

Management Discussion and Analysis Report

Full Year 2025

21 January 2026

CBD Delivers Record Net Profit with Loans Exceeding ₪ 100 billion

Record Net Profit reaches ₪ 3,844 million before tax for the year

Net profit after tax of ₪ 3,500 million, up 15.5% compared to the prior year.

Net loans above ₪ 100 billion backing customer growth

Net loans were ₪ 101 billion, an increase of 8.6% compared to 31 December 2024.

Top-tier ROE, generating exceptional value for shareholders

ROE of 22.15% after-tax, an increase of 75 bps.

Excellent asset quality

Non-performing loan ratio of 3.58% improving by 77 bps compared to the prior year with Cost of Risk at 0.49%, down 25 bps year-on-year.

Key Performance Indicators

Net Profit before tax

₦ 3,844m

+15.6%

Return on Equity after tax

22.15%

Top Quartile

Cost-to-Income

26.25%

Top Quartile

Assets

₦ 160b

Robust Growth

Capital Adequacy Ratio

15.52%

Exceeding regulatory requirements

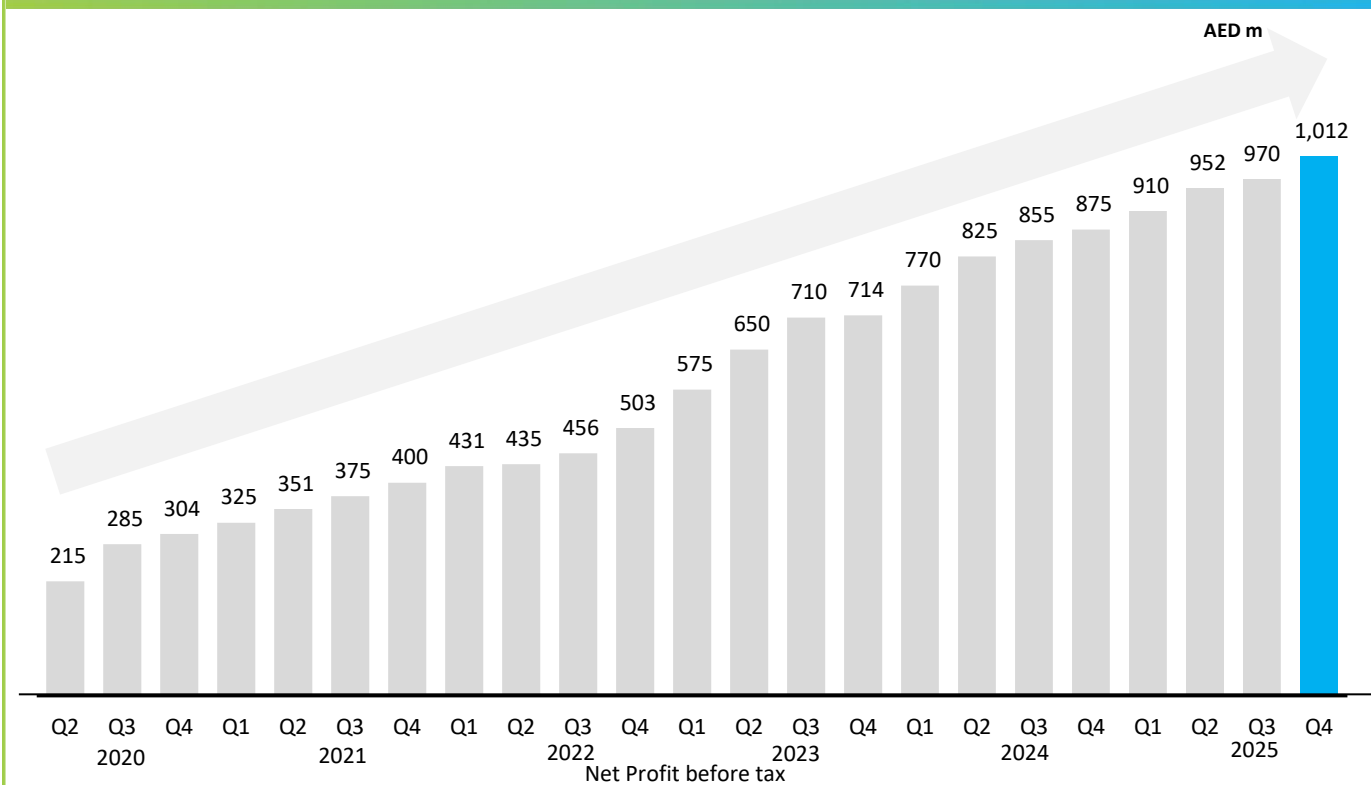
NPL

3.58%

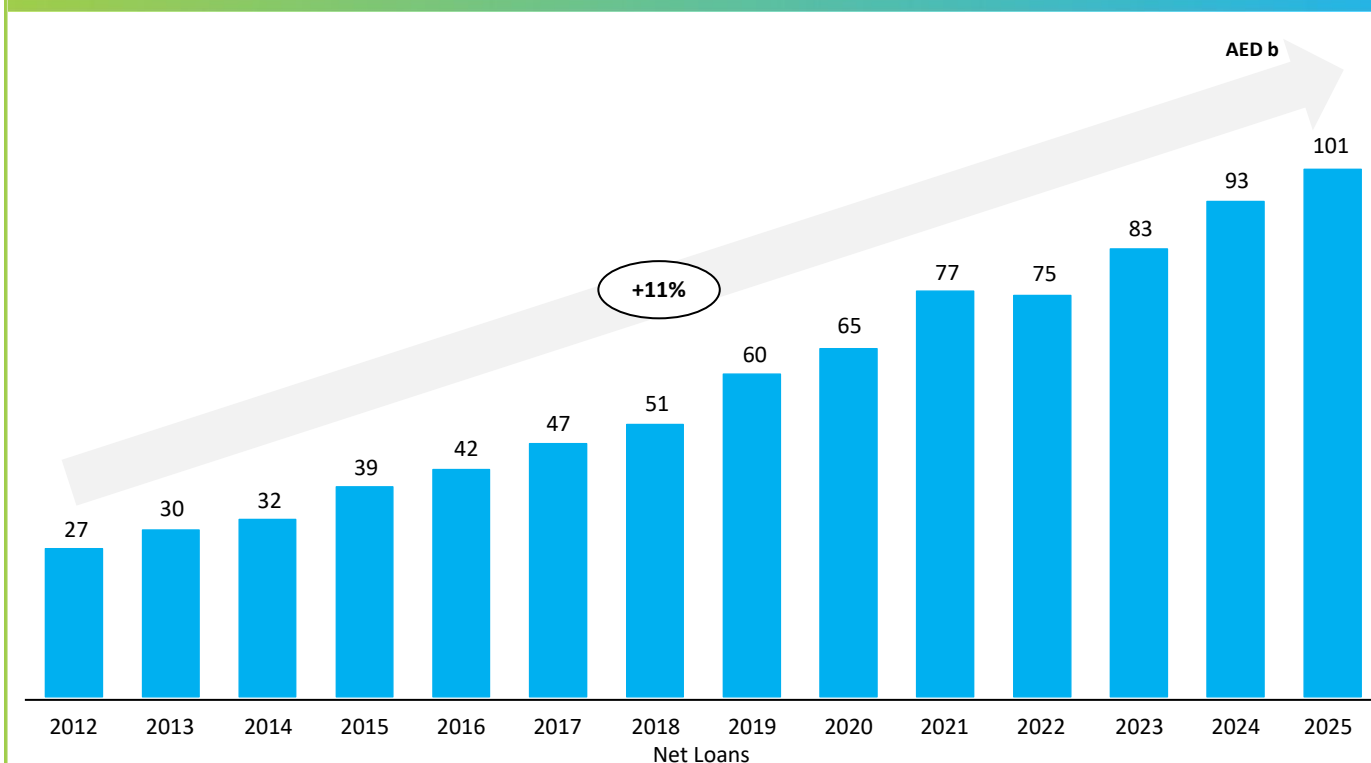
Improved 77 Bps

Outstanding results consistently delivering on strategy

Industry leading 22 consecutive quarters of net profit growth, delivering a record AED 1 billion quarterly net profit



Lending consistently backing customer growth





Dr. Bernd van Linder
(CEO, Commercial Bank of Dubai)



A full year 2025 record net profit result with loans exceeding AED 100 billion are outstanding achievements for CBD.

