

EMIRATES NBD BANK (P.J.S.C.)

GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025



EMIRATES NBD BANK (P.J.S.C.)

GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Emirates NBD Bank (P.J.S.C.) (the “Bank”) and its subsidiaries (together referred to as the “group”) as at 30 June 2025 which comprise the condensed consolidated interim statement of financial position as at 30 June 2025 and the related condensed consolidated interim statement of income, condensed consolidated interim statement of comprehensive income for the three-month and six-month period then ended, and condensed consolidated interim statement of cash flows and condensed consolidated interim statement of 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 IAS 34, *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this 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, *Interim Financial Reporting*.

Other Matter

The condensed consolidated interim financial statements of the Group as of 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 as of 31 December 2024, were audited by another auditor whose report dated 28 January 2025 expressed an unmodified opinion on those consolidated financial statements.

Ernst & Young Middle East (Dubai Branch)



Anthony O'Sullivan
Registration No: 687

23 July 2025

Dubai, United Arab Emirates

EMIRATES NBD BANK (P.J.S.C.)

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

		Unaudited 30 June 2025 AED million	Audited 31 December 2024 AED million
<u>Assets</u>	Notes		
Cash and deposits with central banks	3	134,642	104,665
Due from banks	4	142,855	132,766
Investment securities	5	201,182	199,223
Loans and receivables	6	545,173	501,627
Positive fair value of derivatives	19	11,012	12,468
Customer acceptances		11,266	9,478
Property and equipment		8,218	7,941
Goodwill and intangibles		5,621	5,626
Other assets	7	25,672	22,788
Total Assets		1,085,641	996,582
<u>Liabilities</u>			
Due to banks		61,938	55,487
Customer deposits		736,714	666,777
Debt issued and other borrowed funds	8	72,822	72,476
Sukuks payable	9	10,181	7,427
Negative fair value of derivatives	19	15,417	15,897
Customer acceptances		11,266	9,478
Other liabilities	10	44,066	42,826
Total Liabilities		952,404	870,368
<u>Equity</u>			
Issued capital		6,317	6,317
Treasury shares		(46)	(46)
Tier I capital notes	12	9,129	9,129
Share premium reserve		17,954	17,954
Legal and statutory reserve		3,158	3,158
Other reserves		2,945	2,945
Fair value reserve		(1,104)	(1,132)
Currency translation reserve		(4,949)	(6,071)
Retained earnings		99,606	93,736
Total equity attributable to equity and note holders of the Group		133,010	125,990
Non-controlling interest		227	224
Total Equity		133,237	126,214
Total Liabilities and Equity		1,085,641	996,582

The attached notes 1 to 26 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.



Director



Director



Chief Executive Officer

23 JUL 2025

EMIRATES NBD BANK (P.J.S.C.)

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

	Notes	Unaudited three months period ended 30 June 2025 AED million	Unaudited three months period ended 30 June 2024 AED million	Unaudited six months period ended 30 June 2025 AED million	Unaudited six months period ended 30 June 2024 AED million
Interest and similar income		17,074	16,930	33,794	32,154
Interest and similar expense		(10,486)	(10,422)	(20,398)	(19,685)
Net interest income		6,588	6,508	13,396	12,469
Income from islamic financing and investment products		2,686	2,158	5,164	4,218
Distribution on islamic deposits and profit paid to Sukuk holders		(898)	(726)	(1,729)	(1,337)
Net income from islamic financing and investment products		1,788	1,432	3,435	2,881
Net interest income and net income from islamic financing and investment products		8,376	7,940	16,831	15,350
Fee and commission income		3,810	3,273	7,379	6,259
Fee and commission expense		(1,798)	(1,530)	(3,479)	(2,863)
Net fee and commission income		2,012	1,743	3,900	3,396
Net gain on trading securities		502	202	696	400
Other operating income	13	1,173	829	2,511	2,230
Total operating income		12,063	10,714	23,938	21,376
General and administrative expenses	14	(3,587)	(3,041)	(7,263)	(6,111)
Operating profit before impairment		8,476	7,673	16,675	15,265
Net impairment (loss) / reversal	15	(187)	1,350	278	2,216
Operating profit before taxation and others		8,289	9,023	16,953	17,481
Hyperinflation adjustment on net monetary position	2	(611)	(736)	(1,510)	(1,617)
Profit for the period before taxation		7,678	8,287	15,443	15,864
Taxation charge	16	(1,372)	(1,224)	(2,918)	(2,085)
Profit for the period		6,306	7,063	12,525	13,779
Attributable to:					
Equity holders of the Group		6,301	7,058	12,515	13,760
Non-controlling interest		5	5	10	19
Profit for the period		6,306	7,063	12,525	13,779
Earnings per share (AED)	18	0.98	1.10	1.94	2.14

The attached notes 1 to 26 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 NBD BANK (P.J.S.C.)

