



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

**Review report and condensed consolidated
interim financial information for the period
from 1 January 2025 to 30 June 2025**

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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

Introduction

We have reviewed the accompanying Group condensed consolidated interim statement of financial position of **The National Bank of Ras Al-Khaimah (P. S.C.)** (the “Bank”) and its **Subsidiaries** (together referred to as the “Group”) as at 30 June 2025 and the related Group statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended and a summary of material accounting policy information and other explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Other matter

The consolidated financial statements of the Group for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 23 January 2025. The interim financial information of the Group for the six-month period ended 30 June 2024 was reviewed by another auditor who expressed an unmodified conclusion on 29 July 2024.

Deloitte & Touche (M.E.)



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

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

**Condensed consolidated interim statement of financial position
as at 30 June 2025**

	Notes	30 June 2025 (Unaudited) AED'000	31 December 2024 (Audited) AED'000
ASSETS			
Cash and balances with UAE Central Bank	4	8,758,657	8,770,312
Due from other banks, net	5	16,328,045	12,360,600
Investment securities measured at fair value	6	9,705,112	9,159,322
Investment securities measured at amortised cost	6	8,356,784	7,444,281
Loans and advances, net	7	48,661,917	47,223,940
Reinsurance contract assets	12	248,147	231,578
Customer acceptances		326,995	406,612
Other assets	8	1,451,496	1,682,252
Property and equipment		599,836	552,246
Right-of-use assets		128,790	117,632
Goodwill and intangible assets		395,015	376,632
Total assets		94,960,794	88,325,407
LIABILITIES AND EQUITY			
LIABILITIES			
Due to other banks	9	10,110,996	7,099,475
Deposits from customers	10	61,079,251	59,649,678
Customer acceptances		326,995	406,612
Debt securities issued and other long-term borrowings	11	6,278,126	4,937,818
Insurance contract liabilities	12	514,988	481,321
Other liabilities	13	3,258,223	2,922,985
Lease liabilities		118,249	106,807
Deferred tax liability	24	17,854	8,921
Subordinated note	14	915,446	915,111
Total liabilities		82,620,128	76,528,728
EQUITY			
Share capital	15	2,011,495	2,011,495
Legal reserve		1,128,804	1,128,804
Retained earnings		5,817,803	5,458,933
Other reserves		3,345,483	3,166,371
Equity attributable to owners of the Bank		12,303,585	11,765,603
Non-controlling interests		37,081	31,076
Total equity		12,340,666	11,796,679
Total Liabilities and Equity		94,960,794	88,325,407

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



Raheel Ahmed
Chief Executive Officer



Mohammad Jaffer Nini
Chief Financial Officer

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

Condensed consolidated interim statement of profit or loss for the period from 1 January 2025 to 30 June 2025

	Notes	Three months period ended 30 June		Six months period ended 30 June	
		2025	2024	2025	2024
		(un-audited) AED'000	(un-audited) AED'000	(un-audited) AED'000	(un-audited) AED'000
Interest income	18	1,174,585	1,122,501	2,291,968	2,213,695
Interest expense	18	(398,787)	(333,892)	(769,035)	(640,202)
Net interest income		775,798	788,609	1,522,933	1,573,493
Income from Islamic financing	19	197,225	163,056	381,178	321,620
Distribution to depositors	19	(64,044)	(69,331)	(128,243)	(133,328)
Net income from Islamic financing		133,181	93,725	252,935	188,292
Net interest income and net income from Islamic financing		908,979	882,334	1,775,868	1,761,785
Net fees and commission income	20	211,476	175,772	399,494	336,748
Foreign exchange & derivative income		98,860	89,937	196,438	174,800
Insurance income		178,222	239,468	304,227	380,568
Insurance expense		(178,077)	(254,034)	(306,993)	(409,233)
Investment income	21	29,687	15,769	156,138	59,053
Other operating income		21,635	24,748	45,870	44,577
Non-interest income		361,803	291,660	795,174	586,513
Operating income		1,270,782	1,173,994	2,571,042	2,348,298
General and administrative expenses	22	(456,371)	(400,347)	(890,746)	(788,810)
Operating profit before net impairment charge and tax		814,411	773,647	1,680,296	1,559,488
Net impairment charge	23	(79,416)	(207,660)	(173,129)	(364,213)
Profit for the period before tax		734,995	565,987	1,507,167	1,195,275
Income tax expense	24	(65,678)	(50,489)	(133,355)	(105,586)
Profit for the period after tax		669,317	515,498	1,373,812	1,089,689
Attributed to:					
Owners of the Bank		666,594	515,842	1,368,809	1,089,329
Non-controlling interests		2,723	(344)	5,003	360
Profit for the period		669,317	515,498	1,373,812	1,089,689
Earnings per share:					
Basic and diluted in AED	25	0.33	0.26	0.68	0.54

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

Condensed consolidated interim statement of comprehensive income for the period from 1 January 2025 to 30 June 2025