Dubai, 21 January 2026: Commercial Bank of Dubai (CBD) has announced its financial results for the year ended 31 December 2025, achieving an exceptional milestone of 22 consecutive quarters of net profit growth, a record unmatched by any other bank in the UAE over the same period. The Bank reported net profit before tax of AED 3,844 million, representing a 15.6% increase compared to the 2024 year, and closed 2025 by delivering a record AED 1 billion quarterly net profit for the first time.

CBD's strong growth was further underpinned by loans exceeding AED 100 billion supporting growth of UAE individuals and businesses. This performance has been driven by solid customer engagement, strong lending activity, and a strong domestic economy supported by public sector investments and robust business activity.

"A full year 2025 record net profit result with loans exceeding AED 100 billion are outstanding achievements for CBD" said Dr. Bernd van Linder, Chief Executive Officer. "Our consistent performance over the past five years highlights the quality of our business, the strength of our strategy and our continued commitment to our customers. We are delighted with the full year performance, which is a testament to our disciplined high-quality strategy execution. As always, we remain focused on delivering on our strategic targets during the upcoming year and beyond."

CBD continues to deliver innovative customer outcomes. The Bank recorded its highest SME Net Promoter Score in over three years in 2025, following enhancements to onboarding and service delivery. At the same time, CBD's leadership in innovation was recognised through multiple industry awards, including Best in Transformation in UAE, Best Digitisation Initiatives, Best Digital Bank for Trade Finance Services in the UAE and Middle East, and Excellence in Digital Banking Award, affirming its digital-by-design ethos.

CBD made its mark on the global stage with successful participation in high profile banking conferences including SIBOS 2025, BAFT Global Councils Forum and the Middle East Banking Innovation Summit showcasing our commitment to innovation, thought leadership, and customer-centricity.

Notably, CBD became the first bank in the UAE to completely activate Open Finance at scale, establishing CBD as a market leader in this initiative and reinforcing our role as an early adopter of next-generation financial infrastructure. The Bank further supported national initiatives such as Aani payments, UAE Central Bank Digital Currency, the Financial Infrastructure Transformation Program and the 'Xport Xponential' programme by Etihad Credit Insurance, reinforcing its alignment with the UAE's vision for financial innovation and inclusion.

Now in its sixth decade, CBD continues to deliver top-quartile returns, with a return on equity of 22.15%, a cost-to-income ratio of 26.25%, and continuing, consistent net profit growth. With a robust capital base and a clear digital-first strategy, CBD is well-positioned to sustain its growth trajectory and back the nation's ambitions.

2025 full year results:

- Net profit before tax was AED 3,844 million, up 15.6% against the prior year
- Operating income was AED 5,919 million, driven by strong growth in loans and CASA balances
- Operating expenses were AED 1,554 million, up by 10.8%
- Operating profit was AED 4,365 million, up by 6.8%
- Net impairment loss was AED 521 million, down by 31.6%
- Corporate tax expense of AED 344 million, up by 16.6%

As at 31 December 2025:

- Capital ratios remained strong with the capital adequacy ratio (CAR) at 15.52%, Tier 1 ratio at 14.39% and Common Equity Tier 1 (CET1) ratio at 12.54%, well in excess of regulatory requirements
- Gross loans were AED 105.4 billion, an increase of 7.2% compared to 31 December 2024
- Advances to stable resources ratio (ASRR) stood at 83.14%, down by 344 bps compared to 31 December 2024

Income Statement

Operating income for the full year 2025 was AED 5,919 million, up 7.8%, attributable to an increase in Net Interest Income (NII) by 9.3% on strong loan and CASA growth, and Non-Funded Income (NFI) up 4.5%.

Operating expenses were AED 1,554 million, with the increase primarily driven by investments in digitisation, technology, business growth, governance and regulatory compliance. The cost-to-income ratio remains strong at 26.25%.

AED (Million)						
Income statement	2025	2024	Var	Q4 25	Q3 25	QoQ Var
Net interest income	4,151	3,799	9.3%	1,063	1,074	(1.0%)
Non-funded income	1,768	1,692	4.5%	456	503	(9.3%)
Total income	5,919	5,491	7.8%	1,519	1,577	(3.7%)
Operating expenses	1,554	1,403	10.8%	392	413	(5.1%)
Operating profit	4,365	4,087	6.8%	1,127	1,164	(3.2%)
Expected credit losses	521	762	(31.6%)	115	194	(40.7%)
Net profit before tax	3,844	3,325	15.6%	1,012	970	4.3%
Corporate tax expense	344	295	16.6%	91	86	5.8%
Net profit after tax	3,500	3,030	15.5%	921	884	4.2%

Balance Sheet

Total assets were AED 160.3 billion as at 31 December 2025, an increase of 14.4% compared to AED 140.2 billion as at 31 December 2024.