**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 million	Unaudited three months period ended 30 June 2024 AED million	Unaudited six months period ended 30 June 2025 AED million	Unaudited six months period ended 30 June 2024 AED million
Profit for the period	6,306	7,063	12,525	13,779
<u>Other comprehensive income</u>				
Items that will not be reclassified subsequently to the statement of income:				
Movement in fair value reserve (equity instruments):				
- Net change in fair value	1	-	(2)	4
- Net amount transferred to retained earnings	-	-	-	128
- Related current tax	(1)	-	(1)	-
Items that may be reclassified subsequently to the statement of income:				
Cost of hedging for forward element of a forward and currency basis spread excluded from hedge effectiveness testing:				
Net changes in the cost of hedging	(95)	(74)	(64)	(76)
Cash flow hedges:				
- Effective portion of changes in fair value	(399)	289	(203)	207
- Net amount transferred to the statement of income	25	13	29	26
- Related deferred tax	39	(22)	19	(16)
Fair value reserve (debt instruments):				
- Net change in fair value	348	(21)	388	(90)
- Net amount transferred to the statement of income	(40)	(36)	(107)	(159)
- Related deferred tax	(78)	24	(31)	79
Currency translation reserves	(483)	(133)	(1,448)	(2,087)
Hedge of a net investment in foreign operation	(5)	2	(5)	5
Hyperinflation adjustment (note 2)	981	1,070	2,575	2,692
Other comprehensive income for the period	293	1,112	1,150	713
Total comprehensive income for the period	6,599	8,175	13,675	14,492
Attributable to:				
Equity holders of the Group	6,594	8,170	13,665	14,473
Non-controlling interest	5	5	10	19
Total comprehensive income for the period	6,599	8,175	13,675	14,492

The attached notes 1 to 26 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 NBD BANK (P.J.S.C.)

**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 million	Unaudited six months period ended 30 June 2024 AED million
<u>Operating activities</u>			
Profit for the period before taxation		15,443	15,864
Adjustment for non-cash and other items	22	(1,180)	(1,331)
Operating profit before changes in operating assets and liabilities		14,263	14,533
(Increase) / decrease in interest free statutory deposits		(26,490)	(15,133)
(Increase) / decrease in certificate of deposits with central banks maturing after three months		(65)	(42)
(Increase) / decrease in amounts due from banks maturing after three months		(20,364)	(2,762)
Increase / (decrease) in amounts due to banks maturing after three months		3,009	14,063
(Increase) / decrease in other assets		930	905
Increase / (decrease) in other liabilities		(4,239)	3,281
(Increase) / decrease in positive fair value of derivatives		1,158	1,055
Increase / (decrease) in negative fair value of derivatives		(480)	(75)
Increase / (decrease) in customer deposits		69,937	39,856
(Increase) / decrease in loans and receivables		(43,784)	(29,704)
		(6,125)	25,977
Taxes paid		(951)	(767)
Net cash flows generated from / (used in) operating activities		(7,076)	25,210
<u>Investing activities</u>			
(Increase) / decrease in investment securities		650	(435)
(Increase) / decrease of property and equipment		371	(1,954)
Dividend income received		9	4
Net cash flows generated from / (used in) investing activities		1,030	(2,385)
<u>Financing activities</u>			
Issuance of debt issued and other borrowed funds	8	13,026	17,710
Issuance of Sukuks	9	2,754	2,754
Repayment of debt issued and other borrowed funds	8	(13,304)	(13,297)
Issuance of Tier I capital notes	12	3,664	-
Repayment of Tier I capital notes	12	(3,664)	-
Interest on Tier I capital notes		(282)	(255)
Dividends paid		(6,311)	(7,573)
Acquisition of non-controlling interest		(70)	-
Net cash flows generated from / (used in) financing activities		(4,187)	(661)
Increase / (decrease) in cash and cash equivalents	22	(10,233)	22,164

The attached notes 1 to 26 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 NBD BANK (P.J.S.C.)

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

	ATTRIBUTABLE TO EQUITY AND NOTE HOLDERS OF THE GROUP										Non-controlling interest	Group Total
	Issued capital	Treasury shares	Tier I capital notes	Share premium reserve	Legal and statutory reserve	Other reserve	Fair value reserve	Currency translation reserve	Retained earnings	Total		
	AED million	AED million	AED million	AED million	AED million	AED million	AED million	AED million	AED million	AED million	AED million	AED million
Balance as at 1 January 2025	6,317	(46)	9,129	17,954	3,158	2,945	(1,132)	(6,071)	93,736	125,990	224	126,214
Profit for the period	-	-	-	-	-	-	-	-	12,515	12,515	10	12,525
Other comprehensive income for the period	-	-	-	-	-	-	28	1,122	-	1,150	-	1,150
Tier I capital notes issued during the period (Note 12)	-	-	3,664	-	-	-	-	-	-	3,664	-	3,664
Tier I capital notes redeemed during the period (Note 12)	-	-	(3,664)	-	-	-	-	-	-	(3,664)	-	(3,664)
Interest on Tier I capital notes	-	-	-	-	-	-	-	-	(282)	(282)	-	(282)
Gain / (loss) on sale of FVOCI equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
Change in non-controlling interest	-	-	-	-	-	-	-	-	(52)	(52)	(7)	(59)
Dividends paid* (Note 11)	-	-	-	-	-	-	-	-	(6,311)	(6,311)	-	(6,311)
Balance as at 30 June 2025	6,317	(46)	9,129	17,954	3,158	2,945	(1,104)	(4,949)	99,606	133,010	227	133,237

EMIRATES NBD BANK (P.J.S.C.)

