

In the Name of Allah, the Merciful, the most Merciful



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**GROUP CONDENSED  
CONSOLIDATED INTERIM  
FINANCIAL STATEMENTS  
(UNAUDITED)**

**FOR THE NINE MONTHS PERIOD  
ENDED 30 SEPTEMBER 2024**

# EMIRATES ISLAMIC BANK PJSC

## GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Contents	Page
GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION.....	2
GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME .....	3
GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME .....	4
GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS.....	5
GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY .....	6
1 CORPORATE INFORMATION .....	7
2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES .....	7
3 CASH AND DEPOSITS WITH THE CENTRAL BANK OF THE UAE .....	8
4 DUE FROM BANKS.....	8
5 INVESTMENT SECURITIES .....	9
6 FINANCING RECEIVABLES .....	11
7 OTHER ASSETS .....	13
8 SUKUK PAYABLE AND OTHER MEDIUM TERM FINANCING .....	13
9 OTHER LIABILITIES.....	15
10 OTHER OPERATING INCOME .....	16
11 NET IMPAIRMENT LOSS ON FINANCIAL ASSETS.....	16
12 COMMITMENTS AND CONTINGENCIES.....	17
13 EARNINGS PER SHARE.....	17
14 ISLAMIC DERIVATIVES FINANCIAL INSTRUMENTS.....	18
15 OPERATING SEGMENTS .....	18
16 RELATED PARTY TRANSACTIONS.....	20
17 NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS ....	22
18 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE .....	23
19 RISK MANAGEMENT .....	25
20 CORPORATE TAX IN UAE .....	27

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

**The Board of Directors  
Emirates Islamic Bank (P.J.S.C.)  
Dubai  
United Arab Emirates**

### *Introduction*

We have reviewed the accompanying Group condensed consolidated interim statement of financial position of **Emirates Islamic Bank (P.J.S.C.)** (the “Bank”) and its **Subsidiaries** (together referred to as the “Group”) as at 30 September 2024 and the related Group condensed consolidated interim statement of income, Group condensed consolidated interim statement of comprehensive income, Group condensed consolidated interim statement of cash flows and Group condensed consolidated statement of changes in equity for the nine months period then ended and a summary of material accounting policy information and other explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this interim financial information based on our review.

### *Scope of review*

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

**Deloitte & Touche (M.E.)**



Musa Ramahi  
Registration No.: 872  
16 October 2024  
Dubai  
United Arab Emirates

EMIRATES ISLAMIC BANK PJSC

**GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2024 (UNAUDITED)**

		Unaudited 30 September 2024	Audited 31 December 2023
	Notes	AED 000	AED 000
<b><u>ASSETS</u></b>			
Cash and deposits with the Central Bank of the UAE	3	15,309,383	14,981,141
Due from banks	4	8,663,730	6,131,154
Investment securities	5	13,368,890	10,429,662
Financing receivables	6	66,502,233	53,747,737
Positive fair value of Islamic derivatives	14	254,911	184,173
Customer acceptances		871,907	1,036,534
Investment properties		172,391	184,806
Property and equipment		323,498	270,848
Other assets	7	1,161,486	845,676
<b>TOTAL ASSETS</b>		<b>106,628,429</b>	<b>87,811,731</b>
<b><u>LIABILITIES</u></b>			
Due to banks		3,350,758	5,792,375
Customer deposits		74,210,674	61,314,915
Sukuk payable and other medium term financing	8	9,263,125	4,672,500
Negative fair value of Islamic derivatives	14	218,948	178,396
Customer acceptances		871,907	1,036,534
Other liabilities	9	4,592,135	3,373,303
<b>TOTAL LIABILITIES</b>		<b>92,507,547</b>	<b>76,368,023</b>
<b><u>EQUITY</u></b>			
Issued capital		5,430,422	5,430,422
Legal and statutory reserve		1,027,161	1,027,161
Other reserves		543,043	543,043
Fair value reserve		(91,778)	(269,979)
Retained earnings		7,212,034	4,713,061
<b>TOTAL EQUITY</b>		<b>14,120,882</b>	<b>11,443,708</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>106,628,429</b>	<b>87,811,731</b>

The attached notes 1 to 20 form an integral part of these Group condensed consolidated interim financial statements. The independent auditor's report on review of the Group condensed consolidated interim financial statements is set out on page 1.



Chairman



Director



Chief Executive Officer

16/10/2024

**GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME**  
**FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (UNAUDITED)**

