

EMERGING STRONGER

ABU DHABI COMMERCIAL BANK PJSC



Q2/H1 2021 Earnings presentation

July 2021

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Section 1

Financial highlights

Strong Q2 performance as economic recovery gathers momentum

-  Strong increase in Q2 net profit, resulting in double-digit ROATE, with net interest income picking up sequentially and fee income rising
-  Uptick in lending driven by government and public sector credit, while exposure to real estate continued to decline
-  Improvement in cost to income ratio despite low interest rate environment, driven by lower cost of funds, merger synergies and further efficiencies
-  CASA deposits continue to increase by AED 14.4 bn during H1'21, accounting for 57% of total deposits from 51% at year end
-  Good progress on five-year strategy through acceleration of digital transformation

KEY HIGHLIGHTS

Q2'21 | H1'21

NET PROFIT (AED BN)

1.402 | 2.524

QoQ +25% | YoY +14%

ROATE

13.1% | 11.3%

Q1'21: 9.8% | H1'20: 6.3%

Q2'20: 13.2%

ROAA

1.39% | 1.19%

Q1'21: 1.04% | H1'20: 0.64%

Q2'20: 1.20%

EPS (AED)

0.20 | 0.35

Q1'21: 0.15 | H1'20: 0.19

Q2'20: 0.18

¹ For ROATE/ROAA calculations, net profit attributable to equity shareholders is considered, i.e., net profit after deducting interest expense on Tier I capital notes

Pick-up in net interest income sequentially and strong increase in fee income

Income statement (AED mn)	Q2'21	Q1'21	Q2'20	ΔQoQ%	ΔYoY%
Total net interest income ¹	2,315	2,119	2,347	9	(1)
Non-interest income	840	802	594	5	41
Operating income	3,155	2,922	2,941	8	7
Operating expenses ²	(1,055)	(1,061)	(1,025)	(1)	3
<i>Integration expenses</i>	0	0	(22)	NA	NA
Operating profit ³	2,100	1,861	1,916	13	10
Impairment allowances	(678)	(704)	(668)	(4)	1
Net profit⁴	1,402	1,121	1,227	25	14

Figures may not add up due to rounding differences

¹ Including Islamic financing

² Operating expenses include non-recurring expenses pertaining to integration-related costs

³ Before impairment allowances

⁴ After share in profit of associates, overseas income tax charge, and profit/loss from discontinued operations

Q2'21 key highlights

- ▶ Net profit of AED 1.402 bn was up 14% YoY and 25% QoQ, supported by higher revenues as well as continued focus on cost efficiencies and digital transformation
- ▶ Net interest income of AED 2.315 bn was 1% lower YoY and increased 9% QoQ, mainly driven by a continued decline in interest expense, which stood at AED 522 mn in Q2'21
- ▶ Non-interest income increased 5% QoQ and 41% YoY to AED 840 mn on account of a significant increase in fee income (up 61% YoY) and higher trading income
- ▶ Operating expenses of AED 1.055 bn were 1% lower QoQ, and up 3% YoY mainly due to lower variable pay accruals in the previous year

Net profit up 76% YoY in H1'21 as the Bank continues to focus on optimising cost of funds and operational efficiencies, while cost of risk improves

Income statement (AED mn)	H1'21	H1'20	ΔYoY%
Total net interest income ¹	4,434	5,136	(14)
Non-interest income	1,643	1,281	28
Operating income	6,077	6,417	(5)
Operating expenses ²	(2,116)	(2,351)	(10)
<i>Integration expenses</i>	-	(165)	NA
Operating profit ³	3,961	4,066	(3)
Impairment allowances	(1,382)	(2,551)	(46)
Net profit⁴	2,524	1,436	76

Figures may not add up due to rounding differences

¹ Including Islamic financing

² Operating expenses include non-recurring expenses pertaining to integration-related costs

³ Before impairment allowances

⁴ After share in profit of associates, overseas income tax charge, and profit/loss from discontinued operations

Key highlights (H1'21 vs. H1'20)

- ▶ Net profit of AED 2.524 bn was up 76%, driven by higher fees, lower operating expenses and improved cost of risk. H1'20 net profit was impacted by significant impairment charges related to NMC, Finabl and associated companies
- ▶ Net interest income of AED 4.434 bn was 14% lower on account of the low interest rate environment and subdued macro-economic conditions. This was partially offset by higher non-interest income, which was up 28% at AED 1.643 bn
- ▶ Operating expenses of AED 2.116 bn were 10% lower, driven by merger synergies, efficiencies derived from digital transformation and additional cost control measures



Sequential increase in loans and deposits, with continued growth in CASA deposits

Balance sheet (AED mn)	Jun'21	Mar'21	Dec'20	ΔQoQ%	ΔYTD%
Total assets	416,290	395,819	411,156	5	1
Net loans and advances	237,814	235,725	238,976	1	(0)
Investment securities	93,897	91,057	88,206	3	6
Deposits from customers	250,564	238,830	251,395	5	(0)
Borrowings (including ECP)	74,362	73,123	70,150	2	6
Total shareholders' equity	57,104	55,719	56,597	2	1

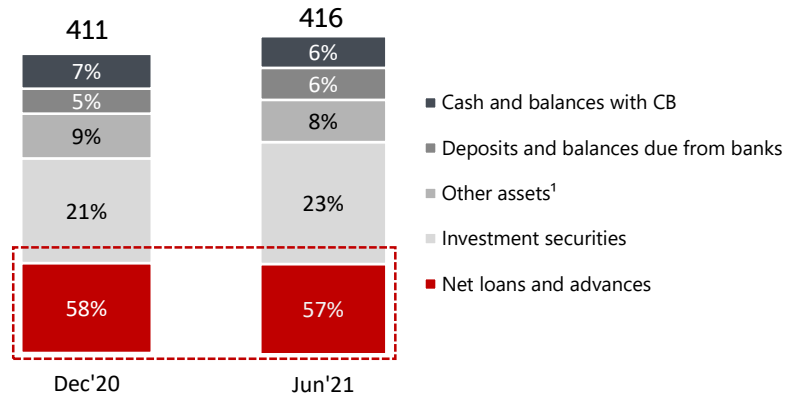
Key highlights

- ▶ Net loans and advances increased 1% sequentially to AED 238 bn driven by lending to government and public sector entities. Year to date, net loans were 0.5% lower vs. UAE industry average contraction of 2%*. The YTD decrease was mainly on account of significant corporate repayments in H1'21. Average loan balance was AED 235 bn during H1'21
- ▶ Customer deposits of AED 251 bn were 5% higher sequentially as the Bank continued to attract CASA deposits to optimise cost of funds. Average deposit balance for H1'21 was AED 245 bn
- ▶ Total shareholders' equity of AED 57 bn was 2% higher sequentially on account of retained earnings

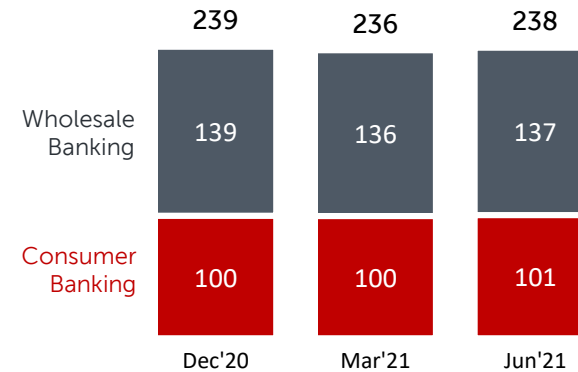


Well diversified loan portfolio, with real estate exposure declining, while loans to government sector increasing

Asset mix (AED bn)

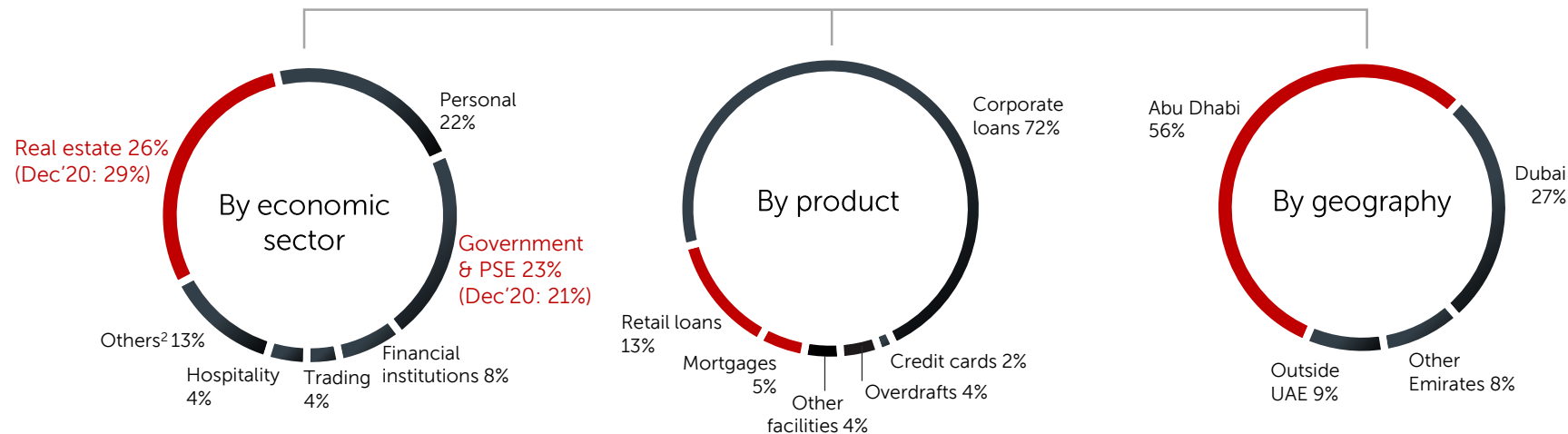


Net loans (AED bn)



