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Ashwath P T: Good morning and good afternoon. This is Ashwath P T from Goldman Sachs Global Investment Research in Dubai. We are delighted to host Abu Dhabi Islamic on their Fourth Quarter and Full Year 2025 Earnings Call today. I'll now pass on the floor to Lamia Hariz, Group Head of Corporate Communications, Marketing, ESG and Investor Relations, to make the formal introduction of the ADIB team. Without further ado, Lamia, the floor is yours.

Lamia Hariz: Thank you. Good afternoon to everyone on the call and thank you for joining us today. I would like to welcome you all to ADIB financial results for 2025. Before we get started, we just uploaded the presentation that we're going to see today on the website and on our app. So feel free to check it out. With me on the call, as usual, we have Mr. Mohamed Abdelbary, our Group CEO, and Mr. Ahsan Akhtar, our Group CFO. So for today, it's very much in line with our previous quarter. We will begin with the key highlights, followed by an update on our previous strategic cycle. This will help us frame the progress we've made and the foundation we are building on for the next five years. So after that, we'll move on with the 2030 plan. And during this section, Mr. Mohamed will talk a little bit about our mid cycle targets and we will go through what will be the formula to win. After that, Ahsan will take us through the performance for 2025. And we'll, as usual, open the room for Q&A. With that, Mr. Mohamed will go through the presentation.

Mohamed Abdelbary: Thank you, Lamia, and good morning, good afternoon, everyone, and thank you for joining us on today's call. Let's just get the presentation up.

Lamia Hariz: One second. For the Goldman team, can you go back to the position? Okay.

Mohamed Abdelbary: Okay. Okay. So now that we have the presentation up. Okay. This year marks the successful completion of our five-year strategic cycle, where we achieved and in many areas exceeded the key targets we had set. This is an important milestone for the group and reflects disciplined execution across the bank. And the last five years, we have scaled the franchise executed against different priorities, including sharpening our risk and capital discipline, improving cost efficiency and also continuing with our digital transformation. Today we are a stronger, larger, more resilient franchise with sustainable and attractive ROE, supported by a diversified revenue growth and prudent risk management. This track record provides the foundation and the credibility for our next strategic cycle, all the way up to 2030 and again, which is fully aligned to our vision 2035. In this call, we will be touching on our five-year aspiration towards the end of that call. But I think this call is also mainly focused on giving you a bit of a glimpse of what has been the last five years, more importantly, how we have delivered in 2025, and then also give you an outlook for the next five years.

So again, going back to 2025. So our net income before tax reached 8.1 billion, which is an 18% increase year on year, delivering an ROE of 29%. This strong profitability reflects robust balance sheet growth, sustained business momentum, and continued customer acquisition across our key segments. Revenue has grown by 16% year on year, supported by strong underlying customer activity and an improved revenue mix. Importantly, non-funded income grew 17% and now represents 39% of our total income. We also continue to expand our franchise since the beginning of 2025, and we are very happy to report that we have added a net addition of 283,000 new clients. In line with our strong financial performance and commitment to shareholder value, we are also proposing a cash dividend of $0.97 per share, which is compared to $0.83 per share only in 2024. Overall, 2025 has been a defining year for ADIB and we are well positioned to build on this momentum.

Moving forward, on slide five. Okay, so having successfully delivered on our every guiding metrics for the last cycle, we're entering this new chapter from a position of strength and credibility. Our performance over the past five years has validated our strategy, reinforce our competitive advantage, and demonstrate our ability to execute with discipline, speed and consistency. As we transition into the next cycle, our focus shifts towards [inaudible] the next wave of value creation across the globe. This includes expanding our customer reach, accelerating digital and AI transformation, deepening fee-based income, as well as streamlining operational resilience. These are all the pillars we've spoken about as part of our vision 2035.

Moving forward on slide number six. Over the last five years, again, ADIB has delivered disciplined growth. And I think why we're spending a bit of time talking about the last five years, because it also gives you a bit of perspective what you could be seeing for the next five years. Again, strong profitability as you see across the year, as well as resilient build up in balance sheet and maintaining very strong asset quality.

If we move forward on slide seven, our growth over the next cycle was delivered again through disciplined, resilient and strong risk management. The balance sheet expanded. I think what's very important to be calling out is that while we have grown the franchise, we have ensured that we maintain strong asset quality, as demonstrated by the cost of risk standing at around 40 to 60 basis points. We've also ensured that our NPA ratio now has dropped to 2.8%. If you go back in time, this number used to be close to 9% as well as we've protected our capital position.

On slide number six, our strong earnings momentum and capital generation have enabled us to deliver consistent and attractive shareholder returns. Over the past five years, we maintain a stable payout ratio of around 50% of eligible net profit, and our cash dividends have grown from 31 fils to today 97 fils in 2025. The dividend yield remained very competitive and resilient. And it's always, I would say, an important equation to be kept is as you become bigger, as your share price goes up, it puts a bit of pressure on dividend yields. However, the cash dividend itself has been very attractive and rewarding for our shareholders.

