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

Emirates Islamic Bank

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GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026

EMIRATES ISLAMIC BANK

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

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Emirates Islamic Bank (the "Bank") and its subsidiaries (together referred to as the "Group"), which comprise the condensed consolidated interim statement of financial position as at 30 June 2026, and the related condensed consolidated interim statements of income and comprehensive income for the three-month and six-month periods then ended, and the related condensed consolidated interim statements of cash flows and changes in equity for the six-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.

For Ernst & Young

Anthony O'Sullivan
Registration No: 687

22 July 2026

Dubai, United Arab Emirates

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026 (UNAUDITED)

	Notes	Unaudited 30 June 2026 AED 000	Audited 31 December 2025 AED 000
ASSETS			
Cash and deposits with the Central Bank of the UAE	3	21,572,548	21,447,454
Due from banks	4	15,633,892	15,509,494
Investment securities	5	15,993,866	16,406,572
Financing receivables	6	96,908,796	88,861,071
Positive fair value of Islamic derivatives	15	266,829	275,720
Customer acceptances		2,009,976	1,682,641
Investment properties		71,773	165,356
Property and equipment		384,496	348,685
Other assets	7	986,461	1,068,355
TOTAL ASSETS		**153,828,637**	**145,765,348**
LIABILITIES			
Due to banks		5,988,146	5,101,677
Customer deposits		110,578,694	102,099,353
Sukuk payable and other medium term financing	8	14,257,362	14,588,250
Negative fair value of Islamic derivatives	15	314,518	259,433
Customer acceptances		2,009,976	1,682,641
Other liabilities	9	4,312,871	4,291,753
TOTAL LIABILITIES		**137,461,567**	**128,023,107**
EQUITY			
Issued capital		5,430,422	5,430,422
Legal and statutory reserve		1,642,594	1,642,594
Other reserves		543,043	543,043
Fair value reserve		(84,192)	(4,512)
Retained earnings		8,835,203	10,130,694
TOTAL EQUITY		**16,367,070**	**17,742,241**
TOTAL LIABILITIES AND EQUITY		**153,828,637**	**145,765,348**

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

22 JUL 2026

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026 (UNAUDITED)

	Notes	Unaudited three months period ended 30 June 2026 AED 000	Unaudited three months period ended 30 June 2025 AED 000	Unaudited six months period ended 30 June 2026 AED 000	Unaudited six months period ended 30 June 2025 AED 000
Income from financing receivables and investment products		1,909,378	1,665,171	3,641,380	3,212,369
Distribution on deposits and profit paid to Sukuk holders		(757,884)	(518,658)	(1,388,618)	(974,945)
Net income from financing receivables and investment products		**1,151,494**	**1,146,513**	**2,252,762**	**2,237,424**
Fee and commission income		388,339	345,704	774,398	686,601
Fee and commission expense		(206,524)	(167,068)	(397,040)	(328,553)
Net fee and commission income		**181,815**	**178,636**	**377,358**	**358,048**
Other operating income	10	289,302	161,820	535,595	341,217
Total operating income		**1,622,611**	**1,486,969**	**3,165,715**	**2,936,689**
General and administrative expenses		(458,259)	(454,078)	(921,497)	(892,010)
Operating profit before impairment		**1,164,352**	**1,032,891**	**2,244,218**	**2,044,679**
Net impairment	11	(160,921)	(33,443)	(250,903)	135,906
Profit for the period before taxation		**1,003,431**	**999,448**	**1,993,315**	**2,180,585**
Taxation charge	12	(139,110)	(145,644)	(279,141)	(317,401)
Profit for the period		**864,321**	**853,804**	**1,714,174**	**1,863,184**
Earnings per share (AED)	14	**0.159**	**0.157**	**0.316**	**0.343**

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 SIX MONTHS PERIOD ENDED 30 JUNE 2026 (UNAUDITED)

