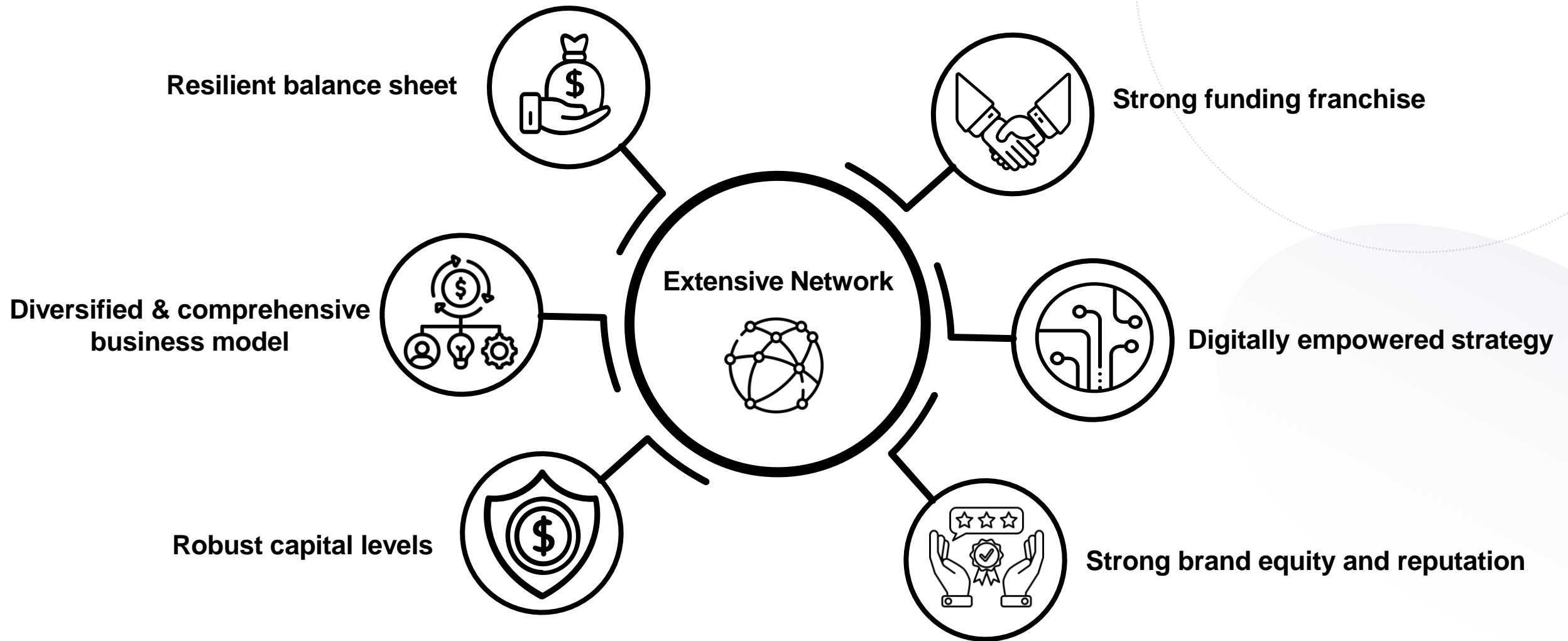
**27** Countries









**12K+** Employees \*



# Arab Bank Key Strengths



## Strong Performance Across Key Metrics

Assets	Gross Loans	Deposits	Total Equity
<b>\$71.2bn</b>	<b>\$38.3bn</b>	<b>\$52.2bn</b>	<b>\$12.1bn</b>
 6% **	 6% **	 5% **	 7% *
Net Operating Income	Net Income	Loan to Deposits	Cost to Income
<b>\$2.0bn</b>	<b>\$1,007.1mn</b>	<b>73.4%</b>	<b>42.0%</b>
 8% *	 21% *		
Return on Equity	NPL Coverage Ratio	Capital Adequacy Ratio	Market Cap
<b>9.0%***</b>	<b>154%</b>	<b>17.2%</b>	<b>\$4.1bn</b>

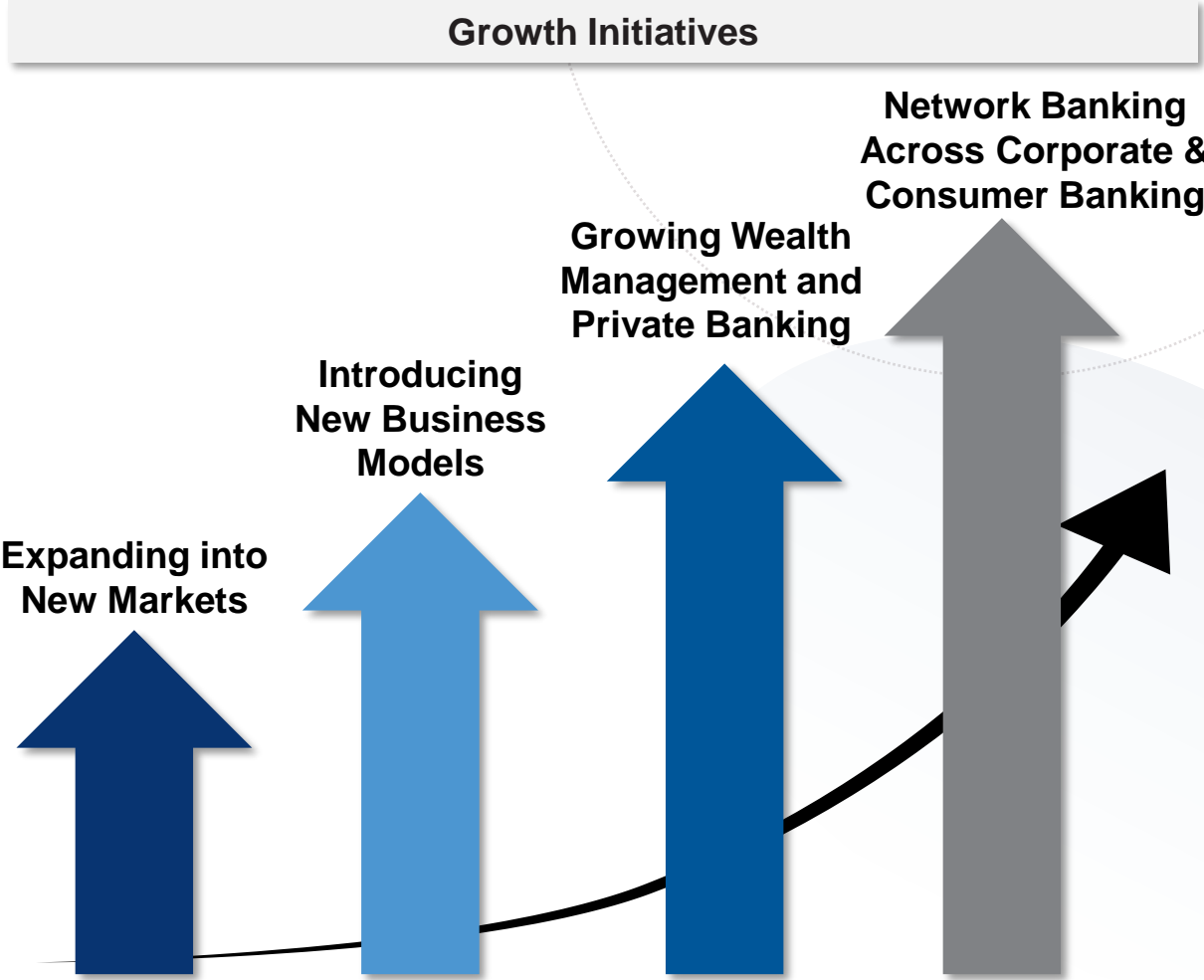
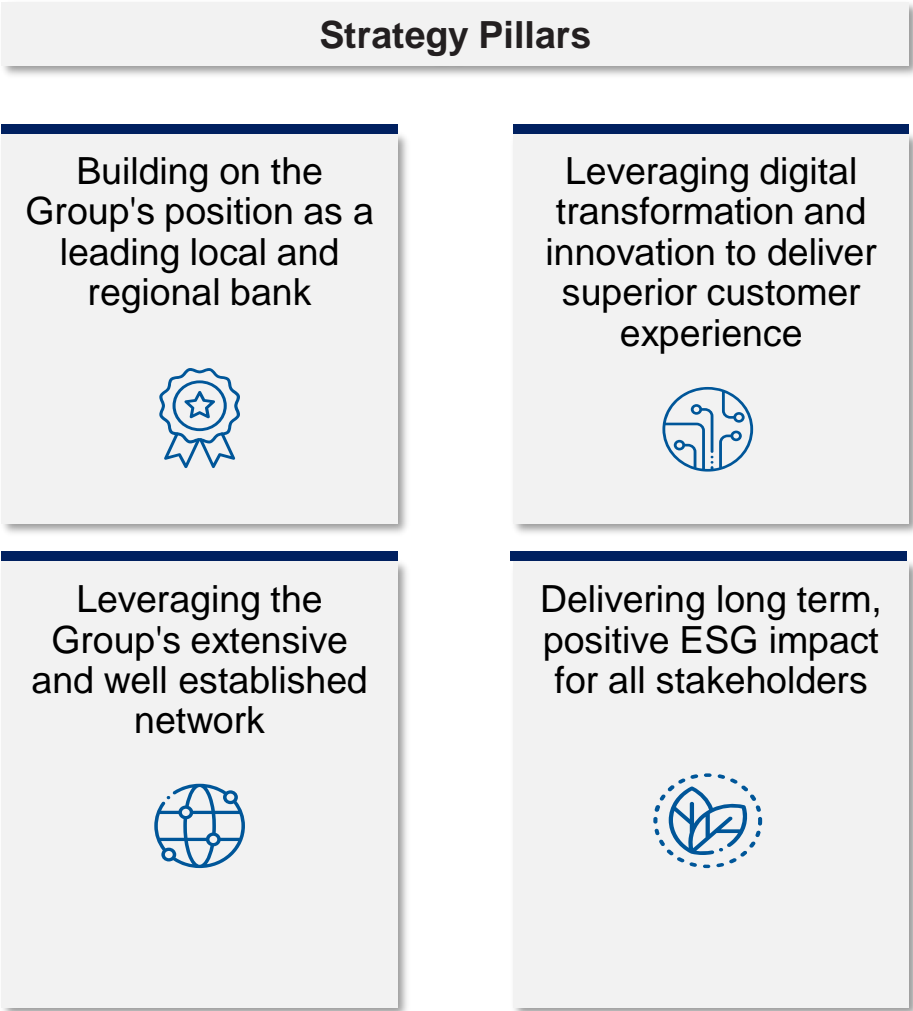