Okay. So now just moving on very quickly on our pillars. We've spoken many times about our vision 2035. These are the main key pillars. And just to summarize them in one sentence; we are building the bank of the future by focusing on technology and AI, which will translate into a value for the clients, whether it's not only the touch points he sees, but also more protection and a better experience for the client. And the last pillar is our how; how we are going to do it. We're going to do it in a sustainable and very responsible manner.

Okay. Here are our 2030 aspirations high level number. So what are we saying? We are aspiring by 2030 to grow our total assets anywhere between 1.7 to 1.9x from where we are today. So that's probably around AED 0.5 trillion balance sheet. We intend to do that by continue to creating efficiency and keeping our cost to income ratio anywhere between 26–28%. We'll do it in a responsible manner, so we will not take any undue risks. And accordingly, we are still guiding towards a 40 to 60 basis point cost of risk. And we will continue to create value for our shareholders by being anywhere around 25% return on equity. We are currently – as reported, we are trending towards 29%.

Okay. These are basically the enablers which we are thinking of. So as we move into the next phase of growth, our strategy is centered on building on our strengths, scaling the business where we already lead, and accelerating transformation across the globe. First, we will continue to scale our market leading UAE franchise. ADIB is already a leader in that domain, and we will continue to do so. We will also focus on a customer experience in line with our vision 2035. And that's our key enabler. At the end of the day, what matters is the how the client perceives. And I always say we –

we don't compete with other institutions or other entities. We compete always with customer expectations. We have to continue upping your game to ensure that we deliver best-in-class customer experience. And we'll do that by ensuring that we continue to invest in technology and AI capabilities. And we'll do it as we have always been the case in responsible, sustainable and ethical manner.

Coming back to our guidance for 2026. So what are we saying? We are saying that our financing growth will be anywhere between 12-14%. That is our aspiration or guidance as we enter the year, as we have been doing also last year and the year before. As the momentum picks up, we will be continuing updating the market. And if that guidance change, net profit margin between 3.8-4%. I think that is reasonable considering that we are exiting this year around 4-4.05 level. Cost of risk as I said, very important for us. We'll keep it at the 40 to 60 basis point; cost to income ratio anywhere below 30%. We are currently at 28.6. We've spoken about our long term ambition, but for us also, it's important that we continue to invest into the business and ensuring that we're not only solving for today, but also solving for creating a much stronger franchise for the future. And our ROE guidance has always been anywhere north of 25%.

So with that, I'll hand over to Ahsan just now to take us back to our 2025 performance and then afterwards we can open up for Q&A.

Ahsan Akhtar: Thank you Mohamed and very good morning and good afternoon to everybody on the call. To start with the quick summary, as Mohamed mentioned, 2025 marked under the year of exceptional achievement for the group as we continue to build momentum across all key segments, delivering record profitability, robust growth in our balance sheet and industry leading returns of 29%. Our group net income and revenues recorded record levels with our profit before tax crossing the 8 billion mark, an increase of 18% compared to last year. Our top line growth in revenues of

16%, while revenues reached 12.3 billion, was achieved through sustained momentum and customer acquisition, which has driven this year's performance as 280,000 new customers have joined the bank during the year. On a post-tax basis, our net profit was 7.1 billion, reflecting a 16% increase compared to last year.

Turning to our balance sheet, while maintaining solid fundamentals, total assets expanded by 24%, reaching 281 billion by the end of the year. And this was driven by growth across both our customer assets and our deposits business. Cost to income ratio further improved to reach its lowest point in ADIB's history at 28.6%.

As you can see, moving on to slide 16. As you can see in the table, operating revenues increased 16% year on year to AED 12.3 billion. Costs were up 12% as the bank continued to invest in new lines of business, products and modern technology to drive growth and efficiencies.

The strong core performance was reflected in a 17% increase in operating profit, which reflecting widening jaws as revenue growth has outpaced expense growth consistently over the last few years. Please note that the applied tax rate is 9% for the UAE, while the effective tax rate works around 12.7%, in line with our expectations and the guidance which we have previously provided.

Moving on to the income statement on slide 17. As you can see, in the last three quarters, we have consistently exceeded the 2 billion pre-tax mark, reflecting sustained momentum. The quarter-on-quarter performance also remained solid, with Q4 revenues up 20% versus Q4 last year, and Q4 net income as a result also increased 20% as well. Our funded income grew 15%, which was supported by volume expansion across all major portfolios and demonstrating disciplined balance sheet optimization. All our key business segments have contributed to the growth in funded income year on year, with retail up 22% and wholesale up 8%. Our non-funded income also grew 17%, reflecting a stronger performance across our cards business, trade, finance activities, investment income and FX flows. Combining both funded and non-funded income, the overall revenue growth, as I said, was 16% for the year.

Turning to slide 18. Despite the impact of the rate cuts that have happened in '24 and '25, we've maintained a resilient net profit margin of 4.11%, supported by a favorable asset mix and lower cost of funds. Our gross margin is still well above the 7% mark. Additionally, the marginal decline that we've seen in the net profit margin between quarter three and quarter four has been mitigated through lower cost of funds by growth in CASA and focus on reduction of our Diamond Wakala Deposits cost of fund. Retail business continues to be the largest contributor to this, reflecting strong growth in home finance and personal finance products. Our cost of funding has come down slightly in 2025 compared to '24, and remains at 2.58% with UAE cost of funding even better at 1.74%, reflecting a well-diversified and dominantly CASA-driven deposit base.

