



The National Bank of Ras Al-Khaimah (P.S.C.)

**Review report and condensed consolidated
interim financial information for the period
from 1 January 2025 to 31 March 2025**

The National Bank of Ras Al-Khaimah (P.S.C.)

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

The Board of Directors
The National Bank of Ras Al-Khaimah (P.S.C.)
Ras Al Khaimah
United Arab Emirates

Introduction

We have reviewed the accompanying Group condensed consolidated interim statement of financial position of **The National Bank of Ras Al-Khaimah (P. S.C.)** (the “Bank”) and its **Subsidiaries** (together referred to as the “Group”) as at 31 March 2025 and the related Group statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended and a summary of material accounting policy information and other explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this interim 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 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 financial information is not prepared, in all material respects, in accordance with IAS 34.

Other matter

The consolidated financial statements of the Group for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 23 January 2025. The interim financial information of the Group for the three-month period ended 31 March 2024 was reviewed by another auditor who expressed an unmodified conclusion on 26 April 2024.

Deloitte & Touche (M.E.)



Musa Ramahi
Registration No. 872
21 April 2025
Dubai
United Arab Emirates

The National Bank of Ras Al-Khaimah (P.S.C.)

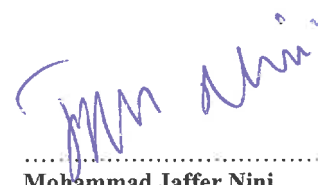
Condensed consolidated interim statement of financial position as at 31 March 2025

	Notes	31 March 2025 (Unaudited) AED'000	31 December 2024 (Audited) AED'000
ASSETS			
Cash and balances with UAE Central Bank	4	9,870,601	8,770,312
Due from other banks, net	5	12,504,187	12,360,600
Investment securities measured at fair value	6	9,519,947	9,159,322
Investment securities measured at amortised cost	6	8,000,515	7,444,281
Loans and advances, net	7	47,590,410	47,223,940
Reinsurance contract assets	12	219,318	231,578
Customer acceptances		187,640	406,612
Other assets	8	1,833,562	1,682,252
Property and equipment		580,806	552,246
Right-of-use assets		120,240	117,632
Goodwill and intangible assets		376,453	376,632
Total assets		90,803,679	88,325,407
LIABILITIES AND EQUITY			
LIABILITIES			
Due to other banks	9	6,929,184	7,099,475
Deposits from customers	10	61,037,794	59,649,678
Customer acceptances		187,640	406,612
Debt securities issued and other long-term borrowings	11	5,718,590	4,937,818
Insurance contract liabilities	12	451,151	481,321
Other liabilities	13	3,859,843	2,922,985
Lease liabilities		108,410	106,807
Deferred tax liability	24	16,536	8,921
Subordinated note	14	915,279	915,111
Total liabilities		79,224,427	76,528,728
EQUITY			
Share capital	15	2,011,495	2,011,495
Legal reserve		1,128,804	1,128,804
Retained earnings		5,151,209	5,458,933
Other reserves		3,253,865	3,166,371
Equity attributable to owners of the Bank		11,545,373	11,765,603
Non-controlling interests		33,879	31,076
Total equity		11,579,252	11,796,679
Total Liabilities and Equity		90,803,679	88,325,407

This condensed consolidated interim financial information was duly approved and authorised by the Board of Directors on 21 April 2025 and signed on their behalf by:



.....
Raheel Ahmed
Chief Executive Officer



.....
Mohammad Jaffer Nini
Chief Financial Officer

The accompanying notes form an integral part of these condensed consolidated interim financial information.

The National Bank of Ras Al-Khaimah (P.S.C.)

Condensed consolidated interim statement of profit or loss for the period from 1 January 2025 to 31 March 2025

	Notes	Three months period ended 31 March	
		2025 (Un-audited) AED'000	2024 (Un-audited) AED'000
Interest income	18	1,117,383	1,091,194
Interest expense	18	(370,248)	(306,310)
Net interest income		747,135	784,884
Income from Islamic financing	19	183,953	158,564
Distribution to depositors	19	(64,199)	(63,997)
Net income from Islamic financing		119,754	94,567
Net interest income and net income from Islamic financing		866,889	879,451
Net fees and commission income	20	188,018	160,976
Foreign exchange & derivative income		97,578	84,863
Investment income	21	126,451	43,284
Insurance revenue		126,005	141,101
Insurance expense		(128,916)	(155,199)
Other operating income		24,235	19,829
Non-interest income		433,371	294,854
Operating income		1,300,260	1,174,305
General and administrative expenses	22	(434,375)	(388,463)
Operating profit before net impairment charge and tax		865,885	785,842
Net impairment charge	23	(93,713)	(156,553)
Profit for the period before tax		772,172	629,289
Income tax expense	24	(67,677)	(55,097)
Profit for the period after tax		704,495	574,192
<i>Attributed to:</i>			
Owners of the Bank		702,215	573,487
Non-controlling interests		2,280	705
Profit for the period		704,495	574,192
<i>Earnings per share:</i>			
Basic and diluted in AED	25	0.35	0.29

The National Bank of Ras Al-Khaimah (P.S.C.)

Condensed consolidated interim statement of comprehensive income for the period from 1 January 2025 to 31 March 2025

	Three months period ended 31 March	
	2025 (un-audited) AED'000	2024 (un-audited) AED'000
Profit for the period after tax	704,495	574,192
<i>Other comprehensive income/(loss):</i>		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Changes in fair value of financial assets measured at fair value through other comprehensive income, net (equity instruments)	12,041	(8,876)
Loss on sale of equity investments held at fair value through other comprehensive income	(4,606)	-
Income tax expense related to the above	(669)	799
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Changes in fair value of financial assets measured at fair value through other comprehensive income, net (debt instruments)	92,481	27,369
Profit on sale of debt instruments transferred to profit and loss	(8,266)	(7,930)
Net changes in fair value arising from cash flow hedges	460	(11,316)
Deferred tax expense related to the above	(7,615)	(729)
Other comprehensive income/(loss) for the period	83,826	(683)
Total comprehensive income for the period	788,321	573,509
<i>Attributed to:</i>		
Owners of the Bank	785,518	572,851
Non-controlling interests	2,803	658
Total comprehensive income for the period	788,321	573,509

The National Bank of Ras Al-Khaimah (P.S.C.)

Condensed consolidated interim statement of changes in equity for the period from 1 January 2025 to 31 March 2025

	Share capital AED'000	Legal reserve AED'000	Retained earnings AED'000	Other reserves AED'000	Equity attributable to owners of the Bank AED'000	Non- controlling interests AED'000	Total AED'000
Balance at 1 January 2024 (audited)	2,011,495	1,128,804	4,019,394	3,167,378	10,327,071	27,456	10,354,527
Profit for the period	-	-	573,487	-	573,487	705	574,192
Other comprehensive loss	-	-	-	(636)	(636)	(47)	(683)
Total comprehensive income for the period	-	-	573,487	(636)	572,851	658	573,509
Dividend paid during the period (Note 15)	-	-	(623,563)	-	(623,563)	-	(623,563)
At 31 March 2024 (un-audited)	2,011,495	1,128,804	3,969,318	3,166,742	10,276,359	28,114	10,304,473
Balance at 1 January 2025 (audited)	2,011,495	1,128,804	5,458,933	3,166,371	11,765,603	31,076	11,796,679
Profit for the period	-	-	702,215	-	702,215	2,280	704,495
Other comprehensive (loss)/gain	-	-	(4,191)	87,494	83,303	523	83,826
Total comprehensive income for the period	-	-	698,024	87,494	785,518	2,803	788,321
Dividend payable for the period (Note 13 and 15)	-	-	(1,005,748)	-	(1,005,748)	-	(1,005,748)
At 31 March 2025 (un-audited)	2,011,495	1,128,804	5,151,209	3,253,865	11,545,373	33,879	11,579,252

The accompanying notes form an integral part of these condensed consolidated interim financial information.