	Unaudited three months period ended 30 June 2026	Unaudited three months period ended 30 June 2025	Unaudited six months period ended 30 June 2026	Unaudited six months period ended 30 June 2025
	AED 000	AED 000	AED 000	AED 000
Profit for the period	864,321	853,804	1,714,174	1,863,184
Other comprehensive income / (loss)				
Items that may be reclassified subsequently to the statement of income:				
Cash flow hedges:				
- Effective portion of changes in fair value	(14,235)	5,251	(34,031)	20,013
Fair value reserve (Sukuk instruments):				
- Net change in fair value	53,774	36,631	(61,154)	95,307
- Net amount transferred to income statement	-	-	(47)	(70)
Related deferred tax	1,091	(3,153)	15,552	(8,408)
Other comprehensive income / (loss) for the period	40,630	38,729	(79,680)	106,842
Total comprehensive income for the period	**904,951**	**892,533**	**1,634,494**	**1,970,026**

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 CASH FLOWS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026 (UNAUDITED)

	Notes	Unaudited six months period ended 30 June 2026 AED 000	Unaudited six months period ended 30 June 2025 AED 000
OPERATING ACTIVITIES			
Profit for the period before taxation		1,993,315	2,180,585
Adjustment for non cash items and other items	18	295,315	54,306
Operating profit before changes in operating assets and liabilities		**2,288,630**	**2,234,891**
(Increase) / decrease in balances with the Central Bank maturing after three months		(69,950)	(1,356,405)
(Increase) / decrease in amounts due from banks maturing after three months		(1,634,644)	(2,958,256)
Increase / (decrease) in amounts due to banks maturing after three months		190,354	(826)
(Increase) / decrease in positive fair value of Islamic derivatives		(25,140)	(117,442)
Increase / (decrease) in negative fair value of Islamic derivatives		55,085	157,870
(Increase) / decrease in other assets		(199,101)	(415,993)
Increase / (decrease) in other liabilities		23,786	661,714
Increase / (decrease) in customer deposits		8,479,341	20,621,143
(Increase) / decrease in financing receivables		(8,546,894)	(9,527,505)
Net cash flows generated from / (used in) operating activities		**561,467**	**9,299,191**
INVESTING ACTIVITIES			
(Increase) / decrease in investment securities		372,422	(2,042,417)
(Increase) / decrease in investment properties		335,945	28,117
(Increase) / decrease in property and equipment		(97,497)	(66,112)
Dividend income received		959	-
Net cash flows generated from / (used in) investing activities		**611,829**	**(2,080,412)**
FINANCING ACTIVITIES			
Issuance of sukuk and other medium term financing	8	2,552,487	3,856,125
Repayment of sukuk and other medium term financing	8	(2,836,250)	-
Dividend paid		(3,009,665)	-
Net cash flows generated from / (used in) financing activities		**(3,293,428)**	**3,856,125**
Increase / (decrease) in cash and cash equivalents	**18**	**(2,120,132)**	**11,074,904**

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 SIX MONTHS PERIOD ENDED 30 JUNE 2026 (UNAUDITED)

	Issued capital	Legal and statutory reserve	Other reserves	Fair value reserve	Retained earnings	Total
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
Balance as at 1 January 2026	5,430,422	1,642,594	543,043	(4,512)	10,130,694	17,742,241
Profit for the period	-	-	-	-	1,714,174	1,714,174
Other comprehensive income / (loss) for the period	-	-	-	(79,680)	-	(79,680)
Dividend paid	-	-	-	-	(3,009,665)	(3,009,665)
Balance as at 30 June 2026	5,430,422	1,642,594	543,043	(84,192)	8,835,203	16,367,070
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	-	-	-	-	1,863,184	1,863,184
Other comprehensive income / (loss) for the period	-	-	-	106,842	-	106,842
Dividend paid	-	-	-	-	-	-
Balance as at 30 June 2025	5,430,422	1,308,187	543,043	(80,076)	9,068,761	16,270,337

Note: No allocation to legal and statutory and other reserves has been made for the six months period ended 30 June 2026 as this will be affected 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 (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 wholly owned 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's website is https://www.emiratesislamic.ae. In addition to its head office in Dubai, the Bank operates through 36 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 % 30 June 2026	Ownership % 31 December 2025
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 basis of control assessment:

EI Sukuk Company Limited	16 April 2007, Cayman Islands	Special Purpose Entity
EI CD Limited	21 July 2025, Cayman Islands	Special Purpose Entity

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 (UAE).