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (CONTINUED)
 FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025 (UNAUDITED)

ATTRIBUTABLE TO EQUITY AND NOTE HOLDERS OF THE GROUP

	Issued capital	Treasury shares	Tier I capital notes	Share premium reserve	Legal and statutory reserve	Other reserve	Fair value reserve	Currency translation reserve	Retained earnings	Total	Non-controlling interest	Group Total
	AED million	AED million	AED million	AED million	AED million	AED million	AED million	AED million	AED million	AED million	AED million	AED million
Balance as at 1 January 2024	6,317	(46)	9,129	17,954	3,158	2,945	(1,570)	(7,461)	79,373	109,799	173	109,972
Profit for the period	-	-	-	-	-	-	-	-	13,760	13,760	19	13,779
Other comprehensive income for the period	-	-	-	-	-	-	103	610	-	713	-	713
Tier I capital notes issued during the period (Note 12)	-	-	-	-	-	-	-	-	-	-	-	-
Tier I capital notes redeemed during the period (Note 12)	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Tier I capital notes	-	-	-	-	-	-	-	-	(255)	(255)	-	(255)
Gain / (loss) on sale of FVOCI equity instruments	-	-	-	-	-	-	-	-	(116)	(116)	-	(116)
Change in non-controlling interest	-	-	-	-	-	-	-	-	-	-	26	26
Dividends paid* (Note 11)	-	-	-	-	-	-	-	-	(7,573)	(7,573)	-	(7,573)
Balance as at 30 June 2024	6,317	(46)	9,129	17,954	3,158	2,945	(1,467)	(6,851)	85,189	116,328	218	116,546

*Dividend paid is net of the amount attributable to treasury shares.

The attached notes 1 to 26 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 NBD Bank (P.J.S.C.) (the 'Bank') was incorporated in the United Arab Emirates on 16 July 2007 consequent to the merger between Emirates Bank International (P.J.S.C.) and National Bank of Dubai (P.J.S.C.), under the Commercial Companies Law (Federal Law Number 8 of 1984 as amended) as a Public Joint Stock Company.

The Group condensed consolidated interim financial statements for the period ended 30 June 2025 comprise the interim financial statements of the Bank and its subsidiaries (together referred to as the 'Group').

The Group is listed on the Dubai Financial Market (TICKER: 'EMIRATESNBD'). The Group's principal business activities are corporate and institutional banking, retail banking, treasury and islamic banking. The Bank's website is www.emiratesnbd.com.

The registered address of the Bank is Post Box 777, Dubai, United Arab Emirates (UAE).

The parent of the Group is Investment Corporation of Dubai, which is wholly owned by the Government of Dubai.

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

These Group 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 Group condensed consolidated interim financial statements are consistent with those applied by the Group in the annual consolidated financial statements for the year ended 31 December 2024.

These Group condensed consolidated interim financial statements do not include all the information and disclosures required for full annual consolidated financial statements prepared in accordance with International Financial Reporting Standards - Accounting Standards (IFRS Accounting Standards) and should be read in conjunction with the Group's consolidated financial statements as at and for the year ended 31 December 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 Group 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 Group consolidated financial statements as at and for the year ended 31 December 2024.

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**Hyperinflation**

Türkiye has been determined a hyperinflationary economy under IAS 29 (Financial Reporting in Hyperinflationary Economies) with the previous three-year accumulated inflation exceeding 100 per cent. IAS 29 requires non-monetary assets and liabilities of DenizBank A.S.(DenizBank), the Group's subsidiary in Türkiye, to be restated to reflect their current prices using the Consumer Pricing Index (CPI) in the local currency of DenizBank before translation to the Group's functional currency.

As at 30 June 2025, the three-year cumulative inflation rate has been 220% based on the Turkish CPI. The consumer price index at the beginning of the reporting period was 2,685 and closed at 3,132 resulting in an increase of 17% (30 June 2024: 25%).

- Net non-monetary position (excluding equity) has been indexed by applying the difference in CPI from 31 December 2024 to 30 June 2025 resulting in a gain of AED 1.2 billion (30 June 2024: AED 1 billion) in the Group condensed consolidated interim statement of income to the extent determined to be recoverable.
- Monetary assets and liabilities are already reported at the current measuring unit and are not adjusted for inflation. However, the CPI index is applied to measure the loss of purchasing power and for the net monetary position, a hyperinflation adjustment is made in the Group condensed consolidated interim statement of income, amounting to AED 2.6 billion (30 June 2024: AED 2.5 billion) with an equal corresponding credit to OCI.
- Group condensed consolidated interim statement of income is indexed using the respective period index movement for the period. For the period ended 30 June 2025, the indexation impact on the Group condensed consolidated interim statement of income is as follows:

30 June 2025	30 June 2025	30 June 2024
In AED billion	Hyperinflation	Hyperinflation
	Impact	Impact
Total operating income	0.33	0.29
General administrative expenses	(0.16)	(0.16)
Net impairment loss on financial assets	(0.09)	(0.01)
Taxation charge	0.01	0.04

During the six months period ended 30 June 2025, the loss due to hyperinflation accounting for DenizBank was AED 1.5 billion (30 June 2024: AED 1.6 billion) and is recognised in the Group condensed consolidated interim statement of income as hyperinflation adjustment on net monetary position. Overall, the hyperinflation adjustment results in a credit of AED 1.1 billion (30 June 2024: AED 1.1 billion) in Group condensed consolidated interim statement of comprehensive income after netting off loss on net monetary position recognised in the Group condensed consolidated interim statement of income.

The positive impact of 30 bps (30 June 2024: 34 bps), arising from the AED 3.1 billion (30 June 2024: AED 3 billion) non-monetary items credit adjustment to equity partially offset by AED 5.2 billion (30 June 2024: AED 5 billion) indexation impact on risk-weighted assets, has been excluded from the capital adequacy computations.

EMIRATES NBD BANK (P.J.S.C.)

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

3 CASH AND DEPOSITS WITH CENTRAL BANKS

	Unaudited 30 June 2025 AED million	Audited 31 December 2024 AED million
Cash	6,728	6,402
Statutory and other deposits with central banks	113,865	87,377
Interest bearing placements with central banks	340	295
Murabahas and interest-bearing certificates of deposits with central banks	13,722	10,602
Less: Expected credit losses	(13)	(11)
	134,642	104,665

The reserve requirements which are kept with the central banks of the countries in which the Group operates are not available for use in the Group's day to day operations and cannot be withdrawn without the approval of the respective central banks. The level of reserves required changes periodically in accordance with the directives of the respective central banks.