**Condensed consolidated interim statement of cash flows
for the period from 1 January 2025 to 31 March 2025**

	Three months period ended 31 March	
	2025	2024
	(un-audited)	(un-audited)
	AED'000	AED'000
<i>Cash flows from operating activities</i>		
Profit for the period before tax	772,172	629,289
<i>Adjustments:</i>		
Provision for credit losses, net	93,713	156,553
Depreciation and amortization of property and equipment and intangibles	28,335	27,759
Net changes in fair value arising from hedge and forex revaluation	(14,618)	24,984
Depreciation on right-of-use assets	5,251	5,635
Interest cost on lease liability	1,005	1,092
Loss on disposal of property and equipment	-	1,889
Amortisation of discount relating to investments securities	(38,203)	(32,089)
Gain on sale of debt securities measured at FVOCI	(8,021)	(7,930)
Gain on sale of investment securities held at FVTPL	(98,283)	(5,955)
Fair value change on FVTPL investment securities	(531)	(11,789)
Amortization of discount on debt securities issued	9,307	4,740
	750,127	794,178
<i>Changes in operating assets and liabilities</i>		
Increase in due from other banks (original maturities of three month or over)	(558,572)	(1,029,845)
Increase in loans and advances, net	(462,866)	(1,291,159)
Decrease/(increase) in Investment securities measured at fair value	123,174	(330,358)
Decrease in reinsurance contract assets	12,260	28,329
Decrease/(Increase) in other assets	68,121	(69,828)
Decrease in due to other banks	(170,291)	(1,621,143)
Increase in deposits from customers	1,388,116	4,998,382
(Decrease)/Increase in insurance contract liabilities	(30,170)	13,972
(Decrease)/Increase in other liabilities and customer acceptances	(362,818)	123,815
Net cash generated from operating activities	757,081	1,616,343
<i>Cash flows from investing activities</i>		
Purchase of investment securities	(3,621,991)	(4,569,631)
Proceeds from maturity/disposal of investment securities	2,831,267	2,587,770
Purchase of property and equipment	(56,715)	(31,829)
Proceeds from disposal of property and equipment	-	34
Net cash used in investing activities	(847,439)	(2,013,656)
<i>Cash flows from financing activities</i>		
Issue of debt security and other borrowings	771,634	1,099,938
Dividends paid	-	(623,563)
Payment for rentals on lease contracts	(7,721)	(7,034)
Net cash generated from financing activities	763,913	469,341
Net increase in cash and cash equivalents	673,555	72,028
Cash and cash equivalents, beginning of the period	10,063,881	7,946,799
Cash and cash equivalents, end of the period (Note 27)	10,737,436	8,018,827

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025

1. Incorporation and Principal Activities

The National Bank of Ras Al-Khaimah (P.S.C.) (the “Bank”) is a public shareholding company incorporated in the Emirate of Ras Al-Khaimah in the United Arab Emirates (“UAE”). The head office of the Bank is located at the National Bank of Ras Al-Khaimah building, Al Rifa area, Exit No. 129, Sheikh Mohammed Bin Zayed Road, Ras Al-Khaimah, UAE.

The Bank is engaged in providing Retail, Commercial, Islamic banking and Treasury services through a network of nineteen branches in the UAE. The Bank is controlled by the Government of Ras Al-Khaimah by majority of voting rights.

At 31 March 2025, The National Bank of Ras Al-Khaimah (P.S.C.) comprises the Bank and five subsidiaries (together referred to as the “Group”). The condensed consolidated interim financial information for the three months period ended 31 March 2025 comprises the Bank and following direct subsidiaries:

<i>Subsidiary</i>	<i>Authorized and issued capital</i>	<i>Ownership interest</i>	<i>Incorporated</i>	<i>Principal Activities</i>
Ras Al Khaimah National Insurance Company PSC	AED 121.275 million	79.23%	UAE	Underwriting all types of Insurance business.
BOSS FZCO	AED 0.5 million	80.00%*	UAE	Back-office support services to the Bank.
RAK Technologies FZCO	AED 0.5 million	80.00%*	UAE	Technological support services to the Bank.
Protego Insurance Brokers L.L.C.	AED 28.5 million	100.00%	UAE	Insurance brokerage

*These represent legal ownership of the Bank. However, beneficial ownership is 100% as the remaining interest is held by a related party on trust and for the benefit of the Bank.

As part of ongoing efforts to streamline operations and optimize business structure, the Group initiated voluntary liquidation of four subsidiaries RAK Technologies FZCO, RAK funding Cayman Limited, RAK Global Markets Cayman Limited and RAK Financial Services Limited (RAKFS) in 2024. As of 31 March 2025, the license/certificate of RAK funding Cayman Limited, RAK Global Markets Cayman Limited and RAKFS have been revoked. Liquidation formalities are in progress for RAK Technologies.

Further, during the current period, the Group incorporated two new wholly owned subsidiaries viz. RAKAZA and RAKBANK Digital Assets LLC. RAKAZA's principal activity is to provide sales and support services to the Bank, while RAKBANK Digital Assets LLC's principal activity is to issue payment tokens. The formalities with regards to capital infusion are in progress.

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

2. Application of new and revised IFRS Accounting Standards

New and revised IFRS Accounting Standards applied with no material effect on the condensed consolidated financial information

The following new and revised IFRS Accounting Standards, which became effective for annual periods beginning on or after 1 January 2025, have been adopted in condensed consolidated interim financial statements. Their adoption has not had any material impact on the disclosures or on the amounts reported in these condensed consolidated interim financial statements.

New and revised IFRS Accounting Standard	Summary
Amendments to IAS 21 <i>The Effects of Changes in Foreign Exchange Rates</i> relating to Lack of Exchangeability	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

**Notes to the condensed consolidated interim financial information
for the period from 1 January 2025 to 31 March 2025 (continued)**

3. Material accounting policy information

(a) Basis of preparation

The condensed consolidated interim financial information of the Group is prepared under the historical cost basis except for certain financial instruments which are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

These condensed consolidated interim financial information are prepared in accordance with International Accounting Standard 34: Interim Financial Reporting (“IAS 34”), issued by the International Accounting Standard Board (“IASB”) and also comply with the applicable requirements of the laws in the U.A.E.

The accounting policies used in the preparation of these condensed consolidated interim financial information are consistent with those used in the audited annual consolidated financial statements for the year ended 31 December 2024.

As required by the Securities and Commodities Authority of the U.A.E. (“SCA”) Notification No. 2624/2008 dated 12 October 2008, accounting policies relating to financial assets, cash and cash equivalents and Islamic financing and investing assets have been disclosed in the condensed consolidated interim financial information.

These condensed consolidated interim financial information do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the Group’s audited annual consolidated financial statements as at and for the year ended 31 December 2024. In addition, results for the three months period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

(b) Consolidation

The condensed consolidated interim financial information incorporate the condensed consolidated interim financial information of National Bank of Ras Al-Khaimah (P.S.C.) and its subsidiaries (collectively referred to as “Group”).

i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

ii) Transactions eliminated on consolidation

Intra-group balances and income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the condensed consolidated interim financial information. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

iii) Acquisition accounting

The acquisition method of accounting is used to account for the acquisition of subsidiaries. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest, and the Group allocates the purchase price to these net assets acquired. The measurement period for purchase price allocations ends as soon as information on the facts and circumstances becomes available but does not exceed 12 months. The Group policy is aligned with that laid out in IFRS 3.

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

3. Material accounting policy information (continued)

(b) Consolidation (continued)

iv) Acquisition accounting (continued)

The consideration transferred for the acquiree is measured at the fair value of the assets given up, equity instruments issued and liabilities incurred or assumed, but excludes acquisition related costs such as advisory, legal, valuation and similar professional services which are charged to the statement of profit or loss.

The Group measures non-controlling interest that represents present ownership interest and entitles the holder to a proportionate share of net assets in the event of liquidation on a transaction by transaction basis.

Goodwill is measured by deducting the net assets of the acquiree from the aggregate of the consideration transferred for the acquiree, the amount of non-controlling interest in the acquiree and fair value of an interest in the acquiree held immediately before the acquisition date.

(c) Islamic financing

The Group engages in Shari'ah compliant Islamic banking activities through various Islamic instruments such as Murabaha, Salam, Mudaraba, and Wakala. The accounting policy for initial recognition, subsequent measurement and derecognition of Islamic financial assets and liabilities are below:

i) Murabaha financing

A sale contract whereby the Group sells to a customer commodities and other assets at an agreed upon profit mark up on cost. The Group purchases the assets based on a promise received from customer to buy the item purchased according to specific terms and conditions. Profit from Murabaha is quantifiable at the commencement of the transaction. Such income is recognised as it accrues over the period of the contract on effective profit rate method on the balance outstanding.

ii) Salam

Bai Al Salam is a Sale contract where the Customer (Seller) undertakes to deliver/supply a specified tangible asset to the Group (Buyer) at mutually agreed future date(s) in exchange for an advance price fully paid on the spot by the buyer.

