

Emirates Investment Bank P.J.S.C.

INTERIM CONDENSED FINANCIAL INFORMATION

FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2025

Emirates Investment Bank P.J.S.C.

Review report and interim condensed financial information for the six month period ended 30 June 2025

Contents	Pages
Review report on interim condensed financial information	1
Condensed interim statement of financial position	2
Condensed interim statement of profit or loss	3
Condensed interim statement of other comprehensive income	4
Condensed interim statement of cash flows	5
Condensed interim statement of changes in equity	6-7
Notes to the interim condensed financial information	8-23

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION TO THE SHAREHOLDERS OF EMIRATES INVESTMENT BANK P.J.S.C

Introduction

We have reviewed the accompanying interim condensed financial information of Emirates Investment Bank P.J.S.C (the “Bank”) as at 30 June 2025 which comprise the interim condensed statement of financial position as at 30 June 2025 and the related interim condensed statement of profit or loss and statement of other comprehensive income for the three-month and six-month period then ended and, interim condensed statement of changes in equity and interim condensed statement of cash flows for the six-month period then ended and explanatory notes.

Management is responsible for the preparation and presentation of these interim condensed financial information in accordance with International Accounting Standard IAS 34, *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

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

Conclusion

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

Ernst & Young Middle East (Dubai Branch)



Sanjay Khiara
Registration No: 5513



13 August 2025

Dubai, United Arab Emirates


Emirates Investment Bank P.J.S.C.


INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

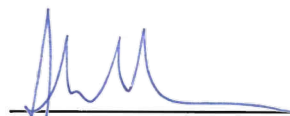
As at 30 June 2025

		30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
	Notes		
ASSETS			
Cash and balances with Central Bank of the UAE		634,558	893,752
Due from banks and financial institutions, net	3	498,136	527,273
Investments, net	4	2,547,605	2,738,944
Loans and advances, net	5	818,852	898,138
Investment in associate		72	72
Other assets		55,054	56,400
Property and equipment		2,553	2,615
Deferred tax assets		-	190
Intangible assets		1,450	486
TOTAL ASSETS		4,558,280	5,117,870
LIABILITIES AND EQUITY			
LIABILITIES			
Customer deposits	7	3,047,741	3,677,672
Current tax liabilities		18,797	11,443
Other liabilities		65,576	82,617
Deferred tax liabilities		1,885	-
TOTAL LIABILITIES		3,133,999	3,771,732
EQUITY			
Share capital		1,000,000	1,000,000
Legal reserve		56,625	56,625
Impairment reserve-general		34,536	29,832
Cumulative changes in fair value		62,356	33,491
Retained earnings		270,764	226,190
TOTAL EQUITY		1,424,281	1,346,138
TOTAL LIABILITIES AND EQUITY		4,558,280	5,117,870

The interim condensed financial information was approved by the Board of Directors on 13 August 2025 and signed on its behalf by:


Omar Abdullah Al Futtaim
(Chairman)


Edward Quinlan
(Director)


Eric Shehadeh
(Director)

Emirates Investment Bank P.J.S.C.

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS

For the six month period ended 30 June 2025 (Unaudited)

		<i>Three month period ended 30 June (Unaudited)</i>		<i>Six month period ended 30 June (Unaudited)</i>	
	<i>Notes</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>
Interest income from loans and placements	8	22,048	32,036	45,088	62,800
Net income from investments	9	31,985	32,168	65,341	62,768
		54,033	64,204	110,429	125,568
Interest expense		(16,522)	(21,473)	(33,553)	(41,460)
INTEREST AND INVESTMENT INCOME, NET		37,511	42,731	76,876	84,108
Fee, commission and other income, net		8,293	9,710	18,560	19,522
Exchange gain, net		2,157	3,978	4,194	8,326
OPERATING INCOME		47,961	56,419	99,630	111,956
General and administrative expenses		(20,631)	(24,677)	(40,788)	(45,661)
Net impairment reversal/(loss) on financial assets	6.1	25	(74)	(2,276)	(413)
OPERATING EXPENSES		(20,606)	(24,751)	(43,064)	(46,074)
PROFIT FOR THE PERIOD BEFORE TAX		27,355	31,668	56,566	65,882
Income tax expense	10	(3,485)	(2,469)	(7,288)	(5,548)
PROFIT FOR THE PERIOD		23,870	29,199	49,278	60,334
BASIC AND DILUTED EARNING PER SHARE (in AED)	11	2.39	2.92	4.93	6.03

The accompanying notes 1 to 20 form an integral part of this interim condensed financial information.

Emirates Investment Bank P.J.S.C.