	Three months period ended 30 June		Six months period ended 30 June	
	2025 (un-audited) AED'000	2024 (un-audited) AED'000	2025 (un-audited) AED'000	2024 (un-audited) AED'000
Profit for the period after tax	669,317	515,498	1,373,812	1,089,689
Other comprehensive income / loss:				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Changes in fair value of financial assets measured at fair value through other comprehensive income, net (equity instruments)	86,634	(22,146)	98,675	(31,022)
Loss on sale of equity instruments held at fair value through other comprehensive income	-	-	(4,606)	-
Income tax income related to the above	(7,797)	1,993	(8,466)	2,792
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Changes in fair value of financial assets measured at fair value through other comprehensive income, net (debt instruments)	20,847	(4,054)	113,328	23,315
Profit on sale of debt instruments transferred to profit and loss	(9,544)	(3,359)	(17,810)	(11,289)
Net changes in fair value arising from cash flow hedges	3,275	561	3,735	(10,754)
Deferred tax expense related to the above	(1,318)	623	(8,933)	(106)
Other comprehensive income for the period	92,097	(26,382)	175,923	(27,064)
Total comprehensive income for the period	761,414	489,116	1,549,735	1,062,625
Attributed to:				
Owners of the Bank	758,212	489,474	1,543,730	1,062,325
Non-controlling interests	3,202	(358)	6,005	300
Total comprehensive income for the period	761,414	489,116	1,549,735	1,062,625

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

Condensed consolidated interim statement of changes in equity for the period from 1 January 2025 to 30 June 2025

	Share capital AED'000	Legal reserve AED'000	Retained earnings AED'000	Other reserves AED'000	Equity attributable to owners of the Bank AED'000	Non- controlling interests AED'000	Total AED'000
Balance at 1 January 2024 (audited)	2,011,495	1,128,804	4,019,394	3,167,378	10,327,071	27,456	10,354,527
Profit for the period	-	-	1,089,329	-	1,089,329	360	1,089,689
Other comprehensive loss	-	-	-	(27,004)	(27,004)	(60)	(27,064)
Total comprehensive income for the period	-	-	1,089,329	(27,004)	1,062,325	300	1,062,625
Dividend paid during the period (Note 15)	-	-	(623,563)	-	(623,563)	-	(623,563)
At 30 June 2024 (un-audited)	2,011,495	1,128,804	4,485,160	3,140,374	10,765,833	27,756	10,793,589
Balance at 1 January 2025 (audited)	2,011,495	1,128,804	5,458,933	3,166,371	11,765,603	31,076	11,796,679
Profit for the period	-	-	1,368,809	-	1,368,809	5,003	1,373,812
Other comprehensive (loss)/gain	-	-	(4,191)	179,112	174,921	1,002	175,923
Total comprehensive income for the period	-	-	1,364,618	179,112	1,543,730	6,005	1,549,735
Dividend paid during the period (Note 15)	-	-	(1,005,748)	-	(1,005,748)	-	(1,005,748)
At 30 June 2025 (un-audited)	2,011,495	1,128,804	5,817,803	3,345,483	12,303,585	37,081	12,340,666

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

Condensed consolidated interim statement of cash flows for the period from 1 January 2025 to 30 June 2025

	Six months period ended 30 June	
	2025 (un-audited) AED'000	2024 (un-audited) AED'000
<i>Cash flows from operating activities</i>		
Profit for the period before tax	1,507,167	1,195,275
<i>Adjustments:</i>		
Provision for credit losses, net	173,129	364,213
Depreciation and amortization of property and equipment and intangibles	58,849	62,852
Net changes in fair value arising from hedge and forex revaluation	(35,067)	25,285
Depreciation on right-of-use assets	11,350	10,197
Interest cost on lease liability	2,063	2,412
Loss on disposal of property and equipment	-	1,889
Amortisation of discount relating to investments securities	(83,451)	(65,558)
Gain on sale of debt securities measured at FVOCI	(17,565)	(11,289)
Gain on sale of investment securities held at FVTPL	(102,043)	(16,393)
Gain on sale of investment securities measured at Amortized cost	-	(221)
Fair value change on FVTPL investment securities	(11,498)	(8,116)
Amortization of discount on debt securities issued	20,924	7,248
	1,523,858	1,567,794
<i>Changes in operating assets and liabilities</i>		
Increase in due from other banks (original maturities of three month or over)	(3,200,540)	(2,841,751)
Increase in loans and advances, net	(1,548,102)	(1,886,955)
(Increase)/decrease in Investment securities measured at fair value	(66,311)	100,971
Increase in reinsurance contract assets	(16,569)	(91,734)
Decrease in other assets	308,611	205,093
Decrease/(increase) in due to other banks and UAE Central Bank	3,011,521	(1,381,268)
Increase in deposits from customers	1,429,574	8,077,122
Increase in insurance contract liabilities	33,667	116,440
Increase/(decrease) in other liabilities and customer acceptances	90,135	(176,365)
Net cash generated from operating activities	1,565,844	3,689,347
<i>Cash flows from investing activities</i>		
Purchase of investment securities	(7,375,048)	(6,319,317)
Proceeds from maturity/disposal of investment securities	6,427,538	5,634,503
Purchase of property and equipment	(124,822)	(65,938)
Proceeds from disposal of property and equipment	-	34
Net cash used in investing activities	(1,072,332)	(750,718)
<i>Cash flows from financing activities</i>		
Dividends paid	(1,005,748)	(623,563)
Other long-term borrowings issued	1,319,719	1,099,938
Repayment of debt securities and other long-term borrowings	-	(1,836,500)
Payment for rentals on lease contracts	(11,369)	(13,508)
Net cash generated/(used) from financing activities	302,602	(1,373,633)
Net increase in cash and cash equivalents	796,114	1,564,996
Cash and cash equivalents, beginning of the period	10,063,881	7,946,799
Cash and cash equivalents, end of the period (Note 27)	10,859,995	9,511,795

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025

1. Incorporation and Principal Activities

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

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

At 30 June 2025, The National Bank of Ras Al-Khaimah (P.S.C.) comprises the Bank and five subsidiaries (together referred to as the “Group”). The condensed consolidated interim financial information for the six months period ended 30 June 2025 comprises the Bank and following direct subsidiaries:

