For immediate release

Emirates Islamic's profit sharply increases 23% to AED 701 million for the first half of 2022

Dubai, 28 July 2022

- Emirates Islamic's net profit jumped 23% to AED 701 million for the first half of 2022 on higher funded and non-funded income with a significant reduction in the cost of risk reflecting improved business sentiment.

Total Income	Expenses	Provisions	Net Profit
AED 1,370 million	AED 594 million	AED 75 million	AED 701 million
↑ 16% y-o-y	↑ 13% y-o-y	↓ 12% y-o-y	↑ 23% y-o-y

NFIM	Cost: Income Ratio	NPF Ratio	CET-1 Ratio
2.92 %	43.4%	7.1%	17.2%

Key Highlights – First Half 2022

➢ **Strong operating performance on higher funded and non-funded income coupled with disciplined cost management action**

- **Total income** up 16% y-o-y driven by higher funded and non-funded income
- **Expenses** increased 13% y-o-y as EI invests for future growth
- **Impairment Allowances** reduced 12% y-o-y reflecting improved business sentiment
- **Operating profit** improved 19% y-o-y
- **Net profit** increased 23% to AED 701 million on the back of higher funded and non-funded income, coupled with lower impairment allowances
- **Net profit margin** at 2.92% reflecting the increase in profit rates in the first half of 2022

➢ **Strong capital and liquidity combined with a healthy deposit mix enabled the Bank to support customers**

- **Total assets** grew strongly by 14% to AED 74 billion in H1 2022
- **Customer financing** at AED 47 billion, increased 11% from end 2021
- **Customer deposits** at AED 54 billion, increased 15% from end 2021 with CASA balances at 76% of deposits
- **Credit Quality:** Non-performing financing ratio improved to 7.1%. Coverage ratio strong at 120%
- **Capital:** Tier 1 ratio at 17.2% and Capital adequacy ratio at 18.3% reflect the strong capital position of the Bank
- **Headline Financing to Deposit ratio** at 87% reflects continued healthy UAE liquidity



Hesham Abdulla Al Qassim, Chairman said:

- "We are delighted to announce a strong set of half yearly financial results, delivering a net profit of AED 701 million for the first six months of 2022.
- Our solid performance was based on higher funded and non-funded income, and higher customer financing reflecting the UAE's positive economic sentiment. We have also benefitted from a significant reduction in the cost of risk supported by a strong economy.
- We were pleased to support the TECOM and DEWA IPOs on the Dubai Financial Market (DFM) by enabling key clients to participate and benefit from these landmark listings in our role as Receiving Bank. Being a leading UAE bank and a prominent long-term player in the region's banking sector, we were delighted to support the UAE leadership's plans to list state-owned entities on the DFM, further boosting UAE capital markets.
- We play a pivotal role in the UAE's growing Islamic banking sector and remain committed to supporting the vision of His Highness Sheikh Mohammed Bin Rashid Al Maktoum, Vice-President and Prime Minister of UAE and Ruler of Dubai, to make Dubai the global capital of Islamic economy.
- The Emirates Islamic Charity Fund continues to support various humanitarian causes in the UAE through charitable contributions."



Salah Mohammed Amin, Chief Executive Officer said:

- "Emirates Islamic's total assets grew by 14% to AED 74 billion during the first half of 2022, demonstrating our support for a strong UAE economy.
- Emirates Islamic was among the first Islamic banks to integrate digital innovation and our digital focus continues to reap us rich rewards in terms of customer loyalty and market share. In the first half of 2022, we further enhanced our digital channels and offerings across multiple fronts, including ATM / CDM transformation and added features on our Whatsapp Banking.
- A superior customer experience is at the heart of everything we do. We proudly uphold the highest levels of customer excellence as we set new benchmarks for innovation-driven Islamic banking in the region.
- We expanded our product offerings with the launch of the Emarati Family Savings account, Emarati Business Account and Super Savings Etihad Guest Account. We continue to invest in new technologies and strengthen our offerings to expand our appeal across the wider UAE population."

About Emirates Islamic:
Emirates Islamic (DFM: EIB), part of Emirates NBD Group, is one of the fastest growing banks in the UAE. Established in 2004 as Emirates Islamic Bank, the bank has established itself as a major player in the highly competitive financial services sector in the UAE.

Emirates Islamic offers a comprehensive range of Shari'a-compliant products and services across the Personal, Business and Corporate banking spectrum with a network of 39 branches and 190 ATMs/CDMs across the UAE. In the fast-growing area of online and mobile banking, the bank is an innovator, being the first Islamic bank in the UAE to launch a mobile banking app and offer Apple Pay, as well as being the first Islamic bank in the world to launch Chat Banking services for customers via WhatsApp.

Emirates Islamic has consistently received local and international awards, in recognition of its strong record of performance and innovation in banking. The Bank won international acclaim as the 'Most Innovative Islamic Bank' at the Islamic Finance Awards 2020 by World Finance, in addition to being named the 'Best Islamic Bank, UAE'. The Bank was also awarded the title of 'Most Innovative Islamic Bank' by Islamic Finance News and 'Islamic Bank of the Year – UAE 2020' by The Banker. Additionally, New York-based Global Finance magazine recognised Emirates Islamic as the 'Best Islamic Financial Institution, UAE' for a second year in a row on its list of the 'World's Best Islamic Financial Institutions'.

As part of its commitment to the UAE community, the Emirates Islamic Charity Fund provides financial aid to those in need, with a focus on food, shelter, health, education and social welfare contributions.

For further information please visit www.emiratesislamic.ae

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