Gross loans

AED 249 bn



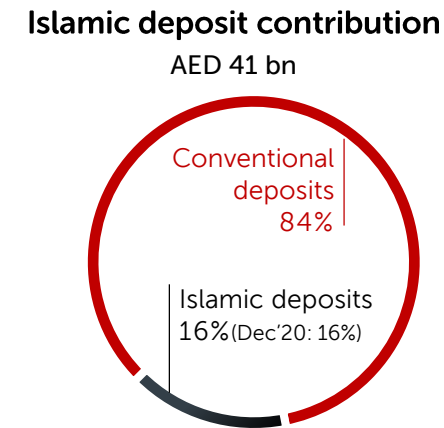
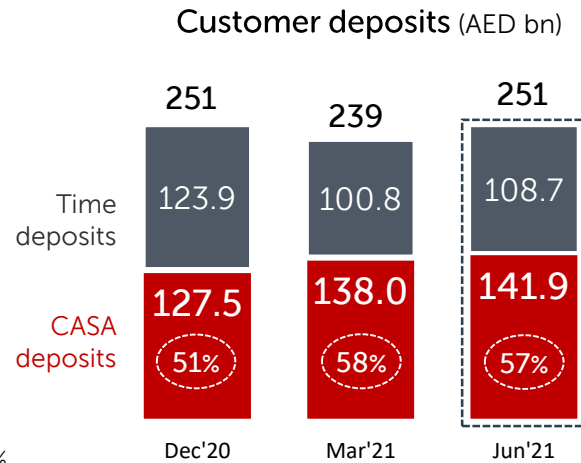
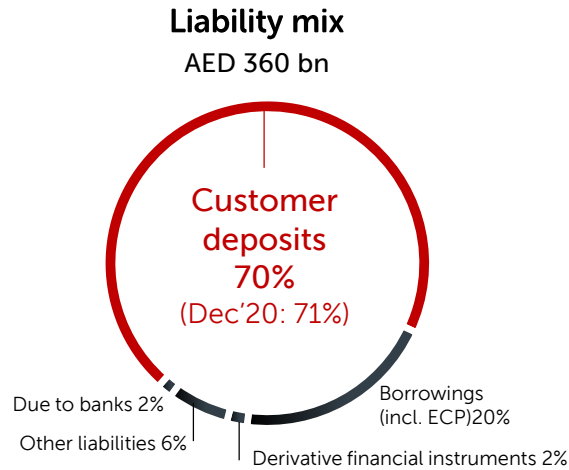
Key highlights

- ▶ **Lending to the government and public sector enterprises increased** by AED 2.4 bn during H1'21, accounting for 23% of gross loans vs. 21% in December
- ▶ **Exposure to real estate reduced to 26%** of gross loans, with loans to the sector decreasing by AED 8.2 bn during H1'21 driven by corporate repayments
- ▶ **Acquisition of mortgage portfolio from Abu Dhabi Finance completed**, resulting in an **increase of AED 1.077 bn** in mortgage loan book
- ▶ **Well diversified real estate portfolio with LTV of 80%** as at June end
- ▶ **Continued commitment to SME financing** through pandemic, with AED 4 bn in loans to sector
- ▶ Net Islamic financing assets were AED 40 bn

¹ Other assets include derivative financial instruments, investments in associate, investment properties, property and equipment (net), intangible assets, reverse repo placements and assets held for sale

² Others include: Agriculture, Energy, Transport, Manufacturing, Services and others

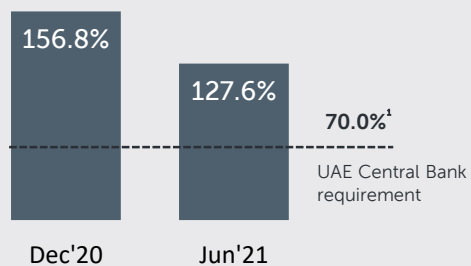
Strong franchise continues to deliver growth in CASA deposits



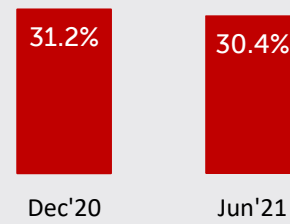
Key highlights

- ▶ **Customer deposits** comprised **70%** of total liabilities, reflecting the strength of the ADCB franchise. Wholesale borrowings (incl. ECP) accounted for 20%
- ▶ **CASA deposits up by AED 14.4 bn** during H1'21 to **AED 141.9 bn**, with retail CASA deposits up 8%
- ▶ **Corporate CASA deposits increased 12% in H1'21** driven by an innovative cash management platform, with new product and service offerings backed by proactive customer service
- ▶ Time deposits were AED 15.2 bn lower than December'20
- ▶ Comfortable liquidity position, with LCR of 127.6%

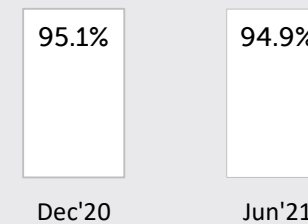
Liquidity coverage ratio (LCR %)



Liquidity ratio (%)²



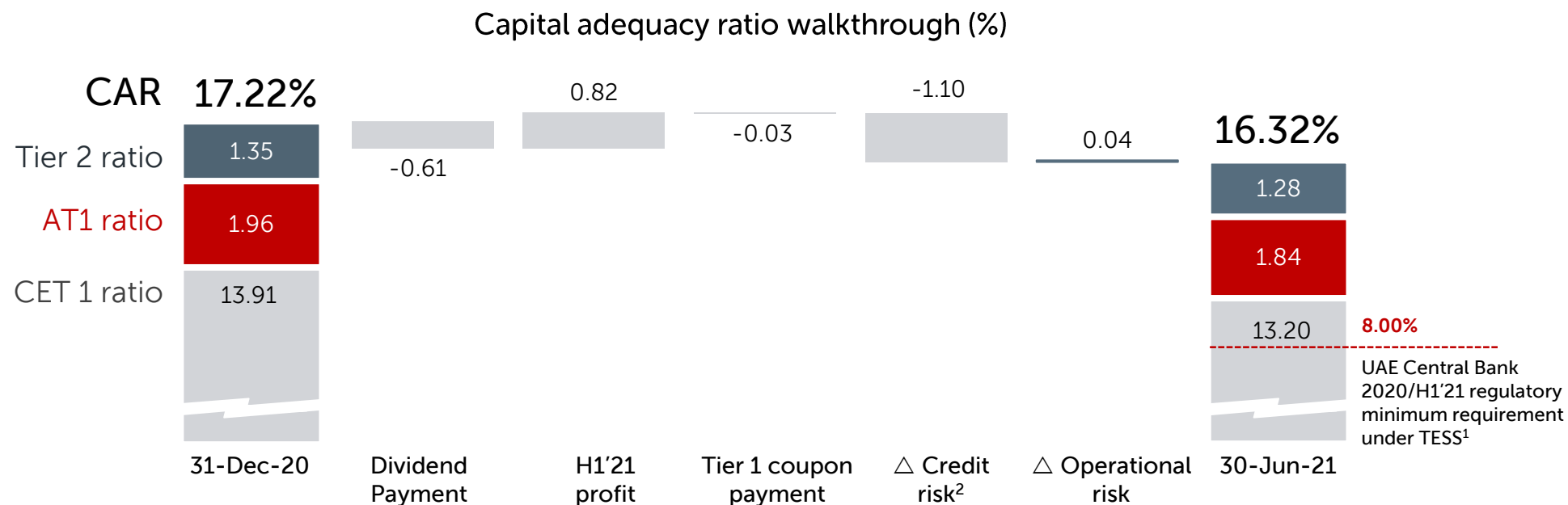
Loan to deposit ratio (LTD %)



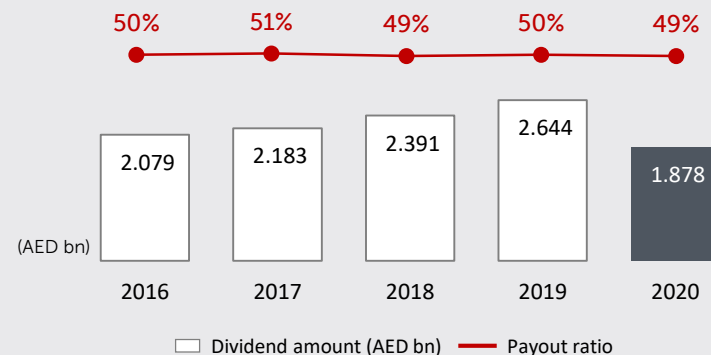
¹ Central Bank has temporarily allowed banks to have a reduced LCR of 70% without any supervisory consequences until 31 December 2021

² Liquidity ratio: liquid assets/total assets. Liquid assets include cash and balances with Central Banks, deposits and balances due from banks (excluding loans to banks), reverse repo placements, trading securities, and liquid investments (excluding unquoted investments)