*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 2025.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 – Accounting Standards (IFRS Accounting Standards) and should be read in conjunction with the Group's consolidated financial statements as at and for the year ended 31 December 2025. In addition, results for the six months period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the full financial year ending 31 December 2026.

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 2025.

3 CASH AND DEPOSITS WITH THE CENTRAL BANK OF THE UAE

	Unaudited 30 June 2026 AED 000	Audited 31 December 2025 AED 000
Cash	987,760	1,101,316
Statutory and other deposits with the Central Bank of the UAE	12,012,043	13,944,497
Murabaha with the Central Bank of the UAE	8,572,745	6,401,641
	21,572,548	21,447,454

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 June 2026 AED 000	Audited 31 December 2025 AED 000
Due from banks in the UAE	4,348,248	5,881,855
Due from foreign banks	11,344,539	9,655,449
Less: Expected credit losses	(58,895)	(27,810)
	15,633,892	15,509,494

5 INVESTMENT SECURITIES

	Domestic*	Regional**	International***	Total
Unaudited 30 June 2026	AED 000	AED 000	AED 000	AED 000
DESIGNATED AS AT FVTPL				
Equity	-	62,775	-	62,775
	-	62,775	-	62,775
MEASURED AT AMORTISED COST				
Government Sukuk	2,925,064	1,736,752	539,127	5,200,943
Corporate Sukuk	1,908,155	3,035,423	330,490	5,274,068
	4,833,219	4,772,175	869,617	10,475,011
Less: Expected credit losses				(157,339)
				10,317,672
MEASURED AT FVOCI				
Government Sukuk	375,562	252,984	427,307	1,055,853
Corporate Sukuk	1,899,602	2,006,333	656,488	4,562,423
	2,275,164	2,259,317	1,083,795	5,618,276
Less: Expected credit losses				(4,857)
				5,613,419
Gross investment securities	7,108,383	7,094,267	1,953,412	16,156,062
Net investment securities				15,993,866

As at 30 June 2026, the fair value of investment securities measured at amortized cost amounted to AED 10,286 million (31 December 2025: AED 10,269 million).

Investment securities with the carrying amount of AED 498 million (31 December 2025: AED 897 million) and fair value of AED 498 million (31 December 2025: AED 897 million) were collateralised for obligations under due to banks.

5 INVESTMENT SECURITIES (CONTINUED)

	Domestic*	Regional**	International***	Total
Audited 31 December 2025	AED 000	AED 000	AED 000	AED 000
DESIGNATED AS AT FVTPL				
Equity	-	62,775	-	62,775
	-	62,775	-	62,775
MEASURED AT AMORTISED COST				
Government Sukuk	3,228,963	1,554,009	538,740	5,321,712
Corporate Sukuk	1,888,720	2,739,693	330,420	4,958,833
	5,117,683	4,293,702	869,160	10,280,545
Less: Expected credit losses				(158,503)
				10,122,042
MEASURED AT FVOCI				
Government Sukuk	383,080	258,523	545,107	1,186,710
Corporate Sukuk	2,174,333	1,691,085	1,177,488	5,042,906
	2,557,413	1,949,608	1,722,595	6,229,616
Less: Expected credit losses				(7,861)
				6,221,755
Gross investment securities	7,675,096	6,306,085	2,591,755	16,572,936
Net investment securities				16,406,572

*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 June 2026 AED 000	Audited 31 December 2025 AED 000
At Amortised Cost		
Murabaha	70,515,087	64,972,171
Credit cards receivable	4,752,844	4,552,181
Wakala	1,145,400	1,151,927
Istisna'a	2,539,048	2,149,323
Ijara	24,995,279	23,820,759
Others	1,512,537	523,052
	105,460,195	97,169,413
Less: Deferred income	(4,623,427)	(4,587,592)
Gross financing receivables	100,836,768	92,581,821
Less: Expected credit losses	(3,927,972)	(3,720,750)
Net financing receivables	96,908,796	88,861,071
Total of impaired gross financing receivables	2,494,105	2,446,192

Ijara assets amounting to AED 7.2 billion (2025: AED 7.3 billion) were securitised for the purpose of issuance of Sukuk liability (refer note 8).

