



Chairman's Report for the year ended 31 December 2025

On behalf of the Board of Directors, I am pleased to present the consolidated financial statements of Finance House P.J.S.C. and its subsidiaries (FH Group) for the financial year ended 31 December 2025.

In 2025, the UAE maintained one of the highest GDP growth rates in the GCC, supported by stable oil prices, extensive domestic reform and accelerated global investment. It strengthened its economic diversification program, advanced its innovation agenda, and reinforced its global positioning as a dynamic center for business, culture and sustainable development.

During 2025, the FH Group continued to focus its energies on strengthening Capital Ratios, shoring up Liquidity buffers, improving asset quality, leveraging cloud technology for improved operational efficiencies and in building digitally enabled Products & Services.

For the year ended 31 December 2025, the FH Group has posted a significantly improved Total Comprehensive Income of AED 21.34 million, compared to AED 1.95 million registered in the previous financial year ended 31 December 2024.

Net Interest Income was higher at AED 129.58 million in 2025 compared to AED 123.81 million in the previous year. This is primarily due to the fact that bulk of the growth in Loans and Advances during the year came from robust growth in the Retail Finance book. Net Fee and Commission income earned in 2025 grew smartly by 26.6% to AED 20.78 million, compared to AED 16.41 million in the previous year.

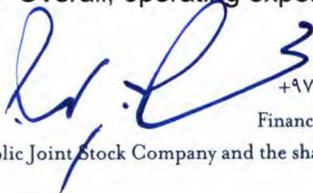
Our insurance subsidiary registered a remarkable turnaround in overall performance, with a Net Insurance Income of AED 8.27 million in 2025 compared to a Net Insurance Loss of AED 14.75 million in the previous year. Net Investment Income from group-wide investing activities was lower at AED 17.68 million in 2025 compared to AED 40.68 million in the previous year, primarily due to one-off investment valuation gains recorded in the previous year.

Continued robust recoveries from the Non-Performing Loan Portfolio (both Corporate & Retail) boosted Other Operating Income to AED 20.35 million in 2025, compared to AED 21.88 million in the previous year.

In line with the expected credit loss model (ECL) for loan impairment provisioning under IFRS 9, net impairment charge for the year 2025 was AED 33.38 million compared to AED 47.36 million in the previous year.

As a combined result of the above factors, Net Operating Income for 2025 at the Consolidated Group level was higher by 8.5% at AED 157.20 million compared to AED 144.91 million in the previous year.

Total Operating Expenses for 2025 at the Group level were marginally higher at AED 139.46 million compared to AED 137.95 million in the previous year. This is in line with our planned growth in expenditure, to support specific business lines that have registered profitable business growth during the year. Overall, operating expenses for the year were well within budget.



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Public Joint Stock Company and the share capital is AED 302,837,770 درهم إماراتي



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Net Loans & Advances as of 31 December 2025 grew to AED 2.19 billion compared to AED 2.08 billion as at the end of the previous year. Customers' Deposits & Margin Accounts registered an impressive growth of circa 45% to AED 2.75 billion as of 31 December 2025, compared to AED 1.90 billion as at the end of the previous year.

At the consolidated level, Shareholders' equity as at 31 December 2025 stood at AED 635.64 million, compared to AED 638.95 million as at the end of the previous year. Cash & Cash equivalents as of 31 December 2025 stood at a robust 27.3% of Total Assets, highlighting the Group's conservative approach to liquidity management.

With the objective of preserving the cash resources of the Group for investments in upcoming strategic initiatives, the Board does not recommend distribution of any cash dividend for the financial year ended 31 December 2025.

We continue to fine-tune our strategies and strategy execution capabilities on a regular basis to take advantage of improving market conditions. We remain optimistic that we will continue to spot and exploit profitable niche opportunities, adapt quickly to changing market conditions, manage risks prudently and maximize returns for our shareholders.

On behalf of the Board of Directors,

Mohammed Abdulla Alqubaisi
Vice Chairman

Abu Dhabi
11 February 2026

