

ABU DHABI COMMERCIAL BANK PJSC

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Fourth Quarter and Full Year 2024

Earnings press release and
management discussion & analysis

27 January 2025

ADCB reports profit before tax of AED 10.585 bn in FY'24, up 26% and AED 2.884 bn in Q4'24, up 15% YoY

The Bank reports net profit after tax of AED 9.419 bn in FY'24, up 15%, and AED 2.573 bn in Q4'24, up 5% YoY⁽¹⁾

Recommended dividend of AED 0.59 per share, representing a total payout of AED 4.319 billion and equivalent to 46% of net profit

Abu Dhabi, 27 January 2025 – Abu Dhabi Commercial Bank PJSC (ADCB) today reported its financial results for the full-year 2024 (FY'24) and the fourth quarter of 2024 (Q4'24).

Selected financial metrics for FY'24

10.585 bn

Profit before tax (AED)

9.419 bn

Net profit after tax (AED)

15.2%

Return on average tangible equity (post tax)

19.480 bn

Operating income (AED)

16%

Net loan growth (YoY)

16%

Customer deposit growth (YoY)

0.58%

Cost of risk

3.04%

Non-performing loan ratio

12.56%

CET1 ratio

FY'24 profit before tax surges through AED 10 bn milestone driven by strong broad-based growth as core businesses support a vibrant UAE economy

Key highlights – FY'24 vs. FY'23

- Profit before tax of AED 10.585 bn increased 26%
- Net profit after tax of AED 9.419 bn⁽¹⁾
- Net interest income of AED 13.226 bn increased 7%
- Non-interest income of AED 6.254 bn increased 39%, with net fees and commission income up 27%
- Operating income of AED 19.480 bn increased 15%
- Cost to income ratio of 31.0% improved by 130 basis points
- Operating profit before impairment charge of AED 13.448 bn increased 18%

Key highlights – Q4'24 vs. Q4'23

- Profit before tax of AED 2.884 bn increased 15%
- Net profit after tax of AED 2.573 bn⁽¹⁾
- Net interest income of AED 3.505 bn increased 3%
- Non-interest income of AED 1.962 bn increased 57%, with net fees and commission income up 25%
- Operating income of AED 5.467 bn increased 17%
- Cost to income ratio of 28.6% improved by 340 basis points
- Operating profit before impairment charge of AED 3.902 bn increased 23%

(1) UAE corporate income tax of 9% came into effect as of 1 January 2024. Q4'23/FY'23 net profit is on a pre-UAE corporate tax basis, therefore year-on-year comparison is not on a like-for-like basis

ADCB captures greater market share, with FY'24 net loans and deposits both growing at accelerated pace of 16% YoY, while CASA⁽¹⁾ deposits increased AED 16.45 bn in Q4'24

- Total assets of AED 653 bn increased 15% YoY and 2% QoQ
- Net loans of AED 351 bn were up 16% (AED 49 bn) YoY and 2% (AED 7 bn) QoQ, with a CAGR of 10% since 2020
- New credit extended totaled AED 112 bn in FY'24, with AED 61 bn of repayments
- Total customer deposits of AED 421 bn increased 16% (AED 58 bn) YoY and 4% (AED 14 bn) QoQ, with a CAGR of 14% since 2020
- Current and savings account (CASA) deposits stood at AED 186 bn at December-end, following a significant increase of AED 16.45 bn (10%) during Q4'24 to account for 44% of total customer deposits versus 42% at the end of Q3'24
- Capital adequacy and CET1 ratios were at 16.13% and 12.56% respectively
- Liquidity coverage ratio (LCR) stood at 137.3%, while loan to deposit (LTD) ratio was 83.3%
- Cost of risk improved to 0.58% in FY'24 from 0.79% in FY'23
- The NPL ratio improved to 3.04%, the lowest level over the last five years, and reduced from 3.73% at the end of 2023. Provision coverage ratio was 110.0% and, when including collateral, was 188%, their highest levels in the last five years

Continued on next page

(1) CASA: Current and savings account

H.E. Khaldoon Khalifa Al Mubarak Chairman

“ ADCB continued on a trajectory of accelerated growth in 2024, delivering an exceptional financial and operating performance marked by strong loan growth, enhanced efficiencies and significant improvement in cost of risk.

Having created substantial shareholder value over the past five years, the Bank remains committed to delivering operational excellence to lead the next phase of growth and transformation in the UAE banking sector.

A new Board-endorsed strategy sets a clear path for significant expansion of the core businesses, while leveraging the Group's capabilities and networks. ADCB will continue to invest significantly in talent and technology to increase productivity and enhance customer experience.

The Bank sees significant opportunity in the UAE's agenda to build a diversified knowledge-based economy, invest in clean energy and become a global leader in AI and emerging technologies. ADCB stands ready to deploy its financial strength and expertise to support the country's domestic and international investments in the coming years.