		Unaudited three months period ended	Unaudited three months period ended	Unaudited nine months period ended	Unaudited nine months period ended
		30 September 2024	30 September 2023	30 September 2024	30 September 2023
	Notes	AED 000	AED 000	AED 000	AED 000
Income from financing receivables and investment products		1,526,991	1,210,399	4,301,980	3,382,270
Distribution on deposits and profit paid to Sukuk holders		(430,452)	(268,864)	(1,098,465)	(667,182)
<b>Net income from financing receivables and investment products</b>		<b>1,096,539</b>	<b>941,535</b>	<b>3,203,515</b>	<b>2,715,088</b>
Fee and commission income		295,551	239,058	840,107	695,244
Fee and commission expense		(157,750)	(126,111)	(429,844)	(334,333)
<b>Net fee and commission income</b>		<b>137,801</b>	<b>112,947</b>	<b>410,263</b>	<b>360,911</b>
Other operating income	10	151,105	138,585	469,267	456,874
<b>Total operating income</b>		<b>1,385,445</b>	<b>1,193,067</b>	<b>4,083,045</b>	<b>3,532,873</b>
General and administrative expenses		(423,605)	(368,358)	(1,199,756)	(1,336,612)
<b>Operating profit before impairment</b>		<b>961,840</b>	<b>824,709</b>	<b>2,883,289</b>	<b>2,196,261</b>
Net impairment loss on financial assets	11	(51,874)	(390,828)	(177,708)	(629,500)
Net impairment reversal on non-financial assets		-	1,414	40,362	80,586
<b>Net impairment loss</b>		<b>(51,874)</b>	<b>(389,414)</b>	<b>(137,346)</b>	<b>(548,914)</b>
<b>Profit for the period before taxation</b>		<b>909,966</b>	<b>435,295</b>	<b>2,745,943</b>	<b>1,647,347</b>
Taxation charge		(74,729)	-	(246,970)	-
<b>Profit for the period</b>		<b>835,237</b>	<b>435,295</b>	<b>2,498,973</b>	<b>1,647,347</b>
<b>Earnings per share (AED)</b>	13	<b>0.154</b>	<b>0.080</b>	<b>0.460</b>	<b>0.303</b>

The attached notes 1 to 20 form an integral part of these Group condensed consolidated interim financial statements. The independent auditor's report on review of the Group condensed consolidated interim financial statements is set out on page 1.

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (UNAUDITED)

	Unaudited three months period ended 30 September 2024  AED 000	Unaudited three months period ended 30 September 2023  AED 000	Unaudited nine months period ended 30 September 2024  AED 000	Unaudited nine months period ended 30 September 2023  AED 000
Profit for the period	835,237	435,295	2,498,973	1,647,347
<b>Other comprehensive income</b>				
<b>Items that may be reclassified</b>				
<b>subsequently to Income statement:</b>				
Cash flow hedges:				
- Effective portion of changes in fair value	35,757	-	40,484	-
Fair value reserve (Sukuk instruments):				
- Net change in fair value	145,253	(58,834)	155,439	(12,577)
- Net amount transferred to income statement	(82)	(18)	(98)	(37)
Related deferred tax	(16,282)	-	(17,624)	-
Other comprehensive income / (loss) for the period	164,646	(58,852)	178,201	(12,614)
<b>Total comprehensive income for the period</b>	<b>999,883</b>	<b>376,443</b>	<b>2,677,174</b>	<b>1,634,733</b>

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**GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (UNAUDITED)**

	Notes	Unaudited nine months period ended 30 September 2024 AED 000	Unaudited nine months period ended 30 September 2023 AED 000
<b><u>OPERATING ACTIVITIES</u></b>			
Profit for the period before taxation		2,745,943	1,647,347
Adjustment for non cash items and other items	17	480,418	830,597
<b>Operating profit before changes in operating assets and liabilities</b>		<b>3,226,361</b>	<b>2,477,944</b>
(Increase) / decrease in balances with the Central Bank maturing after three months		114,139	(9,002,460)
(Increase) / decrease in amounts due from banks maturing after three months		(3,024,910)	(2,674,175)
Increase / (decrease) in amounts due to banks maturing after three months		452,493	196,044
(Increase) / decrease in positive fair value of Islamic derivatives		(30,254)	(16,091)
Increase / (decrease) in negative fair value of Islamic derivatives		40,552	6,187
(Increase) / decrease in other assets		(318,277)	(175,528)
Increase / (decrease) in other liabilities		848,343	419,405
Increase / (decrease) in customer deposits		12,895,759	4,162,318
(Increase) / decrease in financing receivables		(13,047,246)	(4,014,767)
<b>Net cash flows generated from / (used in) operations</b>		<b>1,156,960</b>	<b>(8,621,123)</b>
Taxes paid		-	-
<b>Net cash flows generated from / (used in) operating activities</b>		<b>1,156,960</b>	<b>(8,621,123)</b>
<b><u>INVESTING ACTIVITIES</u></b>			
(Increase) / decrease in investment securities		(2,821,282)	(2,209,946)
Dividend income received		3,168	29
(Increase) / decrease in investment properties		45,553	180,797
(Increase) / decrease in property and equipment		(121,173)	(82,136)
<b>Net cash flows generated from / (used in) investing activities</b>		<b>(2,893,734)</b>	<b>(2,111,256)</b>
<b><u>FINANCING ACTIVITIES</u></b>			
Issuance of sukuk and other medium term financing		4,590,625	1,000,000
<b>Net cash flows generated from / (used in) financing activities</b>		<b>4,590,625</b>	<b>1,000,000</b>
<b>Increase / (decrease) in cash and cash equivalents</b>	<b>17</b>	<b>2,853,851</b>	<b>(9,732,379)</b>

The attached notes 1 to 20 form an integral part of these Group condensed consolidated interim financial statements. The independent auditor's report on review of the Group condensed consolidated interim financial statements is set out on page 1.

