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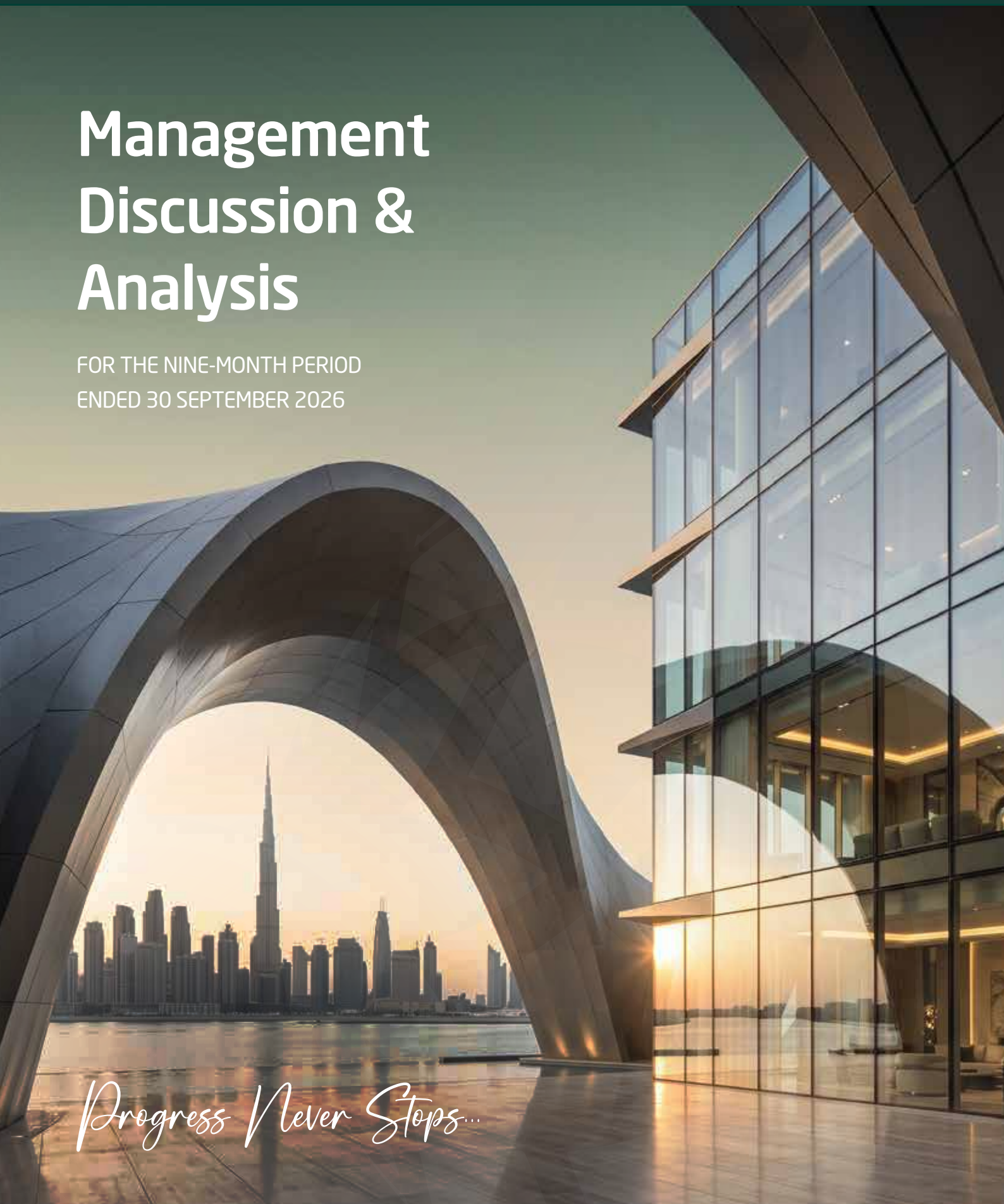
DIB

Management Discussion & Analysis

FOR THE NINE-MONTH PERIOD
ENDED 30 SEPTEMBER 2026



DIB Delivers 7% YoY Growth in Gross Revenue to AED 18.6 billion as Asset Quality Improves and Capital Strengthens

- Operating profit rises 4% YoY to AED 7.1 billion.
- Net financing and Sukuk investments grow 6% YTD to AED 372.1 billion.
- Capital adequacy strengthens to 16.5%, while the NPF ratio improves to 2.4%.