Capital ratios remain comfortably above regulatory minimum requirements



Dividend history and shareholders' returns



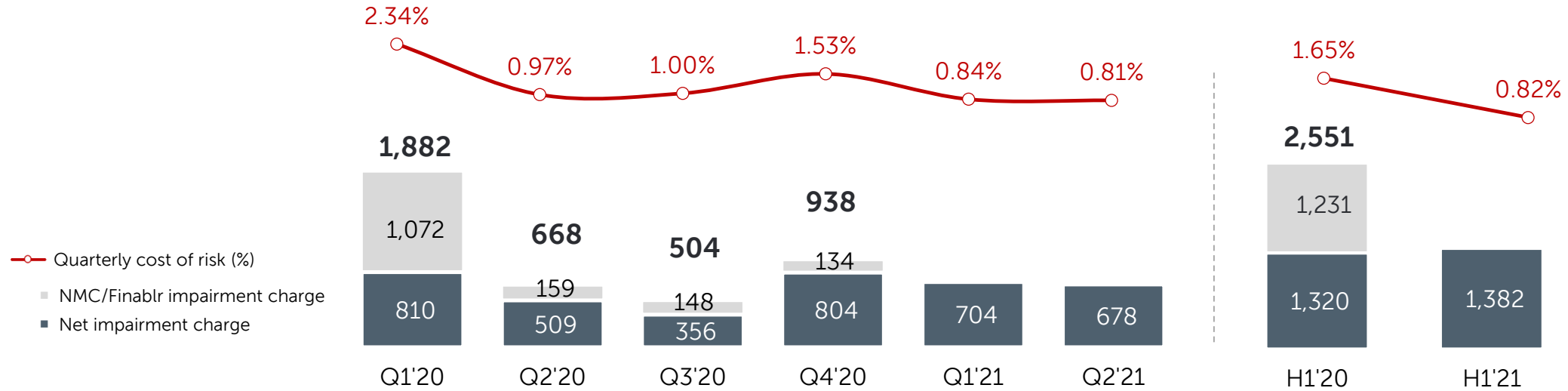
Dividend payout ratio guidance:
50% of net profit

¹ Under TESS, UAE Central Bank has temporarily allowed banks to use the CCF and D-SIB buffers without any supervisory consequences. Accordingly, CET1 and CAR regulatory minimum requirement has reduced to 8% and 11.50% respectively until 31 December 2021

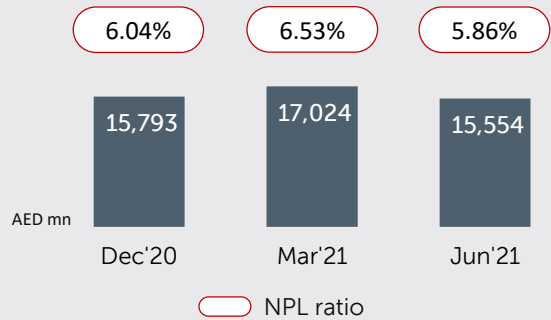
² Change in credit risk weighted assets is mainly due to new regulations by the Central Bank with regards to GCC exposure

Enhanced asset quality metrics, with significant improvement in cost of risk, lower NPLs and higher provision coverage ratio

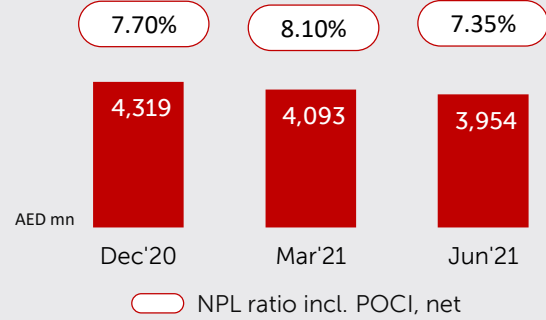
Net impairment charge (AED mn) and cost of risk (%)



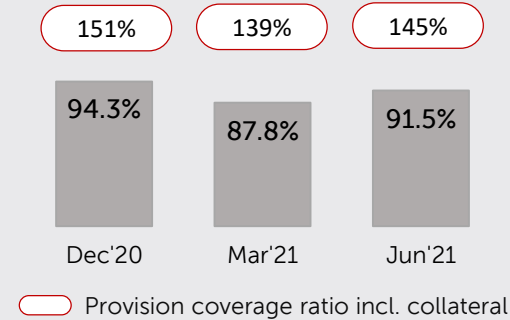
Non performing loans and NPL ratio



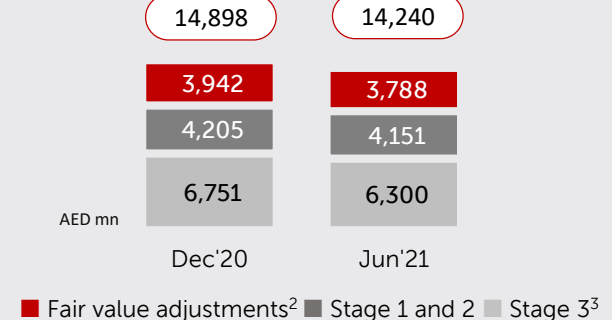
POCI assets and NPL ratio incl. POCI



Provision coverage ratio¹



ECL by stage



POCI: Purchase or originated credit-impaired financial assets ¹ Provisions on loans and advances, including fair value adjustments
² Fair value adjustments on loans include the historical ECL carried in books of AHB and ex-UNB (excluding POCI) ³ Excludes AED 438 million impairment allowances on POCI

ADCB in a strong position to maximise recoveries through NMC Health's Plan of Reorganisation



NMC Health Group is in the final stages of obtaining creditor agreement for a Plan of Reorganisation (PoR) which, when approved, will be implemented during the second half of 2021



Under the PoR, ADCB is well positioned to register significant participation in exit instruments, partly as a result of the Bank's contribution to a US\$ 325 million Administration Funding Facility (AFF) for NMC, which conferred super senior status to an equivalent amount contributed to the facility



To date, the Bank has recorded significant provisions and interest in suspense of AED 1.075 billion on NMC Health. ADCB is comfortable with these provisioning levels, which are in line with independent assessments on value and recoverability expected through NMC's restructuring process



The Bank is fully supportive of the three-year business plan being executed by the joint administrators of NMC that is building value at the company's core assets. Good progress is being made in the divestment of non-core assets, including the sale of Luarmia in April 2021, while ADCB is also finalizing the exit of its 51.5% stake in Alexandria NMC

Well collateralised TESS exposure, active customer engagement has resulted in a reduction of AED 8.9 bn in TESS and other deferrals


Deferrals by group and business segment

Segment (AED mn)	Deferrals	Exposure	Provisions	Collaterals
Group 1				
Wholesale Banking ¹	3,640	32,612	243	46,618
Retail Banking	11	173	1	95
Group 1 total	3,651	32,785	244	46,713
Group 2				
Wholesale Banking ¹	1,479	5,800	704	5,099
Retail Banking	211	330	171	149
Group 2 total	1,690	6,130	875	5,248
Total	5,341	38,915	1,119	51,961

Components may not sum exactly to totals because of rounding

Group 1 - Customers that are temporarily and mildly impacted by the Covid-19 crisis

Group 2 - Customers that are expected to face substantial changes in their credit worthiness beyond liquidity issues



Key highlights

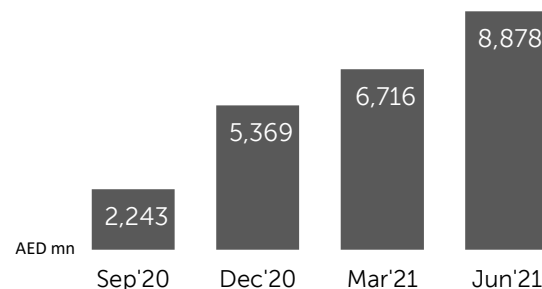
- Reduction of AED 8.878 bn in TESS and other deferrals brings total outstanding deferrals to AED 5.341 bn at June end
- Collateral of AED 51.961 bn held against the total exposure of AED 38.915 bn to customers benefiting from deferrals
- AED 3.651 bn classified as "Group 1", representing 68% of total outstanding deferrals and 84% of exposure to all customers benefitting from deferrals

TESS and other payment deferrals

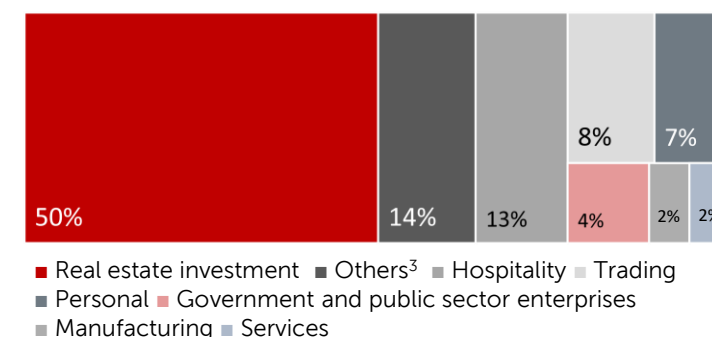
AED mn	Wholesale Banking	Retail Banking	Total
TESS deferrals	10,629	1,270	11,899
Other deferrals	2,320	0	2,320
Total deferrals	12,949	1,271	14,219
Settled deferrals	(7,830)	(1,048)	(8,878)
Outstanding deferrals	5,119	222	5,341