INTERIM CONDENSED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the six month period ended 30 June 2025 (Unaudited)

	<i>Three month period ended 30 June (Unaudited)</i>		<i>Six month period ended 30 June (Unaudited)</i>	
	<i>2025 AED'000</i>	<i>2024 AED'000</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>
PROFIT FOR THE PERIOD	23,870	29,199	49,278	60,334
<i>Other comprehensive income/(loss)</i>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in the fair value of equity investments at fair value through other comprehensive income	4,397	(1,942)	6,469	12,250
Income tax related to the above	(72)	(1,040)	(66)	(1,040)
	4,325	(2,982)	6,403	11,210
<i>Items that will be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income:				
Reclassification to the statement of profit or loss	(63)	857	(383)	2,803
Net changes in the fair value during the period	10,194	(1,046)	23,746	(2,833)
Change in allowance for expected credit losses	18	88	1,174	25
Income tax related to the above	(781)	-	(2,075)	-
	9,368	(101)	22,462	(5)
Other comprehensive income for the period	13,693	(3,083)	28,865	11,205
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	37,563	26,116	78,143	71,539

The accompanying notes 1to 20 form an integral part of this interim condensed financial information.

Emirates Investment Bank P.J.S.C.

INTERIM CONDENSED STATEMENT OF CASH FLOWS

For the six month period ended 30 June 2025 (Unaudited)

		<i>Six months period ended 30 June</i>	
	Notes	2025 AED'000	2024 AED'000
OPERATING ACTIVITIES			
Profit for the period before tax		56,566	65,882
Adjustments for:			
Depreciation on property and equipment		347	399
Amortization of intangible assets		170	188
Depreciation on right-of-use assets		2,494	1,755
Net impairment loss on financial assets	6.1	2,276	413
Operating profit before changes in operating assets and liabilities		61,853	68,637
Change in statutory reserve deposits with Central Bank of the UAE		4,115	814,444
Change in loans and advances, net		78,470	(407,990)
Change in investments, net		218,895	(362,468)
Change in other assets		(1,054)	(11,485)
Change in customers' deposits		(629,931)	420,119
Change in other liabilities		(12,497)	(54,805)
Net cash (used)/generated from operating activities		(280,149)	466,452
INVESTING ACTIVITY			
Purchase of property and equipment		(285)	(50)
Purchase of intangible assets		(1,134)	-
Net cash used in investing activity		(1,419)	(50)
FINANCING ACTIVITIES			
Payment of principal portion of lease liabilities		(2,593)	(1,803)
Net cash used in financing activities		(2,593)	(1,803)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(284,161)	464,599
Cash and cash equivalents at 1 January		1,185,539	648,831
CASH AND CASH EQUIVALENTS AT 30 JUNE		901,378	1,113,430
Cash and cash equivalents comprise the following amounts in the interim condensed statement of financial position with original maturities of six months or less:			
Cash and balances with the Central Bank of the UAE (excluding statutory deposits)		408,486	458,478
Due from banks		492,892	654,952
		901,378	1,113,430
Operational cash flows from interest and dividends			
Interest paid		(38,451)	(34,355)
Interest received (including interest from investments)		106,960	112,347
Dividends received		7,222	6,067

The accompanying notes 1 to 20 form an integral part of this interim condensed financial information.

Emirates Investment Bank P.J.S.C.

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

For the six month period ended 30 June 2025 (Unaudited)

	<i>Share capital AED'000 (Unaudited)</i>	<i>Statutory reserve AED'000 (Unaudited)</i>	<i>Impairment reserve- general AED'000 (Unaudited)</i>	<i>Cumulative changes in fair values AED'000 (Unaudited)</i>	<i>Retained earnings AED'000 (Unaudited)</i>	<i>Total AED'000 (Unaudited)</i>
At 1 January 2025	1,000,000	56,625	29,832	33,491	226,190	1,346,138
Profit for the period	-	-	-	-	49,278	49,278
Other comprehensive income for the period	-	-	-	28,865	-	28,865
Total comprehensive income for the period	-	-	-	28,865	49,278	78,143
Transfer to impairment reserve-general	-	-	4,704	-	(4,704)	-
Balance at 30 June 2025	1,000,000	56,625	34,536	62,356	270,764	1,424,281

The accompanying notes 1 to 20 form an integral part of this interim condensed financial information.

Emirates Investment Bank P.J.S.C.

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (continued)

For the six month period ended 30 June 2024 (Unaudited)

	<i>Share capital AED'000 (Unaudited)</i>	<i>Legal reserve AED'000 (Unaudited)</i>	<i>Credit impairment reserve* AED'000 (Unaudited)</i>	<i>Cumulative changes in fair values AED'000 (Unaudited)</i>	<i>Retained earnings AED'000 (Unaudited)</i>	<i>Total AED'000 (Unaudited)</i>
At 1 January 2024	1,000,000	45,754	25,306	11,089	132,176	1,214,325
Profit for the period	-	-	-	-	60,334	60,334
Other comprehensive income for the period	-	-	-	11,205	-	11,205
Total comprehensive income for the period	-	-	-	11,205	60,334	71,539
Transfer to credit impairment reserve	-	-	1,948	-	(1,948)	-
Gain on disposal of equity instruments at fair value through other comprehensive income	-	-	-	(698)	698	-
Balance at 30 June 2024	1,000,000	45,754	27,254	21,596	191,260	1,285,864

The accompanying notes 1 to 20 form an integral part of this interim condensed financial information.

