



# Earnings Presentation

## Q4 | FY 2024

---

February 2025

# Disclaimer



*The information in this document has been prepared by The National Bank of Ras Al Khaimah (P.S.C) a public joint stock company, United Arab Emirates (“RAKBANK”) and is general background information about RAKBANK’s activities and is not intended to be current as on the date of the document. This information is given in summary form and does not purport to be complete.*

*The information is intended to be read by investors having knowledge in investment matters. Information in this document, including forecast or financial information, should not be considered as an advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities or other financial products or instruments and does not take into account your particular investment objectives, financial situation or needs. Before acting on any information you should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular, you should seek independent financial and legal advice. All securities and financial product or instrument transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments and, in international transactions, currency risk.*

*This document may contain published financial information, or information obtained from sources believed to be reliable, forward looking statements based on numbers or estimates or assumption that are subject to change including statements regarding our intent, belief or current expectations with respect to RAKBANK’s businesses and operations, market conditions, results of operation and financial condition, specific provisions and risk management practices. Readers are cautioned not to place undue reliance on these forward-looking statements. RAKBANK does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events. While due care has been used in the preparation of forecast information, actual results may vary in a materially positive or negative manner. Forecasts and hypothetical examples are subject to uncertainty and contingencies outside RAKBANK’s control. Past performance is not a reliable indication of future performance.*

*RAKBANK disclaims any responsibility for the accuracy, fairness, completeness and correctness of information contained in this document including forward looking statements and to update or revise any information or forward-looking statement to reflect any change in RAKBANK’s financial condition, status or affairs or any change in the events, conditions or circumstances on which a statement is based. Neither RAKBANK nor its related bodies, corporate, directors, employees, agents, nor any other person, accepts any liability, including, without limitation, any liability arising from fault or negligence, for any direct, indirect or consequential loss arising from the use/reference of this document or its contents or otherwise arising in connection with it for the quality, accuracy, timeliness, continued availability or completeness of any data or calculations contained and/or referred to in this document.*

# Table of Contents

---

1. Key Highlights
2. RAKBANK Strategy
3. Financial Performance
4. Appendix



# 1. Key Highlights

---





# RAKBANK triples its profit in 3 years, crossing AED 2B profit before tax for the first time in its history

## FY'24 Key Highlights

Profit before Tax

**2,278 M**

+27% YoY

Total Assets

**88.3 B**

+19% YoY

CIR

**35.2%**

-117 bps YoY

Operating

Income

**4,713 M**

+7% YoY

Gross Loans

**50.1 B**

+19% YoY

ROA

**2.6%**

+1 bps YoY

Operating

Expenses

**1,658 M**

+3.6% YoY

Deposits

**59.6 B**

+18% YoY

ROE

**18.4%**

+8 bps YoY

*Numbers may not add up due to rounding.*

*P&L and Balance Sheet items stated in AED.*

*Definitions: CIR – Cost to Income Ratio; ROA – Return on Assets; ROE – Return on Equity*

## 2. RAKBANK Strategy

---



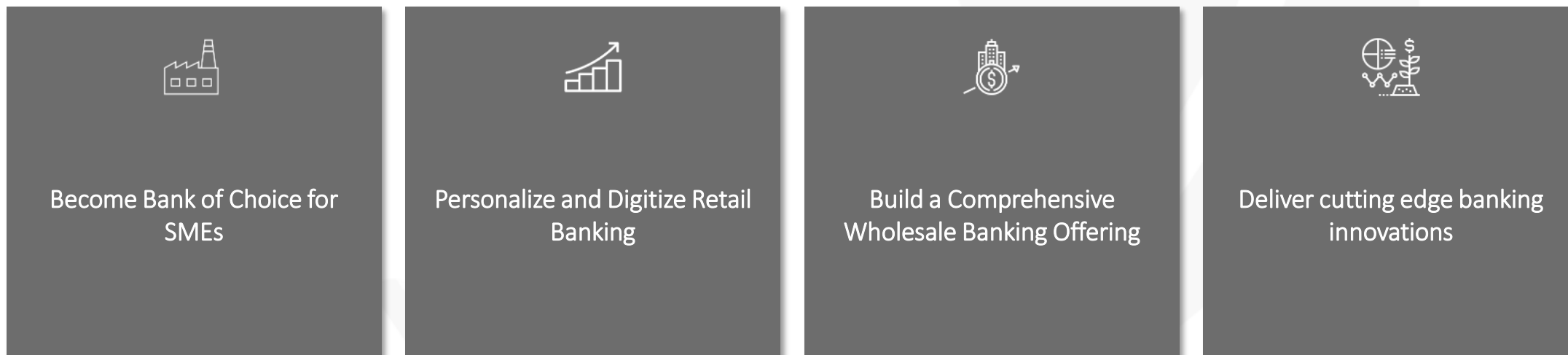


# Our 2026 Vision, Strategy and Objectives

## 2026 Vision

***“Become the digital bank with a human touch, with you in key moments of truth”***

### Key Strategic Pillars



### Key Strategic Objectives



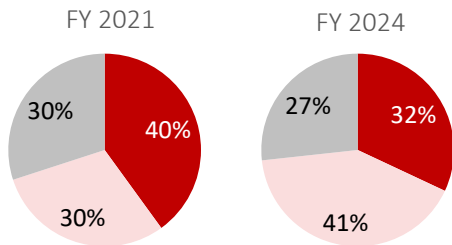
# Delivering On Our Strategic Objectives



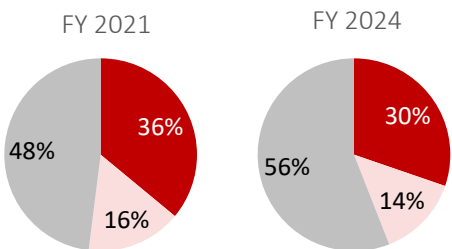
Continued Diversification of our Business for Sustainable Growth

We are maintaining a diversified asset mix...

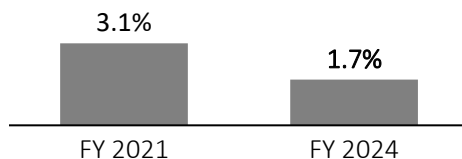
Operating Income<sup>1</sup>



Assets<sup>1</sup>



Cost of Risk



Become the most Personalized Bank in UAE with a Brilliant Customer Experience

...enhancing our customer journeys...

99%

Of new acquisitions in RakBusiness Loans were sourced digitally

98%

Of Retail Banking Financial transactions were done digitally



Personal Banking App Avg. Rating



Over 50M

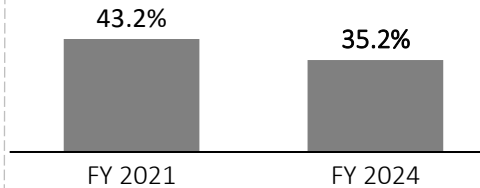
App Log-ins in 2024



Deliver Scalable Growth through Personalization & Digitization

...becoming more scalable...

Cost to Income Ratio



...and driving digitization



Total Digital Transactions for FY'24 amounted to 13.6 M, a 14% growth YoY



- 176K Users
- 296K Students
- 315 Educational Institutions



Invest in Our People

...developing our workforce...

- Delivered **42,603 hours** of training in FY'24
- "30-30 Wellness Challenge" was conducted for a 30day period challenging staff to boost their health and wellness by including 10k steps in their day-to-day activities

...and modern workplace solutions



- RAKBANK announced its partnership with Oracle to implement the Oracle fusion Cloud Application Suite, streamlining Finance, HR and supply chain processes



Ongoing Commitment to our Community and ESG

...supporting our community...

