

Abu Dhabi Commercial Bank PJSC

Review report and condensed consolidated
interim financial information for the three month
period ended March 31, 2025

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INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION TO THE BOARD OF DIRECTORS OF ABU DHABI COMMERCIAL BANK PJSC

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Abu Dhabi Commercial Bank PJSC (the "Bank") and its subsidiaries (together referred to as the "Group") as at 31 March 2025, and the related income statement, statements of comprehensive income, statement of changes in equity and statement of cash flows for the three-month period then ended, and 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.

Deloitte & Touche (M.E.)



Mohammad Khamees Al Tah
Registration No. 717
29 April 2025
Abu Dhabi
United Arab Emirates

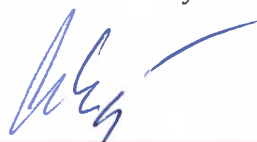
Condensed consolidated interim statement of financial position
As at March 31, 2025

		As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
	Notes		
Assets			
Cash and balances with central banks, net	4	52,113,566	46,222,548
Deposits and balances due from banks, net	5	52,616,623	50,214,028
Financial assets at fair value through profit or loss	6	17,033,869	12,869,631
Derivative financial instruments	7	14,880,312	18,973,188
Investment securities, net	8	149,590,033	142,989,163
Loans and advances to customers, net	9	359,488,576	350,638,304
Investment in associates		334,283	329,025
Investment properties	11	1,715,726	1,715,622
Other assets, net	12	23,086,905	20,004,509
Property and equipment, net		1,166,860	1,186,102
Intangible assets, net		7,689,394	7,672,106
Total assets		679,716,147	652,814,226
Liabilities			
Due to banks	13	11,606,194	11,276,704
Derivative financial instruments	7	22,326,415	23,891,228
Deposits from customers	14	441,691,025	421,059,909
Euro commercial paper	15	11,125,148	6,153,009
Borrowings	16	89,019,282	88,687,459
Other liabilities	17	30,075,598	26,179,008
Total liabilities		605,843,662	577,247,317
Equity			
Share capital	18	7,319,947	7,319,947
Share premium		17,878,882	17,878,882
Other reserves	19	11,622,355	11,081,986
Retained earnings		28,292,098	30,526,433
Capital notes	20	8,754,750	8,754,750
Equity attributable to equity holders of the Bank		73,868,032	75,561,998
Non-controlling interests		4,453	4,911
Total equity		73,872,485	75,566,909
Total liabilities and equity		679,716,147	652,814,226

This condensed consolidated interim financial information was approved by the Board of Directors and authorised for issue on April 29, 2025 and signed on its behalf by:



Khaldoon Khalifa Al Mubarak
Chairman



Ala'a Eraiqat
Group Chief Executive Officer



Deepak Khullar
Group Chief Financial Officer

The accompanying notes 1 to 34 form an integral part of this condensed consolidated interim financial information.

Condensed consolidated interim income statement (unaudited)

For the three month period ended March 31, 2025

	Notes	3 months ended March 31	
		2025 AED'000	2024 AED'000
Interest income	21	7,347,379	7,362,066
Interest expense	22	(4,533,026)	(4,585,680)
Net interest income		2,814,353	2,776,386
Income from Islamic financing and investing products		909,017	847,490
Distribution on Islamic deposits and profit paid to sukuk holders		(329,731)	(322,786)
Net income from Islamic financing and investing products		579,286	524,704
Total net interest income and income from Islamic financing and investing products		3,393,639	3,301,090
Net fees and commission income	23	819,755	702,882
Net trading income	24	558,860	523,727
Other operating income	25	240,298	58,573
Operating income		5,012,552	4,586,272
Operating expenses	26	(1,464,608)	(1,416,976)
Operating profit before impairment charge		3,547,944	3,169,296
Impairment charge	27	(646,495)	(740,610)
Profit after impairment charge		2,901,449	2,428,686
Share in profit of associates		5,258	2,216
Profit before taxation		2,906,707	2,430,902
Income tax charge		(460,636)	(292,091)
Profit for the period		2,446,071	2,138,811
Attributable to:			
Equity holders of the Bank		2,446,566	2,139,856
Non-controlling interests		(495)	(1,045)
Profit for the period		2,446,071	2,138,811
Basic earnings per share (AED)	28	0.31	0.26
Diluted earnings per share (AED)	28	0.30	0.26

The accompanying notes 1 to 34 form an integral part of this condensed consolidated interim financial information.

Condensed consolidated interim statement of comprehensive income (unaudited)
For the three month period ended March 31, 2025

	3 months ended March 31	
	2025 AED'000	2024 AED'000
Profit for the period	2,446,071	2,138,811
Other comprehensive income		
Items that may be re-classified subsequently to the condensed consolidated interim income statement		
Net movement in foreign currency translation reserve (Note 19)	13,106	(393,594)
Net movement in cash flow hedge reserve (net of tax) (Note 19)	32,723	91,783
Net movement in revaluation reserve of debt instruments designated at FVTOCI (net of tax) (Note 19)	394,809	(101,586)
	440,638	(403,397)
Items that will not be re-classified subsequently to the condensed consolidated interim income statement		
Net movement in revaluation reserve of equity instruments designated at FVTOCI (net of tax) (Note 19)	9,849	18,842
Other comprehensive income/(loss) for the period	450,487	(384,555)
Total comprehensive income for the period	2,896,558	1,754,256
Attributable to:		
Equity holders of the Bank	2,897,016	1,755,619
Non-controlling interests	(458)	(1,363)
Total comprehensive income for the period	2,896,558	1,754,256

The accompanying notes 1 to 34 form an integral part of this condensed consolidated interim financial information.

Condensed consolidated interim statement of changes in equity (unaudited)
For the three month period ended March 31, 2025

	Share Capital AED'000	Share premium AED'000	Other reserves AED'000	Retained earnings AED'000	Capital notes AED'000	Equity attributable to equity holders of the Bank AED'000	Non- controlling interests AED'000	Total equity AED'000
As at January 1, 2025	7,319,947	17,878,882	11,081,986	30,526,433	8,754,750	75,561,998	4,911	75,566,909
Profit/(loss) for the period	-	-	-	2,446,566	-	2,446,566	(495)	2,446,071
Other comprehensive income for the period (Note 19)	-	-	450,450	-	-	450,450	37	450,487
Other movements (Note 19)	-	-	89,919	(141,928)	-	(52,009)	-	(52,009)
Amounts transferred within equity upon disposal of investments in equity instruments designated at FVTOCI (net of tax)	-	-	-	(1,558)	-	(1,558)	-	(1,558)
Dividends paid to equity holders of the Bank	-	-	-	(4,318,769)	-	(4,318,769)	-	(4,318,769)
Capital notes coupon paid (Note 28)	-	-	-	(218,646)	-	(218,646)	-	(218,646)
As at March 31, 2025	7,319,947	17,878,882	11,622,355	28,292,098	8,754,750	73,868,032	4,453	73,872,485
As at January 1, 2024	7,319,947	17,878,882	10,591,907	26,701,111	8,754,750	71,246,597	6,870	71,253,467
Profit/(loss) for the period	-	-	-	2,139,856	-	2,139,856	(1,045)	2,138,811
Other comprehensive loss for the period (Note 19)	-	-	(384,237)	-	-	(384,237)	(318)	(384,555)
Other movements (Note 19)	-	-	17,052	-	-	17,052	-	17,052
Amounts transferred within equity upon disposal of investments in equity instruments designated at FVTOCI (net of tax)	-	-	-	(4,030)	-	(4,030)	-	(4,030)
Adjustments arising from changes in non-controlling interests	-	-	(64)	55	-	(9)	(95)	(104)
Dividends paid to equity holders of the Bank	-	-	-	(4,099,170)	-	(4,099,170)	-	(4,099,170)
Capital notes coupon paid (Note 28)	-	-	-	(240,912)	-	(240,912)	-	(240,912)
As at March 31, 2024	7,319,947	17,878,882	10,224,658	24,496,910	8,754,750	68,675,147	5,412	68,680,559

Following the Annual General Meeting held on February 27, 2025, the shareholders approved the distribution of proposed cash dividend of AED 4,318,769 thousand for the year 2024, being AED 0.59 dividend per share and representing 59% of the paid up share capital (For the year 2023 – cash dividend of AED 4,099,170 thousand, being AED 0.56 dividend per share and representing 56% of the paid up share capital).

The accompanying notes 1 to 34 form an integral part of this condensed consolidated interim financial information.

Condensed consolidated interim statement of cash flows (unaudited)

For the three month period ended March 31, 2025

	3 months ended March 31	
	2025 AED'000	2024 AED'000
OPERATING ACTIVITIES		
Profit before taxation	2,906,707	2,430,902
Adjustments for:		
Depreciation on property and equipment (Note 26)	47,993	49,408
Amortisation of intangible assets (Note 26)	56,524	51,868
Gross impairment charge	794,174	817,861
Share in profit of associates	(5,258)	(2,216)
Discount unwind	(24,438)	(34,429)
Net loss from disposal of investment securities (Note 25)	72,377	109,139
Discount amortisation on investment securities	(140,472)	(233,613)
Dividend income (Note 25)	(8,789)	(8,338)
Gain on sale of property and equipment	(1,459)	(452)
Amortisation and interest capitalised on borrowings and ECPs	423,953	368,174
Net gain from financial assets at fair value through profit or loss (Note 24)	(272,482)	(309,536)
Ineffective portion of hedges - loss (Note 7)	4,769	7,250
Employees' incentive plan expense (Note 19)	42,605	17,052
Cash flows from operating activities before changes in operating assets and liabilities	3,896,204	3,263,070
Net movement in due from banks	(3,255,646)	(892,994)
Net movement in derivative financial instruments	(135,320)	(174,162)
Net purchases of financial assets at fair value through profit or loss	(3,894,303)	(112,249)
Net movement in loans and advances to customers	(9,201,038)	(18,560,610)
Net movement in other assets	(448,590)	(907,223)
Net movement in due to banks	331,048	1,517,984
Net movement in deposits from customers	20,547,493	24,393,008
Net movement in other liabilities	749,293	1,341,909
Net cash from operations	8,589,141	9,868,733
Income tax paid	(28,467)	(14,121)
Net cash from operating activities	8,560,674	9,854,612
INVESTING ACTIVITIES		
Net proceeds from redemption/disposal of investment securities	9,096,791	9,874,533
Net purchases of investment securities	(12,522,423)	(16,653,575)
Dividend received from investment securities (Note 25)	8,789	8,338
Net (purchases)/disposals of investment properties (Note 11)	(100)	33,108
Net purchases of property and equipment and computer software	(84,207)	(71,508)
Net cash used in investing activities	(3,501,150)	(6,809,104)
FINANCING ACTIVITIES		
Net movement in euro commercial paper	4,884,497	(2,687,299)
Net proceeds from borrowings	20,427,237	23,593,666
Repayment of borrowings	(20,807,228)	(20,514,949)
Payment of lease liabilities	(28,138)	(15,517)
Dividends paid to equity holders of the Bank	(4,318,769)	(4,099,170)
Acquisition of non-controlling interests	-	(104)
Capital notes coupon paid (Note 28)	(218,646)	(240,912)
Net cash used in financing activities	(61,047)	(3,964,285)
Effect of exchange rate changes on cash and cash equivalents	22,199	(1,143,745)
Net increase/(decrease) in cash and cash equivalents	5,020,676	(2,062,522)
Cash and cash equivalents at the beginning of the period	61,109,902	51,837,050
Cash and cash equivalents at the end of the period	66,130,578	49,774,528

The accompanying notes 1 to 34 form an integral part of this condensed consolidated interim financial information.