6 FINANCING RECEIVABLES (CONTINUED)

Analysis by economic activity	Unaudited 30 June 2026 AED 000	Audited 31 December 2025 AED 000
Manufacturing	4,949,283	5,218,944
Construction	470,696	376,731
Trade	5,628,067	5,542,965
Transport and communication	1,261,145	1,213,643
Utilities and services	4,133,923	3,904,102
Sovereign	3,696,959	2,992,841
Personal	55,678,670	52,454,365
Real estate	13,793,693	10,976,785
Hotels and restaurants	373,113	376,319
Management of companies and enterprises	7,861,904	7,633,222
Financial institutions and investment companies	2,313,919	1,459,770
Others	5,298,823	5,019,726
	105,460,195	97,169,413
Less: Deferred Income	(4,623,427)	(4,587,592)
Gross financing receivables	100,836,768	92,581,821
Less: Expected credit losses	(3,927,972)	(3,720,750)
Net financing receivables	96,908,796	88,861,071

7 OTHER ASSETS

	Unaudited 30 June 2026 AED 000	Audited 31 December 2025 AED 000
Profit receivable	459,377	426,994
Receivables from customers	63,367	80,366
Prepayments and other advances	291,940	283,819
Deferred sales commission	40,360	41,223
Goods and certificates available-for-sale	25,874	35,576
Others	105,543	200,377
	986,461	1,068,355

8 SUKUK PAYABLE AND OTHER MEDIUM TERM FINANCING

	Unaudited 30 June 2026 AED 000	Audited 31 December 2025 AED 000
Sukuk payable (note 8.1)	9,850,362	10,181,250
Other medium term financing (note 8.2)	4,407,000	4,407,000
	14,257,362	14,588,250

Sukuk payable amounting to AED 4,591 million has been hedged for fair value risks. For details of hedging instruments please refer note 15.

	Unaudited 30 June 2026 AED 000	Audited 31 December 2025 AED 000
Balance as at 1 January	14,588,250	9,263,125
Issuances	2,552,487	7,161,375
Repayments	(2,836,250)	(1,836,250)
Other movements*	(47,125)	-
Balance at end of period / year	14,257,362	14,588,250

*Represents fair value movements of Sukuk payable hedged for fair value risk.

As at 30 June 2026, the outstanding Sukuk payable and other medium term financing totalling AED 14,257 million (31 December 2025: AED 14,588 million) are falling due as below:

	Unaudited 30 June 2026 AED 000	Audited 31 December 2025 AED 000
2026	1,836,250	2,836,250
2027	-	1,836,250
2028	2,570,750	2,570,750
2029	2,754,375	2,754,375
2030	2,732,710	2,754,375
2031	4,363,277	1,836,250
	14,257,362	14,588,250

8 SUKUK PAYABLE AND OTHER MEDIUM TERM FINANCING (CONTINUED)

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

Issue Date	Amount	Listing	Profit rate (%)	Payment basis	Maturity
October 2021	USD 500,000,000	Irish Stock Exchange & Nasdaq	2.082	Semi annual	November 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
September 2025*	USD 700,000,000	Irish Stock Exchange & Nasdaq	4.540	Semi annual	March 2031

The Bank transferred certain identified Ijara assets totalling to AED 7.2 billion (the “co-owned assets”) to its subsidiary, EI 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 EI Sukuk Company Limited for an amount of AED 2.9 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 of payment obligations under the Sukuk Transactional Document.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.

*This includes tap issuance of USD 200 million during the year.

8.2 During 2025, 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 USD 500 million of Shariah compliant financing originally maturing in March 2027. This facility was repaid early in March 2026 and subsequently refinanced through a new Shariah-compliant funding arrangement of the same amount, maturing in March 2031. In 2025, a further USD 400 million was raised under the same arrangement maturing in November 2028.

