

Management Discussion & Analysis

FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2025



Progress Never Stops...

DIB Posts Record Revenues of **₹ 9.7 Billion** as Total Assets Approach **₹ 400 Billion**

- Pre-tax profit surged 10% YoY to record levels of AED 6.6 billion
- Total Assets grew 14% YTD to AED 393 billion
- Customer Deposits crossed the AED 300 billion mark, up 21% YTD
- Asset quality at its strongest in years, with low NPF ratio and high coverage ratio

Key 9M'25 Performance Metrics:

Revenue ₹ 9.7 Bn +6% YoY	Net Profit (before-tax) ₹ 6.6 Bn +10% YoY	RoTE (pre-tax) 22%
Net Financing Assets and Sukuk portfolio ₹ 343 Bn +17% YTD	Deposits ₹ 302 Bn +21% YTD	Total Assets ₹ 393 Bn +14% YTD
CET 1 Ratio 13.4% +20 bps YTD	NPF Ratio 3.13% (87 bps) YTD	Cash Coverage 107% +10 pps YTD

*YoY refers to the variance between 9M'25 and 9M'24 (on an annualised basis)

9M'25 Performance Highlights:

Profitability

- » Robust increase in **Operating Revenues** of 6% YoY to **₹ 9.7 billion**, supported by strong growth in non-funded income, higher business volumes, and stable margins.
- » Impairment charges declined by 45% YoY to **₹ 292 million**, reiterating the bank's effective risk management.
- » Operational efficiency focus is evident, with the **cost-to-income ratio** at 28.7%.
- » **Pre-tax Profit** grew strongly by 10% YoY to **₹ 6.6 billion**, underpinned by solid topline growth, operational efficiencies and lower credit costs.

Balance Sheet

- » Net Financing Assets and Sukuk portfolio advanced strongly to by 17% YTD to **₹ 343 billion**, supported by customer deposits growing by over **₹ 53 billion**.
- » DIB facilitated new financing, including sukuk investments of **₹ 91 billion** in 9M'25, up 33% YoY.
- » **Net Financing Assets** grew 17% YTD to **₹ 248 billion** with growth driven by all the key businesses, consumer, local corporate, and cross-border corporate businesses.
- » **Sukuk portfolio** grew 16% YTD to **₹ 95 billion**, with 77% of the portfolio consisting of high-quality sovereign and FI exposures.
- » **Customer Deposits** exceeded the **₹ 300 billion** mark, rising 21% YTD to **₹ 302 billion**.
- » **CASA balances** grew 16% YTD to **₹ 109 billion**.

Asset Quality

- » **NPF ratio** improved further, falling to 3.13%, lower by 87 bps YTD.
- » **Total coverage** ratio improved to 149% while **cash coverage** ratio strengthened to 107%.

Capital and Liquidity

- » Capital levels continue to be healthy, with CET1 ratio of 13.4%, Tier 1 ratio of 15.9%, and CAR ratio of 16.6%, showcasing DIB's strong capital generation capability through retained earnings.
- » Strong liquidity levels, as demonstrated by an LCR of 144% and an NSFR of 108%.

9M'25 Business Performance:

- » DIB's **New Gross Financing and Sukuk Investments** in 9M'25 exceeded **₹ 90 billion**, marking a solid 33% YoY increase from **₹ 69 billion** in 9M'24. Growth remained broad-based across key business segments, supported by sustained momentum in both consumer and wholesale portfolios.
- » The **Consumer banking** portfolio grew 18% YTD to **₹ 74 billion** (from **₹ 63 billion** in 2024), reflecting strong demand across all product lines. New gross financing of **₹ 27 billion** was originated during the period, with the consumer business adding over 100,000 new customers in the first nine months of the year.
- » **Local and cross-border portfolios** advanced to **₹ 174 billion**, up 16% YTD. Total gross new financing in 9M'25 was **₹ 46 billion**, 41% higher than in 9M'24, primarily driven by increased activity across key sectors including aviation, manufacturing, financial institutions, and utilities.
- » In alignment with the UAE's national agenda of mobilising **₹1 trillion** in sustainable finance by 2030, DIB continues to expand its sustainable-finance portfolio. As of 9M'25, the bank's sustainable financing, including sustainability-linked facilities, rose to over **₹ 16.0 billion**, spanning diverse sectors such as utilities, aviation, real estate, waste management, and education.
- » The bank also played a leading role in the Islamic capital markets, facilitating **₹ 25 billion** in Sukuk issuances within the green and sustainability space, underscoring DIB's commitment to responsible growth and value creation.

Key Deals and Initiatives:

In 9M 2025, DIB further strengthened its leadership in Islamic finance through several landmark sovereign and corporate transactions across key markets.