As we move into the non-funded side of the income, this business increased by 17% and represents a healthy 39% of total income, reinforcing our success of our revenue diversification strategy. Growth has been broad based across all key revenue streams, which include fees, FX and investment income. Our fees and commission, being the largest component within the non-funded income, crossed the 2 billion mark and grew 16% higher due to higher card spending, while trade finance, risk participation fee income has benefited from increased customer activity and successful cross-sell efforts.

Moving on to expenses on slide 20. Given the fact that our balance sheet and revenue growth momentum has been very strong, expenses grew by 12% as ADIB has continued to invest in talent, business initiatives and digital AI-driven solutions to provide the best customer experience. Our cost to income ratio has improved further by 93 basis points year on year to reach its lowest point of 28.6%. In terms of impairments on slide 21, our provisions have increased by 9%, consistent with the growth in the financing portfolio and aligned with the conservative provisioning philosophy. Retail provisions have increased marginally due to strong portfolio expansion, while wholesale provisions moderated as a result of recoveries from a legacy portfolio. Our overall cost of risk has declined to reach 44 basis points, reflecting robust credit quality and disciplined underwriting standards, down from 53 basis points year a year ago. It is worth highlighting at this stage that we are not seeing any credit quality pressures, either in wholesale or our retail business.

Moving on to our non-performing assets. Our overall NPL ratio, as I said earlier, has significantly improved to reach 2.8%. And this is the lowest level ever recorded in the history of the bank. This reflects improved recoveries and proactive risk management across the group. Our coverage ratio as a result has strengthened significantly, reaching 92%. And if we were to include the impact of collateral, this number is now at 172%. All indicators therefore point to a high quality and well - diversified financing portfolio positioned for sustained growth in the future.

In terms of our balance sheet on slide 23, our total assets for the group are now at 281 billion, up 24% year on year. Within the balance sheet, customer financing has increased 27%, reflecting strong demand across both our retail and wholesale franchises. Deposits have increased 25%, driven by strong client acquisition and continued growth in our current and saving deposit business. Overall, ADIB enters 2026 with a strength and balance sheet, robust liquidity and strong capital ratios, which has – which will position us very well for the next phase of our strategy. In terms of our customer financing growth, we had another strong year whereby assets increased by 39 billion to reach 181 billion across different segments. This essentially represents the healthy fundamentals of the UAE economy and the increasing depth of the ADIB franchise. The growth was broad based, and we can see that the retail financing strong momentum increasing 20 billion in the last one year, particularly in home finance, personal finance and auto finance. On the wholesale financing front, the assets have expanded meaningfully, supported by strong demand from our government and GRE customers as well as some large corporates. The segments therefore remains very well diversified across the different sectors.

Moving forward, in terms of investments, the overall portfolio has increased by 8% as we build, consciously built fixed rate portfolio during 2025. This represents a disciplined approach to managing excess liquidity and optimizing risk adjusted returns. Our strategy continues to focus on high quality, low risk instruments that support income stability while maintaining flexibility in the current interest rate environment.

Turning to deposits on slide 26. As I said before, we've delivered another strong year, with customer deposits increasing 25% to reach 229 billion. This growth continues to be driven by our leading retail franchise, strong client acquisition, and our ability to attract both UAE nationals and expat segment customers. More importantly, our current and saving deposits stand at 65% and continues to represent a substantial portion of our deposit base, underscoring the strength of our franchise and supporting the bank's margin resilience as the interest rate cycle normalizes.

Lastly, on capital and liquidity, our funding position remains robust and well above the regulatory requirements, providing us with a platform, strong platform to support continued balance sheet expansion in the future. Our capital adequacy ratio stands at 15.7%, reflecting strong internal capital generation, which we saw during the year. Even with the higher asset growth at 24%, the overall RWA only increased by 15%, and this was as a result of capital efficiencies and optimization initiatives that were implemented during the year.

Lastly, this level of capitalization, we believe, provides significant capacity to support future business growth and remains resilient against macro-economic uncertainty.

With this, we reached the end of the financial slide of the presentation. Thank you.

Lamia Hariz: So we can now open the floor for Q&A. Yeah, you can hear us? We're ready for Q&A.

Ashwath P T: Hi. Yes. Rahul from Citi, could you go on with your question, please?

Rahul: Thank you. Hello. Hi. this is Rahul from Citi. Thanks. Thanks for taking my question. And very useful update. Thanks to the ADIB team.

So I have three questions, if I may please. The first one is on loan growth. I just wanted to understand the very strong loan growth that you saw in 2025, close to 25%. What part of that loan growth was Saudi driven? Was there any part Saudi-driven? And if it was, then as loan growth slows down in Saudi, probably in 2026, do you see an impact of that flowing into ADIB's sort of group numbers? So that is my first question.

My second question is on the capital sort of CET-1 levels. And I'm just trying to understand how are you thinking about capital levels into the second half of this year and next year, especially if ADIB ends up getting qualified as a D-SIB at some point. Have you had discussions with the regulator on this topic? Is this something you expect might come in? And if it does, do you think there is a case to be made that you might have to go for a rights issue or a readjustment to the dividend that you have been paying? So that's my second question, which is on capital.

