

1Q 2025 Earnings Presentation

Analyst & Investor Conference Call

Abu Dhabi, 24 April 2025

ADIB IR Website



IR App Download link:



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Key Highlights

1Q 2025 Earnings Presentation

= Financial highlights

A record-breaking start to 2025 driven by strategic execution and strong client activity

Record 1Q 2025 performance with net income before tax of AED 1.9bn up 18% YoY and up 18% compared to Q4 2024 driven by accelerated revenue momentum, translating to ROE of 28.8%

Revenue up 14% YoY to AED 2.9bn reflecting strong business volumes and improved revenue mix with higher non-funded income contribution

Cost / Income ratio dropped to 28.9% an improvement of 151bps YoY helped by strong revenue growth and continued cost discipline

ADIB strong franchise continued to attract new customers with 67,000 joining ADIB in 1Q 2025

Total assets crossed AED 244bn driven by 28% growth in customer financing that were efficiently funded by YoY deposits growth of 25% which crossed AED 200bn milestone

Maintained robust fundamentals through solid asset quality with an improvement in the NPA ratio to reach 3.7% lowest since 4Q 2016 and increased coverage ratio to 83%

1Q'25 Net Income growth YoY

+18% **+18%**
 Before tax After tax

1Q'25 Cost / Income ratio

28.9% 

1Q'25 ROE

28.8% 

1Q'25 Net financing growth YoY

+28% 

= Outlook and Guidance

UAE economic resilience, the solid financial & strategic foundations drive promising outlook for the rest of 2025

= Market Outlook

Resilient growth reflecting strong momentum in non-oil sector

Real GDP growth (%)



Oil prices adjusting to market dynamics but remain supportive

Brent Price / Barrel (avg) (USD)



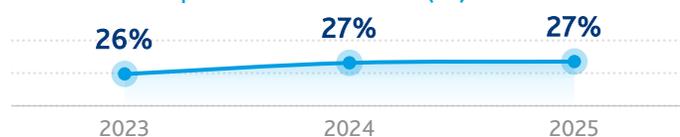
Moderate inflation supporting economic stability & consumer confidence

UAE Inflation (avg) (%)



Stable government spending supporting UAE's long term diversification plan

Government expenditure % of GDP (%)



= Management Guidance

= Gross Financing Growth

Customer financing momentum in both retail and corporate expected to remain robust, supported by a resilient economic backdrop

1Q 2025 Actual

27% YoY ✓

FY 2025 Guidance

12% to 14%

= Net Profit Margin

NPM to stabilise in 4% to 4.25% range for FY 2025

4.31% ✓

4% to 4.25%

= Cost of Risk

CoR to remain at healthy level due to better asset quality and effective risk management supported by continuous build-up of provisioning

0.37% ✓

0.40% to 0.60%

= Cost to Income Ratio

Opex growth to support business expansion moderated by disciplined management and digital efficiencies with overall positive "jaws"

28.9% ✓

< 30%

= Return on Equity

Solid expected profit growth and focus on capital-efficient income growth expected to drive continued superior returns

28.8% ✓

> 25%

Financial Performance

1Q 2025 Earnings Presentation

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= Financial Performance Highlights

Record profitability in 1Q 2025 driven by growth across core businesses in line with strategy to increase market share

= Strong YoY Growth in Profitability



= Robust Balance Sheet Growth YoY



= Strong Capital Position and Return YoY



= Key financial metrics – 1Q 2025 vs 1Q 2024

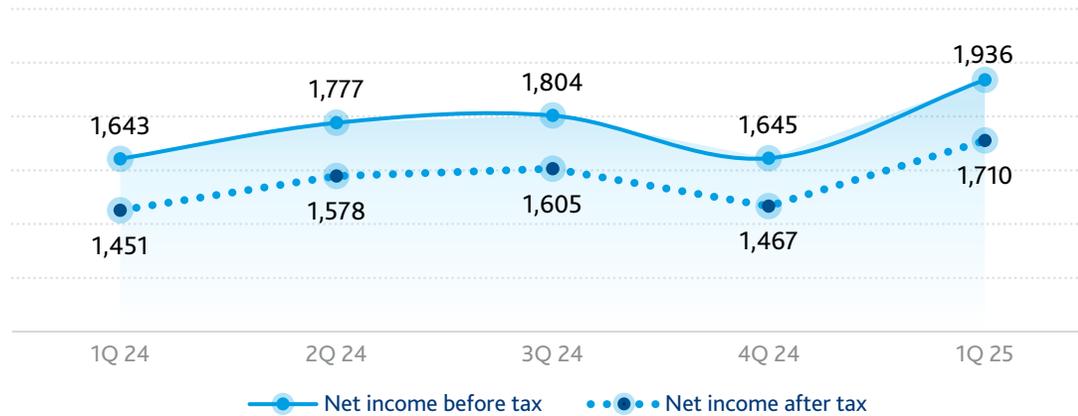
Record set of results with ROE reaching 28.8% driven strong commercial momentum, diversified revenue streams and cost discipline

| | 1Q 2024 | 1Q 2025 | 1Q 2025 vs 1Q 2024 | |
|-------------------------------|---------|---------|--------------------|--------|
| | | | Amount | % |
| Profitability (AED mn) | | | | |
| Revenue | 2,517 | 2,871 | 354 | 14% |
| Expenses | -765 | -830 | -64 | 8% |
| Margin | 1,752 | 2,042 | 290 | 17% |
| Cost of Credit | -109 | -106 | 4 | -3% |
| Net Income before Tax | 1,643 | 1,936 | 293 | 18% |
| Tax | -192 | -226 | -34 | 18% |
| Net Income after Tax | 1,451 | 1,710 | 259 | 18% |
| Balance Sheet (AED bn) | | | | |
| Total Assets | 194.6 | 243.5 | 48.9 | 25% |
| Gross Financing Assets | 121.4 | 154.5 | 33.1 | 27% |
| Risk Weighted Assets | 142.3 | 169.1 | 26.8 | 19% |
| Customer Deposits | 160.3 | 200.1 | 39.8 | 25% |
| Investments | 26.3 | 32.2 | 5.9 | 22% |
| Key Ratios | | | | |
| Cost to Income | 30.4% | 28.9% | | -1.51% |
| Return on Equity | 27.0% | 28.8% | | 1.82% |
| NPA Coverage | 73.0% | 82.8% | | 9.8% |
| NPA | 5.5% | 3.7% | | -1.7% |

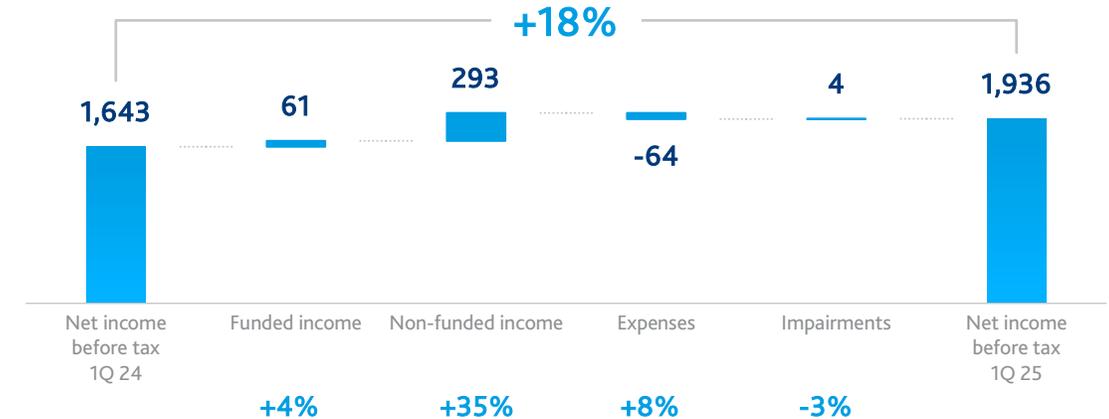
= Income Statement

Strong YoY net income growth of 18% driven by strong revenue momentum, revenue diversification and balance sheet growth

= Net Income (AEDmn)



