

## Aljazira Bank FY 2025 Preliminary Earnings Release

**Aljazira Bank Delivers Strong Financial Performance: Net Income Rises 22% to  $\text{SAR}$  1,506 Million Driven by Robust Double-Digit Growth Across Key Metrics**

*Riyadh, 28/01/2026*

FY 2025 Financial Results highlights:

- ✦ **Net income** increased by 22% YoY in FY 2025 to  $\text{SAR}$  1,506 million, while Q4 net income grew by 29% YoY to  $\text{SAR}$  362 million.
- ✦ **Total operating income** grew YoY by 18% in FY 2025 to  $\text{SAR}$  4,464 million and by 22% in Q4 to  $\text{SAR}$  1,185 million, driven by robust 28% increase in fee and other income and 14% rise in net financing and investment income. Fee and other income comprised impressive 33% of total operating income.
- ✦ The Bank demonstrated strong **positive jaws** with 10% YoY growth in operating expenses, well below operating income growth, resulting in 3.6 ppt improvement in cost-to-income ratio down to 52.4%.
- ✦ **Cost of risk** remained moderate at 36 bps for FY 2025, up 4 bps YoY, while NPL ratio improved to 1.03%, down 18 bps YoY.
- ✦ **Net financing** in FY 2025 grew by 14% to  $\text{SAR}$  110.9 bn supported by corporate and retail segments, total assets grew by 11% to  $\text{SAR}$  165.9 bn.
- ✦ **Shareholder's equity** grew by 25% in 2025 supported by Tier 1 Sukuk issuance which resulted in stronger capital base.

Commenting on the 2025 results, Mr. Naif A. Abdulkareem, CEO and Managing Director of Aljazira Bank, stated:

"In 2025 Aljazira Bank delivered a set of impressive results combining remarkable 22% uplift in net income and robust growth across all business lines. This performance was underpinned by well-diversified asset mix, resilient funding base and enhanced operational efficiency - underscoring our ability to balance growth with discipline.

While achieving higher net interest margin we further improved our revenue mix with one third of operating income coming from non-interest revenues. Healthy income growth allowed us to continue investing in people and innovation and strengthen our digital leadership. Strong growth in financing and well diversified funding base demonstrates the trust our clients have in Aljazira Bank and validates the strength of our franchise.

"In 2025 we reinforced our capital base with Tier 1 Sukuk issuance which places Aljazira Bank in a very strong position to capture attractive business opportunities and develop business in line with our strategic objectives.

"Recently, Aljazira Bank introduced its new brand identity, reflecting a strategic evolution aligned with the Bank's long-term direction. The new identity reinforces the Bank's focus on wealth management as a core pillar, disciplined growth, and integrated banking solutions across retail, corporate, and investment segments. It supports Aljazira Bank's ambition to be the bank of choice for affluent individuals, corporates, and institutions, while emphasizing operational strength, digital enablement, and sustainable value creation in alignment with Saudi Vision 2030.

"The 2025 results once again demonstrated our sharp strategic focus, resilience of Aljazira Bank's business model and strong commitment to deliver sustainable long-term shareholder value."



#### **Excellent results underpin strategic focus and strength of franchise**

Aljazira Bank delivered demonstrated a strong financial performance in FY 2025 with 22% YoY growth of net income, to ﷲ 1,506 million. Net income before Zakat and Tax for 2025 amounted to ﷲ 1,786 million, a 27% YoY increase.

Total operating income increased by 18% YoY to ﷲ 4,464 million, driven by a remarkable 28% YoY increase in fee and other income and 14% YoY increase in net financing and investment income. Net interest margin was 2.00%, compared to 2.03% in the previous year. Fee and other income represented 33% of total operating income underpinning the Bank's continued success in growing non-interest revenues. Operating expenses grew 10% YoY, thus delivering strong positive jaws and improving cost-to-income ratio to 52.4%, 3.6 ppt down compared to the previous year. Growth in operating expenses was due to continued investments in personnel and digital transformation. Net impairment charge increased by 29% YoY while cost of risk stood at 36 bps, 4 bps increase YoY. NPL ratio improved to 1.03%, down by 18 bps compared to FY 2024.