<i>Subsidiary</i>	<i>Authorized and issued capital</i>	<i>Ownership interest</i>	<i>Incorporated</i>	<i>Principal Activities</i>
Ras Al Khaimah National Insurance Company PSC	AED 121.275 million	79.23%	UAE	Underwriting all types of Insurance business
BOSS FZCO	AED 0.5 million	80.00%*	UAE	Back-office support services to the Bank
RAK Technologies FZCO	AED 0.5 million	80.00%*	UAE	Technological support services to the Bank
Protego Insurance Brokers L.L.C.	AED 28.5 million	100.00%	UAE	Insurance brokerage
RAKAZA (Management Office)	AED 5.0 million	100.00%	UAE	Sales and support services to the Bank

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

As part of ongoing efforts to streamline operations and optimize business structure, the Group initiated voluntary liquidation of four subsidiaries RAK Technologies FZCO, RAK Funding Cayman Limited, RAK Global Markets Cayman Limited and RAK Financial Services Limited (RAKFS) in 2024. As of 30 June 2025, the license/certificate of RAK Funding Cayman Limited, RAK Global Markets Cayman Limited and RAKFS have been revoked. Liquidation formalities are in progress for RAK Technologies FZCO.

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

2. Application of new and revised IFRS Accounting Standards

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

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

New and revised IFRS Accounting Standard

Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* relating to Lack of Exchangeability

Summary

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

**Notes to the condensed consolidated interim financial information
for the period from 1 January 2025 to 30 June 2025 (continued)**

3. Material accounting policy information

(a) Basis of preparation

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

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

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

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

These condensed consolidated interim financial information do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the Group's audited annual consolidated financial statements as at and for the year ended 31 December 2024. In addition, results for the six months period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

(b) Consolidation

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

i) Subsidiaries

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

ii) Transactions eliminated on consolidation

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

iii) Acquisition accounting

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

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

3. Material accounting policy information (continued)

(b) Consolidation (continued)

iii) Acquisition accounting (continued)

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

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

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

(c) Islamic financing

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

i) Murabaha financing

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

ii) Salam

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

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

iii) Mudaraba

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

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

3. Material accounting policy information (continued)

(c) Islamic financing (continued)

iv) Wakala

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

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

v) Ijara

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

vi) Profit distribution mechanism

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

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

(d) Cash and cash equivalents

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

4. Cash and balances with UAE Central Bank

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED (Audited)
Cash in hand	1,011,709	895,228
Balances with the UAE Central bank	7,746,948	7,875,084
	<u>8,758,657</u>	<u>8,770,312</u>

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

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

5. Due from other banks, net

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED (Audited)
Placements with other banks	1,971,088	955,505
Demand deposits	1,199,676	1,127,681
Banker's acceptances	6,119,454	6,076,344
Syndicated loans	4,484,493	3,651,141
Reverse repos	1,994,382	-
Trade loans	550,950	550,950
Others	96,581	46,693
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Total due from other banks	16,416,624	12,408,314
Provision for expected credit loss	(88,579)	(47,714)
	<hr/>	<hr/>
Due from other banks, net	16,328,045	12,360,600
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The below represents deposits and balances due from:

Banks in UAE	658,901	361,023
Banks outside UAE	15,757,723	12,047,291
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Total due from other banks	16,416,624	12,408,314
	<hr/> <hr/>	<hr/> <hr/>

6. Investment securities, net

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED (Audited)
<i>Securities at fair value through other comprehensive income (FVOCI)</i>		
Quoted equity securities	586,837	483,497
Unquoted equity securities	382	-
Quoted debt securities*	8,484,326	7,861,347
Unquoted debt securities	-	360,763
	<hr/>	<hr/>
	9,071,545	8,705,607
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<i>Securities at fair value through profit or loss (FVTPL)</i>		
Quoted funds	95,247	92,958
Unquoted funds	49,970	47,901
Quoted equity securities	129,132	54,307
Quoted debt securities	359,218	258,549
	<hr/>	<hr/>
	633,567	453,715
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Investment securities measured at fair value	9,705,112	9,159,322
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The National Bank of Ras Al-Khaimah (P.S.C.)

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

6. Investment securities, net (continued)

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED (Audited)
<i>Securities held at amortised cost</i>		
Quoted debt securities*	8,398,488	7,489,118
	8,398,488	7,489,118
Provision for expected credit loss for Securities held at amortised cost	(41,704)	(44,837)
	8,356,784	7,444,281
Investment securities measured at amortised cost	8,356,784	7,444,281
	18,061,896	16,603,603
Investment securities, net	18,061,896	16,603,603

*As at 30 June 2025, quoted debt securities with fair value of AED 3,737 million and carrying value of AED 3,719 million (31 December 2024: fair value of AED 3,089 million and carrying value of AED 3,086 million) have been given as collateral against repo borrowings of AED 3,205 million (31 December 2024: AED 2,646 million) [Note 9].