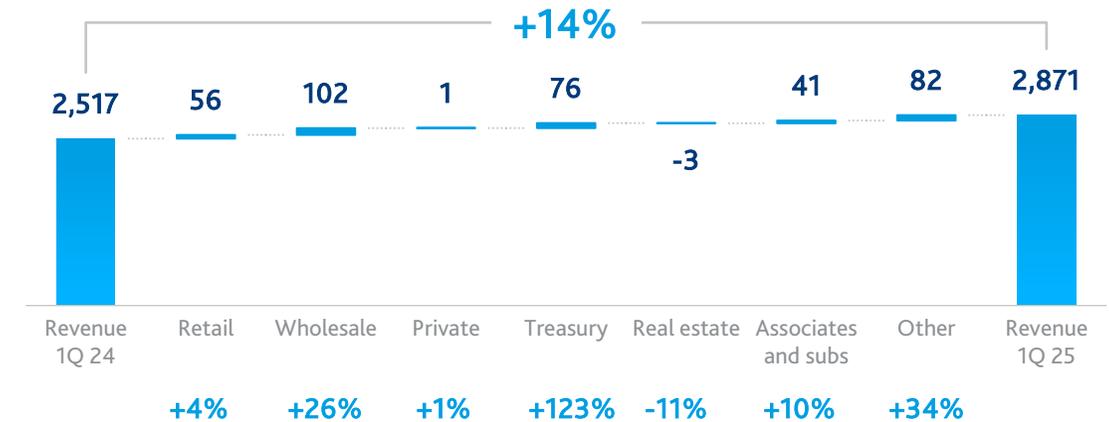
= Net Income before Tax Movement YoY (AEDmn)



= Income Statement Highlights

| AED (mn) | 1Q 2025 | 1Q 2024 | Δ% | 4Q 2024 | Δ% |
|------------------------------|--------------|--------------|-------------|--------------|-------------|
| Funded income | 1,752 | 1,690 | +4% | 1,663 | +5% |
| Non-funded income | 1,120 | 827 | +35% | 974 | +15% |
| Revenues | 2,871 | 2,517 | +14% | 2,637 | +9% |
| Operating expenses | (830) | (765) | +8% | (821) | +1% |
| Provision for impairment | (106) | (109) | -3% | (172) | -39% |
| Net Income before tax | 1,936 | 1,643 | +18% | 1,645 | +18% |
| Net Income after tax | 1,710 | 1,451 | +18% | 1,467 | +17% |

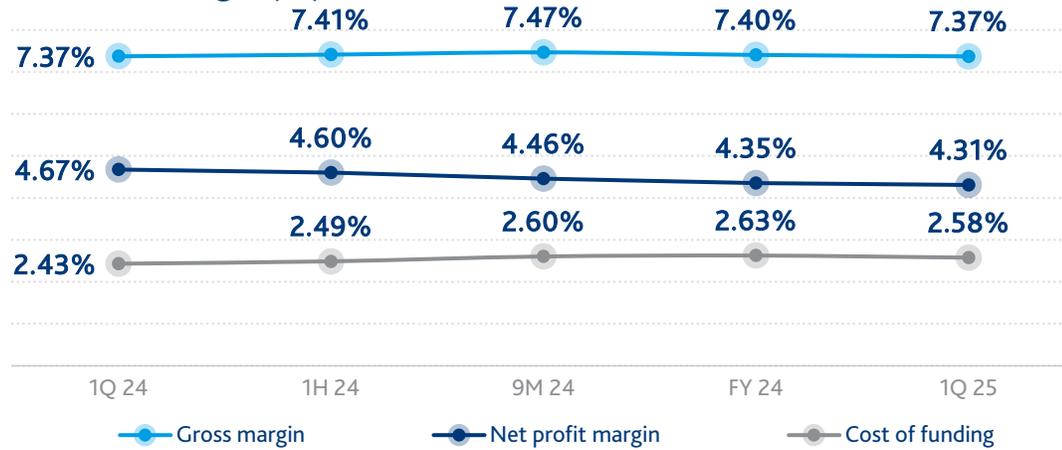
= Revenue Movement by Segment YoY (AEDmn)



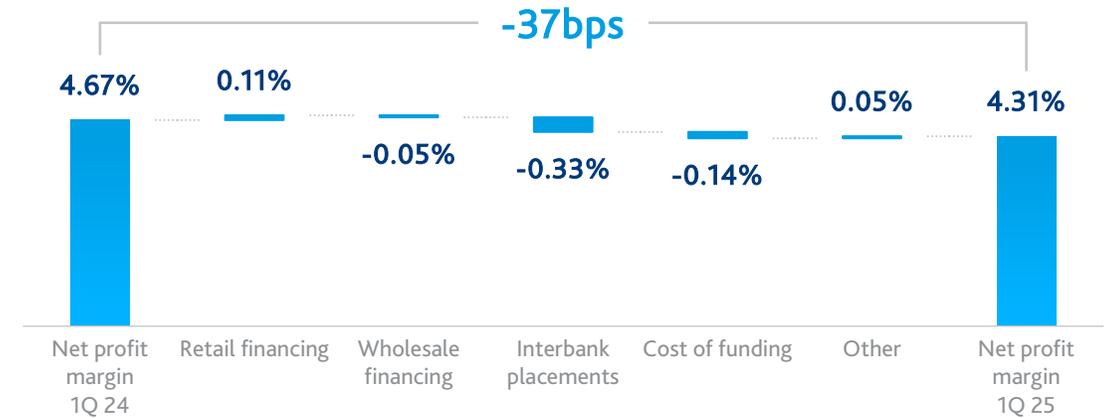
= Funded Income

Stabilized margins, strong volume growth and disciplined balance sheet management, drove a 4% increase in funded income

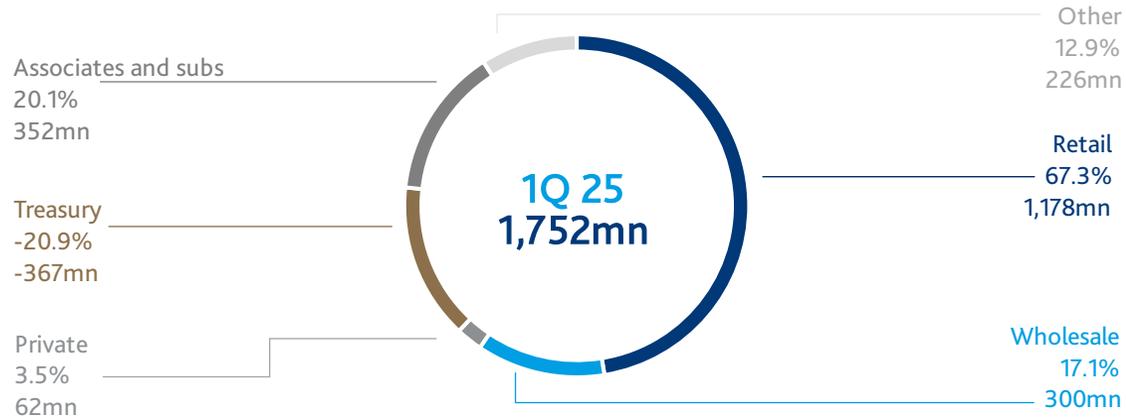
= Net Profit Margin (%)



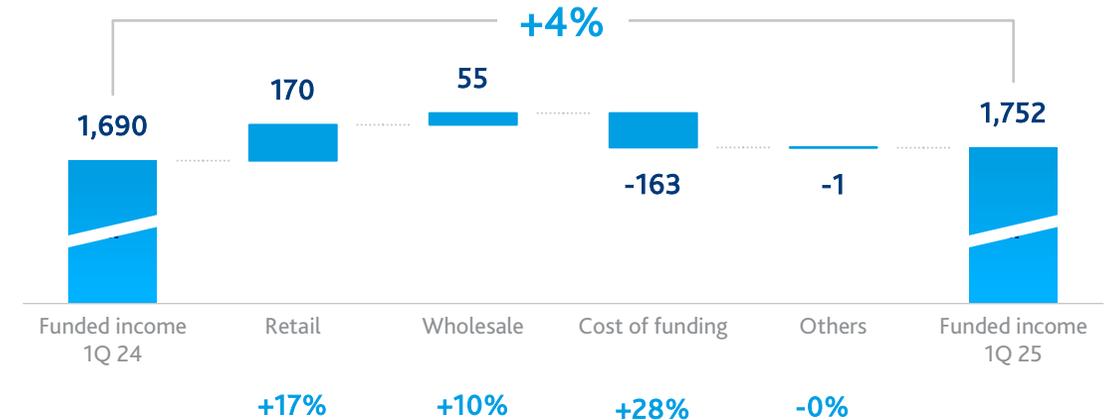
= Net Profit Margin Movement YoY (%)