Revenue on Salam financing is recognised on the effective profit rate basis over the period of the contract, based on the Salam capital outstanding.

iii) Mudaraba

A contract between the Group and a customer, whereby one party provides the funds (Rab Al Mal - customer) and the other party (the Mudarib - the Group) invests the funds in a project or a particular activity and any profits generated are distributed between the parties according to the profit shares that were pre-agreed in the contract. The Mudarib would bear the loss in case of default, negligence or violation of any of the terms and conditions of the Mudaraba, otherwise, losses are borne by the Rab Al Mal.

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

3. Material accounting policy information (continued)

(c) Islamic financing (continued)

iv) Wakala

An agreement between the Group and customer whereby one party (Rab Al Mal - principal) provides a certain sum of money to an agent (Wakil), who invests it according to specific conditions in return for a certain fee (a lump sum of money or a percentage of the amount invested). The agent is obliged to return the invested amount in case of default, negligence or violation of any of the terms and conditions of the Wakala. The Group may be Wakil or Rab Al Mal depending on the nature of the transaction.

Estimated income from Wakala is recognised on an accrual basis over the period, adjusted by actual income when received. Losses are accounted for on the date of declaration by the agent.

v) Ijara

Ijara financing is a finance lease agreement whereby the Group (lessor) leases an asset based on the customer's (lessee) request and promise to lease the assets for a specific period in lieu of rental instalments. Ijara ends in transferring the ownership of the asset to the lessee at the end of the lease inclusive of the risks and rewards incident to an ownership of the leased assets. Ijara assets are stated at amounts equal to the net investment outstanding in the lease including the income earned thereon less impairment provisions.

vi) Profit distribution mechanism

Deposits of Islamic banking are managed in accordance with Shari'ah principles through a Mudaraba pool and profit is distributed in accordance with the Shari'ah approved profit distribution mechanism. To ensure the competitive return to the depositors, Shari'ah compliant reserves are maintained as followed;

- Profit Equalisation Reserves (PER) is appropriated out of the Common Mudaraba Pool's profit in order to maintain the adequate return on investments for participants of Common Mudaraba Pool.
- Investment Risk Reserve (IRR) is appropriated from the depositors' share of profits set aside as a reserve.

(d) Cash and cash equivalents

In the condensed consolidated interim statement of cash flows, cash and cash equivalents include cash on hand, money in current and call accounts and placements with original maturity of less than three months excluding the statutory deposit required to be maintained with the UAE Central Bank.

4. Cash and balances with UAE Central Bank

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED (Audited)
Cash in hand	871,310	895,228
Balances with the UAE Central bank	8,999,291	7,875,084
	9,870,601	8,770,312

As per the CBUAE regulations, the Bank is allowed to draw their balances held in the UAE Central Bank reserve account, while ensuring that they meet the reserve requirements over 14 days period. Therefore, the balances have been classified as part of cash and cash equivalents (Note 27).

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

5. Due from other banks, net

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED (Audited)
Placements with other banks	1,466,666	955,505
Demand deposits	679,111	1,127,681
Banker's acceptances	5,878,769	6,076,344
Syndicated loans	3,910,684	3,651,141
Trade loans	550,950	550,950
Others	53,972	46,693
	<hr/>	<hr/>
Total due from other banks	12,540,152	12,408,314
Provision for expected credit loss	(35,965)	(47,714)
	<hr/>	<hr/>
Due from other banks, net	12,504,187	12,360,600
	<hr/> <hr/>	<hr/> <hr/>

The below represents deposits and balances due from:

Banks in UAE	403,381	361,023
Banks outside UAE	12,136,771	12,047,291
	<hr/>	<hr/>
Total due from other banks	12,540,152	12,408,314
	<hr/> <hr/>	<hr/> <hr/>

6. Investment securities, net

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED (Audited)
<i>Securities at fair value through other comprehensive income (FVOCI)</i>		
Quoted equity securities	500,202	483,497
Unquoted equity securities	250	-
Quoted debt securities*	8,217,014	7,861,347
Unquoted debt securities	373,126	360,763
	<hr/>	<hr/>
	9,090,592	8,705,607
	<hr/> <hr/>	<hr/> <hr/>
<i>Securities at fair value through profit or loss (FVTPL)</i>		
Quoted funds	90,953	92,958
Unquoted funds	49,314	47,901
Quoted equity securities	54,483	54,307
Quoted debt securities	234,605	258,549
	<hr/>	<hr/>
	429,355	453,715
	<hr/> <hr/>	<hr/> <hr/>
Investment securities measured at fair value	9,519,947	9,159,322
	<hr/> <hr/>	<hr/> <hr/>

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

6. Investment securities, net (continued)

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED (Audited)
<i>Securities held at amortised cost</i>		
Quoted debt securities*	8,044,384	7,489,118
	<hr/> 8,044,384	<hr/> 7,489,118
Provision for expected credit loss for Securities held at amortised cost	(43,869)	(44,837)
	<hr/> 8,000,515	<hr/> 7,444,281
Investment securities measured at amortised cost	<hr/> 8,000,515	<hr/> 7,444,281
Investment securities, net	<hr/> 17,520,462	<hr/> 16,603,603

*As at 31 March 2025, quoted debt securities with fair value of AED 3,172 million and carrying value of AED 3,159 million (31 December 2024: fair value of AED 3,089 million and carrying value of AED 3,086 million) have been given as collateral against repo borrowings of AED 2,709 million (31 December 2024: AED 2,646 million) [Note 9].

The composition of the investment portfolio by category is as follows:

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED (Audited)
Federal and local Government - UAE	3,295,224	3,360,126
Government related entity - UAE	1,000,312	957,828
Government - GCC	842,216	828,242
Government - Other	864,538	868,770
Banks and financial institutions - UAE	1,704,616	1,534,221
Banks and financial institutions - GCC	1,445,271	1,266,776
Banks and financial institutions - Other	3,299,258	3,030,966
Public limited companies – UAE	944,579	849,907
Public limited companies – GCC	1,808,087	1,609,165
Public limited companies - Other	1,665,028	1,663,776
	<hr/> 16,869,129	<hr/> 15,969,777
<i>Total debt securities</i>	16,869,129	15,969,777
Quoted equity securities	554,685	537,804
Unquoted equity securities	250	-
Quoted funds	90,953	92,958
Unquoted funds	49,314	47,901
	<hr/> 17,564,331	<hr/> 16,648,440
Total investment securities	<hr/> 17,564,331	<hr/> 16,648,440

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

7. Loans and advances, net

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
(a) Loans and advances		
Retail Banking	23,113,599	23,303,622
Wholesale Banking	16,509,755	16,160,978
Business Banking	10,807,801	10,609,394
Total loans and advances [Note 7(b)]	50,431,155	50,073,994
Provision for expected credit loss [Note 7(c)]	(2,840,745)	(2,850,054)
Net loans and advances	47,590,410	47,223,940
(b) Analysis of loans and advances		
Personal loans	5,623,658	5,595,253
Mortgage loans	11,766,367	11,953,601
Credit cards	2,508,219	2,554,683
Auto loans	441,706	430,513
RAK Business loans	4,113,602	4,057,184
Other Business banking loans	6,694,199	6,552,210
Wholesale banking loans	16,509,755	16,160,978
Other retail loans	2,773,649	2,769,572
Total loans and advances	50,431,155	50,073,994
(c) Movement in provision for expected credit loss		
Balance at the beginning of the period/year	2,850,054	2,514,887
Impairment allowance for the period/year	135,181	904,440
Written-off during the period/year	(144,490)	(569,273)
Balance at the end of the period/year	2,840,745	2,850,054
(d) Net impairment charge on loans and advances – for the three months period ended:		
	31 March 2025 AED'000 (Un-audited)	31 March 2024 AED'000 (Un-audited)
Impairment allowance for the period	135,181	196,587
Net recoveries during the period	(38,785)	(42,756)
Net impairment charge for the period (Note 23)	96,396	153,831

Net recovery mainly represents amounts subsequently recovered from fully written-off loans.