Payment deferrals settled

(TESS and other deferrals)²



Deferrals by economic sector



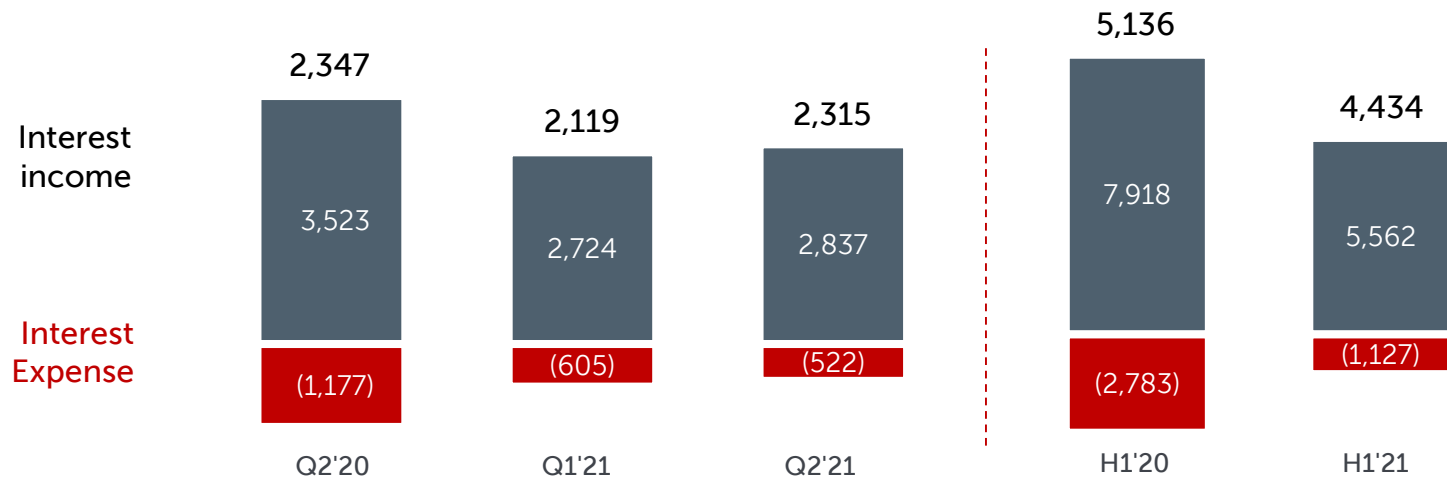
¹ For the purpose of this disclosure, high net worth clients are included in Wholesale Banking

² Sept'20 repayments are for TESS only, whereas Dec'20, Mar'21 and Jun'21 include TESS and other deferrals

³ Others include: Energy, Transport and communication, financial institutions and others

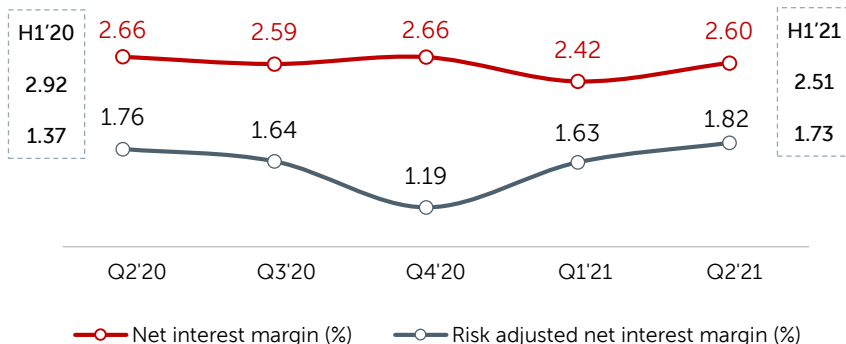
NIM picked up 18 bps sequentially on higher volumes and improved cost of funds

Net interest income (AED mn)

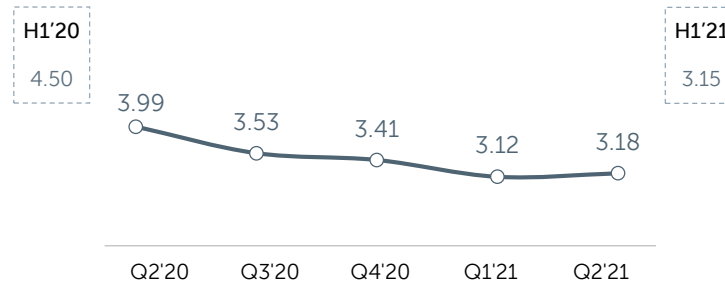


- ▶ NIM of 2.60% in Q2'21 was 18 bps higher, mainly driven by higher volumes, improved cost of funds, interest in suspense reversals and fair value unwinds
- ▶ Risk adjusted NIM* of 1.82% in Q2'21, was up 19 bps QoQ and 6 bps YoY
- ▶ Cost of funds improved to 0.66% in Q2'21 from 0.78% in Q1'21 and 1.47% in Q2'20 as the Bank continued to increase CASA deposits to optimise its funding mix. Interest expense decreased 56% YoY and 14% sequentially to AED 522 mn in Q2'21
- ▶ Asset yields increased by 6 bps QoQ to 3.18% in Q2'21

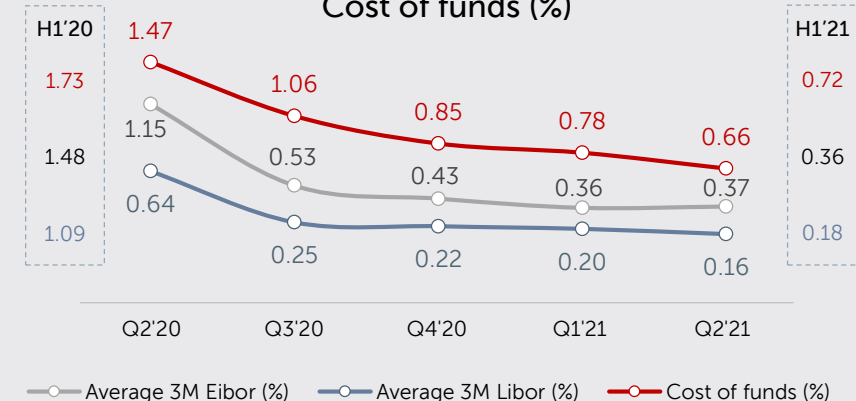
NIM and risk adjusted NIM* (%)



Asset yield (%)



Cost of funds (%)



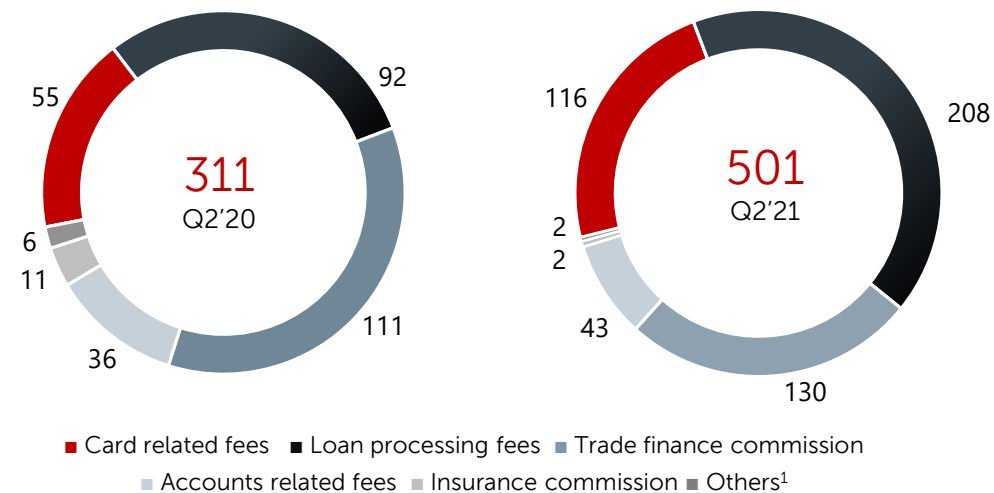
* Risk adjusted NIM: Net interest income less impairment charge on loans and advances to customers, banks, and investments securities divided by average interest earning assets

Increasingly diversified revenues, as fees and trading income continue to rise

Non-interest income (AED mn)	Q2'21	Q1'21	Q2'20	QoQ%	YoY%	H1'21	H1'20	YoY%
Net fees and commission income	501	443	311	13	61	944	742	27
Net trading income	174	154	156	13	12	328	295	11
Other operating income	165	205	128	(20)	29	370	245	51
Total non interest income	840	802	594	5	41	1,643	1,281	28

Components may not sum exactly to totals because of rounding

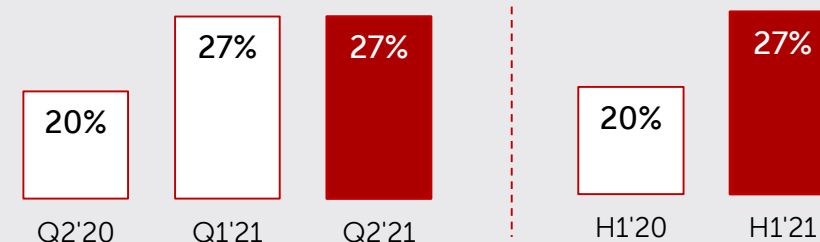
Net fees and commission income (AED mn)