- Our colleague-led councils continued to play an active role in supporting the communities we serve with over **800 hours** dedicated to financial literacy and other volunteering throughout 2024

...and leading in ESG adoption

- RAKBANK achieved another milestone by becoming the **first bank in GCC** to issue a publicly-traded **Social Bond..**
- This reinforces our commitment to supporting SMEs and the UAE's Economy at large and moves us closer to the "We the UAE 2031" vision



### 3. Financial Performance

---





# RAKBANK Delivers highest ever Profit After Tax of AED 2.1B, Growth of 16% YoY

Income Statement Q4 | FY'24

Income Statement – Summary (AED M)	FY'24	YoY %	Q4'24	YoY %
Net Interest Income	3,562	6.8%	899	2.5%
Non-Interest Income	1,150	7.7%	262	7.8%
<b>Operating Income</b>	<b>4,713</b>	<b>7.0%</b>	<b>1,160</b>	<b>3.7%</b>
Operating Expenses	(1,658)	3.6%	(466)	13.3%
<b>Operating Profit</b>	<b>3,054</b>	<b>9.0%</b>	<b>694</b>	<b>(1.9)%</b>
Net Impairment Charge	(776)	(23)%	(270)	2.7%
<b>Profit Before Tax</b>	<b>2,278</b>	<b>26.7%</b>	<b>424</b>	<b>(4.6)%</b>
Tax	(202)	>100%	(38)	>100%
<b>Profit After Tax</b>	<b>2,076</b>	<b>16.4%</b>	<b>386</b>	<b>(10.4)%</b>

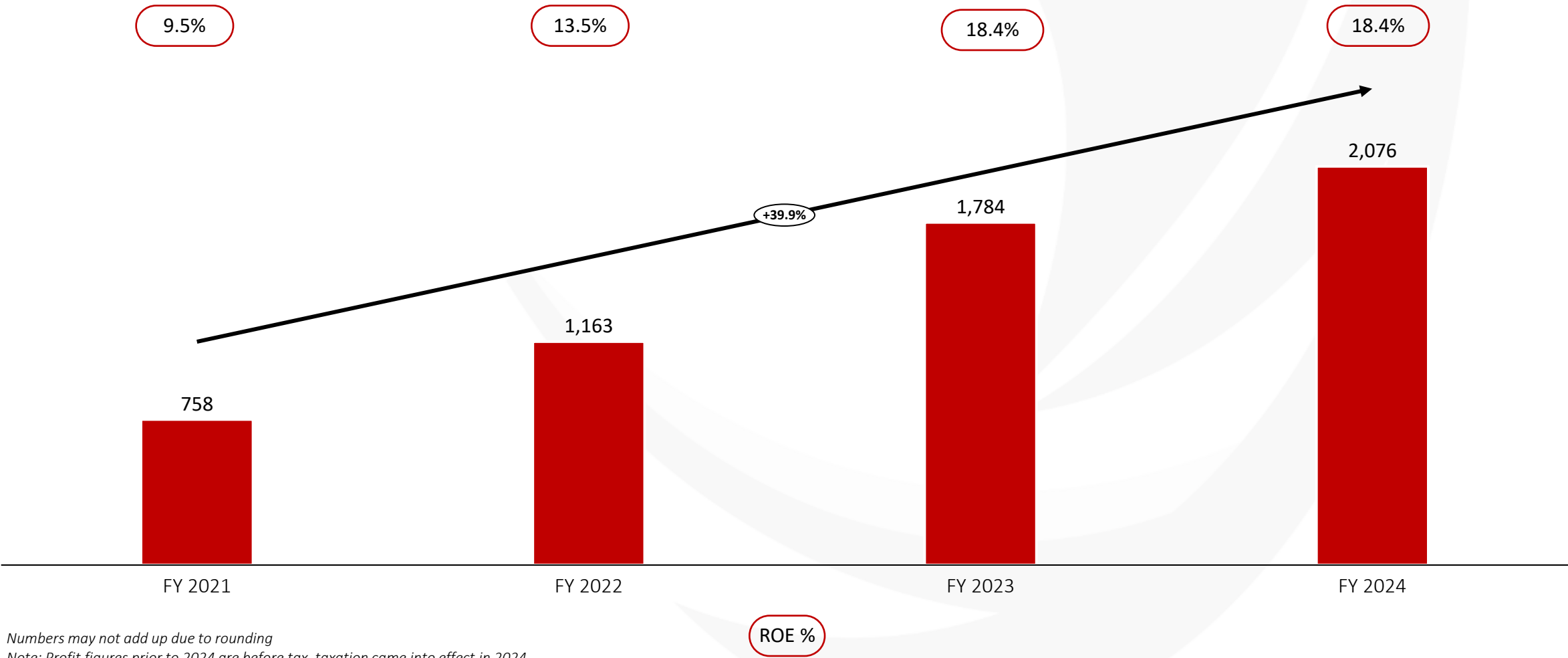
Key Ratios	FY'24	YoY bps	Q4'24	YoY bps
Cost to Income Ratio	35.2%	(117)	40.1%	340
Return on Assets	2.6%	0.8	1.9%	(53)
Return on Equity	18.4%	(5.9)	12.7%	(407)

- Net Interest Income (NII) growth was supported by a strong net interest margin of 4.5%, on the back of well diversified asset and CASA growth
- Fee Income growth was mainly driven by Foreign exchange income and Investment Income
- Cost to income ratio at 35.2% as against 36.4% for FY 2023 as the bank continues to scale the business and deliver operational efficiencies through investment in technology and strategic cost management initiatives
- Favorable Net Impairment Charge supported by robust shift in business mix towards lower risk assets and a benign credit environment
- Cost of risk for the year stood at 1.7% as against 2.5% for last year



# Consistent Double-Digit Growth in Profit Resulting in Strong Shareholder Returns

Profit After Tax (AED M)