- » Executed **the first Islamic aircraft financing for Turkish Airlines**, supporting the airline's fleet expansion through a Shariah-compliant structure that demonstrates the expanding application of Islamic finance across global industries.
- » Acted as **Sole Islamic Global Coordinator and Joint Mandated Lead Arranger and Bookrunner for the US\$1 billion** sovereign syndicated term financing facility for the Government of **Pakistan** – one of the largest Islamic sovereign financings in recent years – reinforcing DIB's role in structuring complex cross-border transactions.
- » Served as **Joint Lead Manager and Bookrunner** for the **US\$1.5 billion** dual-tranche Sukuk issuance by the **Arab Republic of Egypt**, further enhancing DIB's standing in international Islamic capital markets and supporting the country's financing diversification strategy.
- » Participated in a **US\$1.85 billion dual-tranche syndicated financing facility** for Olam Agri, acting as **Senior Mandated Lead Arranger and Investment Agent** for the **US\$250 million** Islamic tranche, underscoring DIB's capability in facilitating value-based financing for strategic sectors such as food security and global trade.

Collectively, these transactions reaffirm DIB's expanding leadership in Islamic finance, its ability to mobilise capital across diverse markets, and its ongoing contribution to sustainable economic growth in alignment with the UAE's long-term development vision.



DIB's performance and progress clearly demonstrate the strength of its franchise and the effectiveness of its long-term strategy and vision.

His Excellency Mohammed Ibrahim Al Shaibani

Director-General of His Highness The Ruler's Court of Dubai
and Chairman of DIB

The global economy continues to navigate a period of transition, defined by recalibrated growth, higher rates, and an accelerating shift towards productivity-driven expansion. Against this backdrop, the United Arab Emirates has reaffirmed its position as one of the world's most resilient and forward-looking economies. Supported by prudent fiscal policy, strong liquidity, and a deepening non-oil base that now contributes close to three-quarters of national output, the UAE's growth trajectory remains both stable and strategic.

Within this environment, DIB's performance and progress clearly demonstrate the strength of its franchise and the effectiveness of its long-term strategy and vision. For the first nine months of 2025, the Bank reported record revenues of **₹ 9.7 billion**, alongside a pre-tax profit of **₹ 6.6 billion**, an increase of **10 per cent** year on year, driven by disciplined balance sheet management and sustainable earnings growth. Total assets rose to **₹ 393 billion**, while customer deposits surpassed **₹ 300 billion**, underscoring continued trust from our stakeholders and the market in general.

DIB's performance is not measured by quarterly results alone but by the consistency with which it contributes to national progress. The Bank remains deeply aligned with the UAE's vision, supporting diversification, financing sustainable enterprises and initiatives, and advancing Islamic finance as a global model of responsible growth. As regional and international markets evolve, our focus remains

unchanged: to uphold strong governance, to steward capital responsibly, and to create enduring value for our shareholders, customers, and the communities we serve.

The outlook is one of confidence, grounded in strong fundamentals and sustained earnings momentum strengthened by purpose, and guided by a belief that stability and innovation can coexist to define the next era of economic growth. As the year progresses towards its close, the Bank remains well positioned to sustain its growth trajectory and deliver strong, value-driven performance.





Revenues reached a record AED 9.7 billion during the period, underpinned by broad-based growth across key segments and a disciplined focus on efficiency and diversification.

Dr. Adnan Chilwan

Group Chief Executive Officer of DIB

The year 2025 continues to affirm DIB's position as a leading force in Islamic finance, resilient, adaptive, and firmly aligned with the UAE's vision for sustainable growth. Amid evolving global dynamics, the Bank delivered another quarter of exceptional performance, reflecting the strength of its strategy and the discipline of its execution.

Revenues reached a record **₹ 9.7 billion** during the period, underpinned by broad-based growth across key segments and a disciplined focus on efficiency and diversification. Pre-tax profit surged by **10 per cent** year on year to **AED 6.6 billion**, reaffirming DIB's ability to sustain strong earnings momentum and deliver long-term value creation.

Total assets advanced **14 per cent** year to date to **₹ 393 billion**, fast approaching the **₹ 400 billion** milestone. Growth witnessed in net financing of **17 per cent** and Sukuk investments of **16 per cent** brought the combined portfolio to **₹ 343 billion**. This strong performance has been driven by **more than ₹ 90 billion** in new financing across consumer, corporate, and wholesale segments. Customer deposits crossed the **₹ 300 billion** mark, an increase of **21 per cent** year to date and **27 per cent** year on year, reflecting solid liquidity position and sustained balance sheet strength while expanding participation in real-economy financing across the UAE and key international markets.