Key highlights

- Non-interest income up 5% QoQ and 41% YoY to AED 840 mn in Q2'21 to account for 27% of total operating income, vs. 20% in Q2'20
- Net fee and commission income of AED 501 mn in Q2'21 was up 13% QoQ and 61% higher YoY, with card-related fees and loan processing fees more than doubling from a year earlier. Net trading income of AED 174 mn in Q2'21 increased 13% QoQ and 12% YoY
- Other operating income increased 29% YoY to AED 165 mn in Q2'21 and was 20% lower QoQ. The sequential decrease was due to gains on retirement of hedges recorded in Q1'21, which were not repeated in the second quarter

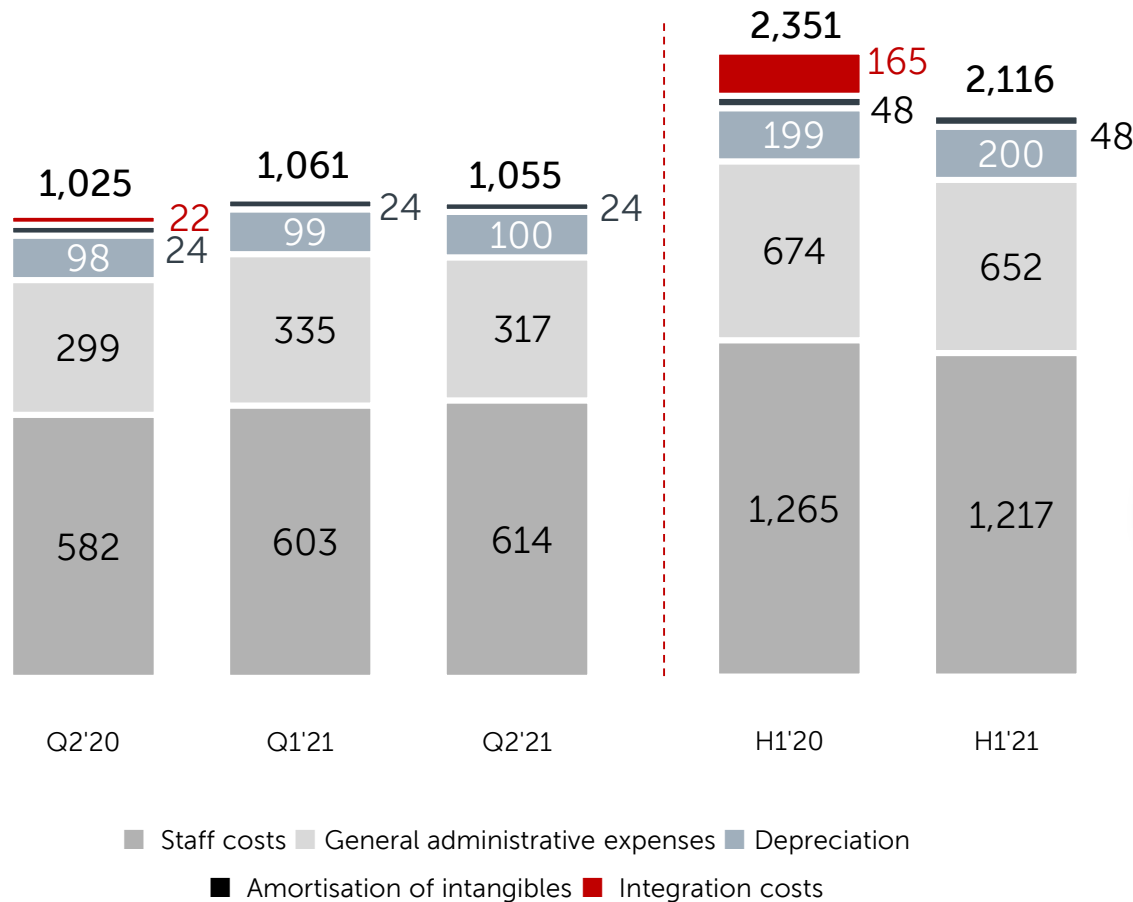
Non-interest income/total income (%)



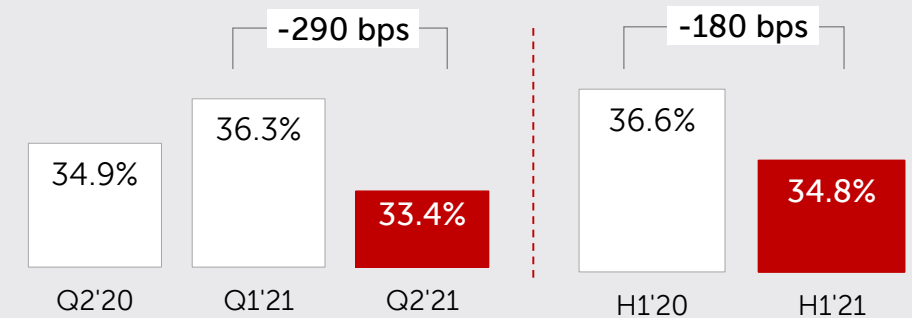
¹ Others include asset management, investment services, brokerage fees, fees from accounts related activities and other fees

Cost to income ratio approaching guidance levels of 29-32% as the Bank focuses on efficiencies and disciplined approach to cost of funds

Operating expenses (AED mn)



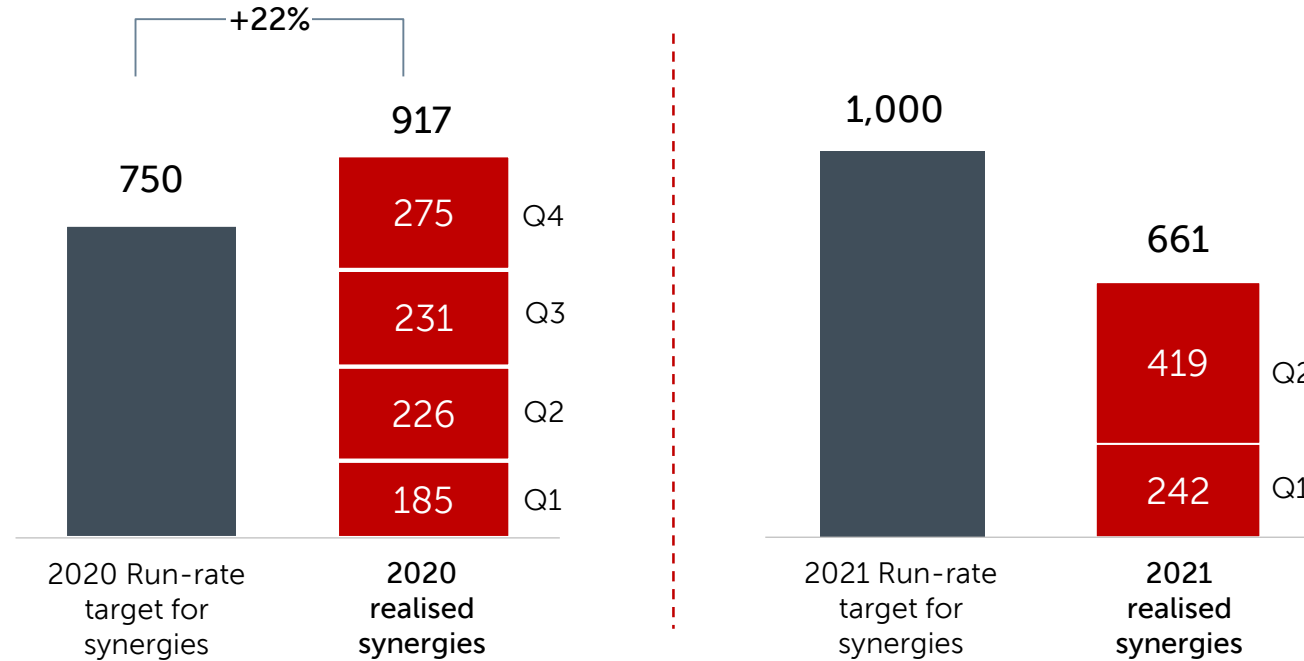
Cost to income ratio (%)



- Cost to income (C/I) ratio of 33.4% in Q2'21, improved 150 bps YoY and 290 bps QoQ. Operating expenses of AED 1.055 billion in Q2'21 decreased 1% QoQ and were 3% higher YoY, mainly on account of lower variable pay accruals in the previous year
- Cost to income ratio of 34.8% in H1'21 declined 180 bps YoY despite an environment of subdued growth and declining interest rates, which resulted in a 30% decline in gross interest income in H1'21. The improvement was driven by a 10% reduction in operating expenses and a 59% decrease in interest expense, supported by the Bank's disciplined approach to cost of funds and to increasing CASA deposits
- Branch network reduced to 54 locations in the UAE, from a peak of 127 on merger with UNB in 2019. Greater efficiencies are also being driven by digital transformation, synergies and additional cost control measures

Realised cost synergies of AED 661 mn in H1'21, on track to exceed AED 1 bn target for 2021

Realised synergies (AED million)



Integration journey in numbers

AED 1 bn

Cost synergy annual target to be achieved by 2021, up from initial target of AED 615 million

AED 661 mn

Cost synergies realised in H1'21

AED 545 mn

One-off integration costs (exc. capex) remain below budget of AED 980 million

Full integration of UNB and Al Hilal Bank into ADCB was completed in April 2020, in an accelerated time frame of **11 months, less than half the initial target and below budget**



