

# Management Discussion & Analysis

## Invest Bank Financial Highlights

### For the year ended 31 December 2022

Financial Statements – Summary							
Income Statement				Balance Sheet			
(AED million)	YTD 2022	YTD 2021	Var.	(AED million)	Dec 2022	Dec 2021	Var.
Net interest income	79	121	-35%	Cash and deposits with CB	615	1,446	-57%
Net fees and commission	(34)	52	-165%	Investments	2,136	2,012	6%
<b>Operating income</b>	<b>45</b>	<b>173</b>	<b>-74%</b>	Loans & advances	5,137	5,930	-13%
Operating expenses and other charge	(184)	(166)	11%	Customer Deposits	7,587	8,471	-10%
<b>Operating profit before impairment charge</b>	<b>(139)</b>	<b>7</b>	<b>-2100%</b>	Shareholders' Funds	104	621	-83%
Net impairment charge	(445)	(295)	51%	Total Assets	8,567	10,060	-15%
<b>Loss for the period</b>	<b>(584)</b>	<b>(288)</b>	<b>103%</b>				
<b>Basic EPS (Fils)</b>	<b>(18.4)</b>	<b>(9.04)</b>					

#### Key Ratios

Capital adequacy ratio	2.8%	9.3%
Liquid asset ratio	11.0%	18.6%
Loans to deposit ratio	67.7%	70.0%

At 31 December 2022, the Bank's total assets stood at AED 8.6B compared to AED 10.1B in 2021, mainly due to decrease in customer deposits as the Bank continued its plans to reduce concentrations within the balance sheet.

The bank reported a net loss for the year amounting to AED 584M, higher than prior year loss of AED 288M due to impairment losses amounting to AED445M, as legacy portfolio continue to weigh heavily on the Bank's books and the Bank's operations in Lebanon. The overall operating income levels reduced due to declining transactional volumes and increased operating expenses levels as the Bank embarks on overall restructuring and re-organisation of the Bank.

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