As at 30 June 2025, the provision for credit loss on debt securities at FVOCI amounted to AED 68.4 million (31 December 2024: AED 68.0 million) [Note 34]

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

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED (Audited)
Federal and local Government - UAE	3,399,778	3,360,126
Government related entity - UAE	1,339,340	957,828
Government - GCC	880,377	828,242
Government - Other	913,581	868,770
Banks and financial institutions - UAE	1,677,284	1,534,221
Banks and financial institutions - GCC	1,505,122	1,266,776
Banks and financial institutions - Other	3,315,406	3,030,966
Public limited companies – UAE	826,353	849,907
Public limited companies – GCC	1,791,988	1,609,165
Public limited companies - Other	1,592,803	1,663,776
Total debt securities	17,242,032	15,969,777
Quoted equity securities	715,969	537,804
Unquoted equity securities	382	-
Quoted funds	95,247	92,958
Unquoted funds	49,970	47,901
Total investment securities	18,103,600	16,648,440

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

7. Loans and advances, net

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
(a) Loans and advances		
Retail Banking	23,506,292	23,303,622
Wholesale Banking	16,950,875	16,160,978
Business Banking	10,809,373	10,609,394
Total loans and advances [Note 7(b)]	51,266,540	50,073,994
Provision for expected credit loss [Note 7(c)]	(2,604,623)	(2,850,054)
Net loans and advances	48,661,917	47,223,940
(b) Analysis of loans and advances		
Personal loans	5,721,290	5,595,253
Mortgage loans	11,941,287	11,953,601
Credit cards	2,644,726	2,554,683
Auto loans	449,713	430,513
RAK Business loans	4,091,473	4,057,184
Other Business banking loans	6,717,900	6,552,210
Wholesale banking loans	16,950,875	16,160,978
Other retail loans	2,749,276	2,769,572
Total loans and advances	51,266,540	50,073,994
(c) Movement in provision for expected credit loss		
Balance at the beginning of the period/year	2,850,054	2,514,887
Impairment allowance for the period/year	186,171	904,440
Written-off during the period/year	(431,602)	(569,273)
Balance at the end of the period/year	2,604,623	2,850,054
(d) Net impairment charge on loans and advances – for the six months period ended:		
	30 June 2025 AED'000 (Un-audited)	30 June 2024 AED'000 (Un-audited)
Impairment allowance for the period	186,171	434,747
Net recoveries during the period	(76,045)	(73,862)
Net impairment charge for the period (Note 23)	110,126	360,885

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

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

7. Loans and advances, net (continued)

(e) Islamic financing assets:

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

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
<i>i) Islamic financing assets</i>		
Islamic retail financing assets	3,553,436	3,402,960
Islamic business banking assets	2,559,292	2,479,573
Islamic wholesale banking assets	765,402	586,007
Total Islamic financing assets	6,878,130	6,468,540
Provision for expected credit loss	(333,490)	(341,089)
Net Islamic financing assets	6,544,640	6,127,451
<i>ii) Analysis of Islamic financing assets</i>		
Islamic Business Banking Finance	2,559,292	2,479,573
Islamic Salam Personal finance	2,420,300	2,201,306
Islamic Ijara Property Finance	1,042,620	1,117,606
Islamic Wholesale Banking	765,402	586,007
Islamic Auto Murabaha	45,774	38,425
Islamic Credit Cards	44,742	45,623
Total Islamic financing assets	6,878,130	6,468,540

8. Other assets

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
Interest receivable	559,082	594,660
Profit receivable on Islamic financing assets	87,531	95,327
Prepayments	85,849	68,539
Foreign exchange and other derivative contracts (Note 17)	361,488	502,670
Gold in hand	78	-
Islamic profit paid in advance	25,084	51,716
Assets acquired in settlements of debts*	20,000	-
Others	312,384	369,340
	1,451,496	1,682,252

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

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

9. Due to other banks

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
Term borrowings	4,590,964	4,194,217
Repurchase agreements (Note 6)	5,281,211	2,646,762
Demand deposits	238,821	258,496
	<u>10,110,996</u>	<u>7,099,475</u>

As at 30 June 2025:

- Quoted debt securities with fair value of AED 3,737 million and carrying value of AED 3,719 million (31 December 2024: fair value of AED 3,089 million and carrying value of AED 3,086 million) have been given as collateral against repo borrowings of AED 3,205 million (31 December 2024: AED 2,646 million) [Note 6]
- Borrowed quoted debt securities with fair value of AED 2,324 million (31 December 2024: Nil) have been given as collateral against repo borrowings of AED 2,076 million (31 December 2024: Nil)

10. Deposits from customers

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
Current accounts	35,950,224	32,952,421
Time deposits	20,687,163	22,286,210
Saving deposits	3,175,549	2,959,660
Call deposits	1,266,315	1,451,387
	<u>61,079,251</u>	<u>59,649,678</u>

Deposits include AED 2,121 million (31 December 2024: AED 2,004 million) held by the Group as cash collateral for loans and advances granted to customers.

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

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
Murabaha term deposit	2,187,554	3,439,143
Qard-E-Hassan - current accounts	1,540,400	1,433,110
Wakala deposits	582,670	554,072
Mudaraba - current accounts	426,199	424,954
Mudaraba - saving accounts	211,558	214,192
Mudaraba - call deposits	7,524	8,075
Mudaraba term investment deposits	5,157	4,492
	<u>4,961,062</u>	<u>6,078,038</u>

**Notes to the condensed consolidated interim financial information
for the period from 1 January 2025 to 30 June 2025 (continued)**

11. Debt securities issued and other long-term borrowings

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
AED 370 million bilateral borrowing (a)	370,000	370,000
USD 50 million bilateral borrowing (b)	183,650	183,650
AED 370 million Islamic bilateral borrowing (c)	370,000	370,000
USD 100 million bilateral borrowing (d)	367,300	367,300
USD 100 million bilateral borrowing (e)	367,300	367,300
AED 550 million bilateral borrowing (f)	550,000	550,000
AED 550 million Islamic bilateral borrowing (g)	550,000	550,000
USD 600 million medium term note issued at discount in July 2024 (h)	2,198,911	2,198,254
USD 75 million Islamic bilateral borrowing (i)	275,475	-
AED 500 million Islamic bilateral borrowing (j)	500,000	-
USD 30 million bilateral borrowing (k)	110,190	-
USD 120 million bilateral borrowing (l)	440,760	-
Less: Debt securities and other borrowing issue costs	(16,478)	(12,398)
Fair value adjustment on hedged medium term note	11,018	(6,288)
	6,278,126	4,937,818