Section 2
Subsidiaries & digital update

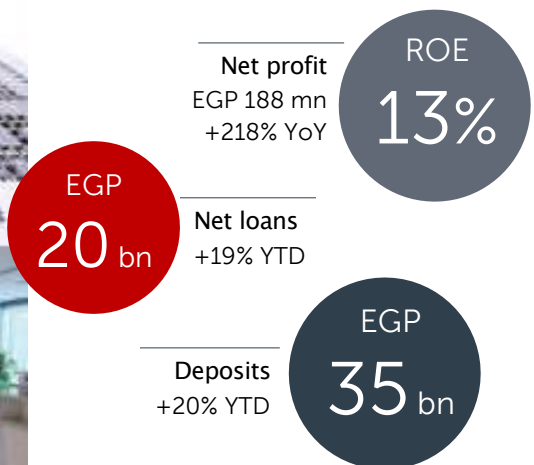
Subsidiaries – Strong progress in implementation of growth strategies



- ▶ ADCB Egypt reported Q2'21 net profit of EGP 188 mn, up 218% YoY, and H1'21 net profit of EGP 358 mn, an increase of 83% YoY. Growth has been driven by significant operational improvements across the Consumer and Wholesale Banking businesses, resulting in strong growth in loans and deposits
- ▶ Consumer Banking, which is focused on the affluent segment, has taken steps to enhance the customer experience, launching a new digital banking platform, a full credit card offering and a remittance payment solution
- ▶ Wholesale Banking continues to capture synergies with the ADCB Group through facilitation of cross-border services. The business has also launched a new online banking platform

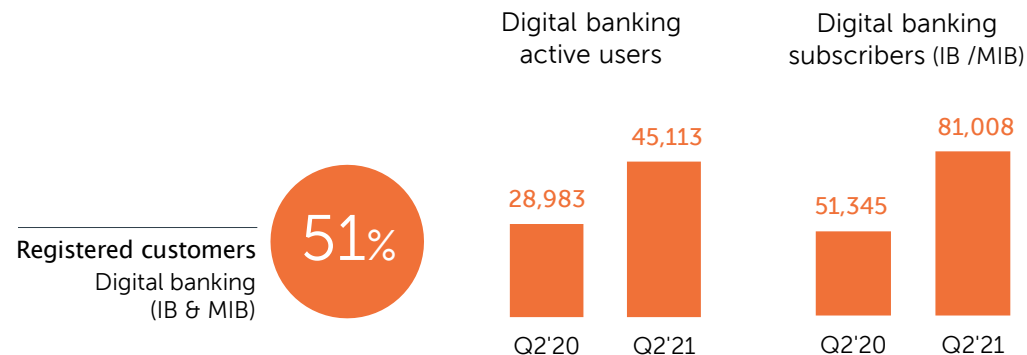


Q2'21 financial highlights



- ◻ With active digital banking users increasing 56% in the last year, Al Hilal Bank is on track to launch a new Islamic digital financial services platform in Q4'21. The value proposition has received positive feedback during testing by a community of potential customers
- ◻ The platform will harness state-of-the-art technology to enable non-banking financial solutions through an ecosystem of partnerships. The proposition is driven by customer insight through advanced data analytics, machine learning and artificial intelligence
- ◻ The fully scalable offering will be complemented by a number of physical customer centres. The platform will enable regional expansion post successful launch in the UAE

Q2'21 digital metrics



Acceleration of digital transformation: Q2'21 update

KEY ENABLERS

- ▶ After **successful launch of the cloud environment for KYC blockchain**, the full API integration commenced in Q2'21
- ▶ Leveraged advanced analytics in Consumer Banking, with launch of new **personal loan pricing tool optimizer**, which provides for tailor-made personal loan interest rates for customers
- ▶ Continued to develop suite of **API products and services**, resulting in enhanced efficiency for customers and an opportunity to build new revenue streams

CONSUMER BANKING

- ▶ Reached milestone of **900,000 customers** subscribed to ADCB's digital channels
- ▶ **Launch of credit card loans** through the ADCB Mobile Banking App, received strong uptake among retail customers
- ▶ Launch of tailor-made offers and promotions on adcb.com
- ▶ **Online IPO portal** launched to provide customers with a convenient subscription channel

WHOLESALE BANKING

- ▶ Enabled **bill payments** on **ProCash Mobile**
- ▶ Launched cross border AED **remittance on ProCash** platforms, eliminating manual processing
- ▶ Enhanced **dashboards** enabled on **ProTrade** for improved **tracking of requests**

Key digital metrics

79

Digital customer releases

76%

Registered customers Digital banking (IB & MIB)

76%

Customers onboarded via 'Hayyak' (Q2'20:86%¹)

94%

Self-service customer transactions

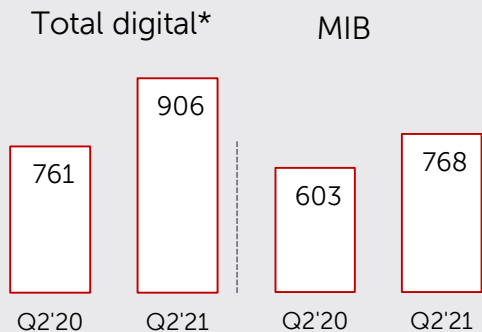
MIB trends

Fund transfer beneficiary setup **+85% YoY**

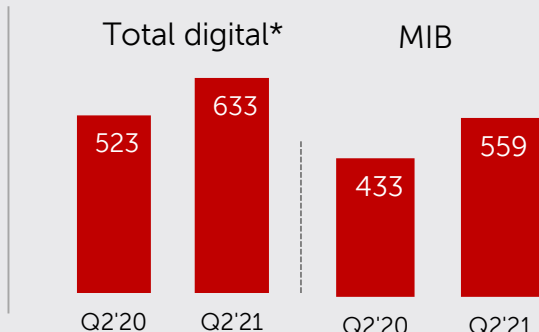
Fund transfer transactions **+87% YoY**

Consumer Banking digital metrics

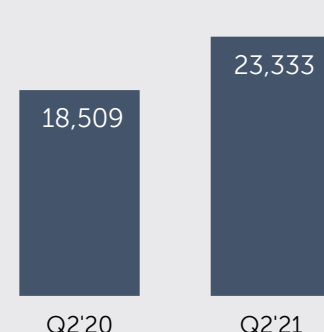
Digital registrations² ('000)



Digitally active customers³ ('000)

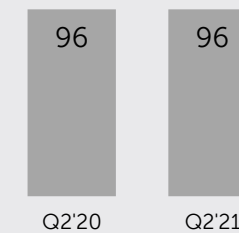


No. of digital transactions ('000)

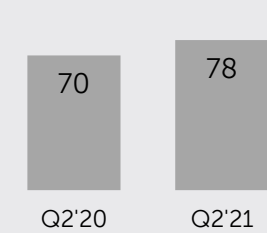


Wholesale Banking digital metrics

ProCash transactions (% of total)



ProTrade transactions (% of total)



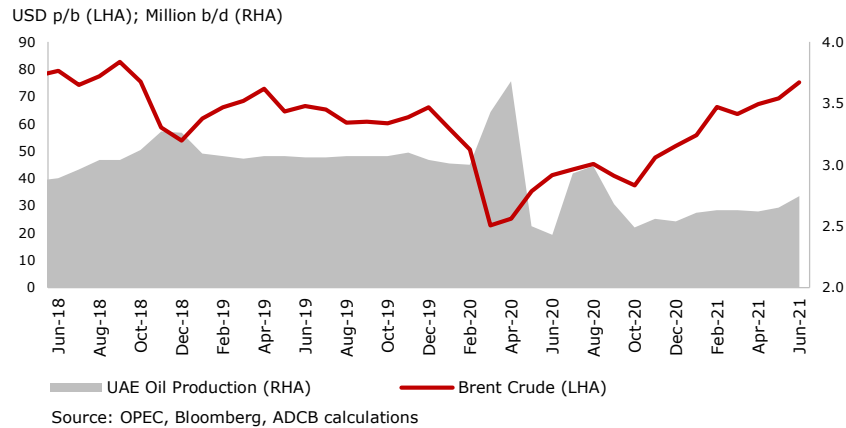
*Total digital: IB or MIB ¹Due to lower physical acquisition during the lockdown in the same period last year

²Registration: Registered user having at least one active product relationship ³Active: At least one transaction in past three months

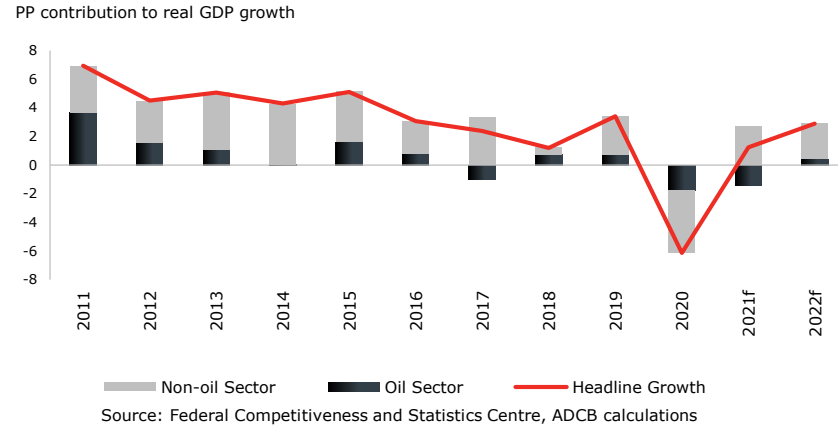
Section 3
Operating environment & guidance