Condensed consolidated interim statement of cash flows (unaudited) (continued)

For the three month period ended March 31, 2025

Cash and cash equivalents

Cash and cash equivalents included in the condensed consolidated interim statement of cash flows comprise of following amounts:

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Cash and balances with central banks (Note 4)	52,114,679	46,223,736
Deposits and balances due from banks (excluding loans and advances to banks) (Note 5)	19,747,117	19,535,011
	71,861,796	65,758,747
Less: Cash and balances with central banks and deposits and balances due from banks - with original maturity of more than three months	(5,731,218)	(4,648,845)
Total cash and cash equivalents	66,130,578	61,109,902

The accompanying notes 1 to 34 form an integral part of this condensed consolidated interim financial information.

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

1. General information

Abu Dhabi Commercial Bank PJSC (“ADCB” or the “Bank”) is a public joint stock company with limited liability incorporated in the emirate of Abu Dhabi, United Arab Emirates (UAE). The Bank and its subsidiaries (together referred to as the “Group”) is principally engaged in the business of retail, commercial and Islamic banking and provision of other financial services.

The Group’s Islamic banking activities are conducted in accordance with principles of Islamic Shari’ah as interpreted by Internal Shari’ah Supervision Committee (“ISSC”) as well as the standards and resolutions issued by the higher Shari’ah authority of UAE Central Bank.

The Bank is listed on the Abu Dhabi Securities Exchange (Ticker: ADCB).

The registered head office of ADCB is at Abu Dhabi Commercial Bank PJSC Head Office Building, Sheikh Zayed Bin Sultan Street, Plot C- 33, Sector E-11, P. O. Box 939, Abu Dhabi, UAE.

2. Summary of material accounting policies**2.1 Basis of preparation**

The condensed consolidated interim financial information has been prepared on a going concern basis and in accordance with IAS 34 - Interim Financial Reporting. It does not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the group for the year ended December 31, 2024, which were prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) (IFRS Accounting Standards), International Financial Reporting Interpretation Committee (IFRIC) Interpretations and requirements of applicable laws.

The same accounting policies, presentation and methods of computation have been followed in this condensed consolidated interim financial information as were applied in the preparation and presentation of the Group’s consolidated financial statements for the year ended December 31, 2024.

Certain disclosure notes/numbers have been reclassified and rearranged from the Group’s prior period condensed consolidated interim financial information to conform to the current period's presentation.

The results for the three month period ended March 31, 2025 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2025.

The condensed consolidated interim financial information is prepared and presented in United Arab Emirates Dirham (AED), which is the Group’s functional and presentation currency and is rounded off to the nearest thousand unless otherwise indicated.

The preparation of the condensed consolidated interim financial information in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The main areas of judgements, estimates and assumptions applied in this condensed consolidated interim financial information, including the key sources of estimation uncertainty were the same as those applied in the consolidated financial statements of the Group for the year ended December 31, 2024.

2. Summary of material accounting policies (continued)

2.2 Application of new and revised IFRS as issued by the International Accounting Standards Board (IASB) (IFRS Accounting Standards)

2.2.1 Standards and Interpretations in issue and effective

In the current period, the Group has applied the amendments to IAS 21. The application of these amendments to IFRS Accounting Standards has not had any material impact on the amounts reported for the current and prior periods but may affect the accounting for the Group's future transactions or arrangements.

Other than the above, there are no other significant IFRS Accounting Standards, amendments or interpretations that were effective for the first time for the financial year beginning on or after January 1, 2025.

2.2.2 Standards and Interpretations in issue but not yet effective

New standards and significant amendments to standards applicable to the Group:	Effective for annual periods beginning on or after
Amendments to IFRS 9 and IFRS 7 - The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9.	January 1, 2026
Annual improvements to IFRS Accounting Standards.	January 1, 2026
IFRS 19 'Subsidiaries without Public Accountability' specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.	January 1, 2027
Presentation and disclosures in financial statements (IFRS 18) - The new standard contains requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements.	January 1, 2027
Sale or contribution of assets between an investor and its associate or joint venture (amendments to IFRS 10 and IAS 28).	Effective date deferred indefinitely, available for early adoption.

The Group has not early adopted any new and revised IFRS Accounting Standards that have been issued but are not yet effective. Management anticipates that these amendments will be adopted in the consolidated financial statements in the initial period when they become mandatorily effective. The impact of these standards and amendments are currently being assessed by the management.

2.3 Basis of consolidation

This condensed consolidated interim financial information incorporates the financial statements of the Bank and its subsidiaries (collectively referred to as the "Group").

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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. The financial statements of subsidiaries are included in the condensed consolidated interim financial information from the date that control commences until the date that control ceases.

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

2. Summary of material accounting policies (continued)
2.3 Basis of consolidation (continued)

The following is the list of subsidiaries of the Bank as at March 31, 2025:

Name of subsidiary	Incorporation		Country	Principal activities
	Ownership interest	Year		
ADCB Securities LLC	100%	2005	UAE	Agent in trading of financial instruments and stocks.
Kinetic Infrastructure Development LLC	100%	2006	UAE	Financial investments.
Abu Dhabi Commercial Property Development LLC ⁽¹⁾	100%	2006	UAE	Property development.
Abu Dhabi Commercial Engineering Services LLC	100%	2007	UAE	Engineering services.
ADCB Finance (Cayman) Limited	100%	2008	Cayman Islands	Treasury financing activities.
ADCB Markets (Cayman) Limited	100%	2008	Cayman Islands	Treasury related activities.
ACB LTIP (IOM) Limited	Controlling Interest	2008	Isle of Man	Trust activities.
ITMAM Services FZ LLC	100%	2010	UAE	Transaction processing and back-office support for the Group.
AD NAC Ventures WLL	99.75%	2012	Bahrain	Trust activities.
ITMAM Services LLC	100%	2013	UAE	Transaction processing and back-office support for the Group.
ADCB Asset Management Limited	100%	2018	UAE	Wealth management and private banking.
Al Wifaq Investment Properties PrJSC	90.08%	2006	UAE	Investment in real estate properties and earning rental income.
Abu Dhabi Commercial Bank - Egypt SAE (formerly known as Union National bank - Egypt SAE)	99.90%	1981	Egypt	Commercial banking services.
Al Hilal Bank PJSC	100%	2007	UAE	Islamic banking activities.
ADCB Islamic Bank JSC (formerly known as Al Hilal Islamic Bank JSC)	100%	2010	Kazakhstan	Islamic banking activities.
Al Hilal Leasing LLP ⁽²⁾	100%	2011	Kazakhstan	Shari'ah compliant leasing operations.
AHB Sukuk Company Limited ^{(1) (2)}	Controlling Interest	2011	Cayman Islands	Treasury financing activities.
Al Hur 1 Holding Limited	100%	2022	UAE	Real estate investment activities.
Al Hur 2 Holding Limited	100%	2022	UAE	Real estate investment activities.
ADCB Sukuk Company Limited	Controlling Interest	2023	Cayman Islands	Treasury financing activities.
Meedaf Investment Limited (formerly known as Meedaf Investment - Sole Proprietorship LLC)	100%	2023	UAE	Enterprise and service support.

(1) dormant

(2) under liquidation

The Group does not have any subsidiary with material non-controlling interests.

Funds under management

The Bank manages and administers assets held in unit trusts on behalf of investors. The financial statements of these entities are not included in the condensed consolidated interim financial information except when the Bank controls the entity, as mentioned above.

Loss of control

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in condensed consolidated interim income statement. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value when control is lost. Subsequently, it is accounted for as an equity-accounted investee or in accordance with the Group's accounting policy for financial instruments depending on the level of influence retained.

2. Summary of material accounting policies (continued)

2.3 Basis of consolidation (continued)

Transactions eliminated on consolidation

All intragroup balances, income, expenses and cash flows resulting from intragroup transactions are eliminated on consolidation.

Investment in associates

Associates are those entities in which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Investments in associates are accounted for using the equity method and are recognised initially at cost. The cost of the investments includes transaction costs.

The condensed consolidated interim financial information includes the Group's share of the profit or loss and other comprehensive income of investment in associates, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Joint arrangements

Joint arrangements are arrangements of which the Group has joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns. They are classified and accounted for as follows:

Joint operation – when the Group has rights to the assets and obligations for the liabilities, relating to an arrangement, it accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation.

Joint venture – when the Group has rights only to the net assets of the arrangements, it accounts for its interest using the equity method, as for associates.

3. Taxation

The UAE Ministry of Finance (MoF) released Domestic Minimum Top-up Tax (DMTT), in line with the Pillar Two OECD Global Anti-Base Erosion ("GloBE") Model Rules. As at reporting date, DMTT has been substantially enacted and will be effective in the UAE for financial years starting on or after January 1, 2025. DMTT of 15% will apply to multinational enterprises operating in the UAE with consolidated global revenues of EUR 750 million or more in at least two out of the four financial years immediately preceding the financial year in which the DMTT applies.

The Group is continuing to assess the impact of DMTT for the jurisdictions in which the Group operates.

The Group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

4. Cash and balances with central banks, net

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Cash on hand	3,255,614	2,338,071
Balances with central banks(*)	15,206,395	11,307,334
Reserves maintained with central banks	29,675,392	27,310,400
Certificate of deposits with central banks	3,977,278	5,267,931
Gross cash and balances with central banks	52,114,679	46,223,736
Less: Allowance for impairment (Note 10)	(1,113)	(1,188)
Total cash and balances with central banks, net	52,113,566	46,222,548
The geographical concentration is as follows:		
Within the UAE	50,158,146	43,988,224
Outside the UAE	1,956,533	2,235,512
	52,114,679	46,223,736
Less: Allowance for impairment (Note 10)	(1,113)	(1,188)
	52,113,566	46,222,548

(*) includes overnight deposit amounting to AED 13,700,000 thousand placed with CBUAE at 4.40% p.a. (December 31, 2024 – AED 10,300,000 thousand placed with CBUAE at 4.40% p.a.)