The third and final question. Non-funded income was kind of slightly weak in the fourth quarter. Just wanted to understand what are the drivers for the fourth quarter kind of slight drop and how should we think about it going forward. So those are my questions. Thank you so much.

Mohamed Abdelbary: Thanks. Mohamed. Yeah. So, first question on financing growth and the Saudi components. So if you can – as you can see, we've grown our financing book 26% year on year, touching 186 billion, of which retail obviously has been a big component of that, around 27% supported by home finance. So I think this is almost like our, I would say, core floor growth trajectory and which we see continuing. Now on the on the government, on the corporate side, we all have also seen very strong growth. You asked how much would that be in Saudi, we can give you around 4.5-5 billion growth year on year in the Saudi book. So not significant if you were to consider that almost 40 billion or so has been the growth in our financing book overall. We're not seeing that slowing down at this stage, because the way where we participate in the Saudi market is predominantly on the more strategic level and the GRE, right? So we are very focused on where we participate, how we participate and the tenure we participate in. And it's always a combination between the government sector in Saudi, but also the UAE clients, which are also almost semi-government operating in Saudi. But having said that, the proportion of growth was only 5 billion, so not a very big amount. Even if that were to slow down slightly, I don't see that significantly changing our trajectory, especially that last year was 26%; and this year we're guiding slightly more to a lower number.

The second question was on CET-1, and, yes, so how do we think about capital. And for us, for me, it's very clear is that capital for me is always an enabler. Right. So the moment you think about the business franchise, what do you see? You see a franchise which has been growing and I would almost say exponentially. For the second year in a row now, I think assets are growing north of 25% year – before was touching 20%. You've done it through not renting the balance sheet. So the balance sheet growth has also been RWA efficient. Around 58-60% is your RW efficiency ratio. You've delivered on the ROE of 29% and you still delivered a good – managed to still pay out a generous cash dividend. So this is like a perfect equation. So what it means is that the last pillar in the equation, which is capital, is for me I call it enabler. We will do whatever it needs to be done to ensure that this business momentum is not slowing down. At any point in time, your question, if we are approached for a D-SIB discussion, and maybe I touch on this as well, as of today, we have not been spoken to, whether formally or informally. Having said that, I'm not – I wouldn't be surprised if that discussion happens soon because we are touching AED 300 billion balance sheets, right? So if I'm sitting on the other side, maybe I would start thinking about it. But so far, no discussion. And if that discussion comes in and capital becomes a discussion point, even without D-SIB, we will make the decision whatever is best in the interest of the shareholder, investor and franchise to ensure that this business momentum continues, because a franchise with these KPIs, I think the solution is solved for the continuation of the momentum and not solve for preserving capital by slowing down the business. So we're very clear on this. And we will be very transparent with the market by the way. So the moment this becomes of a more of a, I would say, structured, firmer discussion, the market will not be surprised. We will be signaling to the market that this is something we're thinking about, and we're doing it. Q1 or in the near future, it's not on the table, but I wouldn't rule it out completely given the strong momentum we have.

The last question was on non-funded income. You're absolutely correct. Q4 was a bit of a slowdown for us. It's predominantly also in the wealth management space. My only explanation to that would be is that I think for – it was more seasonality. I think clients have been slightly risk off in Q4. And the reason I'm saying is that already in Q1, it started very strong again. So I wouldn't attribute it to a persistent slowdown, but I would almost call it seasonal which has recovered already in the last 20 to 22 days. So how did I cover all your questions or did I miss any of them?

Rahul: Absolutely clear. This is absolutely clear. Thank you so much.

Ashwath P T: The next question is from Mehmet Sevim. Mehmet, could you please go ahead with your question?

Mehmet Sevim: Hi. Good afternoon. This is Mehmet from JP Morgan. Thanks so much for the presentation and all the very best for the next five years. I have just two questions, please. So one on asset growth guidance for this year relative to 2025. It seems like you're guiding for a little bit of a slowdown. But I do know that you tend to guide very conservatively at the beginning of the year. So may I ask if you're actually seeing any reason for your near slowdown for the balance sheet? Obviously you commented on capital already, but anything else? Or is this business as usual in terms of the guidance?

And my second question, you're guiding for a pickup in the cost to income ratio this year relative to 2025, and cost growth has been relatively high at 12%. But over the five year period, I think you were expecting an improvement again, relative to 2025, 26-28%. So may I ask how we should think about your ambition to deliver positive operating jobs in any given year for 2026 specifically, and how we should think about the trajectory of cost to income ratio over the next few years, starting from 2026? Thanks very much.

Mohamed Abdelbary: Thanks so much, Mehmet. So the first one is on the loan financing guidance. I think not – cannot deny it. So we always start conservative, right. So we have a line of sight of a strong pipeline. There's nothing indicating that it will be a slow year, but we are testing the market, right? So I think 12-14% is realistic conservative number. Let us pass through Q1. And as we have also done last year, we will be guiding the market towards an updated number. But I think you can consider it as almost our floor number, because retail is almost like a machinery which is working. We know how much we're putting on the balance sheet every month. So even without corporates, this number is almost like reachable. So the variable only becomes corporate. So answering a question, it's a conservative number. I would like to believe that this number can be improved as we go through the year in 2026. Nothing suggests any slowdown, whether it's for the UAE market or international markets.

