

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



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GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

EMIRATES ISLAMIC BANK PJSC

GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Contents	Page
Auditor's Report.....	1
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	14
9 OTHER LIABILITIES.....	16
10 OTHER OPERATING INCOME	17
11 NET IMPAIRMENT LOSS / (REVERSAL).....	17
12 TAXATION.....	18
13 COMMITMENTS AND CONTINGENCIES	19
14 EARNINGS PER SHARE	19
15 ISLAMIC DERIVATIVES FINANCIAL INSTRUMENTS.....	20
16 OPERATING SEGMENTS	20
17 RELATED PARTY TRANSACTIONS.....	22
18 NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS.....	24
19 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE	25
20 RISK MANAGEMENT	27

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 30 June 2025, 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.

Other matter

The condensed consolidated interim financial statements of the Group for the six-month period ended 30 June 2024 were reviewed by another auditor whose report dated 17 July 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

23 July 2025


Dubai, United Arab Emirates


EMIRATES ISLAMIC BANK PJSC

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025 (UNAUDITED)

		Unaudited 30 June 2025	Audited 31 December 2024
	Notes	AED 000	AED 000
<u>ASSETS</u>			
Cash and deposits with the Central Bank of the UAE	3	23,347,463	14,674,527
Due from banks	4	14,884,968	10,028,460
Investment securities	5	15,588,255	13,463,573
Financing receivables	6	79,918,949	70,479,855
Positive fair value of Islamic derivatives	15	294,402	156,947
Customer acceptances		1,508,085	747,795
Investment properties		169,260	170,795
Property and equipment		335,394	320,207
Other assets	7	1,499,516	1,086,514
TOTAL ASSETS		137,546,292	111,128,673
<u>LIABILITIES</u>			
Due to banks		4,028,842	5,883,525
Customer deposits		97,406,073	76,784,930
Sukuk payable and other medium term financing	8	13,119,250	9,263,125
Negative fair value of Islamic derivatives	15	307,890	150,020
Customer acceptances		1,508,085	747,795
Other liabilities	9	4,905,815	3,998,967
TOTAL LIABILITIES		121,275,955	96,828,362
<u>EQUITY</u>			
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		(80,076)	(186,918)
Retained earnings		9,068,761	7,205,577
TOTAL EQUITY		16,270,337	14,300,311
TOTAL LIABILITIES AND EQUITY		137,546,292	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

23 JUL 2025

EMIRATES ISLAMIC BANK PJSC

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025 (UNAUDITED)

		Unaudited three months period ended 30 June 2025 AED 000	Unaudited three months period ended 30 June 2024 AED 000	Unaudited six months period ended 30 June 2025 AED 000	Unaudited six months period ended 30 June 2024 AED 000
	Notes				
Income from financing receivables and investment products		1,665,171	1,434,893	3,212,369	2,774,989
Distribution on deposits and profit paid to Sukuk holders		(518,658)	(370,149)	(974,945)	(668,013)
Net income from financing receivables and investment products		1,146,513	1,064,744	2,237,424	2,106,976
Fee and commission income		345,704	271,329	686,601	544,556
Fee and commission expense		(167,068)	(142,720)	(328,553)	(272,094)
Net fee and commission income		178,636	128,609	358,048	272,462
Other operating income	10	161,820	158,527	341,217	318,162
Total operating income		1,486,969	1,351,880	2,936,689	2,697,600
General and administrative expenses		(454,078)	(394,089)	(892,010)	(776,151)
Operating profit before impairment		1,032,891	957,791	2,044,679	1,921,449
Net impairment (loss) / reversal	11	(33,443)	(16,996)	135,906	(85,472)
Profit for the period before taxation		999,448	940,795	2,180,585	1,835,977
Taxation charge	12	(145,644)	(88,506)	(317,401)	(172,241)
Profit for the period		853,804	852,289	1,863,184	1,663,736
Earnings per share (AED)	14	0.157	0.157	0.343	0.306

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 COMPREHENSIVE INCOME
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025 (UNAUDITED)

	Unaudited three months period ended 30 June 2025 AED 000	Unaudited three months period ended 30 June 2024 AED 000	Unaudited six months period ended 30 June 2025 AED 000	Unaudited six months period ended 30 June 2024 AED 000
Profit for the period	853,804	852,289	1,863,184	1,663,736
Other comprehensive income				
Items that may be reclassified				
subsequently to Income statement:				
Cash flow hedges:				
- Effective portion of changes in fair value	5,251	9,558	20,013	4,727
Fair value reserve (Sukuk instruments):				
- Net change in fair value	36,631	3,643	95,307	10,186
- Net amount transferred to income statement	-	-	(70)	(16)
Related deferred tax	(3,153)	(755)	(8,408)	(1,342)
Other comprehensive income for the period	38,729	12,446	106,842	13,555
Total comprehensive income for the period	892,533	864,735	1,970,026	1,677,291

