

Emirates Investment Bank P.J.S.C.

INTERIM CONDENSED FINANCIAL INFORMATION

FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2026

Emirates Investment Bank P.J.S.C.

**Review report and interim condensed financial information
for the three month period ended 31 March 2026**

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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 31 March 2026 which comprise the interim condensed statement of financial position as at 31 March 2026 and the related interim condensed statement of profit or loss and statement of other comprehensive income for the three-month period then ended and, interim condensed statement of changes in equity and interim condensed statement of cash flows for the three-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

7 May 2026

Dubai, United Arab Emirates

Emirates Investment Bank P.J.S.C.

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

		<i>31 March</i> <i>2026</i>	<i>31 December</i> <i>2025</i>
	<i>Notes</i>	<i>AED'000</i> <i>(Unaudited)</i>	<i>AED'000</i> <i>(Audited)</i>
ASSETS			
Cash and balances with Central Bank of the UAE		461,281	647,941
Due from banks and financial institutions, net	3	524,658	555,372
Investments, net	4	2,581,221	2,648,894
Loans and advances, net	5	930,002	929,389
Investment in associate		-	72
Other assets		54,028	56,792
Property and equipment		4,452	3,715
Intangible assets		45,840	35,440
TOTAL ASSETS		4,601,482	4,877,615
LIABILITIES AND EQUITY			
LIABILITIES			
Customer deposits	7	3,035,189	3,309,957
Current tax liabilities		12,451	11,639
Other liabilities		85,315	66,498
Deferred tax liabilities		1,190	3,617
TOTAL LIABILITIES		3,134,145	3,391,711
EQUITY			
Share capital		1,000,000	1,000,000
Legal reserve		64,990	64,990
Impairment reserve-general		36,697	37,867
Cumulative changes in fair value		67,270	91,769
Retained earnings		298,380	291,278
TOTAL EQUITY		1,467,337	1,485,904
TOTAL LIABILITIES AND EQUITY		4,601,482	4,877,615

The interim condensed financial information was approved by the Board of Directors on 7 May 2026 and signed on its behalf by:



Omar Abdullah Al Futtaim
(Chairman)



Eric Shehadeh
(Director)



Michel Longhini
(Chief Executive Officer)

Emirates Investment Bank P.J.S.C.

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS

For the three month period ended 31 March 2026 (Unaudited)

		<i>Three months period ended 31 March</i>	
		2026	2025
		AED'000	AED'000
	<i>Notes</i>		
Interest income from loans and placements	8	21,632	23,040
Net income from investments	9	32,164	33,356
		53,796	56,396
Interest expense		(16,349)	(17,031)
INTEREST AND INVESTMENT INCOME, NET		37,447	39,365
Fee, commission and other income		11,402	10,267
Exchange gain, net		2,891	2,037
OPERATING INCOME		51,740	51,669
General and administrative expenses	10	(43,404)	(20,157)
Net impairment loss on financial assets	6.1	(2,245)	(2,301)
OPERATING EXPENSES		(45,649)	(22,458)
PROFIT FOR THE PERIOD BEFORE TAX		6,091	29,211
Income tax expense	11	(744)	(3,803)
PROFIT FOR THE PERIOD		5,347	25,408
BASIC AND DILUTED EARNING PER SHARE (in AED)	12	0.53	2.54

The accompanying notes 1 to 19 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 three month period ended 31 March 2026 (Unaudited)

	<i>Three months period ended 31 March</i>	
	2026	2025
	AED'000	AED'000
PROFIT FOR THE PERIOD	5,347	25,408
<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	873	2,072
Income tax related to the above	(67)	6
	806	2,078
<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	(1,275)	13,552
Net changes in fair values during the period	(27,242)	1,156
Change in allowance for expected credit losses	1,371	(320)
Income tax related to the above	2,426	(1,294)
	(24,720)	13,094
Other comprehensive (loss)/income for the period	(23,914)	15,172
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD	(18,567)	40,580

The accompanying notes 1 to 19 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 three month period ended 31 March 2026 (Unaudited)