Asset quality remained at its strongest in years, with the non-performing financing ratio dropping to **3.13 per cent**,

the cost of risk contained at **0.12 per cent**, and the total coverage ratio increasing to **149 per cent**. Supported by strong capital buffers and prudent risk management and sound governance, the return on tangible equity stood at a robust **22 per cent**.

Beyond financial performance, DIB continued to play a central role in landmark sovereign and corporate transactions across Pakistan, Egypt, Türkiye, and other key markets, further consolidating its international presence and leadership in cross-border Islamic finance. At home, DIB remains a key enabler of national priorities, channelling capital into sectors that drive diversification and sustainable growth.

Our transformation agenda continues to advance rapidly. The integration of advanced analytics and AI across operations is delivering measurable gains in efficiency, customer insight, and decision-making. AI-driven solutions now analyse feedback from social channels and surveys, providing deep sentiment insights and enabling faster, data-led decisions. Recalibrated machine learning models are driving hyper-personalised product offerings and improved marketing efficiency, while AI-powered productivity tools, including Copilot, continue to elevate operational performance across the organisation.

In parallel, DIB continues to advance its sustainable finance agenda, expanding green and social financing initiatives aligned with the UAE's Net Zero 2050 Strategy and the global transition towards responsible growth.



Financial Review

₪ millions	Sep '25	Sep '24	YoY % change
Total Income	17,374	16,995	2%
Depositors'/ Sukuk holders share of profit	(7,698)	(7,910)	(3%)
Operating Revenue	9,676	9,085	6%
Operating expenses	(2,774)	(2,554)	9%
Operating Profit before impairment losses	6,902	6,531	6%
Impairment losses	(292)	(530)	(45%)
Net profit (before tax)	6,610	6,002	10%
Income tax	(929)	(553)	68%
Net profit (after tax)	5,681	5,448	4%

Key Ratios (%)	Sep '25	Sep '24	Change (bps)
Net Profit Margin %	2.7%	3.0%	(30 bps)
Cost to income ratio %	28.7%	28.1%	60 bps
Return on average assets (before tax) %	2.4%	2.5%	(10 bps)
Return on tangible equity (before tax) %	22%	22%	-
Return on average assets (after tax) %	2.1%	2.3%	(20 bps)
Return on tangible equity (after tax) %	18%	20%	(200 bps)

₪ millions	Sep '25	Dec '24	Change
Net Financing and Sukuk Investments	343,419	294,588	17%
Equities & Properties Investments	9,332	8,797	6%
Other Assets	11,150	8,960	24%
Due from banks and financial institutions	3,474	5,642	(38%)
Cash & CB Balances	25,578	26,700	(4%)
Total Assets	392,953	344,687	14%
Customers' deposits	301,932	248,546	21%
Sukuk financing instruments	21,400	24,154	(11%)
Due to banks and financial institutions	3,494	5,854	(40%)
Other liabilities	14,283	13,280	8%
Total Liabilities	341,109	291,834	17%
Shareholder Equity & Reserves	41,360	39,724	4%
Tier 1 Sukuk	7,346	10,102	(27%)
Non-Controlling interest	3,138	3,028	4%
Total Liabilities and Equity	392,953	344,687	14%

Key Ratios (%)	Sep '25	Dec '24	Change
Liquidity Coverage Ratio (LCR)	144.0%	159.4%	(15.4 pps)
Common Equity Tier 1 Ratio (CET1)	13.4%	13.2%	20 bps
Capital Adequacy Ratio (CAR)	16.6%	18.3%	(170 bps)
Non-Performing Financing (NPF)	3.13%	4.00%	(87 bps)
Cash Coverage	107%	97%	10 pps



Awards: 9M'25

 SHRM MENA Star Awards 2025 Sept 2025 Excellence in Leadership Development - Silver Category	 28th Emirates Environmental Group Annual Corporate Gala March 2025 Cultivating Sustainability Award
 SHRM MENA Conference and Expo 2025 Sept 2025 SHRM Emirati Development Program Felicitations	 Mohammed Bin Rashid Housing Est. Feb 2025 Strategic Partner Award
 Employee Happiness Award 2025 UAE June 2025 Best Leadership Succession Strategy - Gold Category	 Centre of Assessments for Excellence Feb 2025 DIB Complaints Management Department ISO Certification
 MEA Business Achievement Awards 2025 June 2025 50 Years of Excellence - Anniversary Milestone (Achievement) Award	 MEA Finance SME Summit and Awards 2025 Feb 2025 Best Islamic Bank for SMEs
 Forbes Middle East June 2025 Among the Top 100 Listed Companies 2025	 Islamic Finance News Awards Feb 2025 » Oman Deal of the Year » Hybrid Deal of the Year » Sukuk Deal of the Year » Perpetual Deal of the Year » Most Innovative Deal of the Year » Pakistan Deal of the Year » Best Digital Offering by an Islamic Bank in Kenya » Most Innovative Islamic Bank in Kenya » Best Islamic Investment Bank in Kenya » Best Islamic Bank in Kenya » UK Deal of the Year » Best Islamic Investment Bank » Best Islamic Bank in the UAE » Ijarah Deal of the Year » Best Islamic Retail Bank in Kenya » Egypt Deal of the Year » M&A Deal of the Year » Best Islamic Bank for Trade Finance
 MEA Finance Banking Technology Summit & Awards 2025 May 2025 » Best Innovation in User Experience in Islamic Finance » Best Islamic Banking System Implementation - alt	
 Dubai Municipality May 2025 Strategic Partner Award	