As we take bold strides into the next phase of growth, I would like to take this opportunity to thank our shareholders and customers for their continued trust and support, and to ADCB's employees for their dedication to serving their community.

On behalf of the Board, I would like to express our sincere appreciation and gratitude to His Highness Sheikh Mohamed Bin Zayed Al Nahyan, UAE President and Ruler of Abu Dhabi; His Highness Sheikh Mansour Bin Zayed Al Nahyan, UAE Vice President, Deputy Prime Minister and Chairman of the Presidential Court, and Chairman of the UAE Central Bank; and His Highness Sheikh Khaled Bin Mohamed Bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Chairman of the Abu Dhabi Executive Council, for their continued guidance and support. ”

Ala'a Eraiqat Group Chief Executive Officer

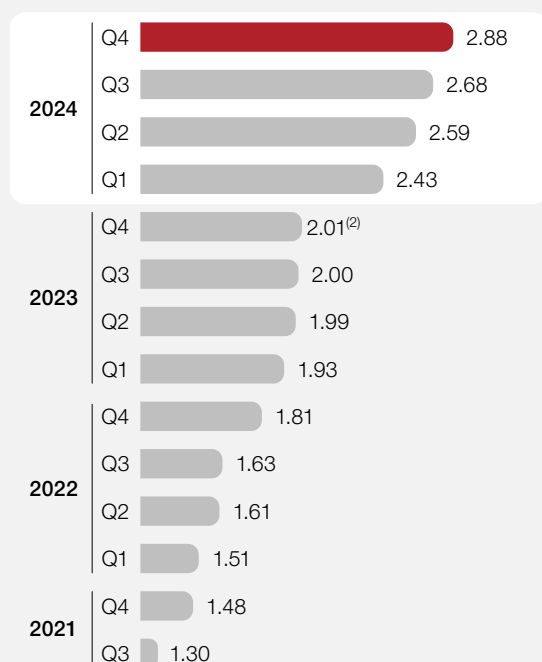
An exceptional year as ADCB achieves milestone of AED 10 billion profit before tax

“ADCB achieved a formidable performance in 2024, exceeding our AED 10 billion profit target a full year ahead of schedule through rigorous execution of strategy to drive excellence on all fronts.

Embarking on a post-merger five-year journey amid the challenges of the global pandemic in 2020, the Bank has surpassed all its ambitious goals, recording 14 consecutive quarters of core organic growth.

14 quarters of consecutive growth in profit before tax⁽¹⁾

(AED bn)



As a major financial institution intrinsically linked to the UAE's dynamic growth, ADCB has transformed in terms of scale, profitability and sophistication. Having delivered on all key guidance metrics in 2024, we are now launching a new strategy to sustain this strong momentum and contribute to the country's progressive economic agenda.

Creation of significant shareholder value through our five-year journey

Since 2020, ADCB has increased profit before tax at a compound annual growth rate (CAGR) of 28% to reach AED 10.585 billion in 2024, and AED 9.419 billion after tax. Return on average tangible equity (post tax) has increased to 15.2% from 8.3% in 2020. The creation of significant value is reflected in a five-year total shareholder return of 75%, supported by a dividend payout that has more than doubled to AED 0.59 per share for the 2024 financial year.

ADCB's strong market position has driven significant balance sheet expansion, with assets increasing 59% since the end of 2020 to surpass the AED 650 billion milestone. Our strong franchise has driven a 67% increase in deposits over this period, and even amid higher interest rates, the Bank attracted AED 18.5 billion of current and savings accounts (CASA) deposits in 2024, contributing to a favourable cost of funds.

An important feature of our growth is the broadening of customer relationships, driving fee income and resulting in well diversified revenue streams. Non-interest income has increased to 32% of operating income in 2024, from 22% in 2020.

Our growth is characterised by investment in talent and technology to enhance productivity, and our sharp focus on efficiency has improved the cost-to-income to 31.0% in 2024, representing a reduction of 530 basis points from 2020. Meanwhile, we have prioritised asset quality through disciplined risk management, driving an improvement in cost of risk to 58 basis points from 145 basis points in 2020. The NPL ratio of 3.04% in 2024 was at its lowest level over the last five years.

Dedication to service excellence is key to expanding market share, a commitment that positioned ADCB as the highest-ranked bank in the KPMG UAE Customer Experience Excellence Report and drove an 8.7%⁽³⁾ increase in brand value in 2024.

75%

5-year TSR



Note: CAGR calculations are from 2020 to 2024

(1) Net of loss on discontinued operations, as applicable

(2) Excluding one-off gain recorded from the divestment of an 80% stake in Abu Dhabi Commercial Properties (ADCP) in Q4'23

(3) 2024 Banking 500 Report by Brand Finance, a leading brand consultancy

Deeper relationships drive loan growth and fee income

The Retail Banking Group (RBG) welcomed over 740,000 new customers in 2024, with 83% onboarded through digital channels. ADCB's cards business is operating at twice the scale it was five years ago and ranks as the number one issuer of cards in the UAE, with 243,000 new cards issued in 2024, up 7% year on year. Supported by increased straight-through processing of service requests, digital engagement increased, with subscriptions to online and mobile banking surpassing the 2 million milestone, now covering 91% of retail customers.