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# Arab Bank's growth strategy is built on leveraging the Group's network and harnessing the power of digital transformation to achieve sustainable growth and deliver shareholders' value





# Arab Bank is well positioned to capture growth opportunities in attractive MENA markets



Well established MENA presence with international connectivity, allowing Arab Bank to deliver comprehensive financial services across the Group's network



High growth GCC markets are a major contributor to the Bank's earning power, with additional potential from recently established presence in Iraq



Positive structural drivers for MENA regional growth include economic diversification, national investment programs, privatisations, capital markets development and demographics



Well diversified business model across multiple segments; Corporate, SME, Consumer, Wealth Management & Private Banking, Treasury and Islamic Banking



**Jordan**

**Outside Jordan**

**Net Loans**

**27%**

**73%**

**Equity**

**13%**

**87%**

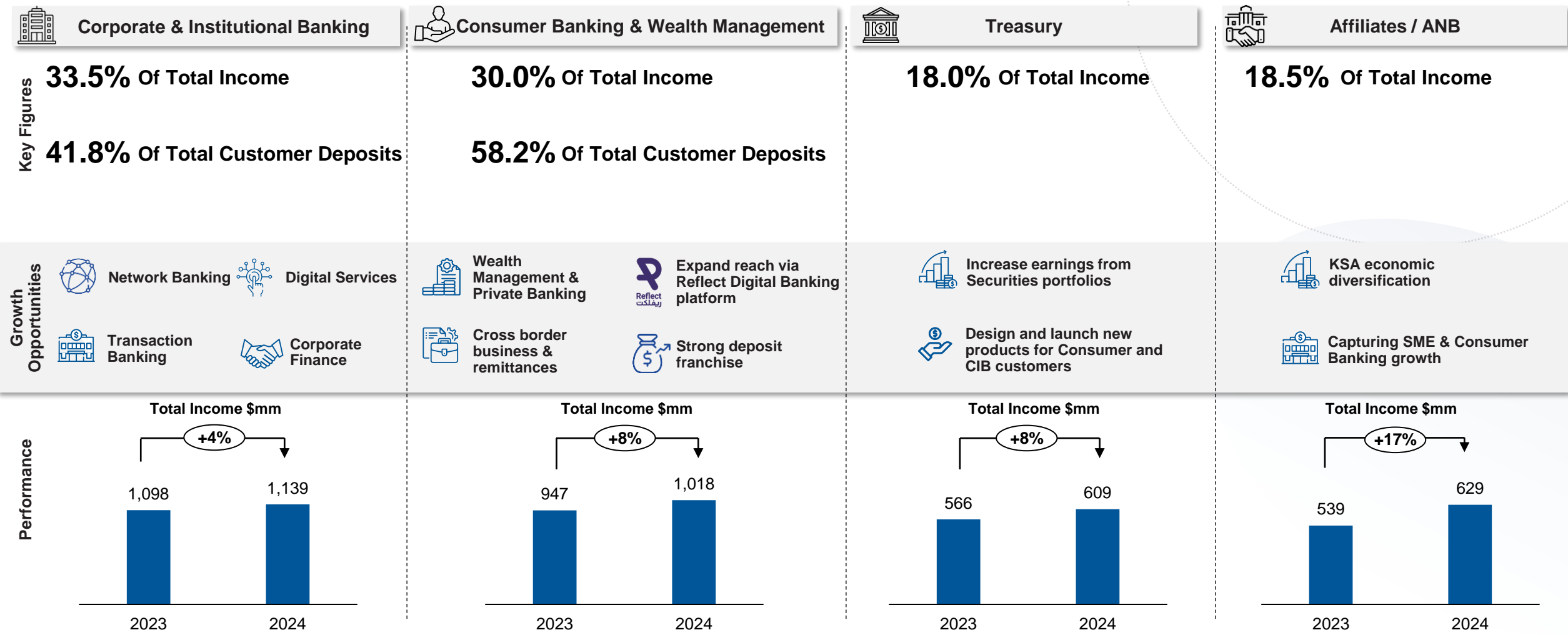
**Net Operating Income**

**24%**

**76%**



# Arab Bank has a diversified business model across its lines of business and network



# Arab Bank is implementing a customer focused strategy by leveraging digital transformation

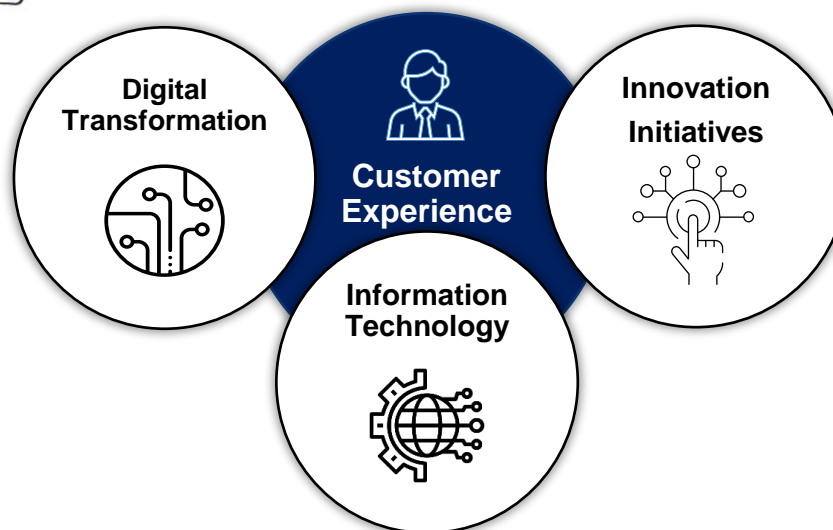
## Delivering a superior digital customer experience..