= Funded Income Composition (AEDmn)



= Net Revenue from Funding Activities Movement YoY (AEDmn)



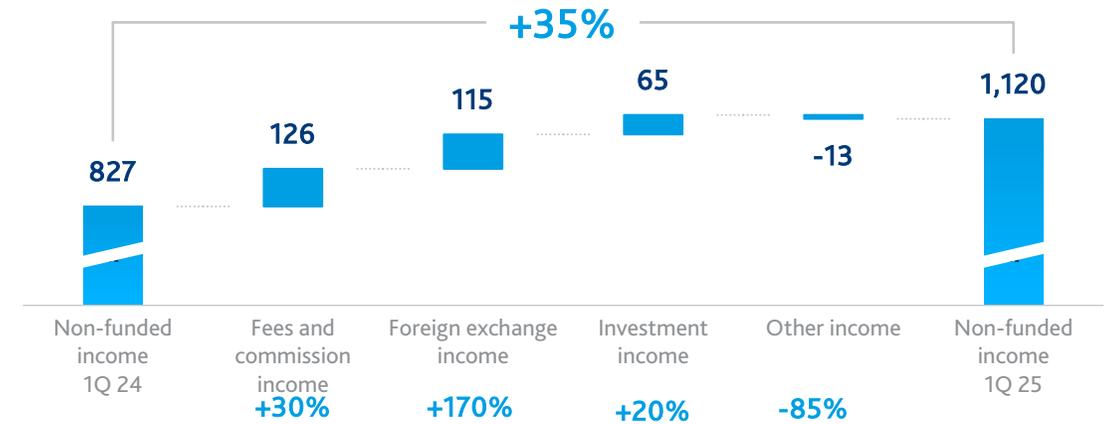
= Non-Funded Income

Exceptional non-funded income growth, reflecting our strategic focus on revenue diversification across F&C, FX and investment income streams

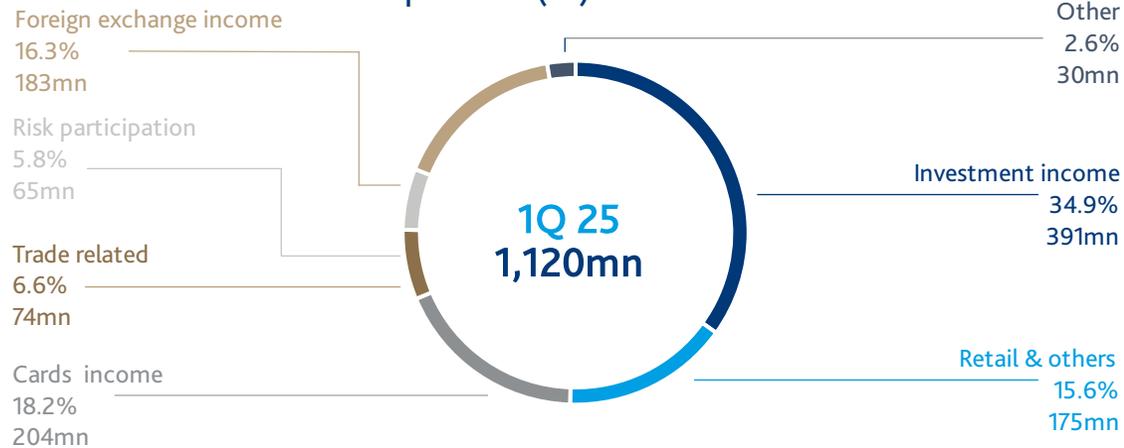
= Non-Funded Income (AEDmn)



= Non-Funded Income Movement YoY (AEDmn)



= Non-Funded Income Composition (%)



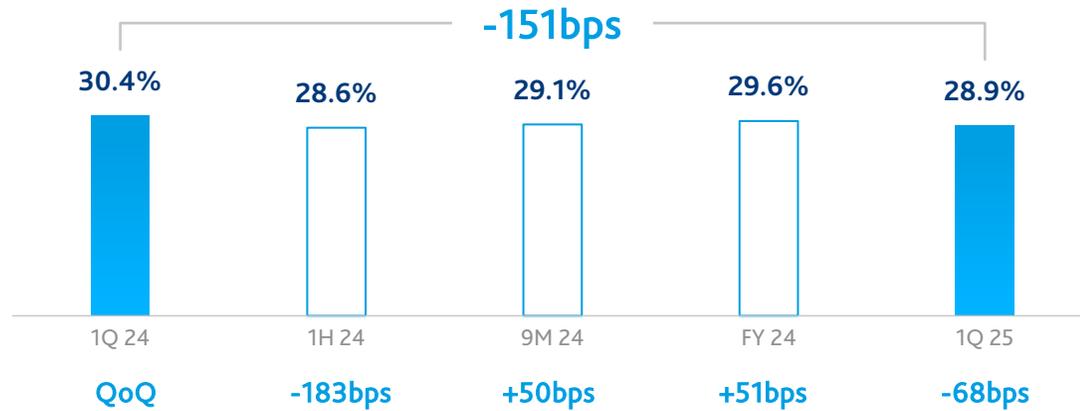
= Fee & Commission Income Movement YoY (AEDmn)



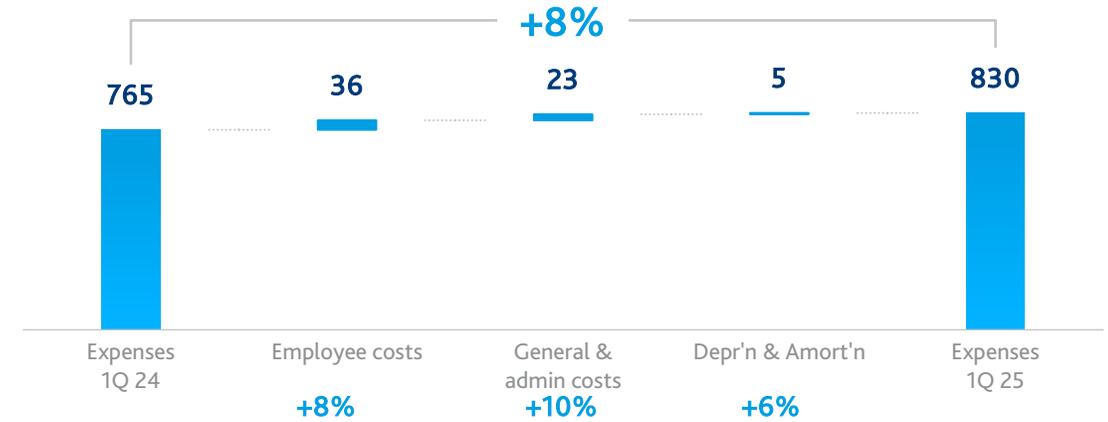
= Operating Expenses

Despite ongoing investment in growth initiatives, we delivered a 151bps YoY improvement in Cost/Income ratio

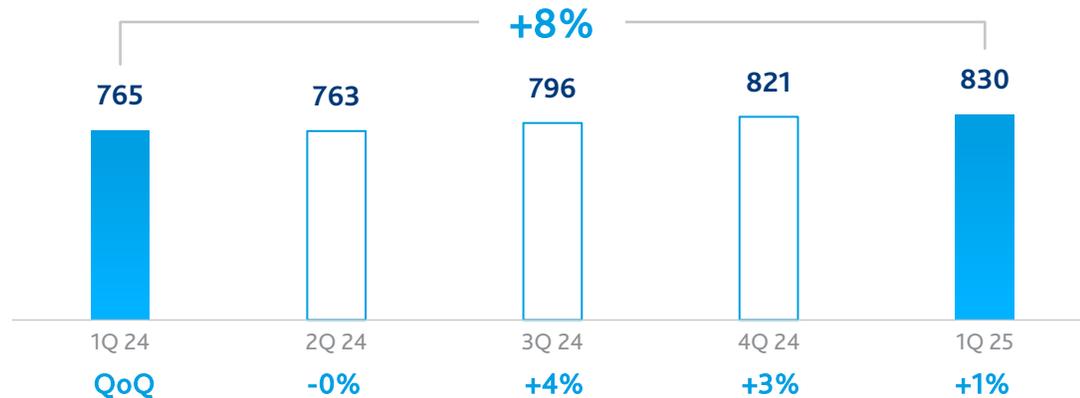
= Cost To Income Ratio (%)