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 2025 (UNAUDITED)

	Notes	Unaudited six months period ended 30 June 2025 AED 000	Unaudited six months period ended 30 June 2024 AED 000
<u>OPERATING ACTIVITIES</u>			
Profit for the period before taxation		2,180,585	1,835,977
Adjustment for non cash items and other items	18	54,306	342,579
Operating profit before changes in operating assets and liabilities		2,234,891	2,178,556
(Increase) / decrease in balances with the Central Bank maturing after three months		(1,356,405)	(1,726,393)
(Increase) / decrease in amounts due from banks maturing after three months		(2,958,256)	(2,765,833)
Increase / (decrease) in amounts due to banks maturing after three months		(826)	71,929
(Increase) / decrease in positive fair value of Islamic derivatives		(117,442)	13,400
Increase / (decrease) in negative fair value of Islamic derivatives		157,870	(7,826)
(Increase) / decrease in other assets		(415,993)	(184,867)
Increase / (decrease) in other liabilities		661,714	844,941
Increase / (decrease) in customer deposits		20,621,143	8,514,507
(Increase) / decrease in financing receivables		(9,527,505)	(8,047,956)
Net cash flows generated from / (used in) operating activities		9,299,191	(1,109,542)
<u>INVESTING ACTIVITIES</u>			
(Increase) / decrease in investment securities		(2,042,417)	(1,653,150)
(Increase) / decrease in investment properties		28,117	52,782
(Increase) / decrease in property and equipment		(66,112)	(101,699)
Net cash flows generated from / (used in) investing activities		(2,080,412)	(1,702,067)
<u>FINANCING ACTIVITIES</u>			
Issuance of sukuk and other medium term financing		3,856,125	4,590,625
Net cash flows generated from / (used in) financing activities		3,856,125	4,590,625
Increase / (decrease) in cash and cash equivalents	18	11,074,904	1,779,016

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 SIX MONTHS PERIOD ENDED 30 JUNE 2025 (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 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 for the period	-	-	-	106,842	-	106,842
Balance as at 30 June 2025	5,430,422	1,308,187	543,043	(80,076)	9,068,761	16,270,337
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	-	-	-	-	1,663,736	1,663,736
Other comprehensive income for the period	-	-	-	13,555	-	13,555
Balance as at 30 June 2024	5,430,422	1,027,161	543,043	(256,424)	6,376,797	13,120,999

Note: No allocation to legal and statutory and other reserves has been made for the six months period ended 30 June 2025 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 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.

On 10 June 2025, the trading in shares of Emirates Islamic Bank PJSC was suspended on Dubai Financial Market (DFM) followed by the acquisition of the remaining non-controlling shareholding by the Group Holding Company. As a result, the Bank is now a wholly owned subsidiary of the Group Holding Company.

The Bank’s website is <http://www.emiratesislamic.ae>. In addition to its head office in Dubai, the Bank operates through 39 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 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 (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 2024.

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 financial statements as at and for the year ended 31 December 2024. In addition, results for the six months period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the full financial year ending 31 December 2025.

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.

3 CASH AND DEPOSITS WITH THE CENTRAL BANK OF THE UAE

	Unaudited 30 June 2025 AED 000	Audited 31 December 2024 AED 000
Cash	1,145,872	1,170,581
Statutory and other deposits with the Central Bank of the UAE	11,921,704	8,257,405
Murabaha with the Central Bank of the UAE	10,279,887	5,246,541
	23,347,463	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 30 June 2025 AED 000	Audited 31 December 2024 AED 000
Due from banks in the UAE	6,532,936	3,787,713
Due from foreign banks	8,380,517	6,262,968
Less: Expected credit losses	(28,485)	(22,221)
	14,884,968	10,028,460

5 INVESTMENT SECURITIES

	Domestic*	Regional**	International***	Total
	AED 000	AED 000	AED 000	AED 000
30 June 2025				
<u>DESIGNATED AS AT FVTPL</u>				
Equity	-	62,775	-	62,775
	-	62,775	-	62,775
<u>MEASURED AT AMORTISED COST</u>				
Government Sukuk	3,043,819	1,549,369	538,346	5,131,534
Corporate Sukuk	1,572,138	2,356,762	330,350	4,259,250
	4,615,957	3,906,131	868,696	9,390,784
Less: Expected credit losses				(10,510)
				9,380,274
<u>MEASURED AT FVOCI</u>				
Government Sukuk	-	-	518,581	518,581
Corporate Sukuk	2,491,694	1,884,919	1,258,400	5,635,013
	2,491,694	1,884,919	1,776,981	6,153,594
Less: Expected credit losses				(8,388)
				6,145,206
Gross investment securities	7,107,651	5,853,825	2,645,677	15,607,153
Net investment securities				15,588,255

As at 30 June 2025, the fair value of investment securities measured at amortized cost amounted to AED 9,445 million (31 December 2024: AED 7,976 million).