- Digital solutions for all segments – Arabi Mobile, Arabi Connect, Arabi Next
- Digital Onboarding
- E-payments
- Eco-system
- Online Marketplaces



## Introducing new business models..

- Top tier Card Acquirer in Jordan and Palestine
- Launched dedicated SME mobile banking app to support that growing segment
- Launched Reflect Digital Banking Platform in Jordan and Palestine providing a branchless banking experience
- Implemented AI-based solutions for boosting sales, improving customer service and insights, and risk mitigations
- Developed Omnify – an API platform for Open Banking, Embedded Finance and Banking as a Service



## Backed by a robust IT infrastructure and enablers..

- Strong focus on Cybersecurity and Data Protection
- Leverage robotics process automations and AI to automate IT operations
- New MACH based design architecture; Microservices, APIs
- Established a wholly owned Fintech and IT development subsidiary – Acabes



## And innovation initiatives..



AB iHub (Jordan and Egypt) – R&D centre to explore, educate and experiment with Startups & Intrapreneur programs to implement digital staff ideas



ABX – an accelerator adapting and scaling Fintech solutions for Arab Bank



ABVENTURES

AB Ventures – Corporate VC fund focusing mainly on Fintech to augment Arab Bank access to global innovation

# Reflect – A leading Digital Banking Platform offering a modern and fresh banking experience

## Vision



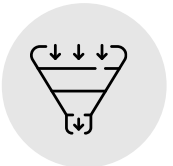
To create an exceptional digital banking journey in a rapidly changing world

## Mission



To provide a personalized banking experience that offers financial and non-financial services through a secure and frictionless super-app

## Values



**Hyper-personalization**



**Speed of Innovation & Agility**



**Simplicity**



**Transparency**



**Reflect, the new Digital Banking Platform in Jordan and Palestine**

# Arab Bank is growing its Wealth Management and Private Banking across the network



Arab Bank (Switzerland) Ltd. is a sister company of Arab Bank plc founded in 1962, specialized in Wealth Management for a sophisticated clientele, in addition to other services in Trade Finance and Treasury

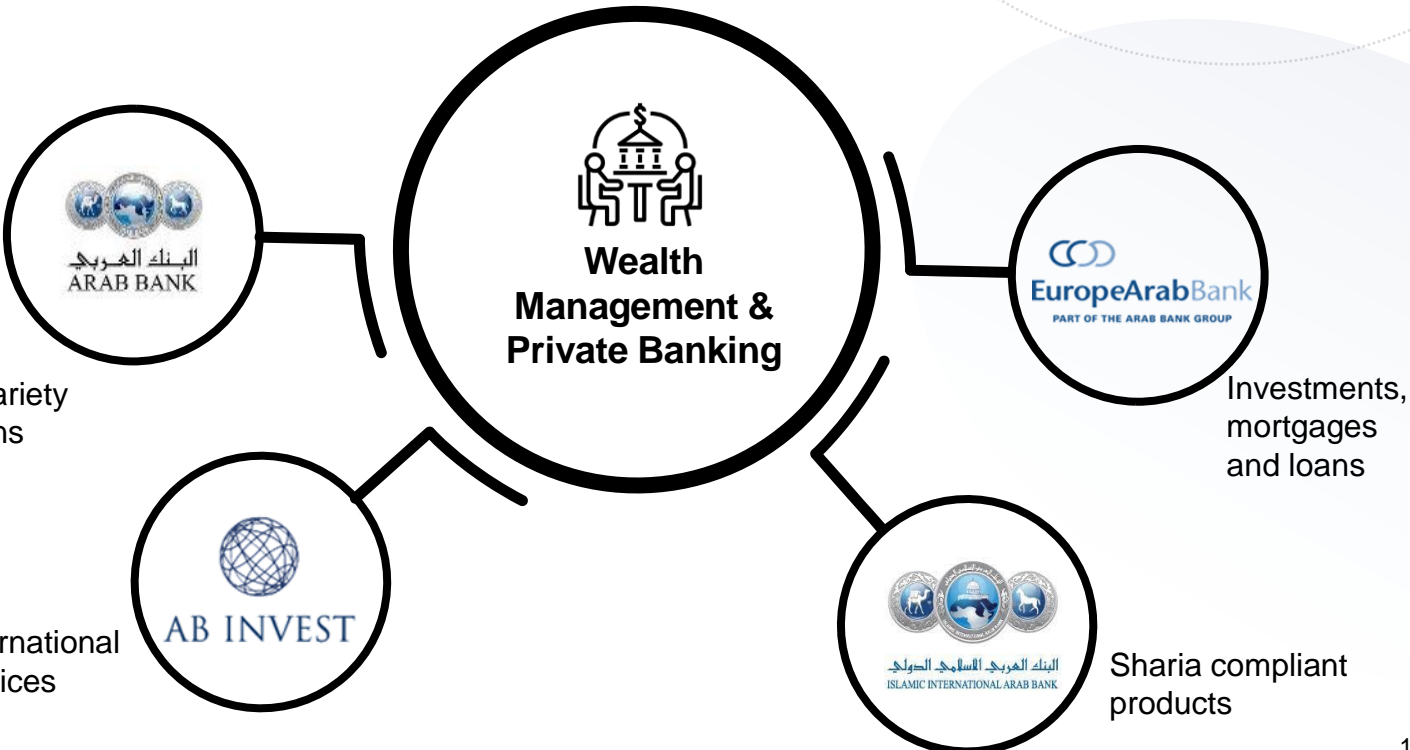
In 2023, Arab Bank Switzerland acquired a majority stake in Swiss private bank Gonet to form ABS group which commands AUM of \$14bn+



Arab Bank is expanding its product offering of investment funds, treasury products and brokerage services across the MENA region and Europe Arab Bank


Wealth Management offering including a variety of investment solutions

Asset Management, International and local brokerage services





# Arab Bank has launched a forward-looking comprehensive ESG strategy

Strategy Pillar	ESG Achievements		
 <b>Environmental</b> Support the transition to a low carbon economy	 Established Sustainable finance due diligence process and register	 Launched several <b>ESG related products and services</b>	 Launched <b>Arab Bank Sustainable Finance Report 2024</b> First Sustainable Finance Report in Jordan
	 Launched Arab Bank's first <b>ESG Hackathon</b> for our employees in Jordan, Palestine and Egypt	 Launched an <b>online ESG introduction training</b> targeting all employees	 Launched Arab Bank's internal <b>ESG Champions Program</b> Covering all divisions and countries
	 Established Arab Bank's ESG Governance Structure and Operating Model	 Integrated ESG strategy linked KPIs in Management Scorecards	 Published the <b>2023 ESG Report</b> covering the Bank's operations in Jordan, Palestine and Egypt



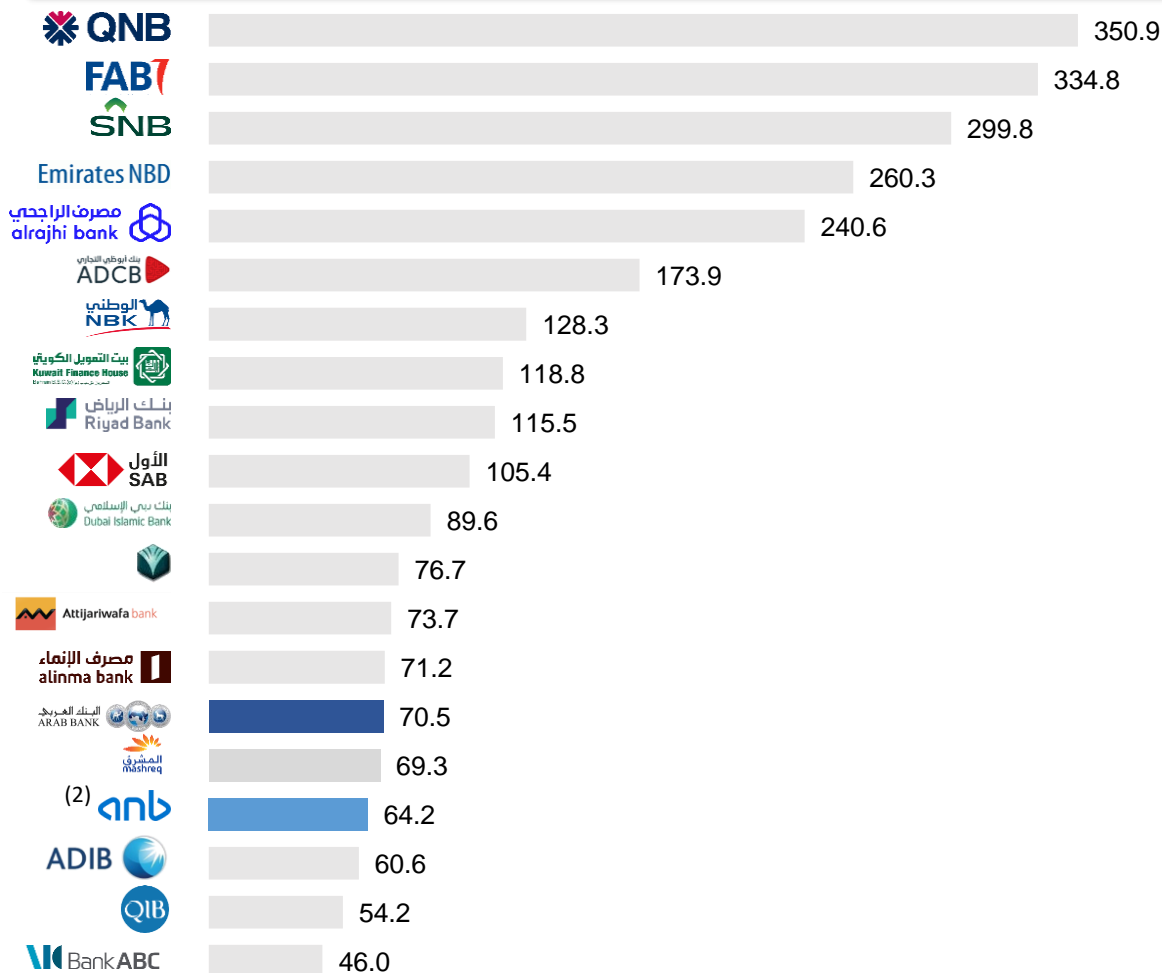
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# Arab Bank is among the largest banks in MENA

