

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



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GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

**FOR THE THREE MONTHS PERIOD
ENDED 31 MARCH 2025**

EMIRATES ISLAMIC BANK PJSC

GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF EMIRATES ISLAMIC BANK (P.J.S.C.)

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Emirates Islamic Bank (P.J.S.C.) (the “Bank”) and its subsidiaries (together referred to as the “Group”), which comprise the condensed consolidated interim statement of financial position as at 31 March 2025, and the related condensed consolidated interim statements of income, comprehensive income, cash flows and changes in equity for the three-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements 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 condensed consolidated interim financial statements 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 condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34.

Other matter

The condensed consolidated interim financial statements of the Group for the three-month period ended 31 March 2024 were reviewed by another auditor whose report dated 24 April 2024 expressed an unmodified conclusion on those condensed consolidated interim financial statements. Also, the consolidated financial statements of the Group for the year ended 31 December 2024 were audited by another auditor whose report dated 28 January 2025 expressed an unmodified opinion on those consolidated financial statements.

For Ernst & Young

Anthony O'Sullivan
Registration No: 687

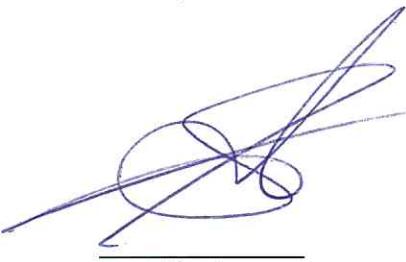
21 April 2025
Dubai, United Arab Emirates

	Notes	Unaudited 31 March 2025	Audited 31 December 2024
ASSETS			
Cash and deposits with the Central Bank of the UAE	3	18,415,636	14,674,527
Due from banks	4	12,684,766	10,028,460
Investment securities	5	14,249,471	13,463,573
Financing receivables	6	75,107,991	70,479,855
Positive fair value of Islamic derivatives	15	210,427	156,947
Customer acceptances		1,054,960	747,795
Investment properties		168,934	170,795
Property and equipment		322,574	320,207
Other assets	7	1,139,287	1,086,514
TOTAL ASSETS		123,354,046	111,128,673
LIABILITIES			
Due to banks		6,106,992	5,883,525
Customer deposits		82,773,276	76,784,930
Sukuk payable and other medium term financing	8	13,119,250	9,263,125
Negative fair value of Islamic derivatives	15	189,347	150,020
Customer acceptances		1,054,960	747,795
Other liabilities	9	4,732,417	3,998,967
TOTAL LIABILITIES		107,976,242	96,828,362
EQUITY			
Issued capital		5,430,422	5,430,422
Legal and statutory reserve		1,308,187	1,308,187
Other reserves		543,043	543,043
Fair value reserve		(118,805)	(186,918)
Retained earnings		8,214,957	7,205,577
TOTAL EQUITY		15,377,804	14,300,311
TOTAL LIABILITIES AND EQUITY		123,354,046	111,128,673

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

21 APR 2025

**GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025 (UNAUDITED)**

	Notes	Unaudited three months period ended 31 March 2025	Unaudited three months period ended 31 March 2024
		AED 000	AED 000
Income from financing receivables and investment products		1,547,198	1,340,096
Distribution on deposits and profit paid to Sukuk holders		(456,287)	(297,864)
Net income from financing receivables and investment products		1,090,911	1,042,232
Fee and commission income		340,897	273,227
Fee and commission expense		(161,485)	(129,374)
Net fee and commission income		179,412	143,853
Other operating income	10	179,397	159,635
Total operating income		1,449,720	1,345,720
General and administrative expenses		(437,932)	(382,062)
Operating profit before impairment		1,011,788	963,658
Net impairment (loss) / reversal	11	169,349	(68,476)
Profit for the period before taxation		1,181,137	895,182
Taxation charge	12	(171,757)	(83,735)
Profit for the period		1,009,380	811,447
Earnings per share (AED)	14	0.186	0.149

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 THREE MONTHS PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