		<i>Three months period ended 31 March</i>	
		2026	2025
		AED'000	AED'000
	Notes		
OPERATING ACTIVITIES			
Profit for the period before tax		6,091	29,211
Adjustments for:			
Depreciation on property and equipment		257	185
Amortization of intangible assets		85	85
Depreciation on right-of-use assets		1,280	1,247
Net impairment loss on financial assets	6.1	2,245	2,301
Operating profit before changes in operating assets and liabilities		9,958	33,029
Change in statutory reserve deposits with Central Bank of the UAE		(23,421)	(23,310)
Change in due from bank with original maturity of over three months		3,916	-
Change in loans and advances, net		(1,393)	41,754
Change in investments, net		42,379	38,669
Change in other assets		1,463	2,431
Change in customers' deposits		(274,768)	(563,132)
Change in other liabilities		17,754	(6,389)
Net cash used in operating activities		(224,112)	(476,948)
INVESTING ACTIVITY			
Purchase of property, equipment and intangible assets		(994)	(249)
Intangible assets under development		(10,485)	-
Net cash used in investing activities		(11,479)	(249)
FINANCING ACTIVITIES			
Payment of principal portion of lease liabilities		(1,296)	(1,296)
Net cash used in financing activities		(1,296)	(1,296)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(236,887)	(478,493)
Cash and cash equivalents at 1 January		960,812	1,185,539
CASH AND CASH EQUIVALENTS AT 31 MARCH		723,925	707,046
Cash and cash equivalents comprise the following amounts in the interim condensed statement of financial position with original maturities of three months or less:			
Cash and balances with the Central Bank of the UAE (excluding statutory deposits)			
		204,635	208,321
Due from banks			
		519,290	498,725
		723,925	707,046
Operational cash flows from interest and dividends			
Interest paid		(14,681)	(24,208)
Interest received (including interest from investments)		54,024	57,592
Dividends received		4,278	3,710

The accompanying notes 1 to 19 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 three month period ended 31 March 2026 (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 2026	1,000,000	64,990	37,867	91,769	291,278	1,485,904
Profit for the period	-	-	-	-	5,347	5,347
Other comprehensive loss for the period	-	-	-	(23,914)	-	(23,914)
Total comprehensive (loss)/income for the period	-	-	-	(23,914)	5,347	(18,567)
Transfer from impairment reserve-general	-	-	(1,170)	-	1,170	-
Gain on disposal of equity instruments at fair value through other comprehensive income	-	-	-	(585)	585	-
Balance at 31 March 2026	1,000,000	64,990	36,697	67,270	298,380	1,467,337

The accompanying notes 1 to 19 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 three month period ended 31 March 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	-	-	-	-	25,408	25,408
Other comprehensive income for the period	-	-	-	15,172	-	15,172
Total comprehensive income for the period	-	-	-	15,172	25,408	40,580
Transfer to impairment reserve-general	-	-	5,385	-	(5,385)	-
Balance at 31 March 2025	<u>1,000,000</u>	<u>56,625</u>	<u>35,217</u>	<u>48,663</u>	<u>246,213</u>	<u>1,386,718</u>

The accompanying notes 1 to 19 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 Decree Law No. (32) of 2021, as amended (the “Companies Law”), as a Public Joint Stock Company. During 2023, the Bank received a restricted banking license as amended 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 (the “Parent Company”) which holds 92.39% (31 December 2025: 92.39%) of the shares in the Bank.

During 2025, the Bank commenced a multi-year strategic transformation programme aimed at repositioning the Bank as a digital-enabled private banking institution, while continuing to provide relationship-led wealth management services.

The transformation programme is intended to support the Bank’s long-term strategic objectives and includes initiatives focused on technology modernisation, enhancement of leadership and specialist capabilities, and improvements to client experience and operating efficiency. The programme is being implemented in phases and is subject to ongoing governance and risk management oversight. the Bank has:

- commenced the implementation of a modern and scalable technology architecture to support digital client journeys, data integration, and product development;
- strengthened its management team and specialist functions through targeted appointments in areas including private banking, digital capabilities, and transformation delivery; and
- initiated the redesign of selected operational processes with the objective of improving efficiency, service quality, and operational effectiveness.

As at 31 March 2026, the transformation programme was ongoing.