9 OTHER LIABILITIES

	Unaudited 30 June 2026 AED 000	Audited 31 December 2025 AED 000
Profit payable to depositors	671,590	560,030
Staff related liabilities	175,175	226,541
Managers' cheques	576,407	564,860
Zakat payable	-	82,514
Lease liability	37,261	43,948
Security deposits	333,400	306,239
Provision for expenses	543,691	526,000
Provision for expected credit loss and others	1,101,026	1,155,817
Income received in advance	89,776	67,850
Deferred tax liabilities	5,399	20,951
Others	779,146	737,003
	4,312,871	4,291,753

10 OTHER OPERATING INCOME

	Unaudited six months period ended 30 June 2026 AED 000	Unaudited six months period ended 30 June 2025 AED 000
Dividend income on equity investments	959	-
Gain from sale of investment securities measured at FVOCI	47	70
Rental income (net of depreciation)	1,872	3,427
Gain on sale of investment properties	126,070	-
Foreign exchange and Islamic derivative income and others*	406,647	337,720
	535,595	341,217

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

11 NET IMPAIRMENT

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

	Unaudited six months period ended 30 June 2026 AED 000	Unaudited six months period ended 30 June 2025 AED 000
Net impairment of due from banks	31,085	6,264
Net impairment of investment securities	(4,168)	5,142
Net impairment of financing receivables	499,169	27,430
Net impairment of unfunded exposures	(2,668)	(11,286)
Bad financing written off / (recovery) - net	(154,943)	(133,076)
Net impairment loss / (reversal) on financial assets	368,475	(105,526)
Net impairment loss / (reversal) on non-financial assets	(117,572)	(30,380)
	250,903	(135,906)

12 TAXATION

The Group implemented UAE corporate tax from 1 January 2024 in line with Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses. The entities within the UAE corporate tax group were subject to 9% corporate tax.

The Group implemented UAE domestic minimum top-up tax from 1 January 2025 in line with Cabinet Decision No. 142 of 2024 on The Imposition of Top-up Tax on Multinational Enterprises (Pillar Two legislation) which is applicable to multinational enterprises operating in the UAE with consolidated global revenues of EUR 750 million or more in at least two of the four financial years immediately preceding the financial year. The entities within scope are subject to an overall effective rate of 15%.

The overall minimum tax rate applied to UAE and other applicable profits is 15%.

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 30 June 2026 is AED 279 million (30 June 2025: AED 317 million), representing Group effective tax rate of 14% (30 June 2025: 15%). The Pillar Two tax charge included in the total tax charge for the period is AED 100 million (30 June 2025: AED 121 million). The tax liability has been recorded as payable to the Group Holding Company as the tax payment will be made by the Group Holding Company to the tax authorities.

13 COMMITMENTS AND CONTINGENCIES

The Group's commitments and contingencies are as follows:

	Unaudited 30 June 2026 AED 000	Audited 31 December 2025 AED 000
Letters of credit	880,340	1,147,745
Guarantees	13,793,036	14,074,338
Liability on risk participations	345,215	30,265
Irrevocable financing commitments*	7,904,537	6,703,627
	22,923,128	21,955,975

*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 six months period ended 30 June 2026	Unaudited six months period ended 30 June 2025
Profit for the period (AED 000)	1,714,174	1,863,184
Weighted average number of equity shares in issue (000)	5,430,422	5,430,422
Earnings per share* (AED)	0.316	0.343

*The diluted and basic EPS were the same for the six months periods ended 30 June 2026 and 30 June 2025.

15 ISLAMIC DERIVATIVES FINANCIAL INSTRUMENTS

	Unaudited 30 June 2026			Audited 31 December 2025		
	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	22,390	(2,599)	5,774,259	382	(7,323)	5,049,623
Profit rate swaps / caps	232,704	(257,311)	20,017,235	236,991	(252,110)	19,486,060
Other Islamic derivative instruments	84	(85)	7,445	-	-	-
	255,178	(259,995)	25,798,939	237,373	(259,433)	24,535,683
Islamic Derivatives held as cash flow hedge:						
Profit rate swaps / caps	11,651	(7,335)	4,825,000	38,347	-	2,275,000
Islamic Derivatives held as fair value hedge:						
Profit rate swaps / caps	-	(47,188)	4,590,625	-	-	-
Total	266,829	(314,518)	35,214,564	275,720	(259,433)	26,810,683

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 comprise 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.