	Unaudited three months period ended 31 March 2025 AED 000	Unaudited three months period ended 31 March 2024 AED 000
Profit for the period	1,009,380	811,447
Other comprehensive income		
Items that may be reclassified subsequently to Income statement:		
Cash flow hedges:		
- Effective portion of changes in fair value	14,762	(4,831)
Fair value reserve (Sukuk instruments):		
- Net change in fair value	58,676	6,544
- Net amount transferred to income statement	(70)	(16)
Related deferred tax	(5,255)	(588)
Other comprehensive income for the period	68,113	1,109
Total comprehensive income for the period	1,077,493	812,556

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GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

	Notes	Unaudited three months period ended 31 March 2025 AED 000	Unaudited three months period ended 31 March 2024 AED 000
OPERATING ACTIVITIES			
Profit for the period before taxation		1,181,137	895,182
Adjustment for non cash items and other items	18	(46,404)	176,651
Operating profit before changes in operating assets and liabilities		1,134,733	1,071,833
(Increase) / decrease in balances with the Central Bank maturing after three months		(2,619,333)	(1,782,698)
(Increase) / decrease in amounts due from banks maturing after three months		(2,191,642)	(966,890)
Increase / (decrease) in amounts due to banks maturing after three months		(9,129)	57,263
(Increase) / decrease in positive fair value of Islamic derivatives		(38,718)	12,500
Increase / (decrease) in negative fair value of Islamic derivatives		39,327	(7,576)
(Increase) / decrease in other assets		(53,845)	6,510
Increase / (decrease) in other liabilities		626,135	134,315
Increase / (decrease) in customer deposits		5,988,346	5,390,677
(Increase) / decrease in financing receivables		(4,640,019)	(3,321,935)
Net cash flows generated from / (used in) operating activities		(1,764,145)	593,999
INVESTING ACTIVITIES			
(Increase) / decrease in investment securities		(736,630)	(839,839)
(Increase) / decrease in investment properties		30,342	(3)
(Increase) / decrease in property and equipment		(27,563)	(65,857)
Net cash flows generated from / (used in) investing activities		(733,851)	(905,699)
FINANCING ACTIVITIES			
Issuance of sukuk and other medium term financing		3,856,125	1,836,250
Net cash flows generated from / (used in) financing activities		3,856,125	1,836,250
Increase / (decrease) in cash and cash equivalents	18	1,358,129	1,524,550

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 CHANGES IN EQUITY
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025 (UNAUDITED)

	Legal and Statutory reserve						Total
	Issued capital AED 000	Legal and Statutory reserve AED 000	Other reserves AED 000	Fair value reserve AED 000	Retained earnings AED 000		
Balance as at 1 January 2025	5,430,422	1,308,187	543,043	(186,918)	7,205,577	14,300,311	
Profit for the period	-	-	-	-	1,009,380	1,009,380	
Other comprehensive income for the period	-	-	-	68,113	-	68,113	
Balance as at 31 March 2025	5,430,422	1,308,187	543,043	(118,805)	8,214,957	15,377,804	
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	-	-	-	-	811,447	811,447	
Other comprehensive income for the period	-	-	-	1,109	-	1,109	
Balance as at 31 March 2024	5,430,422	1,027,161	543,043	(268,870)	5,524,508	12,256,264	

Note: No allocation to legal and statutory and other reserves has been made for the three months period ended 31 March 2025 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 and other entities controlled by the Bank (together referred to as "the Group").

Subsidiaries	Date of incorporation & country	Principal activity	Ownership %	
			31 March 2025	31 December 2024
Emirates Islamic Financial Brokerage Co. LLC*	26 April 2006, UAE	Financial brokerage services	100%	100%
EI Funding Limited	15 May 2014, Cayman Islands	Special Purpose Entity	100%	100%

Other entities consolidated by the Group on the bases of control assessment:

EIB Sukuk Company Limited	16 April 2007, Cayman Islands	Special Purpose Entity
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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 2024.

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 2024. In addition, results for the three months period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the full financial year ending 31 December 2025.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 2024.