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 of the UAE including the Companies Law and the Decretal Federal Law No. (14) of 2018 (the “UAE Banking Law”).

UAE Federal Decree Law No (6) of 2025 came into effect on 16 September 2025 which repealed the Decretal Federal Law No 14 of 2018, as amended. The Bank has a transition period of one year from 16 September 2025 to ensure full compliance.

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 audited financial statements for the year ended 31 December 2025.

In addition, results for the three month period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

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 2025, unless otherwise stated.

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES**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 annual audited financial statements for the year ended 31 December 2025 except as disclosed in Note 16 in this interim condensed financial information.

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 2026, have been adopted in this interim financial information. The application of these revised IFRSs, have not had any material impact on the amounts reported for the current and prior periods.

Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

On 30 May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

3 DUE FROM BANKS, NET

	<i>31 March 2026 AED'000 (Unaudited)</i>	<i>31 December 2025 AED'000 (Audited)</i>
Placements	157,947	117,199
Call and short notice	366,852	438,322
	<u>524,799</u>	<u>555,521</u>
Less: allowance for impairment (note 6)	(141)	(149)
	<u>524,658</u>	<u>555,372</u>

4 INVESTMENTS, NET

	<i>31 March 2026 AED'000 (Unaudited)</i>	<i>31 December 2025 AED'000 (Audited)</i>
<i>Investment at fair value through profit or loss</i>		
<i>Equity instruments</i>		
Unquoted	15,627	16,027
Total investments measured at fair value through profit or loss	15,627	16,027
<i>Investments at fair value through other comprehensive income</i>		
<i>Debt instruments</i>		
Quoted	2,190,834	2,273,980
<i>Equity instruments</i>		
Quoted	107,124	107,825
Unquoted	3,697	3,697
	110,821	111,522
Total investments measured at fair value through other comprehensive income	2,301,655	2,385,502
<i>Investments at amortised cost</i>		
<i>Debt instruments</i>		
Quoted	275,495	258,840
Total investments measured at amortised cost	275,495	258,840
Gross investments	2,592,777	2,660,369
Less: allowance for impairment (note 6)	(11,556)	(11,475)
Investments, net	2,581,221	2,648,894

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.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the three month period ended 31 March 2026 (Unaudited)

4 INVESTMENTS, NET (continued)

As at 31 March 2026, the Bank held the following investments measured as follows:

	<i>Total</i>	<i>Investments carried at fair value</i>		<i>Investments carried at</i>
	<i>AED'000</i>	<i>Level 1</i>	<i>Level 3</i>	<i>amortized cost</i>
	<i>(Unaudited)</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
		<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
Debt instruments:				
Domestic	719,955	635,423	-	84,532
Regional	436,922	332,871	-	104,051
International	1,309,452	1,222,540	-	86,912
Equity instruments:				
Domestic	110,821	68,530	42,291	-
International	15,627	-	15,627	-
Gross investments	2,592,777	2,259,364	57,918	275,495
Less: allowance for impairment (note 6)	(11,556)			
Investments, net	2,581,221			

The fair value of debt investments carried at amortised cost as at 31 March 2026 amounts to AED 256,616 thousand (31 December 2025: AED 242,706 thousand) and these investments would be classified as level 1 within the fair value hierarchy.

As at 31 December 2025, the Bank held the following investments measured as follows:

	<i>Total</i>	<i>Investments carried at fair value</i>		<i>Investments carried at</i>
	<i>AED'000</i>	<i>Level 1</i>	<i>Level 3</i>	<i>amortised cost</i>
	<i>(Audited)</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
		<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
Debt instruments:				
Domestic	747,629	663,052	-	84,577
Regional	422,800	331,633	-	91,167
International	1,362,391	1,279,295	-	83,096
Equity instruments:				
Domestic	111,522	67,654	43,868	-
International	16,027	-	16,027	-
Gross investments	2,660,369	2,341,634	59,895	258,840
Less: allowance for impairment (note 6)	(11,475)			
Investments, net	2,648,894			

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the three month period ended 31 March 2026 (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:

	<i>31 March 2026 AED'000 (Unaudited)</i>	<i>31 December 2025 AED'000 (Audited)</i>
At the beginning of the period/year	59,895	65,264
Net unrealised (loss)/gain recognised in other comprehensive income	(3)	4,945
Net loss recognised in profit or loss	(107)	(1,588)
Additions	-	918
Disposal	(1,867)	(9,644)
At the end of the period/year	57,918	59,895

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

	<i>31 March 2026 AED'000 (Unaudited)</i>	<i>31 December 2025 AED'000 (Audited)</i>
Gross loans and advances	935,575	934,182
Less: allowance for impairment (note 6)	(5,573)	(4,793)
Loans and advances, net	930,002	929,389

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.

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

	<i>31 March 2026 AED'000 (Unaudited)</i>	<i>31 December 2025 AED'000 (Audited)</i>
<i>Allowance on due from banks</i>		
At 1 January	149	210
Reversal for the period/year	(8)	(61)
	<u>141</u>	<u>149</u>
<i>Allowance on loans and advances</i>		
At 1 January	4,793	11,002
Charge for the period/year	780	1,444
Loans and advances written off	-	(7,653)
	<u>5,573</u>	<u>4,793</u>
<i>Allowance on Investments – measured at amortised cost</i>		
At 1 January	11,475	32,612
Charge/(reversal) for the period/year	81	(21,137)
	<u>11,556</u>	<u>11,475</u>
<i>Allowance on other assets</i>		
At 1 January	97	-
Charge for the period/year	21	97
	<u>118</u>	<u>97</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 and due from banks is as follows:

	<i>31 March 2026 AED'000 (Unaudited)</i>	<i>31 December 2025 AED'000 (Audited)</i>
Expected credit losses- Lifetime ECL (Stage 3)	12,377	12,243
Expected credit losses- 12-months ECL (Stage 1)	5,011	4,271
Total expected credit losses	<u>17,388</u>	<u>16,514</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the three month period ended 31 March 2026 (Unaudited)

6 ALLOWANCES FOR IMPAIRMENT LOSSES ON FINANCIAL ASSETS (continued)

6.1 Net impairment loss on financial assets

	<i>Three months ended 31 March</i>	
	2026	2025
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Impairment loss on investments measured at amortized cost	(81)	(67)
Impairment loss on investments measured at FVOCI	(1,371)	(1,156)
Impairment loss on loans and advances	(780)	(930)
Impairment reversal/(loss) on due from banks	8	(60)
Impairment loss on other assets	(21)	(88)
	<u>(2,245)</u>	<u>(2,301)</u>

7 CUSTOMER DEPOSITS

	31 March	31 December
	2026	2025
	AED'000	AED'000
	(Unaudited)	(Audited)
Time deposits	1,554,885	1,731,631
Call accounts	1,480,304	1,578,326
	<u>3,035,189</u>	<u>3,309,957</u>

8 INTEREST INCOME FROM LOANS AND PLACEMENTS

	<i>Three months ended 31 March</i>	
	2026	2025
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Loans and advances	15,376	16,045
Bank placements	6,256	6,995
	<u>21,632</u>	<u>23,040</u>

9 NET INCOME FROM INVESTMENTS

	<i>Three months ended 31 March</i>	
	2026	2025
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Interest income on investments in debt instruments	28,359	30,685
Dividend income	4,278	3,710
Net realised loss on investments measured at amortised cost and FVOCI	(257)	(4)
Net loss from investments measured at fair value through profit or loss	(33)	(815)
Portfolio management fees paid to other financial institutions	(183)	(220)
	32,164	33,356

10 GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Three months ended 31 March</i>	
	2026	2025
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Staff costs	20,199	14,534
Consultancy charges*	13,653	1,191
Depreciation on right-of-use assets	1,280	1,247
Communication and subscriptions	1,291	978
Depreciation on property and equipment	257	185
Amortisation of intangible assets	85	85
Others*	6,639	1,937
	43,404	20,157

* Includes expense incurred during the period ended 31 March 2026 towards strategic transformation.