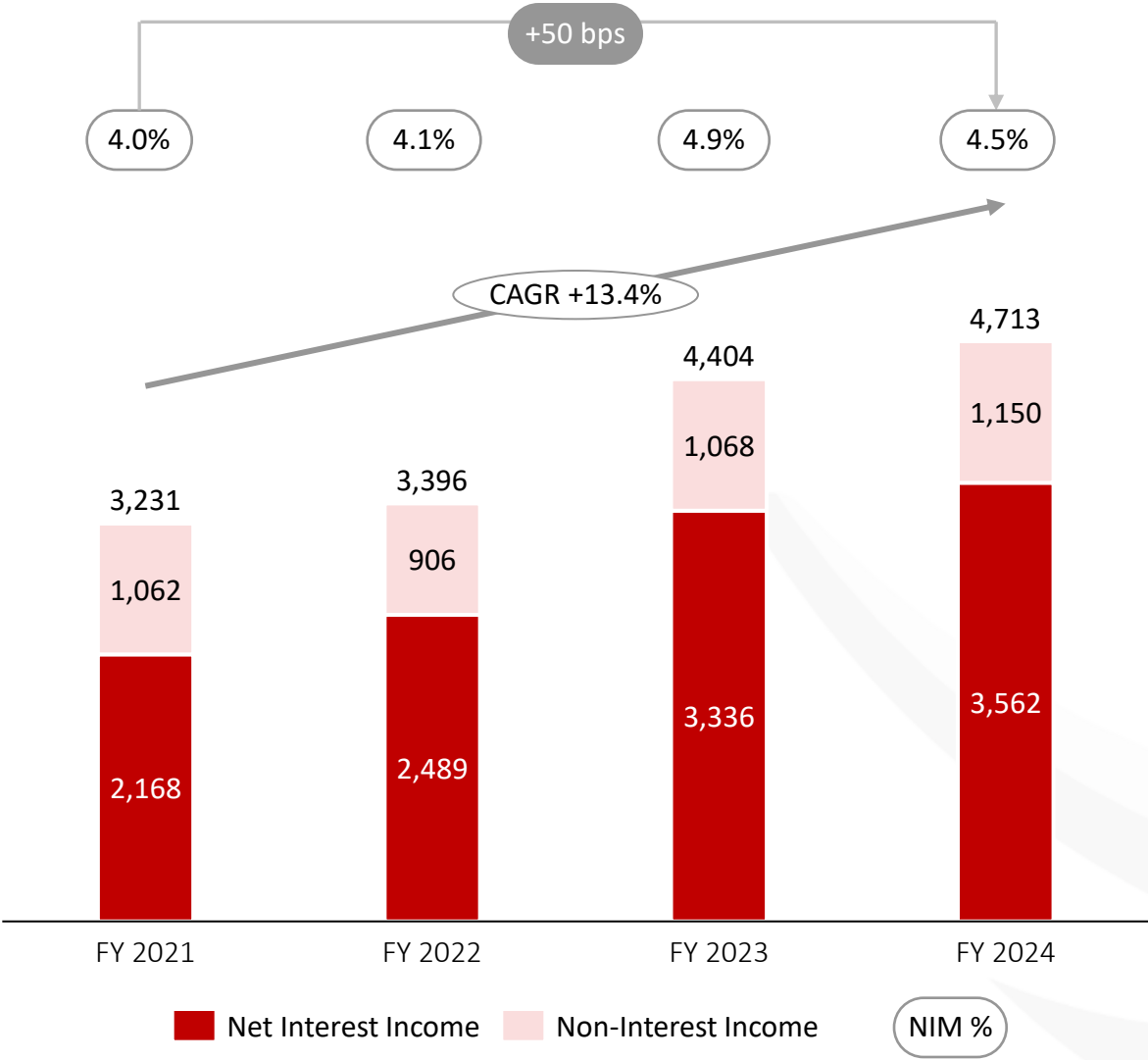
Numbers may not add up due to rounding  
Note: Profit figures prior to 2024 are before tax, taxation came into effect in 2024  
(2023 had an element of Deferred tax of AED 14M)  
Definitions: ROE – Return on Equity



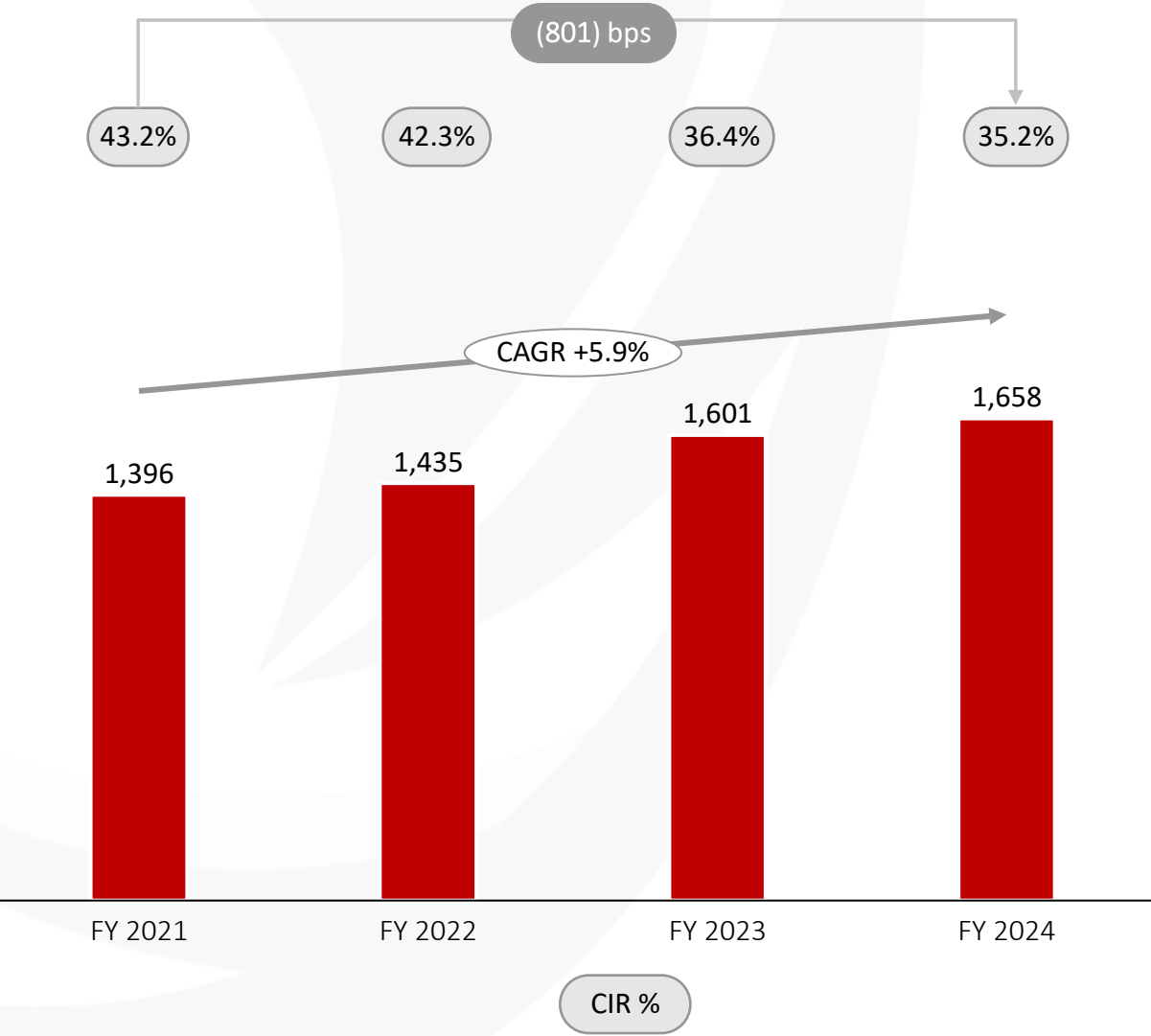
# Total Income Growth Significantly Ahead of Increase in Costs

Strong Growth in Net Interest Income and Improving Cost/Income Ratio

Operating Income (AED M)



Operating Expenses (AED M)