EMIRATES ISLAMIC BANK PJSC

**GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (UNAUDITED)**

	<b>Issued capital</b>	<b>Legal and Statutory reserve</b>	<b>Other reserves</b>	<b>Fair value reserve</b>	<b>Retained earnings</b>	<b>Total</b>
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
Balance as at 1 January 2024	5,430,422	1,027,161	543,043	(269,979)	4,713,061	11,443,708
Profit for the period	-	-	-	-	2,498,973	2,498,973
Other comprehensive income for the period	-	-	-	178,201	-	178,201
Balance as at 30 September 2024	5,430,422	1,027,161	543,043	(91,778)	7,212,034	14,120,882
Balance as at 1 January 2023	5,430,422	815,039	543,043	(375,476)	2,847,314	9,260,342
Profit for the period	-	-	-	-	1,647,347	1,647,347
Other comprehensive loss for the period	-	-	-	(12,614)	-	(12,614)
Balance as at 30 September 2023	5,430,422	815,039	543,043	(388,090)	4,494,661	10,895,075

Note: No allocation to legal and statutory and other reserves has been made for the nine months period ended 30 September 2024 as this will be effected at the year end.

The attached notes 1 to 20 form an integral part of these Group condensed consolidated interim financial statements.

The independent auditor's report on review of the Group condensed consolidated interim financial statements is set out on page 1.



## 1 CORPORATE INFORMATION

Emirates Islamic Bank PJSC (the “Bank”) was incorporated by a decree of His Highness the Ruler of Dubai as a conventional Bank with a limited liability in the Emirate of Dubai on 3 October 1975. The Bank was reregistered as a Public Joint Stock Company in July 1995 and is regulated by the Central Bank of the United Arab Emirates.

At an extraordinary general meeting held on 10 March 2004, a resolution was passed to transform the Bank’s activities to be in full compliance with the Shariah rules and principles. The entire process was completed on 9 October 2004 (the “Transformation Date”) when the Bank obtained the UAE Central Bank and other UAE authorities’ approvals.

The Bank is a subsidiary of Emirates NBD Bank PJSC, Dubai (the “Group Holding Company”). The ultimate parent company of the Group Holding Company is Investment Corporation of Dubai (the “Ultimate Parent Company”), which is wholly owned by the Government of Dubai.

The Bank is listed in the Dubai Financial Market (TICKER: “EIB”). The Bank’s website is <http://www.emiratesislamic.ae>. In addition to its head office in Dubai, the Bank operates through 40 branches in the UAE. The group condensed consolidated interim financial statements comprise financial statements of the Bank and its following subsidiaries (together referred to as “the Group”).

	Date of incorporation & country	Principal activity	Ownership %	
			30 September 2024	31 December 2023
Emirates Islamic Financial Brokerage Co. LLC*	26 April 2006, UAE	Financial brokerage services	100%	100%
EIB Sukuk Company Limited	6 June 2007, Cayman Islands	Special Purpose Entity	100%	100%
EI Funding Limited	15 May 2014, Cayman Islands	Special Purpose Entity	100%	100%

The Bank provides banking services and offers a variety of products through financing and investing instruments in accordance with Shariah rules and principles.

The Bank’s registered office address is P.O. Box 6564, Dubai, United Arab Emirates.

\*This subsidiary is in the process of being dissolved.

## 2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”.

The accounting policies, including those pertaining to financial assets, cash and cash equivalents, Islamic financing and investing assets and investment properties, applied by the Group in the preparation of the condensed consolidated interim financial statements are consistent with those applied by the Group in the annual consolidated financial statements for the year ended 31 December 2023.

These condensed consolidated interim financial statements do not include all the information and disclosures required for full annual consolidated financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Group’s financial statements as at and for the year ended 31 December 2023. In addition, results for the nine months period ended 30 September 2024 are not necessarily indicative of the results that may be expected for the full financial year ending 31 December 2024.

In preparing these condensed consolidated interim financial statements, significant judgments made by the management in applying the Group’s accounting policies and the key sources of estimation were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Comparative figures have been reclassified wherever necessary to conform to the presentation adopted in the current period.

**3 CASH AND DEPOSITS WITH THE CENTRAL BANK OF THE UAE**

	Unaudited 30 September 2024 AED 000	Audited 31 December 2023 AED 000
Cash	1,047,816	902,981
Statutory and other deposits with the Central Bank of the UAE	8,842,556	6,542,899
Murabaha with the Central Bank of the UAE	5,419,011	7,535,261
	<u>15,309,383</u>	<u>14,981,141</u>

The reserve requirements which are kept with the Central Bank of the UAE are not available for use in the Group's day to day operations and cannot be withdrawn without the approval of the Central Bank. The level of reserves required changes periodically in accordance with the directives of the Central Bank of the UAE.

**4 DUE FROM BANKS**

	Unaudited 30 September 2024 AED 000	Audited 31 December 2023 AED 000
Due from banks in the UAE	3,448,191	1,657,721
Due from foreign banks	5,239,256	4,487,456
Less: Expected credit losses	(23,717)	(14,023)
	<u>8,663,730</u>	<u>6,131,154</u>