Reserves maintained with central banks represent deposits with central banks at stipulated percentages of its demand, savings, time, and other deposits. As per Central Bank of UAE (CBUAE) regulations, subject to meeting reserve requirements over 14 days' period, the Bank is allowed to draw their balances held in reserve account maintained with CBUAE. These reserves are available for day-to-day operations.

5. Deposits and balances due from banks, net

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Nostro balances	4,361,778	5,714,555
Margin deposits	4,568,147	3,914,243
Time deposits	10,051,360	9,314,038
Wakala placements	600,000	367,300
Collateralised murabaha	165,832	224,875
Loans and advances to banks	32,958,053	30,784,766
Gross deposits and balances due from banks	52,705,170	50,319,777
Less: Allowance for impairment (Note 10)	(88,547)	(105,749)
Total deposits and balances due from banks, net	52,616,623	50,214,028
The geographical concentration is as follows:		
Within the UAE	2,655,496	3,839,840
Outside the UAE	50,049,674	46,479,937
	52,705,170	50,319,777
Less: Allowance for impairment (Note 10)	(88,547)	(105,749)
	52,616,623	50,214,028

As at March 31, 2025, the Group received bonds with fair value of AED 221,639 thousand (December 31, 2024 – AED 310,046 thousand) under collateralised murabaha.

Notes to the condensed consolidated interim financial information
For the three month period ended March 31, 2025

5. Deposits and balances due from banks, net (continued)

The Group hedges certain fixed and floating rate loans and advances to banks amounting to AED 397,364 thousand (December 31, 2024 – AED 386,547 thousand) for interest rate risk using either interest rate or cross currency swaps and designates these swaps as fair value and cash flow hedges, respectively. The net negative fair value of these swaps as at March 31, 2025 was AED 11,191 thousand (December 31, 2024 – net positive fair value of AED 4,881 thousand).

6. Financial assets at fair value through profit or loss

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Debt securities(*)	4,811,956	2,893,933
Equities and funds(*)	83,701	83,100
Structured funding arrangements	12,138,212	9,892,598
Total financial assets at fair value through profit or loss	17,033,869	12,869,631
The geographical concentration is as follows:		
Within the UAE	2,280,344	1,418,899
Outside the UAE	14,753,525	11,450,732
	17,033,869	12,869,631

(*) includes Islamic investing assets amounting to AED 396,551 thousand (December 31, 2024 – AED 480,160 thousand)

The Group entered into structured funding arrangements where funding was provided against certain reference assets received under the arrangement and held by the Group. The risk and rewards relating to these reference assets remain with the counterparty. As at March 31, 2025, the fair value of these reference assets amounted to AED 16,876,183 thousand (December 31, 2024 – AED 14,345,921 thousand). Further, the Group also received net cash collateral of AED 142,619 thousand (December 31, 2024 – posted net cash collateral of AED 32,469 thousand) against this structuring arrangement. The structuring arrangement and reference assets received are governed under International Swaps and Derivatives Association (ISDA) agreements.

Refer note 9 for loans and advances at fair value through profit or loss.

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

7. Derivative financial instruments

The table below shows the positive (assets) and negative (liabilities) fair values of derivative financial instruments.

	Fair values		Notional AED'000
	Assets AED'000	Liabilities AED'000	
As at March 31, 2025 (unaudited)			
Derivatives held or issued for trading			
Foreign exchange derivatives	1,559,431	1,424,810	316,024,151
Interest rate and cross currency swaps	7,972,447	7,566,744	359,903,819
Credit derivatives	-	2,664	128,555
Interest rate and commodity options	675,336	801,173	93,095,724
Futures (exchange traded)	11,721	5,634	5,962,473
Commodity and energy swaps	221,546	170,852	16,141,155
Swaptions	865,205	160,249	63,210,337
Total derivatives held or issued for trading	11,305,686	10,132,126	854,466,214
Derivatives held as fair value hedges			
Interest rate and cross currency swaps	3,036,608	12,123,554	180,735,810
Derivatives held as cash flow hedges			
Interest rate and cross currency swaps	306,231	7,050	22,175,747
Forward foreign exchange contracts	231,787	63,685	18,742,391
Total derivatives held as cash flow hedges	538,018	70,735	40,918,138
Total derivative financial instruments	14,880,312	22,326,415	1,076,120,162
As at December 31, 2024 (audited)			
Derivatives held or issued for trading			
Foreign exchange derivatives	2,773,557	2,450,293	287,887,759
Interest rate and cross currency swaps	9,170,690	8,735,001	363,398,901
Credit derivatives	-	2,602	128,555
Interest rate and commodity options	699,263	918,328	84,664,228
Futures (exchange traded)	1,188	2,487	5,617,854
Commodity and energy swaps	209,186	157,830	15,708,962
Swaptions	896,286	163,232	62,290,298
Total derivatives held or issued for trading	13,750,170	12,429,773	819,696,557
Derivatives held as fair value hedges			
Interest rate and cross currency swaps	4,742,100	11,009,398	170,685,872
Derivatives held as cash flow hedges			
Interest rate and cross currency swaps	480,918	28,642	15,037,587
Forward foreign exchange contracts	-	423,415	11,994,706
Total derivatives held as cash flow hedges	480,918	452,057	27,032,293
Total derivative financial instruments	18,973,188	23,891,228	1,017,414,722

The notional amounts indicate the volume of transactions and are neither indicative of the market risk nor credit risk. The net hedge ineffectiveness losses relating to the fair value and cash flow hedges amounting to AED 4,769 thousand (for the three month period ended March 31, 2024 – net losses of AED 7,250 thousand) has been recognised in the condensed consolidated interim income statement.

As at March 31, 2025, the Group received cash collateral of AED 3,695,738 thousand (December 31, 2024 – AED 6,238,902 thousand) and bonds with fair value of AED 1,974,233 thousand (December 31, 2024 – AED 2,122,020 thousand) against net positive derivative exposure.

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

7. Derivative financial instruments (continued)

As at March 31, 2025, the Group placed cash collateral of AED 5,271,945 thousand (December 31, 2024 – AED 4,674,983 thousand) and bonds with fair value of AED 7,695,612 thousand (December 31, 2024 – AED 6,804,659 thousand) against net negative derivative exposure.

These collaterals are governed by collateral service agreements under International Swaps and Derivatives Association (ISDA) agreements.

8. Investment securities, net

	UAE AED'000	Other GCC(*) countries AED'000	Rest of the world AED'000	Total AED'000
As at March 31, 2025 (unaudited)				
At fair value through other comprehensive income (FVTOCI)				
Quoted:				
Government securities	12,002,129	8,980,248	23,403,297	44,385,674
Bonds - Public sector	5,618,417	1,782,663	1,551,500	8,952,580
Bonds - Banks and financial institutions	836,909	543,071	2,395,747	3,775,727
Bonds - Corporate	474,490	418,083	478,189	1,370,762
Equities and funds(**)	597,416	36,469	163,265	797,150
Total quoted	19,529,361	11,760,534	27,991,998	59,281,893
Unquoted:				
Equities and funds	71,055	1,295	23,976	96,326
Total investment securities at fair value through other comprehensive income	19,600,416	11,761,829	28,015,974	59,378,219
At amortised cost				
Quoted:				
Government securities	14,885,496	14,994,496	25,958,591	55,838,583
Bonds - Public sector	9,106,942	2,090,665	6,960,594	18,158,201
Bonds - Banks and financial institutions	1,586,799	1,585,412	7,765,901	10,938,112
Bonds - Corporate	2,399,354	631,803	2,263,459	5,294,616
Total quoted	27,978,591	19,302,376	42,948,545	90,229,512
Less: Allowance for impairment (Note 10)	(5,137)	(2,360)	(10,201)	(17,698)
Total investment securities at amortised cost	27,973,454	19,300,016	42,938,344	90,211,814
Total investment securities, net	47,573,870	31,061,845	70,954,318	149,590,033

(*) Gulf Cooperation Council

(**) includes investments in perpetual bonds

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

8. Investment securities, net (continued)

	UAE AED'000	Other GCC(*) countries AED'000	Rest of the world AED'000	Total AED'000
As at December 31, 2024 (audited)				
At fair value through other comprehensive income (FVTOCI)				
Quoted:				
Government securities	11,335,885	6,873,943	19,280,519	37,490,347
Bonds - Public sector	5,708,086	1,687,769	1,352,193	8,748,048
Bonds - Banks and financial institutions	866,556	113,456	1,376,596	2,356,608
Bonds - Corporate	620,058	413,505	443,347	1,476,910
Equities and funds(**)	626,103	36,190	163,016	825,309
Total quoted	19,156,688	9,124,863	22,615,671	50,897,222
Unquoted:				
Equities and funds	71,167	1,295	23,525	95,987
Total investment securities at fair value through other comprehensive income	19,227,855	9,126,158	22,639,196	50,993,209
At amortised cost				
Quoted:				
Government securities	15,008,612	15,209,569	26,897,501	57,115,682
Bonds - Public sector	8,991,026	2,101,644	6,974,613	18,067,283
Bonds - Banks and financial institutions	1,566,100	1,574,462	8,359,409	11,499,971
Bonds - Corporate	2,465,929	627,437	2,241,112	5,334,478
Total quoted	28,031,667	19,513,112	44,472,635	92,017,414
Less: Allowance for impairment (Note 10)	(5,234)	(2,515)	(13,711)	(21,460)
Total investment securities at amortised cost	28,026,433	19,510,597	44,458,924	91,995,954
Total investment securities, net	47,254,288	28,636,755	67,098,120	142,989,163
(*) Gulf Cooperation Council				
(**) includes investments in perpetual bonds				

Islamic investing assets included in the above table are as follows:

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
At fair value through other comprehensive income (FVTOCI)		
Sukuk investments	6,889,869	6,762,670
Equities	116,948	126,652
	7,006,817	6,889,322
At amortised cost		
Sukuk investments	6,692,895	7,078,083
Less: Allowance for impairment	(3,515)	(3,670)
	6,689,380	7,074,413
Net Islamic investing assets	13,696,197	13,963,735

As at March 31, 2025, the allowance for impairment on debt instruments designated at FVTOCI amounting to AED 49,025 thousand (December 31, 2024 – AED 52,463 thousand) (Note 10) is included in revaluation reserve of investments carried at FVTOCI.