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

7. Loans and advances, net (continued)

(e) Islamic financing assets:

The below table summarises the Islamic financing assets that are part of loans and advances above:

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
i) Islamic financing assets		
Islamic retail financing assets	3,461,514	3,402,960
Islamic business banking assets	2,468,891	2,479,573
Islamic wholesale banking assets	763,166	586,007
Total Islamic financing assets	6,693,571	6,468,540
Provision for expected credit loss	(333,490)	(341,089)
Net Islamic financing assets	6,360,081	6,127,451
ii) Analysis of Islamic financing assets		
Islamic Business Banking Finance	2,468,891	2,479,573
Islamic Salam Personal finance	2,334,355	2,201,306
Islamic Ijara Property Finance	1,038,820	1,117,606
Islamic Wholesale Banking	763,166	586,007
Islamic Auto Murabaha	44,160	38,425
Islamic Credit Cards	44,179	45,623
Total Islamic financing assets	6,693,571	6,468,540

8. Other assets

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
Interest receivable	595,424	594,660
Profit receivable on Islamic financing assets	85,156	95,327
Prepayments	111,027	68,539
Foreign exchange and other derivative contracts (Note 17)	481,387	502,670
Gold in hand	1,647	-
Islamic profit paid in advance	38,663	51,716
Assets acquired in settlements of debts*	20,000	-
Others	500,258	369,340
	1,833,562	1,682,252

*The carrying amount of assets acquired in settlement of debts will be recovered principally through a sale transaction rather than through continuing use. Assets acquired in settlement of debts are subject to revaluation, and recorded at lower of fair value less cost of sale and the carrying amount in the books.

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

9. Due to other banks

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
Term borrowings	3,574,182	4,194,217
Repurchase agreements (Note 6)	2,807,764	2,646,762
Demand deposits	547,238	258,496
	<u><u>6,929,184</u></u>	<u><u>7,099,475</u></u>

10. Deposits from customers

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
Current accounts	35,243,961	32,952,421
Time deposits	21,275,557	22,286,210
Saving deposits	3,178,759	2,959,660
Call deposits	1,339,517	1,451,387
	<u><u>61,037,794</u></u>	<u><u>59,649,678</u></u>

Deposits include AED 2,058 million (31 December 2024: AED 2,004 million) held by the Group as cash collateral for loans and advances granted to customers.

The below table summarises the Islamic deposits of customers that are part of deposits from customers above:

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
Murabaha term deposit	3,047,401	3,439,143
Qard-E-Hassan - current accounts	1,473,026	1,433,110
Wakala deposits	526,605	554,072
Mudaraba - current accounts	461,761	424,954
Mudaraba - saving accounts	209,235	214,192
Mudaraba - call deposits	7,437	8,075
Mudaraba term investment deposits	5,411	4,492
	<u><u>5,730,876</u></u>	<u><u>6,078,038</u></u>

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

11. Debt securities issued and other long-term borrowings

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
AED 370 million bilateral borrowing (a)	370,000	370,000
USD 50 million bilateral borrowing (b)	183,650	183,650
AED 370 million Islamic bilateral borrowing (c)	370,000	370,000
USD 100 million bilateral borrowing (d)	367,300	367,300
USD 100 million bilateral borrowing (e)	367,300	367,300
AED 550 million bilateral borrowing (f)	550,000	550,000
AED 550 million Islamic bilateral borrowing (g)	550,000	550,000
USD 600 million medium term note issued at discount in July 2024 (h)	2,198,587	2,198,254
USD 75 million Islamic bilateral borrowing (i)	275,475	-
AED 500 million Islamic bilateral borrowing (j)	500,000	-
Less: Debt securities and other borrowing issue costs	(15,014)	(12,398)
Fair value adjustment on hedged medium term note	1,292	(6,288)
	5,718,590	4,937,818

- (a) In June 2023 the Group borrowed AED 370 million at an interest rate of 6 months EIBOR + 0.90% per annum which matures in June 2026.
- (b) In June 2023 the Group borrowed USD 50 million at an interest rate of daily SOFR + 1.10% per annum which matures in June 2026.
- (c) In June 2023 the Group borrowed AED 370 million at a profit rate of 3 months EIBOR + 0.90% per annum which matures in June 2026.
- (d) In July 2023 the Group borrowed USD 100 million at an interest rate of USD 3 month SOFR + 1% which matures in July 2026.
- (e) In September 2023 the Group borrowed USD 100 million at an interest rate of USD daily SOFR + 1% which matures in September 2026.
- (f) In February 2024 the Group borrowed AED 550 million at an interest rate of 3 months EIBOR + 0.75% per annum which matures in February 2027.
- (g) In March 2024 the Group borrowed AED 550 million at a profit rate of 3 months EIBOR + 0.75% per annum which matures in March 2027.
- (h) In July 2024, the Group issued five-year USD 600 million EMTN Bonds under the Groups Social Finance Framework. These were issued at a discounted rate of 99.723% and carries a fixed interest rate of 5.375% per annum. These notes mature in July 2029.
- (i) In January 2025 the Group borrowed USD 75 million at a profit rate of USD 3 months SOFR + 0.95% per annum which matures in January 2028.
- (j) In March 2025 the Group borrowed AED 500 million at a profit rate of 3 months EIBOR + 0.75% per annum which matures in March 2028.

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

12. Reinsurance contract assets and insurance contract liabilities

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
<i>Reinsurance contract assets</i>		
<i>Incurring claims for contracts under Premium Allocation Approach (PAA)</i>		
Present value of future cashflows	249,667	295,802
Risk adjustment for non-financial risk	7,487	7,788
	257,154	303,590
Remaining coverage excluding loss-recovery component	(38,509)	(73,642)
Remaining coverage loss recovery component	673	1,630
	219,318	231,578
<i>Insurance contract liabilities</i>		
<i>Liabilities for Incurred Claims (LIC) under Premium Allocation Approach (PAA)</i>		
Present value of future cashflows	304,012	312,650
Risk adjustment for non-financial risk	11,591	11,949
	315,603	324,599
<i>Liabilities for Remaining Coverage (LRC)</i>		
Excluding loss component	130,189	151,227
Loss component	5,359	5,495
	135,548	156,722
	451,151	481,321

13. Other liabilities

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
Interest payable	342,157	531,120
Profit distributable on Islamic deposits	43,824	38,615
Accrued expenses	545,928	623,832
Provision for staff end-of-service benefits	134,294	133,033
Foreign exchange and other derivatives contracts (Note 17)	472,487	443,871
Credit card payables and liabilities	171,269	87,910
Managers cheques issued	255,513	316,038
Mortgage payables and liabilities	19,168	23,547
Insurance related payables	8,126	4,339
Reinsurance contract liabilities	32,678	27,920
Provision for Corporate Tax	274,613	206,266
Dividend payable (Note 15)	1,005,747	-
Others	554,039	486,494
	3,859,843	2,922,985

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

14. Subordinated note

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
September 2024 issue (5.8732 percent fixed rate maturing on 10 December 2034)	915,279	915,111
	915,279	915,111

In September 2024, the Bank issued USD 250 million of Subordinated Tier 2 notes. The notes, were issued at a par with coupon rate of 5.8732% p.a. The notes are callable after 5 years and have a final maturity of 10.25 years. The notes will rank pari passu among themselves, rank subordinate and junior to all senior obligations and rank in priority only to all junior obligations.

15. Share capital

At 31 March 2025, the authorised, issued and fully paid share capital of the Bank comprised 2,011 million shares of AED 1 each (31 December 2024: 2,011 million shares of AED 1 each).

In the annual general meeting held on 18 March 2025 the shareholders of the Bank approved a cash dividend of 50% amounting to AED 1,005.7 million of the issued and paid-up capital for the year ended 31 December 2024 (2024: 31% amounting to AED 623.6 million).

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

16. Contingencies and commitments

	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
Irrevocable commitments to extend credit	5,286,314	3,207,468
Letters of guarantee - Financial	1,760,171	1,549,175
Letters of guarantee – Non-financial	1,171,733	992,318
Letters of credit	423,372	365,569
Capital commitments and other contingencies	170,761	70,588
	8,812,351	6,185,118

The Group is holding AED 28.6 million (31 December 2024: AED 20.8 million) provision for expected credit loss on contingencies and commitments.

Commitments to extend credit shown above represent unfunded amounts out of approved limits offered to customers, which are irrevocable by the Group. Commitments to extend credit amounting to AED 9,503 million (31 December 2024: AED 11,097 million) are revocable at the option of the Group and not included in the above table.