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

5 INVESTMENT SECURITIES (CONTINUED)

	Domestic*	Regional**	International***	Total
31 December 2024	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 30 June 2025 AED 000	Audited 31 December 2024 AED 000
At Amortised Cost		
Murabaha	57,446,432	51,169,818
Credit cards receivable	4,056,790	3,683,292
Wakala	1,226,680	1,381,161
Istisna'a	1,726,858	1,750,710
Ijara	22,282,766	20,214,989
Others	456,034	189,716
	87,195,560	78,389,686
Less: Deferred income	(3,506,486)	(3,213,965)
Gross financing receivables	83,689,074	75,175,721
Less: Expected credit losses	(3,770,125)	(4,695,866)
Net financing receivables	79,918,949	70,479,855
Total of impaired gross financing receivables	2,357,740	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).

EMIRATES ISLAMIC BANK PJSC

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025 (UNAUDITED)
6 FINANCING RECEIVABLES (CONTINUED)

	Unaudited 30 June 2025 AED 000	Audited 31 December 2024 AED 000
<u>Analysis by economic activity</u>		
Manufacturing	2,750,263	2,661,385
Construction	453,055	382,593
Trade	6,283,819	5,782,657
Transport and communication	860,799	638,533
Utilities and services	2,967,297	2,106,761
Sovereign	1,888,887	1,418,238
Personal	48,761,529	45,976,812
Real estate	10,968,761	8,578,624
Hotels and restaurants	36,604	38,709
Management of companies and enterprises	5,346,016	4,682,710
Financial institutions and investment companies	2,495,545	1,601,651
Others	4,382,985	4,521,013
	87,195,560	78,389,686
Less: Deferred Income	(3,506,486)	(3,213,965)
Gross financing receivables	83,689,074	75,175,721
Less: Expected credit losses	(3,770,125)	(4,695,866)
Net financing receivables	79,918,949	70,479,855

EMIRATES ISLAMIC BANK PJSC

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025 (UNAUDITED)

7 OTHER ASSETS

	Unaudited 30 June 2025 AED 000	Audited 31 December 2024 AED 000
Profit receivable	224,068	196,329
Prepayments and other advances	234,160	228,453
Deferred sales commission	38,472	30,318
Goods available-for-sale	14,102	44,550
Others	988,714	586,864
	<u>1,499,516</u>	<u>1,086,514</u>

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025 (UNAUDITED)

8 SUKUK PAYABLE AND OTHER MEDIUM TERM FINANCING

	Unaudited 30 June 2025 AED 000	Audited 31 December 2024 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 30 June 2025 AED 000	Audited 31 December 2024 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	13,119,250	9,263,125

As at 30 June 2025, the outstanding Sukuk payable and other medium term financing totalling AED 13,119 million (31 December 2024: AED 9,263 million) are falling due as below:

	Unaudited 30 June 2025 AED 000	Audited 31 December 2024 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, the 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.

EMIRATES ISLAMIC BANK PJSC

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025 (UNAUDITED)

9 OTHER LIABILITIES

	Unaudited 30 June 2025 AED 000	Audited 31 December 2024 AED 000
Profit payable to depositors	427,018	481,117
Staff related liabilities	179,032	232,428
Managers' cheques	699,701	449,678
Trade and other payables	804,106	533,068
Zakat payable	-	15,917
Provision for taxation	595,053	277,650
Deferred tax liabilities	16,623	8,215
Others	2,184,282	2,000,894
	4,905,815	3,998,967

10 OTHER OPERATING INCOME

	Unaudited six months period ended 30 June 2025 AED 000	Unaudited six months period ended 30 June 2024 AED 000
Gain from sale of investment securities measured at FVOCI	70	16
Rental income (net of depreciation)	3,427	4,806
Gain / (loss) on sale of investment properties	-	(1,077)
Foreign exchange and Islamic derivative income and others*	337,720	314,417
	341,217	318,162

*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 and non-financial assets is made up as follows:

	Unaudited six months period ended 30 June 2025 AED 000	Unaudited six months period ended 30 June 2024 AED 000
Net impairment of due from banks	6,264	(2,409)
Net impairment of investment securities	5,142	(1,213)
Net impairment of financing receivables	27,430	291,274
Net impairment of unfunded exposures	(11,286)	38,191
Bad financing written off / (recovery) - net	(133,076)	(200,009)
Net impairment loss on financial assets	(105,526)	125,834
Net impairment loss on non-financial assets	(30,380)	(40,362)
	(135,906)	85,472

12 TAXATION

The Group implemented UAE corporate tax (“CT”) 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 are subject to 9% CT 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 (“DMTT”). The entities within scope of the DMTT are subject to an overall effective rate of 15%.

Therefore, the overall statutory tax rate applied to UAE profits is 15% (9% in 2024).

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 30 June 2025 is AED 317 million (30 June 2024: 172 million), representing Group effective tax rate of 14.56% (30 June 2024: 9.38%).

13 COMMITMENTS AND CONTINGENCIES

The Group's commitments and contingencies are as follows:

	Unaudited 30 June 2025 AED 000	Audited 31 December 2024 AED 000
Letters of credit	884,490	604,169
Guarantees	11,838,645	8,661,048
Liability on risk participations	30,265	30,265
Irrevocable financing commitments*	5,416,899	2,367,784
	18,170,299	11,663,266

*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 2025	Unaudited six months period ended 30 June 2024
Profit for the period (AED 000)	1,863,184	1,663,736
Weighted average number of equity shares in issue (000)	5,430,422	5,430,422
Earnings per share* (AED)	0.343	0.306

*The diluted and basic EPS were the same for the six months periods ended 30 June 2025 and 30 June 2024.

15 ISLAMIC DERIVATIVES FINANCIAL INSTRUMENTS

	Unaudited 30 June 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	377	(28,358)	4,023,006	1,511	(1,162)	3,808,261
Foreign exchange options	-	-	-	2,591	(2,665)	217,538
Profit rate swaps / caps	259,535	(279,532)	18,979,455	138,348	(146,193)	18,100,015
Islamic Derivatives held as cash flow hedge:						
Profit rate swaps/caps	34,490	-	2,275,000	14,497	-	1,525,000
Total	294,402	(307,890)	25,277,461	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.

EMIRATES ISLAMIC BANK PJSC

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025 (UNAUDITED)

16 OPERATING SEGMENTS (CONTINUED)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 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

30 June 2024

	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	414,184	1,236,904	135,054	320,834	2,106,976
Net fees, commission and other income	108,027	477,451	1,294	3,852	590,624
Total operating income	522,211	1,714,355	136,348	324,686	2,697,600
General administrative and other expenses	(42,724)	(565,174)	(13,044)	(155,209)	(776,151)
Net impairment (loss) / reversal	80,248	(207,673)	1,557	40,396	(85,472)
Profit for the period before taxation	559,735	941,508	124,861	209,873	1,835,977
Segment Assets	34,279,525	46,617,118	20,804,600	146,499	101,847,742
Segment Liabilities and Equity	17,621,392	59,133,904	1,046,734	24,045,712	101,847,742

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 15.3% and 4.5% (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 30 June 2025 AED 000	Audited 31 December 2024 AED 000
<u>Financing and other receivables</u>		
To parent and related companies	2,989,571	676,209
To directors and related companies	8,993	9,683
To key management personnel and affiliates	4,086	3,923
	<u>3,002,650</u>	<u>689,815</u>
<u>Customer deposits, medium term financing and other payables</u>		
From parent and related companies	3,889,842	3,790,181
From directors and related companies	5,181	1,747
From key management personnel and affiliates	21,660	20,404
	<u>3,916,683</u>	<u>3,812,332</u>
<u>Investment securities and derivatives</u>		
Investment in ultimate parent company	182,826	181,988
Positive fair value of Islamic derivatives - Parent and related companies	58,461	45,190
Negative fair value of Islamic derivatives - Parent and related companies	(243,009)	(111,929)
Notional amount of derivatives - Parent and related companies	13,710,873	13,832,116

EMIRATES ISLAMIC BANK PJSC

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025 (UNAUDITED)

17 RELATED PARTY TRANSACTIONS (CONTINUED)

	Unaudited six months period ended 30 June 2025 AED 000	Unaudited six months period ended 30 June 2024 AED 000
<u>Group Consolidated Statement of Income</u>		
Recharges from group companies	313,321	263,005
Income from investment in ultimate parent company	3,233	3,226
Directors' sitting and other fee	1,500	1,731
<u>Income from financing and other receivables</u>		
From parent and related companies	25,567	20,137
<u>Distribution on deposits, medium term financing and other payables</u>		
To parent and related companies	36,005	16,669