Economic recovery to gather pace in H2'21 driven by strengthening oil price and high vaccination rate in the UAE

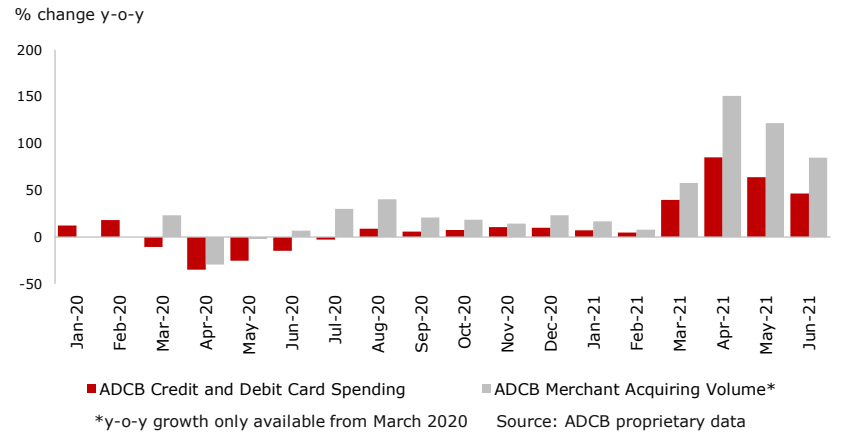
Strong rebound in oil price with OPEC+ supply restraint and recovering demand



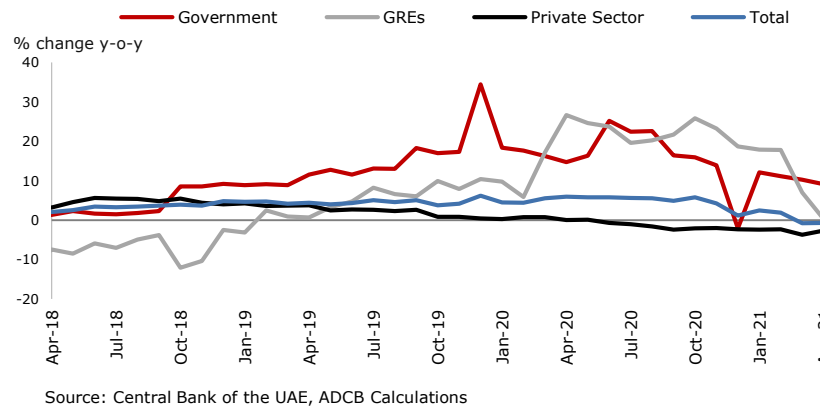
Non-oil activity to strengthen in 2021; headline GDP growth to reflect tight oil policy



Card spending data reflects limited restrictions, stronger sentiment and low base



Yearly credit demand driven by GREs and government



- ▶ UAE's economic recovery set to gather pace in H2'21 and 2022, supported by strengthening oil price and a waning of the COVID-19 impact, domestically and globally
- ▶ UAE has achieved among the highest vaccination rates globally, with 165 doses per 100 people as at 17 July 2021
- ▶ Limited domestic restrictions, with variations among the Emirates on international restrictions
- ▶ Recovery in externally facing services likely to gather pace from Q4'21 due to greater global vaccination, EXPO and the peak travel season for the region. This should support population growth, though corporate focus will remain on labour force efficiency
- ▶ Some sectors, such as aviation, are expected to take a number of years to reach pre-COVID levels
- ▶ Maturity of the non-oil investment programme to be a key headwind, due to oversupply in various areas including real estate and hospitality

Medium term (2021 – 2023) guidance

Financial metrics

Loan growth

Cost to income ratio

Cost of risk*

CET1 ratio

Dividend payout ratio

Medium term guidance

Mid-single digit

≈29-32%

≈80 bps

>12%

50% of net profit



*CoR: Net impairment charge on loans & advances and investments divided by net average loans & advances and investments

Summary



Strong Q2'21 financial performance, with fee income rising, continued improvement in cost to income ratio, and sustained growth in CASA deposits



On track to exceed AED 1 billion cost synergy target in 2021



Cost of risk reduced significantly in H1'21; progress towards resolution of NMC issue



Continued **focus on digital transformation** and cost efficiencies, embedded in five-year strategy

Q2'21 non-interest income: +41% YoY
Q2'21 C/I ratio: 33.4% (-150 bps YoY)

Realised cost synergies of AED 661 mn in H1'21

H1'21 cost of risk: 82 bps
Key steps in NMC restructuring scheduled for H2'21

+900k digital subscribers
8 digital release in Q2'21, 79 launches since programme inception



Section 4
Appendix

Diversified sources of funding by markets, tenors, currencies and products;
manageable maturities spread over several years

Wholesale funding

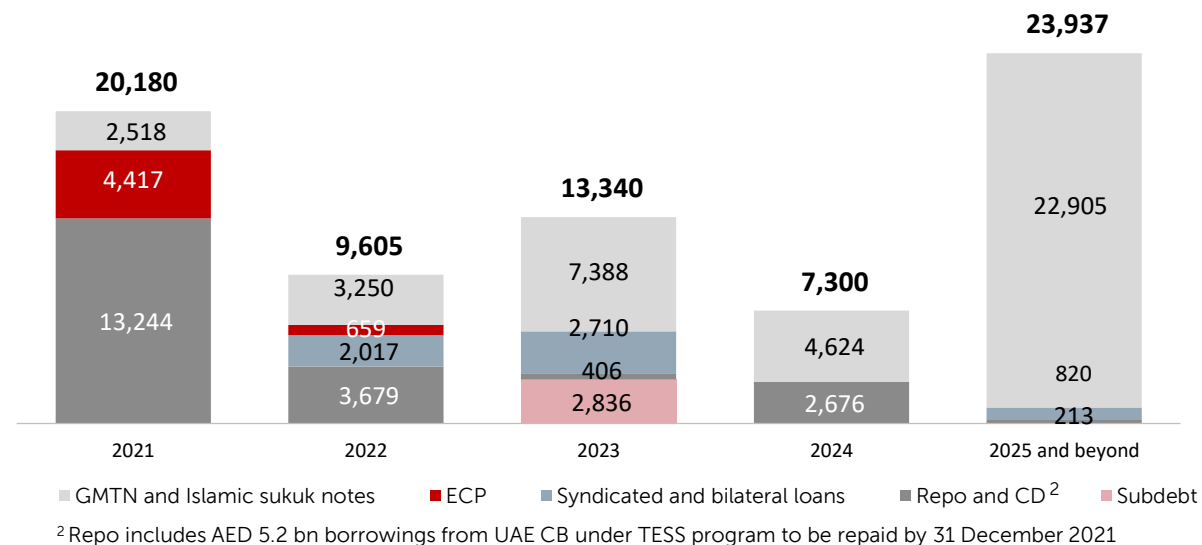
As at 30 Jun 2021	AED mn
GMTN	38,822
Repo ¹	17,252
Bilateral loans	5,546
Subordinated debt	2,836
Euro Commercial paper	5,077
Islamic Sukuk notes	1,862
Certificate of Deposits	2,966
Total	74,362

¹Repo includes AED 5.2 bn borrowings from CB UAE under TESS program at nil rate of interest

Main issuances in 2021

- USD 1,687 mn of Repo Issuance with fixed & floating interest rate, maturity of 3 mths to 4yrs
- USD 616 mn of CD issued with an IRR between 0.18% to 0.396%
- EUR 271 mn of CD issued with an IRR between negative 0.53% to negative 0.44%

Maturity profile (AED mn)



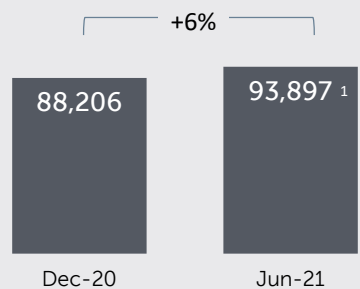
The Bank was a net lender of AED 11 billion in the interbank markets as at 30 June 2021

Main repayments in 2021

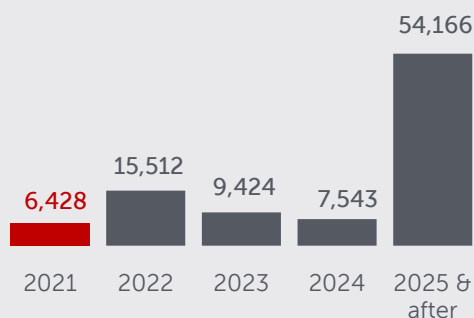
- USD 80 mn Accreting GMTNs repaid on first call date with an IRR of 5.00% to 5.10% p.a.
- CNH 240 mn GMTNs with coupons at fixed range from 4.85% p.a. to 5.02% p.a.
- HKD 320 mn GMTNs with coupons at fixed range from 2.69% p.a. to 2.86% p.a.
- USD 630 mn of CD & Repo repaid during the period
- AED 1,123 mn of TESS related Repo re-paid during the period

Investment securities increased to AED 94 bn, with 99% invested in bonds

Investment securities (AED mn)

