

Arab National Bank Q1 2026 Earnings Release

5 May 2026, Riyadh

Q1 2026 Key Highlights

- Net income grew 4.3% YoY and 18.5% QoQ to SAR 1,359 mln, total operating income grew 3.1% YoY and 7.0% QoQ to SAR 2,589 mln, driven by 8.1% YoY growth of net special commission income and reasonable growth in Net Interest Income.
- Net Interest Margin remained strong at 3.38%, 6 bps down on the sequential basis and 23 bps down YoY.
- anb continues to demonstrate solid credit quality with all key risk metrics further improved in Q1 2026.
- Healthy loan growth of 10.9% YoY and 1.7% YTD underscores strength of customer franchise and competitive origination capabilities. Total assets reached 284.9 bn.
- Net investments grew 16.4% YoY and 2.7% YTD contributing to stabilization of asset yield.
- anb maintains robust capital and liquidity positions. Total equity grew 16.2% YoY to SAR 49.3 bn, total CAR stood at a solid level of 20.0%. Key liquidity ratios have comfortable buffers versus regulatory thresholds.

Mr. Saad Aldughish, Chief Financial Officer of Arab National Bank, commented:

“In Q1 2026, anb recorded a healthy growth of net income combined with balance sheet expansion, and consistent delivery on our strategic targets and initiatives. We continue maintaining robust level on Net Interest Margin while asset quality remains sound and stable and all key risk metrics have been consistently improving. Our balance sheet structure continues to be steadfast with robust capital levels and ample liquidity.

“Our strong focus is to keep up enhancing operational efficiency and achieve consistent slowdown of growth in operating expenses while we make investments into human capital and strategic transformation.

“We are looking forward to further growing our business and delivering solid performance as well as to continuing generating sustainable strong shareholder value.”

Balance Sheet Overview

Selected Balance Sheet Items	31 Mar	31 Mar	12M	31 Dec	YTD
SAR mln	2026	2025	change	2025	change
Cash and balances with SAMA	13,724	14,901	-7.9%	13,167	+4.2%
Investments, net	61,637	52,931	+16.4%	60,012	+2.7%
Loans and advances, net	198,639	179,057	+10.9%	195,299	+1.7%
Total assets	284,891	265,270	+7.4%	281,383	+1.2%
Customers' deposits	208,021	195,619	+6.3%	209,287	-0.6%
Due to banks and SAMA	16,663	12,682	+31.4%	11,949	+39.5%
Total liabilities	235,606	222,862	+5.7%	231,870	+1.6%
Equity attributable to shareholders	41,488	39,028	+6.3%	41,715	-0.5%
Tier 1 Sukuk	7,768	3,350	+131.9%	7,768	0.0%
Total Equity	49,285	42,408	+16.2%	49,513	-0.5%

Capital & Liquidity Ratios	31 Mar	31 Mar	12M	31 Dec	YTD
	2026	2025	change	2025	change
CET 1 ratio	16.5%	17.1%	-0.6 ppt	16.7%	-0.2 ppt
Total CAR	20.0%	20.3%	-0.3 ppt	20.4%	-0.4 ppt
LDR (SAMA weighted)	82%	79%	+3 ppt	81%	+1 ppt
LCR	142%	134%	+8 ppt	143%	-1 ppt
NSFR	111%	119%	-8 ppt	118%	-7 ppt

Total assets increased by 7.41% YoY and 1.2% YTD reaching SAR 284.9 bn. Net loans and advances increased by 10.9% YoY and 1.7% YTD to SAR 198.6 bn, driven by healthy growth in both corporate and retail lending. Corporate loans comprised 74% of total loan book at end of Q1 2026 . Within the 26% of Retail loan portfolio, the share of home loans is 54% while the share of personal loans and credit cards & auto loans are 40% and 6%, respectively. Net Investments rose by 16.4% YoY and 2.7% YTD to SAR 61.6 bn.



Customer deposits amounted to SAR 208.0 bn increasing by 6.3%YoY and decreasing by 0.6% YTD. CASA deposits comprise 50% of total customers' deposits.

anb maintains conservative and comfortable liquidity position. Liquidity ratios have sizeable cushions versus regulatory requirements. At the end of Q1 2026, weighted LDR stood at 82%, LCR at 142% and NSFR at 111%.

Loan quality remains solid. In Q1 2026 NPL ratio remained flat at 0.94%. NPL coverage ratio also improved to 174%, up 5 ppt QoQ. Shares of Stage 2 and Stage 3 loans decreased to 6.9% (down 0.2 ppt YoY) and 1.0% (down 0.4 ppt YoY), respectively. Coverage ratio of Stage 2 and Stage 3 loans also improved to 7.6% (up 2.7 ppt YoY) and 65.1% (up 0.4 ppt YoY), respectively. As of Q1 2026, Stage 1 loans accounted for 92.1% of total loan book.

anb's capital position remains solid. As of Q1 2026, total CAR and CET1 were 20.0% and 16.5%, 0.4 ppt and 0.2 ppt down YTD, respectively. RWA density was 88.2%, up 0.4 ppt YTD and down 0.2 ppt YoY.

Income Statement Overview

Selected P&L Items SAR mln	Q1 2026	Q1 2025	YoY change	Q4 2025	QoQ change
Net special fee and commission income	2,112	1,954	+8.1%	1,990	+6.1%
Net fee and commission income	240	281	-14.5%	123	+94.8%
Other income, net	236	277	-14.7%	305	-22.7%
Total Operating Income	2,589	2,512	+3.1%	2,419	+7.0%
Operating expenses before ECL charges	(862)	(786)	+9.6%	(924)	-6.7%
ECL charges, net	(135)	(205)	-34.1%	(152)	-10.9%
Income tax and Zakat	(240)	(226)	+6.1%	(204)	+17.8%
Net Income	1,359	1,304	+4.3%	1,147	+18.5%
EPS, SAR	0.60	0.65	-7.7%	0.55	+9.1%

Key Financial Ratios	Q1 2026	Q1 2025	YoY change	Q4 2025	QoQ change
Net Interest Margin	3.38%	3.61%	-23 bps	3.44%	-6 bps
Cost of Risk	0.32%	0.40%	-8 bps	0.37%	-5 bps
Cost-to-Income	33.3%	31.3%	+2.0 ppt	33.8%	-0.5 ppt
Return on Average Equity	11.3%	12.8%	-1.5 ppt	11.6%	-0.3 ppt

In Q1 2026 total operating income rose by 7.0% YoY and 3.1% QoQ to SAR 2,589 mln, driven by 8.1% YoY and 6.1% QoQ increase of Net Special Commission Income. NIM was 3.38%, 6 bps down QoQ and 23 bps down YoY.

Net fee and commission income amounted to SAR 240 mn, declined by 14.5% YoY while increased by 95% QoQ.

Operating expenses dropped by 6.7% QoQ and increased by 9.6% YoY to SAR 862 mln, representing a slowdown in growth as the Bank continued to implement a range of cost-saving initiatives while continuing to invest in human capital and operational excellence. Salaries and employee related expenses comprised 60% of total operating expenses. C/R was at a moderate level of 33.3%, 0.5 ppt down QoQ and 1.6 ppt up YoY.

ECL charges amounted to SAR 135 mln, 34.1% YoY and 10.9% QoQ decrease. CoR was 32 bps, 8 bps down YoY and 5 down QoQ.

Net income amounted to SAR 1.359, which corresponds to ROAE of 11.3%.



Additional information

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