4 DUE FROM BANKS

	Unaudited 30 June 2025 AED million	Audited 31 December 2024 AED million
Due from banks in UAE	24,785	17,242
Due from foreign banks	118,350	115,744
Less: Expected credit losses	(280)	(220)
	142,855	132,766

EMIRATES NBD BANK (P.J.S.C.)

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

5 INVESTMENT SECURITIES

Unaudited 30 June 2025

Trading securities measured at FVTPL

	Domestic* AED million	Regional** AED million	International*** AED million	Total AED million
Government bonds	1,659	6,972	4,813	13,444
Corporate bonds	1,068	1,244	604	2,916
Equity	-	-	162	162
Others	-	-	946	946
	2,727	8,216	6,525	17,468

Designated as at FVTPL

Equity	-	73	2	75
Others	-	3	6	9
	-	76	8	84

Measured at amortised cost

Government bonds	89,515	20,154	30,236	139,905
Corporate bonds	5,072	4,200	1,408	10,680
	94,587	24,354	31,644	150,585

Less: Expected credit losses

(103)
 150,482

Measured at FVOCI - Debt instruments

Government bonds	3,318	1,760	15,441	20,519
Corporate bonds	5,772	3,415	3,305	12,492
	9,090	5,175	18,746	33,011

Less: Expected credit losses

(91)
 32,920

Measured at FVOCI - Equity instruments

Equity	114	18	96	228
	114	18	96	228

Gross Investment securities	106,518	37,839	57,019	201,376
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Net Investment securities				201,182
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As at 30 June 2025, the fair value of investment securities measured at amortised cost amounted to AED 147,239 million (31 December 2024: AED 153,362 million). These investments are classified as level 1 (AED 147,221 million) and level 2 (AED 18 million) under fair value hierarchy.

EMIRATES NBD BANK (P.J.S.C.)

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

5 INVESTMENT SECURITIES (CONTINUED)

	Domestic*	Regional**	International***	Total
	AED million	AED million	AED million	AED million
<u>Audited 31 December 2024</u>				
<u>Trading securities</u>				
<u>measured at FVTPL</u>				
Government bonds	2,826	979	2,675	6,480
Corporate bonds	1,190	922	480	2,592
Equity	-	-	145	145
Others	-	-	1,009	1,009
	<u>4,016</u>	<u>1,901</u>	<u>4,309</u>	<u>10,226</u>
<u>Designated as at FVTPL</u>				
Equity	-	73	2	75
Others	-	3	5	8
	<u>-</u>	<u>76</u>	<u>7</u>	<u>83</u>
<u>Measured at amortised cost</u>				
Government bonds	91,317	18,250	39,179	148,746
Corporate bonds	4,380	3,650	1,423	9,453
	<u>95,697</u>	<u>21,900</u>	<u>40,602</u>	<u>158,199</u>
Less: Expected credit losses				(103)
				<u>158,096</u>
<u>Measured at FVOCI - Debt instruments</u>				
Government bonds	3,001	1,362	13,766	18,129
Corporate bonds	5,539	3,724	3,267	12,530
	<u>8,540</u>	<u>5,086</u>	<u>17,033</u>	<u>30,659</u>
Less: Expected credit losses				(51)
				<u>30,608</u>
<u>Measured at FVOCI - Equity instruments</u>				
Equity	114	2	94	210
	<u>114</u>	<u>2</u>	<u>94</u>	<u>210</u>
Gross Investment securities	<u>108,367</u>	<u>28,965</u>	<u>62,045</u>	<u>199,377</u>
Net Investment securities				<u>199,223</u>

*Domestic: These are securities issued within the UAE.

**Regional: These are securities issued within the Middle East excluding the UAE.

***International: These are securities issued outside the Middle East region.

EMIRATES NBD BANK (P.J.S.C.)

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

6 LOANS AND RECEIVABLES

	Unaudited 30 June 2025 AED million	Audited 31 December 2024 AED million
Gross loans and receivables	570,209	529,179
Less: Expected credit losses	(25,036)	(27,552)
Net loans and receivables	545,173	501,627
	Unaudited 30 June 2025 AED million	Audited 31 December 2024 AED million
<u>At amortised cost</u>		
Overdrafts	21,352	21,182
Time loans	366,442	344,958
Loans against trust receipts	11,090	9,707
Bills discounted	9,326	9,202
Credit card receivables	26,748	26,243
Gross loans - conventional	434,958	411,292
Murabaha	100,303	86,497
Ijara	32,069	28,908
Wakala	1,532	1,820
Istisna'a	1,726	1,749
Credit cards receivable	4,058	3,685
Others	1,657	603
Less: Deferred income	(6,094)	(5,375)
Gross islamic financing receivables	135,251	117,887
Gross loans and receivables	570,209	529,179
Total of credit impaired loans and receivables	16,134	17,639

Ijara assets amounting to AED 7.1 billion (2024: AED 5.2 billion) were securitised for the purpose of issuance of sukuks payable (refer Note 9).

EMIRATES NBD BANK (P.J.S.C.)

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

6 LOANS AND RECEIVABLES (CONTINUED)

	Unaudited 30 June 2025 AED million	Audited 31 December 2024 AED million
<u>Analysis by economic activity</u>		
Manufacturing	33,535	29,137
Construction	11,184	10,629
Trade	40,256	35,025
Transport and communication	40,920	40,632
Utilities and services	30,792	26,824
Sovereign	53,002	66,505
Personal	177,552	161,195
Real estate	54,502	46,360
Hotels and restaurants	12,452	12,336
Management of companies and enterprises	48,374	36,233
Financial institutions and investment companies	40,547	31,521
Agriculture	11,422	16,328
Others	21,765	21,829
	576,303	534,554
Less: Deferred income	(6,094)	(5,375)
Gross loans and receivables	570,209	529,179
Less: Expected credit losses	(25,036)	(27,552)
Net loans and receivables	545,173	501,627

EMIRATES NBD BANK (P.J.S.C.)