The second point on the cost to income ratio. Regarding always below 30%, and just let me clarify. It's not that we're going to be at 30%. We're just saying that we don't want to put ourselves undue pressure to solve for a cost to income ratio, which we believe even today is quite efficient. I could take that cost to income ratio down even further. Don't really want to do that too soon, because we are in investment mode. We've invested last year. That's why our cost has grown by 12%. I'm still investing this year. I'm not done yet. I think there are some strategic investments on my – in my inbox which I really want to do. So I think these are important, but at the same time, I'm ensuring that productivity becomes strong. So I'm still going to create the revenue to give me that air cover. In the long term, as a retail bank, knowing what we know today, I think that's where we're guiding towards the cost to income ratio. But as we know, the world is changing very fast. Technology is coming in. We are investing heavily in technology, and I also wouldn't be surprised that there will be an inflection point coming in in one of these years where the infrastructure costs will look very different and you start materializing some of the investments you have made. But for now, we are comfortable with that level. And we don't foresee that this number will get out of control. And if we see any pressure on cost, we'll definitely rationalize our business model accordingly. Does that answer your question?

Mehmet Sevim: Yes. Yes it does. Thank you. May I just ask for this year specifically if you could comment on positive operating jaw[?] ambition, if that's a fair question?

Mohamed Abdelbary: Yeah, 100%. So a guiding principle for me and my team, we will not – I wouldn't say allow, but we're not solving for revenues growing slower than cost. So that's not going to happen.

Right. And if that happens, we will make some strategic decisions of where we could be a bit more rational, maybe even make decisions on delaying some of the projects which are not key to our strategy. But protecting the positive jaws is definitely key for us.

Mehmet Sevim: That's great. Thanks very much for your comments.

Ashwath P T: The next question comes from the line of Chiro Ghosh. Chiro, could you introduce yourself and ask your question?

Chiro Ghosh: This is Chiro Ghosh from SICO, Bahrain. So a couple of questions from my side is, of course, you give some clarity on the non-funded income side of it, but still want to get a little more clarity on the fee income part where – which I thought has actually come off from your longer term trend, if you can give some more clarity. I mean, what should be the ideal level we can assume for the rest of the year? That's my first question.

And the second one is related to your NIM. So in the past, you have told, like you have a big part of your loan book are fixed rate retail loans. So those now would have been lent at a higher rate, which might be maturing now. So some more clarity on that side that how much of your loan book would be maturing this year, which might have to be refinanced at a lower rate? Yeah, these are my two questions.

Mohamed Abdelbary: So I think on the non-funded income side, as you can see on the slide, it's a combination of fees and commission, FX and investment income. The slowdown again if you talk about Q4 in specific has been on the investment side. And this is something which while we push products, but at the end of the day, it's a client pickup as well. And there was a slowdown in client impact. Why am I saying the other fees have been doing very well? Because, for example, the cards income, which is a function of the spend on the cards have been going up quarter on quarter, right? So if I show you a chart where we see the spend on our debit and credit cards, they've been going up and we are now by far a market leader in terms of spend. So nothing on cards, nothing on trade fees and no issues on FX as well; purely wealth management, which is seasonal and it's coming back in Q1 as well.

In net profit margin. Let me give – net profit margin. Your question was on what – how much of the book will reprice this year, which has given us air cover. Actually still very little. Right. So over the years we have been building the fixed rate book, which was also continued in 2025. And the important thing is that origination in 2025 had been at a price level which is still at 24 and before level. So we have not felt the pressure to reduce our pricing. And this is demonstrated, if you look at the gross yield on the net profit margin side, at a time where rates have probably been cut now six or seven times, you're still yielding a gross yield of 7-17%, right? And that's what has protected you at 4-11. We're guiding this here towards a 4% number or 3.8-4%. And that's driven by the corporate book, not the fixed rate book. The corporate book will reprice, has started to reprice. And I think what – the market has different views on what's going to happen in 26. But the forward curve suggests two more cuts. So we go with that. And if that happens, your corporate book would also price down accordingly, which is now close to 70 billion and accordingly may put some pressure on your gross yields.

Chiro Ghosh: Also, your public sector loan; a big chunk of your loan book is public sector loan, and that's where the growth is coming from. So would that also impact your margin basically?

Mohamed Abdelbary: It will because every wholesale bank financing, whether government or corporate, is on a floating basis. So while the margins might not change but the underlying benchmark will come down. And accordingly gross yields will also be lower.

Chiro Ghosh: Okay. That's very clear. Thank you for – that's all from my side.

Ashwath P T: The next question comes from the line of Naresh Bilandani. Naresh, could you please introduce yourself and ask your question?