Net loans and advances were AED 101.0 billion, registering an increase of 8.6% compared to AED 93.0 billion as at 31 December 2024.

Customers' deposits were AED 111.4 billion as at 31 December 2025, representing an increase of 14.1% compared to AED 97.6 billion as at 31 December 2024. Low-cost CASA constituted 49% of the total customer deposit base, while the loan-to-deposit ratio stood at 90.75%.

AED (Million)

Balance sheet	Dec 25	Dec 24	YoY Var	Dec 25	Sep 25	QoQ Var
Gross loans and advances	105,380	98,294	7.2%	105,380	109,435	(3.7%)
Allowances for impairment	4,331	5,245	(17.4%)	4,331	4,212	2.8%
Net loans and advances	101,049	93,049	8.6%	101,049	105,223	(4.0%)
Total assets	160,308	140,175	14.4%	160,308	163,409	(1.9%)
Customers' deposits	111,353	97,563	14.1%	111,353	112,148	(0.7%)
Total equity	19,422	17,425	11.5%	19,422	18,572	4.6%

Asset Quality

The non-performing loan (NPL) ratio decreased to 3.58%, down from 4.35% at the end of 2024. The net impairment charge totaled AED 521 million for the year 2025. The coverage ratio was 102.92% (December 2024: 104.23%) and was 143.09% inclusive of collateral for stage 3 loans (31 December 2024: 138.75%). As at 31 December 2025, total allowances for impairment (covering loans and advances, due from banks and unfunded exposures) amounted to AED 4,604 million (31 December 2024: AED 5,567 million).

Liquidity and Capital position

The Bank's liquidity position remained robust with the advances to stable resources ratio at 83.14% as at 31 December 2025 (31 December 2024: 86.58%), compared to the UAE Central Bank maximum of 100%.

CBD's **capital ratios** were strong with the capital adequacy ratio (CAR) at 15.52%, Tier 1 ratio at 14.39% and Common Equity Tier 1 (CET1) ratio at 12.54%. All capital ratios were well above the minimum regulatory thresholds mandated by the UAE Central Bank.

Key ratios %	2025	2024	YoY Var (bps)	Q4 25	Q3 25	QoQ Var (bps)
Return on equity (after tax)	22.15%	21.40%	75	22.47%	22.95%	(48)
Return on assets (after tax)	2.33%	2.25%	8	2.29%	2.33%	(4)
Cost to income ratio	26.25%	25.56%	69	25.81%	26.19%	(38)
Non-performing loans (NPL)	3.58%	4.35%	(77)	3.58%	3.50%	8
Provision coverage	102.92%	104.23%	(131)	102.92%	98.93%	399
Loan-to-deposit ratio	90.75%	95.37%	(462)	90.75%	93.83%	(308)
Advances to stable resources	83.14%	86.58%	(344)	83.14%	86.11%	(297)
Capital adequacy ratio	15.52%	15.57%	(5)	15.52%	15.84%	(32)
Tier 1 ratio	14.39%	14.43%	(4)	14.39%	14.70%	(31)
CET1 ratio	12.54%	12.41%	13	12.54%	12.91%	(37)

Credit Ratings

Agency	Rating	Outlook	Date
Fitch Ratings	A-	Stable	Jan-26
Moody's	Baa1	Stable	Nov-25

About CBD

Commercial Bank of Dubai was established in 1969 and is registered as a Public Shareholding Company (PSC). The Bank is listed on the Dubai Financial Market and is mostly owned by UAE Nationals including the Investment Corporation of Dubai (ICD). Over the years, Commercial Bank of Dubai has built itself into a progressive and modern Banking institution, endowed with a strong financial structure and strong management, as well as a loyal and ever-increasing customer and correspondent base. Today, CBD is one of the leading banks in the United Arab Emirates and offers its customers a full range of retail and commercial banking products and services.

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