1 GENERAL INFORMATION

Emirates Investment Bank P.J.S.C. (the “Bank”) was incorporated on 17 February 1976 in Dubai, United Arab Emirates by a decree of HH The Ruler of Dubai. The Bank is registered under the UAE Federal Law No. (32) of 2021 (the “Companies law”) as a Public Joint Stock Company. During 2023, the Bank received a restricted banking license under the Restricted License Bank Regulation (Circular 23/2022), issued by the Central Bank of the UAE (“CBUAE”).

The Bank is engaged in the business of investment advisory and wealth management. The address of the Bank’s registered office is P. O. Box 5503, Dubai, United Arab Emirates.

The Bank is a subsidiary of Al Futtaim Private Company LLC which holds 92.39% (2024: 92.39%) of the shares in the Bank.

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed financial information of the Bank is prepared in accordance with International Accounting Standard 34: *Interim Financial Reporting*, issued by the International Accounting Standards Board (‘IASB’) and comply with the applicable requirements of the laws in the U.A.E.

The interim condensed financial information does not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Bank’s annual financial statements for the year ended 31 December 2024.

In addition, results for the six month period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

The accounting policies applied by the Bank in the preparation of the interim condensed financial information are consistent with those applied in the preparation of annual audited financial statements for the year ended 31 December 2024, unless otherwise stated.

2.2 Significant management judgments and estimates

In the application of the Bank’s accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing this interim condensed financial information, the significant judgments made by management in applying the Bank’s accounting policies and the key sources of estimation uncertainty are consistent with those that applied to the consolidated financial statements for the year ended 31 December 2024.

2.3 New and revised IFRS applied on the interim condensed financial information

The following new and revised IFRS, which became effective for annual periods beginning on or after 1 January 2025, have been adopted in this interim financial information. The application of these revised IFRSs, except where stated, have not had any material impact on the amounts reported for the current and prior periods.

Amendments to IAS 21 – Lack of Exchangeability

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six month period ended 30 June 2025 (Unaudited)

3 DUE FROM BANKS, NET

	<i>30 June 2025 AED'000 (Unaudited)</i>	<i>31 December 2024 AED'000 (Audited)</i>
Placements	181,581	330,732
Call and short notice	316,820	196,751
	<u>498,401</u>	<u>527,483</u>
Less: allowance for impairment (note 6)	(265)	(210)
	<u>498,136</u>	<u>527,273</u>

4 INVESTMENTS, NET

	<i>30 June 2025 AED'000 (Unaudited)</i>	<i>31 December 2024 AED'000 (Audited)</i>
<i>Investment at fair value through profit or loss</i>		
<i>Equity instruments</i>		
Unquoted	15,526	18,489
Total investments measured at fair value through profit or loss	<u>15,526</u>	<u>18,489</u>
<i>Investments at fair value through other comprehensive income</i>		
<i>Debt instruments</i>		
Quoted	2,229,752	2,456,188
<i>Equity instruments</i>		
Quoted	103,115	91,240
Unquoted	3,227	8,631
	<u>106,342</u>	<u>99,871</u>
Total investments measured at fair value through other comprehensive income	<u>2,336,094</u>	<u>2,556,059</u>
<i>Investments at amortised cost</i>		
<i>Debt instruments</i>		
Quoted	228,732	197,008
Total investments measured at amortised cost	<u>228,732</u>	<u>197,008</u>
Gross investments	<u>2,580,352</u>	<u>2,771,556</u>
Less: allowance for impairment (note 6)	(32,747)	(32,612)
Investments, net	<u>2,547,605</u>	<u>2,738,944</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six month period ended 30 June 2025 (Unaudited)

4 INVESTMENTS, NET (continued)

The Bank uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 30 June 2025, the Bank held the following investments measured as follows:

	<i>Total</i>	<i>Investments carried at fair value</i>		<i>Investments</i>
	<i>AED'000</i>	<i>Level 1</i>	<i>Level 3</i>	<i>carried at</i>
	<i>(Unaudited)</i>	<i>AED'000</i>	<i>AED'000</i>	<i>amortized cost</i>
		<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>AED'000</i>
				<i>(Unaudited)</i>
Debt instruments:				
Domestic	702,435	630,208	-	72,227
Regional	305,141	238,505	-	66,636
International	1,450,908	1,361,039	-	89,869
Equity instruments:				
Domestic	106,342	63,561	42,781	-
International	15,526	-	15,526	-
Gross investments	2,580,352	2,293,313	58,307	228,732
Less: allowance for impairment (note 6)	(32,747)			
Investments, net	2,547,605			

The fair value of debt investments carried at amortised cost as at 30 June 2025 amounts to AED 188,470 thousand (31 December 2024: AED 154,692 thousand) and these investments would be classified as level 1 within the fair value hierarchy.

