

Ajman Bank

Current Price (AED)	Market Cap (AED/mm)	Shares Outstanding (mm)	52 Week High (AED)
1.57 (▼ 1.26%)	4,275.90	2,723.50	1.99
Month to Date (MTD%)	Quarter to Date (QTD%)	Year to Date (YTD%)	52 Week Low (AED)
-0.63%	-0.63%	-8.19%	1.49
Price-to-Earnings Ratio(x)	Price-to-Book Ratio (x)	Dividend Yield (12month)	Book Value (AED)
9.73	1.39	4.62	1.13

Key Highlights:

- Ajman Bank reported a robust set of results for the 1Q25, demonstrating resilience across profitability, asset quality, and liquidity metrics. Despite a year-over-year decline in operating income, net profit surged by 25%, supported by efficient cost management and a substantial reversal of credit provisions. The bank continues to maintain a strong capital position. Strategic execution of its sukuk program and continued asset quality enhancement will be the key to sustaining long-term shareholder value.
- Net Profit rose by 25% YoY to AED 134.7 Mn in 1Q25 (1Q24: AED 107.4 Mn), driven by lower provisioning and improved fee income. Net Profit Growth was underpinned by a write-back of AED 39.3 Mn in impairment losses, compared to AED 13.3 Mn in 1Q24, reflecting improved credit profiles and successful recovery efforts.
- Total Operating Income declined 9% YoY to AED 363.9 Mn in 1Q25, largely due to a drop in income from Islamic financing due to repricing in a falling rate environment and lower asset yields (AED 254.1 Mn in 1Q25 vs AED 308.9 Mn in 1Q24), and due to a decline in investment assets (AED 39.4 Mn in 1Q25 vs AED 45.0 Mn in 1Q24).
- Fee and Commission Income increased by 52% YoY to AED 70.3 Mn in 1Q25, driven by higher transaction-based services, digital banking growth, and treasury income diversification.
- Depositors' share of profit decreased by 19.7% YoY to AED 165 Mn in 1Q25, due to optimizing deposit costs and changes in product mix toward lower-cost deposits, improving margin resilience.
- Total operating expenses dropped 31% YoY to AED 53.8 Mn in 1Q25, aided by a write-back of AED 39.3 Mn in expected credit losses (vs AED 13.3 Mn in 1Q24), supporting margin expansion despite revenue pressure.
- Cash and Liquidity Buffers were significantly enhanced, with cash and cash equivalents rising 33% to AED 2.42 Bn, reflecting proactive liquidity management.
- Net Islamic financing and investing assets expanded 7.4% YTD, driven by growth in Wakala and Ijarah portfolios.
- Customer deposits increased to AED 18.51 Bn in 1Q25, supported by strong growth in Wakala accounts from institutional clients.
- Ajman Bank reported a Capital adequacy ratio (CAR) of 18.17% and Common equity tier 1 (CET 1) ratio of 17.03% as of 1Q25, far above regulatory thresholds, providing ample headroom for future growth and risk absorption.
- The bank distributed AED 197.4 Mn in dividends (AED 0.0725/share) for 2024, underlining management's confidence in sustainable earnings.
- The bank held 37 Mn treasury shares to enhance liquidity and reduce share price volatility, showcasing shareholder-friendly policies.
- Under the Strategic Initiatives, Ajman Bank initiated a USD 1.5 Bn sukuk program to access international debt markets, enhancing funding flexibility. In addition, the bank made progress in settling legal disputes over foreclosed assets, which could unlock additional value to Real Estate Exposure Resolution.

FAB Securities Contacts:

Research Department:

Ahmad Banihani +971- -6161629 ahmad.banihani@Bankfab.com
[FAB Securities Research Portal](#)

Sales & Execution

Trading Desk Abu Dhabi Head Office +971- -6161777
+971- -5659593
Institutional Desk +971- -5658395
Sales and Marketing +971- -6161703
Customer Service +971- -6161600 [Online Trading Link](#)

DISCLAIMER:

This report has been prepared by FAB Securities (FABS), which is authorized by the UAE Securities and Commodities Authority, licensing registration number 604002, and is a member of the Abu Dhabi Securities Exchange, Dubai Financial Market and NASDAQ Dubai. The information, opinions and materials contained in this report are provided for information purposes only and are not to be used, construed, or considered as an offer or the solicitation of an offer or recommendation to sell or to buy or to subscribe for any investment security or other financial instrument. The information, opinions and material in this report have been obtained and derived from publicly available information and other sources considered reliable without being independently verified for their accuracy or completeness. FABS gives no representation or warranty, express or implied, as to the accuracy and completeness of information and opinions expressed in this report. Opinions expressed are current as of the original publication date appearing on the report only and the information, including the opinions contained herein, are subject to change without notice. FABS is under no obligation to update this report. The investments referred to in this report might not be suitable for all recipients. Recipients should not base their investment decisions on this report and should make their own investigations, and obtain independent advice, as appropriate. Any loss or other consequences arising from the uses of material contained in this report shall be the sole and exclusive responsibility of the recipient and FABS accepts no liability for any such loss or consequence. The value of any investment could fall as well as rise and the investor may receive less than the original amount invested. Some investments mentioned in this report might not be liquid investments, which could be difficult to realise in cash. Some investments discussed in this report could be characterised by high level of volatility, which might result in loss. FABS owns the intellectual property rights and any other material contained in this report. No part of this report may be reproduced, utilised or modified in any form either in whole or in part or by any electronic, mechanical or other means, now known or hereafter invented, including photocopying and recording, or stored in any retrieval system without the prior consent of FABS in writing. While utmost care has been taken to ensure that the information provided is accurate and correct, neither FABS, nor its employees shall, in any way, be responsible for the contents. By accepting this document, the recipient agrees he/she has read the above disclaimer and to be bound by the foregoing limitations/restrictions.