17. Forward foreign exchange and other derivative contracts

Foreign exchange contracts comprise commitments to purchase foreign and domestic currencies on behalf of customers and in respect of the Bank's undelivered spot transactions.

Outstanding forward foreign exchange contracts, interest rate swaps and other derivative contracts at 31 March 2025 and 31 December 2024 are as follows:

	Fair Values Assets AED'000	Liability AED'000	Notional AED'000
<i>31 March 2025</i>			
Foreign exchange contracts	145,601	179,550	31,875,727
Interest rate swaps	275,062	171,571	13,601,807
Other derivative contracts	60,724	121,366	6,453,723
	481,387	472,487	51,931,257
<i>31 December 2024</i>			
Foreign exchange contracts	129,372	128,988	31,041,245
Interest rate swaps	333,839	186,820	12,657,119
Other derivative contracts	39,459	128,063	6,221,820
	502,670	443,871	49,920,184

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

18. Interest income and expense

	Three months period ended 31 March	
	2025 (Un-audited) AED'000	2024 (Un-audited) AED'000
<i>Interest income</i>		
Personal loans	62,898	67,269
Mortgage loans	94,269	76,019
Credit cards	78,128	83,310
Auto loans	6,726	6,714
RAK Business loans	125,751	128,552
Wholesale banking loans	226,661	205,064
Other Business banking loans	126,773	114,535
Other retail banking loans	36,296	33,891
Investment securities	170,819	155,297
Deposits with the U.A.E. Central Bank	27,500	23,550
Other banks	161,562	196,993
	1,117,383	1,091,194
<i>Interest expense</i>		
Deposits from customers	224,578	179,917
Debt securities issued and other borrowings	31,489	23,332
Borrowings from other banks	100,531	103,061
Subordinated note	13,650	-
	370,248	306,310

19. Income from Islamic Financing and distribution to depositors

	Three months period ended 31 March	
	2025 (Un-audited) AED'000	2024 (Un-audited) AED'000
<i>Income from Islamic financing</i>		
Islamic Salam Personal finance	43,335	34,424
Islamic Auto Murabaha	749	809
Islamic Business Banking finance	78,582	71,310
Islamic Wholesale Banking finance	19,488	15,087
Islamic Ijara Property finance	13,236	14,965
Islamic Investment Income	28,563	21,969
	183,953	158,564
<i>Distribution to depositors</i>		
Distribution of Profit on Islamic term investment deposits	47,688	55,120
Distribution of Profit on Islamic demand deposits	249	241
Bilateral long-term borrowing	16,262	8,636
	64,199	63,997

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

20. Net fees and commission income

	Three months period ended 31 March	
	2025	2024
	(Un-audited)	(Un-audited)
	AED'000	AED'000
Personal loans	5,815	6,103
Mortgage loans	4,858	3,014
Credit cards	50,540	53,174
Auto loans	1,069	1,237
RAK Business loans	8,120	4,000
Wholesale banking loans	25,537	14,201
Other Business banking	50,026	52,440
Fiduciary income	17,407	13,415
Bancassurance	3,422	6,145
Others	21,224	7,247
	188,018	160,976

21. Investment income

	Three months period ended 31 March	
	2025	2024
	(Un-audited)	(Un-audited)
	AED'000	AED'000
Dividend income	19,616	17,610
Net gain on disposal of investments	106,304	13,885
Fair value gain	531	11,789
	126,451	43,284

22. General and administrative expenses

	Three months period ended 31 March	
	2025	2024
	(Un-audited)	(Un-audited)
	AED'000	AED'000
Staff costs	236,408	235,628
Outsourced staff costs	24,974	8,071
Occupancy costs	13,982	11,749
Marketing expenses	10,211	8,042
Depreciation and amortisation	28,044	27,482
Communication costs	14,280	12,665
Credit card expenses	16,233	19,929
Information and technology expenses	53,860	36,634
Others	36,383	28,263
	434,375	388,463

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

23. Net impairment charge

	Three months period ended 31 March	
	2025 (un-audited) AED'000	2024 (un-audited) AED'000
Net impairment charge on loans and advances	96,396	153,831
Net impairment (release)/charge on due from other banks	(11,749)	12,536
Net impairment charge/(release) on debt securities measured at FVOCI	2,966	(3,995)
Net impairment release on debt securities measured at amortised cost	(968)	(2,368)
Net impairment release on other receivables and acceptances	(693)	(3,048)
Net impairment charge/(release) on off balance sheet items	7,761	(403)
Total net impairment charge	93,713	156,553

Expected credit loss allowance

A summary of the provision for credit loss and the net movement on financial instruments by category are as follows:

	At 31 December 2024 AED'000	Net change AED'000	Other movement AED'000	At 31 March 2025 AED'000
Due from other banks	47,714	(11,749)	-	35,965
Loans and advances	2,850,054	135,181	(144,490)	2,840,745
Debt investment securities – FVOCI	67,983	2,966	813	71,762
Investment securities – amortised cost	44,837	(968)	-	43,869
Other receivables	47,585	793	(407)	47,971
Customer acceptances	2,388	(935)	-	1,453
Off balance sheet items	20,838	7,761	(2)	28,597
Total	3,081,399	133,049	(144,086)	3,070,362

24. Taxation

On December 9, 2022, UAE Ministry of Finance (MoF) released Federal Decree Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law (CT Law) to enact a new CT regime in the UAE. The new CT regime has become effective for accounting periods beginning on or after June 1, 2023. As the Group's accounting year ends on December 31, the first tax period was the period from January 1, 2024 to December 31, 2024, with the respective tax return to be filed on or before September 30, 2025.

The taxable income of the entities that are in scope for UAE CT purposes are subject to the rate of 9% on taxable profits above AED 375,000.

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

24. Taxation (continued)

Below is an analysis of the group's income tax recognized during the period/year:

	Three months period ended 31 March	
	2025 (Un-audited) AED'000	2024 (Un-audited) AED'000
<i>Current tax recognized in profit or loss for the period</i>		
Current tax expense on profits for the period	67,677	55,097
<i>Current tax recognized in Other comprehensive income for the period</i>		
Current tax expense/(income) for the period recognized on items that will not be reclassified subsequently to profit or loss	669	(799)
	31 March 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
<i>Deferred income tax liability</i>		
Deferred tax liability at the beginning of the period/year	8,921	13,733
Increase/(decrease) during the period/year recognized in OCI on items that may be reclassified subsequently to profit or loss	7,615	(4,812)
	16,536	8,921

For determining the tax expense for the period the accounting profit has been adjusted for tax purposes. Adjustments for tax purpose include items relating to both income and expense. After giving effect to these adjustments the average effective tax rate is estimated to 8.76%.

25. Earnings per share

The basic earnings per share is calculated by dividing the net profit attributable to owners of the Parent by the weighted average number of ordinary shares in issue during the period:

	Three months period ended 31 March	
	2025 (Un-audited) AED'000	2024 (Un-audited) AED'000
Profit for the period (attributed to owners of the Bank)	702,215	573,487
Weighted average number of shares in issue (in thousands)	2,011,495	2,011,495
Basic and diluted earnings per share (AED)	0.35	0.29

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

26. Fiduciary activities

The Group holds assets in a fiduciary capacity for its customers without recourse. At 31 March 2025, market value of such assets amounted to AED 6,014 million (31 December 2024: AED 5,905 million) and are excluded from the condensed consolidated interim financial information of the Group.

27. Cash and cash equivalents

	31 March 2025 (Un-audited) AED'000	31 March 2024 (Un-audited) AED'000
Cash in hand and balances with UAE Central Bank	9,870,601	5,765,000
Due from other banks	12,540,152	13,500,111
	22,410,753	19,265,111
Less: Due from other banks original maturity of three months or more	(11,673,317)	(11,246,284)
Cash and cash equivalents	10,737,436	8,018,827

28. Operating segments

Following the management approach of IFRS 8, operating segments are reported in accordance with the internal reporting to the management, which is responsible for allocating resources to the reportable segments and assesses its performance. All operating segments used by the Group meet the definition of a reportable segment under IFRS 8.