- (a) In June 2023 the Group borrowed AED 370 million at an interest rate of 6 months EIBOR + 0.90% per annum which matures in June 2026.
- (b) In June 2023 the Group borrowed USD 50 million at an interest rate of daily SOFR + 1.10% per annum which matures in June 2026.
- (c) In June 2023 the Group borrowed AED 370 million at a profit rate of 3 months EIBOR + 0.90% per annum which matures in June 2026.
- (d) In July 2023 the Group borrowed USD 100 million at an interest rate of USD 3 month SOFR + 1% which matures in July 2026.
- (e) In September 2023 the Group borrowed USD 100 million at an interest rate of USD daily SOFR + 1% which matures in September 2026.
- (f) In February 2024 the Group borrowed AED 550 million at an interest rate of 3 months EIBOR + 0.75% per annum which matures in February 2027.
- (g) In March 2024 the Group borrowed AED 550 million at a profit rate of 3 months EIBOR + 0.75% per annum which matures in March 2027.
- (h) In July 2024, the Group issued five-year USD 600 million EMTN Bonds under the Groups Social Finance Framework. These were issued at a discounted rate of 99.723% and carries a fixed interest rate of 5.375% per annum. These notes mature in July 2029.
- (i) In January 2025 the Group borrowed USD 75 million at a profit rate of USD 3 months SOFR + 0.95% per annum which matures in January 2028.
- (j) In March 2025 the Group borrowed AED 500 million at a profit rate of 3 months EIBOR + 0.75% per annum which matures in March 2028.
- (k) In June 2025 the Group borrowed USD 30 million at an interest rate of 3 months SOFR + 0.90% per annum which matures in June 2029.
- (l) In June 2025 the Group borrowed USD 120 million at an interest rate of 3 months SOFR + 0.85% per annum which matures in June 2028.

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

12. Reinsurance contract assets and insurance contract liabilities

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
<i>Reinsurance contract assets</i>		
<i>Incurred claims for contracts under Premium Allocation Approach (PAA)</i>		
Present value of future cashflows	284,346	295,802
Risk adjustment for non-financial risk	8,345	7,788
	<u>292,691</u>	<u>303,590</u>
Remaining coverage excluding loss-recovery component	(45,236)	(73,642)
	<u>692</u>	<u>1,630</u>
Remaining coverage loss recovery component	248,147	231,578
	<u><u>248,147</u></u>	<u><u>231,578</u></u>
<i>Insurance contract liabilities</i>		
<i>Liabilities for Incurred Claims (LIC) under Premium Allocation Approach (PA)</i>		
Present value of future cashflows	358,705	312,650
Risk adjustment for non-financial risk	12,796	11,949
	<u>371,501</u>	<u>324,599</u>
<i>Liabilities for Remaining Coverage (LRC)</i>		
Excluding loss component	138,931	151,227
Loss component	4,556	5,495
	<u>143,487</u>	<u>156,722</u>
	<u><u>514,988</u></u>	<u><u>481,321</u></u>

13. Other liabilities

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
Interest payable	401,509	531,120
Profit distributable on Islamic deposits	22,733	38,615
Accrued expenses	619,013	623,832
Provision for staff end-of-service benefits	133,413	133,033
Foreign exchange and other derivatives contracts (Note 17)	304,145	443,871
Credit card payables and liabilities	74,834	87,910
Managers cheques issued	644,531	316,038
Mortgage payables and liabilities	34,864	23,547
Insurance related payables	5,272	4,339
Reinsurance contract liabilities	23,016	27,920
Provision for Corporate Tax	348,088	206,266
Others	646,805	486,494
	<u><u>3,258,223</u></u>	<u><u>2,922,985</u></u>

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

14. Subordinated note

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
September 2024 issue (5.8732 percent fixed rate maturing on 10 December 2034)	915,446	915,111
	<u>915,446</u>	<u>915,111</u>

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

15. Share capital

At 30 June 2025, the authorised, issued and fully paid share capital of the Bank comprised 2,011 million shares of AED 1 each (31 December 2024: 2,011 million shares of AED 1 each).

Cash dividend of 50% amounting to AED 1,005.7 million of the issued and paid-up capital for the year ended 31 December 2024 (2024: 31% amounting to AED 623.6 million) was paid after the shareholder's approval in the annual general meeting held on 18 March 2025.

16. Contingencies and commitments

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
Irrevocable commitments to extend credit	5,722,299	3,207,468
Letters of guarantee - Financial	2,106,005	1,549,175
Letters of guarantee – Non-financial	1,721,202	992,318
Letters of credit	492,267	365,569
Capital commitments and other contingencies	154,292	70,588
	<u>10,196,065</u>	<u>6,185,118</u>

The Group is holding AED 44.4 million (31 December 2024: AED 20.8 million) provision for expected credit loss on contingencies and commitments.

Commitments to extend credit shown above represent unfunded amounts out of approved limits offered to customers, which are irrevocable by the Group. Commitments to extend credit amounting to AED 9,401 million (31 December 2024: AED 11,097 million) are revocable at the option of the Group and not included in the above table.