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 31 March 2025	Audited 31 December 2024
	AED 000	AED 000
Cash	1,312,596	1,170,581
Statutory and other deposits with the Central Bank of the UAE	9,840,772	8,257,405
Murabaha with the Central Bank of the UAE	7,262,268	5,246,541
	18,415,636	14,674,527

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 31 March 2025	Audited 31 December 2024
	AED 000	AED 000
Due from banks in the UAE	4,787,836	3,787,713
Due from foreign banks	7,923,436	6,262,968
Less: Expected credit losses	(26,506)	(22,221)
	12,684,766	10,028,460

5 INVESTMENT SECURITIES

	Domestic*	Regional**	International***	Total
<u>31 March 2025</u>	AED 000	AED 000	AED 000	AED 000
<u>DESIGNATED AS AT FVTPL</u>				
Equity	-	62,775	-	62,775
	-	62,775	-	62,775
<u>MEASURED AT AMORTISED COST</u>				
Government Sukuk	2,501,051	1,548,894	538,151	4,588,096
Corporate Sukuk	1,375,513	2,238,016	330,315	3,943,844
	3,876,564	3,786,910	868,466	8,531,940
Less: Expected credit losses				(9,028)
				8,522,912
<u>MEASURED AT FVOCI</u>				
Government Sukuk	-	-	458,359	458,359
Corporate Sukuk	2,234,613	1,725,562	1,254,225	5,214,400
	2,234,613	1,725,562	1,712,584	5,672,759
Less: Expected credit losses				(8,975)
				5,663,784
Gross investment securities	6,111,177	5,575,247	2,581,050	14,267,474
Net investment securities				14,249,471

As at 31 March 2025, the fair value of investment securities measured at amortized cost amounted to AED 8,546 million (31 December 2024: AED 7,976 million).

Investment securities with the carrying amount of AED 588 million (31 December 2024: AED 447 million) and fair value of AED 588 million (31 December 2024: AED 447 million) were collateralised for obligations under due to banks.

5 INVESTMENT SECURITIES (CONTINUED)

	Domestic*	Regional**	International***	Total
<u>31 December 2024</u>	AED 000	AED 000	AED 000	AED 000
<u>DESIGNATED AS AT FVTPL</u>				
Equity	-	62,775	-	62,775
	-	62,775	-	62,775
<u>MEASURED AT AMORTISED COST</u>				
Government Sukuk	2,274,651	1,548,421	537,959	4,361,031
Corporate Sukuk	1,217,488	2,079,503	396,600	3,693,591
	3,492,139	3,627,924	934,559	8,054,622
Less: Expected credit losses			(5,214)	
			8,049,408	
<u>MEASURED AT FVOCI</u>				
Government Sukuk	-	-	455,522	455,522
Corporate Sukuk	2,292,780	1,071,707	1,539,922	4,904,409
	2,292,780	1,071,707	1,995,444	5,359,931
Less: Expected credit losses			(8,541)	
			5,351,390	
Gross investment securities	5,784,919	4,762,406	2,930,003	13,477,328
Net investment securities				13,463,573

*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 31 March 2025 AED 000	Audited 31 December 2024 AED 000
At Amortised Cost		
Murabaha	55,470,690	51,169,818
Credit cards receivable	3,724,921	3,683,292
Wakala	1,220,728	1,381,161
Istisna'a	1,805,214	1,750,710
Ijara	20,719,948	20,214,989
Others	204,281	189,716
	<hr/> 83,145,782	<hr/> 78,389,686
Less: Deferred income	(3,434,097)	(3,213,965)
	<hr/> 79,711,685	<hr/> 75,175,721
Less: Expected credit losses	(4,603,694)	(4,695,866)
	<hr/> 75,107,991	<hr/> 70,479,855
Total of impaired gross financing receivables	<hr/> 3,164,556	<hr/> 3,300,175

Ijara assets amounting to AED 7.1 billion (2024: AED 5.2 billion) were securitised for the purpose of issuance of Sukuk liability (refer note 8).