The Group has four main business segments:

- Retail banking - incorporating individual customer and certain business current accounts, savings accounts, deposits, credit and debit cards, individual customer loans and mortgages;
- Wholesale banking – incorporating transactions with corporate bodies including government and public bodies and comprising of loans, advances, deposits and trade finance transactions of corporate customers and financial institutions, including Treasury related activities on the dealing room, related money market, and foreign exchange transactions and hedging activities with other banks and financial institutions;
- Business banking - incorporating transactions comprising of loans, advances, deposits and trade finance transactions of SME; and
- Head Office and Others - Comprises Central funding & other support functions including insurance related transactions of Raknic subsidiary.

The above segments include conventional and Islamic products and services of the Group.

As the Group's segment operations are all financial with a majority of revenues deriving from interest and fees and commission income, the management relies primarily on revenue and segmental results to assess the performance of the segment.

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

28. Operating segments (continued)

Funds are ordinarily allocated between segments, resulting in funding cost transfers disclosed in inter-segment revenue. Interest charged for these funds is based on the Group's funds transfer pricing guidelines. There are no other material items of income or expense between the business segments.

The Group's management reporting is based on a measure of net profit comprising net interest income, loan impairment charges, net fee and commission income, other income and non-interest expenses.

Operating segments are identified on the basis of internal reports about the components of the Group that are regularly reviewed by the CEO (the chief operating decision maker) in order to allocate resources to the segment and to assess its performance.

The segment information provided to the management for the reportable segments for the periods ended 31 March 2025 and 31 March 2024 are as follows:

	Retail Banking AED'000	Wholesale Banking AED'000	Business Banking AED'000	Head office and Others AED'000	Total AED'000
31 March 2025					
Net external interest income	222,663	370,622	225,519	(71,669)	747,135
Income from Islamic financing net of distribution to depositors	51,979	6,477	77,549	(16,251)	119,754
Internal revenue	(10,780)	(157,429)	138,706	29,503	-
Net interest income and net income from Islamic financing	263,862	219,670	441,774	(58,417)	866,889
Non-interest income	124,525	223,917	82,376	2,553	433,371
Operating income	388,387	443,587	524,150	(55,864)	1,300,260
General and administrative expenses	(201,862)	(66,370)	(152,628)	(13,515)	(434,375)
Operating profit before net impairment charge and tax	186,525	377,217	371,522	(69,379)	865,885
Net impairment charge	(72,447)	(14,129)	(7,082)	(55)	(93,713)
Profit for the period before tax	114,078	363,088	364,440	(69,434)	772,172
Income tax expense	-	-	-	(67,677)	(67,677)
Profit for the period after tax	114,078	363,088	364,440	(137,111)	704,495
As at 31 March 2025					
Segment assets	22,487,026	55,840,692	10,220,627	2,255,334	90,803,679
Segment liabilities	20,344,351	24,143,360	23,955,933	10,780,783	79,224,427

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

28. Operating segments (continued)

	Retail Banking AED'000	Wholesale Banking AED'000	Business Banking AED'000	Head Office and Others AED'000	Total AED'000
<i>31 March 2024</i>					
Net external interest income	214,050	412,733	216,382	(58,281)	784,884
Income from Islamic financing net of distribution to depositors	43,456	(9,893)	69,663	(8,659)	94,567
Internal revenue	16,268	(192,870)	124,859	51,743	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net interest income and net income from Islamic financing	273,774	209,970	410,904	(15,197)	879,451
Non-interest income	105,184	116,042	79,839	(6,211)	294,854
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating income	378,958	326,012	490,743	(21,408)	1,174,305
General and administrative expenses	(176,372)	(65,901)	(145,188)	(1,002)	(388,463)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating profit before net impairment charge and tax	202,586	260,111	345,555	(22,410)	785,842
Net impairment charge	(71,172)	(8,257)	(76,858)	(266)	(156,553)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Profit for the period before tax	131,414	251,854	268,697	(22,676)	629,289
Income tax expense	-	-	-	(55,097)	(55,097)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Profit for the period after tax	131,414	251,854	268,697	(77,773)	574,192
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>As at 31 December 2024</i>					
Segment assets	22,999,414	53,611,658	9,545,088	2,169,247	88,325,407
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Segment liabilities	18,936,509	24,693,886	23,492,182	9,406,151	76,528,728
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

29. Related parties

Related parties comprise key management, businesses controlled by shareholders and directors as well as businesses over which they exercise significant influence. During the period, the Group entered into transactions with related parties in the ordinary course of business. No stage 3 provisions for impairment have been recognised pertinent to related parties (2024: Nil). Further, stage 1 and 2 ECL amounted to AED 33.5 million (2024: AED 32.9 million).

The transactions with related parties and balances arising from these transactions are as follows:

	Three month period ended 31 March	
	2025	2024
	(Un-audited)	(Un-audited)
	AED'000	AED'000
<i>Transactions during the period</i>		
Interest income	27,914	26,304
Insurance income	24,317	16,490
Commission income	1,429	207
Other income	1,133	1,133
Interest expense	38,149	35,501
Insurance expense	18,209	11,206
Other expenses	100	67
Directors' and key management personnel's remuneration and sitting fees	43,551	35,926
	31 March	31 December
	2025	2024
	(Un-audited)	(Audited)
	AED'000	AED'000
<i>Balances</i>		
<i>Loans and advances:</i>		
- Shareholders and their related companies	1,827,967	1,988,941
- Directors and their related companies	4,793	4,469
- Key management personnel	13,349	16,861
	1,846,109	2,010,271
<i>Deposits</i>		
- Shareholders and their related companies	4,684,310	4,898,438
- Directors and their related companies	28,018	22,316
- Key management personnel	27,740	12,911
	4,740,068	4,933,665
<i>Other assets</i>		
- Shareholders and their related companies	105,328	29,121
<i>Other liabilities</i>		
- Shareholders and their related companies	-	1,250
- Post-retirement benefits payables	9,556	9,011
	9,556	10,261
<i>Commitments, contingent liabilities and derivative contracts</i>		
- Shareholders and their related companies	7,320,362	5,899,271
- Directors and their related companies	1,057	1,050
- Key management personnel	1,876	1,288
	7,323,295	5,901,609

Interest income and expense majorly relates to transactions with major shareholder and their related entities.

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

30. Capital adequacy

Capital structure and capital adequacy as per Basel III requirement as at 31 March 2025

The Bank is required to report capital resources and risk-weighted assets under the Basel III from February 2017. Capital structure and capital adequacy as per Basel III requirement as at 31 March 2025 and 31 December 2024 (after applying prudential filter) is given below:

	31 March 2025 (Un-audited) AED'000	31 December 2024 (Audited) AED'000
<i>Tier 1 capital</i>		
Ordinary share capital	2,011,495	2,011,495
Legal and other reserves	4,276,293	4,214,933
Retained earnings	4,475,614	3,669,608
Current year profit	693,518	2,060,205
Dividend	-	(1,005,747)
	<hr/>	<hr/>
Tier 1 capital base	11,456,920	10,950,494
Total regulatory adjustments	(364,803)	(364,155)
	<hr/>	<hr/>
Tier 1 Capital base after Regulatory Adjustments	11,092,117	10,586,339
	<hr/>	<hr/>
General Provisions	738,024	716,172
Subordinated note	918,250	918,250
	<hr/>	<hr/>
Total Tier 2 capital base	1,656,274	1,634,422
	<hr/>	<hr/>
Total capital base	12,748,391	12,220,761
	<hr/>	<hr/>
<i>Risk weighted assets</i>		
Credit risk	59,041,907	57,293,830
Market risk	2,393,544	3,077,707
Operational risk	7,159,154	7,159,154
	<hr/>	<hr/>
Total risk weighted assets	68,594,605	67,530,691
	<hr/>	<hr/>
<i>Regulatory Capital</i>		
Common Equity Tier 1 Ratio	16.17%	15.68%
Tier 1 ratio	16.17%	15.68%
Tier 2 ratio	2.42%	2.42%
	<hr/>	<hr/>
Total Capital adequacy ratio	18.59%	18.10%
	<hr/>	<hr/>

As per the Central Bank of UAE Regulation for Basel III, the Minimum Capital requirement including Capital Conservation Buffer is 13.0% for both periods. Additionally, Central Bank of UAE regulation dated 22 April 2020 provides for a "Prudential Filter" that permits Banks and Finance Companies to add back increases in IFRS 9 provisions to the regulatory capital over a transition period of 5 years, on a proportionate basis.