11 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 31 March 2026 and 2025 are, as follows:

	<i>Three months ended 31 March</i>	
	2026	2025
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Current income tax:		
Statement of profit or loss	744	3,803
Statement of other comprehensive income	68	(6)
Deferred tax		
Relating to origination and reversal of temporary differences	(2,427)	1,294
	(1,615)	5,091

11 INCOME TAX (continued)

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 €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 14% as applicable to Group. The Bank has recognised a current tax expense of AED 228 thousand related to the top-up tax (31 March 2025: AED 1,388 thousand) which is 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.

12 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 months ended 31 March</i>	
	2026	2025
	AED’000	AED’000
	(Unaudited)	(Unaudited)
Profit for the period	5,347	25,408
Weighted average number of shares	10,000,000	10,000,000
Basic earning per share (AED)	0.53	2.54

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.

13 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.

13 SEGMENTAL ANALYSIS (continued)

Statement of profit or loss

	<i>Investments</i>		<i>Banking Services</i>		<i>Total</i>	
	<i>Three month ended</i>		<i>Three month ended</i>		<i>Three month ended</i>	
	<i>31 March</i>		<i>31 March</i>		<i>31 March</i>	
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</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	38,418	40,350	(971)	(985)	37,447	39,365
Fee, commission and other income (including exchange gain)	1,286	1,469	13,007	10,835	14,293	12,304
Intersegment adjustments	(19,975)	(25,134)	19,975	25,134	-	-
Operating income	19,729	16,685	32,011	34,984	51,740	51,669
General and administrative expenses	(9,431)	(4,263)	(33,973)	(15,894)	(43,404)	(20,157)
Net impairment loss on financial assets	(1,465)	(1,283)	(780)	(1,018)	(2,245)	(2,301)
Operating expenses	(10,896)	(5,546)	(34,753)	(16,912)	(45,649)	(22,458)
Profit/(loss) before tax	8,833	11,139	(2,742)	18,072	6,091	29,211
Income tax expense					(744)	(3,803)
Profit for the year					5,347	25,408

Statement of financial position

	<i>Investments</i>		<i>Banking Services</i>		<i>Total</i>	
	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</i>	<i>31 March</i>	<i>31 December</i>
	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</i>	<i>2026</i>	<i>2025</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	3,593,141	3,880,763	1,008,341	996,852	4,601,482	4,877,615
Segment liabilities and equity	1,173,073	1,177,782	3,428,409	3,699,833	4,601,482	4,877,615

14 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:

	31 March 2026 AED'000 (Unaudited)	31 December 2025 AED'000 (Audited)
Guarantees	11,034	11,034
Unutilised committed credit facilities*	37,380	44,141
	48,414	55,175

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 2025: Stage 1). There was no transition in the staging of the guarantees during the period ended 31 March 2026 (2025: no transition).

* 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.

Investments-related commitments

The Bank has commitments of AED 14,991 thousand on account of investment in equity instruments (31 December 2025: AED 15,141 thousand).

Capital commitments

As part of the Bank's strategic technology transformation initiative, the Bank has entered into various contractual arrangements with the aim of transforming a Bank to become a leading digitally enabled, wealth management and lifestyle offering for HNWIs in the UAE. The project involves significant investment in software development, system integration, migration, and related infrastructure.

As at 31 March 2026, the Bank had outstanding contractual commitments relating to the system transformation amounting to AED 86,705 (31 December 2025: AED 76,565 thousand), which primarily comprise:

- The core banking system vendor and system integrators for software licenses, implementation, testing and direct related cost for system under development;
- Commitments towards infrastructure upgrades and ancillary technology systems necessary for integration and performance; and
- Professional service agreements with consultants and project management partners engaged for the transition.

These commitments are expected to be settled over the next 12 months, in line with the project implementation schedule.

15 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.

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

	<i>31 March 2026 AED'000 (Unaudited)</i>	<i>31 December 2025 AED'000 (Audited)</i>
Customer deposits	158,215	118,456
Loans and advances*	73	32
Other liabilities	1,205	945
Other assets	743	889
Guarantees	1,771	1,771

* These loans and advances are fully collateralised by customer deposits amounting to AED 121 thousand (31 December 2025: AED 53 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 2025: Stage 1). There was no transition in the staging of the related party balances during the period ended 31 March 2026 (2025: no transition).