## MENA Banks' Assets <sup>(1)</sup> \$bn



(1) Total assets as of September 30<sup>th</sup>, 2024

(2) ANB is an affiliate of AB Group

(3) Full list of awards is available on Arab Bank [Website](#)

## Global Awards – 2024 <sup>(3)</sup>

### The Banker (FT)

- Bank of the Year in Jordan
- Bank of the Year in the Middle East
- Bank of the Year in Palestine
- Innovation in Digital Banking Awards (Omnify)



### Global Finance

- Best Bank in the Middle East
- Best Bank in Jordan
- Best SME Bank in the Middle East
- Best SME Bank in Jordan
- Best Trade Finance Provider in Jordan
- Best Foreign Exchange Bank in Jordan
- Best Bank for Sustaining Communities in the Middle East
- Best Bank for Sustainable Finance in Jordan



### MEED

- Best Retail Bank in Jordan
- Best Digital Bank in Jordan
- Excellence in Client Services in Jordan



### Euromoney

- Jordan's Best Bank
- Jordan's Best Bank for Corporates
- Morocco's Best International Bank



### EMEA Finance

- Best Trade Finance Services in the Middle East
- Best Transactional Bank for Financial Institutions in the Middle East



..with a dominant position in Jordan

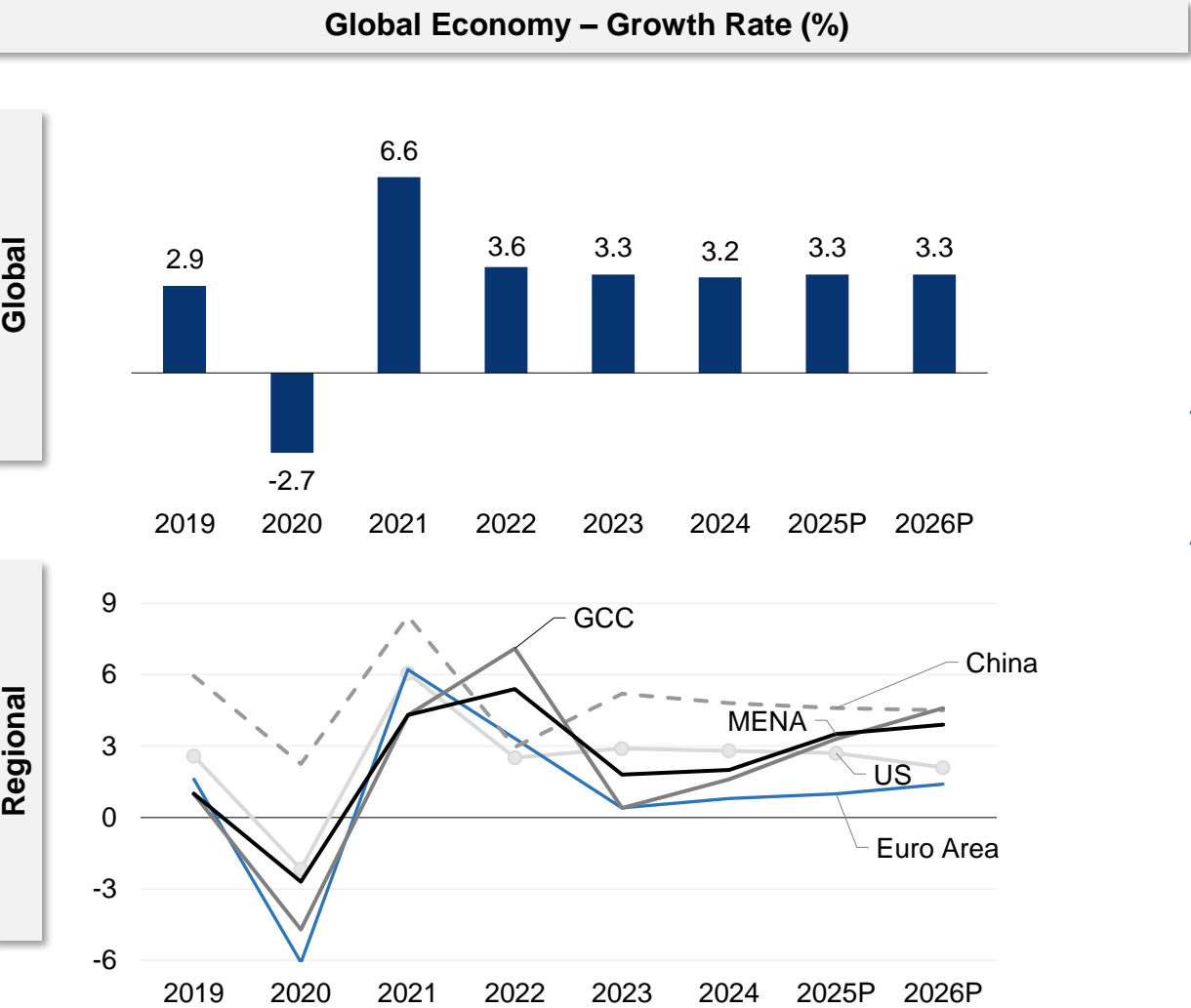
Leading Position

	Rank <b>#1</b>	<b>In loans</b>
	<b>#1</b>	<b>In deposits</b>
	<b>#1</b>	<b>Capital</b>
	<b>#1</b>	<b>Net Income</b>

Largest Bank by Assets \*, \$bn

	70.5
	12.9
	11.7
	11.4
	8.3
	8.2
	5.5

In MENA oil-exporting countries, growth is strong over the medium-term, supported by gradual unwinding of OPEC+ cuts coupled with continued focus on transformational programs and mega projects. Also, growth in oil-importing countries is expected to gain more momentum with a strong recovery in the Levant coupled with faster growth in Egypt and Jordan

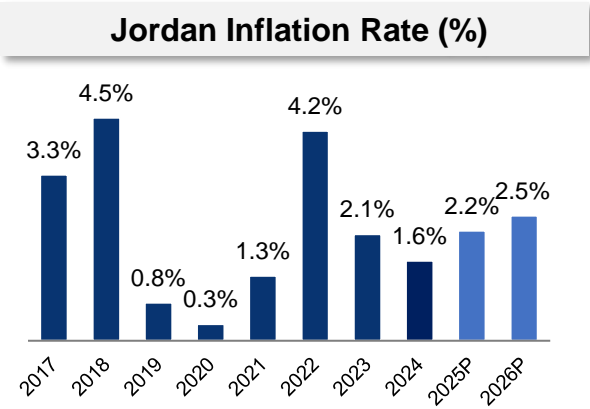
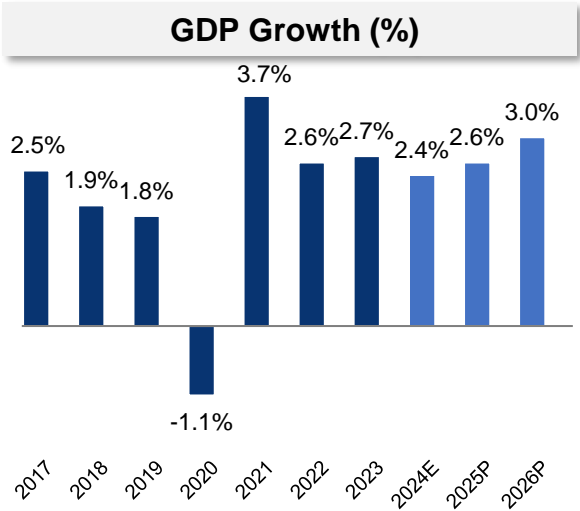


