

## **Bank of Sharjah P.J.S.C**

Bank of Sharjah P.J.S.C ("the Bank") today announced the reviewed results of the period ended 31 March 2024. The following Management Discussion and Analysis includes financial results for the Bank.

The Bank has reported a strong start to 2024, with first-quarter results showcasing a significant increase in net profit to AED 80 million. The Q1 results demonstrate an improvement on the back of an increase in Net Interest Income, higher Operating Income, and lower Operating Costs.

The Bank opted not to include comparative figures for Q1 2023 to prevent reporting accounting anomalies that occurred prior to the effective date of delinking of its Lebanese subsidiary on April 1, 2023.

(AED Mn)	For the three-months ended Mar'24
Net interest income	89
Non-interest income	54
<b>Operating income</b>	<b>143</b>
Net impairment loss on financial assets	-
General and administrative expenses	(58)
<b>Profit before taxes</b>	<b>84</b>
<b>Net profit for the period</b>	<b>80</b>

(AED Mn)	Mar'24	Dec'23
Total assets	39,046	39,460
Loans and advances	22,327	22,068
Customers' deposits	26,017	26,343
Total equity	3,547	3,506
Commitments and contingent liabilities	2,431	2,454

	Mar'24	Dec'23
Non-performing loans ratio (Net of ECL & collateral)	4.35%	4.29%
Non-performing loans coverage ratio	85.35%	85.86%
Loans and advances to customers' deposits ratio	85.82%	83.77%
Capital adequacy ratio	14.33%	14.67%
Tier 1 capital ratio	13.14%	13.49%
Common tier 1 capital ratio	13.14%	13.49%



The Bank's robust metrics are the result of strict adherence to a focused approach to funding, lending, and operational effectiveness. In this regard, the Bank has demonstrated comfortable liquidity, with a customer deposit base of AED 26 billion (31 December 2023: AED 26.3 billion), a loans-to-deposits ratio of 85.82% (31 December 2023: 83.77%), and strong capitalization with Regulatory Capital Adequacy Ratio of 14.33% (31 December 2023: 14.67%) and Regulatory Tier 1 and CET1 Capital Ratios of 13.14% (31 December 2023: 13.49%). The sound financial performance is reflective of the Bank's solid business fundamentals coupled with prudent risk management practices.

Commenting on the Bank's results, **Sheikh Mohammed Bin Saud Al Qasimi, Chairman of Bank of Sharjah**, stated: "Our strong performance in the first quarter of 2024 reinforces our commitment to delivering long-term sustainable value to our customers, communities, and shareholders. Amid global economic uncertainty, the UAE economy continues to thrive, presenting opportunities for growth. Bank of Sharjah is well positioned to benefit from this momentum, further supported by the reignited energy of the new leadership team, focused on growth, building new revenue streams, and delivering exceptional service to customers." Sheikh Mohammed Bin Saud Al Qasimi added: "Q1 performance is a testament to the effectiveness of our new strategy and we look forward to delivering continued growth for the years to come."

In addition, **the CEO, Mr. Mohamed Khadiri** commented: "I am extremely delighted with our impressive Q1 results which reaffirm our confidence in the new strategy. We have adhered to the basic principles of banking by enhancing human capital, focusing on business development while practicing prudent risk management, providing innovative solutions to customers, and improving operational effectiveness."

Mr. Khadiri added: "As one of the UAE's oldest financial institutions, Bank of Sharjah has immense potential for growth, and I am excited about our future prospects. I am confident that as we progressively implement our new strategy, we are establishing a strong foundation for sustainable growth in future."

**Mohamed Khadiri**  
Chief Executive Officer