ADCB's Private Banking & Wealth Management Group has become one of the country's largest home-grown private banks, doubling its client base in the last five years as the UAE enhanced its status as a global business and lifestyle destination.

The Corporate and Investment Banking Group (CIBG) achieved strong loan growth across key economic sectors, including manufacturing, trading, and financial institutions. Notably, the Bank has enhanced its risk profile through a strategic rebalancing of its portfolio towards government-related entities (GREs), which accounted for 42% of total gross loan growth in 2024.

Corporate relationships are broadening to capital markets advisory, transaction banking and sophisticated treasury services, driving a market-leading fee-to-income ratio. In 2024, ADCB operated on par with major global investment banks in regional deals, ranking seventh⁽¹⁾ by the volume of bonds and sukuk issuances arranged in the Middle East and North Africa. The business is supporting clients through a strategic regional presence, including a new branch in Saudi Arabia and a rebranded ADCB corporate hub in Kazakhstan serving Central Asia and the Caucasus⁽²⁾.

ADCB Egypt is making a strong contribution to the Group's ability to serve clients across the region, and performed exceptionally well, doubling net profit to EGP 3.593 bn⁽³⁾ and delivering a return on equity of 34% in 2024. The Bank has developed important public sector and corporate relationships and has established a solid foothold in the affluent retail banking segment.

Meanwhile, our Islamic retail banking subsidiary, Al Hilal Bank, continues to transform under the leadership of newly appointed Chief Executive Officer Jamal Al Awadhi, a seasoned Emirati executive who is guiding implementation of an ambitious growth strategy. Through evolution into a digital-only service, Al Hilal Bank is leveraging its cloud-based platform to attract a young demographic, with an average of over 14,000 customers onboarded per month in 2024. The Bank is focused on rolling out a self-service model to enhance digital access, service speed, and cost efficiency.

New strategy for sustained growth

ADCB's new Board-endorsed strategy is designed to maintain the momentum of growth by significant scaling up of our core businesses and investment in new high-potential opportunities.

Investing in talent is key to the sustainable growth of the financial sector, and in 2024, ADCB recruited c. 400 UAE nationals, bringing the total to more than 2,100 -- representing approximately 40% of the employee base and one of the highest levels in the industry. The Bank is proud to have set a new benchmark for the sector by achieving 100% Emiratisation across all banking roles in its Al Ain operations. Experienced Emirati leaders are playing a central role in shaping the Group's strategic vision, driving critical decisions through majority representation on key executive committees.

An important element of the new strategy is the responsible deployment of artificial intelligence. We have already successfully implemented early use-cases across regulatory compliance, risk management, and customer service, and we have put in place a framework for further adoption to enhance decision-making, increase productivity and elevate customer experience.

We remain committed to the responsible management of ESG risks and opportunities, fostering long-term stability and value creation for stakeholders. This commitment is reflected in the Bank's recent MSCI ESG rating upgrade to 'AA', ranking it as a global industry leader -- driven by its record in data privacy management, sustainable finance and ethical business practices. ADCB was subsequently included in the FTSE4Good Index Series driven by an independent assessment by FTSE Russell that placed the Bank above the global financial industry average across all ESG criteria.

The UAE's economy is underpinned by strong fundamentals, driven by a pro-business policy agenda to promote diversification, sustainable development and cross-border investment. As a leading financial institution, ADCB is at the heart of this progress, committed to driving growth through innovative financing solutions. ”

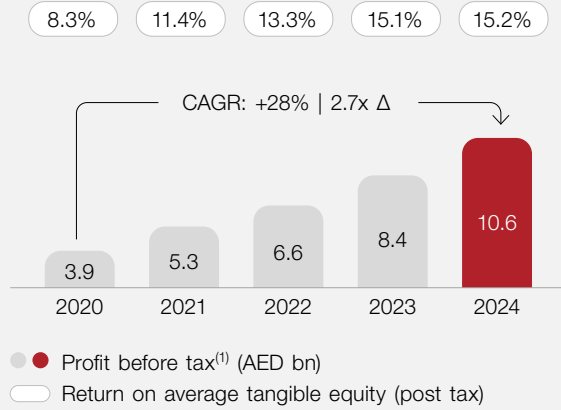
(1) Bloomberg 'league table' of managers of MENA G3 currency bonds and sukuk

(2) In 2024, Al Hilal Bank's Kazakhstan operations were transferred to ADCB to serve as a corporate banking hub