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

8. Investment securities, net (continued)

The Group hedges certain fixed and floating rate investments securities amounting to AED 95,823,846 thousand (December 31, 2024 – AED 92,180,070 thousand) for interest rate and foreign currency risks through interest rate and currency swaps and designates these as fair value and cash flow hedges. The net positive fair value of these swaps as at March 31, 2025 was AED 288,054 thousand (December 31, 2024 – net positive fair value AED 3,321,844 thousand). The hedge ineffectiveness gains and losses relating to these hedges were included in the condensed consolidated interim income statement.

The Group entered into repurchase agreements whereby bonds were pledged and held by counterparties as collateral. The risks and rewards relating to the investments pledged remains with the Group. The bonds placed as collateral are governed under Global Master Repurchase Agreements (GMRA). The following table reflects the carrying value of these bonds and the associated financial liabilities:

	As at March 31, 2025 (unaudited)		As at December 31, 2024 (audited)	
	Carrying value of pledged securities AED'000	Carrying value of associated liabilities AED'000	Carrying value of pledged securities AED'000	Carrying value of associated liabilities AED'000
Repurchase financing	43,976,421	42,029,383	45,477,541	44,350,766

Further, the Group pledged investment securities with fair value amounting to AED 7,727,526 thousand (December 31, 2024 – AED 7,510,521 thousand) as collateral against margin calls. The risks and rewards on these pledged investments securities remains with the Group.

9. Loans and advances to customers, net

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Overdrafts (retail and corporate)	15,789,249	15,504,313
Retail loans - mortgages	19,490,053	19,395,728
Retail loans - others	46,842,033	46,403,452
Corporate loans	251,484,105	240,557,764
Credit cards	5,845,805	5,817,779
Other facilities	27,095,422	29,595,350
Gross loans and advances to customers at amortised cost	366,546,667	357,274,386
Less: Allowance for impairment (Note 10)	(10,256,158)	(9,834,149)
Total loans and advances to customers at amortised cost, net	356,290,509	347,440,237
Loans and advances to customers mandatorily measured at FVTPL	3,198,067	3,198,067
Total loans and advances to customers, net	359,488,576	350,638,304

Notes to the condensed consolidated interim financial information
For the three month period ended March 31, 2025

9. Loans and advances to customers, net (continued)

Islamic financing assets included in the above table are as follows:

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Murabaha	31,969,394	30,581,334
Ijara financing	12,730,701	13,473,663
Salam	406,596	402,940
Others	876,386	911,772
Gross Islamic financing assets	45,983,077	45,369,709
Less: Allowance for impairment	(976,429)	(1,205,651)
Net Islamic financing assets	45,006,648	44,164,058

The Group hedges certain fixed and floating rate loans and advances amounting to AED 31,798,646 thousand (December 31, 2024 – AED 22,826,077 thousand) for interest rate and foreign currency risk using interest rate and currency swaps and designates these swaps as fair value and cash flow hedges, respectively. The net negative fair value of these swaps as at March 31, 2025 was AED 55,387 thousand (December 31, 2024 – net positive fair value of AED 211,878 thousand).

The economic activity sector composition of the loans and advances to customers is as follows:

	As at March 31, 2025 (unaudited)			As at December 31, 2024 (audited)		
	Within the UAE AED'000	Outside the UAE AED'000	Total AED'000	Within the UAE AED'000	Outside the UAE AED'000	Total AED'000
Economic activity sector						
Agriculture	106,015	54,752	160,767	92,707	126,521	219,228
Energy	1,958,907	13,887,560	15,846,467	1,595,617	12,526,407	14,122,024
Trading	16,226,439	12,693,447	28,919,886	16,577,650	12,213,458	28,791,108
Real estate investment	47,812,369	1,564,478	49,376,847	48,306,404	1,677,405	49,983,809
Hospitality	6,723,910	-	6,723,910	6,793,997	-	6,793,997
Transport and communication	1,963,838	7,174,827	9,138,665	1,952,155	6,625,052	8,577,207
Personal	74,717,603	1,096,726	75,814,329	75,525,194	1,031,536	76,556,730
Government and public sector entities	87,118,481	10,962,318	98,080,799	88,159,673	10,779,341	98,939,014
Financial institutions(*)	20,244,259	19,606,734	39,850,993	15,292,424	16,493,554	31,785,978
Manufacturing	4,578,978	8,630,179	13,209,157	4,287,435	9,147,993	13,435,428
Services(**)	8,874,892	816,066	9,690,958	8,884,327	712,031	9,596,358
Others	18,585,077	4,346,879	22,931,956	17,471,623	4,199,949	21,671,572
Gross loans and advances to customers	288,910,768	80,833,966	369,744,734	284,939,206	75,533,247	360,472,453
Less: Allowance for impairment (Note 10)			(10,256,158)			(9,834,149)
Total loans and advances to customers, net			359,488,576			350,638,304

(*) includes investment companies

(**) includes loans and advances to customers mandatorily measured at FVTPL

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

9. Loans and advances to customers, net (continued)

Stage wise loans and advances to customers at amortised cost and associated impairment allowance is as follows:

	As at March 31, 2025 (unaudited)		As at December 31, 2024 (audited)	
	Gross loans and advances to customers AED'000	Allowance for impairment AED'000	Gross loans and advances to customers AED'000	Allowance for impairment AED'000
Stage 1	339,415,943	1,387,336	329,941,170	1,392,018
Stage 2	17,227,167	3,393,702	17,696,484	3,241,819
Stage 3	9,034,044	5,281,129	8,694,549	4,980,973
Purchased or originated credit-impaired	869,513	193,991	942,183	219,339
Total	366,546,667	10,256,158	357,274,386	9,834,149

10. Impairment allowances

The movement in impairment allowances is as follows:

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Opening balance	10,609,826	11,433,990
Charge for the period/year	794,174	3,414,059
Recoveries/modifications during the period/year	(147,679)	(540,006)
Net charge for the period/year	646,495	2,874,053
Adjustments to gross carrying value for the period/year	184	193,465
Net amounts written-off during the period/year	(248,404)	(3,803,706)
Impact of currency translation	2,097	(87,976)
Total impairment allowances	11,010,198	10,609,826

Allocation of impairment allowances is as follows:

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Balances with central banks (Note 4)	1,113	1,188
Deposits and balances due from banks (Note 5)	88,547	105,749
Investment securities at amortised cost (Note 8)	17,698	21,460
Investment securities designated at FVTOCI (Note 8)(*)	49,025	52,463
Loans and advances to customers (Note 9)	10,256,158	9,834,149
Other assets (Note 12)	27,835	20,897
Letters of credit, guarantees and other commitments (Note 17)	569,822	573,920
Total impairment allowances	11,010,198	10,609,826

(*) recognised under "Revaluation reserve of investments designated at FVTOCI"

Notes to the condensed consolidated interim financial information
For the three month period ended March 31, 2025

11. Investment properties

	AED'000
As at January 1, 2024	1,741,460
Additions during the year	1,868
Disposals during the year	(49,377)
Revaluation of investment properties	26,876
Impact of currency translation	(5,205)
As at December 31, 2024 (audited)	1,715,622
Additions during the period	804
Disposals during the period	(704)
Impact of currency translation	4
As at March 31, 2025 (unaudited)	1,715,726

Fair valuations

Valuations are carried out annually by registered independent valuers having an appropriate recognised professional qualification and experience in the location and category of the property being valued. In estimating the fair values of the properties, the highest and best use of the properties is their current use.

The valuation methodologies considered by external valuers include:

- ▶ Direct comparable method: This method seeks to determine the value of the property from transactions of comparable properties in the vicinity applying adjustments to reflect differences to the subject property.
- ▶ Investment method: This method is used to assess the value of the property by capitalising the net operating income of the property at an appropriate yield an investor would expect for an investment of the duration of the interest being valued.

Investment properties of the Group are primarily located within the UAE.

12. Other assets, net

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Interest receivable	5,460,122	5,194,819
Prepayments	232,718	161,233
Acceptances (Note 17)	15,649,623	12,956,224
Others	1,772,277	1,713,130
Gross other assets	23,114,740	20,025,406
Less: Allowance for impairment (Note 10)	(27,835)	(20,897)
Total other assets, net	23,086,905	20,004,509

13. Due to banks

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Vostro balances	1,346,212	1,001,783
Margin deposits	3,321,843	4,895,453
Time deposits	6,938,139	5,379,468
Total due to banks	11,606,194	11,276,704

Notes to the condensed consolidated interim financial information
For the three month period ended March 31, 2025

14. Deposits from customers

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Time deposits	243,945,836	234,975,894
Current account deposits	157,539,626	149,573,873
Savings deposits	36,973,271	32,482,564
Long term government deposits	149,307	215,054
Margin deposits	3,082,985	3,812,524
Total deposits from customers	441,691,025	421,059,909

Islamic deposits included in the above table are as follows:

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Current account deposits	19,327,011	19,760,622
Margin deposits	259,369	273,578
Mudaraba savings deposits(*)	21,453,563	19,616,295
Mudaraba term deposits	615,055	635,896
Murabaha deposits	1,512,465	1,170,101
Wakala deposits	24,228,127	23,832,360
Total Islamic deposits	67,395,590	65,288,852

(*) includes AED 13,609 thousand pertaining to investment risk reserve (IRR) (December 31, 2024 – AED 13,364 thousand)

The Group hedges customer deposits amounting to AED 39,901,743 thousand (December 31, 2024 – AED 32,787,966 thousand) for foreign currency and interest rate risks using foreign exchange and interest rate swaps and designates these swaps as either cash flow or fair value hedges. The net positive fair value of these swaps as at March 31, 2025 was AED 19,773 thousand (December 31, 2024 – net negative fair value of AED 22,984 thousand).

15. Euro commercial paper

The details of euro commercial paper (“ECP”) issuances under the Bank’s ECP programme are as follows:

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Currency (CCY)		
US dollar (USD)	6,498,669	2,146,885
Euro (EUR)	851,799	1,280,118
Great Britain pound (GBP)	3,774,680	2,726,006
Total euro commercial paper	11,125,148	6,153,009

The Group hedges euro commercial paper amounting to AED 4,706,881 thousand (December 31, 2024 – AED 4,006,124 thousand) for foreign currency using foreign exchange swaps and designates these swaps as cash flow hedges. The net positive fair value of these hedge contracts as at March 31, 2025 was AED 92,773 thousand (December 31, 2024 – net negative fair value of AED 139,527 thousand).

The effective interest rate on zero coupon ECPs ranges between 2.495% p.a. to 4.94% p.a. (December 31, 2024 – between 2.995% p.a. to 5.53% p.a.).