As at 31 December 2024, the Bank held the following investments measured as follows:

	<i>Total</i>	<i>Investments carried at fair value</i>		<i>Investments</i>
	<i>AED'000</i>	<i>Level 1</i>	<i>Level 3</i>	<i>carried at</i>
	<i>(Audited)</i>	<i>AED'000</i>	<i>AED'000</i>	<i>amortised cost</i>
		<i>(Audited)</i>	<i>(Audited)</i>	<i>AED'000</i>
				<i>(Audited)</i>
Debt instruments:				
Domestic	836,375	769,132	-	67,243
Regional	319,925	269,282	-	50,643
International	1,496,896	1,417,774	-	79,122
Equity instruments:				
Domestic	99,871	53,096	46,775	-
International	18,489	-	18,489	-
Gross investments	2,771,556	2,509,284	65,264	197,008
Less: allowance for impairment (note 6)	(32,612)			
Investments, net	2,738,944			

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six month period ended 30 June 2025 (Unaudited)

4 INVESTMENTS, NET (continued)

The following table shows a reconciliation of the opening and closing amounts of level 3 investments recorded at fair value:

	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
At the beginning of the period/year	65,264	36,995
Net unrealised (loss)/ gain recognised in other comprehensive income	(3,994)	4,224
Net loss recognised in profit or loss	(1,495)	-
Transfers into Level 3	-	24,275
Disposal	(1,468)	(230)
At the end of the period/year	58,307	65,264

Level 3 investments include unquoted investments and quoted investments which are not actively traded. The fair value of financial instruments classified as level 3 are 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 Bank employs valuation techniques, depending on the instrument type and available market data.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist, analysis of the investee's financial position and results, risk profile and other factors. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

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. Any change in one or more of the unobservable inputs to reflect reasonably possible alternative assumptions would not change the fair value significantly.

5 LOANS AND ADVANCES, NET

	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Gross loans and advances	823,017	909,651
Less: allowance for impairment (note 6)	(4,165)	(11,002)
Less: interest and fees in suspense	-	(511)
Loans and advances, net	818,852	898,138

Management considers that the carrying amounts of loans and advances approximate their fair values as these are substantially short term in nature and carry market rates of interest.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six month period ended 30 June 2025 (Unaudited)

6 ALLOWANCES FOR IMPAIRMENT LOSSES ON FINANCIAL ASSETS
Movement in allowances for impairment losses

	<i>30 June 2025 AED'000 (Unaudited)</i>	<i>31 December 2024 AED'000 (Audited)</i>
<i>Allowance on due from banks</i>		
At 1 January	210	364
Charge/(reversal) for the period/year	55	(154)
	<u>265</u>	<u>210</u>
<i>Allowance on loans and advances</i>		
At 1 January	11,002	8,657
Charge for the period/year	816	2,345
Loans and advances written off	(7,653)	-
	<u>4,165</u>	<u>11,002</u>
<i>Allowance on Investments – measured at amortised cost</i>		
At 1 January	32,612	33,259
Charge/(reversal) for the period/year	135	(647)
	<u>32,747</u>	<u>32,612</u>
<i>Allowance on other assets</i>		
At 1 January	-	-
Charge for the period/year	96	-
	<u>96</u>	<u>-</u>

Expected credit losses by stage

The analysis of expected credit losses by stage for loans and advances, investment in debt instruments measured at amortised cost, due from banks and other assets is as follows:

	<i>30 June 2025 AED'000 (Unaudited)</i>	<i>31 December 2024 AED'000 (Audited)</i>
Expected credit losses- Lifetime ECL (Stage 3)	33,448	40,861
Expected credit losses- 12-months ECL (Stage 1)	3,825	2,963
Expected credit losses- Lifetime ECL (Stage 2)	-	-
Expected credit losses (Stage 1 and 2)	<u>3,825</u>	<u>2,963</u>
Total expected credit losses	<u>37,273</u>	<u>43,824</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six month period ended 30 June 2025 (Unaudited)