= Expenses Movement YoY (AEDmn)



= Expenses (AEDmn)



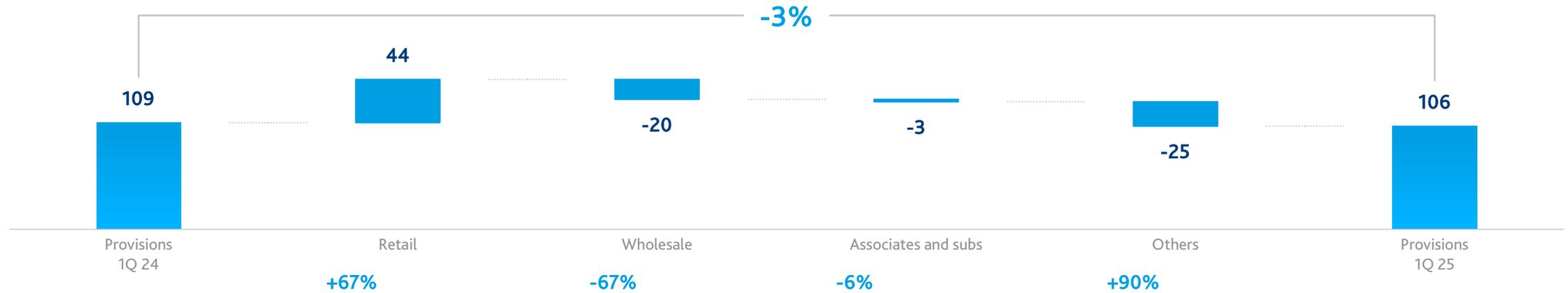
= Expenses Composition (%)



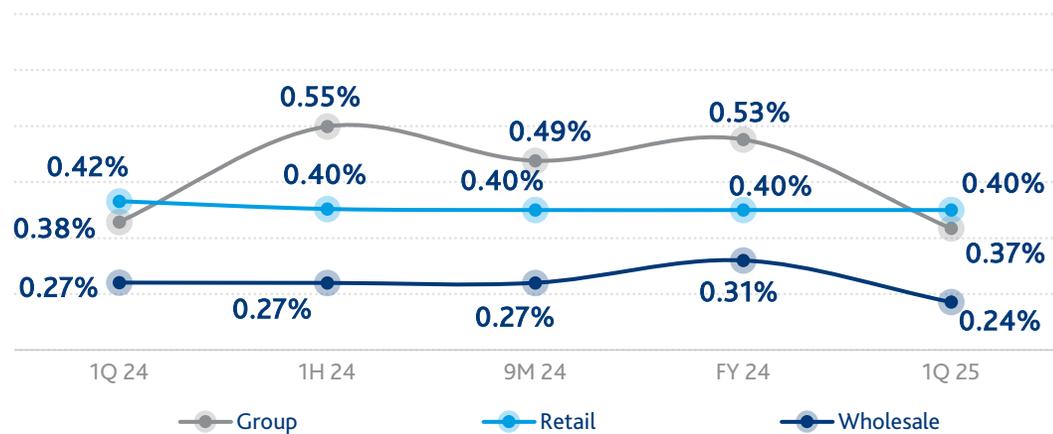
= Provisions

Cost of risk at a historical low, reflecting disciplined risk management and strong asset quality

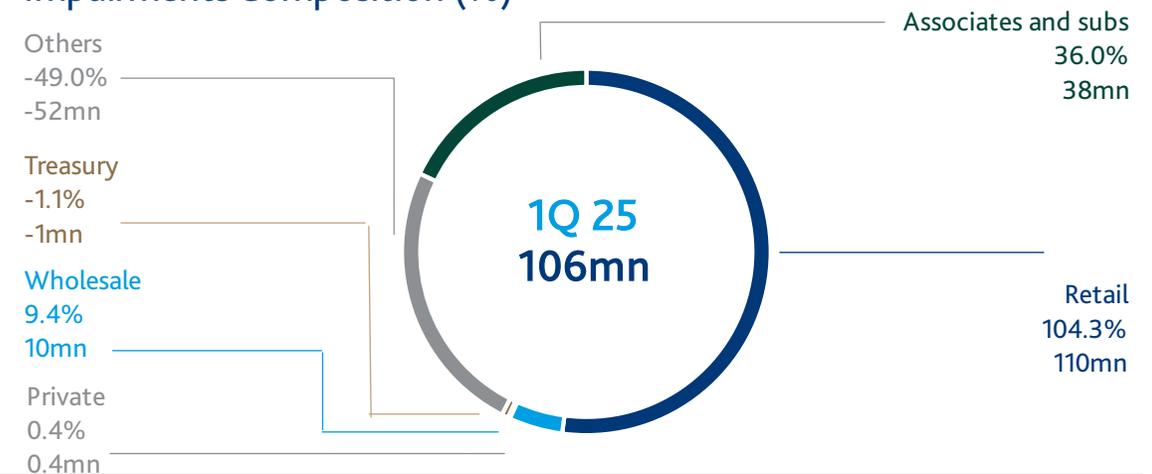
= Provisions Movement YoY (AEDmn)



= Cost Of Risk (%)



= Impairments Composition (%)



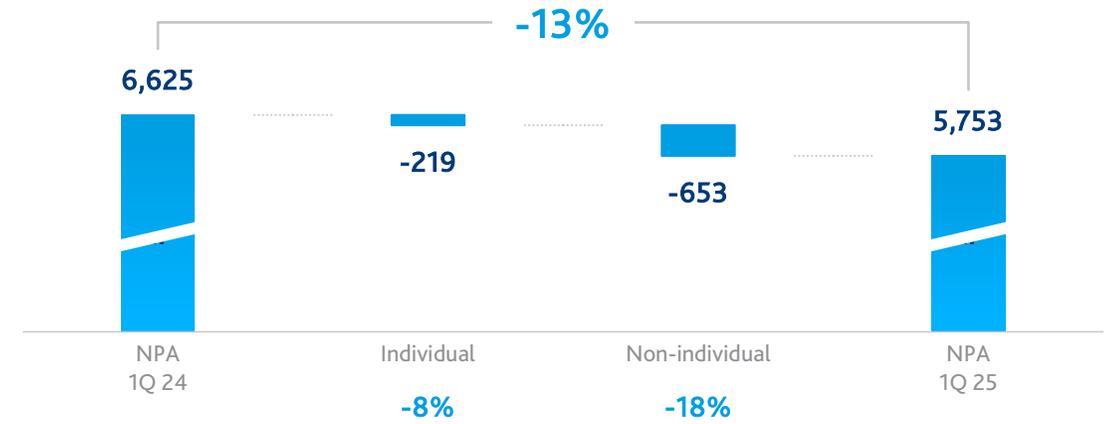
= Non-Performing Financing

Asset quality continues to improve with NPA ratio of 3.7% lowest since 4Q 16 accompanied by a record-high coverage ratio

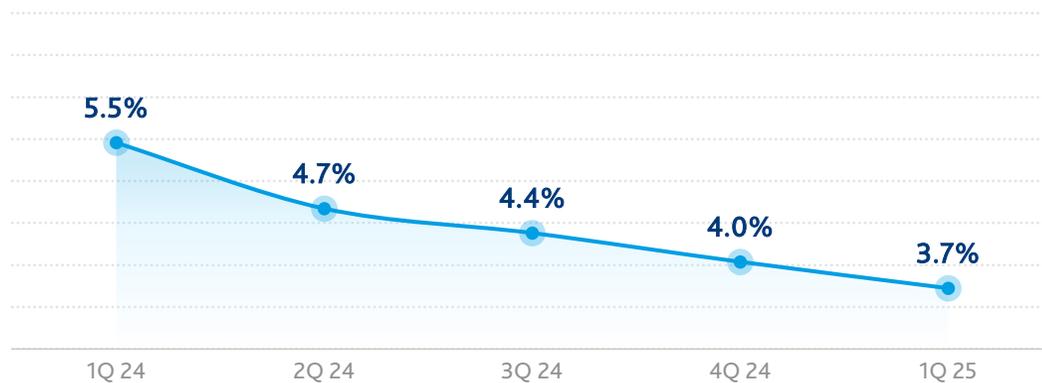
= NPA (AEDmn)