GROSS REVENUES

Đ 18.6bn

↑ 7% YoY

Steady business growth, supported by stronger capital and an improving financing portfolio.

DIB maintained solid profitability, recording Đ 6.6 billion in profit before tax.

9M 2026 FINANCIAL HIGHLIGHTS

Gross Revenues **Đ 18.6bn** ↑ 7% YoY	**Total assets** **Đ 427.0bn** ↑ 3% YTD	**NPF ratio** **2.4%** Improved by 30 bps YTD
Net Financing **Đ 287.1bn** ↑ 10% YTD	**Net financing & Sukuk investments** **Đ 372.1bn** ↑ 6% YTD	**Customer Deposits** **Đ 323.5bn** ↑ 1% YTD
CET1 Ratio **13.4%** Strengthened by 110 bps YTD	**Pre-tax profit** **Đ 6.6bn** Stable YoY	**CAR** **16.5%** Strengthened by 100 bps YTD

YoY: year on year • YTD: year to date • bps: basis points

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> ***Our next chapter will be defined by how effectively we serve our customers, embrace innovation and realise the wider potential of Islamic finance.***

Mr. Fadhel Abdulbaqi Al Ali
Chairman, DIB

"DIB's continued progress is underpinned by strong institutional foundations, a clear strategic direction and the trust it has earned from customers and stakeholders over more than five decades. These strengths provide a solid platform from which to pursue the Bank's next phase of development, with a continued focus on customer needs, innovation and long-term value creation.

As the world's first full-service Islamic bank, DIB has played a pioneering role in establishing Islamic finance as a credible and competitive banking model. Today, this legacy places us in a strong position to further advance the sector, deepen customer relationships and deliver financial solutions that respond to evolving market needs, while contributing to the continued development of the UAE's financial landscape.

The first nine months of 2026 were marked by by regional geopolitical tensions and continued uncertainty across global markets. Against this backdrop, DIB remained firmly focused on serving its customers, delivering high-quality products and services, and maintaining disciplined execution of its strategy, supported by a strong and resilient financial position. The Bank's financial performance reflects these priorities. Total assets reached **Đ 427.0 billion**, while its capital adequacy ratio (CAR) strengthened to **16.5%**. These results demonstrate the strength of DIB's business model and its capacity to sustain growth, support customers and pursue new opportunities while maintaining sound financial fundamentals.

Looking ahead, our priorities are clear: to place customers at the centre of everything we do, continuously enhance our products and services, and accelerate the adoption of advanced technologies, including artificial intelligence, to deliver greater convenience, efficiency and value. Our next chapter will be defined by how effectively we serve our customers, embrace innovation and realise the wider potential of Islamic finance.

We see significant opportunities for Islamic finance to expand its reach, both within the UAE and across international markets. Its established principles, combined with technological advancements and increasingly sophisticated banking solutions, position the sector to meet the needs of a broader customer base and play a more prominent role in the global financial system. DIB is well positioned to contribute to this growth and help shape the sector's future.

Strong governance, clarity of vision and responsible decision-making will remain central to our direction.
I look forward to working closely with the Board and management to advance DIB's strategy, reinforce its competitive position and ensure that our continued progress translates into lasting value for our shareholders, customers and the communities we serve."

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> ***Our ambition is to translate consistent growth into better customer experiences, greater efficiency and a stronger institution for the future.***

Dr. Adnan Chilwan
Group Chief Executive Officer, DIB

" Our results for the first nine months of 2026 reflect a defining characteristic of DIB's DNA: - the consistency with which we execute our strategy and translate our priorities into tangible progress. Our direction remains clear, and our commitment unwavering: to deliver superior products and services, deepen customer relationships across our businesses and continue building a stronger, more efficient and increasingly technology-enabled financial institution.

Our financial performance during the period reflects the progress we continue to make against these priorities. Gross revenues increased by **7%** year-on-year to **Đ 18.6 billion**, while operating profit before impairment charges grew by **4%** to **Đ 7.1 billion**. Total assets reached **Đ 427.0 billion**, with net financing and Sukuk investments increasing by **6%** to **Đ 372.1 billion**.

Equally important, is the quality of this growth. Our non-performing financing ratio improved to **2.4%**, while the CET1 ratio strengthened to **13.4%**. Customer deposits stood at **Đ 323.5 billion**, reflecting the depth of our established customer franchise.