**5 INVESTMENT SECURITIES**

	Domestic*	Regional**	International***	Total
	AED 000	AED 000	AED 000	AED 000
<b><u>Unaudited 30 September 2024</u></b>				
<b><u>DESIGNATED AS AT FVTPL</u></b>				
Equity	-	62,775	-	62,775
	-	62,775	-	62,775
<b><u>MEASURED AT AMORTISED COST</u></b>				
Government Sukuk	2,180,241	1,547,936	482,675	4,210,852
Corporate Sukuk	1,216,983	974,363	1,501,203	3,692,549
	3,397,224	2,522,299	1,983,878	7,903,401
Less: Expected credit losses				(10,959)
				7,892,442
<b><u>MEASURED AT FVOCI</u></b>				
Government Sukuk	-	-	465,219	465,219
Corporate Sukuk	2,328,768	976,101	1,667,606	4,972,475
	2,328,768	976,101	2,132,825	5,437,694
Less: Expected credit losses				(24,021)
				5,413,673
Gross investment securities	5,725,992	3,561,175	4,116,703	13,403,870
Net investment securities				13,368,890

As at 30 September 2024, the fair value of investment securities measured at amortized cost amounted to AED 8,044 million (31 December 2023: AED 4,526 million).

Investment securities with the carrying amount of AED Nil (31 December 2023: AED 345 million) and fair value of AED Nil (31 December 2023: AED 335 million) were collateralised for obligations under due to banks.

**5 INVESTMENT SECURITIES (CONTINUED)**

	Domestic*	Regional**	International***	Total
<b>Audited 31 December 2023</b>	AED 000	AED 000	AED 000	AED 000
<u>DESIGNATED AS AT FVTPL</u>				
Equity	-	64,172	-	64,172
	-	64,172	-	64,172
<u>MEASURED AT AMORTISED COST</u>				
Government Sukuk	1,145,290	1,242,179	262,834	2,650,303
Corporate Sukuk	794,031	404,133	669,308	1,867,472
	1,939,321	1,646,312	932,142	4,517,775
Less: Expected credit losses				(4,715)
				4,513,060
<u>MEASURED AT FVOCI</u>				
Government Sukuk	-	80,579	460,316	540,895
Corporate Sukuk	2,563,407	1,050,027	1,716,716	5,330,150
	2,563,407	1,130,606	2,177,032	5,871,045
Less: Expected credit losses				(18,615)
				5,852,430
Gross investment securities	4,502,728	2,841,090	3,109,174	10,452,992
Net investment securities				10,429,662

\*Domestic: These are securities issued within the UAE.

\*\*Regional: These are securities issued within the Middle East.

\*\*\*International: These are securities issued outside the Middle East.

**6 FINANCING RECEIVABLES**

	Unaudited 30 September 2024 AED 000	Audited 31 December 2023 AED 000
<b>At Amortised Cost</b>		
Murabaha	48,584,135	37,048,788
Credit cards receivable	3,464,802	2,876,335
Wakala	685,571	359,983
Istissna'a	1,734,744	1,689,745
Ijara	19,486,070	18,270,242
Others	165,725	14,548
	74,121,047	60,259,641
Less: Deferred income	(2,944,729)	(1,660,758)
Gross financing receivables	71,176,318	58,598,883
Less: Expected credit losses	(4,674,085)	(4,851,146)
Net financing receivables	66,502,233	53,747,737
Total of impaired financing receivables	3,454,460	3,682,118

Ijara assets amounting to AED 5.2 billion (2023: AED 2.9 billion) were securitised for the purpose of issuance of Sukuk (refer note 8).

**6 FINANCING RECEIVABLES (CONTINUED)**

	Unaudited 30 September 2024	Audited 31 December 2023
<u>Analysis by economic activity</u>	AED 000	AED 000
Manufacturing	2,642,549	2,391,314
Construction	648,318	741,005
Trade	5,554,689	5,463,957
Transport and communication	612,627	604,412
Utilities and services	2,326,526	1,983,044
Sovereign	977,053	225,639
Personal	42,658,765	36,772,410
Real estate	7,284,341	4,546,094
Hotels and restaurants	115,756	91,565
Management of companies and enterprises	4,298,649	3,160,155
Financial institutions and investment companies	2,622,760	1,064,005
Others	4,379,014	3,216,041
	74,121,047	60,259,641
Less: Deferred Income	(2,944,729)	(1,660,758)
Gross financing receivables	71,176,318	58,598,883
Less: Expected credit losses	(4,674,085)	(4,851,146)
Net financing receivables	66,502,233	53,747,737

**7 OTHER ASSETS**

	Unaudited 30 September 2024 AED 000	Audited 31 December 2023 AED 000
Profit receivable	210,258	145,725
Prepayments and other advances	182,162	166,050
Deferred sales commission	28,591	23,269
Goods available-for-sale	48,137	41,574
Others	692,338	469,058
	1,161,486	845,676

**8 SUKUK PAYABLE AND OTHER MEDIUM TERM FINANCING**

	Unaudited 30 September 2024 AED 000	Audited 31 December 2023 AED 000
Sukuk payable (note 8.1)	7,426,875	4,672,500
Other medium term financing *	1,836,250	-
	9,263,125	4,672,500

	Unaudited 30 September 2024 AED 000	Audited 31 December 2023 AED 000
Balance as at 1 January	4,672,500	3,672,500
Issuances	4,590,625	1,000,000
Balance at end of period / year	9,263,125	4,672,500

\*During the period, the Group arranged funding of USD 500 million under a Shariah compliant financing arrangement maturing in March 2027.