### GDP Growth by Country (%)

	2022	2023	2024	2025P	2026P
Oil importing countries					
Jordan	2.6	2.7	2.4	2.6	3.0
Palestine	4.1	(4.6)	(28.0)	4.7	16.5
Egypt	6.7	3.8	2.4	3.6	4.1
Tunisia	2.7	0.0	1.6	1.6	1.5
Oil exporting countries					
Algeria	3.6	4.1	3.8	3.0	2.5
Iraq	7.7	(2.9)	0.1	4.1	5.2
KSA	7.5	(0.8)	1.3	3.3	4.1
UAE	7.5	3.6	4.0	4.1	5.1
Oman	8.0	1.2	1.2	2.6	3.6
Bahrain	6.2	3.9	3.0	3.2	2.9
Qatar	4.2	1.2	1.5	1.9	5.8

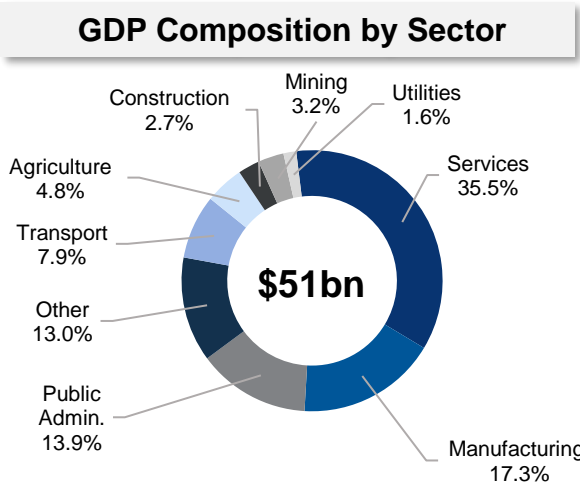


Jordan's growth was broad-based in 2023, and export-oriented in the first 9M 2024; Jordan's sovereign rating has been upgraded by Moody's to Ba3 (May 2024) and S&P to BB- (Sep. 2024)



### Competitive Advantage

- 63%** of population under 30 - young demographic
- Rating** Ba3 / BB- / BB- (Moody's, Fitch, S&P)
- JOD** Stable currency, pegged to the US Dollar
- 99%** Mobile network coverage



### Key Growth Sectors

- Manufacturing**
- Agriculture**
- Transport & Communication**
- Financial Services**
- Trade**

### Jordan Economic Modernization Vision

- 35** Sectors
- 366** Initiatives
- 8** Growth Drivers
- 10** Key Success Factors
- 8** Main Goals
- 4** Monitoring and Evaluation Units

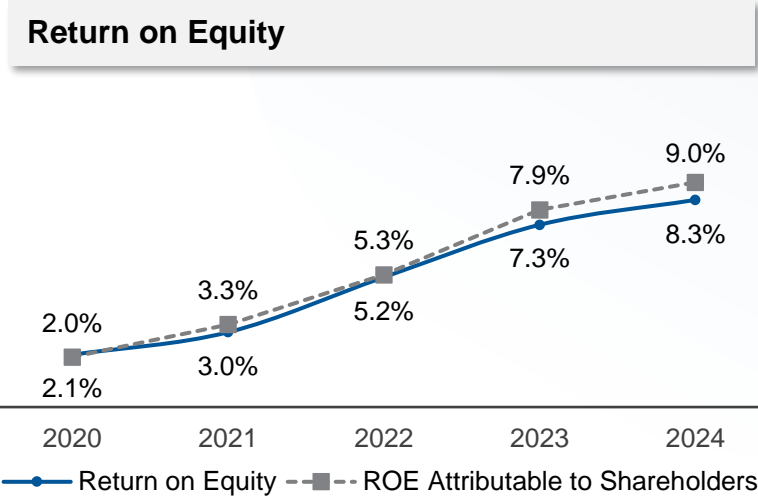
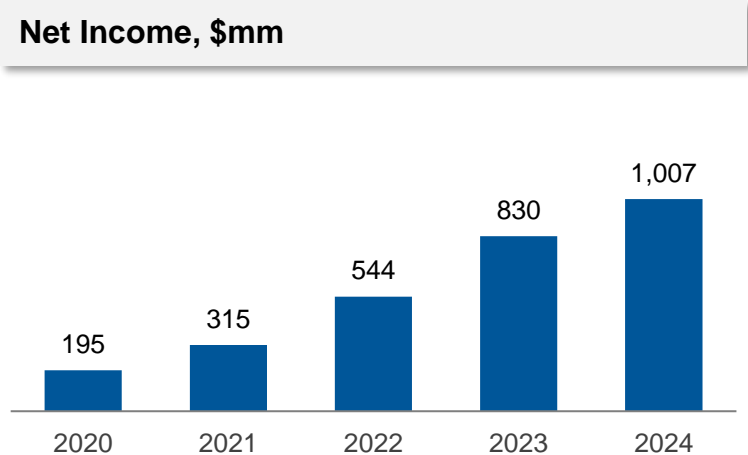
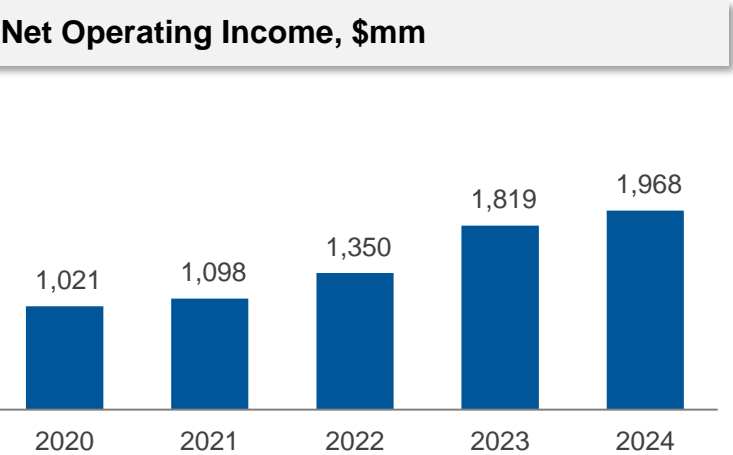
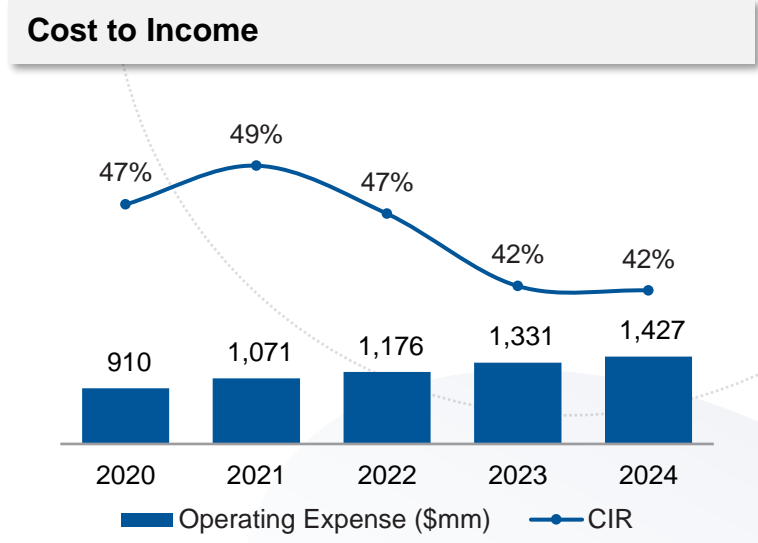
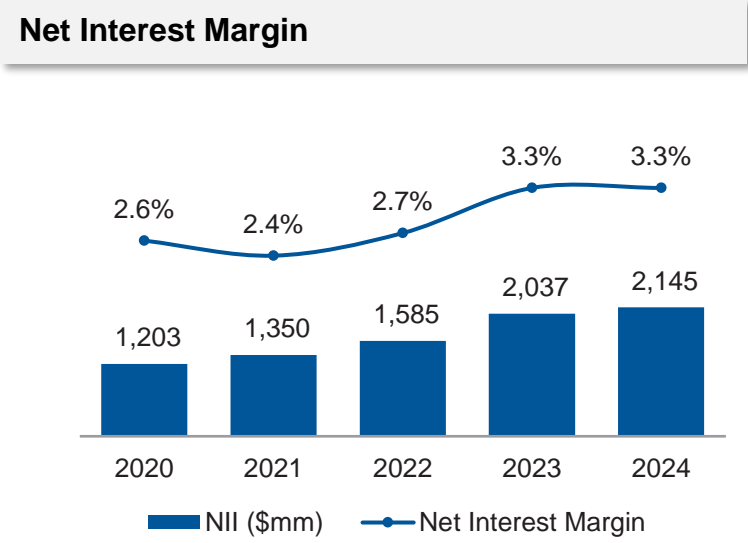
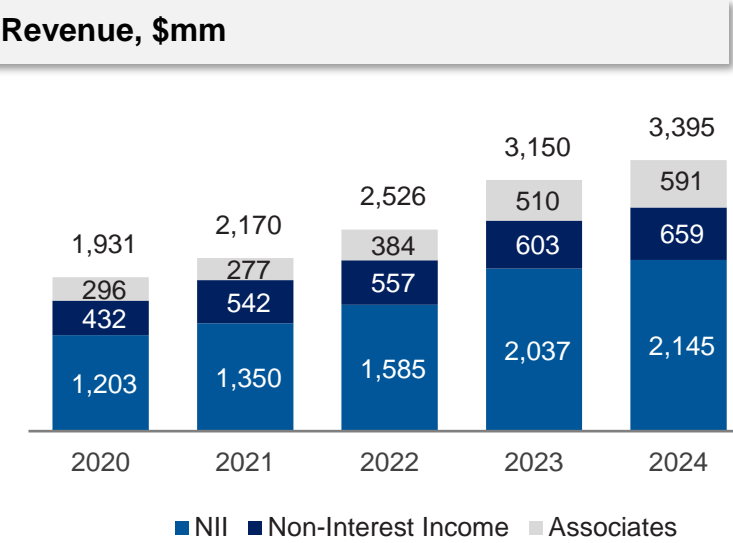