Our achievements in the capital markets provide further evidence of the confidence placed in DIB by regional and international investors., Our **USD 1 billion** Additional Tier 1 Sukuk issuance attracted an orderbook exceeding **USD 2.3 billion**, while our **USD 750 million** syndicated Islamic financing facility generated approximately **USD 1.2 billion** in commitments. Both transactions represent important milestones in strengthening our financial position and diversifying our funding sources, while reinforcing confidence in our strategy and long-term prospects.

At the heart of our strategy is a clear commitment to continuously improving how we serve our customers. Across consumer and wholesale banking, we are strengthening our propositions, expanding access to relevant financial solutions and enhancing the overall banking experience. The introduction of our Off-Plan Home Finance proposition and Millionaire Account reflects our responsiveness to evolving customer needs and our commitment to delivering products that create meaningful value.

Technology continues to play a pivotal role in advancing these priorities. Our digital active user base reached approximately 1.2 million, with 97% of customers transacting digitally during the period. The introduction of the Jaywan Debit Card also marked an important milestone in our contribution to the UAE's national payments infrastructure, reinforcing our commitment to supporting the country's evolving financial ecosystem.

Looking ahead, we see considerable opportunities in accelerate our digital transformation through greater automation and the responsible application of artificial intelligence. These advancements will enable us to further personalise customer experiences, enhance operational efficiency and strengthen decision-making across the Bank. Our focus remains on harnessing technology to deliver tangible improvements in how we operate and serve our customers.

As the world's first full-service Islamic bank, DIB has both a distinctive heritage and an important role to play in advancing the future of Islamic finance. We see significant potential in bringing together the enduring principles of Shariah-compliant banking, technological innovation and an increasingly sophisticated customer proposition to extend the reach, relevance and competitiveness of Islamic finance across international markets.

Our transformation is equally dependent on the people who will lead its next phase. The launch of our first Youth Council during the period, aligned with the UAE's National Youth Agenda 2031, reflects our commitment to empowering emerging talent and preparing future leaders. By creating opportunities for young employees to contribute fresh perspectives and participate in the Bank's continued development, we are strengthening the capabilities and culture that will sustain our progress over the long term.

As we approach the close of 2026, our direction remains clear: to sustain quality growth, deepen customer relationships and accelerate the execution of our strategic priorities. Our ambition is to translate consistent growth into better customer experiences, greater efficiency and a stronger institution for the future. Achieving this requires us to remain ambitious in our thinking, disciplined in our decisions and uncompromising in our commitment to delivering value.

We remain confident in the opportunities ahead and firmly committed to strengthening DIB's position as a leading global Islamic financial institution, while delivering lasting value for our customers, shareholders and the wider economy.

Delivering Growth Across Our Customer Franchise

Financing activity, customer relationships and operating efficiency continued to support the Bank's performance during the first nine months of 2026.

Income and Profitability

- Robust performance driven by disciplined growth, resilient earnings and operating efficiency.
- Gross revenues increased 7% YoY to AED 18.6 billion, supported by gross funded income of AED 15.5 billion and non-funded income of AED 3.1 billion.
- Operating revenue reached AED 9.9 billion, up 3%. Operating profit before impairment charges rose 4% to AED 7.1 billion.
- The cost-to-income ratio was 28.1%. Profit before tax was AED 6.6 billion and profit after tax AED 5.6 billion, while impairment charges totalled AED 610 million.

Consumer Banking

- Driving customer-centric product innovation and service excellence.
- Gross new consumer financing reached AED 31 billion, with 15% YTD growth, compared with AED 27 billion in 9M 2025.
- The gross consumer financing portfolio exceeded AED 93 billion, up 18% YTD. Personal finance grew 23% and home finance 20% YTD.
- Consumer revenues reached AED 973 million during 9M 2026, with gross yields at 6.1%.
- DIB introduced Off-Plan Home Finance in August, providing Shariah-compliant financing options for eligible customers purchasing properties under construction, with payments aligned to development milestones.
- In September, DIB launched its Millionaire Account, expanding its savings offering with a prize-linked proposition designed to encourage consistent saving.

Wholesale Banking and Treasury

- Strengthening client relationships, through tailored financing solutions and disciplined balance sheet deployment.
- Gross new wholesale financing, including Treasury, approached AED 38 billion over the nine-month period.
- The gross corporate portfolio reached nearly AED 200 billion, up more than 5% YTD. Net corporate financing assets were AED 187 billion, up 6% YTD.
- The Treasury portfolio stood at AED 85 billion, compared with AED 90 billion at year-end 2025, reflecting the Bank's continuing focus on optimising its balance sheet mix to enhance overall returns.