(3) Based on IFRS

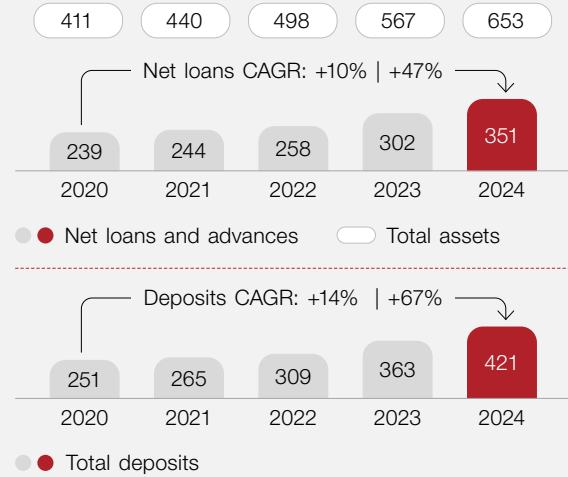
ADCB 5-year journey

AED 10 bn milestone reached ahead of target

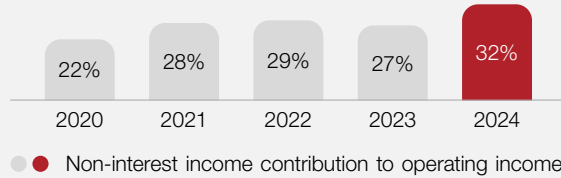


Robust growth in loans & deposits

(AED bn)



Increased non-interest income, enabling effective capital deployment

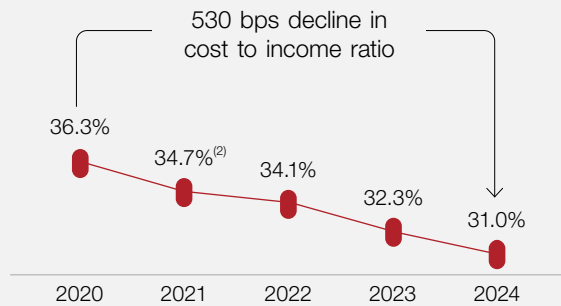


Creating significant shareholder value

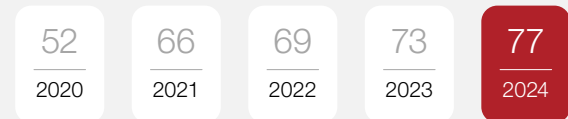
Dividend per share (AED)



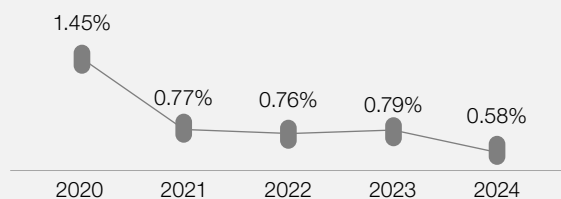
Disciplined cost management



Service excellence – NPS scores⁽⁴⁾

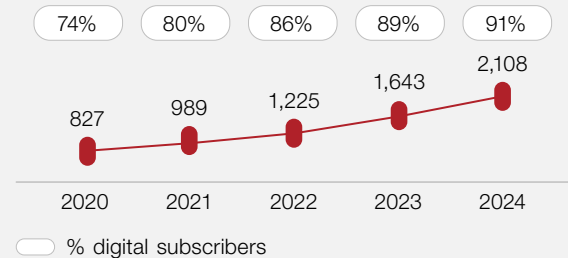


Improved asset quality (cost of risk)



Record level of digital retail subscriptions⁽⁵⁾

('000)



(1) Net of loss on discontinued operations, as applicable

(2) Realised synergies of AED 1.2 bn from the merger with UNB and AHB

(3) Proposed dividend subject to approval by regulators and shareholders at the Annual General Meeting

(4) NPS: Net promoter score is based on the likelihood that customers will recommend ADCB to family or a friend. NPS is calculated as the percentage of customers who are promoters, rating ADCB a 9 or 10 on a 0 to 10-point scale, minus the percentage who are detractors, rating it 6 or lower

(5) Total digital subscriptions include mobile and internet banking channels

Q4/FY 2024 Management discussion & analysis

Q4/FY 2024 financial highlights

Income statement highlights (AED mn)	FY'24	FY'23	ΔYoY%	Q4'24	Q3'24	Q4'23	ΔQoQ%	ΔYoY%
Total net interest and Islamic financing income	13,226	12,374	7	3,505	3,144	3,413	11	3
Non-interest income	6,254	4,493	39	1,962	1,569	1,249	25	57
Operating income	19,480	16,866	15	5,467	4,713	4,662	16	17
Operating expenses	(6,031)	(5,453)	11	(1,565)	(1,515)	(1,491)	3	5
Operating profit before impairment charge	13,448	11,414	18	3,902	3,197	3,171	22	23
Impairment charge	(2,874)	(3,477)	(17)	(1,020)	(525)	(1,162)	94	(12)
Net gain on disposal of stake in subsidiary ⁽¹⁾	–	490	NA	–	–	490	NA	NA
Profit before tax ⁽²⁾	10,585	8,427	26	2,884	2,678	2,500	8	15
Income tax charge	(1,166)	(221)	NM	(311)	(288)	(47)	8	NM
Net profit for the period ⁽³⁾	9,419	8,206	15	2,573	2,390	2,454	8	5