6 FINANCING RECEIVABLES (CONTINUED)

	Unaudited 31 March 2025	Audited 31 December 2024
	AED 000	AED 000
<u>Analysis by economic activity</u>		
Manufacturing	2,846,048	2,661,385
Construction	405,461	382,593
Trade	6,458,608	5,782,657
Transport and communication	676,578	638,533
Utilities and services	2,296,783	2,106,761
Sovereign	1,422,114	1,418,238
Personal	48,106,455	45,976,812
Real estate	9,254,072	8,578,624
Hotels and restaurants	37,535	38,709
Management of companies and enterprises	5,018,100	4,682,710
Financial institutions and investment companies	1,874,445	1,601,651
Others	4,749,583	4,521,013
	83,145,782	78,389,686
Less: Deferred Income	(3,434,097)	(3,213,965)
Gross financing receivables	79,711,685	75,175,721
Less: Expected credit losses	(4,603,694)	(4,695,866)
Net financing receivables	75,107,991	70,479,855

7 OTHER ASSETS

	Unaudited 31 March 2025	Audited 31 December 2024
	AED 000	AED 000
Profit receivable	204,226	196,329
Prepayments and other advances	223,450	228,453
Deferred sales commission	33,600	30,318
Goods available-for-sale	19,659	44,550
Others	658,352	586,864
	1,139,287	1,086,514

8 SUKUK PAYABLE AND OTHER MEDIUM TERM FINANCING

	Unaudited 31 March 2025	Audited 31 December 2024
	AED 000	AED 000
Sukuk payable (note 8.1)	10,181,250	7,426,875
Other medium term financing (note 8.2)	2,938,000	1,836,250
	13,119,250	9,263,125
	Unaudited 31 March 2025	Audited 31 December 2024
	AED 000	AED 000
Balance as at 1 January	9,263,125	4,672,500
Issuances	3,856,125	4,590,625
Balance at end of period / year	13,119,250	9,263,125

As at 31 March 2025, the outstanding Sukuk payable and other medium term financing totalling AED 13,119 million (31 December 2024: AED 9,263 million) is falling due as below:

	Unaudited 31 March 2025	Audited 31 December 2024
	AED 000	AED 000
2025	1,836,250	1,836,250
2026	2,836,250	2,836,250
2027	1,836,250	1,836,250
2028	1,101,750	-
2029	2,754,375	2,754,375
2030	2,754,375	-
	13,119,250	9,263,125

8 SUKUK PAYABLE AND OTHER MEDIUM TERM FINANCING (CONTINUED)

8.1 During the period, the Group issued Sukuk amounting to AED 2.8 billion to raise USD denominated medium term finance through a Shariah compliant sukuk financing arrangement.

During 2024, the Group issued Sukuk amounting to AED 2.8 billion to raise USD denominated senior unsecured sustainability medium term finance through a Shariah compliant sukuk financing arrangement.

During 2023, the Group issued Sukuk amounting to AED 1 billion to raise AED denominated medium term finance through a Shariah compliant sukuk financing arrangement.

In years 2020 and 2021, Group had issued AED 3.7 billion to raise USD denominated medium term finance through 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
March 2025	USD 750,000,000	Irish Stock Exchange & Nasdaq	5.059	Semi annual	March 2030

The Bank transferred certain identified Ijara assets totalling to AED 7.1 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 3.3 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.

8.2 During the period, the Group arranged funding of USD 300 million from the Group Holding Company under a bilateral arrangement maturing in March 2028.

During 2024, the Group arranged funding of USD 500 million under a Shariah compliant financing arrangement maturing in March 2027.

9 OTHER LIABILITIES

	Unaudited 31 March 2025	Audited 31 December 2024
	AED 000	AED 000
Profit payable to depositors	552,712	481,117
Staff related liabilities	163,997	232,428
Managers' cheques	705,621	449,678
Trade and other payables	788,770	533,068
Zakat payable	-	15,917
Provision for taxation	383,937	277,650
Deferred tax liabilities	13,470	8,215
Others	2,123,910	2,000,894
	4,732,417	3,998,967

10 OTHER OPERATING INCOME

	Unaudited three months period ended 31 March 2025	Unaudited three months period ended 31 March 2024
	AED 000	AED 000
Gain from sale of investment securities measured at FVOCI	70	16
Rental income (net of depreciation)	1,562	2,376
Foreign exchange and Islamic derivative income / (loss)*	180,900	149,080
Other income (net)	(3,135)	8,163
	179,397	159,635