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Building a Stronger, More Innovative Institution

Balance Sheet and Funding

• A strong financial foundation for sustainable growth.
• Total assets reached AED 427.0 billion, up 3% YTD. Net financing assets rose nearly 10% to AED 287.1 billion, supported by gross new underwriting of nearly AED 69 billion.
• Net financing and Sukuk investments increased 6% YTD to AED 372.1 billion, while Sukuk investments remained at approximately AED 85 billion.
• Customer deposits reached AED 323.5 billion, up 1% YTD. Current and savings account (CASA) balances stood at AED 111 billion, up nearly 3% YTD, representing 34% of customer deposits.
• DIB closed its debut USD 750 million syndicated Islamic financing facility in September, diversifying institutional funding sources and attracting approximately USD 1.2 billion in commitments.

Asset Quality, Capital and Liquidity

• The non-performing financing ratio improved to 2.4%, down 30 basis points YTD and 70 basis points YoY. Cash coverage was 123%, while total coverage stood at 155%.
• Cost of Risk (CoR) was 25 basis points for 9M 2026, compared with 28 basis points in H1 2026 and 45 basis points in Q1 2026.
• The capital adequacy ratio (CAR) strengthened to 16.5%, up 100 basis points YTD, while CET1 reached 13.4%, up 110 basis points. Liquidity coverage ratio (LCR) was 126%, and the net stable funding ratio (NSFR) was 105%.

Digital Banking and Customer Experience

• DIB's digital user base reached approximately 1.2 million. During 9M 2026, 97% of DIB customers transacted digitally, reflecting continued adoption across the Bank's digital channels.
• The launch of DIB's Jaywan Debit Card in July expanded access to the UAE's national card scheme and supported the development of secure, locally enabled payments infrastructure.

Sustainable Finance

• DIB originated AED 6.7 billion of sustainable and sustainability-linked financing across sectors including aviation, real estate, transport, clean energy and the circular economy.
• DIB reported year-on-year improvement in ESG ratings assessments of 44% with S&P and 28% with Bloomberg, and published an enhanced Sustainability-Linked Financing Framework supported by an independent second-party opinion from ISS.

Talent Development and Future Leadership

• DIB launched its first Youth Council in August 2026. The eight-member Council creates a structured channel for young employees to engage with senior leadership and contribute ideas across customer experience, innovation and organisational development.
• The initiative reflects the UAE's National Youth Agenda 2031 and the talent ambitions of the Dubai Economic Agenda D33, reinforcing DIB's investment in the people and capabilities that will shape its future.
• DIB participated in Ru'ya Careers UAE in September, presenting 118 active vacancies and engaging with Emirati candidates as part of its continued focus on Emiratisation and long-term career development.

Industry Recognition

• DIB was recognised in the Islamic Finance News 2025 deal awards listed in September 2026, including UAE Deal of the Year and Perpetual Sukuk Deal of the Year. expectations, except as required by applicable laws.

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Income statement

9M 2026 compared with 9M 2025 | AED billion

AED billion	Sep 2026	Sep 2025	Change
Gross funded income	15.5	14.3	8%
Non-funded income	3.1	3.0	2%
Gross revenues	**18.6**	**17.4**	**7%**
Depositors' and Sukuk holders' profit share	(8.7)	(7.7)	12%
Operating revenue	**9.9**	**9.7**	**3%**
Operating expenses	(2.8)	(2.8)	–
Operating profit before impairment charges	**7.1**	**6.9**	**4%**
Impairment charges	(0.6)	(0.3)	100%
Profit before tax	**6.6**	**6.6**	**–**
Income tax	0.9	0.9	–
Profit after tax	**5.6**	**5.7**	**(1%)**

Key earnings and efficiency ratios

Key Ratios (%)	Sep 2026	Sep 2025
Net Profit Margin (NPM)	2.4%	2.7%
Cost-to-income ratio	28.1%	28.6%
Cost of Risk (CoR)	0.25%	0.12%
Pre-tax return on average assets	2.1%	2.4%
Pre-tax return on tangible equity	20%	22%
Post-tax return on average assets	1.8%	2.1%
Post-tax return on tangible equity	17%	18%