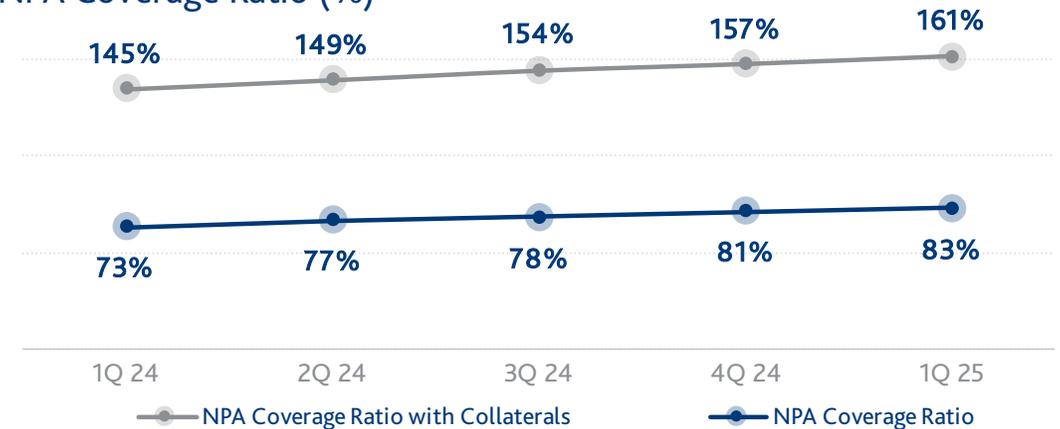
= NPA Movement YoY (AEDmn)



= NPA Ratio (%)



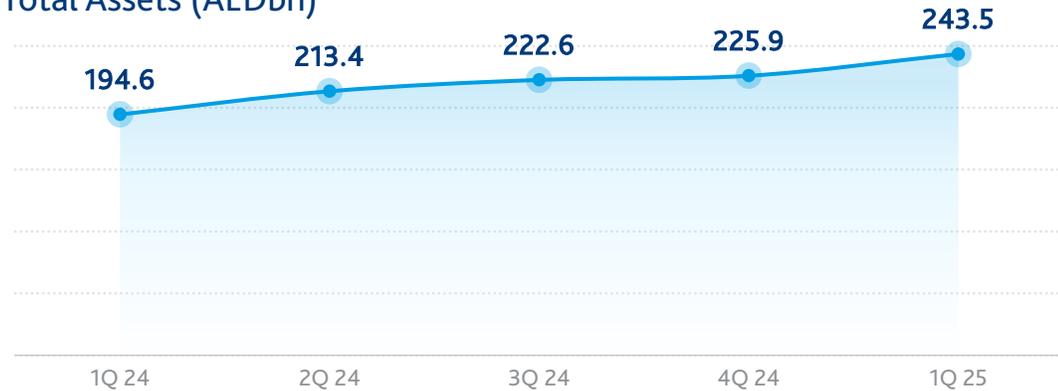
= NPA Coverage Ratio (%)



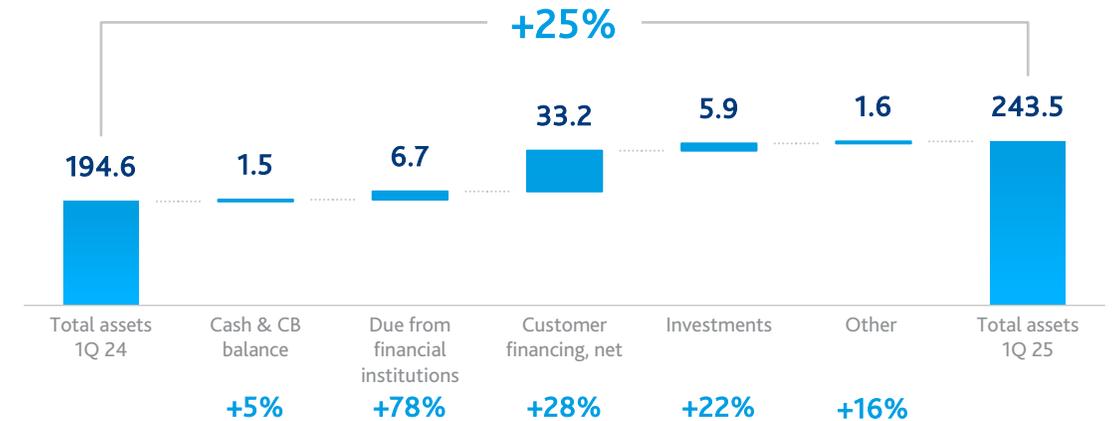
= Balance Sheet

Exceptional asset growth fueled by 28% growth in customer financing supported by strong and diversified funding position

= Total Assets (AEDbn)



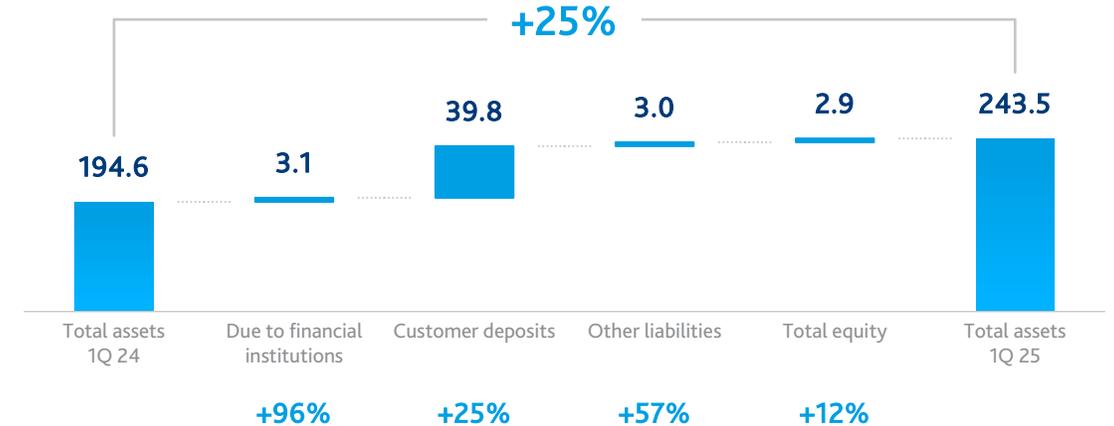
= Total Assets Movement YoY (AEDbn)



= Balance Sheet Highlights

| AED (mn) | 1Q 2025 | 4Q 2024 | Δ% | 1Q 2024 | Δ% |
|--------------------------|----------------|----------------|------------|----------------|------------|
| Customer financing, net | 150,133 | 142,611 | 5% | 116,943 | 28% |
| Investments | 32,157 | 29,286 | 10% | 26,271 | 22% |
| Total assets | 243,528 | 225,910 | 8% | 194,647 | 25% |
| Total Deposits | 200,095 | 182,675 | 10% | 160,262 | 25% |
| Total liabilities | 216,601 | 197,593 | 10% | 170,633 | 27% |
| Total equity | 26,927 | 28,317 | -5% | 24,014 | 12% |

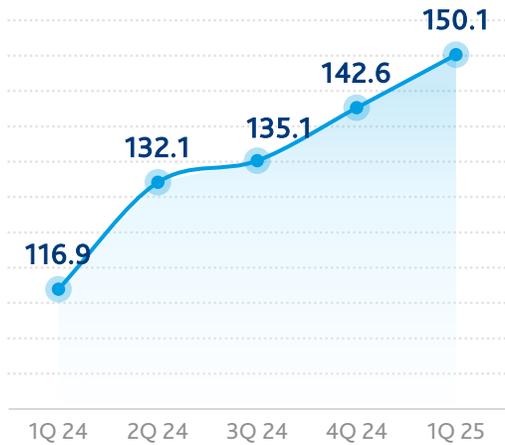
= Funding Movement YoY (AEDbn)



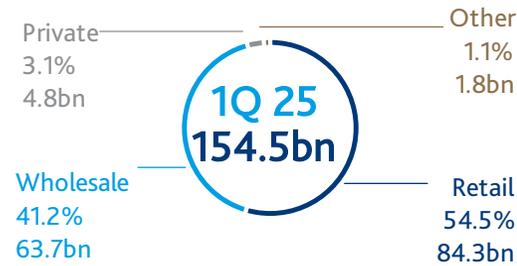
= Customer Financing

AED 33 billion increase in financing in the past 12 months with RBG experiencing a strong momentum

= Customer Financing, Net (AEDbn)