Naresh Bilandani: Yes. Thank you very much. It's Naresh Bilandani from Jefferies. Thank you very much for the presentation. I have a questions in three areas, please. One is, could you please offer some insight into the rise in the effective tax rate that we've seen in the fourth quarter in the domestic segment? I'm just keen to understand if there are any nuances we should be mindful of, for example, the manner in which the impairment charges are being accounted for from a tax perspective. Is there any difference compared to what you are reporting? And it would be very useful also if you could please clarify your effective tax rate for the next year. I'm sorry if I missed that point. That's the first question.

My second question is on the RWAs. We have seen no meaningful increase in the credit risk, credit RWAs, despite the loan growth. Has the shift in the loan mix more towards government and public sector been the only driving factor? Or if there have been any other RWA optimization initiatives that you have undertaken? if you can please call out some. That would be extremely helpful.

And my third and final question is on the cost of risk. Would you please clarify once again the reason that you would assign to a rising cost of risk in the retail book, something that we've also seen in the previous quarters? Is this being led only by the change in the customer mix or the products mix, or is there any other factor? And I just want – I'm keen to understand your assumptions for the property price outlook that you are taking in the macro overlays for this year. I'm sorry, there's a bunch of questions in here. If you want me to repeat any of those, please just let me know. Thank you.

Mohamed Abdelbary: No, thank you. Very good question. All clear. So I'll start with the first one. Our effective tax rate is around 12.7%. You might have seen a spike in Q4 because it's just a normal calculation. Right. So by year end, you actually run your actual calculation. You see what is deductible, not deductible. And we found out that we need to do a bit of catch up and align with our external tax consultant, and we close. That's why the full year is still at 12.7. But you might have seen some pickup in Q4 to ensure that there's no spillover into '26. So we close that and all good. So I would just take the full year as an average of 12.7%. Again, this is because of our international businesses are part of that as well. So that's the effective tax rate.

On the risk weighted assets, our efficiency on RWAs are now 58-60%. I think we're probably second best in the market apart from only one other, UAE Bank, who is better in terms of efficiency. But then immediately ADIB comes next. And it has improved. Because if you think about it, from a financing gross to RWA growth, 25% versus 15%. So we are clearly, I would always say, punching above our weight in terms of creating value on a capital level. Have you done anything different? No. I think it's just part of a strategy whereby we are – on retail, home finance is very capital accretive and has been our biggest growth engine in the retail book. On the wholesale bank side, it's still a good mix between government and corporates, but you absolutely correct me, the government has been pushed slightly higher, which is also a higher capital efficient ratio. I like the 60%. I would like us to keep that level, because it allows you to create enough internal equity to build for future growth. So that's on the RWA.

On the last point, the cost of risk on the retail side, you are correct; it has inched up a bit. I think that's probably by design, because we have signaled to the market that we are opening up slightly more for the expat segment, and we open it selectively, not with relaxed appetite, but we felt that we could because our cost of risk for retail bank was really, I think, on the lower side. And we needed to probably – not need it, but I think there was appetite to do a bit more. It has worked well for us because revenues has more than compensated for any uptick in cost of risk. We are testing the market. We're not going to do anything uncalculated. But even at 62%, we are not very uncomfortable with it, as long as at the bank level, we stay between the 40 to 60 basis point cost of risk. But just to answer your question, this is mainly the expat segment which we have onboarded over the last year, 18 months.

Naresh Bilandani: Thank you very much. Mr. Mohamed, just one follow-up question that I had on your assumptions and thought process on the property price outlook for this year. That would be extremely helpful.

Mohamed Abdelbary: So there are a lot of reviews out in the market. And the best proxy for me is always I look at my flow of business. I've not seen any slowdown in terms of home finance origination. But again, home finance is only a very small part of it because, as you know, most are – still a large chunk of the property transaction are cash-based, whether it's in Abu Dhabi or Dubai, very cash-driven. But I see the home-fi, home finance, has not slowed down, actually has grown. Quarter four has been our high – one of our highest home finance origination in the UAE. We are seeing strong LTVs cost of risk is low, transactions are high. So nothing suggests for me a slowdown. I do see the reports between the where people are suggesting mismatch between supply and demand, but we have not seen any of that in our stress testing. And we'll be very careful in watching it. But at this stage, really nothing to be concerned about.

Naresh Bilandani: Got it, got it. And should we expect like the effective tax rate for 2025 – like the 2026 level also to be similar to where 2025 was or should we – should there be an uptick there?

Mohamed Abdelbary: No, I think it's – unless regulation changes, which we don't control. But on an on an as is basis, it's still a 12.7% effective rate.

Naresh Bilandani: Got it. Thank you very much.

Mohamed Abdelbary: Yeah.

Ashwath P T: The next question comes from the line of Olga Veselova. Olga, could you please introduce yourself and go ahead with your questions?

Olga Veselova: Yes. Thank you. Thank you. Good day. This is Olga Veselova from Bank of America. I have several remaining questions; two, three on the strategy and one on fourth quarter results. On the strategy, back to the capital management comments. I hear you would not want to slow down. So if loan growth or risk weighted assets growth were to lead your capital position towards a constraining levels, what would be your preferences between lower dividend, capital raising SRT maybe, other form of risk weighted assets optimization? So that's number one.