Select DCM and Syndicated Deals: 9M'25

SUKUK				
Issuer / Obligor Name	Issuer Type	Profit Rate (%)	Amount Issued (USD mn)	Maturity
KFH	FIG	5.376%	1,000	14-Jan-30
FAB	FIG	5.153%	600	21-Jan-30
Al Rajhi	FIG	6.250%	1,500	Perpetual
Bapco Energies	Corp	6.250%	1,000	29-Jan-35
Al Rajhi (Tap)	FIG	5.047%	200	12-Mar-29
SECO	Corp	5.225%	1,500	18-Feb-30
SECO	Corp	5.489%	1,250	18-Feb-35
Damac	Corp	7.000%	750	26-Aug-28
SIB	FIG	5.200%	500	26-Feb-30
Aldar	Corp	5.250%	500	25-Mar-35
IsDB	SSA	4.211%	1,750	18-Mar-30
EIB	FIG	5.059%	750	25-Mar-30
Mashreq	FIG	5.030%	500	22-Apr-30
Ajman Bank	FIG	5.125%	500	30-Apr-30
ADNOC	Corp	4.750%	1,500	6-May-35
Omniyat	Corp	8.375%	500	6-May-28
DP World	Corp	5.500%	1,500	8-May-35
PIF	Corp	4.875%	1,250	8-May-32
Kingdom of Bahrain	SSA	6.250%	1,750	7-Jul-33
Sobha	Corp	7.996%	500	19-Feb-29
AlRayan Bank	FIG	4.875%	500	29-May-30
SIB	FIG	6.125%	500	Perpetual
Boubyan Bank	FIG	4.973%	500	4-Jun-30
QIB	FIG	4.803%	750	12-Jun-30
Republic of Turkiye	SSA	6.750%	2,500	1-Sep-30
Dar Al Arkan	Corp	7.250%	750	2-Jul-30
Alinma Bank	FIG	4.937%	500	15-Jul-30
Republic of Indonesia	SSA	4.550%	1,100	23-Jul-30
Republic of Indonesia	SSA	5.200%	1,100	23-Jul-35
Arada	Corp	7.150%	450	5-Aug-30
Binghatti	Corp	8.125%	500	7-Aug-30
Alinma Bank	FIG	6.250%	500	Perpetual
Kingdom of Saudi Arabia	SSA	4.250%	2,250	9-Sep-30
Kingdom of Saudi Arabia	SSA	4.875%	3,250	9-Sep-35
Sobha	Corp	7.125%	750	11-Sep-30
Omniyat	Corp	7.250%	400	16-Mar-29
Aramco	Corp	4.125%	1,500	17-Sep-30
Aramco	Corp	4.625%	1,500	17-Sep-35

Bank Aljazira	FIG	6.500%	500	Perpetual
Almarai	Corp	4.450%	500	24-Sep-30
EIB	FIG	4.540%	500	23-Mar-31
Binghatti	Corp	7.750%	500	1-Jul-29
ICD-IsDB	SSA	4.391%	500	9-Oct-30
Gov. of Egypt	SSA	6.375%	700	7-Apr-29
Gov. of Egypt	SSA	7.950%	800	7-Oct-32

CLUB / SYNDICATED TRANSACTIONS

Obligor Name	Obligor Type / Sector	Total Deal Value (USD Mn)	Closing Date
Emirates District Cooling	Corp	613	06-Mar-25
Abu Dhabi Ports	GRE	2,500	23-Apr-25
A101	Corp	188.4	30-Apr-25
Avolon	Corp	1,000	01-May-25
DAE 5 Ltd	Corp	850	01-May-25
Abu Dhabi Oil Refining	GRE	1,000	29-May-25
Olam	Corp	1,850	30-May-25
Merex Investment Group	Corp	730	30-Jun-25
Govt. of Pakistan (MOF)	SSA	1,000	18-Jun-25
Kingdom of Bahrain	SSA	1,700	07-Jul-25
SECO	GRE	2,850	14-Sep-25
Abu Dhabi Developmental Holding	GRE	2,180	12-Sep-25

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