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

16. Borrowings

The details of borrowings as at March 31, 2025 (unaudited) are as follows:

Instrument	Currency (CCY)	Within 1 year AED'000	1-3 years AED'000	3-5 years AED'000	Over 5 years AED'000	Total AED'000
Global medium term notes	Australian dollar (AUD)	-	812,145	133,795	-	945,940
	Chinese renminbi (CNH)	-	502,690	-	-	502,690
	Swiss franc (CHF)	-	-	419,272	-	419,272
	Hong Kong dollar (HKD)	73,961	-	-	-	73,961
	US dollar (USD)	-	5,813,952	8,205,678	15,755,002	29,774,632
	Indonesian rupiah (IDR)	-	-	432,644	-	432,644
		73,961	7,128,787	9,191,389	15,755,002	32,149,139
Bilateral loans	US dollar (USD)	734,209	2,563,098	2,421,400	-	5,718,707
	Kazakhstan tenge (KZT)	-	76,263	-	-	76,263
Certificate of deposits issued	Great Britain pound (GBP)	6,529,133	-	-	-	6,529,133
	US dollar (USD)	433,082	-	-	-	433,082
	Hong Kong dollar (HKD)	34,604	-	-	-	34,604
	Euro (EUR)	256,043	-	-	-	256,043
Subordinated notes - fixed rate	US dollar (USD)	-	-	-	1,792,928	1,792,928
Borrowings through repurchase agreements	US dollar (USD)	34,619,544	7,407,367	-	-	42,026,911
	Egyptian pound (EGP)	-	-	-	2,472	2,472
Total borrowings		42,680,576	17,175,515	11,612,789	17,550,402	89,019,282

The Group hedges borrowings amounting to AED 46,823,523 thousand for foreign currency and interest rate risks using either interest rate or cross currency swaps and designates these swaps as either fair value or cash flow hedges. The net negative fair value of these swaps as at March 31, 2025 was AED 8,953,686 thousand.

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

16. Borrowings (continued)

The details of borrowings as at December 31, 2024 (audited) are as follows:

Instrument	Currency (CCY)	Within 1 year AED'000	1-3 years AED'000	3-5 years AED'000	Over 5 AED'000	Total AED'000
Global medium term notes	Australian dollar (AUD)	-	797,078	49,998	80,226	927,302
	Chinese renminbi (CNH)	-	500,056	-	-	500,056
	Swiss franc (CHF)	-	-	-	417,308	417,308
	Hong Kong dollar (HKD)	73,331	-	-	-	73,331
	US dollar (USD)	1,101,849	5,684,037	5,662,149	15,657,548	28,105,583
	Indonesian rupiah (IDR)	-	-	422,420	-	422,420
		1,175,180	6,981,171	6,134,567	16,155,082	30,446,000
Bilateral loans	US dollar (USD)	734,013	2,562,155	2,420,215	-	5,716,383
	Kazakhstan tenge (KZT)	-	71,628	-	-	71,628
Certificate of deposits issued	Great Britain pound (GBP)	5,399,394	-	-	-	5,399,394
	US dollar (USD)	311,443	-	-	-	311,443
	Euro (EUR)	626,885	-	-	-	626,885
Subordinated notes - fixed rate	US dollar (USD)	-	-	-	1,764,960	1,764,960
Borrowings through repurchase agreements	US dollar (USD)	35,745,289	8,602,972	-	-	44,348,261
	Egyptian pound (EGP)	-	-	-	2,505	2,505
Total borrowings		43,992,204	18,217,926	8,554,782	17,922,547	88,687,459

The Group hedges borrowings amounting to AED 44,043,394 thousand for foreign currency and interest rate risks using either interest rate or cross currency swaps and designates these swaps as either fair value or cash flow hedges. The net negative fair value of these swaps as at December 31, 2024, was AED 9,614,530 thousand.

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

16. Borrowings (continued)

Interests are payable in arrears and the contractual coupon rates as at March 31, 2025 (unaudited) are as follows:

Instrument	Currency (CCY)	Within 1 year	1-3 years	3-5 years	Over 5 years
Global medium term notes	AUD	-	Fixed rate of 3.10% p.a. to 4.50% p.a. and quarterly coupons with 90 to 94 basis points over bank bill swap rate (BBSW)	Fixed rate of 2.696% p.a. to 2.80% p.a.	-
	CNH	-	Fixed rate between 3.20% p.a. to 3.415% p.a.	-	-
	CHF	-	-	Fixed rate of 2.023% p.a.	-
	HKD	Fixed rate of 1.34% p.a.	-	-	-
	USD	-	Fixed rate between 1.63% p.a. to 5.24% p.a. and quarterly coupon of 88 basis points over SOFR	Fixed rate between 5.38% p.a. to 5.50% p.a. and quarterly coupons between 105 to 166 basis points over SOFR	Fixed rate between 4.65% p.a. to 5.00% p.a. and zero coupon with an internal rate between 3.271% p.a. to 5.785% p.a.(*)
	IDR	-	-	Fixed rate between 7.50% p.a. to 8.16% p.a.	-
Bilateral loans	USD	Monthly coupon of 111 basis points over TERM SOFR	Monthly coupon between 68 to 75 basis points over SOFR	Monthly coupon between 75 to 85 basis points over SOFR	-
	KZT	-	Fixed rate between 8.50% p.a. to 9.50% p.a.	-	-
Certificate of Deposits issued	GBP	Zero coupon with an internal rate between 4.61% p.a. to 4.96% p.a.	-	-	-
	USD	Zero coupon with an internal rate between 4.47% p.a. to 4.54% p.a.	-	-	-
	HKD	Zero coupon with an internal rate of 4.10% p.a.	-	-	-
	EUR	Zero coupon with an internal rate between 2.47% p.a. to 2.71% p.a.	-	-	-
Subordinated notes - fixed rate	USD	-	-	-	Fixed rate of 5.36% p.a. from issue date but excluding the first reset date (March 10, 2030)(**) payable on semi-annual basis
Borrowings through repurchase agreements	USD	Fixed rate between 4.42% p.a. to 4.78% p.a., monthly coupon between 33 to 43 basis points over SOFR, quarterly coupons between 18 to 65 basis points over SOFR and coupons at maturity of 30 basis points over SOFR	Monthly coupon between 52 to 68 basis points over SOFR, quarterly coupons between 57 to 65 basis points over SOFR and semi-annual coupons between negative 20 to 18 basis points over SOFR	-	-
	EGP	-	-	-	Fixed rate between 0.50% p.a. to 3.50% p.a.

(*) includes AED 15,277,602 thousand accreting notes issued with original tenors ranging from 30 years to 40 years with internal rate ranging between 3.271% p.a. to 5.785% p.a. and are callable at the end of every 5th, 6th, 7th, or 10th year from issue date

(**) first callable on September 10, 2029, if the subordinated notes are not redeemed on or prior to the reset date, interest will be payable from (and including) the reset date at a fixed rate equal to the relevant five year reset rate (5 year US Treasury rate) plus margin of 1.677% p.a.

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

16. Borrowings (continued)

The subordinated fixed rate note qualifies as Tier 2 capital in accordance with capital guidance issued by the UAE Central Bank (Note 31).

Refer note 8 for details of bonds pledged as collateral against borrowings through repurchase agreements.

17. Other liabilities

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Interest payable	4,314,345	4,197,199
Recognised liability for defined benefit obligation	492,492	517,649
Deferred income	1,385,442	1,286,758
Acceptances (Note 12)	15,649,623	12,956,224
Impairment allowance on letters of credit, guarantees and other commitments (Note 10)	569,822	573,920
Others(*)	7,663,874	6,647,258
Total other liabilities	30,075,598	26,179,008

(*) includes AED 143,065 thousand (December 31, 2024 – AED 156,993 thousand) pertaining to lease liability

18. Share capital

	Authorised	Issued and fully paid	
		As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
	AED'000	AED'000	AED'000
Ordinary shares of AED 1 each	10,000,000	7,319,947	7,319,947

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For the three month period ended March 31, 2025

19. Other reserves (unaudited)

Reserves movement for the three month period ended March 31, 2025:

	Employees' incentive plan shares, net AED'000	Statutory reserve AED'000	Legal reserve AED'000	General reserve AED'000	Contingency reserve AED'000	Foreign currency translation reserve AED'000	Cash flow hedge reserve AED'000	Impairment reserve - general AED'000	Revaluation reserve of investments designated at FVTOCI AED'000	Attributable to equity holders of the Bank AED'000	Non-controlling interests AED'000	Total AED'000
As at January 1, 2025	(173,456)	3,659,974	5,871,637	2,000,000	150,000	(712,527)	253,719	780,807	(748,168)	11,081,986	(970)	11,081,016
Exchange difference arising on translation of foreign operations	-	-	-	-	-	13,102	-	-	-	13,102	4	13,106
Net fair value changes on cash flow hedges	-	-	-	-	-	-	21,416	-	-	21,416	-	21,416
Net fair value changes on cash flow hedges reclassified to condensed consolidated interim income statement	-	-	-	-	-	-	9,790	-	-	9,790	-	9,790
Net fair value changes of debt instruments designated at FVTOCI	-	-	-	-	-	-	-	-	363,724	363,724	33	363,757
Changes in allowance for expected credit losses on debt instrument designated at FVTOCI	-	-	-	-	-	-	-	-	(3,438)	(3,438)	-	(3,438)
Amounts reclassified to condensed consolidated interim income statement for debt instruments designated at FVTOCI	-	-	-	-	-	-	-	-	68,945	68,945	-	68,945
Related tax impact	-	-	-	-	-	-	1,517	-	(34,455)	(32,938)	-	(32,938)
Net fair value changes of equity instruments designated at FVTOCI	-	-	-	-	-	-	-	-	9,444	9,444	-	9,444
Related tax impact on fair value movement of equity instruments designated at FVTOCI	-	-	-	-	-	-	-	-	(938)	(938)	-	(938)
Amounts transferred within equity upon disposal of equity instruments designated at FVTOCI	-	-	-	-	-	-	-	-	1,343	1,343	-	1,343
Total other comprehensive income for the period	-	-	-	-	-	13,102	32,723	-	404,625	450,450	37	450,487
Acquisition of shares	(94,614)	-	-	-	-	-	-	-	-	(94,614)	-	(94,614)
Transfers from retained earnings	-	-	-	-	-	-	-	141,928	-	141,928	-	141,928
Shares - vested portion	42,605	-	-	-	-	-	-	-	-	42,605	-	42,605
As at March 31, 2025	(225,465)	3,659,974	5,871,637	2,000,000	150,000	(699,425)	286,442	922,735	(343,543)	11,622,355	(933)	11,621,422

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

19. Other reserves (unaudited) (continued)

Reserves movement for the three month period ended March 31, 2024:

	Employees' incentive plan shares, net AED'000	Statutory reserve AED'000	Legal reserve AED'000	General reserve AED'000	Contingency reserve AED'000	Foreign currency translation reserve AED'000	Cash flow hedge reserve AED'000	Revaluation reserve of investments designated at FVTOCI AED'000	Attributable to equity holders of the Bank AED'000	Non-controlling interests AED'000	Total AED'000
As at January 1, 2024	(78,869)	3,659,974	5,871,637	2,000,000	150,000	(226,433)	301,783	(1,086,185)	10,591,907	(653)	10,591,254
Exchange difference arising on translation of foreign operations	-	-	-	-	-	(394,313)	-	-	(394,313)	(337)	(394,650)
Net gain on hedge of net investment in foreign operations	-	-	-	-	-	1,056	-	-	1,056	-	1,056
Net fair value changes on cash flow hedges	-	-	-	-	-	-	77,542	-	77,542	-	77,542
Net fair value changes on cash flow hedges reclassified to condensed consolidated interim income statement	-	-	-	-	-	-	14,241	-	14,241	-	14,241
Net fair value changes of debt instruments designated at FVTOCI	-	-	-	-	-	-	-	(211,622)	(211,622)	19	(211,603)
Changes in allowance for expected credit losses on debt instrument designated at FVTOCI	-	-	-	-	-	-	-	(3,227)	(3,227)	-	(3,227)
Amounts reclassified to condensed consolidated interim income statement for debt instruments designated at FVTOCI	-	-	-	-	-	-	-	105,080	105,080	-	105,080
Related tax impact on fair value movement of debt instruments designated at FVTOCI	-	-	-	-	-	-	-	8,164	8,164	-	8,164
Net fair value changes of equity instruments designated at FVTOCI	-	-	-	-	-	-	-	16,242	16,242	-	16,242
Related tax impact on fair value movement of equity instruments designated at FVTOCI	-	-	-	-	-	-	-	(1,430)	(1,430)	-	(1,430)
Amounts transferred within equity upon disposal of equity instruments designated at FVTOCI	-	-	-	-	-	-	-	4,030	4,030	-	4,030
Total other comprehensive (loss)/income for the period	-	-	-	-	-	(393,257)	91,783	(82,763)	(384,237)	(318)	(384,555)
Adjustment arising from changes in non-controlling interests	-	-	-	-	-	(65)	-	1	(64)	64	-
Shares - vested portion	17,052	-	-	-	-	-	-	-	17,052	-	17,052
As at March 31, 2024	(61,817)	3,659,974	5,871,637	2,000,000	150,000	(619,755)	393,566	(1,168,947)	10,224,658	(907)	10,223,751

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

19. Other reserves (unaudited) (continued)**Impairment reserve – general**

As per the new credit risk management standards (CRMS) issued by CBUAE, banks must ensure that the total provision corresponding to all stage 1 and stage 2 exposures is not less than 1.50% of the credit risk weighted assets as computed under the CBUAE capital regulations. Where the collective provisions held are lower, the shortfall may be held in a dedicated non-distributable balance sheet reserve called the ‘impairment reserve-general’. The amount held in the impairment reserve-general must be deducted from the capital base (Tier 1 capital for banks) when computing the regulatory capital.

The computation of non-distributable impairment reserve - general is as follows:

	AED'000
Minimum provision for stage 1 and stage 2 as per CBUAE requirements	5,993,048
Less: Stage 1 and stage 2 impairment provision taken against income	5,070,313
Shortfall in stage 1 and stage 2 provision to meet minimum CBUAE requirements	922,735
Balance of impairment reserve - general as at December 31, 2024 (audited)	780,807
Add: Transfer from retained earnings during the period	141,928
Balance of impairment reserve - general as at March 31, 2025 (unaudited)	922,735

20. Capital notes

Additional Tier I capital notes (the “Capital Notes”) are non-cumulative perpetual securities for which there is no fixed redemption date. These Capital Notes are direct, unsecured, conditional, and subordinated obligations of the Bank and (i) rank pari passu without any preference among themselves; (ii) rank subordinate and junior to all senior obligations; (iii) rank pari passu with all pari passu obligations; and (iv) rank in priority only to all junior creditors.

In case the Bank at its sole discretion elects not to make a coupon payment, the holders of the Capital Notes do not have a right to claim the coupon and an election by the Bank not to service the coupon is not considered an event of default. In addition, there are certain circumstances (“non-payment event”) under which the Bank is prohibited from making a coupon payment on a relevant coupon payment date. Further, if the CBUAE notifies the Bank that it is, or will become, non-viable without (i) a write-down; or (ii) a public sector injection of capital, the rights of the holders of the Capital Notes under the Capital Notes shall automatically be deemed to be irrevocably, unconditionally and permanently written-down in a proportion corresponding to the write-down amount determined by the CBUAE. This could result in Capital Notes being written down to zero and the Capital Notes being cancelled.

If the Bank makes a non-payment election or a non-payment event occurs, then the Bank will not (a) declare or pay any distribution or dividend or (b) redeem, purchase, cancel, reduce or otherwise acquire any of the share capital or any securities of the Bank ranking pari passu with or junior to the Capital Notes except notes, the term of which stipulate a mandatory redemption or conversion into equity, in each case unless or until one coupon payment has been paid in full.

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

20. Capital notes (continued)

The following table shows issuances of Capital Notes by the Bank:

Issuance	Currency	Interest rate	First call date	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Government of Abu Dhabi AT1 Capital Notes	AED	Floating interest rate of 6 month-EIBOR plus 2.30% p.a.	February 23, 2027(*)	6,000,000	6,000,000
USD 750,000,000 AT1 Capital Notes	USD	Fixed rate of 8.00% p.a. from issue date but excluding the first reset date (May 27, 2029)(**)	November 27, 2028(*)	2,754,750	2,754,750
				8,754,750	8,754,750

(*) Call option is subject to prior approval of UAE Central Bank

(**) If the Capital Notes are not redeemed in accordance with the Conditions on or prior to the first reset date, interest shall continue to be payable from (and including) the first reset date subject to and in accordance with the Conditions at a fixed rate, to be reset on the first reset date and every five years thereafter, equal to relevant five-year reset rate (as defined in the Conditions) plus a margin of 3.524% p.a.

21. Interest income (unaudited)

	3 months ended March 31	
	2025 AED'000	2024 AED'000
Loans and advances to banks	758,910	917,246
Loans and advances to customers	4,907,919	4,773,042
Investment securities	1,680,550	1,671,778
Total interest income	7,347,379	7,362,066

22. Interest expense (unaudited)

	3 months ended March 31	
	2025 AED'000	2024 AED'000
Deposits from banks	111,926	105,941
Deposits from customers	3,073,691	3,089,189
Euro commercial paper	91,362	89,482
Borrowings(*)	1,256,047	1,301,068
Total interest expense	4,533,026	4,585,680

(*) includes AED 2,841 thousand (for the three month period ended March 31, 2024 - AED 2,862 thousand) for interest expense on lease liabilities

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

23. Net fees and commission income (unaudited)

	3 months ended March 31	
	2025	2024
	AED'000	AED'000
Fees and commission income		
Card related fees	452,346	378,301
Loan processing fees	240,409	249,535
Accounts related fees	144,053	87,231
Trade finance commission	194,981	164,177
Asset management and investment services	68,400	50,537
Other fees	260,453	226,760
Total fees and commission income	1,360,642	1,156,541
Fees and commission expense		
Card related fees	(309,500)	(232,077)
Loan processing fees	(25,264)	(22,267)
Others	(206,123)	(199,315)
Total fees and commission expense	(540,887)	(453,659)
Net fees and commission income	819,755	702,882

24. Net trading income (unaudited)

	3 months ended March 31	
	2025	2024
	AED'000	AED'000
Net gain from dealing in derivatives	49,979	42,893
Net gain from dealing in foreign currencies	236,399	171,298
Net gain from financial assets at fair value through profit or loss	272,482	309,536
Net trading income	558,860	523,727

25. Other operating income (unaudited)

	3 months ended March 31	
	2025	2024
	AED'000	AED'000
Property management income	3,457	4,192
Net loss from disposal of investment securities	(72,377)	(109,139)
Net gain from hedging derivatives	134,087	126,997
Dividend income	8,789	8,338
Others(*)	166,342	28,185
Total other operating income	240,298	58,573

(*) includes realised gain of AED 138,168 thousand (for the three month period ended March 31, 2024 – AED nil) on sale of loans and advances

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

26. Operating expenses (unaudited)

	3 months ended March 31	
	2025	2024
	AED'000	AED'000
Staff expenses	807,129	759,672
General administrative expenses	552,962	556,028
Depreciation on property and equipment	47,993	49,408
Amortisation of intangible assets	56,524	51,868
Total operating expenses	1,464,608	1,416,976

27. Impairment charge (unaudited)

	3 months ended March 31	
	2025	2024
	AED'000	AED'000
Financial instruments carried at amortised cost - net charge(*)	801,782	893,235
Debt instruments designated at FVTOCI - net release	(3,433)	(2,915)
Commitment and contingent liabilities - net release	(4,175)	(25,839)
Less: Recoveries/modifications during the period	(147,679)	(123,871)
Total impairment charge (Note 10)	646,495	740,610

(*) includes net release of AED 3,762 thousand (for the three month period ended March 31, 2024 – net release of AED 2,054 thousand) on investment securities at amortised cost

28. Earnings per share (unaudited)**Basic and diluted earnings per share**

The calculation of basic earnings per share is based on the profit attributable to equity holders of the Bank and the weighted average number of equity shares outstanding. Diluted earnings per share is calculated by adjusting the weighted average number of equity shares outstanding for the dilutive effects of potential equity shares held on account of employees' incentive plan.