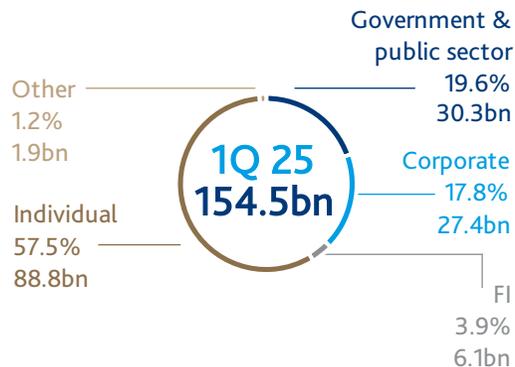
= Customer Financing, Gross by Segment (%)



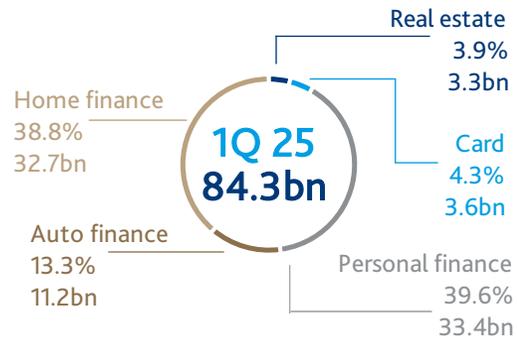
= Customer Financing, Gross Movement YoY (AEDbn)



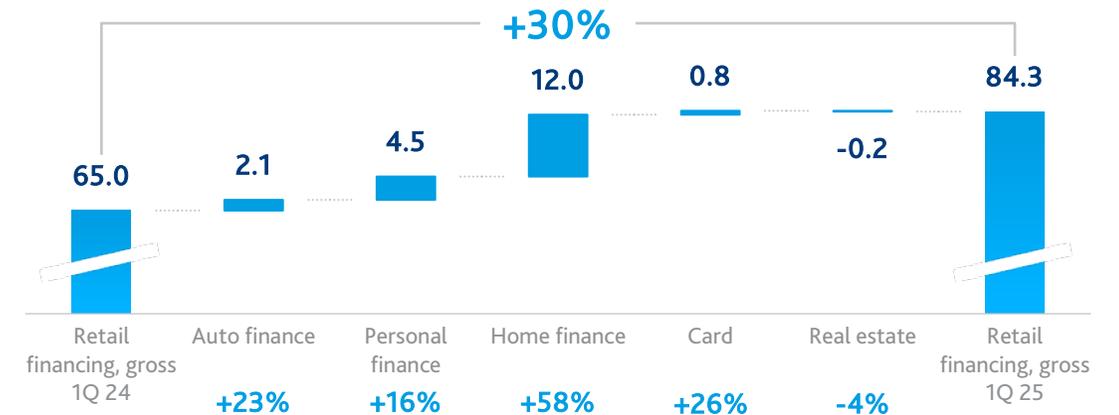
= Customer Financing, Gross by Sector (%)



= Retail Financing, Gross Composition (%)



= Retail Financing, Gross Movement YoY (AEDbn)



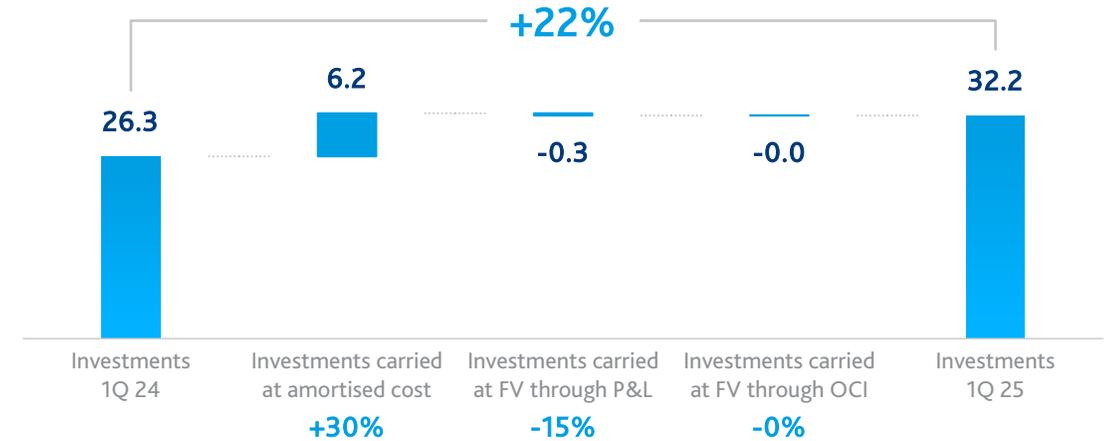
= Investments

Investment Portfolio grew 22% vs 1Q 24 with 84% accounted for at amortized cost

= Investments (AEDbn)



= Investments Movement YoY (AEDbn)



= Investments by Country (%)



= Investments by Type (%)



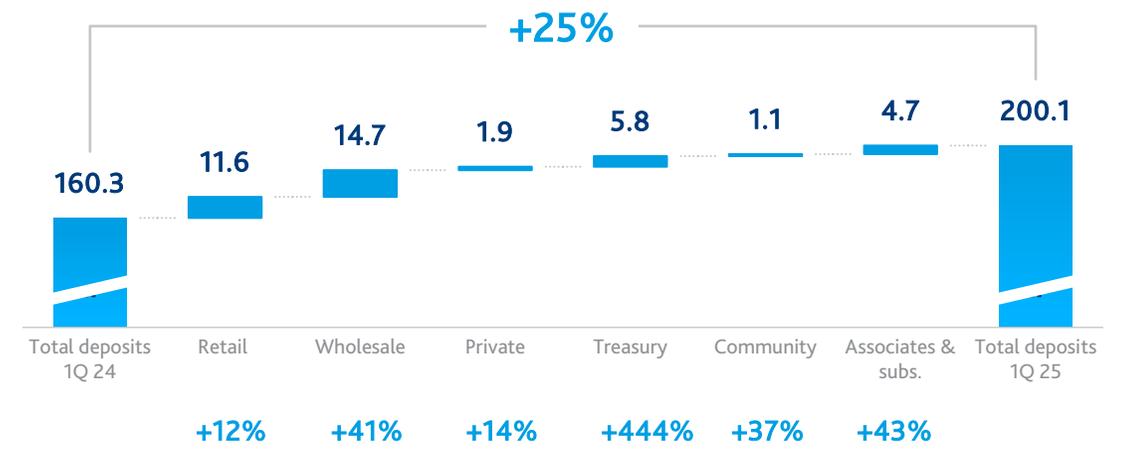
= Customer Deposits

Substantial increase in customer deposits with ADIB attracting AED 15.3bn of CASA deposits contributing to a healthy funding mix

= Total Deposits (AEDbn)



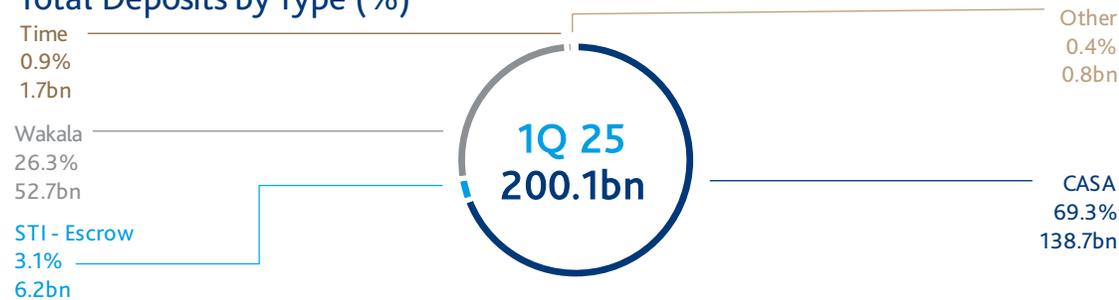
= Total Deposits Movement YoY (AEDbn)