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

11 NET IMPAIRMENT LOSS / (REVERSAL)

The charge to the income statement for the net impairment loss / (reversal) on financial assets and non-financial assets is made up as follows:

	Unaudited three months period ended 31 March 2025	Unaudited three months period ended 31 March 2024
	AED 000	AED 000
Net impairment of due from banks	4,285	2,723
Net impairment of investment securities	4,248	3,940
Net impairment of financing receivables	(32,968)	165,775
Net impairment of unfunded exposures	(19,591)	(24,597)
Bad financing written off / (recovery) - net	(94,943)	(79,365)
Net impairment on financial assets	(138,969)	68,476
Net impairment on non-financial assets	(30,380)	-
	(169,349)	68,476

12 TAXATION

The Group implemented UAE Corporate tax ("CT") in UAE from 1 January 2024 following the introduction of CT regime via Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses.

The entities which are in scope of UAE CT purposes are subject to 9% rate. The Group Holding Company is in scope for global minimum tax (ie. Pillar Two which taxes large multinational groups with consolidated revenue exceeding the threshold of EUR 750 million).

Consequently, the Group's profits are subject to Pillar Two effective 1 January 2025.

The amendments to IAS 12 introduce a temporary mandatory relief from accounting for deferred tax that arises from legislation implementing Pillar Two. The Group has applied the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The tax charge for the period ended 31 March 2025 is AED 172 million, representing Group effective tax rate of 15% (31 March 2024: 9%).

13 COMMITMENTS AND CONTINGENCIES

The Group's commitments and contingencies are as follows:

	Unaudited 31 March 2025	Audited 31 December 2024
	AED 000	AED 000
Letters of credit	555,285	604,169
Guarantees	10,088,261	8,661,048
Liability on risk participations	30,265	30,265
Irrevocable financing commitments*	2,828,212	2,367,784
	<hr/>	<hr/>
	13,502,023	11,663,266
	<hr/>	<hr/>

*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.

14 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 three months period ended	Unaudited three months period ended
	31 March 2025	31 March 2024
Profit for the period (AED 000)	1,009,380	811,447
Weighted average number of equity shares in issue (000)	5,430,422	5,430,422
Earnings per share* (AED)	<hr/>	<hr/>
	0.186	0.149
	<hr/>	<hr/>

*The diluted and basic EPS were the same for the three months periods ended 31 March 2025 and 31 March 2024.

15 ISLAMIC DERIVATIVES FINANCIAL INSTRUMENTS

	Unaudited 31 March 2025			Audited 31 December 2024		
	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
Islamic Derivative Financial instruments:						
Forward foreign exchange contracts	2,037	(2,666)	3,142,428	1,511	(1,162)	3,808,261
Foreign exchange options	1,983	(2,364)	452,807	2,591	(2,665)	217,538
Profit rate swaps / caps	177,168	(184,317)	19,304,571	138,348	(146,193)	18,100,015
Islamic Derivatives held as cash flow hedge:						
Profit rate swaps/caps	29,239	-	1,725,000	14,497	-	1,525,000
Total	210,427	(189,347)	24,624,806	156,947	(150,020)	23,650,814

16 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.

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16 OPERATING SEGMENTS (CONTINUED)

<u>31 March 2025</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	219,568	661,672	52,430	157,241	1,090,911
Net fees, commission & other income	90,945	263,851	2,570	1,443	358,809
Total operating income	310,513	925,523	55,000	158,684	1,449,720
General administrative and other expenses	(21,340)	(335,633)	(6,678)	(74,281)	(437,932)
Net impairment loss	197,633	(54,175)	(4,460)	30,351	169,349
Profit for the period before taxation	486,806	535,715	43,862	114,754	1,181,137
Segment Assets	44,150,309	55,151,371	23,648,650	403,716	123,354,046
Segment Liabilities and Equity	24,415,113	66,877,817	2,751,367	29,309,749	123,354,046