6 ALLOWANCES FOR IMPAIRMENT LOSSES ON FINANCIAL ASSETS (continued)

6.1 Net impairment loss on financial assets

	<i>Three-month period ended 30 June</i>		<i>Six-month period ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Impairment (loss) / reversal on investments measured at amortized cost	(68)	203	(135)	314
Impairment (loss) / reversal on investments measured at FVOCI	(18)	(88)	(1,174)	(25)
Impairment reversal / (loss) on loans and advances	114	(154)	(816)	(776)
Impairment reversal / (loss) on due from banks	5	(35)	(55)	74
Impairment loss on other assets	(8)	-	(96)	-
	25	(74)	(2,276)	(413)

7 CUSTOMER DEPOSITS

	<i>30 June 2025 AED'000 (Unaudited)</i>	<i>31 December 2024 AED'000 (Audited)</i>
Time deposits	1,594,387	2,630,740
Call accounts	1,453,354	1,046,932
	3,047,741	3,677,672

8 INTEREST INCOME FROM LOANS AND PLACEMENTS

	<i>Three-month period ended 30 June</i>		<i>Six-month period ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Loans and advances	15,362	18,411	31,407	32,730
Bank placements	6,686	13,625	13,681	30,070
	22,048	32,036	45,088	62,800

9 NET INCOME FROM INVESTMENTS

	<i>Three-month period ended 30 June</i>		<i>Six-month period ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Interest income on investments in debt instruments	29,905	30,925	60,590	58,498
Dividend income	3,512	2,163	7,222	6,067
Net realised loss on investments measured at amortised cost and FVOCI	(114)	181	(118)	(532)
Net (loss)/income from investments measured at fair value through profit or loss	(1,098)	(867)	(1,913)	(777)
Portfolio management fees paid to other financial institutions	(220)	(234)	(440)	(488)
	31,985	32,168	65,341	62,768

10 INCOME TAX

Income tax expense

Income tax expense comprises of current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination and for items recognized directly in equity in OCI.

The components of income tax expense for the period ended 30 June 2025 and 2024 are, as follows:

	<i>Three-month period ended 30 June</i>		<i>Six-month period ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Current income tax:				
Statement of profit or loss	3,485	2,469	7,288	5,548
Statement of other comprehensive income	72	1,040	66	1,040
Deferred tax				
Relating to origination and reversal of temporary differences	781	-	2,075	-
	4,338	3,509	9,429	6,588

The Bank is in the scope of the Pillar Two Global Anti-Base Erosion Rules (GloBE rules or Pillar Two rules) issued by the Organization for Economic Co-operation and Development (OECD) as the annual consolidated revenue of the parent company along with subsidiaries ("Group") exceeds Euro 750 million threshold. The top-up tax relates to the Bank's operations in the UAE, where the statutory tax rate is 9%, which is lower than its effective tax rate of 13% as applicable to Group. The Bank has recognised a current tax expense of AED 2,406 thousand during the six-month period ended 30 June 2025 related to the top-up tax (30 June 2024: AED nil) which is expected to be levied on the Bank.

On 23 May 2023, the IASB issued amendments to IAS 12 'Income taxes' introducing a mandatory temporary exception to the requirements of IAS 12 under which an entity does not recognise or disclose information about deferred tax assets and liabilities related to the Pillar Two rules. In line with IAS 12 (as amended), the Bank has applied the exception in relation to the above.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six month period ended 30 June 2025 (Unaudited)

11 BASIC AND DILUTED EARNING PER SHARE

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period. The calculations are as follows:

	<i>Three-month period ended 30 June</i>		<i>Six-month period ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Profit for the period	23,870	29,199	49,278	60,334
Weighted average number of shares	10,000,000	10,000,000	10,000,000	10,000,000
Basic earning per share (AED)	2.39	2.92	4.93	6.03

The figure for basic and diluted earnings per share is the same as the Bank has not issued any instruments which would have an impact on earnings per share.

In accordance with IAS 33 "Earnings Per Share", the impact of bonus shares and right shares issued have been considered retrospectively while computing the weighted average number of ordinary shares during all periods presented.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six month period ended 30 June 2025 (Unaudited)

12 SEGMENTAL ANALYSIS

For operating purposes, the Bank is organised into two major business segments: (a) Investments, which is principally involved in managing the Bank's own investment portfolio and provides treasury services; and (b) Banking Services, which principally manages clients' investment portfolios, provides credit facilities, accepts deposits from corporate and individual customers. These segments are the basis on which the Bank reports its primary segment information. Transactions between segments are conducted at rates determined by management taking into consideration the cost of funds and an equitable allocation of expenses and the Bank operations are primarily within the UAE.