Number two, what would you like to do differently in 2026 versus previous year? So are there any new products or any new niches which can differentiate you versus competition, or maybe differentiate ADIB tomorrow from ADIB yesterday? That's question number two.

And question number three on the strategy. Of the next five years, which contribution from abroad into P&L would you want to see? This is Egypt and Saudi. So this is strategy. And maybe a quick question on the fourth quarter results, I noticed there was a slowdown in customer acquisition by the end of the year. If maybe you could comment on that as well. Thank you.

Mohamed Abdelbary: Sure. Thanks so much, Olga. On the first question, if we are in a position to make a decision on how to support growth via a capital action, do I have a preference today? I don't have a preference. I think it will – we will assess all options because the menu is very long, as you said.

Right. You have an option of do you think about dividends, do you think about bonus shares, do you think about rights issue, do you think about RW optimization. It will depend on what is best for the investor, shareholder and the bank. And at that point, we will make a decision and we'll be very transparent with the market. And also will depend how much we need, right? Because if it's a small amount maybe solved by dividend; if it's a bigger amount, maybe we have to think about rights issue. If it's a mix between two, maybe we do a bit of RW optimization and dividend. So I think that a lot of things are at play. Everything has its pros and cons. But the deciding factor will be what is best for the franchise, which will eventually give value back to the investor and shareholders. That is our ultimate aim. I will come to that. And again, the pros and cons will be very open and transparent with the market and the timing as well, to ensure that it will never be a surprise to anyone.

The second point, what do we want to see different in 2026 versus 2025? I think 2026 will be an inflection point for us because our investment cycle, particularly in systems over the last 12 to 18 months, is coming to delivery in 2026. So we have invested a lot in our CRM system, customer experience journeys, onboarding digitization; a lot of this will happen this year, and this will help us to absorb the increased volumes without adding infrastructure costs on brick and mortar. And just to give you some context, ADIB has always been a 60 to 64 branch network if you go back in time. We've increased our client base significantly. Our volumes have, I think, more than doubled in the past few years, but we're still with the same infrastructure and with the same customer service. And this is due to our digital adoption. This will have to continue. And I'm looking forward, obviously, to show more and more of these initiatives. We spoke about open finance. We spoke about many other initiatives which will come to life. And I think 2026 will be again a deciding year for ADIB setting the benchmark for the next four to five years to come. Customer acquisition slowdown in 22 in the last quarter, I think, again, it's just a function of the market. You're right. We also saw that slowdown happening. Is it any specific reason other than, in my view, seasonality? I can't really pinpoint to anything specific, because when I look at, again, the last – the – again, 20 days of this year, it's almost like people are back in business and the momentum is starting to grow again, as we've seen before. So I can't really attribute it to anything specific in terms of the customer acquisition part. Olga, did I miss any of your points?

Olga Veselova: Yes, there was one more. Thank you for this answers. One more is on international business five-year plan contribution from abroad.

Mohamed Abdelbary: Yes. Fantastic. Okay, so if I were to look at today, contribution of our international business about 14-15%.

Speaker: Approximately.

Mohamed Abdelbary: 14-15%. Fast forward in our model, I'm not seeing that's changing. Right? So does it mean that the international business will not grow? It will grow, but the pie will also grow with it and maybe much, much faster. I'm comfortable with this level. Don't want to increase it too much. International business comes with a lot of benefits of diversity but also comes with its risk. So I think we are at that, I would say, nice ratio unless things change in the future. But a 14-15% contribution to the wider franchise is a number I'm very comfortable with.

Olga Veselova: Right. Thank you for the answers and all the best in your next five-year journey.

Mohamed Abdelbary: Thank you so much.

Ashwath P T: The next question comes from the line of Jon Peace. Jon, could you please introduce yourself and go ahead with your questions?

Jon Peace: Yeah. Hi. Thank you. Jon Peace from UBS. So could you just confirm that the growth in assets, the 70-90% increase by 2030, it's going to be all organic? And it works out, I think, at an annual CAGR of about 11-14%, obviously maybe a bit faster in 2026. But do you expect revenues to grow in line with the asset growth? I guess on the one hand, you've got some downward NIM pressure with lower rates. But equally, I assume also you're trying to grow noninterest income a little bit faster.

And then second question, please, is on the return on equity target. In 2030, you say it's around 25%. And for 2026, you say it's greater than 25%. I just wondered if that was a deliberate difference, the around 25 versus greater than 25, because when I look, you have a similar expected cost of risk in '26 and 2030, you expect to get an improving cost income. I'm just wondering if you're implying that the capital base will build or not. Thank you.

Mohamed Abdelbary: Sure. Thank you so much. Actually, I'll pick up the last point because you answered the question. Our assumption is changing the capital base, right? So as you become bigger and you want to create a long-term sustainable franchise, our assumptions would be capital base has to just become bigger. And accordingly, we are guiding towards this 25-ish also ROE, which is still very, I think, attractive. But over the years, we really would like to create that capital base. And it will come naturally by – obviously, we're making more money. Even if you hold the dividend at the same time, I think that will naturally happen as we progress on this journey. So that is the expectation for the ROE.