<u>31 March 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	205,222	604,924	78,787	153,299	1,042,232
Net fees, commission & other income	60,565	240,774	(218)	2,367	303,488
Total operating income	265,787	845,698	78,569	155,666	1,345,720
General administrative and other expenses	(21,220)	(275,878)	(6,257)	(78,707)	(382,062)
Net impairment loss	22,260	(86,830)	(3,944)	38	(68,476)
Profit for the period before taxation	266,827	482,990	68,368	76,997	895,182
Segment Assets	29,935,651	43,655,914	21,276,297	165,047	95,032,909
Segment Liabilities and Equity	15,960,110	57,059,926	1,731,010	20,281,863	95,032,909

17 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 16.2% and 5.0% (2024: 17.2% and 4.8%) 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 31 March 2025	Audited 31 December 2024
	AED 000	AED 000
<u>Financing and other receivables</u>		
To parent and related companies	992,601	676,209
To directors and related companies	9,394	9,683
To key management personnel and affiliates	4,390	3,923
	<hr/> 1,006,385	<hr/> 689,815
<u>Customer deposits, medium term financing and other payables</u>		
From parent and related companies	4,718,989	3,790,181
From directors and related companies	136	136
From key management personnel and affiliates	26,370	20,404
	<hr/> 4,745,495	<hr/> 3,810,721
<u>Investment securities and derivatives</u>		
Investment in ultimate parent company	182,483	181,988
Positive fair value of Islamic derivatives - Parent and related companies	53,298	45,190
Negative fair value of Islamic derivatives - Parent and related companies	(156,872)	(111,929)
Notional amount of derivatives - Parent and related companies	13,621,925	13,832,116

17 RELATED PARTY TRANSACTIONS (CONTINUED)

	Unaudited three months period ended	Unaudited three months period ended
	31 March 2025	31 March 2024
	AED 000	AED 000
<u>Group Consolidated Statement of Income</u>		
Recharges from group companies	153,006	131,771
Income from investment in ultimate parent company	1,620	1,613
Directors sitting and other fee	860	920
<u>Income from financing and other receivables</u>		
From parent and related companies	12,052	20,264
<u>Distribution on deposits, medium term financing and other payables</u>		
To ultimate parent company	-	2,610
To parent and related companies	20,251	12,110

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

	Unaudited three months period ended	Unaudited three months period ended
	31 March 2025	31 March 2024
	AED 000	AED 000
<u>Key management compensation</u>		
Short term employee benefits	18,613	12,965
Post employment benefits	673	299

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18 NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	Unaudited three months period ended 31 March 2025 AED 000	Unaudited three months period ended 31 March 2024 AED 000
(a) Analysis of changes in cash and cash equivalents during the period		
Balance at beginning of period	(1,943,789)	(2,970,520)
Net cash inflow / (outflow)	1,358,129	1,524,550
Balance at end of period	<u>(585,660)</u>	<u>(1,445,970)</u>
(b) Analysis of cash and cash equivalents		
Cash and deposits with Central Bank of the UAE	18,415,636	16,906,573
Due from banks	12,711,272	7,213,505
Due to banks	<u>(6,106,992)</u>	<u>(4,569,260)</u>
	<u>25,019,916</u>	<u>19,550,818</u>
Less : Deposits with the Central Bank for regulatory purposes	(8,308,654)	(5,569,309)
Less: Murabaha with the Central Bank maturing after three months	(7,262,268)	(9,246,777)
Less : Amounts due from banks maturing after three months	(10,910,553)	(6,245,456)
Add : Amounts due to banks maturing after three months	<u>875,899</u>	<u>64,754</u>
	<u>(585,660)</u>	<u>(1,445,970)</u>
(c) Adjustment for non cash and other items		
Net impairment loss / (reversal) on due from banks	4,285	2,723
Net impairment loss / (reversal) on investment securities	4,248	3,940
Net Impairment loss on financing receivables	(32,968)	165,775
Net Impairment loss / (reversal) on unfunded exposure	(19,591)	(24,597)
Depreciation / impairment on property and equipment / investment properties	(3,285)	24,628
(Discount) / premium on investment securities	(165)	3,461
Amortisation of (discount) / premium on sukuk	<u>1,072</u>	<u>721</u>
	<u>(46,404)</u>	<u>176,651</u>