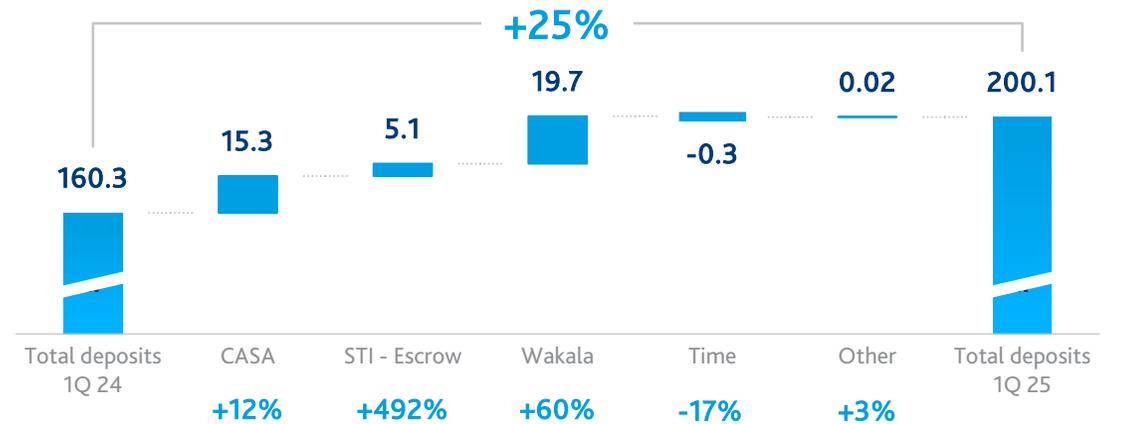
= Total Deposits by Segment (%)



= Total Deposits by Type (%)



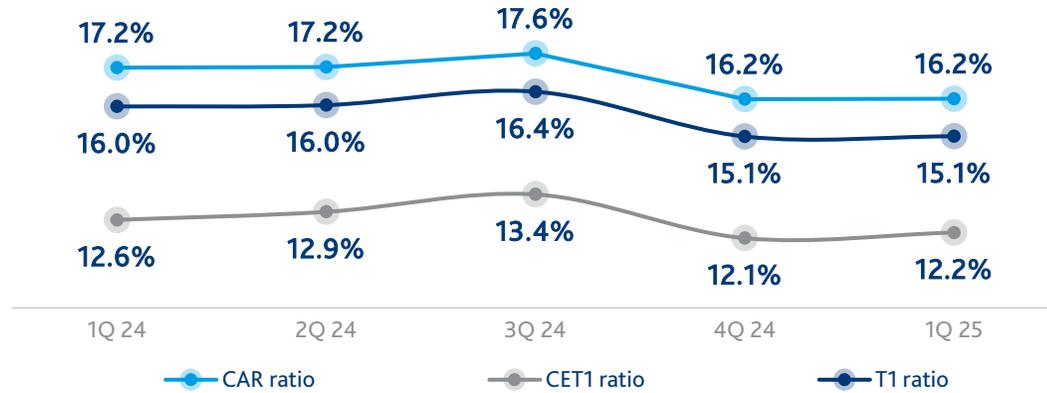
= Total Deposits Movement by Type YoY (AEDbn)



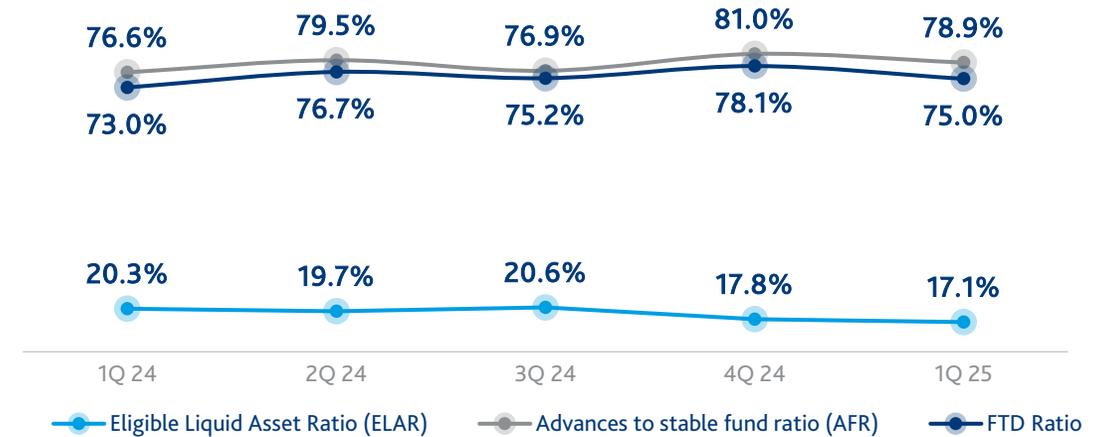
= Capital and Liquidity

Robust fundamentals across all key metrics reflecting strong capital and liquidity ratios comfortably above regulatory requirements

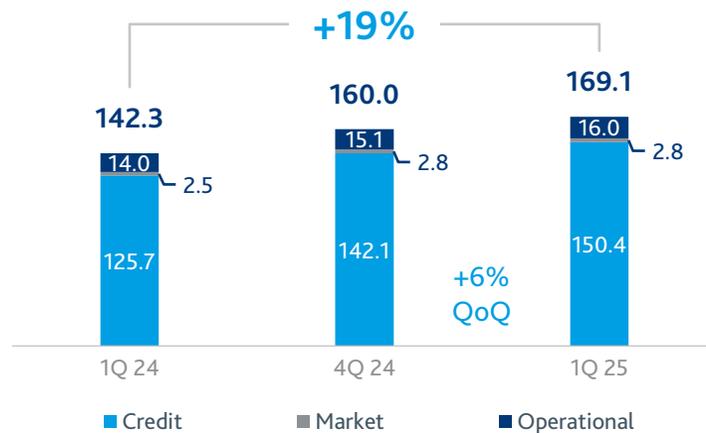
= Capitalization Ratios (%)



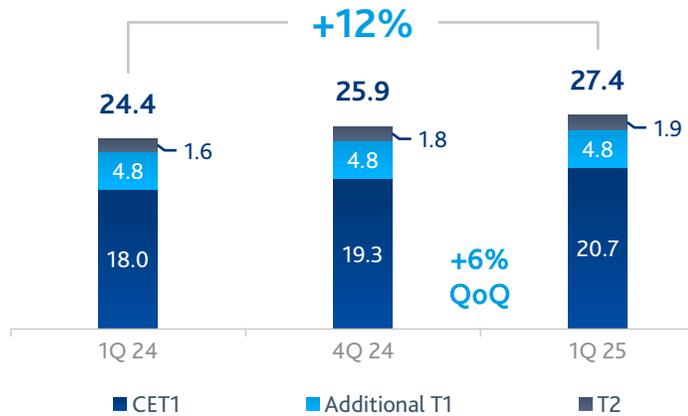
= Liquidity Ratios (%)



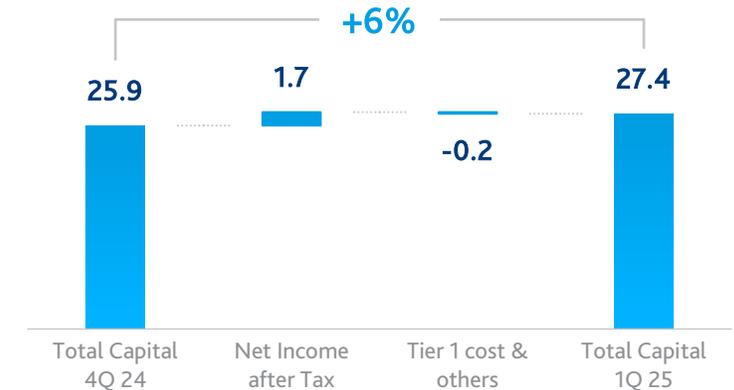
= RWA (AEDbn)



= Capitalization (AEDbn)



= Total Capital Movement YTD (AEDbn)