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

17. Forward foreign exchange and other derivative contracts

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

Outstanding forward foreign exchange contracts, interest rate swaps and other derivative contracts at 30 June 2025 and 31 December 2024 are as follows:

	Fair Values		
	Assets AED'000	Liability AED'000	Notional AED'000
<i>30 June 2025</i>			
Foreign exchange contracts	104,226	83,016	48,182,027
Interest rate swaps	237,547	148,415	13,324,769
Other derivative contracts	19,715	72,714	5,487,036
	<u>361,488</u>	<u>304,145</u>	<u>66,993,832</u>
<i>31 December 2024</i>			
Foreign exchange contracts	129,372	128,988	31,041,245
Interest rate swaps	333,839	186,820	12,657,119
Other derivative contracts	39,459	128,063	6,221,820
	<u>502,670</u>	<u>443,871</u>	<u>49,920,184</u>

18. Interest income and expense

	Three months period ended 30 June		Six months period ended 30 June	
	2025 (un-audited) AED'000	2024 (un-audited) AED'000	2025 (un-audited) AED'000	2024 (un-audited) AED'000
<i>Interest income</i>				
Personal loans	62,799	65,082	125,697	132,351
Mortgage loans	92,404	79,478	186,672	155,497
Credit cards	75,850	81,205	153,978	164,515
Auto loans	6,981	6,866	13,706	13,580
RAK Business loans	137,373	130,674	263,124	259,227
Wholesale banking loans	257,201	216,751	483,862	421,815
Other Business banking loans	131,336	120,279	258,109	234,814
Other retail banking loans	35,429	30,282	71,725	64,172
Investment securities	187,170	155,136	357,989	310,433
Deposits with the U.A.E. Central Bank	29,870	17,925	57,371	41,475
Other banks	158,172	218,823	319,735	415,816
	<u>1,174,585</u>	<u>1,122,501</u>	<u>2,291,968</u>	<u>2,213,695</u>
<i>Interest expense</i>				
Due to customers	229,353	226,221	453,931	406,139
Debt securities issued and other borrowings	31,534	1,959	63,024	25,290
Borrowings from other banks	124,250	105,712	224,780	208,773
Subordinated note	13,650	-	27,300	-
	<u>398,787</u>	<u>333,892</u>	<u>769,035</u>	<u>640,202</u>

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

19. Income from Islamic Financing and distribution to depositors

	Three months period ended 30 June		Six months period ended 30 June	
	2025 (un-audited) AED'000	2024 (un-audited) AED'000	2025 (un-audited) AED'000	2024 (un-audited) AED'000
<i>Income from Islamic financing</i>				
Islamic Salam personal finance	46,297	35,006	89,632	69,430
Islamic Auto Murabaha	831	782	1,580	1,591
Islamic Business banking finance	79,503	70,362	158,086	141,672
Islamic Wholesale banking finance	26,469	17,405	45,957	32,492
Islamic Ijara property finance	12,827	14,411	26,063	29,377
Islamic Investment income	31,298	25,090	59,860	47,058
	<u>197,225</u>	<u>163,056</u>	<u>381,178</u>	<u>321,620</u>
<i>Distribution to depositors</i>				
Distribution of profit on Islamic term investment deposits	41,899	54,534	89,587	109,655
Bilateral long-term borrowings	21,825	14,421	38,087	23,056
Distribution of profit on Islamic demand deposits	320	376	569	617
	<u>64,044</u>	<u>69,331</u>	<u>128,243</u>	<u>133,328</u>

20. Net fees and commission income

	Three months period ended 30 June		Six months period ended 30 June	
	2025 (un-audited) AED'000	2024 (un-audited) AED'000	2025 (un-audited) AED'000	2024 (un-audited) AED'000
Personal loans	5,590	3,841	11,405	9,944
Mortgage loans	3,890	4,447	8,748	7,461
Credit cards	57,444	49,091	107,983	102,265
Auto loans	1,020	2,777	2,089	4,013
Wholesale banking loans	25,574	19,200	51,111	33,400
Business banking loans	48,752	51,467	106,899	107,908
Fiduciary income	16,064	10,807	33,471	24,222
Bancassurance	4,778	4,259	8,199	10,404
Others	48,364	29,883	69,589	37,131
	<u>211,476</u>	<u>175,772</u>	<u>399,494</u>	<u>336,748</u>

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

21. Investment income

	Three months period ended 30 June		Six months period ended 30 June	
	2025 (un-audited) AED'000	2024 (un-audited) AED'000	2025 (un-audited) AED'000	2024 (un-audited) AED'000
Dividend income	5,416	5,424	25,032	23,034
Net gain on disposal of investments	13,304	14,018	119,608	27,903
Fair value (loss)/income	10,967	(3,673)	11,498	8,116
	<u>29,687</u>	<u>15,769</u>	<u>156,138</u>	<u>59,053</u>

22. General and administrative expenses

	Three months period ended 30 June		Six months period ended 30 June	
	2025 (un-audited) AED'000	2024 (un-audited) AED'000 Restated	2025 (un-audited) AED'000	2024 (un-audited) AED'000 Restated
Staff costs	257,652	237,087	494,060	472,715
Outsourced staff costs	29,303	6,927	54,276	14,998
Occupancy costs	15,719	12,988	29,701	24,737
Marketing expenses	10,188	10,047	20,399	18,089
Depreciation and amortisation	30,224	34,823	58,268	62,305
Communication costs	12,368	14,811	26,648	27,476
Credit card expenses	12,971	13,221	29,204	33,150
Information and technology expenses	44,859	45,224	98,718	81,858
Others	43,087	25,219	79,472	53,482
	<u>456,371</u>	<u>400,347</u>	<u>890,746</u>	<u>788,810</u>