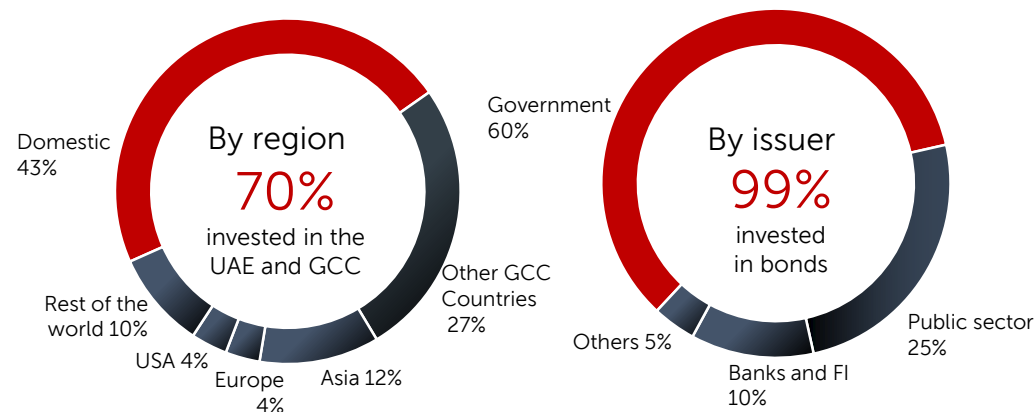


Maturity profile³ (AED mn)



Investment securities²

AED 93,897 mn

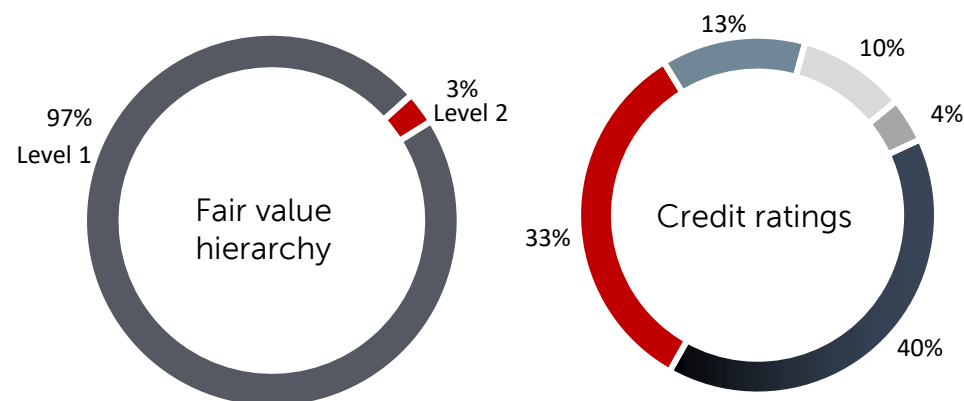


Non-government bond portfolio:

- Rated A- or better: 83%
- Rated BBB+ to BBB-: 14%
- Rated below investment grade: (BB+ and below including unrated): 3%

Total bond portfolio⁴

Government and Non-government bond portfolio: AED 93,072 mn



Level 1 - Quoted market prices
Level 2 - Valuation techniques using observable inputs

Credit ratings:

- AAA to AA-
- A+ to A-
- BBB+ to BBB-
- BB+ & unrated
- UAE Sovereign⁵

Standard & Poor's, or equivalent of Fitch or Moody's. Issuer/guarantor's based ratings are used, where bonds are unrated

¹ Includes AED 26.4 bn investments carried at amortized cost (Dec 31, 2020 : AED 21.7 bn)

² Includes equity instruments and mutual funds

³ Excluding investments in equity and funds

⁴ Excluding trading securities

⁵ UAE Sovereign internal rating in Grade 2 to 3 and maps to external rating between AA to A

Delivered 79 digital customer releases across all businesses since the launch of our digital transformation programme

Key highlights

H1'18 releases

- Digital transformation roadmap defined and execution commenced
- Digital Studio completed as a workplace for innovation
- MyChoice roll out to customers packaging products as financial solutions

H2'18

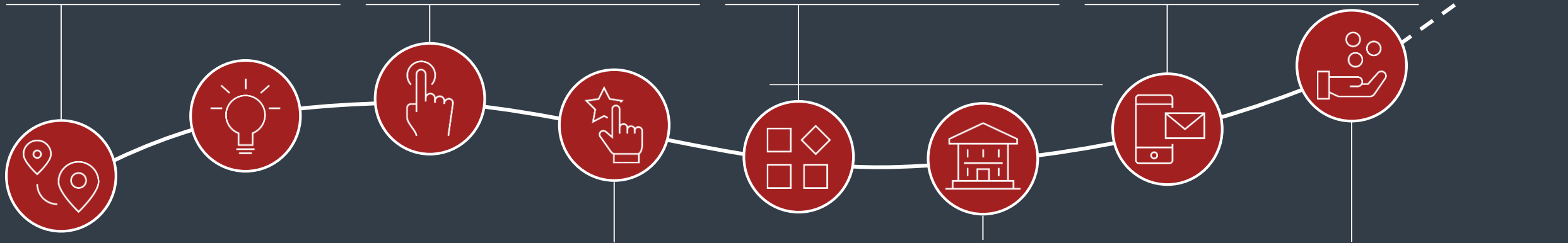
- SME account opening Digital onboarding journey
- ProCash Mobile banking on the go
- Samsung & Apple Pay enablement
- Trade workflow enhancement to improve TAT

H2'19

- Enhancements across MIB, Hayyak, ProCash Mobile, Trade Workflow
- MyChoice upgrades
- Partnership with Cleartrip

H2'20

- Personal Loan on Hayyak
- High value added features on ProCash Mobile
- Virtual Account API for RERA
- Data & Analytics use cases release (incl. campaign automation, email spam filter for call center)
- Instant Personal Loan on MIB
- Mortgage Digital Pre-approval with Bayut
- InstaPay



H1'19

- Hayyak provision of instant account opening
- MIB upgrades to improve customer experience
- SME Financing customer journey
- Launch of social media presence

H1'20

- Personal loans top-up on MIB
- IB technical upgrade
- MCD account opening
- SME Financing
- Virtual Accounts API for Noqoodi

H1'21

- Cloud environment for KYC Blockchain
- Virtual Accounts API for additional customers
- ProCash Mobile & Protrade enhancements
- Advanced Analytics use cases in Personal Loan pricing and collections
- MIB enhancements on privacy, payments and personal loan journeys
- Hayyak onboarding app introduced uBank as delivery channel
- ADCB.com enhancements with tailor made offers

2020 and H1'21 awards



Published balance sheet as at 30 June 2021

AED mn	Jun'21	Dec'20	ΔYTD %
Cash and balances with Central banks, net	23,140	29,602	(22)
Deposits and balances due from banks, net	24,638	21,535	14
Financial assets at fair value through profit or loss	1,604		NM
Derivative financial instruments	8,358	11,146	(25)
Investment securities	93,897	88,206	6
Loans and advances to customers, net	237,814	238,976	(0)
Investment in associates	261	256	2
Investment properties	1,673	1,644	2
Other assets, net ¹	15,547	10,342	50
Property and equipment, net	2,015	2,059	(2)
Intangible assets ²	7,343	7,390	(1)
Total assets	416,290	411,156	1
Due to banks	5,918	8,222	(28)
Financial liabilities at fair value through profit or loss	95		NM
Derivative financial instruments	8,447	10,855	(22)
Deposits from customers	250,564	251,395	(0)
Euro commercial paper	5,077	4,754	7
Borrowings	69,285	65,396	6
Other liabilities ³	19,796	13,933	42
Total liabilities	359,181	354,555	1
Total shareholders' equity	57,104	56,597	1
Non -controlling interests	5	4	NM
Total liabilities and shareholders' equity	416,290	411,156	1

¹ Other assets include assets held for sale

² Intangible assets include goodwill

³ Other liabilities include liabilities directly related to assets held for sale
Components may not sum exactly to totals because of rounding

Income statement for the six month period ended 30 June 2021

AED mn	Quarterly trend			Half-yearly trend		
	Q2'21	Q2'20	ΔYoY %	H1'21	H1'20	ΔYoY %
Interest and income from Islamic financing	2,837	3,523	(19)	5,562	7,918	(30)
Interest expense and profit distribution	(522)	(1,177)	(56)	(1,127)	(2,783)	(59)
Net interest and Islamic financing income	2,315	2,347	(1)	4,434	5,136	(14)
Net fees and commission income	501	311	61	944	742	27
Net trading income	174	156	12	328	295	11
Other operating income	165	128	29	370	244	52
Non interest income	840	594	41	1,643	1,281	28
Operating income	3,155	2,941	7	6,077	6,417	(5)
Staff expenses	(614)	(583)	5	(1,217)	(1,271)	(4)
General administrative expenses	(317)	(320)	(1)	(652)	(833)	(22)
Depreciation	(100)	(98)	2	(200)	(199)	0
Amortisation of intangible assets	(24)	(24)	(0)	(48)	(47)	1
Operating expenses	(1,055)	(1,025)	3	(2,116)	(2,351)	(10)
Operating profit before impairment allowances	2,100	1,916	10	3,961	4,066	(3)
Impairment charge	(678)	(668)	1	(1,382)	(2,551)	(46)
Share in profit of associates	3	11	NM	6	1	NM
Overseas income tax expense	(19)	(29)	(33)	(47)	(60)	(23)
Loss from discontinued operations	(4)	(3)	NM	(15)	(20)	NM
Published profit	1,402	1,227	14	2,524	1,436	76

Components may not sum exactly to totals because of rounding

ADCB INVESTOR RELATIONS

adcb.com/ir

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