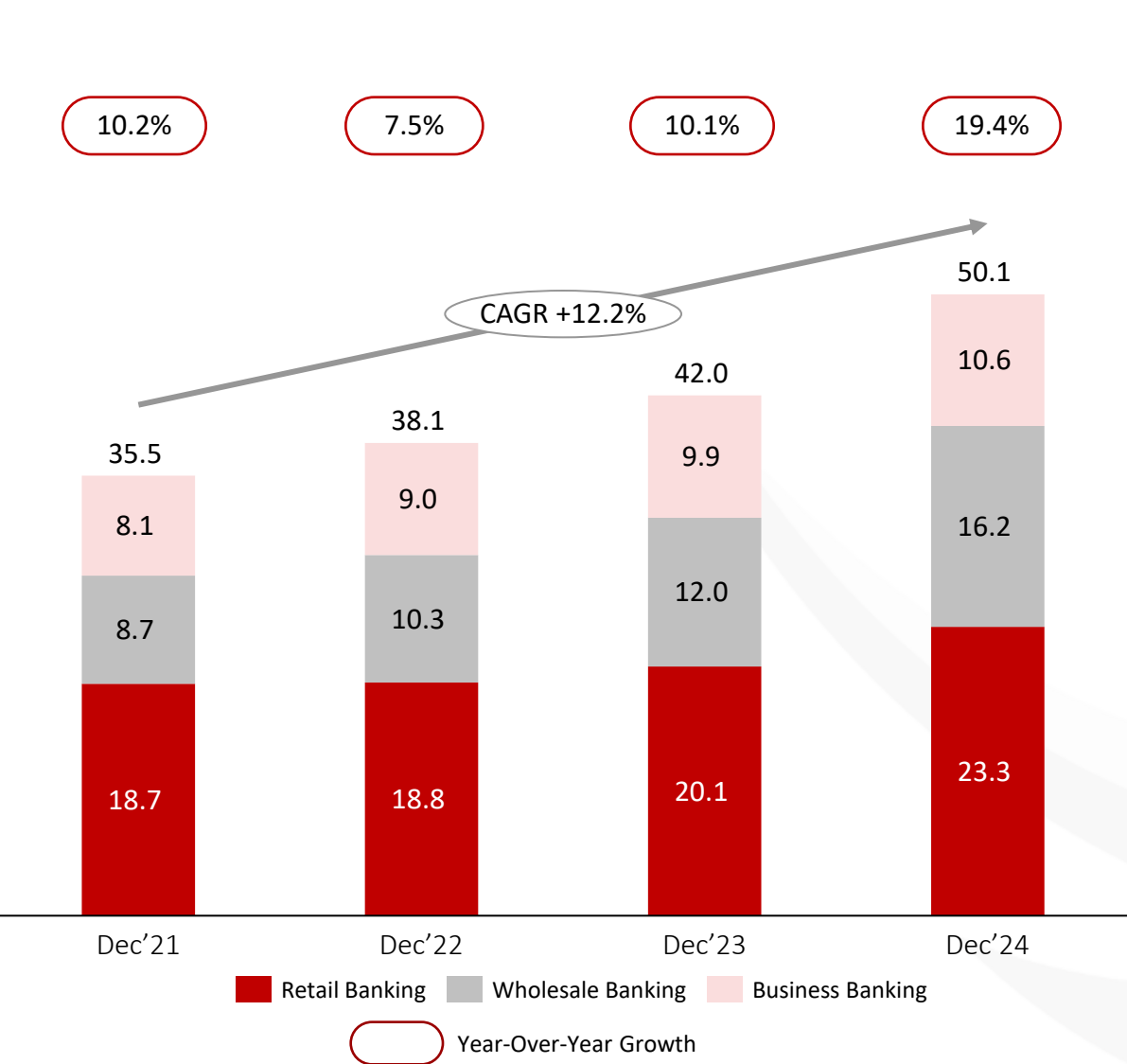
Numbers may not add up due to rounding  
Definitions: NIM – Net Interest Margin; CIR – Cost to Income Ratio



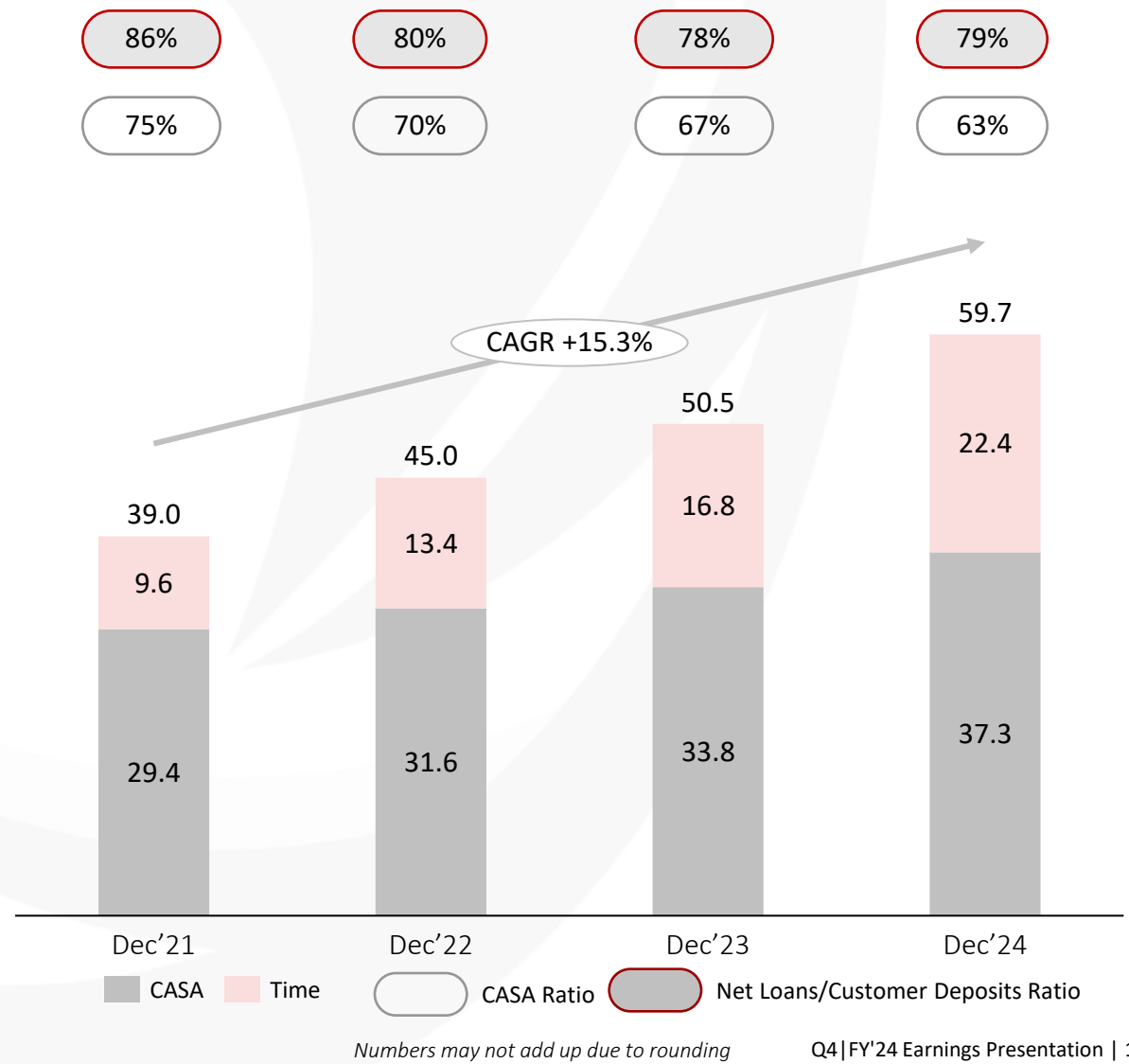
# Supported by Growth of the Balance Sheet

Strong Loan Book Across Segments and Deposit Growth Underpinned by CASA Deposits

Evolution of Gross Loans (AED B)



Evolution of Customer Deposits (AED B)