Balance sheet highlights (AED mn)	Dec'24	Dec'23	ΔYoY%	Dec'24	Sep'24	Dec'23	ΔQoQ%	ΔYoY%
Total assets	652,814	567,194	15	652,814	638,754	567,194	2	15
Net loans and advances	350,638	301,995	16	350,638	344,014	301,995	2	16
Net interest earning assets	555,289	484,972	14	555,289	539,197	484,972	3	14
Deposits from customers	421,060	362,905	16	421,060	406,742	362,905	4	16

Key metrics (%)	FY'24	FY'23	ΔYoY bps	Q4'24	Q3'24	Q4'23	ΔQoQ bps	ΔYoY bps
CAR (Capital adequacy ratio – Basel III)	16.13	16.22	(9)	16.13	16.68	16.22	(55)	(9)
CET1 (Common equity tier 1) ratio	12.56	12.86	(30)	12.56	13.11	12.86	(55)	(30)
Liquidity coverage ratio (LCR)	137.3	158.1	(2,080)	137.3	136.3	158.1	100	(2,080)
Loan to deposit ratio	83.3	83.2	10	83.3	84.6	83.2	(130)	10
CASA/total customer deposits	44	46	(200)	44	42	46	200	(200)
Non-performing loan (NPL) ratio	3.04	3.73	(69)	3.04	3.45	3.73	(41)	(69)
Provision coverage ratio ⁽⁴⁾	110.0	102.5	750	110.0	97.5	102.5	1,250	750
NPL ratio including POCI ⁽⁵⁾	3.28	4.20	(92)	3.28	3.69	4.20	(41)	(92)
Cost of risk (COR) ⁽⁶⁾	0.58	0.79	(21)	0.72	0.42	1.02	30	(30)
Cost to income ratio	31.0	32.3	(130)	28.6	32.2	32.0	(360)	(340)
Net interest margin (NIM) ⁽⁷⁾	2.58	2.83	(25)	2.58	2.41	2.93	17	(35)
Risk adjusted NIM ⁽⁷⁾	2.03	2.06	(3)	1.89	2.01	1.95	(12)	(6)
Return on average tangible equity (ROATE) ⁽²⁾	15.2	15.1	10	16.6	15.3	18.1	130	(150)

Note: Figures may not add up due to rounding differences

(1) Net gain on disposal of stake in subsidiary and fair value gain on retained interest

(2) After including share in profit of associates

(3) For the Bank, the UAE corporate tax of 9% commenced on and from 1 January 2024. Therefore 2023 comparisons are not on a like for like basis

(4) Provisions on loans and advances, including fair value adjustments

(5) POCI: Purchased or originated credit-impaired financial assets

(6) COR: Net impairment charge on loans & advances and investments divided by net average loans & advances and investments

(7) NIM and risk adjusted NIM exclude 'Financial assets at fair value through profit or loss' and 'Loans and advances to customers at fair value through profit or loss' from interest earning assets

FY'24 guidance achieved on key metrics, and introduction of guidance aligned with the new five-year strategy

- ADCB has announced a new five-year strategy establishing a clear roadmap for the accelerated growth of core businesses to create significant value for shareholders. The Bank's guidance for key financial metrics, outlined below, aligns with targets set in the new strategy.

	FY'24 guidance	FY'24 actual
Loan growth	16%-17%	16%
Net interest income growth	c.8%	7%
NIM	c.2.55%	2.58%
Cost of risk ⁽¹⁾	<55 bps	58 bps
ROATE	14%-15%	15.2%
CET1 ratio	>12%	12.56%
Dividend payout ratio (cash)	40%-50%	46%

	5-year guidance
Profitability	Double net profit to AED 20 billion within five years; c.20% annual growth rate
Cost of risk ⁽¹⁾	<60 bps
CET1 ratio	>12%
ROE	>15%
Dividend payout ⁽²⁾	Progressive year-on-year increase in paid-out dividends, with targeted total dividend payout of c. AED 25 billion over five-year period

ADCB marks 14 consecutive quarters of growth in net profit before tax, with FY'24 operating income up 15% and enhanced efficiency reflected in 130 bps improvement in cost to income ratio