**8 SUKUK PAYABLE AND OTHER MEDIUM TERM FINANCING (CONTINUED)**

As at 30 September 2024, the outstanding Sukuk payable and other medium term financing totalling AED 9,263 million (31 December 2023: AED 4,673 million) is falling due as below:

	Unaudited 30 September 2024 AED 000	Audited 31 December 2023 AED 000
2025	1,836,250	1,836,250
2026	2,836,250	2,836,250
2027	1,836,250	-
2029	2,754,375	-
	9,263,125	4,672,500

- 8.1) During 2024, the Group issued Sukuk amounting to AED 2.8 billion to raise USD denominated senior unsecured sustainability medium term finance via a Shariah compliant sukuk financing arrangement.
- 8.2) During 2023, the Group issued Sukuk amounting to AED 1 billion to raise AED denominated medium term finance via a Shariah compliant sukuk financing arrangement.
- 8.3) In years 2020 and 2021, Group had issued AED 3.7 billion to raise USD denominated medium term finance via a Shariah compliant sukuk financing arrangement.

Following are the details of all the sukuk financing arrangement in issue.

Issue Date	Amount	Listing	Profit rate (%)	Payment basis	Maturity
September 2020	USD 500,000,000	Irish Stock Exchange & Nasdaq	1.827	Semi annual	September 2025
October 2021	USD 500,000,000	Irish Stock Exchange & Nasdaq	2.082	Semi annual	November 2026
February 2023	AED 1,000,000,000	Nasdaq	5.05	Semi annual	February 2026
May 2024	USD 750,000,000	Irish Stock Exchange & Nasdaq	5.431	Semi annual	May 2029

The Bank transferred certain identified Ijara assets totalling to AED 5.2 billion (the “co-owned assets”) to its subsidiary, EIB Sukuk company limited – (the “Issuer”), a special purpose vehicle formed for the issuance of these sukuk. The Bank has further entered a Murabaha agreement with EIB Sukuk Company Limited for an amount of AED 2.5 billion. This medium term financing is carried at amortised cost.

In substance, the co-owned assets remain in control of the Group. Accordingly, these assets continue to be recognised by the Group. In case of any default, the Group has provided an undertaking to make good all losses to the Sukuk holders. The assets are in the control of the Group and shall continue to be serviced by the Group.

The Issuer will pay a semi-annual distribution amount from returns received in respect of the co-owned assets. Such proceeds are expected to be sufficient to cover the semi-annual distribution amount payable to the Sukuk holders on the semi-annual distribution dates. Upon maturity of the sukuk, the Group has undertaken to repurchase the assets at the exercise price.



EMIRATES ISLAMIC BANK PJSC

 NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (UNAUDITED)
**9 OTHER LIABILITIES**

	Unaudited 30 September 2024	Audited 31 December 2023
	AED 000	AED 000
Profit payable to depositors	446,354	301,577
Staff related liabilities	189,114	194,036
Managers' cheques	757,409	612,105
Trade and other payables	517,172	342,530
Zakat payable	-	20,992
Provision for taxation	246,970	-
Deferred tax liabilities	17,624	-
Others	2,417,492	1,902,063
	4,592,135	3,373,303

**10 OTHER OPERATING INCOME**

	Unaudited nine months period ended 30 September 2024 AED 000	Unaudited nine months period ended 30 September 2023 AED 000
Dividend income on equity investments designated at FVTPL	3,168	29
Gain from sale of investment securities measured at FVOCI	98	37
Gain / (loss) from investment securities designated at fair value through profit or loss	(1,397)	27,774
Rental income (net of depreciation)	6,729	3,349
Gain / (loss) on sale of properties (investment properties / inventories)	(1,077)	29,462
Foreign exchange and Islamic derivative income (net)*	446,982	374,917
Other income (net)	14,764	21,306
	<u>469,267</u>	<u>456,874</u>

\*Foreign exchange income comprises translation gain and gain on dealings with customers.

**11 NET IMPAIRMENT LOSS ON FINANCIAL ASSETS**

The charge to the income statement for the net impairment loss on financial assets is made up as follows:

	Unaudited nine months period ended 30 September 2024 AED 000	Unaudited nine months period ended 30 September 2023 AED 000
Net impairment of due from banks	9,694	(2,481)
Net impairment of investment securities	11,649	(8,398)
Net impairment of financing receivables	394,800	793,565
Net impairment of unfunded exposures	21,469	18,668
Bad financing written off / (recovery) - net	(259,904)	(171,854)
Net impairment loss on financial assets	<u>177,708</u>	<u>629,500</u>

**12 COMMITMENTS AND CONTINGENCIES**

The Group's commitments and contingencies are as follows:

	Unaudited 30 September 2024 AED 000	Audited 31 December 2023 AED 000
Letters of credit	546,311	563,001
Guarantees	7,357,886	6,578,967
Liability on risk participations	30,265	10,781
Irrevocable financing commitments*	2,265,095	2,795,524
	<b>10,199,557</b>	<b>9,948,273</b>

\*Irrevocable financing commitments represent a contractual commitment to permit draw downs on a facility within a defined period subject to the conditions precedent and termination clauses. Since commitments may expire without being drawn down, and as conditions precedent to draw down have to be fulfilled the total contract amounts do not necessarily represent exact future cash requirements.

**13 EARNINGS PER SHARE**

The Group presents basic and diluted Earnings Per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss for the period by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the weighted average number of ordinary shares outstanding for the effects of all potential ordinary shares, if any.