	3 months ended March 31	
	2025	2024
	AED'000	AED'000
Profit for the period attributable to the equity holders of the Bank	2,446,566	2,139,856
Less: Coupons paid on capital notes (Note 20)	(218,646)	(240,912)
Net adjusted profit for the period attributable to the equity holders of the Bank (a)	2,227,920	1,898,944
	<u>Number of shares in thousand</u>	
Weighted average number of shares in issue throughout the period	7,319,947	7,319,947
Less: Weighted average number of shares resulting from employees' incentive plan shares	(31,824)	(11,621)
Weighted average number of equity shares in issue during the period for basic earnings per share (b)	7,288,123	7,308,326
Add: Weighted average number of shares resulting from employees' incentive plan shares	31,824	11,621
Weighted average number of equity shares in issue during the period for diluted earnings per share (c)	7,319,947	7,319,947
Basic earnings per share (AED) (a)/(b)	0.31	0.26
Diluted earnings per share (AED) (a)/(c)	0.30	0.26

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

29. Commitments and contingent liabilities

The Group has the following commitments and contingent liabilities:

	As at March 31 2025 unaudited AED'000	As at December 31 2024 audited AED'000
Letters of credit	11,353,082	7,407,106
Guarantees	83,098,078	78,924,524
Commitments to extend credit - revocable(*)	25,805,620	24,727,474
Commitments to extend credit - irrevocable	46,556,183	41,551,157
Total commitments on behalf of customers	166,812,963	152,610,261
Commitments for future capital expenditure and others	489,733	543,981
Commitments to invest in investment securities	6,693	6,693
Total commitments and contingent liabilities	167,309,389	153,160,935

(*) includes AED 11,720,831 thousand (December 31, 2024 – AED 11,183,653 thousand) for undrawn credit card limits

30. Operating segments

The Group has five reportable segments as described below. These segments offer different products and services and are managed separately based on the Group's management and internal reporting structure. The Group's Management Executive Committee (the Chief Operating Decision Maker "CODM") is responsible for allocation of resources to these segments, whereas, the Group's Performance Management Committee, based on delegation from CODM reviews the performance of these segments on a regular basis.

The following summary describes the operations in each of the Group's reportable segments:

Retail banking - comprises of retail products and wealth management including Islamic financing. It includes loans, deposits and other transactions and balances with retail customers.

Private banking - comprises of high-net-worth customers, asset management, brokerage, Islamic financing and investment in associates. It includes loans, deposits and other transactions and balances with corporate and private accounts of high-net-worth individuals and fund management activities.

Corporate and investment banking - comprises of business banking, cash management, trade finance, corporate finance, small and medium enterprise financing, investment banking, Islamic financing, infrastructure and asset finance, government and public enterprises. It includes loans, deposits and other transactions and balances with corporate customers.

Investments and treasury - comprises of central treasury operations, management of the Group's investment portfolio and interest rate, currency and commodity derivative portfolio and Islamic financing. Investments and treasury undertake the Group's funding and centralised financial risk management activities through borrowings, issue of debt securities and use of derivatives for risk management. It also undertakes trading and corporate finance activities and investing in liquid assets such as short-term placements, corporate and government debt securities.

Others - comprises of operations of subsidiaries not included in other segments, real estate management income of associate and rental income earned from properties of the Group.

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30. Operating segments (continued)

Information regarding the results of each reportable segment is shown below. Performance is measured based on segment profit, as included in the internal management reports that are reviewed by the Performance Management Committee. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of these segments relative to other entities that operate within these industries.

The following is an analysis of the Group's revenue and results by operating segments for the three month period ended March 31, 2025 (unaudited):

	Retail banking AED'000	Private banking AED'000	Corporate and investment banking AED'000	Investments and treasury AED'000	Others AED'000	Total AED'000
Net interest income	590,281	367,350	960,061	895,320	1,341	2,814,353
Net income from Islamic financing and investing products	340,694	24,627	128,639	85,326	-	579,286
Total net interest income and income from Islamic financing and investing products	930,975	391,977	1,088,700	980,646	1,341	3,393,639
Non-interest income	405,400	52,308	840,814	288,067	32,324	1,618,913
Operating income	1,336,375	444,285	1,929,514	1,268,713	33,665	5,012,552
Operating expenses	(801,392)	(77,310)	(467,541)	(87,686)	(30,679)	(1,464,608)
Operating profit before impairment charge	534,983	366,975	1,461,973	1,181,027	2,986	3,547,944
Impairment (charge)/release	(140,887)	(499,108)	(12,803)	6,303	-	(646,495)
Profit/(loss) after impairment charge	394,096	(132,133)	1,449,170	1,187,330	2,986	2,901,449
Share in profit/(loss) of associates	-	1,853	-	-	3,405	5,258
Profit/(loss) before taxation	394,096	(130,280)	1,449,170	1,187,330	6,391	2,906,707
Income tax (charge)/release	(57,840)	13,882	(222,377)	(193,851)	(450)	(460,636)
Profit/(loss) for the period	336,256	(116,398)	1,226,793	993,479	5,941	2,446,071
As at March 31, 2025 (unaudited)						
Total assets	73,444,082	49,789,613	312,006,407	242,534,939	1,941,106	679,716,147
Total liabilities	99,849,717	62,125,869	234,707,257	207,969,200	1,191,619	605,843,662

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For the three month period ended March 31, 2025

30. Operating segments (continued)

The following is an analysis of the Group's revenue and results by operating segments for the three month period ended March 31, 2024 (unaudited):

	Retail banking AED'000	Private banking AED'000	Corporate and investment banking AED'000	Investments and treasury AED'000	Others AED'000	Total AED'000
Net interest income	619,203	275,676	840,829	1,038,993	1,685	2,776,386
Net income from Islamic financing and investing products	328,588	24,113	124,680	47,323	-	524,704
Total net interest income and income from Islamic financing and investing products	947,791	299,789	965,509	1,086,316	1,685	3,301,090
Non-interest income	345,013	34,170	744,619	135,425	25,955	1,285,182
Operating income	1,292,804	333,959	1,710,128	1,221,741	27,640	4,586,272
Operating expenses	(837,065)	(62,214)	(438,860)	(55,080)	(23,757)	(1,416,976)
Operating profit before impairment charge	455,739	271,745	1,271,268	1,166,661	3,883	3,169,296
Impairment (charge)/release	(112,269)	(350,820)	(286,081)	8,560	-	(740,610)
Profit/(loss) after impairment charge	343,470	(79,075)	985,187	1,175,221	3,883	2,428,686
Share in profit/(loss) of associates	146	(2,675)	-	-	4,745	2,216
Profit/(loss) before taxation	343,616	(81,750)	985,187	1,175,221	8,628	2,430,902
Income tax (charge)/release	(71,103)	7,359	(99,059)	(128,963)	(325)	(292,091)
Profit/(loss) for the period	272,513	(74,391)	886,128	1,046,258	8,303	2,138,811
As at December 31, 2024 (audited)						
Total assets	71,701,020	47,510,764	299,037,480	232,617,799	1,947,163	652,814,226
Total liabilities	91,603,126	58,804,318	225,427,113	200,204,090	1,208,670	577,247,317

Other disclosures

The following is an analysis of the total operating income of each segment between income from external parties and inter-segment.

	External (unaudited)		Inter-segment (unaudited)	
	3 months ended March 31		3 months ended March 31	
	2025 AED'000	2024 AED'000	2025 AED'000	2024 AED'000
Retail banking	1,191,433	1,051,196	144,942	241,608
Private banking	285,340	388,003	158,945	(54,044)
Corporate and investment banking	3,181,309	3,123,001	(1,251,795)	(1,412,873)
Investments and treasury	320,805	(3,568)	947,908	1,225,309
Others	33,665	27,640	-	-
Total operating income	5,012,552	4,586,272	-	-

Geographical information

The Group operates in two principal geographic areas i.e. domestic and international. The United Arab Emirates is designated as domestic area which represents the operations of the Group that originates from the UAE branches and subsidiaries. International area represents the operations of the Group that originates from its subsidiaries and branch outside UAE. The information regarding the Group's revenue from continuing operations and non-current assets by geographical location are detailed as follows:

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

30. Operating segments (continued)
Geographical information (continued)

	Domestic (unaudited)		International (unaudited)	
	3 months ended March 31		3 months ended March 31	
	2025	2024	2025	2024
	AED'000	AED'000	AED'000	AED'000
Income				
Net interest income and income from Islamic financing and investing products	3,201,023	3,102,158	192,616	198,932
Non-interest income	1,585,333	1,253,672	33,580	31,510
	Domestic		International	
	As at	As at	As at	As at
	March 31	December 31	March 31	December
	2025	2024	2025	2024
	unaudited	audited	unaudited	audited
	AED'000	AED'000	AED'000	AED'000
Non-current assets				
Investment in associates	334,283	329,025	-	-
Investment properties	1,715,594	1,714,790	132	832
Property and equipment, net	995,357	1,011,853	171,503	174,249
Intangible assets, net	7,593,035	7,583,064	96,359	89,042

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

31. Capital adequacy ratio

The Bank's capital adequacy ratio calculated in accordance with guidelines issued by the CBUAE is as below:

	As at March 31 2025 unaudited AED'000	As at December 2024 audited AED'000
Common equity tier 1 (CET1) capital		
Share capital (Note 18)	7,319,947	7,319,947
Share premium	17,878,882	17,878,882
Other reserves (Note 19)	10,982,186	10,969,084
Retained earnings	28,244,950	30,469,257
Regulatory deductions and adjustments	(8,199,997)	(8,291,337)
Proposed cash dividend	-	(4,318,769)
Total CET1 capital	56,225,968	54,027,064
Additional tier 1 (AT1) capital		
Capital notes (Note 20)	8,754,750	8,754,750
Total AT1 capital	8,754,750	8,754,750
Total tier 1 capital	64,980,718	62,781,814
Tier 2 capital		
Eligible general provision	4,994,206	4,780,856
Subordinated notes	1,792,928	1,831,413
Total tier 2 capital	6,787,134	6,612,269
Total regulatory capital	71,767,852	69,394,083
Risk-weighted assets		
Credit risk	399,536,503	382,468,487
Market risk	14,540,714	16,502,183
Operational risk	32,387,007	31,331,130
Total risk-weighted assets	446,464,224	430,301,800
CET1 ratio	12.59%	12.56%
AT1 ratio	1.96%	2.03%
Tier 1 ratio	14.55%	14.59%
Tier 2 ratio	1.52%	1.54%
Capital adequacy ratio	16.07%	16.13%

32. Related party transactions

The Group enters into transactions with the parent and its related entities, associates, funds under management, directors, senior management and their related entities and the Government of Abu Dhabi (ultimate controlling party and its related entities) in the ordinary course of business at agreed upon interest and commission rates.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, being the directors, chief executive officer and members of Management Executive Committee.

Transactions between the Bank and its subsidiaries have been eliminated on consolidation and are not disclosed in this note.

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

32. Related party transactions (continued)

Parent and ultimate controlling party

Mubadala Investment Company holds 60.69% of the Bank's issued and fully paid-up share capital through its wholly owned subsidiaries. The Government of Abu Dhabi owns 100% of Mubadala Investment Company and so the ultimate controlling party is the Government of Abu Dhabi.