16 OPERATING SEGMENTS (CONTINUED)

Unaudited 30 June 2026	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 receivables and investment products	475,043	1,361,728	139,255	276,736	2,252,762
Net fees, commission and other income	155,231	622,036	8,497	127,189	912,953
Total operating income	630,274	1,983,764	147,752	403,925	3,165,715
General administrative and other expenses	(49,805)	(712,629)	(14,690)	(144,373)	(921,497)
Net impairment (loss) / reversal	5,321	(378,504)	4,710	117,570	(250,903)
Profit for the period before taxation	585,790	892,631	137,772	377,122	1,993,315
Segment Assets	61,072,592	65,978,112	26,597,268	180,665	153,828,637
Segment Liabilities and Equity	41,744,801	77,840,951	1,151,973	33,090,912	153,828,637

Unaudited 30 June 2025	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 receivables and investment products	462,176	1,347,286	89,998	337,964	2,237,424
Net fees, commission and other income	158,371	529,718	9,116	2,060	699,265
Total operating income	620,547	1,877,004	99,114	340,024	2,936,689
General administrative and other expenses	(45,770)	(684,525)	(13,334)	(148,381)	(892,010)
Net impairment (loss) / reversal	308,655	(197,489)	(5,639)	30,379	135,906
Profit for the period before taxation	883,432	994,990	80,141	222,022	2,180,585
Segment Assets	48,465,848	59,446,660	29,461,187	172,597	137,546,292
Segment Liabilities and Equity	30,007,413	76,689,794	249,055	30,600,030	137,546,292

17 RELATED PARTY TRANSACTIONS

The Group is wholly owned by Emirates NBD Bank PJSC, 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 16.0% and 3.7% (2025: 16.8% and 3.7%) 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 June 2026 AED 000	Audited 31 December 2025 AED 000
Financing and other receivables		
To parent and related companies	795,979	2,949,582
To directors and related companies	10,373	8,358
To key management personnel and affiliates	6,402	3,089
	812,754	2,961,029
Customer deposits, medium term financing and other payables		
From parent and related companies	4,816,408	4,570,260
From directors and related companies	11,514	3,315
From key management personnel and affiliates	19,857	27,720
	4,847,779	4,601,295
Investment securities and derivatives		
Investment in securities issued by ultimate parent company	182,538	182,550
Positive fair value of Islamic derivatives - Parent and related companies	24,909	59,121
Negative fair value of Islamic derivatives - Parent and related companies	281,695	221,601
Notional amount of derivatives - Parent and related companies	22,350,216	14,252,363

17 RELATED PARTY TRANSACTIONS (CONTINUED)

	Unaudited six months period ended 30 June 2026 AED 000	Unaudited six months period ended 30 June 2025 AED 000
Group Consolidated Statement of Income		
Recharges from group companies	348,269	313,321
Income from investment in ultimate parent company	3,233	3,233
Directors sitting and other fee	1,460	1,500
Income from financing receivables		
From parent and related companies	27,296	25,567
Distribution on deposits		
To parent and related companies	25,057	36,005

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

	Unaudited six months period ended 30 June 2026 AED 000	Unaudited six months period ended 30 June 2025 AED 000
Key management compensation		
Short term employee benefits	27,129	23,197
Post employment benefits	4,593	896