23. Net impairment charge

	Six months period ended 30 June	
	2025 (un-audited) AED'000	2024 (un-audited) AED'000
Net impairment charge on loans and advances	110,126	360,885
Net impairment charge on due from other banks	40,865	20,815
Net impairment release on debt securities measured at FVOCI	(2,127)	(3,173)
Net impairment release on debt securities measured at amortised cost	(3,133)	(7,552)
Net impairment charge/(release) on other receivables and acceptances	3,810	(6,708)
Net impairment charge/(release) on off balance sheet items	23,588	(54)
Total net impairment charge	<u>173,129</u>	<u>364,213</u>

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

23. Net impairment charge (continued)

Expected credit loss allowance

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

	At 31 December 2024 AED'000	Net change AED'000	Other movement AED'000	At 30 June 2025 AED'000
Due from other banks	47,714	40,865	-	88,579
Loans and advances	2,850,054	186,171	(431,602)	2,604,623
Debt investment securities – FVOCI	67,983	(2,127)	2,513	68,369
Debt Investment securities – amortised cost	44,837	(3,133)	-	41,704
Other receivables	47,585	513	(297)	47,801
Customer acceptances	2,388	3,454	-	5,842
Off balance sheet items	20,838	23,588	-	44,426
Total	3,081,399	249,331	(429,386)	2,901,344

24. Taxation

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

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

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

	Six months period ended 30 June	
	2025 (Un-audited) AED'000	2024 (Un-audited) AED'000
<i>Current tax recognized in profit or loss for the period</i>		
Current tax expense on profits for the period	133,355	105,586
<i>Current tax recognized in Other comprehensive income for the period</i>		
Current tax expense/(income) for the period recognized on items that will not be reclassified subsequently to profit or loss	8,466	(2,792)

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

24. Taxation (continued)

	30 June 2025 AED'000 (Un-audited)	31 December 2024 AED'000 (Audited)
Deferred income tax liability		
Deferred tax liability at the beginning of the period/year	8,921	13,733
Increase/(decrease) during the period/year recognized in OCI on items that may be reclassified subsequently to profit or loss	8,933	(4,812)
	<u>17,854</u>	<u>8,921</u>

For determining the tax expense for the period the accounting profit has been adjusted for tax purposes. Adjustments for tax purpose include items relating to both income and expense. After giving effect to these adjustments the average effective tax rate is estimated to 8.85%.

25. Earnings per share

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

	Three months period ended 30 June		Six months period ended 30 June	
	2025 (Un-audited) AED'000	2024 (Un-audited) AED'000	2025 (Un-audited) AED'000	2024 (Un-audited) AED'000
Profit for the period (attributed to owners of the Bank)	<u>666,594</u>	<u>515,842</u>	<u>1,368,809</u>	<u>1,089,329</u>
Weighted average number of shares in issue (in thousands)	<u>2,011,495</u>	<u>2,011,495</u>	<u>2,011,495</u>	<u>2,011,495</u>
Basic and diluted earnings per share (AED)	<u>0.33</u>	<u>0.26</u>	<u>0.68</u>	<u>0.54</u>

26. Fiduciary activities

The Group holds assets in a fiduciary capacity for its customers without recourse. At 30 June 2025, market value of such assets amounted to AED 6,213 million (31 December 2024: AED 5,905 million) and are excluded from the condensed consolidated interim financial information of the Group.

27. Cash and cash equivalents

	30 June 2025 (Un-audited) AED'000	30 June 2024 (Un-audited) AED'000
Cash in hand and balances with UAE Central Bank	8,758,657	8,282,451
Due from other banks	16,416,623	14,287,534
	<u>25,175,280</u>	<u>22,569,985</u>
Less: Due from other banks original maturity of three months or more	<u>(14,315,285)</u>	<u>(13,058,190)</u>
Cash and cash equivalents	<u>10,859,995</u>	<u>9,511,795</u>

**Notes to the condensed consolidated interim financial information
for the period from 1 January 2025 to 30 June 2025 (continued)**

28. Operating segments

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

The Group has four main business segments:

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

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

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

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

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

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

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

28. Operating segments (continued)

The segment information provided to the management for the reportable segments for the periods ended 30 June 2025 and 30 June 2024 are as follows:

	Retail Banking AED'000	Wholesale Banking AED'000	Business Banking AED'000	Head office and Others AED'000	Total AED'000
30 June 2025					
Net external interest income	436,759	771,642	465,069	(150,537)	1,522,933
Income from Islamic financing net of distribution to depositors	106,951	27,948	156,730	(38,694)	252,935
Internal revenue	(18,264)	(339,263)	275,012	82,515	-
Net interest income and net income from Islamic financing	525,446	460,327	896,811	(106,716)	1,775,868
Non-interest income	277,470	350,394	157,683	9,627	795,174
Operating income	802,916	810,721	1,054,494	(97,089)	2,571,042
General and administrative expenses	(422,920)	(141,868)	(324,249)	(1,709)	(890,746)
Operating profit before net impairment charge and tax	379,996	668,853	730,245	(98,798)	1,680,296
Net impairment charge	(58,946)	(75,107)	(40,279)	1,203	(173,129)
Profit for the period before tax	321,050	593,746	689,966	(97,595)	1,507,167
Income tax expense	-	-	-	(133,355)	(133,355)
Profit for the period after tax	321,050	593,746	689,966	(230,950)	1,373,812
As at 30 June 2025					
Segment assets	23,083,419	59,296,657	10,298,002	2,282,719	94,960,797
Segment liabilities	20,347,004	26,328,117	24,884,495	11,060,512	82,620,128