 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 million	Audited 31 December 2024 AED million
Accrued interest receivable	8,800	8,945
Islamic profit receivable	410	376
Prepayments and other advances	2,799	2,763
Sundry debtors and other receivables	5,734	3,223
Inventory	3,884	3,807
Deferred tax asset	553	420
Investment properties	338	348
Others	3,154	2,906
	<u>25,672</u>	<u>22,788</u>

EMIRATES NBD BANK (P.J.S.C.)

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

8 DEBT ISSUED AND OTHER BORROWED FUNDS

	Unaudited 30 June 2025 AED million	Audited 31 December 2024 AED million
Medium term note programmes	55,895	56,014
Term loans from banks	14,641	13,884
Borrowings raised from loan securitisations	2,286	2,578
	72,822	72,476

	Unaudited 30 June 2025 AED million	Audited 31 December 2024 AED million
Balance as at 1 January	72,476	66,116
New issuances	13,026	27,689
Repayments	(13,304)	(19,471)
Other movements*	624	(1,858)
Balance at end of period / year	72,822	72,476

*Represents exchange rate and fair value movements on debts issued in foreign currency. The Group hedges the foreign currency risk on public issuances through derivative financial instruments.

As at 30 June 2025 and 31 December 2024, the outstanding medium term notes and borrowings are falling due as below:

	Unaudited 30 June 2025 AED million	Audited 31 December 2024 AED million
2025	8,473	21,843
2026	12,322	9,089
2027	13,862	12,424
2028	7,524	6,823
2029	6,790	6,740
2030	7,310	3,454
Beyond 2030	16,541	12,103
	72,822	72,476

EMIRATES NBD BANK (P.J.S.C.)

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

9 SUKUKS PAYABLE

	Unaudited 30 June 2025 AED million	Audited 31 December 2024 AED million
Balance as at 1 January	7,427	4,673
New issuances*	2,754	2,754
Balance at end of period / year	10,181	7,427

As at 30 June 2025 and 31 December 2024, the outstanding sukuk are falling due as follows:

	Unaudited 30 June 2025 AED million	Audited 31 December 2024 AED million
2025	1,836	1,836
2026	2,837	2,837
2029	2,754	2,754
2030	2,754	-
	10,181	7,427

*During the period, the Group issued sukuk amounting to AED 2.8 billion to raise USD denominated medium term finance via a shariah compliant sukuk financing arrangement.

10 OTHER LIABILITIES

	Unaudited 30 June 2025 AED million	Audited 31 December 2024 AED million
Accrued interest payable	6,107	8,065
Profit payable to islamic depositors	652	678
Managers' cheques	4,206	3,298
Trade and other payables	11,704	9,783
Staff related liabilities	1,892	2,226
Provision for taxation	4,569	2,734
Others	14,936	16,042
	44,066	42,826

11 EQUITY HOLDER FUNDS

At the annual general meeting held on 24 February 2025, shareholders approved payment of a cash dividend of 100% of the issued and paid up capital (AED 1 per share) amounting to AED 6,317 million (30 June 2024: AED 7,580 million, AED 1.20 per share) which has been recognised in the Group condensed consolidated interim financial statements as of 30 June 2025.

12 TIER 1 CAPITAL NOTES

The Group has issued a number of regulatory tier 1 capital notes with details mentioned in the table below. The notes are perpetual, subordinated and unsecured. The Group can elect not to pay a coupon at its own discretion. Note holders will not have a right to claim the coupon and such event will not be considered an event of default. The notes carry no maturity date and have been classified as equity.

The Group has exercised its option to call back tier 1 capital notes amounting to AED 3.67 billion issued in March 2019.

Issuance Month/Year	Issued Amount	Coupon Rate
July 2020	USD 750 million (AED 2.75 billion)	Fixed interest rate of 6.125% with a reset after six years
May 2021	USD 750 million (AED 2.75 billion)	Fixed interest rate of 4.25% with a reset after six years
February 2025	USD 1 billion (AED 3.67 billion)	Fixed interest rate of 6.25% with a reset after six years

13 OTHER OPERATING INCOME

	Unaudited six months period ended 30 June 2025 AED million	Unaudited six months period ended 30 June 2024 AED million
Dividend income on equity investments measured at FVTPL	9	4
Gain from sale of debt investment securities measured at FVOCI	107	159
Gain / (loss) from investment securities designated at fair value through profit or loss	1	1
Rental income	30	30
Gain / (loss) on sale of investment properties / inventories	(41)	24
Foreign exchange and derivative income / (loss)*	1,980	1,595
Other income (net)	425	417
	2,511	2,230

* Foreign exchange income / (loss) comprises of trading and translation gain / (loss) and gain / (loss) on dealings with customers.