Management monitors the operating results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

	<i>Investments</i>		<i>Banking Services</i>		<i>Total</i>	
	<i>Six month ended</i>		<i>Six month ended</i>		<i>Six month ended</i>	
	<i>30 June</i>		<i>30 June</i>		<i>30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Interest and investment income, net	78,888	92,838	(2,012)	(8,730)	76,876	84,108
Fee, commission and other income, net (including exchange gain)	1,902	3,701	20,852	24,147	22,754	27,848
Intersegment adjustments	(48,762)	(71,758)	48,762	71,758	-	-
Operating income	32,028	24,781	67,602	87,175	99,630	111,956
General and administrative expenses	(8,628)	(11,586)	(32,160)	(34,075)	(40,788)	(45,661)
Net impairment (loss)/ reversal on financial assets	(1,460)	363	(816)	(776)	(2,276)	(413)
Operating expenses	(10,088)	(11,223)	(32,976)	(34,851)	(43,064)	(46,074)
Profit before tax	21,940	13,558	34,626	52,324	56,566	65,882
Income tax expense					(7,288)	(5,548)
Profit for the year					49,278	60,334

	<i>Investments</i>		<i>Banking Services</i>		<i>Total</i>	
	<i>31 December</i>		<i>31 December</i>		<i>31 December</i>	
	<i>30 June 2025</i>	<i>2024</i>	<i>30 June 2025</i>	<i>2024</i>	<i>30 June 2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
Segment assets	3,708,409	4,187,818	849,871	930,052	4,558,280	5,117,870
Segment liabilities and equity	1,154,847	1,045,577	3,403,433	4,072,293	4,558,280	5,117,870

13 COMMITMENTS AND CONTINGENT LIABILITIES

Credit-related commitments and contingent liabilities

Credit-related commitments include commitments to extend credit, guarantees and acceptances which are designed to meet the requirements of the Bank's customers.

Guarantees and acceptances commit the Bank to make payments on behalf of customers, contingent upon the failure of the customers to perform under the terms of the contract.

The Bank has the following credit related contingent liabilities and commitments:

	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Guarantees	11,034	11,034
Unutilised committed credit facilities*	96,158	41,809
	107,192	52,843

The Bank has recorded ECL on the guarantees issued by it in line with the requirements of IFRS 9. All guarantees are classified as Stage 1 (31 December 2024: Stage 1). There was no transition in the staging of the guarantees during the period ended 30 June 2025 (2024: no transition).

The Bank has commitments of AED 29,350 thousand on account of investment in equity instruments (31 December 2024: AED 26,940 thousand).

* Unutilized committed credit facilities represent a contractual commitment to permit draw downs on a facility within a defined period subject to conditions precedent and termination clauses. As commitments may expire without being drawn down and since conditions precedent to draw down have to be fulfilled, the total contract amounts do not necessarily represent exact future cash requirements.

The Bank has received a legal claim in relation to alleged losses incurred by a claimant under a securities backed loan facility in effect in the prior years. The Bank has performed an assessment and has concluded that it has no legal obligation to the client in respect of this matter. Accordingly, no provision has been maintained by the Bank as at 30 June 2025.

14 RELATED PARTY TRANSACTIONS

The Bank enters into transactions in the ordinary course of business with related parties, defined as major shareholders, directors, key management personnel and their related companies. Transactions with such related parties are done on an arm's length basis, including interest rates and collateral, as those prevailing at the same time for comparable transactions with external customers and parties. Pricing policies and terms of related parties' transactions are approved by the Bank's management and the Board of Directors where appropriate.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six month period ended 30 June 2025 (Unaudited)

14 RELATED PARTY TRANSACTIONS (continued)

The significant balances outstanding in respect of related parties included in the interim condensed financial information are as follows:

	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Customer deposits	117,544	535,422
Loans and advances*	21	402,235
Other liabilities	1,332	1,215
Other assets	73	7,957
Guarantees	1,771	1,771

* These loans and advances are fully collateralised by customer deposits amounting to AED 33 thousand (31 December 2024: AED 402,235 thousand) from a related party.

Outstanding balances at the period end arise in the normal course of business. The Bank has recorded ECL on the loans and advances and guarantees provided to related parties in line with the requirements of IFRS 9. All related party balances are classified as Stage 1 (31 December 2024: Stage 1). There was no transition in the staging of the related party balances during the period ended 30 June 2025 (2024: no transition).

The income and expenses in respect of related parties included in the interim condensed financial information are as follows:

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025 AED'000 (Unaudited)	2024 AED'000 (Unaudited)	2025 AED'000 (Unaudited)	2024 AED'000 (Unaudited)
Interest income	-	8,425	1,756	12,968
Interest expense	(489)	(6,805)	(2,198)	(10,758)
Fee, commission and other income	333	1,154	929	4,464
General and administrative expenses	(2,186)	(1,661)	(4,343)	(3,299)

Compensation of key management personnel:

	Three-month period ended 30 June		Six-month period ended 30 June	
	2025 AED'000 (Unaudited)	2024 AED'000 (Unaudited)	2025 AED'000 (Unaudited)	2024 AED'000 (Unaudited)
Salaries and other benefits	6,405	3,702	10,221	14,486

15 DERIVATIVE FINANCIAL INSTRUMENTS

In the ordinary course of business, the Bank enters into transactions that involve derivative financial instruments. A derivative financial instrument is a financial contract between two parties where payments are dependent upon movements in price in one or more underlying financial instruments, reference rate or index. The purpose of derivative financial instruments in the Bank's business is to mitigate the risks arising from default, currency and interest fluctuations and other market variables. The Bank uses forward foreign exchange contracts and options to mitigate the currency risk on certain investments.