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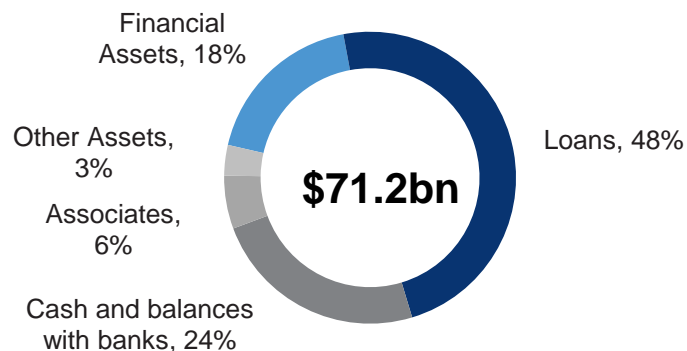


# Arab Bank delivered consistent and resilient Net Operating Income with a solid growth trajectory

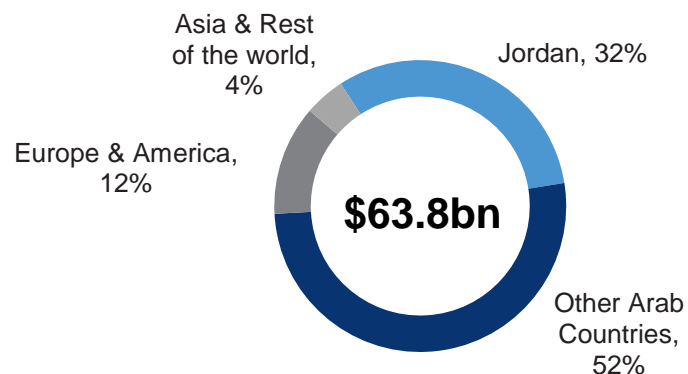


...coupled with a strong and liquid balance sheet with a diversified asset base

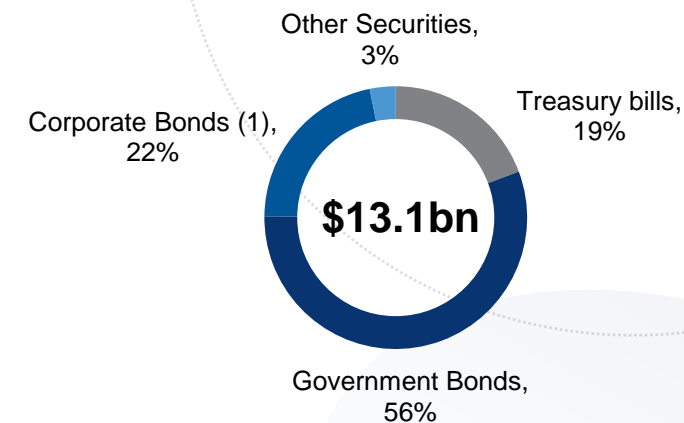
### Assets Type Mix



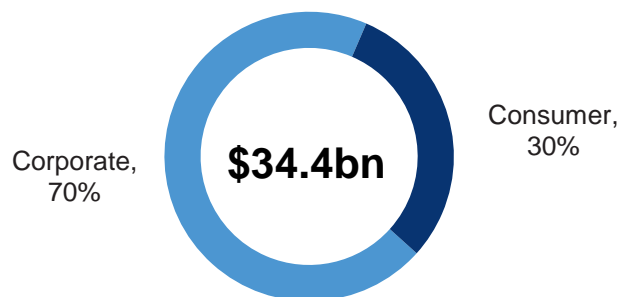
### Geographic Distribution of Credit Exposure