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

	Unaudited six months period ended 30 June 2026 AED 000	Unaudited six months period ended 30 June 2025 AED 000
(a) Analysis of changes in cash and cash equivalents during the period		
Balance at beginning of period	5,005,563	(1,943,789)
Net cash inflow / (outflow)	(2,120,132)	11,074,904
Balance at end of period	2,885,431	9,131,115
(b) Analysis of cash and cash equivalents		
Cash and deposits with Central Bank of the UAE	21,572,548	23,347,463
Due from banks	15,692,787	14,913,453
Due to banks	(5,988,146)	(4,028,842)
	31,277,189	34,232,074
Less : Deposits with the Central Bank for regulatory purposes	(10,603,664)	(9,032,073)
Less: Murabaha with the Central Bank maturing after three months	(5,272,411)	(5,275,921)
Less : Amounts due from banks maturing after three months	(14,137,898)	(11,677,167)
Add : Amounts due to banks maturing after three months	1,622,215	884,202
	2,885,431	9,131,115
(c) Adjustment for non cash and other items		
Net impairment loss / (reversal) on due from banks	31,085	6,264
Net impairment loss / (reversal) on investment securities	(4,168)	5,142
Net impairment loss on financing receivables	499,169	27,430
Net impairment loss / (reversal) on unfunded exposure	(2,668)	(11,286)
Dividend income on equity investments	(959)	-
Depreciation / impairment on property and equipment / investment properties	(54,606)	24,343
Unrealized (gain) / loss on fair value hedged items	(47,188)	-
(Discount) / premium on investment securities	(1,197)	(578)
(Gain) / loss on sale of investment properties	(126,070)	-
Amortisation of discount / (premium) on sukuk	1,917	2,991
	295,315	54,306

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).

Unaudited 30 June 2026	Level 1	Level 2	Level 3	Total
	AED 000	AED 000	AED 000	AED 000
Investment securities				
FVOCI				
Government sukuk	1,055,363	-	-	1,055,363
Corporate sukuk	4,558,056	-	-	4,558,056
	5,613,419	-	-	5,613,419
Designated at FVTPL				
Equity	-	-	62,775	62,775
	-	-	62,775	62,775
Islamic derivative financial instruments				
Positive fair value of Islamic derivatives				
Islamic derivatives designated at FVTPL	-	255,178	-	255,178
Islamic derivatives held as cash flow hedge:				
Profit rate swaps / caps	-	11,651	-	11,651
Islamic derivatives held as fair value hedge:				
Profit rate swaps / caps	-	-	-	-
	-	266,829	-	266,829
Negative fair value of Islamic derivatives				
Islamic derivatives designated at FVTPL	-	(259,995)	-	(259,995)
Islamic derivatives held as cash flow hedge:				
Profit rate swaps / caps	-	(7,335)	-	(7,335)
Islamic derivatives held as fair value hedge:				
Profit rate swaps / caps	-	(47,188)	-	(47,188)
	-	(314,518)	-	(314,518)
	5,613,419	(47,689)	62,775	5,628,505
Audited 31 December 2025	6,221,755	16,287	62,775	6,300,817

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 2026	62,775
Total gains or losses:	
- in profit or loss	-
Transfers out of level 3	-
Settlements and other adjustments	-
Balance as at 30 June 2026 (unaudited)	62,775
Balance as at 31 December 2025 (audited)	62,775

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 June 2026 no financial assets were transferred from Level 1 to Level 2 or from Level 2 to Level 1 (2025: AED Nil).

For comparative information please refer to the Group's consolidated financial statements for the year ended 31 December 2025.

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 2025.

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 **Unaudited 30 June 2026**	12-month ECL	Lifetime ECL not credit-impaired	Lifetime ECL credit-impaired	Total
Financing receivables				
Balance at 1 January	85,110,392	5,025,237	2,446,192	92,581,821
Transfers from Stage 1	(1,100,369)	835,842	264,527	-
Transfers from Stage 2	593,846	(1,008,592)	414,746	-
Transfers from Stage 3	10,438	131,795	(142,233)	-
New financial assets, net of repayments and others	8,707,117	36,957	(197,180)	8,546,894
Amounts written off during the period	-	-	(291,947)	(291,947)
Total gross financing receivables	93,321,424	5,021,239	2,494,105	100,836,768
Expected credit losses	(1,505,666)	(424,912)	(1,997,394)	(3,927,972)
Carrying amount	91,815,758	4,596,327	496,711	96,908,796

AED 000 **Unaudited 30 June 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	(1,839,223)	1,683,664	155,559	-
Transfers from Stage 2	531,632	(866,884)	335,252	-
Transfers from Stage 3	932	9,936	(10,868)	-
New financial assets, net of repayments and others	9,880,370	55,361	(424,356)	9,511,375
Amounts written off during the period	-	-	(998,022)	(998,022)
Total gross financing receivables	77,639,927	3,691,407	2,357,740	83,689,074
Expected credit losses	(1,181,318)	(421,738)	(2,167,069)	(3,770,125)
Carrying amount	76,458,609	3,269,669	190,671	79,918,949