15 DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

There were no derivative instruments held by the Bank as of 30 June 2025 and 31 December 2024.

Derivatives often involve at their inception only a mutual exchange of promises with little or no transfer of consideration. A relatively small movement in the value of the asset, rate or index underlying a derivative contract may have an impact on the profit or loss of the Bank. The Bank's exposure under derivative contracts is closely monitored as part of the overall management of the Bank's market risk.

16 RISK MANAGEMENT**Credit risk**

Credit risk is the risk that a customer or counterparty will fail to meet a commitment, resulting in financial loss to the Bank. Such risk arises from lending, trade finance, treasury and other activities undertaken by the Bank. Credit risk is actively monitored in accordance with the credit policies which clearly define delegated lending authorities, policies and procedures. The management of credit risk also involves the monitoring of risk concentrations by industrial sector as well as by geographic location.

Movement in gross carrying amount

The following table explains the changes in the gross carrying amount of financial assets from 1 January 2025 to 30 June 2025 and 1 January 2024 to 31 December 2024:

	<i>30 June 2025 (Unaudited)</i>			
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	
	<i>12-month ECL</i>	<i>Lifetime ECL</i>	<i>Lifetime ECL</i>	<i>Total</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
<i>Due from banks</i>				
As at 1 January 2025	527,483	-	-	527,483
New financial assets originated	315,050	-	-	315,050
Repayment and other movements	(344,132)	-	-	(344,132)
As at 30 June 2025	498,401	-	-	498,401
<i>Loans and advances</i>				
As at 1 January 2025	900,702	-	8,949	909,651
Transfers				
Transfer from Stage 1 to Stage 2	(5)	5	-	-
Transfer from Stage 2 to Stage 3	-	(5)	5	-
New financial assets originated	483,616	-	-	483,616
Repayments and other movements	(562,321)	-	235	(562,086)
Write off	-	-	(8,164)	(8,164)
As at 30 June 2025	821,992	-	1,025	823,017
<i>Investments – measured at amortised cost</i>				
As at 1 January 2025	164,585	-	32,423	197,008
New financial assets originated	32,452	-	-	32,452
Redemption and other movements	(728)	-	-	(728)
As at 30 June 2025	196,309	-	32,423	228,732

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six month period ended 30 June 2025 (Unaudited)

16 RISK MANAGEMENT (continued)

Credit risk (continued)

Movement in gross carrying amount (continued)

	31 December 2024 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL	Lifetime ECL	
	AED'000	AED'000	AED'000	AED'000
<i>Due from banks</i>				
As at 1 January 2024	653,913	-	-	653,913
New financial assets originated	330,749	-	-	330,749
Repayment and other movements	(457,179)	-	-	(457,179)
As at 31 December 2024	527,483	-	-	527,483
<i>Loans and advances</i>				
As at 1 January 2024	485,956	-	7,740	493,696
Transfers				
Transfer from Stage 1 to Stage 2	(352)	352	-	-
Transfer from Stage 2 to Stage 3	-	(352)	352	-
New financial assets originated	648,661	-	-	648,661
Repayment and other movements	(233,563)	-	857	(232,706)
As at 31 December 2024	900,702	-	8,949	909,651
<i>Investments – measured at amortised cost</i>				
As at 1 January 2024	361,600	3,673	32,423	397,696
Redemption and other movements	43,186	-	-	43,186
Repayment and other movements	(240,201)	(3,673)	-	(243,874)
As at 31 December 2024	164,585	-	32,423	197,008

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six month period ended 30 June 2025 (Unaudited)

16 RISK MANAGEMENT (continued)
Credit risk (continued)
Movement in loss allowance

The following table explain the changes in the loss allowance on financial asset from 1 January 2025 to 30 June 2025 and 1 January 2024 to 31 December 2024:

	30 June 2025 (Unaudited)			
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	
	<i>12-month ECL</i>	<i>Lifetime ECL</i>	<i>Lifetime ECL</i>	<i>Total</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
<i>Due from banks</i>				
As at 1 January 2025	210	-	-	210
New financial assets originated	7	-	-	7
Changes in PDs/LGDs/EADs	48	-	-	48
	<u>265</u>	<u>-</u>	<u>-</u>	<u>265</u>
As at 30 June 2025	<u>265</u>	<u>-</u>	<u>-</u>	<u>265</u>
<i>Loans and advances</i>				
As at 1 January 2025	2,564	-	8,438	11,002
New financial assets originated	1,147	5	5	1,157
Changes in PDs/LGDs/EADs	(571)	(5)	235	(341)
Write off	-	-	(7,653)	(7,653)
	<u>3,140</u>	<u>-</u>	<u>1,025</u>	<u>4,165</u>
As at 30 June 2025	<u>3,140</u>	<u>-</u>	<u>1,025</u>	<u>4,165</u>
<i>Investments – measured at amortised cost</i>				
As at 1 January 2025	189	-	32,423	32,612
New financial assets originated	61	-	-	61
Changes in PDs/LGDs/EADs	74	-	-	74
	<u>324</u>	<u>-</u>	<u>32,423</u>	<u>32,747</u>
As at 30 June 2025	<u>324</u>	<u>-</u>	<u>32,423</u>	<u>32,747</u>

All guarantees issued by the Bank are collateralised by cash and classified as stage 1 within the ECL model as at 30 June 2025 and 31 December 2024.

	31 December 2024 (Audited)			
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	
	<i>12-month ECL</i>	<i>Lifetime ECL</i>	<i>Lifetime ECL</i>	<i>Total</i>
	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
<i>Due from banks</i>				
As at 1 January 2024	364	-	-	364
New financial assets originated	15	-	-	15
Changes in PDs/LGDs/EADs	(169)	-	-	(169)
	<u>210</u>	<u>-</u>	<u>-</u>	<u>210</u>
As at 31 December 2024	<u>210</u>	<u>-</u>	<u>-</u>	<u>210</u>
<i>Loans and advances</i>				
As at 1 January 2024	1,007	-	7,650	8,657
Transfers				
Transfer from Stage 1 to Stage 2	(1)	1	-	-
Transfer from Stage 2 to Stage 3	-	(1)	1	-
New financial assets originated	1,919	-	-	1,919
Changes in PDs/LGDs/EADs	(361)	-	787	426
	<u>2,564</u>	<u>-</u>	<u>8,438</u>	<u>11,002</u>
As at 31 December 2024	<u>2,564</u>	<u>-</u>	<u>8,438</u>	<u>11,002</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six month period ended 30 June 2025 (Unaudited)

16 RISK MANAGEMENT (continued)

Credit risk (continued)

Movement in loss allowance (continued)

	31 December 2024 (Audited)			Total AED'000
	Stage 1	Stage 2	Stage 3	
	12-month ECL AED'000	Lifetime ECL AED'000	Lifetime ECL AED'000	
Investments – measured at amortised cost				
As at 1 January 2024	821	15	32,423	33,259
New financial assets originated	37	-	-	37
Changes in PDs/LGDs/EADs	(669)	(15)	-	(684)
As at 31 December 2024	189	-	32,423	32,612

17 CAPITAL ADEQUACY

The Central Bank of UAE ('CBUAE') supervises the Bank and therefore receives information on the capital adequacy of, and sets capital requirements for, the Bank. Effective from 2017, the capital is computed at a Bank level using the Basel III framework of the Basel Committee on Banking Supervision ('Basel Committee'), after applying the amendments advised by the CBUAE, within national discretion.

The capital adequacy ratio as per Basel III framework is given below:

	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Common Equity Tier 1 capital		
Issued capital	1,000,000	1,000,000
Legal reserve	56,625	56,625
Retained earnings	270,764	226,190
Fair value reserve	15,372	(224)
Regulatory deductions	(316)	(486)
Total CET I capital	1,342,445	1,282,105
Tier II capital		
Eligible general provisions	31,968	27,329
Total tier II capital	31,968	27,329
Total eligible capital	1,374,413	1,309,434
Risk weighted exposure		
Credit risk	2,557,420	2,186,315
Market risk	4,927	2,873
Operational risk	331,284	295,768
Total	2,893,631	2,484,956
Capital Ratio	Minimum requirement	
Total capital ratio	13%	47.50%
Tier I ratio	11%	46.39%
CET I ratio	9.5%	46.39%

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the six month period ended 30 June 2025 (Unaudited)

18 FIDUCIARY ASSETS

	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Balance of fiduciary assets	7,118,185	6,537,803

The Bank provides custody services for its customers' assets. These assets are held by the Bank in a fiduciary capacity and are, accordingly, not included in these interim condensed financial information as assets of the Bank.

19 SUBSEQUENT EVENTS

There have been no events subsequent to the statement of financial position date that would significantly affect the amounts reported in the interim condensed financial information as at and for the six month period ended 30 June 2025.

20 COMPARATIVE FIGURES

Certain comparative figures have been reclassified where appropriate to conform to the presentation adopted in this interim condensed financial information.