19 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>31 March 2025</u>	Level 1	Level 2	Level 3	Total
	AED 000	AED 000	AED 000	AED 000
<u>Investment securities</u>				
<u>FVOCL</u>				
Government sukuk	455,309	-	-	455,309
Corporate sukuk	5,208,475	-	-	5,208,475
	5,663,784	-	-	5,663,784
<u>Designated at FVTPL</u>				
Equity	-	-	62,775	62,775
	-	-	62,775	62,775
<u>Islamic derivative financial instruments</u>				
<u>Positive fair value of Islamic derivatives</u>				
Islamic derivatives designated at FVTPL	-	181,188	-	181,188
Islamic derivatives held as cash flow hedge:				
Profit rate swaps	-	29,239	-	29,239
	-	210,427	-	210,427
<u>Negative fair value of Islamic derivatives</u>				
Islamic derivatives designated at FVTPL	-	(189,347)	-	(189,347)
	-	(189,347)	-	(189,347)
	5,663,784	21,080	62,775	5,747,639
 Audited 31 December 2024	 5,351,390	 6,927	 62,775	 5,421,092

19 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 2025	62,775
Total gains or losses:	
- in profit or loss	-
Transfers out of level 3	-
Settlements and other adjustments	-
Balance as at 31 March 2025	<u>62,775</u>
Balance as at 31 December 2024	<u>62,775</u>

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 31 March 2025 no financial assets were transferred from Level 1 to Level 2 or from Level 2 to Level 1 (2024: AED Nil).

For comparative information please refer to the Group's consolidated financial statements for the year ended 31 December 2024.

20 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 2024.

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.

AED 000 31 March 2025	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
Financing receivables				
Balance at 1 January	69,066,216	2,809,330	3,300,175	75,175,721
Transfers from Stage 1	(1,031,411)	950,130	81,281	-
Transfers from Stage 2	308,184	(599,298)	291,114	-
Transfers from Stage 3	26,021	2,278	(28,299)	-
New financial assets, net of repayments and others	4,983,584	32,095	(375,660)	4,640,019
Amounts written off during the period	-	-	(104,055)	(104,055)
Total gross financing receivables	73,352,594	3,194,535	3,164,556	79,711,685
Expected credit losses	(1,169,235)	(400,570)	(3,033,889)	(4,603,694)
Carrying amount	72,183,359	2,793,965	130,667	75,107,991

AED 000 31 March 2024	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
Financing receivables				
Balance at 1 January	52,544,710	2,372,055	3,682,118	58,598,883
Transfers from Stage 1	(482,687)	452,314	30,373	-
Transfers from Stage 2	158,471	(158,471)	-	-
Transfers from Stage 3	7,194	26,300	(33,494)	-
New financial assets, net of repayments and others	3,466,800	(197,219)	52,354	3,321,935
Amounts written off during the period	-	-	(128,626)	(128,626)
Total gross financing receivables	55,694,488	2,494,979	3,602,725	61,792,192
Expected credit losses	(1,333,957)	(297,491)	(3,154,797)	(4,786,245)
Carrying amount	54,360,531	2,197,488	447,928	57,005,947

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.

20 RISK MANAGEMENT (CONTINUED)
Amounts arising from ECL

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

<u>Financing receivables</u> <u>AED 000</u>	Unaudited 31 March 2025				Unaudited 31 March 2024			
	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
Balance at 1 January	1,219,370	365,036	3,111,460	4,695,866	1,264,296	275,465	3,311,385	4,851,146
Transfers from Stage 1	(75,179)	23,349	51,830	-	(12,080)	11,322	758	-
Transfers from Stage 2	11,732	(126,206)	114,474	-	8,693	(8,693)	-	-
Transfers from Stage 3	5,176	137	(5,313)	-	3,469	2,860	(6,329)	-
Allowances for impairment made during the period	8,136	138,254	(1,426)	144,964	69,579	16,537	133,669	219,785
Write back / recoveries made during the period	-	-	(177,932)	(177,932)	-	-	(54,010)	(54,010)
Amounts written off during the period	-	-	(104,055)	(104,055)	-	-	(128,626)	(128,626)
Others	-	-	44,851	44,851	-	-	(102,050)	(102,050)
Closing Balance	1,169,235	400,570	3,033,889	4,603,694	1,333,957	297,491	3,154,797	4,786,245