- Net interest income increased 7% YoY to reach AED 13.226 billion in FY'24. The Bank has continued to strategically rebalance its loan portfolio towards high-quality and low-risk credit exposures. In this context, the risk-adjusted net interest margin (NIM) remained broadly steady YoY at 2.03%, while NIM decreased 25 bps YoY to 2.58%, in line with guidance.
- Net interest income in Q4'24 increased 3% YoY and 11% QoQ to AED 3.505 billion. NIM for the quarter increased by 17 bps sequentially to 2.58% primarily driven by a 24 bps improvement in cost of funds to 4.04%, as the Bank attracted a significant inflow of CASA deposits during the quarter and benchmark rates decreased. The YoY decline in Q4'24 NIM of 35 bps was primarily on account of higher interest in suspense releases recorded in Q4'23.
- Non-interest income surged 39% YoY to AED 6.254 billion in FY'24, representing 32% of total operating income compared to 27% a year earlier. Net fees and commission income was up 27% YoY to AED 3.101 billion, primarily driven by a 33% rise in loan processing fees (gross) and a 20% increase in card-related fees (gross). ADCB was the largest issuer of cards in the UAE for the year, with 243,000 new cards issued, up 7% YoY. Net trading income was up 30% to AED 2.064 billion on higher foreign exchange income, derivatives gains and a net gain from financial assets held at fair value through profit or loss (FVTPL). Other operating income increased to AED 1.089 billion from AED 456 million in FY'23.
- Q4'24 non-interest income was AED 1.962 billion, an increase of 57% YoY and 25% QoQ, with net fees and commission income 25% higher YoY and net trading income up 10% YoY. Other operating income was AED 779 million in Q4'24 primarily on account of gains on extinguishment of corporate loans.

(1) CoR: Net impairment charge on loans & advances and investments divided by net average loans & advances and investments

(2) This statement represents a forward-looking projection and is subject to necessary approvals, including but not limited to board, regulatory, and shareholder approvals

- Operating income was AED 19.480 billion in FY'24, an increase of 15% over the previous year, and was AED 5.467 billion in Q4'24, up 17% YoY and 16% QoQ.
- Cost to income ratio improved by 130 bps YoY to 31.0% in FY'24 driven by enhanced efficiencies and disciplined cost management, while the Bank continued to invest in talent and technology to drive continued growth across its core businesses. In Q4'24, strong operating income resulted in a cost to income ratio of 28.6%, an improvement of 340 bps YoY and 360 bps QoQ.
- Net impairment charge was AED 2.874 billion in FY'24, 17% lower YoY, and was AED 1.020 billion in Q4'24, a decrease of 12% YoY and increased sequentially partially on account of new credit risk management risk standards introduced by the Central Bank of the UAE.
- Profit before tax was AED 10.585 billion in FY'24, up 26% YoY, and AED 2.884 billion in Q4'24, an increase of 15% YoY and 8% QoQ. Net profit after tax was AED 9.419 billion in FY'24 and AED 2.573 billion in Q4'24, representing a strong return on average tangible equity of 15.2% and 16.6% respectively.

Significant loan growth of 16% in FY'24 driven by increased exposure to GREs, while strong franchise drove 16% increase in deposits, with substantial inflow of CASA deposits in Q4'24

- Robust balance sheet, with total assets increasing 15% YoY to reach AED 653 billion at the end of 2024. The Bank's total assets have expanded by AED 242 billion, or 12% CAGR, since 2020.
- Net loans and advances to customers increased 16% YoY (AED 49 billion), in line with guidance, to AED 351 billion at the end of 2024, and have grown 10% CAGR since 2020. The Bank increased exposure to low-risk credit counterparties in FY'24, including GREs, which accounted for 42% of gross loan growth. The portfolio remains well balanced, with GREs comprising 27% of total loans, up from 25% a year earlier, and real estate investment representing 14%, financial institutions 9% and trading 8%, while personal loans accounted for 21%.
- Investment securities stood at AED 143 billion, up 11% YoY, with 99% invested in bonds. The securities are 64% accounted for at amortised cost and 36% at fair value through other comprehensive income (FVTOCI) and marked to market on a daily basis. In the interbank markets, ADCB was a net lender of AED 23.8 billion as at December-end.
- The Bank's strong franchise drove broad-based growth in customer deposits, which increased 16% YoY (AED 58 billion) to AED 421 billion at end of 2024, and have increased 14% CAGR since 2020. Time deposits increased by 20% YoY (AED 40 billion) during the year in a broadly higher interest rate environment. CASA deposits increased 11% (AED 18.5 billion) during the year to AED 186 billion, with a significant net inflow of AED 16.45 billion in Q4'24, to represent 44% of total deposits at year-end, versus 42% at the end of Q3'24.
- Total shareholders' equity stood at AED 76 billion as at 31 December 2024.
- ADCB remains well-capitalised, supported by robust earnings growth, a Tier 2 issuance in Q3'24 and efficient capital deployment, which has enhanced the risk-weighted asset profile. The capital adequacy ratio (Basel III) stood at 16.13% and the CET1 ratio was 12.56% as at December-end.
- The Bank maintains a robust liquidity position, with a liquidity coverage ratio of 137.3%, a liquidity ratio of 32.4% and a loan to deposit ratio of 83.3% as at December-end.