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

14 GENERAL AND ADMINISTRATIVE EXPENSES

	Unaudited six months period ended 30 June 2025 AED million	Unaudited six months period ended 30 June 2024 AED million
Staff cost	4,520	3,821
Occupancy cost	193	143
Equipment & supplies	136	132
Information technology cost	449	361
Communication cost	219	190
Service, legal and professional fees	188	178
Marketing related expenses	128	126
Depreciation	567	451
Others	863	709
	7,263	6,111

15 NET IMPAIRMENT LOSS / (REVERSAL)

The charge to the Group condensed consolidated interim statement of income for the net impairment loss / (reversal) is made up as follows:

	Unaudited six months period ended 30 June 2025 AED million	Unaudited six months period ended 30 June 2024 AED million
Net impairment of cash and deposits with central banks	2	(1)
Net impairment of due from banks	60	59
Net impairment of investment securities	34	9
Net impairment of loans and receivables	238	(2,323)
Net impairment of unfunded exposures	(182)	653
Bad debt recovery - net	(464)	(637)
Net impairment on financial assets	(312)	(2,240)
Net impairment on non-financial assets	34	24
	(278)	(2,216)

16 TAXATION

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

The Group implemented UAE domestic minimum top-up tax from 1 January 2025 in line with Cabinet Decision No. 142 of 2024 on the Imposition of Top-up Tax on Multinational Enterprises. The entities within scope are subject to an overall effective rate of 15%.

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

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 2,918 million (30 June 2024: AED 2,085 million), representing Group effective tax rate of 17.2% (30 June 2024: 11.9%). UAE effective tax rate is 14.6% (30 June 2024: 9.0%) and Türkiye effective tax rate is 26.5% (30 June 2024: 22.0%).

17 COMMITMENTS AND CONTINGENCIES

The Group's commitments and contingencies are as follows:

	Unaudited 30 June 2025 AED million	Audited 31 December 2024 AED million
Letters of credit	19,480	17,118
Guarantees	92,759	80,028
Liability on risk participations	122	416
Irrevocable loan commitments*	94,431	95,414
	206,792	192,976

*Irrevocable loan commitments represent a contractual commitment to permit drawdowns on a facility within a defined period subject to 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.

18 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 attributable to ordinary shareholders (further adjusted for interest expense on tier 1 capital notes) of the Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all diluted potential ordinary shares.

	Unaudited six months period ended 30 June 2025 AED million	Unaudited six months period ended 30 June 2024 AED million
Profit for the period attributable to equity holders	12,515	13,760
Deduct: Interest on Tier 1 capital notes	(282)	(255)
Net profit attributable to equity holders	12,233	13,505
Weighted average number of equity shares in issue (million)	6,311	6,311
Earnings per share* (AED)	1.94	2.14
Adjusted earnings per share** (AED)	2.18	2.40

*The diluted and basic earnings per share were the same for the six months period ended 30 June 2025 and 30 June 2024.

**Adjusted EPS for the six months period ended 30 June 2025 and 30 June 2024 represent net profit for the period attributable to equity holders excluding the non-cash impact of hyperinflation adjustment on net monetary position divided by weighted average number of equity shares in issue.

EMIRATES NBD BANK (P.J.S.C.)

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025 (UNAUDITED)**19 DERIVATIVES**

	Unaudited 30 June 2025			Audited 31 December 2024		
	Positive fair value	Negative fair value	Notional amount	Positive fair value	Negative fair value	Notional amount
	AED million	AED million	AED million	AED million	AED million	AED million
Derivatives held for trading	10,571	(11,223)	1,052,573	11,809	(10,792)	990,201
Derivatives held as cash flow hedges	186	(513)	43,146	419	(575)	38,536
Derivatives held as fair value hedges	255	(3,680)	27,880	236	(4,530)	26,367
Derivatives held as hedge of a net investment in foreign operations	-	(1)	302	4	-	333
Total	11,012	(15,417)	1,123,901	12,468	(15,897)	1,055,437

20 OPERATING SEGMENTS

The Group is organised into the following main businesses:

- Corporate and Institutional Banking represents corporate loans, customer deposits (including current and saving accounts), trade finance (including cash), islamic products (including Emirates Islamic Bank P.J.S.C.) and structured financing for the Group excluding DenizBank;
- Retail banking and Wealth Management represents retail loans, customer deposits, private banking and wealth management, islamic products (including Emirates Islamic Bank P.J.S.C.), equity broking services, asset management and consumer financing for the Group excluding DenizBank;
- Global Markets and Treasury activities comprise of managing the Group's portfolio of investments, funds management, islamic products (including Emirates Islamic Bank P.J.S.C.) and interbank treasury operations for the Group excluding DenizBank;
- DenizBank is managed as a separate operating segment; and
- Other operations of the Group include Emirates NBD Global Services LLC, property management, operations and support functions.

Transactions between operating segments is on an arm's-length basis in a manner similar to transactions with third parties.

EMIRATES NBD BANK (P.J.S.C.)

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

20 OPERATING SEGMENTS (CONTINUED)**Unaudited 30 June 2025**

	Corporate and Institutional banking	Retail banking and Wealth Management	Global Markets and Treasury	DenizBank	Others	Total
	AED million	AED million	AED million	AED million	AED million	AED million
Net interest income and income from islamic products net of distribution to depositors	2,835	6,560	1,090	4,298	2,048	16,831
Net fees, commission and other income	1,762	3,034	154	2,082	75	7,107
Total operating income	4,597	9,594	1,244	6,380	2,123	23,938
General and administrative expenses	(425)	(2,817)	(122)	(2,419)	(1,480)	(7,263)
Net impairment (loss) / reversal	1,474	(482)	(40)	(1,059)	385	278
Hyperinflation adjustment on net monetary position	-	-	-	(1,510)	-	(1,510)
Profit for the period before taxation	5,646	6,295	1,082	1,392	1,028	15,443
Segment Assets	437,829	223,730	238,481	175,028	10,573	1,085,641
Segment Liabilities and Equity	304,174	386,257	42,897	155,339	196,974	1,085,641