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Balance sheet

30 September 2026 compared with 31 December 2025 | AED billion

AED billion	Sep 2026	Dec 2025	Change
Net financing and Sukuk investments	**372.1**	**352.6**	**6%**
Equities and property investments	8.9	9.4	(5%)
Other assets	11.4	11.6	(2%)
Due from banks and financial institutions	4.9	5.4	(8%)
Cash and central bank balances	29.6	36.9	(20%)
Total assets	**427.0**	**416.0**	**3%**
Customer deposits	**323.5**	**320.2**	**1%**
Sukuk financing instruments	16.6	25.1	(34%)
Due to banks and financial institutions	14.3	2.0	628%
Other liabilities	16.9	15.6	8%
Total liabilities	**371.3**	**362.9**	**2%**
Shareholders' equity and reserves	**45.0**	**42.6**	**6%**
Tier 1 Sukuk	7.3	7.3	–
Non-controlling interests	3.3	3.2	3%
Total liabilities and equity	**427.0**	**416.0**	**3%**

Capital, liquidity and asset quality

Key Ratios (%)	Sep 2026	Dec 2025
Liquidity Coverage Ratio (LCR)	126%	157%
Net Stable Funding Ratio (NSFR)	105%	109%
Common Equity Tier 1 Ratio (CET1)	13.4%	12.3%
Capital Adequacy Ratio (CAR)	16.5%	15.5%
Non-Performing Financing (NPF)	2.4%	2.7%
Cash coverage	123%	120%
Total coverage	155%	160%

Debt Capital Markets

Deals and transactions in 2026

January 2026
Kuwait Finance House
US$ 1.00bn
4.563% 2031 Sukuk
JLM & Bookrunner

January 2026 (Social)
Al Rajhi Bank
US$ 1.00bn
6.150% 2031 Sukuk AT1
JLM & Bookrunner

January 2026
Saudi Telecom Company
US$ 2.0bn
4.489% 2031 sukuk
5.083% 2036 sukuk
Joint Structuring Bank
JLM & Bookrunner

January 2026
Bank Albilad
US$ 500mn
6.375% 2031 Sukuk AT1
JLM & Bookrunner

January 2026
Saudi Electricity Company
US$ 2.4bn
4.310% 2029 sukuk
4.518% 2032 sukuk
5.064% 2036 sukuk
JLM & Bookrunner

January 2026
Energy Development Oman
US$ 650mn
5.140% 2036 Sukuk
JLM & Bookrunner

January 2026
Public Investment Fund
US$ 2.0bn
5.133% 2036 Sukuk
JLM & Bookrunner

January 2026
Kingdom of Bahrain
US$ 800mn
6.124% 2034 Sukuk
JLM & Bookrunner

January 2026
Arab Energy Fund
US$ 500mn
4.721% 2031 Sukuk
JLM & Bookrunner

January 2026
Damac Real Estate Development Limited
US$ 600mn
6.125% 2029 Sukuk
JLM & Bookrunner

February 2026
Binghatti Holdings
US$ 500mn
8.375% 2031 Sukuk
Global Coordinator, JLM & Bookrunner

February 2026
TPAO
US$ 1.0bn
6.300% 2031 Sukuk
JLM & Bookrunner

February 2026
Omniyat
US$ 600mn
7.250% 2031 Sukuk
Global Coordinator, JLM & Bookrunner

February 2026
Qatar Islamic Bank
US$ 750mn
4.402% 2031 Sukuk
JLM & Bookrunner

May 2026
First Abu Dhabi Bank
US$ 700mn
4.859% 2031 Sukuk
JLM & Bookrunner

May 2026
Emlak Konut
US$ 650mn
7.750% 2031 Sukuk
JLM & Bookrunner

May 2026
Dar Al Arkan
US$ 600mn
7.250% 2031 Sukuk
JLM & Bookrunner

June 2026
Dubai Islamic Bank
US$ 1.00bn
6.250% 2031 Sukuk AT1
JLM & Bookrunner

June 2026
Burjeel Holdings
US$ 500mn
7.000% 2031 Sukuk
JLM & Bookrunner

June 2026
Republic of Turkey
US$ 2.75bn
6.700% 2032 Sukuk
JLM & Bookrunner

July 2026
Ajman Bank
US$ 300mn
Additional Tier 1
6.500% 2031 Sukuk
JLM & Bookrunner

September 2026
Sharjah Islamic Bank
US$ 500mn
Senior Unsecured
5.850% 2031 Sukuk
JLM & Bookrunner

September 2026
Kingdom of Saudi Arabia
US$ 3.25bn
5.257% 2031 Sukuk
5.598% 2036 Sukuk
JLM & Bookrunner

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