The Bank's business mix is well diversified, with all segments contributing to operating and net income.

The balance sheet continued to expand, with total assets increasing by 11% YoY to ﷲ 165.9 billion. Asset growth was supported by robust 14% YoY increase in net financing, while net investments grew by 7% YoY reflecting both strong origination capabilities and strategic focus on commercial lending and project finance. Shareholders' equity increased by 25% to ﷲ 21.8 billion, supported by the issuance of Tier 1 Sukuk, strengthening the Bank's capital position.



## Income Statement Summary

for the period ending 31 December 2025

﷼ Mn	12M 2025	12M 2024	YoY % Change	4Q 2025	4Q 2024	YoY % Change
Net financing & investment income	3,000	2,634	+14%	773	735	+5%
Fee & other income	1,465	1,145	+28%	412	232	+77%
<b>Total operating income</b>	<b>4,464</b>	<b>3,779</b>	<b>+18%</b>	<b>1,185</b>	<b>967</b>	<b>+22%</b>
Total Operating expenses before impairment charge	(2,338)	(2,117)	+10%	(611)	(560)	+9%
Impairment charge, net	(354)	(275)	+29%	(100)	(92)	+9%
<b>Net operating income</b>	<b>1,773</b>	<b>1,388</b>	<b>+28%</b>	<b>475</b>	<b>316</b>	<b>+50%</b>
Share in net income of an associate	13	17	-24%	5	4	+24%
<b>Net income for the period before zakat &amp; income tax</b>	<b>1,786</b>	<b>1,405</b>	<b>+27%</b>	<b>479</b>	<b>320</b>	<b>+50%</b>
Zakat & income tax	(280)	(174)	+61%	(117)	(39)	+197%
<b>Net income for the period</b>	<b>1,506</b>	<b>1,231</b>	<b>+22%</b>	<b>362</b>	<b>280</b>	<b>+29%</b>



## Key financial ratios

for the period ending 31 December 2025

﷼ Mn	12M 2025	12M 2024	YoY % Change	4Q 2025	4Q 2024	YoY % Change
Net interest margin	2.00%	2.03%	-3 bps	2.01%	2.10%	-9 bps
Cost-to-income	52.36%	56.01%	-3.65 ppt	51.53%	57.87%	-6.34 ppt
Cost of risk	0.36%	0.32%	+4 bps	0.54%	0.34%	+20 bps
Return on average equity	7.68%	7.28%	+40 bps	6.68%	6.40%	+28 bps



## Balance Sheet Summary

as of 31 December 2025

ﷲ Mn	4Q 2025	3Q 2025	QoQ % Change	4Q 2024	YoY % Change
Cash & Interbank	13,085	14,042	-7%	13,281	-1%
Investments, net	38,968	38,143	+2%	36,406	+7%
Financing, net	110,862	107,812	+3%	96,912	+14%
Other assets, net	3,009	3,430	-12%	2,519	+19%
<b>Total assets</b>	<b>165,924</b>	<b>163,428</b>	<b>+2%</b>	<b>149,119</b>	<b>+11%</b>
Due to banks & other FI	23,912	21,753	+10%	19,309	+24%
Customers' deposits	115,395	115,283	+0%	108,187	+7%
Subordinated Sukuk	2,007	2,042	-2%	2,006	+0%
Other liabilities, net	2,834	2,713	+4%	2,203	+29%
<b>Total liabilities</b>	<b>144,149</b>	<b>141,791</b>	<b>+2%</b>	<b>131,704</b>	<b>+9%</b>
<b>Equity attributable to shareholders of the Bank</b>	<b>15,025</b>	<b>14,887</b>	<b>+1%</b>	<b>13,539</b>	<b>+11%</b>
Tier 1 sukuk	6,750	6,750	+0%	3,875	+74%
<b>Total equity</b>	<b>21,775</b>	<b>21,637</b>	<b>+1%</b>	<b>17,414</b>	<b>+25%</b>



## Additional Information

Contact our Investor Relations Team:

[IR@Aljazirabank.com.sa](mailto:IR@Aljazirabank.com.sa)

The full financial statements, earnings release, investor and earnings presentations will be made available on our website at:

<https://ir.aljazirabank.com.sa/>