Unaudited 30 June 2024

	Corporate and Institutional banking	Retail banking and Wealth Management	Global Markets and Treasury	DenizBank	Others	Total
	AED million	AED million	AED million	AED million	AED million	AED million
Net interest income and income from islamic products net of distribution to depositors	2,837	6,187	1,425	2,680	2,221	15,350
Net fees, commission and other income	1,433	2,723	(86)	2,033	(77)	6,026
Total operating income	4,270	8,910	1,339	4,713	2,144	21,376
General and administrative expenses	(363)	(2,386)	(112)	(1,997)	(1,253)	(6,111)
Net impairment (loss) / reversal	2,858	(1,068)	(2)	376	52	2,216
Hyperinflation adjustment on net monetary position	-	-	-	(1,617)	-	(1,617)
Profit for the period before taxation	6,765	5,456	1,225	1,475	943	15,864
Segment Assets	375,396	171,118	216,139	161,030	7,102	930,785
Segment Liabilities and Equity	252,214	323,696	35,801	144,067	175,007	930,785

21 RELATED PARTY TRANSACTIONS

Investment Corporation of Dubai (40.92%) together with Dubai Holding (14.83%), both of which are wholly owned by the Government of Dubai, hold a controlling interest in the Group.

Deposits from and loans to Dubai government related entities, other than those that have been individually disclosed, amount to 4% (December 2024: 5%) and 7% (December 2024: 7%) respectively, of the total deposits and loans of the Group.

These entities are independently run business entities, and all financial dealings with the Group are on 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 interest rates and collateral, as those prevailing at the same time for comparable transactions with third parties and do not involve more than a normal amount of risk.

Related party balances and transactions are as follows:

	Unaudited 30 June 2025 AED million	Audited 31 December 2024 AED million
<u>Loans and receivables:</u>		
To majority shareholder of the parent	43,046	57,333
To parent	2,200	2,262
To directors and related companies	2,011	1,949
	47,257	61,544
<u>Customer and islamic deposits:</u>		
From majority shareholder of the parent	10,713	8,056
From parent	348	2,278
	11,061	10,334
Investment in Government of Dubai bonds	6,320	6,370

EMIRATES NBD BANK (P.J.S.C.)

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

	Unaudited six months period ended 30 June 2025 AED million	Unaudited six months period ended 30 June 2024 AED million
Payments made to other related parties	16	16
Fees received in respect of funds managed by the Group	12	13
Directors' sitting and other fee	11	16

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

	Unaudited six months period ended 30 June 2025 AED million	Unaudited six months period ended 30 June 2024 AED million
<u>Key management compensation:</u>		
Short term employment benefits	75	82
Post employment benefits	1	1

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

EMIRATES NBD BANK (P.J.S.C.)

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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22 NOTES TO THE GROUP CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited six months period ended 30 June 2025 AED million	Unaudited six months period ended 30 June 2024 AED million
(a) Analysis of changes in cash and cash equivalents during the period		
Balance at beginning of period	54,094	19,505
Net cash inflow/(outflow)	(10,233)	22,164
Balance at end of period	43,861	41,669
(b) Analysis of cash and cash equivalents		
Cash and deposits with central banks	134,642	110,402
Due from banks	142,855	109,224
Due to banks	(61,938)	(45,634)
	215,559	173,992
Less: deposits with central banks for regulatory purposes	(113,865)	(87,454)
Less: certificates of deposits with central banks maturing after three months	(92)	(42)
Less: amounts due from banks maturing after three months	(91,246)	(66,918)
Add: amounts due to banks maturing after three months	33,505	22,091
	43,861	41,669

EMIRATES NBD BANK (P.J.S.C.)

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

22 NOTES TO THE GROUP CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

	Unaudited six months period ended 30 June 2025 AED million	Unaudited six months period ended 30 June 2024 AED million
(c) Adjustment for non cash and other items		
Net impairment loss / (reversal) on cash and deposits with central banks	2	(1)
Net impairment loss / (reversal) on due from banks	60	59
Net impairment loss / (reversal) on investment securities	34	9
Net impairment loss / (reversal) on loans and receivables	238	(2,323)
Net impairment loss / (reversal) on unfunded exposures	(182)	653
Amortisation of fair value	54	62
(Discount) / premium on investment securities	(1,887)	(1,687)
Unrealised foreign exchange loss / (gain)	(2,326)	258
Depreciation / impairment on property and equipment / investment property	607	481
Dividend income on equity investments	(9)	(4)
Unrealised (gain) / loss on investments	(322)	33
Unrealised (gain) / loss on FV hedged item	997	(464)
(Gain) / loss on sale of investment properties / inventories	41	(24)
Amortisation of (discount) / premium on Sukuks	3	-
Hyperinflation adjustment on net monetary position	1,510	1,617
	<u>(1,180)</u>	<u>(1,331)</u>

23 ASSETS AND LIABILITIES MEASURED AT FAIR VALUEFair value of assets and liabilities

The table below analyses assets and liabilities measured at fair value on a recurring basis. The different levels in the fair value hierarchy have been defined as follows:

- Level 1: quoted prices (unadjusted) in principal markets for identified assets or liabilities.
- Level 2: valuation using inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: valuation using inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Unaudited 30 June 2025**Investment securities**

	Level 1 AED million	Level 2 AED million	Level 3 AED million	Total AED million
Trading securities at FVTPL	17,468	-	-	17,468
FVOCI - Debt instruments	32,990	21	-	33,011
FVOCI - Equity instruments	5	15	208	228
Designated at FVTPL	19	-	65	84
	50,482	36	273	50,791

DerivativesPositive fair value of derivatives

Derivatives held for trading	-	10,571	-	10,571
Derivatives held as cash flow hedges	-	186	-	186
Derivatives held as fair value hedges	-	255	-	255
Derivatives held as hedge of a net investment in foreign operations	-	-	-	-
	-	11,012	-	11,012

Negative fair value of derivatives

Derivatives held for trading	-	(11,223)	-	(11,223)
Derivatives held as cash flow hedges	-	(513)	-	(513)
Derivatives held as fair value hedges	-	(3,680)	-	(3,680)
Derivatives held as hedge of a net investment in foreign operations	-	(1)	-	(1)
	-	(15,417)	-	(15,417)
	50,482	(4,369)	273	46,386

Audited 31 December 2024	40,886	(3,408)	271	37,749
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EMIRATES NBD BANK (P.J.S.C.)