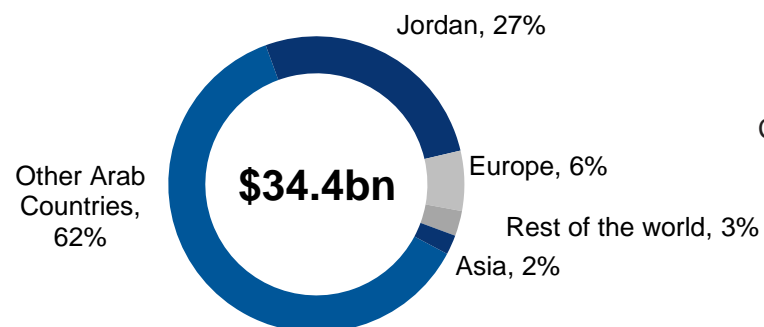
### Investment Portfolio by Type



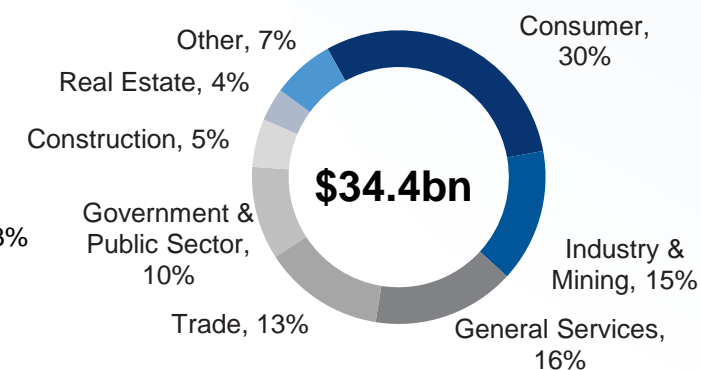
### Net Loans by Segment



### Net Loans by Geography

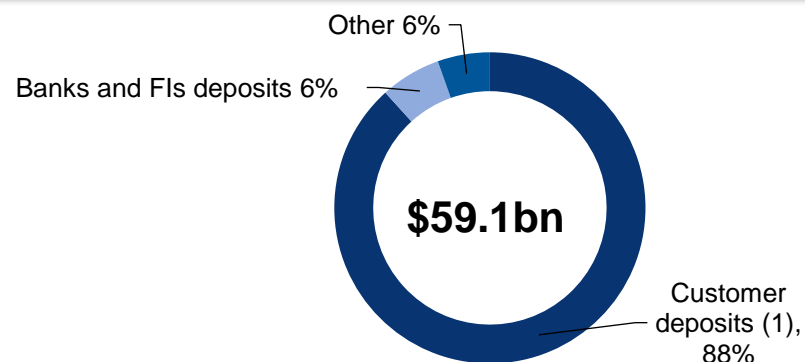


### Net Loans by Economic Sector

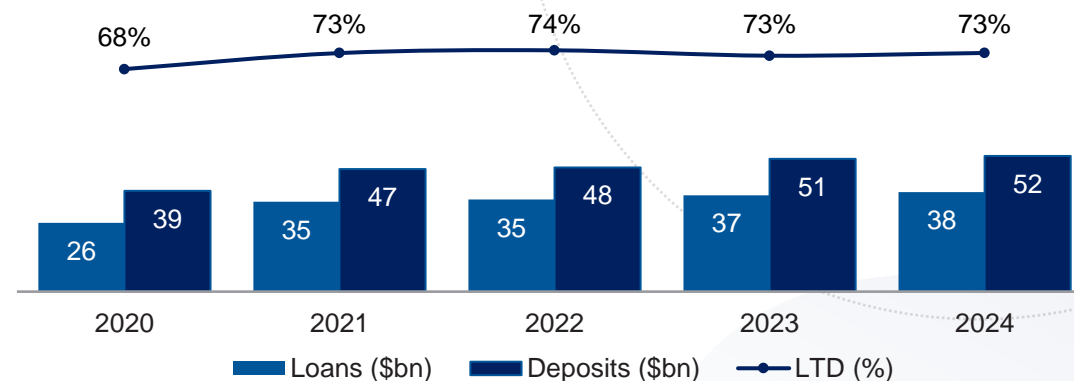


... and a diverse and stable customer deposit base with a prudent loan-to-deposit ratio

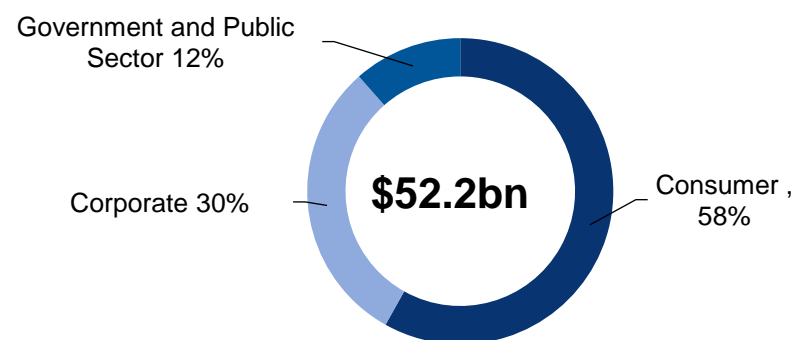
### Liabilities Breakdown



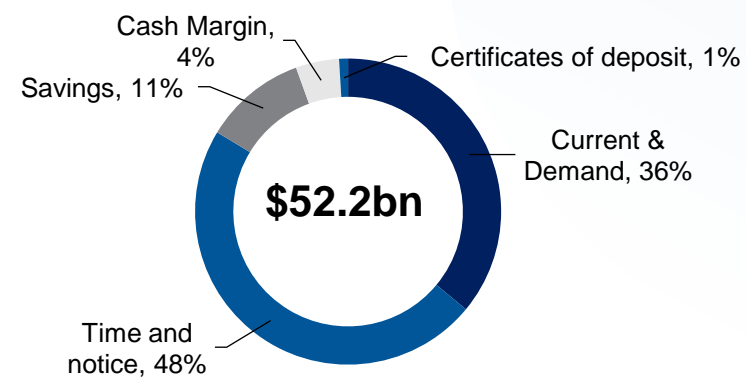
### Gross Loans to Deposits



### Deposits by Segment



### Deposits by Type

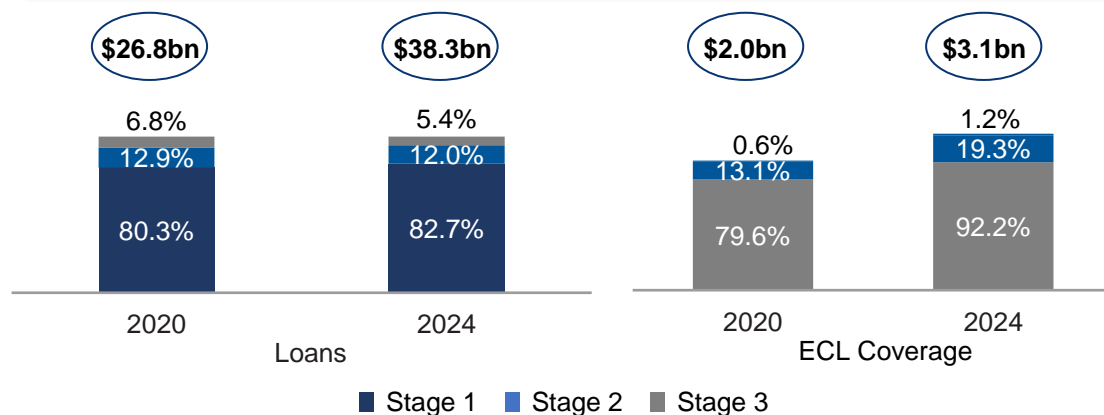


Non-interest bearing deposits represent 31% of customer deposits

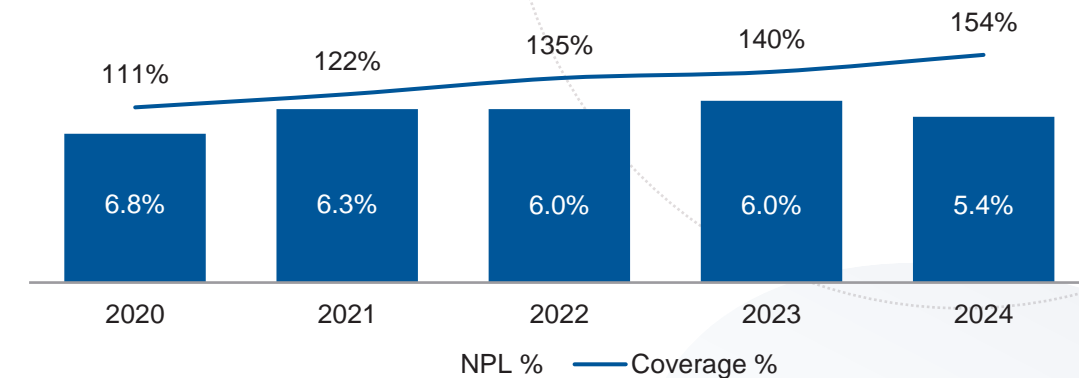


.. as well as robust and established risk management practices with strong core capital

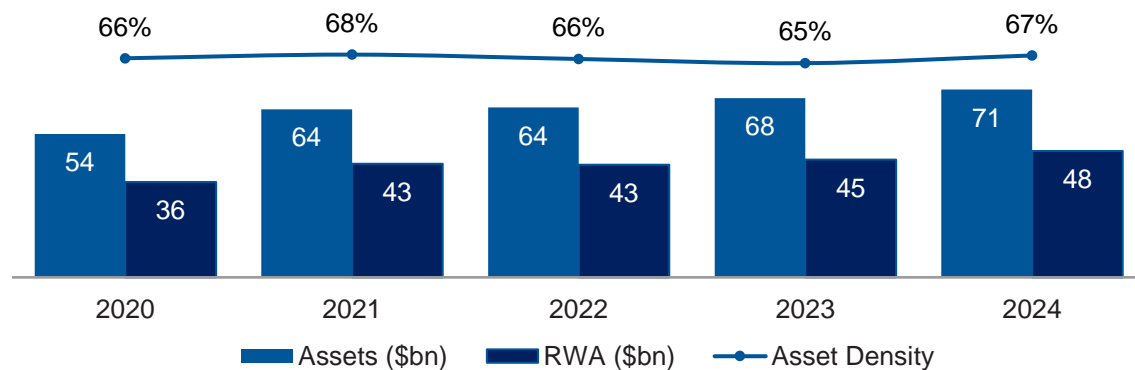
### Loans and Coverage per stage <sup>(1)</sup>