**Notes to the condensed consolidated interim financial information
for the period from 1 January 2025 to 31 March 2025 (continued)**

31. Fair values of financial assets and liabilities

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. Consequently, differences can arise between the carrying values and fair value estimates of financial assets and liabilities. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to materially curtail the scale of its operations or to undertake a transaction on adverse terms. At 31 March 2025, the carrying value of the Group's financial assets and liabilities approximates their fair values, except for the below mentioned financial assets and liabilities:

	Fair value		Carrying value	
	31 March 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000	31 March 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000
<i>Assets</i>				
Loan and advances	47,503,235	47,162,268	47,590,410	47,223,940
Investment securities measured at fair value	9,519,947	9,159,322	9,519,947	9,159,322
Investment securities measured at amortised cost	8,042,335	7,443,511	8,000,515	7,444,281
Cash and balances with the UAE Central Bank	9,870,601	8,770,312	9,870,601	8,770,312
Due from other banks	12,353,644	12,201,002	12,504,187	12,360,600
Total financial assets	87,289,762	84,736,415	87,485,660	84,958,455
<i>Liabilities</i>				
Due to other banks	7,081,149	7,256,335	6,929,184	7,099,475
Deposits from customer	61,000,514	59,707,909	61,037,794	59,649,678
Debt securities issued and other long term borrowings	5,930,479	5,159,121	5,718,590	4,937,818
Subordinated note	922,906	921,427	915,279	915,111
Total financial liabilities	74,935,048	73,044,792	74,600,847	72,602,082

32. Fair value hierarchy

The fair value measurements are categorized into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

Quoted market prices - Level 1

Financial instruments are classified as Level 1 if their values are observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted price is readily available, and the price represents actual and regularly occurring market transactions.

Valuation techniques using observable inputs - Level 2

Financial instruments classified as Level 2 have been valued using models whose inputs are observable in an active market. Valuation based on observable inputs includes financial instruments such as forward foreign exchange contracts which are valued using market standard pricing techniques.

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

32. Fair value hierarchy (continued)

Valuation techniques using significant unobservable inputs - Level 3

Financial instruments are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). A valuation input is considered observable if it can be directly observed from a transaction in an active market.

Unobservable input levels are generally determined based on observable inputs of a similar nature, historical observations or other analytical techniques. This hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible. The table below analyses recurring fair value measurements for assets and liabilities.

	Quoted market prices Level 1 AED'000	Observable inputs Level 2 AED'000	Significant unobservable inputs Level 3 AED'000	Total AED'000
31 March 2025 (un-audited)				
<i>Assets at fair value</i>				
<i>Through other comprehensive income</i>				
Investment securities – debt	8,217,014	373,126	-	8,590,140
Investment securities – equity	500,202	-	250	500,452
<i>Through profit and loss</i>				
Investment market fund	90,953	-	49,314	140,267
Investment securities – debt	234,605	-	-	234,605
Investment securities – equity	54,483	-	-	54,483
Assets acquired in settlement of debts	-	20,000	-	20,000
Derivative financial instruments	-	481,387	-	481,387
	<u>9,097,257</u>	<u>874,513</u>	<u>49,564</u>	<u>10,021,334</u>
<i>Liabilities at fair value</i>				
Derivative financial instruments	-	472,487	-	472,487

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

32. Fair value hierarchy (continued)

	Quoted market prices Level 1 AED'000	Observable inputs Level 2 AED'000	Significant unobservable inputs Level 3 AED'000	Total AED'000
<i>31 December 2024</i>				
<i>Asset at fair value</i>				
<i>Through other comprehensive income</i>				
Investment securities – debt	7,861,347	360,763	-	8,222,110
Investment securities – equity	483,497	-	-	483,497
<i>Through profit and loss</i>				
Investment market fund	92,958	-	47,901	140,859
Investment securities – debt	258,549	-	-	258,549
Investment securities – equity	54,307	-	-	54,307
Assets acquired in settlement of debts	-	-	-	-
Derivative financial instruments	-	502,670	-	502,670
	<u>8,750,658</u>	<u>863,433</u>	<u>47,901</u>	<u>9,661,992</u>
<i>Liabilities at fair value</i>				
Derivative financial instruments	-	443,871	-	443,871

There were no transfers between levels during the period.

33. Critical accounting judgements and key sources of estimation of uncertainty

In the application of the Group's accounting policies, which are described in Note 3, management is required to make judgements, 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.

The critical accounting judgements and key sources of estimation of uncertainty used in the preparation of these condensed consolidated interim financial information are consistent with those used in the audited annual consolidated financial statements for the year ended 31 December 2024.

34. Seasonality of results

Dividend income of AED 19.6 million (31 March 2024: AED 17.6 million) of seasonal nature was recorded in the condensed consolidated interim financial information for the period.

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

35. Risk management

The Group monitors credit risk per class of financial instrument. Following are the identified classes of financial instruments.

- Due from other banks;
- Debt investment securities carried at FVOCI and amortised cost;
- Loans and advances to customers;
- Customer acceptances and other financial assets;
- Loan commitments; and
- Financial guarantees

Measurement of Expected Credit loss (ECL)

IFRS 9 framework requires the estimation of Expected Credit Loss (“ECL”) based on current and forecast economic conditions. In order to assess ECL under forecast economic conditions, the Bank utilizes a range of economic scenarios of varying severity, and with appropriate weightings, to ensure that ECL estimates are representative of a range of possible economic outcomes. The Bank has robust governance in place to ensure the appropriateness of the IFRS 9 framework and resultant ECL estimates at all times. Specifically, all aspects of the IFRS 9 framework are overseen by an IFRS 9 Steering Committee with participation from the Chief Risk Officer, Chief Financial Officer and other members from Risk and Finance functions. The Bank, through this committee, reviews the appropriateness of inputs and methodology for IFRS 9 ECL, effectiveness and reliability of the reporting under IFRS 9 and other relevant matters pertaining to IFRS 9 on an ongoing basis.

The Group based on historical analysis determines key economic variables that impacts the credit risk of its various portfolios and uses macro-economic forecasts for these variables to estimate the Probability of Defaults (“PDs”). The Group employs experts who use external and internal information to generate 3 scenarios viz. Baseline, Upside and Downside, in accordance with the IFRS 9 requirements.

The Group has used the updated macro-economic forecasts for the period and is currently using the weightings of (40:30:30) for Baseline: Upside: Downside scenarios. The sensitivity to 10% increase in Downside Scenario, with a corresponding decrease of 10% in Upside scenario is AED 38.1 million as of 31 March 2025 (31 December 2024: AED 37.7 million).

For the purpose of IFRS 9 related notes and disclosures, Non-Retail portfolio means Wholesale and Business Banking Loans excluding RAK Business Loans. An analysis of the Group’s credit risk exposures of major classes of financial instruments without taking into account the effects of any collateral or other credit enhancement is provided in the following tables.

Changes in the gross carrying value for loans and advances at amortised cost:

	31 March 2025 (un-audited)			
	Stage 1	Stage 2	Stage 3	Grand Total
	AED’000	AED’000	AED’000	AED’000
Opening balance 1 January 2025	47,251,057	1,697,428	1,125,509	50,073,994
Stage Transfer				
Transfer from Stage 1 to Stage 2	(633,009)	633,009	-	-
Transfer from Stage 2 to Stage 3	-	(390,035)	390,035	-
Transfer from Stage 2 to Stage 1	338,636	(338,636)	-	-
Transfer from Stage 3 to Stage 2	-	20,647	(20,647)	-
Change in Exposures during the period	(6,256,673)	(245,030)	(141,706)	(6,643,409)
New financial assets originated and other transfers	7,110,256	17,837	16,967	7,145,060
Write-offs	-	-	(144,490)	(144,490)
Closing balance 31 March 2025	47,810,267	1,395,220	1,225,668	50,431,155

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

35. Risk management (continued)

Changes in the gross carrying value for loans and advances at amortised cost (continued)