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

	<i>Three months ended 31 March</i>	
	<i>2026 AED'000 (Unaudited)</i>	<i>2025 AED'000 (Unaudited)</i>
Interest income	-	1,756
Interest expense	(530)	(1,709)
Fee, commission, and other income	1,445	596
General and administrative expenses	(2,371)	(2,157)

Compensation of key management personnel:

	<i>Three months ended 31 March</i>	
	<i>2026 AED'000 (Unaudited)</i>	<i>2025 AED'000 (Unaudited)</i>
Salaries and other benefits	3,983	3,816
Directors fee	1,574	-
	5,557	3,816

During the period ended 31 March 2026, the Bank transferred its 24% equity interest in EIB Investment Co. L.L.C. (investment in associate) to a related party for AED 72 thousand and has not recorded any gain or loss on same.

16 RISK MANAGEMENT

Current economic and geopolitical situation

On 28 February 2026, a military conflict commenced involving Iran, Israel, and the United States of America. This has resulted in significant impacts within the GCC region, including damage to critical infrastructure and energy resources. The global repercussions include heightened commodity price volatility, fluctuations in foreign exchange rates, and disruptions to international trade and resource availability. These factors may lead to a protracted regional and global economic downturn.

To mitigate systemic impact, the UAE Government and the Central Bank of the UAE (“CBUAE”) have introduced fiscal stimulus measures and support incentives, including the Financial Institution Resilience Package (“FIRP”) announced on 18 March 2026, to assist impacted economic sectors and individuals.

The Bank has performed an assessment of the impact of these geopolitical developments on its risk profile and financial statements as outlined below.

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, investments, 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.

Impact of current economic and geopolitical situation on credit risk

While the regional macroeconomic environment remains fluid, the Bank’s asset base is positioned to mitigate associated credit risks. The investment portfolio is primarily comprised of Investment Grade bonds. Loans and advances are predominantly secured by collateral, including liquid securities (fixed income, equities, and commodities) and real estate, maintained at conservative Loan-to-Value (“LTV”) ratios.

Impact on the measurement of Expected Credit Losses (“ECL”)

IFRS 9 requires the estimation of ECL based on observed and forward-looking economic conditions. The Bank utilizes a range of weighted economic scenarios (baseline, downturn, and upturn) to ensure ECL estimates reflect a representative range of possible outcomes.

The Bank has reviewed its credit portfolio and adopted a prudential approach to IFRS 9 inputs, acknowledging that reported Macroeconomic Variables (“MEVs”) may not yet fully capture the rapidly evolving geopolitical situation. Staging and grouping decisions have been reassessed as of the reporting date to ensure they reflect the current creditworthiness of customers and counterparties.

The Bank reassessed its Stage 1, Stage 2, and Stage 3 portfolios as of 31 March 2026. The investment portfolio was evaluated for significant deterioration; while market-wide credit spread widening was observed, it remained contained within the Investment Grade segment. No material rating downgrades were noted by external agencies for existing holdings. As of 31 March 2026, the fixed income portfolio did not meet the criteria for a Significant Increase in Credit Risk (“SICR”) and remains unchanged.

Management Overlays and Model Assumptions

Given the anticipated contraction in GDP and the lag in official revised forecasts, the Bank has applied a prudent adjustment to its ECL model. Specifically, the Bank has revised its scenario weightings by increasing the probability assigned to the downturn scenario, reducing the baseline, and applying a negligible weight to the upturn scenario.

The Bank continues to monitor CBUAE guidelines regarding relief schemes for impacted customers. As of 31 March 2026, the Bank has no customers benefiting from the FIRP.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

For the three month period ended 31 March 2026 (Unaudited)

16 RISK MANAGEMENT (continued)

Credit risk (continued)

Movement in gross carrying amount

The following table explains the changes in the gross carrying amount of financial assets from 1 January 2026 to 31 March 2026 and 1 January 2025 to 31 December 2025:

	31 March 2026 (Unaudited)			
	Stage 1	Stage 2	Stage 3	Total
	12-month	Lifetime ECL	Lifetime ECL	
	ECL	ECL	ECL	
AED'000	AED'000	AED'000	AED'000	
Due from banks				
As at 1 January 2026	555,521	-	-	555,521
New financial assets originated	321,984	-	-	321,984
Repayment and other movements	(352,706)	-	-	(352,706)
As at 31 March 2026	524,799	-	-	524,799
Loans and advances				
As at 1 January 2026	932,903	-	1,279	934,182
Transfers				
Transfer from Stage 1 to Stage 2	(19)	19	-	-
Transfer from Stage 2 to Stage 3	-	(5)	5	-
New financial assets originated	17,159	-	-	17,159
Repayments and other movements	(15,896)	-	130	(15,766)
As at 31 March 2026	934,147	14	1,414	935,575
Investments – measured at amortised cost				
As at 1 January 2026	247,876	-	10,964	258,840
New financial assets originated	16,450	-	-	16,450
Other movements	205	-	-	205
As at 31 March 2026	264,531	-	10,964	275,495
31 December 2025 (Audited)				
	Stage 1	Stage 2	Stage 3	Total
	12-month	Lifetime ECL	Lifetime ECL	
	ECL	ECL	ECL	
	AED'000	AED'000	AED'000	AED'000
Due from banks				
As at 1 January 2025	527,483	-	-	527,483
New financial assets originated	321,660	-	-	321,660
Repayment and other movements	(293,622)	-	-	(293,622)
As at 31 December 2025	555,521	-	-	555,521
Loans and advances				
As at 1 January 2025	900,702	-	8,949	909,651
New financial assets originated	355,173	-	-	355,173
Repayment and other movements	(322,972)	-	494	(322,478)
Write off	-	-	(8,164)	(8,164)
As at 31 December 2025	932,903	-	1,279	934,182

16 RISK MANAGEMENT (continued)

Credit risk (continued)

Movement in gross carrying amount (continued)

	31 December 2025 (Audited)			Total AED'000
	Stage 1	Stage 2	Stage 3	
	12-month ECL AED'000	Lifetime ECL AED'000	Lifetime ECL AED'000	
<i>Investments – measured at amortised cost</i>				
As at 1 January 2025	164,585	-	32,423	197,008
New financial assets originated	84,250	-	-	84,250
Repayment and other movements	(959)	-	-	(959)
Assets derecognised	-	-	(21,459)	(21,459)
As at 31 December 2025	247,876	-	10,964	258,840

The following table explain the changes in the loss allowance on financial asset from 1 January 2026 to 31 March 2026 and 1 January 2025 to 31 December 2025:

	31 March 2026 (Unaudited)			Total AED'000
	Stage 1	Stage 2	Stage 3	
	12-month ECL AED'000	Lifetime ECL AED'000	Lifetime ECL AED'000	
<i>Due from banks</i>				
As at 1 January 2026	149	-	-	149
New financial assets originated	8	-	-	8
Changes in PDs/LGDs/EADs	(16)	-	-	(16)
As at 31 March 2026	141	-	-	141
<i>Loans and advances</i>				
As at 1 January 2026	3,514	-	1,279	4,793
New financial assets originated	64	-	-	64
Changes in PDs/LGDs/EADs	581	-	135	716
As at 31 March 2026	4,159	-	1,414	5,573
<i>Investments – measured at amortised cost</i>				
As at 1 January 2026	511	-	10,964	11,475
New financial assets originated	13	-	-	13
Changes in PDs/LGDs/EADs	68	-	-	68
As at 31 March 2026	592	-	10,964	11,556

All guarantees issued by the Bank are collateralised by cash and classified as stage 1 within the ECL model as at 31 March 2026 and 31 December 2025.