Related party balances and transactions of the Group included in the condensed consolidated interim statement of financial position and condensed consolidated interim income statement are as follows:

	Ultimate controlling party and its related parties AED'000	Directors and their related parties AED'000	Senior management personnel and their related parties AED'000	Associates and funds under management AED'000	Total AED'000
Balances as at March 31, 2025 (unaudited)					
Deposits and balances due from banks	81,601	-	-	-	81,601
Financial assets at fair value through profit or loss	84,305	-	-	53,701	138,006
Derivative financial instruments - assets	620,871	17,143	-	71	638,085
Investment securities	33,194,937	-	-	261,958	33,456,895
Loans and advances to customers(*)	70,179,220	4,096,118	33,862	3,413,318	77,722,518
Other assets	990,789	8,287	26	3,006	1,002,108
Due to banks	425,444	-	-	-	425,444
Derivative financial instruments - liabilities	1,228,815	17,632	-	-	1,246,447
Deposits from customers	109,558,071	835,218	35,952	1,767,312	112,196,553
Other liabilities	1,327,264	6,864	15,283	1,810	1,351,221
Capital notes	6,000,000	-	-	-	6,000,000
Commitments and contingent liabilities	31,308,951	52,794	4,118	185,223	31,551,086
Transactions for the three month period ended March 31, 2025 (unaudited)					
Interest income, Islamic financing income and non-interest income	1,629,646	59,343	397	10,275	1,699,661
Interest expense and Islamic profit distribution	1,113,384	3,768	122	10,101	1,127,375
Share in profit of associates	-	-	-	5,258	5,258
Coupons paid on capital notes	218,646	-	-	-	218,646

(*) includes secured loans which are collateralised by tangible assets, including but not limited to real estate, cash, vehicles, shares and bonds.

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

32. Related party transactions (continued)

	Ultimate controlling party and its related parties AED'000	Directors and their related parties AED'000	Senior management personnel and their related parties AED'000	Associates and funds under management AED'000	Total AED'000
Balances as at December 31, 2024 (audited)					
Deposits and balances due from banks	83,486	-	-	-	83,486
Financial assets at fair value through profit or loss	23,419	-	-	53,100	76,519
Derivative financial instruments - assets	730,419	18,281	-	31	748,731
Investment securities	33,300,226	-	-	255,994	33,556,220
Loans and advances to customers(*)	70,314,993	4,113,561	31,510	3,415,825	77,875,889
Other assets	969,885	6,036	32	2,959	978,912
Due to banks	527,259	-	-	-	527,259
Derivative financial instruments - liabilities	1,927,444	24,839	-	-	1,952,283
Deposits from customers	110,531,895	905,040	44,840	1,242,573	112,724,348
Other liabilities	1,429,666	5,133	14,957	1,398	1,451,154
Capital notes	6,000,000	-	-	-	6,000,000
Commitments and contingent liabilities	33,101,595	47,138	3,879	185,623	33,338,235
Transactions for the three month period ended March 31, 2024 (unaudited)					
Interest income, Islamic financing income and non-interest income	1,087,267	61,714	316	24,686	1,173,983
Interest expense and Islamic profit distribution	1,322,089	5,257	180	13,630	1,341,156
Share in profit of associates	-	-	-	2,216	2,216
Coupons paid on capital notes	240,912	-	-	-	240,912

(*) includes secured loans which are collateralised by tangible assets, including but not limited to real estate, cash, vehicles, shares and bonds.

Remuneration of key management personnel and Board of Directors fees and expenses (unaudited) during the period are as follows:

	3 months ended March 31	
	2025 AED'000	2024 AED'000
Short term benefits	19,066	16,623
Post-employment benefits	539	913
Variable pay benefits	26,843	24,726
Total remuneration	46,448	42,262
Board of Directors fees and expenses	10,218	9,020

In addition to the above, the key management personnel were granted long term deferred compensation including share based payments of AED 48,397 thousand (for the three month period ended March 31, 2024 – AED 35,634 thousand).

Notes to the condensed consolidated interim financial informationFor the three month period ended March 31, 2025

33. Fair value hierarchy**Fair value measurements recognised in the condensed consolidated interim financial information**

The fair value measurements are categorised 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 swaps and forwards which are valued using market standard pricing techniques and options that are commonly traded in markets where all the inputs to the market standard pricing models are observable.

The category includes derivative financial instruments such as over the counter (OTC) derivatives, commodity derivatives, foreign exchange spot and forward contracts, certain investment securities, financial assets at FVTPL, euro commercial paper and borrowings. Valuation of the derivative financial instruments is made through discounted cash flow method using the applicable yield curve for the duration of the instruments for non-optional derivatives and standard option pricing models such as Black-Scholes and other valuation models for derivatives with options.

The Group periodically reviews its valuation techniques including the adopted methodologies and model calibrations. However, the base models may not fully capture all factors relevant to the valuation of the Group's financial instruments such as credit risk and funding costs. Therefore, the Group applies various techniques to estimate the credit risk associated with its financial instruments measured at fair value, which include a portfolio-based approach that estimates the expected net exposure per counterparty over the full lifetime of the individual assets, in order to reflect the credit risk of the individual counterparties for non-collateralised financial instruments. Credit valuation adjustment is calculated by applying Monte-carlo simulation models.

Collateral and netting arrangements are taken into account where applicable. The Group applies credit value adjustments to all relevant OTC positions with the exception of positions settled through central clearing houses.

Funding value adjustment (FVA) reflects the impact of funding associated with collateralised and partly collateralised OTC positions. The Group calculates the FVA by applying estimated future funding costs to the expected future exposure that the Group will be required to fund as a result of the uncollateralised component of the OTC portfolio (i.e. the uncollateralised component of a collateralised portfolio and the entire uncollateralised portfolio).

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 transactions 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.

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

33. Fair value hierarchy (continued)**Valuation techniques using significant unobservable inputs – Level 3 (continued)**

Financial instruments under this category mainly include private equity instruments, funds and loans and advances to customers mandatorily measured at FVTPL. The carrying values of these investments are adjusted as follows:

- Private equity instruments – using the latest available net book value;
- Funds – based on the net asset value provided by the fund manager; and
- Loans and advances to customers mandatorily measured at FVTPL – multiplying relevant market multiples to actual earnings before interest, tax, depreciation and amortisation (EBITDA).

Investment properties are classified as Level 3 as their valuation incorporates significant unobservable inputs. The significant unobservable inputs used in the fair value measurement of the Group's investment properties are rental income and capitalisation rates. Significant decrease in rental income, or increase in capitalisation rates, in isolation would result in a significant lower fair value measurement. Generally, a change in the assumption used for rental income should be accompanied by a change in the assumption for capitalisation rates in the same direction as increase in rental income raises the expectations of the seller to earn from the investment property. Therefore, the effects of these changes partially offset each other. Refer note 11 in respect of valuation methodology used for investment properties.

Except as detailed in the following table, the Management considers that the carrying amounts of financial assets and liabilities recognised in the consolidated financial statements do not materially differ from their fair values.

		Level 1	Level 2	Level 3		
		Quoted market prices	Observable inputs	Significant unobservable inputs	Total fair value	Carrying value
	Notes	AED'000	AED'000	AED'000	AED'000	AED'000
As at March 31, 2025 (unaudited)						
Assets at fair value						
Financial assets at fair value through profit or loss	6	3,212,023	13,791,846	30,000	17,033,869	17,033,869
Derivative financial instruments	7	11,721	14,868,591	-	14,880,312	14,880,312
Investment securities, net	8					
- At fair value through other comprehensive income		56,296,654	2,985,239	96,326	59,378,219	59,378,219
- At amortised cost		88,414,700	103,265	-	88,517,965	90,211,814
Loans and advances to customers mandatorily measured at FVTPL	9	-	-	3,198,067	3,198,067	3,198,067
Investment properties	11	-	-	1,715,726	1,715,726	1,715,726
Total		147,935,098	31,748,941	5,040,119	184,724,158	186,418,007
Liabilities at fair value						
Derivative financial instruments	7	5,634	22,320,781	-	22,326,415	22,326,415
Liabilities at amortised cost						
Euro commercial paper	15	-	11,137,633	-	11,137,633	11,125,148
Borrowings	16	14,215,315	74,073,539	-	88,288,854	89,019,282
Total		14,220,949	107,531,953	-	121,752,902	122,470,845

Notes to the condensed consolidated interim financial information

For the three month period ended March 31, 2025

33. Fair value hierarchy (continued)

		Level 1	Level 2	Level 3		
		Quoted market prices	Observable inputs	Significant unobservable inputs	Total fair value	Carrying value
	Notes	AED'000	AED'000	AED'000	AED'000	AED'000
As at December 31, 2024 (audited)						
Assets at fair value						
Financial assets at fair value through profit or loss	6	1,400,972	11,438,659	30,000	12,869,631	12,869,631
Derivative financial instruments	7	1,188	18,972,000	-	18,973,188	18,973,188
Investment securities, net	8					
- At fair value through other comprehensive income		48,667,479	2,229,743	95,987	50,993,209	50,993,209
- At amortised cost		89,822,001	-	-	89,822,001	91,995,954
Loans and advances to customers mandatorily measured at FVTPL	9	-	-	3,198,067	3,198,067	3,198,067
Investment properties	11	-	-	1,715,622	1,715,622	1,715,622
Total		139,891,640	32,640,402	5,039,676	177,571,718	179,745,671
Liabilities at fair value						
Derivative financial instruments	7	2,487	23,888,741	-	23,891,228	23,891,228
Liabilities at amortised cost						
Euro commercial paper	15	-	6,156,207	-	6,156,207	6,153,009
Borrowings	16	12,552,681	75,478,739	-	88,031,420	88,687,459
Total		12,555,168	105,523,687	-	118,078,855	118,731,696

The Group's OTC derivatives in the trading book are classified as Level 2 as they are valued using inputs that can be observed in the market.

Reconciliation showing the movement in fair values of Level 3 investments designated at FVTOCI and FVTPL and loans and advances to customers mandatorily measured at FVTPL is as follows:

	As at March 31 2025 unaudited AED'000	As at December 2024 audited AED'000
Opening balance	3,324,054	3,360,226
Net additions during the period/year	-	78,127
Disposals including capital refunds during the period/year	-	(2,102)
Adjustment through income/other comprehensive income statement during the period/year	339	(112,197)
Closing balance	3,324,393	3,324,054

Net gain of AED nil (for the three month period ended March 31, 2024 – net gain of AED 373 thousand) was realised on disposal of Level 3 equity investments designated at FVTOCI and were transferred to retained earnings.

There were no significant transfers between Level 1 and Level 2 investments and no change in valuation techniques used during the period.

34. Legal proceedings

The Group is involved in various legal proceedings and claims arising in the ordinary course of business. While the outcome of these matters cannot be predicted with certainty, management does not believe that these matters will have a material adverse effect on the Group's condensed consolidated interim financial information if disposed unfavourably.