31 December 2024 (audited)				
Loans and advances	Stage 1 AED '000	Stage 2 AED '000	Stage 3 AED '000	Grand Total AED '000
Opening Balance 1 January 2024	39,854,363	971,807	1,156,217	41,982,387
Stage Transfer				
Stage 1 to Stage 2 Transfer	(2,448,330)	2,448,330	-	-
Stage 2 to Stage 3 Transfer	-	(856,243)	856,243	-
Stage 2 to Stage 1 Transfer	406,414	(406,414)	-	-
Stage 3 to Stage 2 Transfer	-	73,945	(73,945)	-
Change in Exposures during the year	(29,761,419)	(718,585)	(243,733)	(30,723,737)
New Financial Assets Originated and other transfers	39,200,029	184,588	-	39,384,617
Write offs	-	-	(569,273)	(569,273)
Closing Balance 31 December 2024	47,251,057	1,697,428	1,125,509	50,073,994

Changes in the gross carrying value for due from banks

31 March 2025 (un-audited)				
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	Grand Total AED'000
Opening balance 1 January 2025	12,407,009	1,305	-	12,408,314
Change in exposures during the period	(2,112,012)	(15)	-	(2,112,027)
New financial assets originated	2,243,865	-	-	2,243,865
Closing balance 31 March 2025	12,538,862	1,290	-	12,540,152

31 December 2024 (audited)				
Due from banks	Stage 1	Stage 2	Stage 3	AED '000 Grand Total
Opening balance 1 January 2024	12,437,045	1,078	-	12,438,123
Change in exposures during the year	(9,115,202)	227	-	(9,114,975)
New financial assets originated	9,085,166	-	-	9,085,166
Closing Balance 31 December 2024	12,407,009	1,305	-	12,408,314

Changes in the gross carrying value for investment securities – FVOCI*

31 March 2025 (un-audited)				
	Stage 1 12-month AED'000	Stage 2 Lifetime AED'000	Stage 3 Lifetime AED'000	Total AED'000
Opening balance 1 January 2025	8,072,649	129,172	88,273	8,290,094
Change in Exposures during the period	(329,183)	(4,083)	(30,463)	(363,729)
New Financial Assets Originated	735,537	-	-	735,537
Write offs	-	-	-	-
Closing balance 31 March 2025	8,479,003	125,089	57,810	8,661,902

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

35. Risk management (continued)

Changes in the gross carrying value for investment securities – FVOCI*(continued)

	31 December 2024 (audited)			
	Stage 1	Stage 2	Stage 3	Grand Total
	AED'000	AED'000	AED'000	AED'000
Opening balance 1 January 2024	5,190,248	103,749	233,715	5,527,712
Change in Exposures during the year	(1,091,121)	25,423	(27,171)	(1,092,869)
New Financial Assets Originated	3,973,522	-	-	3,973,522
Write offs	-	-	(118,271)	(118,271)
Closing balance 31 December 2024	8,072,649	129,172	88,273	8,290,094

*Exposures are gross of IFRS 9 provisions held.

Changes in the gross carrying value for investment securities - Amortised Cost

	31 March 2025 (un-audited)			
	Stage 1	Stage 2	Stage 3	Grand Total
	AED'000	AED'000	AED'000	AED'000
Opening balance 1 January 2025	7,279,954	209,164	-	7,489,118
Change in Exposures during the period	(682,765)	1,589	34	(681,142)
Stage 2 to Stage 3 Transfer	-	(7,062)	7,062	-
New Financial Assets Originated	1,236,408	-	-	1,236,408
Write offs	-	-	-	-
Closing balance 31 March 2025	7,833,597	203,691	7,096	8,044,384

	31 December 2024 (audited)			
	Stage 1	Stage 2	Stage 3	Total
	12-month	Lifetime	Lifetime	
	AED'000	AED'000	AED'000	AED'000
Opening balance 1 January 2024	7,026,454	213,833	36,950	7,277,237
Change in Exposures during the year	(4,843,791)	(4,669)	(220)	(4,848,680)
Stage 2 to Stage 3 Transfer	-	-	-	-
New Financial Assets Originated	5,097,291	-	-	5,097,291
Write offs	-	-	(36,730)	(36,730)
Closing balance 31 December 2024	7,279,954	209,164	-	7,489,118

Provision for expected credit loss for loans and advances measured at amortised cost

	31 March 2025 (un-audited)			
	Stage 1	Stage 2	Stage 3	Grand Total
	AED'000	AED'000	AED'000	AED'000
As at 1 January 2025	1,396,869	586,089	867,096	2,850,054
Stage 1 to Stage 2 Transfer	(43,479)	43,479	-	-
Stage 2 to Stage 3 Transfer	-	(194,986)	194,986	-
Stage 2 to Stage 1 Transfer	33,017	(33,017)	-	-
Stage 3 to Stage 2 Transfer	-	5,014	(5,014)	-
Changes in PD's/ LGD's/ EAD	(11,037)	(23,212)	75,316	41,067
New financial assets originated and other transfers	75,161	4,509	14,444	94,114
Write offs	-	-	(144,490)	(144,490)
As at 31 March 2025	1,450,531	387,876	1,002,338	2,840,745

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

35. Risk management (continued)

Provision for expected credit loss for loans and advances measured at amortised cost (continued)

	31 December 2024 (Audited)			Grand Total
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	AED'000
As at 1 January 2024	1,265,143	462,155	787,589	2,514,887
Stage 1 to Stage 2 Transfer	(500,284)	500,284	-	-
Stage 2 to Stage 3 Transfer	-	(459,215)	459,215	-
Stage 2 to Stage 1 Transfer	184,270	(184,270)	-	-
Stage 3 to Stage 2 Transfer	-	34,791	(34,791)	-
Changes in PD's/ LGD's/ EAD	(373,347)	108,283	75,553	(189,511)
New financial assets originated and other transfers	821,087	124,061	148,803	1,093,951
Write offs	-	-	(569,273)	(569,273)
As at 31 December 2024	1,396,869	586,089	867,096	2,850,054

Provision for expected credit loss for due from banks

	31 March 2025 (un-audited)			Grand Total
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	AED'000
As at 1 January 2025	46,904	810	-	47,714
Changes in PD's/ LGD's/ EAD	(28,096)	(9)	-	(28,105)
New financial assets originated	16,356	-	-	16,356
As at 31 March 2025	35,164	801	-	35,965

	31 December 2024 (audited)			Grand Total
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	AED'000
As at 1 January 2024	51,594	33	-	51,627
Changes in PD's/ LGD's/ EAD	(25,829)	777	-	(25,052)
New financial assets originated	21,139	-	-	21,139
As at 31 December 2024	46,904	810	-	47,714

Provision for expected credit loss for investment securities - FVOCI

	31 March 2025 (un-audited)			Grand Total
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	AED'000
As at 1 January 2025	7,810	19,173	41,000	67,983
Changes in PD's/ LGD's/ EAD	1,974	(2,298)	506	182
New financial assets originated	3,597	-	-	3,597
Write offs	-	-	-	-
As at 31 March 2025	13,381	16,875	41,506	71,762

The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 31 March 2025 (continued)

35. Risk management (continued)

Provision for expected credit loss for investment securities – FVOCI (continued)

	31 December 2024 (audited)			Grand Total
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	AED'000
As at 1 January 2024	5,246	15,188	160,578	181,012
Changes in PD's/ LGD's/ EAD	1,139	3,985	(1,307)	3,817
New financial assets originated	1,425	-	-	1,425
Write offs	-	-	(118,271)	(118,271)
As at 31 December 2024	7,810	19,173	41,000	67,983

Provision for expected credit loss for investment securities - amortised cost

	31 March 2025 (un-audited)			Grand Total
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	AED'000
As at 1 January 2025	5,152	39,685	-	44,837
Stage 2 to Stage 3 Transfer	-	(6,391)	6,391	-
Changes in PD's/ LGD's/ EAD	363	(4,188)	705	(3,120)
New financial assets originated	2,152	-	-	2,152
Write offs	-	-	-	-
As at 31 March 2025	7,667	29,106	7,096	43,869

	31 December 2024 (audited)			Grand Total
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	AED'000
As at 1 January 2024	7,214	33,764	36,730	77,708
Changes in PD's/ LGD's/ EAD	632	5,921	-	6,553
New financial assets originated	(2,694)	-	-	(2,694)
Write offs	-	-	(36,730)	(36,730)
As at 31 December 2024	5,152	39,685	-	44,837

36. Subsequent Events

There have been no events subsequent to the statement of financial position date that would significantly affect the amounts reported in the condensed consolidated interim financial statements as at and for the period ended 31 March 2025.

37. Approval of the condensed consolidated interim financial information

The condensed consolidated interim financial information was approved on 21 April 2025.