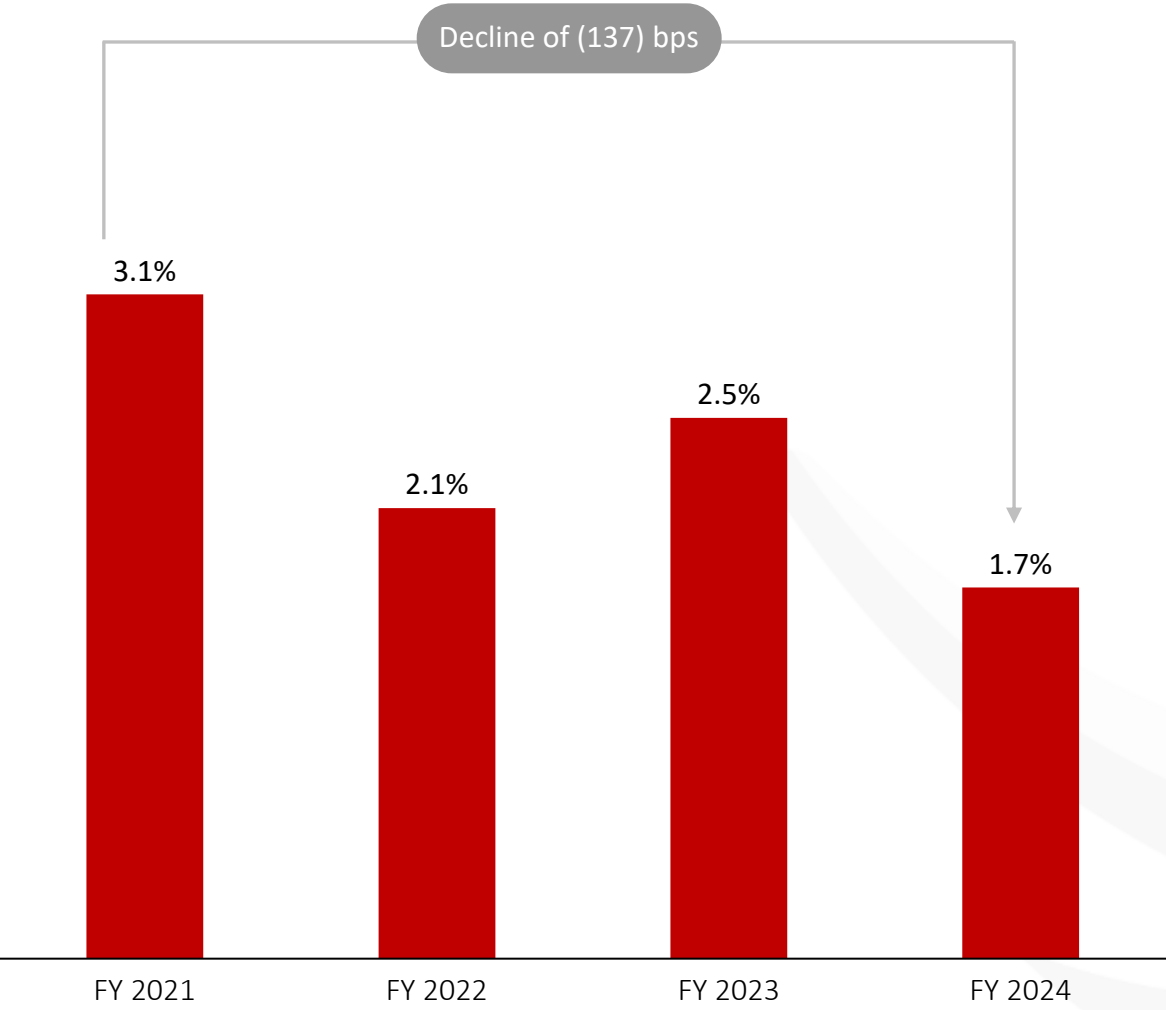




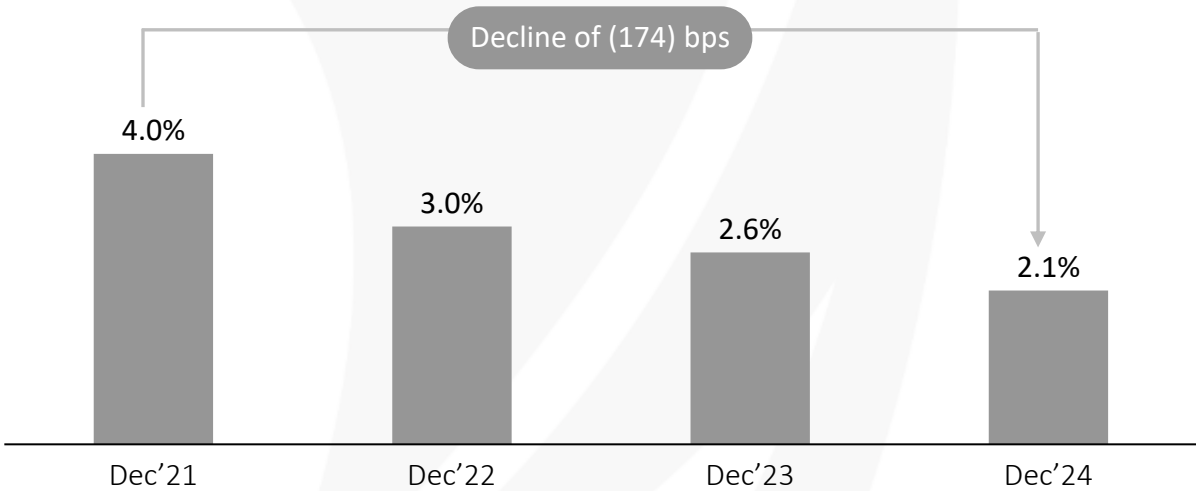
# Underpinned by Prudent Risk Management

High Quality Balance Sheet As a Testament to Strong Underwriting Criteria

## Cost of Risk



## Non-Performing Loan Ratio



## Loan Provisioning

Dec'24

	Gross Book Value (AED M)	Gross Book Value (%)	Loss Allowance (AED M)	Coverage Ratio
Stage 1	47,302	94.4%	1,399	3.0%
Stage 2	1,697	3.4%	586	34.5%
Stage 3	1,124	2.2%	865	77.0%
Total	50,124	100%	2,850	5.69%