The second point on the financing growth, with it go in line with revenues. I think the answer in our model – and definitely over the year, over this year, we'll speak more and more about our aspiration. It will not be. The fact remains that as we see more and more margin compression, due to a late cycle, probably normalizing, maybe by the end of the year or even end of next year, now nobody really has a very clear view of when that will happen. It means that you just have to run a bit faster in terms of your asset origination, to make the same amount of money. And also, you don't want to take undue risk and protect your capital, which means that you will still tilt towards government journey[?] entities and wholesale bank, and you will still tilt towards security or asset backed – financing backed by assets in the retail side, which by nature attracts lower margins, because you can't have it both ways. You take less risk, you also get paid less. And hence I think revenue growth will be slightly lower than what you might see on the asset side all things staying the same.

Jon Peace: Very clear. Thank you very much.

Ashwath P T: The next question comes from the line of Aaron Armstrong. Aaron, could you introduce yourself and go ahead with your question?

Aaron Armstrong: Hi. thank you very much for the call and taking the question. This is Aaron Armstrong from Ashmore Group. A couple of questions for me. Firstly, just on the Q4 net interest margin. Can you talk about the Q4 numbers? You've got the full year and the nine month in the slide. So could you talk about Q4 versus Q3, so the quarter on quarter movements and break that down of what was driven by the – what was the gross margin versus the cost of funding? That would be question one. Question two just on the loan growth side. So obviously been growing up faster in the system for a couple of years now at a very high level. I know you've broken it down product by product, but in terms of what's enabling that growth to continue to be faster than the system, so is that Islamic financing gaining share? Is that the more affluent customer base gaining share within the overall kind of banking space, or kind of at a very high level? What's underpinning the ability to continue to grow faster than the system for a number of years in a row now?

And then number three, obviously you've touched on the D-SIB topic in quite a bit of detail already. So thanks very much for that. Just wondered in terms of kind of sensitivity analysis that you've done looking at kind of recent transactions that have happened in the space, recent changes and anything you could share there kind of what kind of assumptions you'd be working on. Are you benchmarking off the recent cases that we've seen from the most recent announcement on D-SIB of one of your peers, or what kind of – what you're basing it on?

Mohamed Abdelbary: So I'll start with the D-SIB question. I think the range for D-SIB values – so it's anywhere between 50 basis point to probably 2%. It was the lowest being 50 and highest 2%. Usually you enter at the low point. Again, I cannot speak on behalf of the regulator. And when this discussion comes up, we will have this dialogue. But as I said, at this point in time, there's no discussion with the regulator or any assumption on this. Having said that, just being on the D-SIB side, I think you probably have to now really hold to your 12%, because for us, 12% was always like our internal measure. We're not a D-SIB and our capital buffers are quite rich, but we still are holding ourselves to 12%. But having said that, a D-SIB will probably entail anywhere between 50 basis point 1% additional buffer to be created to make sure that you are operating comfortably within that range.

Second point was on your net profit margin. I think what we've seen in Q4 is that we're exiting the year at 4%, around 4% net profit margin. And that's driven by a lower gross margin slightly. But the important point to note is even our cost of fund has gone down significantly. And we've managed to reprice a huge Wakala book around 60, 65 billion of Wakalas who have repriced in line with the market because we managed their duration in line with our expectations in terms of rate cuts as well. So that's on the net profit margin.

For the third one, sorry, what was the third question you had?

Aaron Armstrong: Yeah, sure. So just before we get on to the final question, could I please just clarify on the D-SIB side of things? So even if you did come in, say, the lower end, if this does happen, and say it's an additional 50 basis points, are the buffers that you have in place today sufficient to cover that or is it whatever additional requirement may or may not be asked of you, you would need to accrue that capital, your current buffers wouldn't be sufficient for that?

Mohamed Abdelbary: So I answer it in two ways. Would the 50 basis point be enough of where we're operating today? The answer is regulatory, yes. Would we be comfortable? That's a different question, right? So if I follow the regulatory guidelines, even with the 50 basis points, very comfortable, I could just operate status quo. But we've always had ourselves a higher benchmark to ensure that our capital position always is two steps ahead of where we need to be to make sure that we're operating at a very comfortable level.

Aaron Armstrong: That's very clear. Thank you. And then the final question was just on growth, faster the system, please. So is that because Islamic financing is growing faster than the system than what – the affluent customer base is growing faster than the system? Obviously that's been going for a number of years. And do you see that continuing to play out?

Mohamed Abdelbary: Yes, we expect it to continue to play out. And I think also what's been very helpful, the UAE government has officially announced Islamic financing as part of the national agenda. There is a target set at $2.7 trillion in the next few years. Music to our ears. We are a very important player for that and will definitely be participating and benefiting in ensuring that we deliver against that specific agenda item. And to your point, it will be in the affluent and the Islamic financing space. And we expect this to grow much faster than the average market or the conventional space.

Aaron Armstrong: That's great. Thank you very much for your time. Thanks for taking the question.

Ashwath P T: Thank you very much. We've reached the top of the hour. I will hand over back to the ADIB team for closing remarks.

Lamia Hariz: Thank you. Thank you, everyone on the call. And as usual, we are available for any follow up questions. Thank you. Have a nice afternoon.