

ADCB expands mortgage business through acquisition of portfolio from Abu Dhabi Finance

Abu Dhabi, 28 February 2021: Abu Dhabi Commercial Bank PJSC (“ADCB” or “the Bank”) has signed an agreement to acquire a portfolio of approximately 1,000 mortgages from Abu Dhabi Finance PJSC (“ADF”).

The transaction provides further growth for ADCB’s retail and SME businesses in line with the Bank’s UAE-centric strategy and prudent risk management framework. ADF was established in 2008 as an Abu Dhabi-focused conventional mortgage specialist and has played a key role in the development and transformation of the real estate finance sector.

The assets, with a gross book value of AED c1.130 billion as at 31 January 2021, comprise approximately 76% residential mortgages and 24% commercial mortgages. All the mortgages are conventional, with just under half of the portfolio collateralised by real estate in Abu Dhabi, and the remainder distributed across Dubai and other Emirates in the UAE.

The acquisition of the mortgage portfolio from ADF further increases the scale of the Bank’s home finance business and introduces more customers to ADCB’s wide range of products and services.

ADF customers are expected to transfer to the ADCB banking platform during the first half of 2021, subject to the transaction receiving approval from the Central Bank of the UAE and other relevant authorities.

Arup Mukhopadhyay, Head of the Consumer Banking Group at ADCB, commented: “The acquisition of this collateralised portfolio expands our mortgage book, enhancing the diversification of our assets and customer base. The Bank continues to invest significantly to provide a leading real estate finance offering. We have enhanced our digital capabilities and partnered with leading property companies to offer attractive and comprehensive home purchase packages.”

Chris Taylor, Chief Executive Officer at Abu Dhabi Finance, commented: “Abu Dhabi Finance has been a leader in mortgage finance in the UAE for over a decade, and has built up an impressive portfolio of assets. This achievement is a testament to our exceptional client service and robust risk management approach. We would like to thank all our clients whom we have been immensely proud to have served over the years. I am confident they will benefit from continued service excellence as they transition to ADCB.”

-Ends-