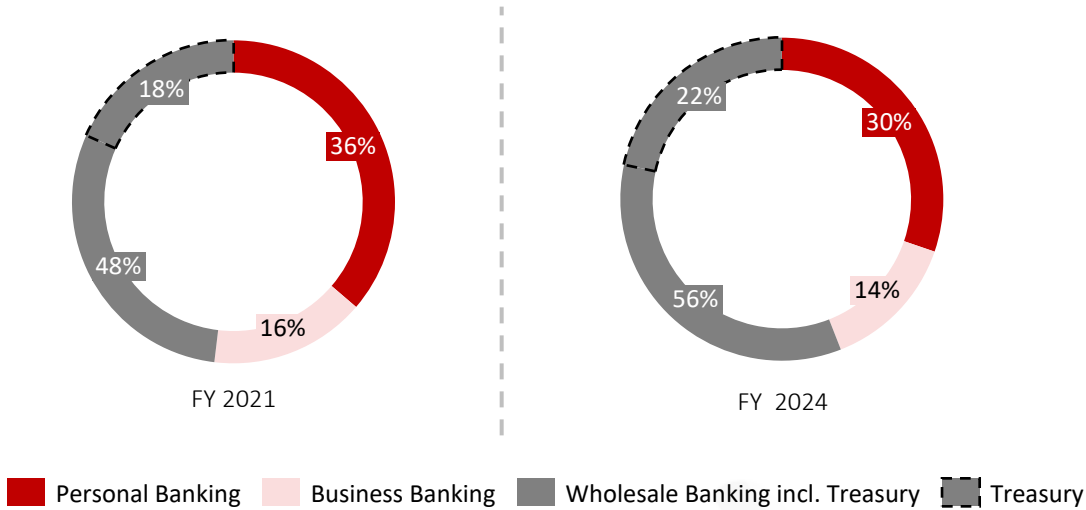
Numbers may not add up due to rounding



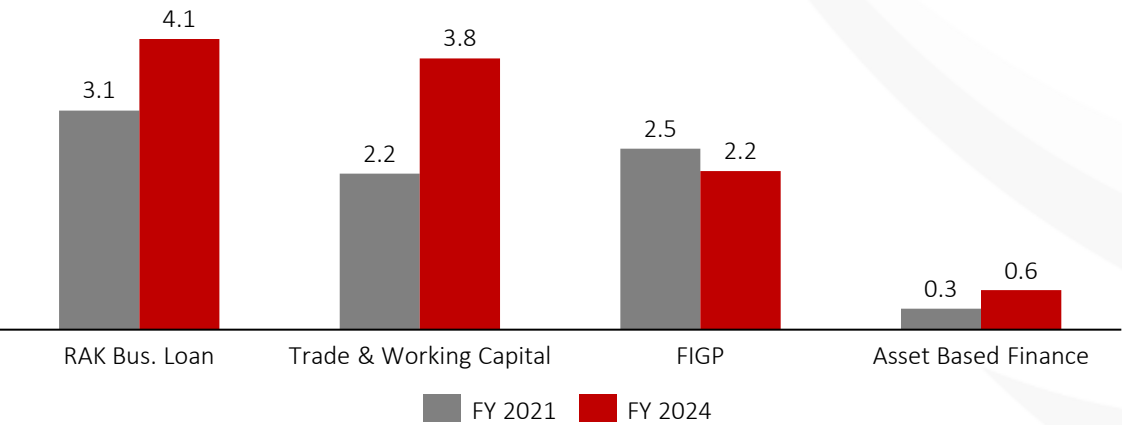
# Transforming Our Asset Mix

Strategic Diversification and Risk Reduction in Asset Portfolio

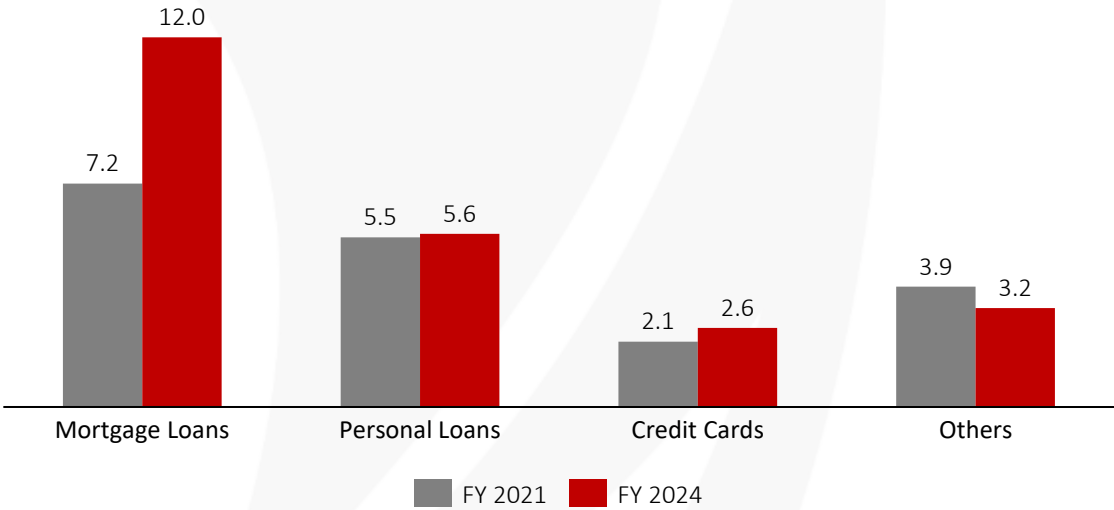
Total Business Assets by Segment (AED B)



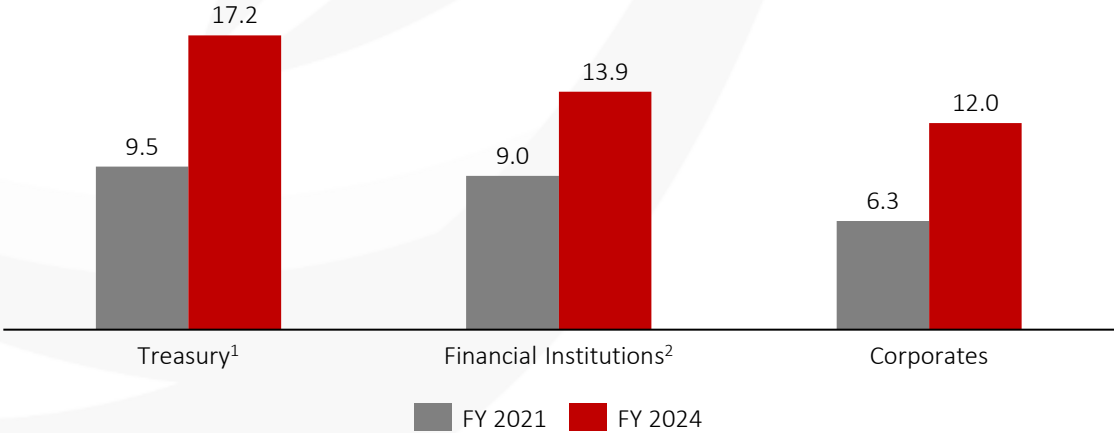
Total Business Assets – Business Banking (AED B)



Total Business Assets – Personal Banking (AED B)



Total Business Assets – Wholesale Banking (AED B)



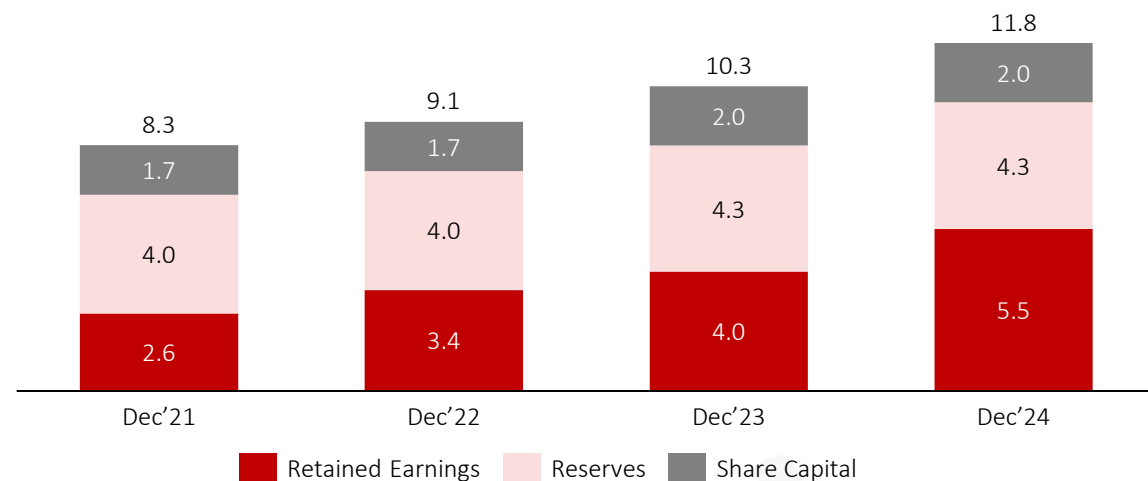
1- Treasury includes Investments and Treasury Advances (Gold Loans)  
2- Financial Institutions includes lending to Banks and Non-Banking Financial Institutions  
Numbers may not add up due to rounding. 2021 numbers have been restated in line with IAS 32