The stage 1 and stage 2 are performing financing receivables having grades 1a- 4f while stage 3 is non-performing financing receivables 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:

Financing receivables	Unaudited 30 June 2026				Unaudited 30 June 2025			
AED 000	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	1,229,749	472,215	2,018,786	3,720,750	1,219,370	365,036	3,111,460	4,695,866
Transfers from Stage 1	(42,003)	30,059	11,944	-	(39,366)	32,487	6,879	-
Transfers from Stage 2	36,663	(90,565)	53,902	-	20,773	(86,868)	66,095	-
Transfers from Stage 3	1,607	117,947	(119,554)	-	-	3,827	(3,827)	-
Allowances for impairment made during the period	279,650	(104,744)	468,907	643,813	(19,459)	107,256	215,917	303,714
Write back / recoveries made during the period	-	-	(144,644)	(144,644)	-	-	(276,284)	(276,284)
Amounts written off during the period	-	-	(291,947)	(291,947)	-	-	(998,022)	(998,022)
Others	-	-	-	-	-	-	44,851	44,851
Closing Balance	1,505,666	424,912	1,997,394	3,927,972	1,181,318	421,738	2,167,069	3,770,125

20 RISK MANAGEMENT (CONTINUED)

Amounts arising from ECL

In determining the expected credit loss ("ECL") for the period ended 30 June 2026, the Group considered the potential effects of the ongoing geopolitical developments in the region, based on the best available information and measures under Financial Institution Resilience Package (FIRP) issued by the Central Bank of UAE at the reporting date.

Reasonableness of forward-looking information and probability weightings

The measurement of ECL requires the application of judgment, particularly in determining forward-looking information and the probability weighting of multiple economic scenarios. The Group performs historical analysis to identify the key macroeconomic variables relevant to each portfolio and their impact on credit risk and ECL. Forecasts for these variables, including base, upside and downside scenarios, are obtained from external sources on a quarterly basis. During Q1 2026, in order to reflect the heightened uncertainty arising from prevailing conditions, the Group increased the weighting assigned to the downside scenario to 100% for Retail customers and 80% for Corporate customers in the UAE within its ECL assessment. Following the availability of updated macroeconomic forecasts in Q2 2026, the Group reverted to its standard multiple-scenario methodology comprising baseline, upside and downside scenarios, with probability weightings of 40%, 30% and 30%, respectively. Management concluded that the updated forecasts appropriately reflected the impact of the evolving geopolitical environment and, accordingly, no additional management overlay was required as at 30 June 2026.

Given the unprecedented nature of the current environment, the estimation of ECL remains highly judgmental and subject to significant inherent uncertainty. The Group will continue to monitor developments and reassess the assumptions and judgments applied in measuring ECL on a regular basis. Actual outcomes may differ materially from those reflected in the assumptions and estimates applied.

Significant increase in credit risk (SICR)

Under IFRS 9, financial assets are transferred from Stage 1 to Stage 2 where there has been a significant increase in credit risk since initial recognition. The assessment of significant increase in credit risk is based on changes in the risk of default over the expected life of the exposure and incorporates both quantitative and qualitative information.

The Group continues to closely monitor all portfolios, including retail, wholesale and SME, in order to assess whether any financial difficulties experienced by customers are temporary and liquidity-driven, arising from the extraordinary circumstances that commenced on 28 February 2026, or whether they are indicative of a more sustained deterioration in creditworthiness.

The Group has actively participated in the CBUAE-led FIRP, reflecting its determination to support customers through periods of uncertainty and to contribute to the stability and resilience of the UAE economy. As at 30 June 2026, payment deferral programmes, incorporating principal and profit deferrals in line with FIRP requirements, were operational. The level of deferrals granted by the Group was not considered material, reflecting limited customer demand and utilisation of the programme.

The Group continues to reassess the long-term viability of affected customers, and stage classification is determined in accordance with IFRS 9, the Credit Risk Management Standards ("CRMS"), the Group's internal policies and applicable CBUAE guidelines.