Retail Banking Group ⁽¹⁾	% increase in acquisitions (FY'24 vs. FY'23)	% increase in portfolio balance (Dec'24 vs. Dec'23)
Personal loans	4% ⁽²⁾	6%
Mortgage loans	12% ⁽²⁾	21%
Auto loans	(5%) ⁽²⁾	12%
Credit cards	7% ⁽³⁾	16%

(1) ADCB Group's UAE operations, including Al Hilal Bank
(2) Personal, mortgage and auto loans refer to value of disbursements
(3) Credit cards reflect the volume of cards issued

Improved asset quality metrics with NPL ratio at lowest level in last five years

- Cost of risk improved by 21 bps YoY to 0.58% in FY'24, and was 0.72% in Q4'24, versus 1.02% a year earlier and 0.42% the previous quarter, with the sequential increase partially on account of new credit risk management standards introduced by the Central Bank of the UAE.
- The NPL ratio was 3.04% at December-end, its lowest level over the last five years and reduced from 3.73% at the end of 2023 and 3.45% at September-end.
- The provision coverage ratio was at 110.0%, the highest level in the last five years, compared to 102.5% at the end of 2023 and 97.5% at September-end. Including collateral held, the ratio was 188% versus 168% a year earlier and 156% at September-end.

ADCB sets benchmarks for the banking sector with UAE nationals driving strategic growth through senior leadership roles and achieving 100% Emiratisation of banking roles in Al Ain

- ADCB has set an industry benchmark by achieving 100% Emiratisation across all banking roles in its Al Ain branches, which now employ approximately 300 UAE national professionals in highly skilled positions across various departments, including Islamic Banking, Corporate Banking, Cash Management, Operations and Wealth Management. The Bank plans to create an additional 300 positions in Al Ain for UAE nationals by 2026 to maintain its position at the forefront of banking sector Emiratisation.
- In 2024, ADCB appointed and promoted a distinguished group of UAE nationals to leadership roles, increasing Emirati representation within the senior management team to 40%. Seasoned Emirati leaders are integral to ADCB's strategic vision, contributing as key members of the Bank's management committees and driving critical decisions. UAE nationals constitute 60% of the Compliance Committee and 62% of the Risk Management Committee, going beyond criteria set by the Central Bank of the UAE.
- The Bank has exceeded its annual Emiratisation targets, recruiting c. 400 UAE nationals in 2024, bringing the total to more than 2,100 -- representing approximately 40% of the employee base, one of the highest levels in the industry.
- Marking its 10-year anniversary in 2024, ADCB's 'Tamooha' initiative has provided job opportunities to over 400 UAE national women over the last decade, with 178 currently participating in the programme across a diverse array of business sectors and various banking specialties. The programme provides flexible employment and career development opportunities, allowing women to align work with their social and family traditions.
- ADCB's approach to Emiratisation has garnered numerous accolades, including first place in the prestigious 'Nafis' award for large entities in the banking sector in a ceremony presided over by H.H. Sheikh Mansour bin Zayed Al Nahyan, Vice President, Deputy Prime Minister, Chairman of the Presidential Court, and Chairman of the Board of Directors of the Emirati Talent Competitiveness Council (ETCC).
- Supporting the growth of Emirati professionals is a key priority, and in 2024, UAE nationals collectively completed more than 116,000 hours of training, and 168 Emirati employees were promoted, highlighting the Bank's commitment to their career growth and development.

ADCB included in FTSE4Good Index Series following MSCI ESG rating upgrade to 'AA' and 'industry leader' category

- ADCB was added to the FTSE4Good Index Series in December 2024 reflecting its strong progress on sustainability. Inclusion in the index was driven by an independent assessment conducted by FTSE Russell, which placed ADCB above the global financial industry average across all ESG criteria, with the Bank rated highest on corporate governance, receiving a score of 4.6 out of five.
- ADCB received a significant ESG rating upgrade by MSCI to 'AA' and the category of 'industry leader' in Q4'24, reflecting progress in sustainable finance initiatives, ESG due diligence, industry leading data privacy management and security, as well as business ethics practices.
- The Bank signed an agreement with Ma'an, the Authority of Social Contribution, to empower communities through social projects, and enable organisations to reach their social responsibility and sustainable development goals. The Bank will support programmes in the areas of health, education, environment and community development, as well as providing corporate volunteering and employee engagement in social initiatives.
- ADCB has formally initiated its Net Zero Banking Alliance (NZBA) target setting process for carbon intense sectors as part of the project timeline, with the expectation to complete by May 2025.
- The Bank conducted over 11,000 hours of training in 2024 on ESG topics, covering net zero, green bonds and IFRS sustainability reporting standards.