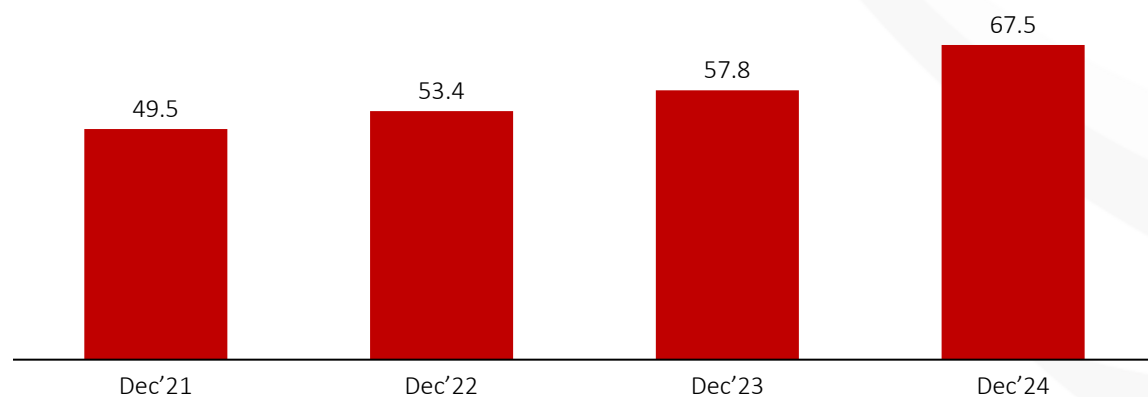
# Strong financial Base Supporting Sustainable Growth

The Bank remains liquid and well capitalized

### Breakdown of Equity (AED B)



### Risk Weighted Assets (AED B)

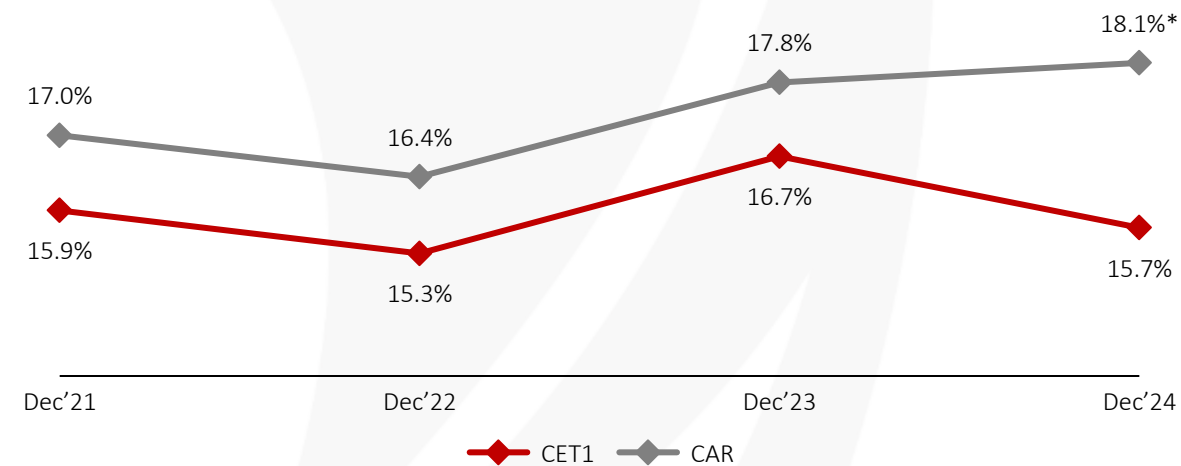


Numbers may not add up due to rounding

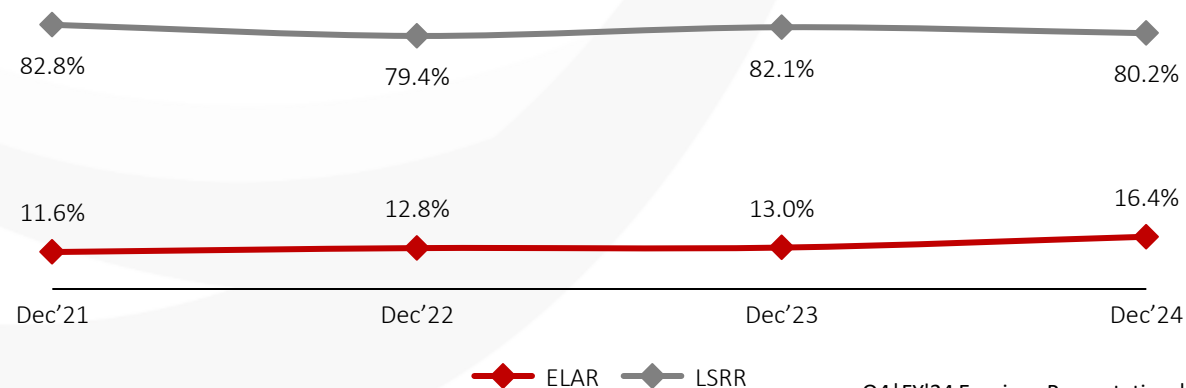
\*Includes issuance of subordinated debt (Tier 2), AED 915 Mn in Q3'24

Definitions: CAR – Capital Adequacy Ratio; CET 1 – Common Equity Tier 1; ELAR – Eligible Liquid Assets Ratio; LSRR – Lending to Stable Resources Ratio

### Capital Ratios



### Liquidity Ratios





## 4. Appendix

---



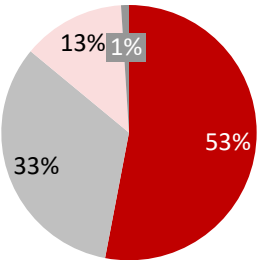
# RAKBANK - Leading Bank in The UAE



## Our Proud History

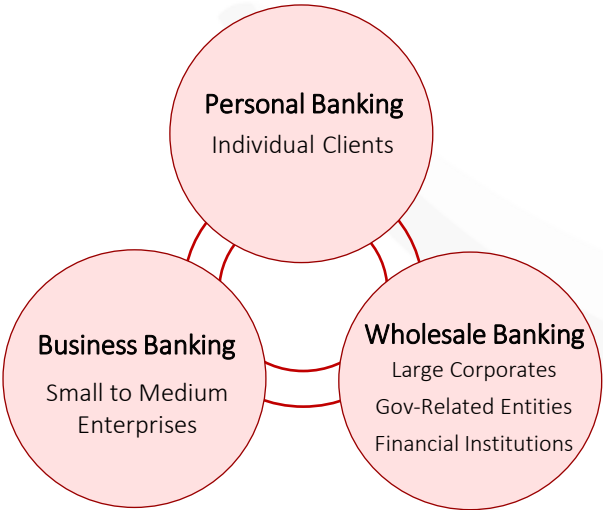
- Founded in 1976 and headquartered in the emirate of Ras Al Khaimah ('RAK')
- Major transformation in 2001, rebranding to **RAKBANK**
- Listed on Abu Dhabi Securities Exchange (ADX) in 2005
- Launched Islamic Banking window – **RAKislamic** – in 2013
- In August 2022 RAKBANK introduced **2026 Vision** to become *“ The Digital Bank with a human touch, with you in key moments of truth”*
- RAKBANK today spans across 19 traditional branches and 1 fully electronic branch and 272 ATMs in the UAE located across the Emirates

## Ownership Structure



- Govt. of Ras Al Khaimah
- Other UAE Nationals
- GCC Nationals
- Others

## Key Business Segments



## RAKBANK Awards & Accolades



## Strong and Stable Credit Ratings

### RAKBANK

Rating Agency	Last Update	Ratings	Outlook
Fitch	March 2024	BBB+ / F2	Stable
Moody's	April 2024	Baa1 / P-2	Stable
Capital Intelligence	August 2024	A / A1	Stable