16 RISK MANAGEMENT (continued)

Credit risk (continued)

Movement in loss allowance (continued)

	31 December 2025 (Audited)			Total AED'000
	Stage 1	Stage 2	Stage 3	
	12-month ECL AED'000	Lifetime ECL AED'000	Lifetime ECL AED'000	
<i>Due from banks</i>				
As at 1 January 2025	210	-	-	210
New financial assets originated	13	-	-	13
Changes in PDs/LGDs/EADs	(74)	-	-	(74)
As at 31 December 2025	149	-	-	149
<i>Loans and advances</i>				
As at 1 January 2025	2,564	-	8,438	11,002
New financial assets originated	1,591	-	-	1,591
Changes in PDs/LGDs/EADs	(641)	-	494	(147)
Write off	-	-	(7,653)	(7,653)
As at 31 December 2025	3,514	-	1,279	4,793
<i>Investments – measured at amortised cost</i>				
As at 1 January 2025	189	-	32,423	32,612
New financial assets originated	98	-	-	98
Changes in PDs/LGDs/EADs	224	-	-	224
Assets derecognised	-	-	(21,459)	(21,459)
As at 31 December 2025	511	-	10,964	11,475

Impact of current economic and geopolitical situation on liquidity risk

The geopolitical conflict has introduced heightened volatility and tightened liquidity conditions across regional markets. Despite these pressures, regional liquidity has remained resilient. The Bank has maintained a defensive liquidity posture, prioritizing the preservation of a robust liquidity buffer and high-quality liquid assets (HQLA).

The Bank's liquidity management strategy in response to the current environment includes:

- **Cash reserves:** Maintaining elevated levels of cash and cash equivalents on the balance sheet to ensure immediate availability of funds.
- **Investment portfolio alignment:** Continue to maintain the majority of the investment portfolio in Investment Grade securities, with a strategic allocation toward the short end of the yield curve. This positioning minimizes mark-to-market volatility and maximizes the Bank's ability to generate rapid liquidity through asset sales or repo markets if required.
- **Counterparty credit monitoring:** Conducting rigorous and frequent reviews of counterparties providing secured lines of credit to ensure that committed funding facilities remain intact and accessible.

Regulatory support and contingency funding

To address potential system-wide liquidity stress, CBUAE introduced the FIRP. This package allows UAE banks to access liquidity through open market operations based on the regulator's assessment of market conditions. Additional liquidity measures implemented by the CBUAE to support the banking sector include:

- **Reserve Requirement (RR) Flexibility:** Allowing banks to draw-down up to 30% of their total minimum reserve requirement on average during each maintenance period without incurring penalty fees (as a temporary liquidity relief measure).
- **Prudential Ratio Relief:** A 20% reduction in the minimum regulatory requirements for the Eligible Liquid Assets Ratio (ELAR) from current 10% to 8% on a temporary basis, initially up to 30 June 2026.

16 RISK MANAGEMENT (continued)***Impact of current economic and geopolitical situation on liquidity risk (continued)***

Management believes that the combination of the Bank's prudent liquidity management and the CBUAE's support measures ensures the Bank is well-positioned to meet its obligations and customer requirements effectively. The Bank remains cautious and continues to maintain robust internal liquidity buffers and contingency funding plans, recognizing the uncertainty regarding the duration of such support and the risk of a prolonged or more severe disruption in access to foreign funding markets.

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:

	<i>31 March 2026 AED'000 (Unaudited)</i>	<i>31 December 2025 AED'000 (Audited)</i>
Common Equity Tier 1 capital		
Issued capital	1,000,000	1,000,000
Legal reserve	64,990	64,990
Retained earnings	298,380	291,278
Fair value reserve	18,640	32,157
Regulatory deductions	(45,840)	(35,440)
Total CET I capital	1,336,170	1,352,985
Tier II capital		
Eligible general provisions	5,011	4,271
Total tier II capital	5,011	4,271
Total eligible capital	1,341,181	1,357,256
Risk weighted exposure		
Credit risk	2,780,513	2,809,171
Market risk	2,946	617
Operational risk	353,278	338,954
Total	3,136,737	3,148,742
Capital Ratio	Minimum requirement	
Total capital ratio	13%	42.76%
Tier I ratio	11%	42.60%
CET I ratio	9.5%	42.60%

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

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18 FIDUCIARY ASSETS

	<i>31 March 2026 AED'000 (Unaudited)</i>	<i>31 December 2025 AED'000 (Audited)</i>
Balance of fiduciary assets	<u><u>7,289,900</u></u>	<u><u>7,681,173</u></u>

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 three month period ended 31 March 2026.