Digital transformation driving customer growth and engagement, while adoption of an AI strategy and implementation of early 'use cases' is driving significant productivity gains

- The Bank has developed a new cloud-based mobile banking platform that will be the centrepiece of ADCB's banking proposition in the coming years. By the end of 2024, around 50% of the Bank's IT workload was hosted in the cloud. The platform allows for the highly scalable and efficient expansion of the Bank's digital and AI-driven customer offering, with data analytics powering hyper-personalisation of service delivery.
- ADCB has developed a comprehensive AI strategy, centred around five pillars: profitability, hyper-personalised customer experience, data-first culture, agility and innovation, and creating an integrated banking ecosystem. In 2024, ADCB significantly accelerated adoption of AI across operations to drive greater productivity, introducing more than 20 high-value use cases focused on process automation, risk management, and data monetisation, with additional applications planned for 2025.
- Digital channels drove a significant expansion of the customer base in 2024, accounting for 83% of the 741,000 new customers onboarded by ADCB Group's UAE operations, including Al Hilal Bank. ADCB's onboarding app, Hayyak, welcomed over 440,000 new retail customers during the year, including more than 76,000 in Q4'24.
- Digital engagement increased, with subscriptions to online and mobile banking surpassing the 2 million milestone during 2024, to cover 91% of retail customers⁽¹⁾. Digital banking subscribers (internet and mobile banking) increased by over 465,000, or 28%, during the year with active users up 30%.
- In a key measure of increased efficiency at scale, self-service transactions increased 40% YoY to over 263 million in 2024, representing 97% of all customer transactions, while mobile fund transfers were up 60% YoY.
- ADCB implemented over 60 digital projects in 2024 to enhance the customer experience and drive productivity. In Retail Banking, digital transformation has significantly reduced approval times for customers applying for loan and card products through straight-through processing. The Bank has also transformed its corporate digital banking with key innovations, including a liquidity management solution to optimise fund transfers, virtual accounts to consolidate balances and reduce costs, and a cutting-edge pricing engine enabling relationship-based pricing and subscriptions.
- Transactions on the ProCash and ProTrade corporate banking digital platforms accounted for 97% of all cash management transactions and 63% of trade finance transactions in 2024, respectively.

(1) ADCB Group's UAE operations, excluding Al Hilal Bank

Al Hilal Bank appoints Jamal Al Awadhi as CEO and adopts digital-only service model to drive growth and significant productivity gains

- Under the leadership of newly appointed Chief Executive Officer Jamal Al Awadhi, a seasoned Emirati executive, Al Hilal Bank is implementing a new transformational growth strategy.
- In 2024, the Bank achieved a significant milestone by migrating all customers to a new state-of-the-art platform, leveraging cloud technology to drive innovation, enhance the customer journey, and increase productivity. This platform integration allows for a smoother user experience, serving all customers through one unified system.
- Through the new platform, the Bank is expanding the customer base, with an average of over 14,000 customers onboarded per month in 2024.
- The Bank's new strategy sets a clear roadmap for gaining further market share, including enhanced liability products, refining segmentation strategies, and automating processes to achieve service excellence and enhance productivity. Al Hilal Bank aims to leverage advanced analytics and artificial intelligence to deliver personalised services.

ADCB Egypt net profit doubles to EGP 3.593 bn⁽¹⁾ in FY'24 on strong loan growth amid improving macro-economic conditions

- ADCB Egypt delivered a strong financial performance capitalising on strong loan growth and broadening customer relationships amid increased macro-economic stability.

Net profit ⁽¹⁾ in FY'24 increased 99% YoY to EGP 3.593 billion, representing a return on equity of 34%
Net profit ⁽¹⁾ in Q4'24 increased 2% YoY to EGP 640 million, representing a return on equity of 21%
Net loans increased 45% YoY to EGP 52 billion as at 31 December 2024
Total deposits increased 35% YoY to EGP 116 billion as at 31 December 2024
- The Bank continues to focus on digital transformation, with subscribers to digital banking platforms up 33% YoY and active users up 45% as at December-end.
- ADCB Egypt is broadening its corporate and public sector relationships. The Bank participated in several landmark syndication deals in 2024 including Telecom Egypt, Ora Development and Saudi Egyptian Developers Company.
- ADCB Egypt is leveraging the strengths of ADCB's Corporate and Investment Banking Group to provide a comprehensive offering to a growing base of clients, including transaction banking services, working capital solutions, payment services, corporate credit cards and escrow accounts.
- The Bank has fully integrated ESG principles into its operations. Following ADCB Group's commitment to the Net Zero Banking Alliance, ADCB Egypt has set a goal to achieve 15% sustainable finance in its expanding loan portfolio by 2030.

(1) Based on IFRS

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