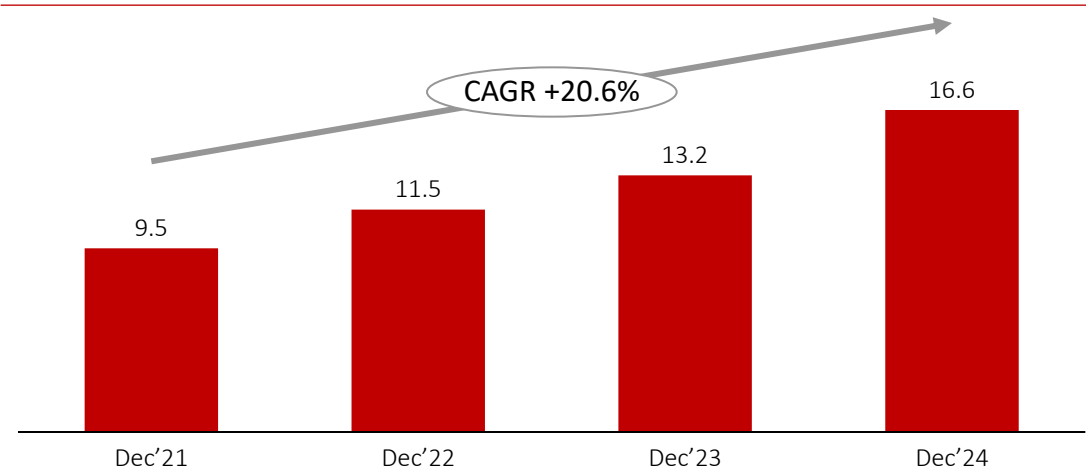
### Emirate of Ras Al Khaimah

Rating Agency	Last Update	Ratings	Outlook
Fitch	May 2024	A+	Stable
S&P	October 2023	A-	Positive

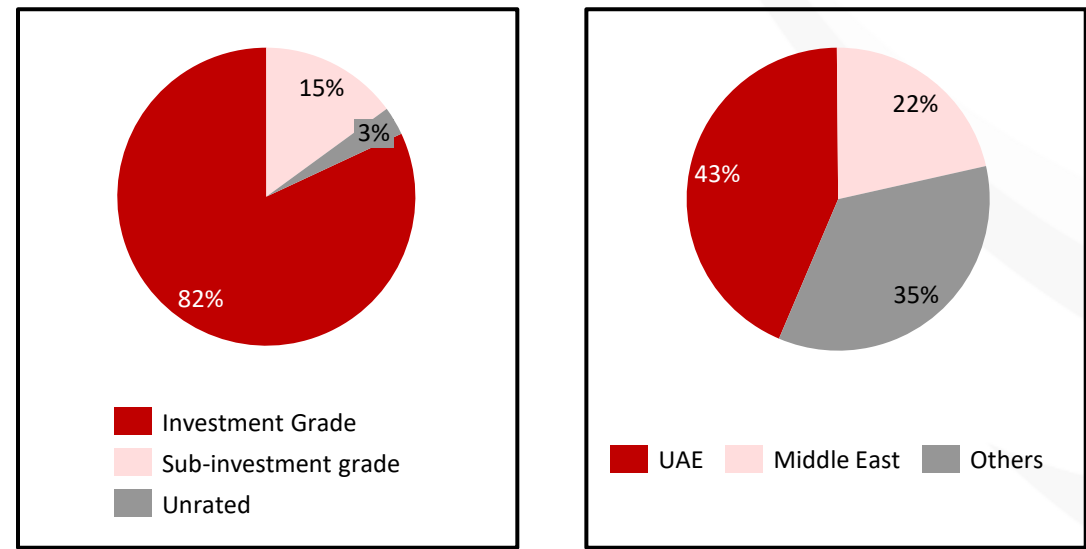
# Balance Sheet: FY'24 Highlights



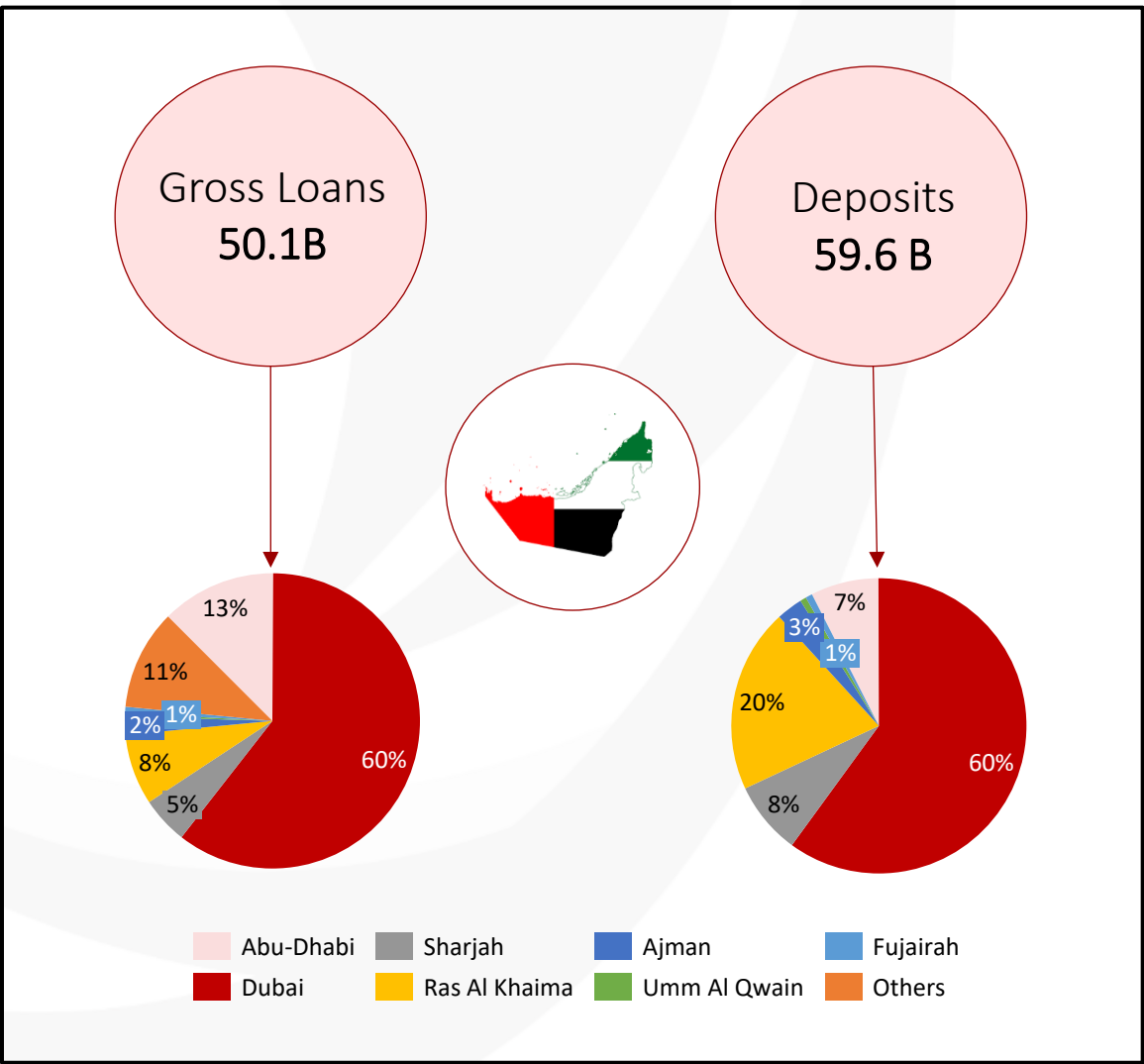
Investments (AED B)



Investment Quality and Geography



Gross Loans and Deposits by Emirate



Numbers may not add up due to rounding



## Contact

---

Svyatoslav Shlyakhtin

E-mail: [ir@rakbank.ae](mailto:ir@rakbank.ae)

## Useful Information

---

Download links for:

[Investor Relations Website](#)