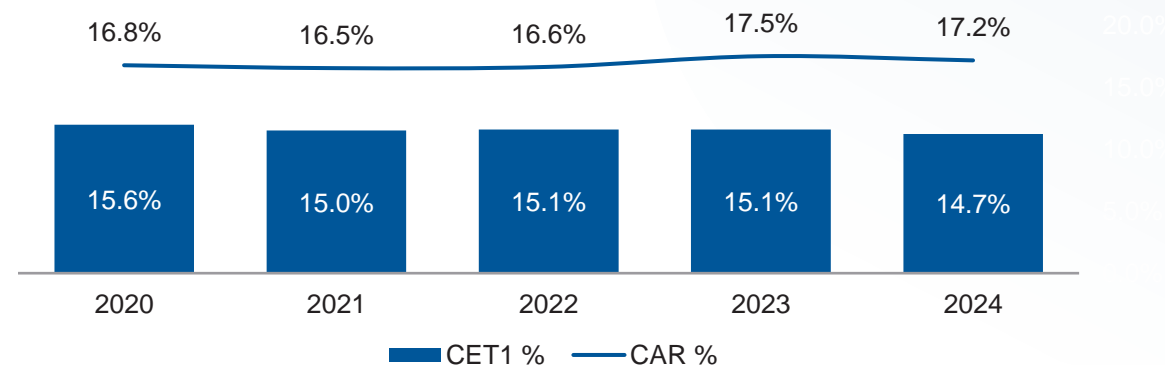
### NPLs and Coverage



### Asset Density <sup>(2)</sup>



### Capital Adequacy



# Key Financial Highlights 2024: A record year with \$1.0 billion in net profit and \$2.0 billion in net operating income driven by strong growth momentum across multiple markets

- AB Group continued building on the strong performances in previous years, delivering record figures with net income after tax of **\$1,007mm**, a **21%** growth compared to last year, driven by growth across various business segments and markets.
- In 2024, the Bank's loans and deposits grew by **3%** each (**6%** and **5%**, respectively at constant currency) benefiting from the Bank's well diversified business model while successfully navigating through the challenging global and regional operating environments.
- The Group's Net Operating Income grew by **8%** in 2024 to reach **\$1,968mm**, supported by sustainable growth in both interest and non-interest income contribution as a result of revenue diversification, growth in lending and efficient management of liquidity and funding sources, benefiting from its presence in the GCC and international markets.
- AB Group maintains a solid capital position; with a CAR of **17.2%**, and a healthy NPL coverage ratio of **154%**.

USD '000	2023	2024	YoY%
<b>Loans</b>	<b>37,079,697</b>	<b>38,291,761</b>	<b>3.3%</b>
<b>Deposits</b>	<b>50,624,740</b>	<b>52,165,279</b>	<b>3.0%</b>
<b>Operating Income</b>	<b>3,150,270</b>	<b>3,395,007</b>	<b>7.8%</b>
Net Interest Income	2,037,210	2,145,286	5.3%
Non-Interest Income	603,091	658,579	9.2%
Associates Income	509,969	591,142	15.9%
<b>Operating Expense</b>	<b>1,331,116</b>	<b>1,427,277</b>	<b>7.2%</b>
<b>Net Operating Income</b>	<b>1,819,154</b>	<b>1,967,730</b>	<b>8.2%</b>
ECL and Impairment	602,013	522,220	(13.3%)
<b>Net Income Before Tax</b>	<b>1,217,141</b>	<b>1,445,510</b>	<b>18.8%</b>
Income Tax	387,505	438,420	13.1%
<b>Net Income After Tax</b>	<b>829,636</b>	<b>1,007,090</b>	<b>21.4%</b>

# Arab Bank Group Consolidated Statement of Financial Position – Balance Sheet

USD '000		2023	2024
Assets	Cash and balances with central banks	13,250,460	13,086,725
	Balances with banks and financial institutions	4,204,480	3,748,388
	Deposits with banks and financial institutions	273,807	258,832
	Financial assets at fair value through profit or loss	55,012	74,222
	Financial derivatives - positive fair value	217,629	207,788
	Direct credit facilities at amortized cost	33,158,248	34,383,335
	Financial assets at fair value through other comprehensive income	759,038	1,082,092
	Other financial assets at amortized cost	10,376,401	11,992,602
	Investment in associates	3,848,257	4,188,026
	Fixed assets	523,638	538,503
	Other assets	1,363,343	1,399,078
	Deferred tax assets	243,658	270,930
	<b>Total Assets</b>	<b>68,273,971</b>	<b>71,230,521</b>
Liabilities	Banks' and financial institutions' deposits	3,295,702	3,718,723
	Customers' deposits	47,811,253	49,775,767
	Cash margin	2,813,487	2,389,512
	Financial derivatives - negative fair value	197,538	156,123
	Borrowed funds	509,809	484,823
	Provision for income tax	337,202	416,942
	Other provisions	244,694	242,704
	Other liabilities	1,691,322	1,886,861
	Deferred tax liabilities	16,113	24,167
	<b>Total Liabilities</b>	<b>56,917,120</b>	<b>59,095,622</b>
Shareholders Equity	<b>Total Equity Attributable to Shareholders of the Bank</b>	<b>10,151,870</b>	<b>10,761,535</b>
	Non-controlling interests	575,111	662,300
	Tier 1 Capital Bonds	629,870	711,064
	<b>Total Shareholders' Equity</b>	<b>11,356,851</b>	<b>12,134,899</b>
<b>Total Liabilities and Shareholders' Equity</b>		<b>68,273,971</b>	<b>71,230,521</b>

# Arab Bank Group Consolidated Statement of Income – Income Statement

USD '000		2023	2024
Revenue	Interest income	3,659,678	4,013,607
	Less: interest expense	1,622,468	1,868,321
	<b>Net interest income</b>	<b>2,037,210</b>	<b>2,145,286</b>
	Net commission income	425,113	453,068
	<b>Net interest and commissions income</b>	<b>2,462,323</b>	<b>2,598,354</b>
	Foreign exchange differences	120,628	132,399
	Gain from financial assets at fair value through profit or loss	4,613	6,098
	Dividends on financial assets at fair value through other comprehensive income	8,657	7,877
	Group's share of profits from associates	509,969	591,142
	Other revenue	44,080	59,137
<b>Total Income</b>		<b>3,150,270</b>	<b>3,395,007</b>
Expenses	Employees' expenses	717,674	786,204
	Other expenses	482,316	511,212
	Depreciation and amortization	95,784	117,551
	Provision for impairment - ECL	592,282	490,730
	Other provisions	45,073	43,800
<b>Total Expenses</b>		<b>1,933,129</b>	<b>1,949,497</b>
Profit	<b>Profit for the Year before Income Tax</b>	<b>1,217,141</b>	<b>1,445,510</b>
	Less: Income tax expense	387,505	438,420
	<b>Profit for the Year</b>	<b>829,636</b>	<b>1,007,090</b>
	<b>Attributable to :</b>		
	Bank's shareholders	800,695	969,126
	Non-controlling interests	28,941	37,964
<b>Total</b>		<b>829,636</b>	<b>1,007,090</b>
Earnings per share attributable to the Bank's Shareholders			
<b>- Basic and Diluted (US Dollars)</b>		<b>1.23</b>	<b>1.47</b>

# Credit Ratings

**MOODY'S**

Arab Bank plc  
Bank Deposits Ratings

**Ba1/Stable/NP**

Arab Bank plc - Dubai branch  
Bank Deposits Ratings

**Ba1/Stable/NP**

**FitchRatings**

Arab Bank plc  
Issuer Default Ratings (IDRs)

**BB/Stable/B**

**STANDARD  
& POOR'S**

Arab Bank plc  
Issuer Credit Rating









**BB-/Stable/B**

Arab Bank Group Operating Entities  
Europe Arab Bank  
Issuer Credit Rating

**BB+/Stable/B**



# Attractive valuation metrics and sustainable dividends distribution

			
<b>Price / Book Value</b>	<b>Price / Earnings</b>	<b>Dividend Yield</b>	<b>Arab Bank Share Price</b>
<b>0.4x</b>	<b>4.3x</b>	<b>8.9%</b>	<b>4.5 JOD</b>
			
<b>\$4.1bn</b>	<b>640.8mm</b>	<b>19,000+</b>	<b>EPS</b>
<b>Market Cap</b> 16.3% of ASE	<b>Shares</b> 49% Jordanian   51% Foreign	<b>Shareholders</b>	<b>1.47 USD</b>

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