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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23 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.

	Trading securities at FVTPL	Designated at FVTPL	FVOCI – Debt instrument	FVOCI– Equity instrument	Total
	AED million	AED million	AED million	AED million	AED million
Balance as at 1 January 2025	-	65	-	206	271
Total gains or losses:					
- in profit or loss	-	-	-	-	-
- in other comprehensive income	-	-	-	2	2
Purchases	-	-	-	-	-
Settlements and other adjustments	-	-	-	-	-
Balance as at 30 June 2025 (unaudited)	-	65	-	208	273
Balance as at 31 December 2024 (audited)	-	65	-	206	271

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. Any changes in the assumptions used for such instruments are not expected to have material impact on the financial statements

During the period ended 30 June 2025 and the year ended 31 December 2024, no financial assets measured at fair value 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.

24 RISK MANAGEMENT

The Group 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.

Stage-wise financing exposures and the related Expected Credit Losses (ECL) as at 30 June 2025 and 30 June 2024 are given below:

Loans and receivables**Unaudited 30 June 2025**

	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit-impaired	Total
	AED million	AED million	AED million	AED million
Balance at 1 January	486,412	25,128	17,639	529,179
Transfers from stage 1	(11,287)	10,912	375	-
Transfers from stage 2	4,361	(8,648)	4,287	-
Transfers from stage 3	162	230	(392)	-
New financial assets, net of repayments	50,374	(810)	(2,779)	46,785
Amounts written off during the period	-	-	(2,572)	(2,572)
Exchange and other adjustments	(2,253)	(506)	(424)	(3,183)
Total gross loans and receivables	527,769	26,306	16,134	570,209
Expected credit losses	(5,292)	(5,195)	(14,549)	(25,036)
Carrying amount	522,477	21,111	1,585	545,173

Unaudited 30 June 2024

	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit-impaired	Total
	AED million	AED million	AED million	AED million
Balance at 1 January	433,219	25,644	22,022	480,885
Transfers from stage 1	(8,067)	8,067	-	-
Transfers from stage 2	2,746	(6,124)	3,378	-
Transfers from stage 3	-	344	(344)	-
New financial assets, net of repayments	37,531	(5,331)	(1,666)	30,534
Amounts written off during the period	-	-	(1,547)	(1,547)
Exchange and other adjustments	(807)	(524)	(357)	(1,688)
Total gross loans and receivables	464,622	22,076	21,486	508,184
Expected credit losses	(5,762)	(5,466)	(19,824)	(31,052)
Carrying amount	458,860	16,610	1,662	477,132

EMIRATES NBD BANK (P.J.S.C.)

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

24 RISK MANAGEMENT (CONTINUED)

Amounts arising from ECL

The following tables show reconciliations from the opening to the closing balance of the loss allowance for loans and receivables.

Unaudited 30 June 2025

	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit-impaired	Total
	AED million	AED million	AED million	AED million
Balance at 1 January	5,767	6,223	15,562	27,552
Transfers from stage 1	(276)	274	2	-
Transfers from stage 2	277	(1,446)	1,169	-
Transfers from stage 3	1	76	(77)	-
Allowances / (reversals) made during the period	(467)	102	2,582	2,217
Write back / recoveries made during the period	-	-	(1,979)	(1,979)
Amounts written off during the period	-	-	(2,572)	(2,572)
Exchange and other adjustments	(10)	(34)	(138)	(182)
Closing balance	5,292	5,195	14,549	25,036

Unaudited 30 June 2024

	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit-impaired	Total
	AED million	AED million	AED million	AED million
Balance at 1 January	6,266	7,596	21,918	35,780
Transfers from stage 1	(350)	350	-	-
Transfers from stage 2	385	(1,014)	629	-
Transfers from stage 3	-	292	(292)	-
Allowances / (reversals) made during the period	(365)	(1,731)	1,404	(692)
Write back / recoveries made during the period	-	-	(1,631)	(1,631)
Amounts written off during the period	-	-	(1,547)	(1,547)
Exchange and other adjustments	(174)	(27)	(657)	(858)
Closing balance	5,762	5,466	19,824	31,052

25 ACQUISITION OF ADDITIONAL NON-CONTROLLING INTEREST IN EMIRATES ISLAMIC BANK (P.J.S.C.)

During the period, the Group (through a buyout exercise) acquired an additional 0.1% equity interest in Emirates Islamic Bank (P.J.S.C.) (EIB), a subsidiary of the Group. Following this transaction, the Group's ownership in EIB increased from 99.9% to 100%. Consequently, EIB will be de-listed from Dubai Financial Markets.

This transaction has been accounted for as transaction between shareholders (equity transaction), accordingly the difference between the consideration paid and the carrying amount of the additional interest acquired has been recognized in equity.

26 COMPARATIVE AMOUNTS

Certain prior period comparatives have been reclassified wherever necessary to conform to the presentation adopted in the current year.