	Unaudited nine months period ended 30 September 2024	Unaudited nine months period ended 30 September 2023
Profit for the period (AED 000)	2,498,973	1,647,347
Weighted average number of equity shares in issue (000)	5,430,422	5,430,422
Earnings per share* (AED)	0.460	0.303

\*The diluted and basic EPS were the same for the nine months periods ended 30 September 2024 and 30 September 2023.

**14 ISLAMIC DERIVATIVES FINANCIAL INSTRUMENTS**

	Unaudited 30 September 2024			Audited 31 December 2023		
	Positive fair value AED 000	Negative fair value AED 000	Notional amount AED 000	Positive fair value AED 000	Negative fair value AED 000	Notional amount AED 000
<b>Islamic Derivative Financial instruments:</b>						
Forward foreign exchange contracts	2,355	(1,866)	3,457,311	4,352	(374)	4,394,720
Foreign exchange options	1,839	(1,902)	341,058	4,587	(4,711)	654,206
Profit rate swaps / caps	205,117	(215,180)	18,714,731	170,248	(173,311)	11,863,935
<b>Islamic Derivatives held as cash flow hedge:</b>						
Profit rate swaps / caps	45,600	-	1,525,000	4,986	-	300,000
<b>Total</b>	<b>254,911</b>	<b>(218,948)</b>	<b>24,038,100</b>	<b>184,173</b>	<b>(178,396)</b>	<b>17,212,861</b>

**15 OPERATING SEGMENTS**

The Group's activities comprise the following main business segments:

**Corporate and institutional banking**

Within this business segment, the Bank provides to corporate customers a range of products and services and accepts their deposits.

**Retail banking and wealth management**

Retail segment provides a wide range of products and services to individuals and small and medium enterprises and accepts their deposits.

**Treasury**

Treasury activities comprises of managing the Group's portfolio of investments, funds management, and interbank treasury operations, and brokerage services.

**Others**

Other operations of the Group include operations and support functions.

EMIRATES ISLAMIC BANK PJSC

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2024 (UNAUDITED)

**15 OPERATING SEGMENTS (CONTINUED)**

<u>Unaudited 30 September 2024</u>	Corporate and institutional banking	Retail banking and wealth management	Treasury	Others	Total
	AED 000	AED 000	AED 000	AED 000	AED 000
Net income from financing and investment products	617,926	1,872,022	217,553	496,014	3,203,515
Net fees, commission & other income	161,153	707,442	4,850	6,085	879,530
Total operating income	779,079	2,579,464	222,403	502,099	4,083,045
General administrative and other expenses	(63,647)	(880,642)	(19,296)	(236,171)	(1,199,756)
Net impairment loss	112,139	(276,582)	(13,187)	40,284	(137,346)
Profit for the period before taxation	827,571	1,422,240	189,920	306,212	2,745,943
Segment Assets	37,777,199	49,137,674	19,583,983	129,573	106,628,429
Segment Liabilities and Equity	19,861,086	61,078,505	319,965	25,368,873	106,628,429

  

<u>Unaudited 30 September 2023</u>	Corporate and institutional banking	Retail banking and wealth management	Treasury	Others	Total
	AED 000	AED 000	AED 000	AED 000	AED 000
Net income from financing and investment products	467,232	1,578,723	276,588	392,545	2,715,088
Net fees, commission & other income	136,476	616,033	33,359	31,917	817,785
Total operating income	603,708	2,194,756	309,947	424,462	3,532,873
General administrative and other expenses	(66,656)	(739,151)	(16,852)	(513,953)	(1,336,612)
Net impairment loss	(38,414)	(602,201)	8,199	83,502	(548,914)
Profit / (loss) for the period before taxation	498,638	853,404	301,294	(5,989)	1,647,347
Segment Assets	25,970,728	39,682,982	20,216,854	79,775	85,950,339
Segment Liabilities and Equity	13,851,681	52,113,170	2,884,209	17,101,279	85,950,339

## 16 RELATED PARTY TRANSACTIONS

The Group is owned by Emirates NBD (99.9%), which is partly owned by Investment Corporation of Dubai (40.92%), an entity which is wholly owned by the Government of Dubai.

Customer deposits from and financing to Government related entities, other than those that have been individually disclosed, amount to 15.2% and 4.4% (2023: 14.2% and 4.2%) of the total customer deposits and financing receivables of the Group, respectively.

These entities are independently run business entities, and all the financial dealings with the Group are on normal commercial terms.

The Group has also entered into transactions with certain other related parties who are non-government related entities. Such transactions were also made on substantially the same terms, including profit rates and collaterals, as those prevailing at the same time for comparable transactions with third parties and do not involve more than a normal amount of risk.

Key management personnel are those persons, including non-executive directors, having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

No impairment losses have been recorded against balances outstanding during the period with key management personnel and their immediate relations at the period end.