Questions & Answers

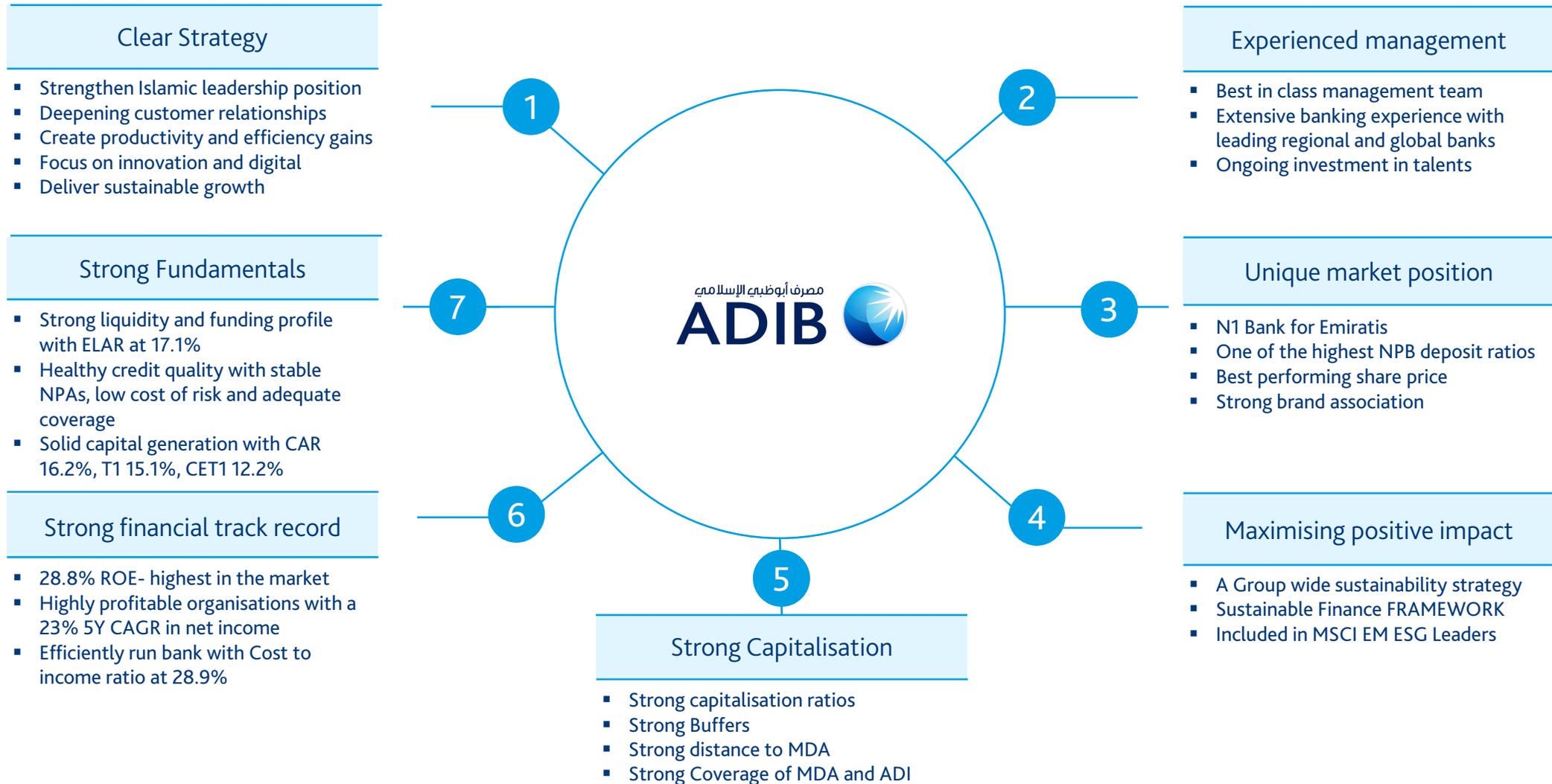
1Q 2025 Earnings Presentation

Appendix

1Q 2025 Earnings Presentation

= Investment Highlights

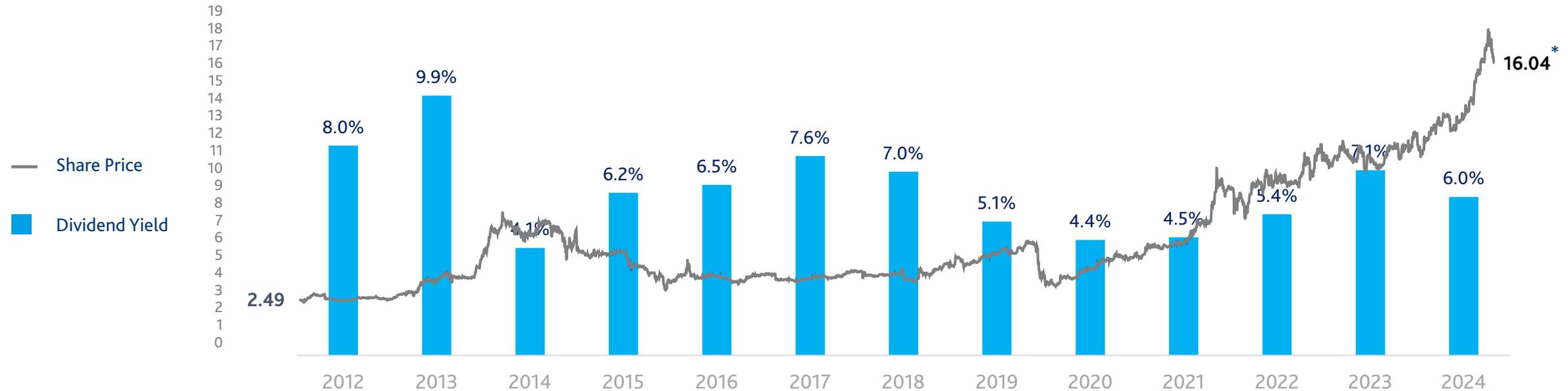
Strong Management, Solid Fundamentals and Clear Strategy



= Consistent dividend distribution

ADIB consistently distribute dividends with average yield of above 5%

= Shareholder Return Metrics



| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Net Profit in AED mn | 1,201 | 1,450 | 1,751 | 1,934 | 1,954 | 2,300 | 2,501 | 2,601 | 1,604 | 2,330 | 3,619 | 5,251 | 6,101 |
| Cash Dividend Payout ratio (% of Net Profit) | 50.0% | 50.0% | 40.0% | 39.8% | 39.8% | 39.8% | 39.8% | 38.2% | 46.6% | 48.5% | 49.2% | 49.4% | 49.7% |
| Cash Dividend (% of Share Capital) | 25.4% | 30.7% | 23.3% | 24.3% | 24.5% | 28.9% | 27.4% | 27.4% | 20.6% | 31.1% | 49.0% | 71.5% | 83.4% |
| Cash dividend in AEDmn | 600 | 725 | 700 | 770 | 778 | 915 | 995 | 994 | 747 | 1,130 | 1,779 | 2,595 | 3,030 |
| Bonus shares | - | 635 | - | - | - | - | - | - | - | - | - | - | - |
| Bonus shares (% of Share Capital) | - | 26.9% | - | - | - | - | - | - | - | - | - | - | - |

*at 31 March 2025

= Ratings and Accolades

ADIB's recognition for excellence in Islamic banking

= Credit Ratings

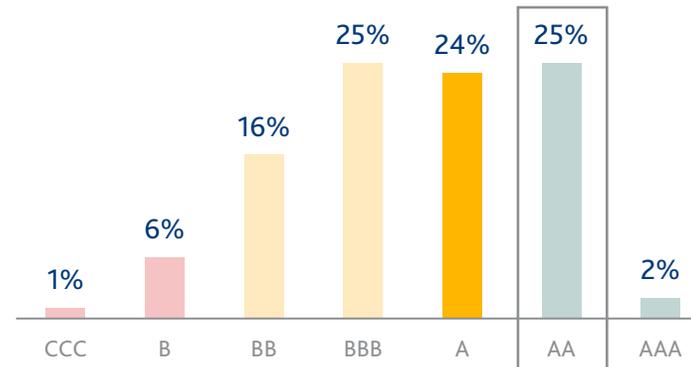
MOODY'S
A2
 Stable Outlook

FitchRatings
A+
 Stable Outlook

= ADIB's MSCI ESG Rating



= MSCI Rating Distribution



= Recent Accolades


#1
 Islamic Retail bank


#1
 Market leader in digital


#1
 Bank in the UAE


#1
 Safest Islamic bank globally

Contacts

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= Additional Information

Please contact the Investor Relations team for additional information or download ADIB's IR App

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ADIB Investor Relations Website

<https://adib.com/en/Pages/Investor-Relations.aspx>

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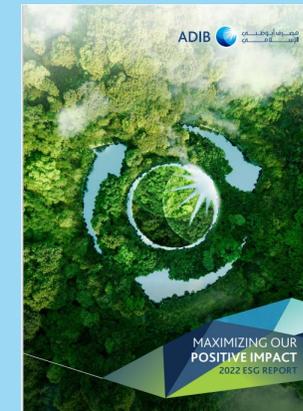
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