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 2025 AED 000	Unaudited six months period ended 30 June 2024 AED 000
<u>Key management compensation</u>		
Short term employee benefits	23,197	20,171
Post employment benefits	896	520

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

	Unaudited six months period ended 30 June 2025 AED 000	Unaudited six months period ended 30 June 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)	11,074,904	1,779,016
Balance at end of period	9,131,115	(1,191,504)
(b) Analysis of cash and cash equivalents		
Cash and deposits with Central Bank of the UAE	23,347,463	17,080,362
Due from banks	14,913,453	8,681,593
Due to banks	(4,028,842)	(4,228,699)
	34,232,074	21,533,256
Less : Deposits with the Central Bank for regulatory purposes	(9,032,073)	(7,379,079)
Less: Murabaha with the Central Bank maturing after three months	(5,275,921)	(7,380,702)
Less : Amounts due from banks maturing after three months	(11,677,167)	(8,044,399)
Add : Amounts due to banks maturing after three months	884,202	79,420
	9,131,115	(1,191,504)
(c) Adjustment for non cash and other items		
Net impairment loss / (reversal) on due from banks	6,264	(2,409)
Net impairment loss / (reversal) on investment securities	5,142	(1,213)
Net impairment loss on financing receivables	27,430	291,274
Net impairment loss / (reversal) on unfunded exposure	(11,286)	38,191
Depreciation / impairment on property and equipment / investment properties	24,343	8,587
(Discount) / premium on investment securities	(578)	5,440
(Gain) / loss on sale of investment properties	-	1,077
Amortisation of (discount) / premium on sukuk	2,991	1,632
	54,306	342,579

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).

30 June 2025

Investment securities

FVOCI

	Level 1 AED 000	Level 2 AED 000	Level 3 AED 000	Total AED 000
Government sukuk	516,652	-	-	516,652
Corporate sukuk	5,628,554	-	-	5,628,554
	6,145,206	-	-	6,145,206

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	-	259,912	-	259,912
Islamic derivatives held as cash flow hedge:				
Profit rate swaps	-	34,490	-	34,490
	-	294,402	-	294,402

Negative fair value of Islamic derivatives

Islamic derivatives designated at FVTPL	-	(307,890)	-	(307,890)
	-	(307,890)	-	(307,890)
	6,145,206	(13,488)	62,775	6,194,493

Audited 31 December 2024	5,351,390	6,927	62,775	5,421,092
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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 30 June 2025	62,775
Balance as at 31 December 2024	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 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.

<u>AED 000</u> <u>30 June 2025</u>	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
<u>Financing receivables</u>				
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

<u>AED 000</u> <u>30 June 2024</u>	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
<u>Financing receivables</u>				
Balance at 1 January	52,544,710	2,372,055	3,682,118	58,598,883
Transfers from Stage 1	(926,532)	896,056	30,476	-
Transfers from Stage 2	416,125	(628,012)	211,887	-
Transfers from Stage 3	13,261	42,231	(55,492)	-
New financial assets, net of repayments and others	8,272,383	(198,750)	(25,677)	8,047,956
Amounts written off during the period	-	-	(373,131)	(373,131)
Total gross financing receivables	60,319,947	2,483,580	3,470,181	66,273,708
Expected credit losses	(1,254,157)	(390,487)	(3,022,595)	(4,667,239)
Carrying amount	59,065,790	2,093,093	447,586	61,606,469

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.

EMIRATES ISLAMIC BANK PJSC

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025 (UNAUDITED)

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

AED 000

	Unaudited 30 June 2025				Unaudited 30 June 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	(39,366)	32,487	6,879	-	(22,782)	22,024	758	-
Transfers from Stage 2	20,773	(86,868)	66,095	-	14,395	(50,559)	36,164	-
Transfers from Stage 3	-	3,827	(3,827)	-	3,470	2,860	(6,330)	-
Allowances for impairment made during the period	(19,459)	107,256	215,917	303,714	(5,222)	140,697	227,845	363,320
Write back / recoveries made during the period	-	-	(276,284)	(276,284)	-	-	(72,046)	(72,046)
Amounts written off during the period	-	-	(998,022)	(998,022)	-	-	(373,131)	(373,131)
Others	-	-	44,851	44,851	-	-	(102,050)	(102,050)
Closing Balance	1,181,318	421,738	2,167,069	3,770,125	1,254,157	390,487	3,022,595	4,667,239