Related party balances and transactions are carried out on normal commercial terms and are as follows:

	Unaudited 30 September 2024 AED 000	Audited 31 December 2023 AED 000
<b><u>Financing and other receivables</u></b>		
To parent and related companies	644,685	429,743
To directors and related companies	3,151	4,240
To key management personnel & affiliates	3,327	3,592
	651,163	437,575
<b><u>Customer deposits and other payables</u></b>		
From ultimate parent company	-	9
From parent and related companies	2,593,671	4,578,147
From directors and related companies	135	99
From key management personnel & affiliates	19,074	18,983
	2,612,880	4,597,238
<b><u>Investment securities and derivatives</u></b>		
Investment in ultimate parent company	193,329	186,045
Positive fair value of Islamic derivatives - Parent and related companies	87,800	67,476
Negative fair value of Islamic derivatives - Parent and related companies	(167,281)	(116,858)
Notional amount of derivatives - Parent and related companies	14,560,291	10,804,699

**16 RELATED PARTY TRANSACTIONS (CONTINUED)**

	Unaudited nine months period ended 30 September 2024 AED 000	Unaudited nine months period ended 30 September 2023 AED 000
	-----	-----
<u>Group Consolidated Statement of Income</u>		
Recharges from group companies	406,148	335,345
Income from investment in ultimate parent company	4,830	4,838
Directors sitting and other fee	2,731	2,831
<u>Income on financing receivables</u>		
From parent and related companies	45,440	35,060
<u>Distribution on deposits</u>		
To ultimate parent company	-	3,911
To parent and related companies	19,513	9,905

The total amount of compensation paid to key management personnel of the Group during the period was as follows:

	Unaudited nine months period ended 30 September 2024 AED 000	Unaudited nine months period ended 30 September 2023 AED 000
	-----	-----
<u>Key management compensation</u>		
Short term employee benefits	24,441	25,831
Post employment benefits	731	866

**17 NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS**

	Unaudited nine months period ended 30 September 2024 AED 000	Unaudited nine months period ended 30 September 2023 AED 000
	-----	-----
(a) Analysis of changes in cash and cash equivalents during the period		
Balance at beginning of period	(2,970,520)	7,097,319
Net cash inflow / (outflow)	2,853,851	(9,732,379)
Balance at end of period	(116,669)	(2,635,060)
	=====	=====
(b) Analysis of cash and cash equivalents		
Cash and deposits with Central Bank of the UAE	15,309,383	16,383,662
Due from banks	8,687,447	5,747,692
Due to banks	(3,350,758)	(5,613,361)
	-----	-----
	20,646,072	16,517,993
Less : Deposits with the Central Bank for regulatory purposes	(7,500,237)	(5,191,788)
Less: Murabaha with the Central Bank maturing after three months	(5,419,012)	(9,404,287)
Less : Amounts due from banks maturing after three months	(8,303,476)	(4,906,968)
Add : Amounts due to banks maturing after three months	459,984	349,990
	-----	-----
	(116,669)	(2,635,060)
	=====	=====
(c) Adjustment for non cash and other items		
Net impairment loss / (reversal) on due from banks	9,694	(2,481)
Net impairment loss / (reversal) on investment securities	11,649	(8,398)
Net Impairment loss on financing receivables	394,800	793,565
Net Impairment loss / (reversal) on unfunded exposure	21,469	18,668
Dividend income	(3,168)	(29)
Depreciation / impairment on property and equipment / investment properties	34,308	(5,869)
Unrealized (gain) / loss on investment securities	1,397	51,306
Amortisation of (discount) / premium on investments securities	6,725	11,226
(Gain) / loss on sale of properties (investment property / inventories)	1,077	(29,462)
Amortisation of discount / (premium) on Sukuk	2,467	2,071
	-----	-----
	480,418	830,597
	=====	=====



**18 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE**Fair value of assets and liabilities

The table below analyses assets and liabilities measured at fair value on a recurring basis. The different levels in the fair value hierarchy have been defined as follows:

- Level 1: quoted prices (unadjusted) in principal markets for identified assets or liabilities.
- Level 2: valuation using inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: valuation using inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

<u>Unaudited 30 September 2024</u>	Level 1 AED 000	Level 2 AED 000	Level 3 AED 000	Total AED 000
<b><u>Investment securities</u></b>				
<b><u>Measured at FVOCI</u></b>				
Government sukuk	462,125	-	-	462,125
Corporate sukuk	4,951,548	-	-	4,951,548
	5,413,673	-	-	5,413,673
<b><u>Designated at FVTPL</u></b>				
Equity	-	-	62,775	62,775
	-	-	62,775	62,775
<b><u>Islamic derivative financial instruments</u></b>				
<b><u>Positive fair value of Islamic derivatives</u></b>				
Islamic derivatives held for trading	-	209,311	-	209,311
Islamic derivatives held as cash flow hedge:				
Profit rate swaps	-	45,600	-	45,600
	-	254,911	-	254,911
<b><u>Negative fair value of Islamic derivatives</u></b>				
Islamic derivatives held for trading	-	(218,948)	-	(218,948)
Islamic derivatives held as cash flow hedge:				
Profit rate swaps	-	-	-	-
	-	(218,948)	-	(218,948)
	5,413,673	35,963	62,775	5,512,411
Audited 31 December 2023	5,852,430	5,777	64,172	5,922,379

**18 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE (CONTINUED)**

The following table shows a reconciliation from the beginning balances to the ending balances for the fair value measurements in Level 3 of the fair value hierarchy.

