



60 years together معاً 60 عاماً

Celebrating

1963
2023

Years

Directors' Report

The Directors have pleasure in presenting their report together with the audited consolidated financial statements of Emirates NBD Bank (P.J.S.C.) ("the Bank") and its subsidiaries (collectively known as "the Group") for the year ended 31 December 2023.

The Bank was incorporated in the United Arab Emirates (the UAE) on 16 July 2007, pursuant to the approval from the Central Bank of the UAE on 3 July 2007 to grant the Bank a banking license.

Basis of Preparation of Financial Statements

The Group's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB) and applicable requirements of the laws of the UAE.

Financial Commentary

The Group reported a consolidated profit (attributable to equity holders) of AED 21,480 million for the year 2023, which represents an increase of 65 percent over 2022 on significant loan growth, a stable low-cost funding base, increased transaction volumes and substantial recoveries. The Group has continued to focus on:

- Deliver an Excellent Customer Experience
- Drive Core Businesses
- Focus on Future Potential
- Drive International Diversification
- Build Market Leading Infrastructure
- Develop a Dynamic Organisation

2023 witnessed strong Retail lending momentum with Corporate and Institutional Banking closing landmark deals for large multinational customers. All business units delivered an outstanding performance, driving income 32% higher as we continued financing the real economy.

The impressive results and solid balance sheet helped to maintain Group's strong investment-grade credit ratings from both Moody's and Fitch.

International expansion continues with additional branches in the Kingdom of Saudi Arabia and accelerated investment in our digital capabilities to support future growth. The Group continues to diversify with 32% percent of income coming from international operations.

GCC economies have been resilient against a weaker global backdrop and higher interest rates. PMI surveys indicate robust activity in non-oil sectors in 2023 across the region. Emirates NBD Research revised up their forecast for UAE non-oil GDP growth to 5.0% for 2023. The UAE's national energy strategy expects up to AED 200 billion of investment as it triples the contribution of renewable energy by 2030. Other economic sectors such as tourism are flourishing with Dubai recording record visitor numbers. The UAE's property market remains buoyant on international demand and population growth. In the wider MENAT region, Egypt continues to explore asset sales reflecting their commitment to revamp the economy and Türkiye increased interest rates to help address inflation.

These strong results demonstrate the financial resilience of the Group's diversified business model with all business units delivered an increase in profit. The Group's balance sheet strengthened with improvements in deposit mix, credit quality, core capital and liquidity. Emirates NBD continues to support businesses and customers while investing in its digital platform and international network to drive future growth.

Group earnings per share was AED 3.32 (2022: AED 1.98) and the Group adjusted earnings per share (excluding the impact of hyperinflation) was AED 3.99 (2022: 2.47).

The Group achieved a return on average tangible equity of 24.3 percent (2022: 17.1 percent) and a return on average total assets of 2.7 percent (2022: 1.8 percent).

Equity and Note Holders' Funds

Total equity and note holders' funds as at the end of 2023 stands at AED 109,799 million (2022: AED 93,199 million).

Proposed Appropriations

The Directors also propose the following appropriations from retained earnings:

	AED million
Retained earnings as at 1 January 2023	62,346
Group profit for the year (attributable to equity holders)	21,480
Other comprehensive income / (loss) for the year	(104)
Retained earnings available for appropriation	83,722
(a) 2022 Cash dividend paid during 2023	(3,786)
(b) Interest on Tier 1 Capital Notes	(511)
(c) Directors' fees for 2023	(31)
(d) Zakat	(21)
Balance of retained earnings as at 31 December 2023	79,373

Board and Board Committee meetings during 2023

Emirates NBD Board of Directors

H.H. Sheikh Ahmad Bin Saeed Al Maktoum	Chairman
Mr. Hesham Abdulla Al Qassim	Vice Chairman
H.E. Mohamed Hadi Al Hussaini	Director
H.E. Huda Sayed Naim Al Hashimi	Director
H.E. Khalid Juma Al Majid	Director
Mr. Buti Obaid Al Mulla	Director
Mr. Salem Mohammed Obaidalla	Director
Mr. Ali Humaid Al Owais	Director
Mr. Jassim Mohammed Al Ali	Director

Total Number of Meetings: 6

Emirates NBD Board Executive Committee

Mr. Hesham Abdulla Al Qassim	Chairman of the Committee
HE. Mohamed Hadi Ahmad Al Hussaini	Member
Mr. Ali Humaid Ali Al Owais	Member
Mr. Salem Mohammed Obaidalla	Member

Total Number of Meetings: 17

Directors' Report continued

Board and Board Committee meetings during 2023 continued

Emirates NBD Board Audit Committee

Mr. Jassim Mohammed Abdulrahim Al Ali	Chairman of the Committee
Mr. Hesham Abdulla Al Qassim	Member
Mr. Salem Mohammed Obaidalla	Member

Total Number of Meetings: 5

Emirates NBD Board Nomination, Remuneration and Environmental, Social and Governance Committee

Mr. Buti Obaid Buti Al Mulla	Chairman of the Committee
Mr. Hesham Abdulla Al Qassim	Member
Mr. Ali Humaid Ali Al Owais	Member

Total Number of Meetings: 5

Emirates NBD Board Risk Committee

Mr. Ali Humaid Ali Al Owais	Chairman of the Committee
Mr. Hesham Abdulla Al Qassim	Member
Mr. Salem Mohammed Obaidalla	Member (resigned June 2023)
Mr. Jassim Mohammed Abdulrahim Al Ali	Member (appointed June 2023)

Total Number of Meetings: 4

Emirates NBD Board Credit and Investment Committee

Mr. Hesham Abdulla Al Qassim	Chairman of the Committee
HE. Mohamed Hadi Ahmad Al Hussaini	Member
Mr. Ali Humaid Ali Al Owais	Member
Mr. Salem Mohammed Obaidalla	Member

Total Number of Meetings: 51

Board Profit Equalization Committee


Mr. Hesham Abdulla Al Qassim	Chairman of the Committee
Mr. Buti Obaid Buti Al Mulla	Member
Dr. Salim Al Ali (ISSC representative)	Member

Total Number of Meetings: 4

Auditors:

Deloitte and Touche (M.E.) were appointed as auditors of the Emirates NBD Group for the 2023 financial year at the Annual General Meeting held on 22 February 2023.

On behalf of the Board



H.H. Sheikh Ahmad Bin Saeed Al Maktoum

Chairman

Dubai, UAE
24 January 2024

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