	Designated at FVTPL AED 000
Balance as at 1 January 2024 (audited)	64,172
Total gains or losses:	
- in profit or loss	(1,397)
Transfers out of level 3	-
Settlements and other adjustments	-
Balance as at 30 September 2024 (unaudited)	62,775
Balance as at 31 December 2023 (audited)	64,172

The fair value of financial instruments classified as level 3 are, in certain circumstances, measured using valuation techniques that incorporate assumptions that are not evidenced by the prices from observable current market transactions in the same instrument and are not based on observable market data. The Group employs valuation techniques, depending on the instrument type and available market data. For example, in the absence of active market, an investment's fair value is estimated on the basis of an analysis of the investee's financial position and results, risk profile and other factors. Favourable and unfavourable changes in the value of financial instruments are determined on the basis of changes in the value of the instruments as a result of varying the levels of the unobservable parameters, quantification of which is judgmental.

During the period ended 30 September 2024 no financial assets were transferred from Level 1 to Level 2 or from Level 2 to Level 1 (2023: AED Nil).

For comparative information please refer to the Group's consolidated financial statements for the year ended 31 December 2023.

**19 RISK MANAGEMENT**

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2023.

**Credit quality analysis:**

The following table sets out information about the credit quality of financial assets measured at amortised cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

<b><u>AED 000</u></b> <b><u>Unaudited 30 September 2024</u></b>	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
<b><u>Financing receivables</u></b>				
Balance at 1 January	52,544,710	2,372,055	3,682,118	58,598,883
Transfers from Stage 1	(1,303,316)	1,213,772	89,544	-
Transfers from Stage 2	707,206	(1,032,084)	324,878	-
Transfers from Stage 3	13,261	42,231	(55,492)	-
New financial assets, net of repayments	13,334,034	(170,011)	(116,777)	13,047,246
Amounts written off during the period	-	-	(469,811)	(469,811)
<b>Total gross financing receivables</b>	<b>65,295,895</b>	<b>2,425,963</b>	<b>3,454,460</b>	<b>71,176,318</b>
Expected credit losses	(1,159,456)	(392,443)	(3,122,186)	(4,674,085)
<b>Carrying amount</b>	<b>64,136,439</b>	<b>2,033,520</b>	<b>332,274</b>	<b>66,502,233</b>

<b><u>AED 000</u></b> <b><u>Unaudited 30 September 2023</u></b>	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
<b><u>Financing receivables</u></b>				
Balance at 1 January	48,129,717	1,259,856	3,692,074	53,081,647
Transfers from Stage 1	(2,290,758)	1,344,311	946,447	-
Transfers from Stage 2	193,296	(523,617)	330,321	-
Transfers from Stage 3	-	-	-	-
New financial assets, net of repayments	4,630,012	(165,945)	(449,300)	4,014,767
Amounts written off during the period	-	-	(294,556)	(294,556)
<b>Total gross financing receivables</b>	<b>50,662,267</b>	<b>1,914,605</b>	<b>4,224,986</b>	<b>56,801,858</b>
Expected credit losses	(1,266,759)	(273,454)	(3,671,465)	(5,211,678)
<b>Carrying amount</b>	<b>49,395,508</b>	<b>1,641,151</b>	<b>553,521</b>	<b>51,590,180</b>

The stage 1 and stage 2 are performing financing receivables having grades 1a- 4f while stage 3 is non-performing financing receivable having grades 5a- 5d.

**19 RISK MANAGEMENT (CONTINUED)**
**Amounts arising from ECL**

The following tables show reconciliations from opening to closing balance of ECL on financing receivables:

	Unaudited 30 September 2024				Unaudited 30 September 2023			
	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
<b><u>AED 000</u></b>								
Balance at 1 January	1,264,296	275,465	3,311,385	4,851,146	955,482	274,920	3,482,267	4,712,669
Transfers from Stage 1	(61,369)	32,161	29,208	-	(88,059)	35,568	52,491	-
Transfers from Stage 2	26,906	(128,125)	101,219	-	10,877	(124,756)	113,879	-
Transfers from Stage 3	6,845	3,036	(9,881)	-	-	-	-	-
Allowances for impairment made during the period	(77,222)	209,906	371,712	504,396	388,459	87,722	737,398	1,213,579
Write back / recoveries made during the period	-	-	(109,596)	(109,596)	-	-	(420,014)	(420,014)
Amounts written off during the period	-	-	(469,811)	(469,811)	-	-	(294,556)	(294,556)
Others*	-	-	(102,050)	(102,050)	-	-	-	-
<b>Closing Balance</b>	<b>1,159,456</b>	<b>392,443</b>	<b>3,122,186</b>	<b>4,674,085</b>	<b>1,266,759</b>	<b>273,454</b>	<b>3,671,465</b>	<b>5,211,678</b>

\*This represents ECL against unfunded exposures transferred to other liabilities.

**20 CORPORATE TAX IN UAE**

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance (“MoF”) released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law (“CT Law”) to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after 1 June 2023.

The taxable income of the entities that are in scope for UAE CT purposes will be subject to the rate of 9% corporate tax. It is not currently foreseen that the Group’s UAE operations will be subject to the application of the Global Minimum Tax rate of 15% in FY2024. The application is dependent on the implementation of Base Erosion Profit Shifting (BEPS 2) – Pillar Two rules by the countries where the Group operates and the implementation of a top-up tax regime by the UAE MOF.

The tax charge for period ended 30 September 2024 is AED 247 million, representing an effective tax rate of 9%. The corporate tax applicable in the UAE is 9% on taxable income over the specified threshold of AED 375,000.