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

28. Operating segments (continued)

	Retail Banking AED'000	Wholesale Banking AED'000	Business Banking AED'000	Head Office and Others AED'000	Total AED'000
<i>30 June 2024</i>					
Net external interest income	420,687	818,211	438,305	(103,710)	1,573,493
Income from Islamic financing net of distribution to depositors	86,355	(12,693)	137,815	(23,185)	188,292
Internal revenue	43,145	(368,421)	261,265	64,011	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net interest income and net income from Islamic financing	550,187	437,097	837,385	(62,884)	1,761,785
Non-interest income	234,097	209,972	156,840	(14,396)	586,513
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating income	784,284	647,069	994,225	(77,280)	2,348,298
General and administrative expenses	(390,129)	(122,853)	(273,569)	(2,259)	(788,810)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Operating profit before net impairment charge and tax	394,155	524,216	720,656	(79,539)	1,559,488
Net impairment charge	(180,285)	(19,828)	(106,105)	(57,995)	(364,213)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Profit for the period before tax	213,870	504,388	614,551	(137,534)	1,195,275
Income tax expense	-	-	-	(105,586)	(105,586)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Profit for the period after tax	213,870	504,388	614,551	(243,120)	1,089,689
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<i>As at 31 December 2024</i>					
Segment assets	22,999,414	53,611,658	9,545,088	2,169,247	88,325,407
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Segment liabilities	18,936,509	24,693,886	23,492,182	9,406,151	76,528,728
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

29. Related parties

Related parties comprise key management, businesses controlled by shareholders and directors as well as businesses over which they exercise significant influence. During the period, the Group entered into transactions with related parties in the ordinary course of business. No stage 3 provisions for impairment have been recognised pertinent to related parties (2024: Nil). Further, stage 1 and 2 ECL amounted to AED 24.3 million (2024: AED 32.9 million).

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

29. Related parties (continued)

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

	Six month period ended 30 June	
	2025 (Un-audited) AED'000	2024 (Un-audited) AED'000
<i>Transactions during the period</i>		
Interest income	55,620	44,712
Insurance income	57,784	41,991
Commission income	3,005	296
Other income	4,854	2,081
Interest expense	74,049	82,139
Insurance expense	33,648	21,936
Other expenses	200	134
Directors' and key management personnel's remuneration and sitting fees	61,713	49,118
	30 June 2025 (Un-audited) AED'000	31 December 2024 (Audited) AED'000
<i>Balances</i>		
<i>Loans and advances:</i>		
- Shareholders and their related companies	1,865,899	1,988,941
- Directors and their related companies	486	4,469
- Key management personnel	14,074	16,861
	<u>1,880,459</u>	<u>2,010,271</u>
<i>Deposits</i>		
- Shareholders and their related companies	4,808,512	4,898,438
- Directors and their related companies	32,285	22,316
- Key management personnel	26,824	12,911
	<u>4,867,621</u>	<u>4,933,665</u>
<i>Other assets</i>		
- Shareholders and their related companies	82,649	29,121
	<u>82,649</u>	<u>29,121</u>
<i>Other liabilities</i>		
- Shareholders and their related companies	4,726	1,250
- Post-retirement benefits payables	8,727	9,011
	<u>13,453</u>	<u>10,261</u>
<i>Commitments, contingent liabilities and derivative contracts</i>		
- Shareholders and their related companies	10,075,392	5,899,271
- Directors and their related companies	778	1,050
- Key management personnel	1,462	1,288
	<u>10,077,632</u>	<u>5,901,609</u>

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

**Notes to the condensed consolidated interim financial information
for the period from 1 January 2025 to 30 June 2025 (continued)**

30. Fair values of financial assets and liabilities

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. Consequently, differences can arise between the carrying values and fair value estimates of financial assets and liabilities. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to materially curtail the scale of its operations or to undertake a transaction on adverse terms. At 30 June 2025, the carrying value of the Group's financial assets and liabilities approximates their fair values, except for the below mentioned financial assets and liabilities:

	Fair value		Carrying value	
	30 June 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000	30 June 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000
Assets				
Loans and advances, net	48,419,652	47,162,268	48,661,917	47,223,940
Investment securities measured at fair value	9,705,112	9,159,322	9,705,112	9,159,322
Investment securities measured at amortised cost	8,440,016	7,443,511	8,356,784	7,444,281
Cash and balances with the UAE Central Bank	8,758,657	8,770,312	8,758,657	8,770,312
Due from other banks	16,180,478	12,201,002	16,328,045	12,360,600
Total financial assets	91,503,915	84,736,415	91,810,515	84,958,455
Liabilities				
Due to other banks	10,393,271	7,256,335	10,110,996	7,099,475
Deposits from customer	61,083,060	59,707,909	61,079,251	59,649,678
Debt securities issued and other long term borrowings	6,545,172	5,159,121	6,278,126	4,937,818
Subordinated note	922,171	921,427	915,446	915,111
Total financial liabilities	78,943,674	73,044,792	78,383,819	72,602,082

31. Fair value hierarchy

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

Quoted market prices - Level 1

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

Valuation techniques using observable inputs - Level 2

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

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

31. Fair value hierarchy (continued)

Valuation techniques using significant unobservable inputs - Level 3

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

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

	Quoted market prices Level 1 AED'000	Observable inputs Level 2 AED'000	Significant unobservable inputs Level 3 AED'000	Total AED'000
30 June 2025 (un-audited)				
Assets at fair value				
<i>Through other comprehensive income</i>				
Investment securities – debt	8,484,326	-	-	8,484,326
Investment securities – equity	586,837	-	382	587,219
<i>Through profit and loss</i>				
Investment market fund	95,247	-	49,970	145,217
Investment securities – debt	359,218	-	-	359,218
Investment securities – equity	129,132	-	-	129,132
Assets acquired in settlement of debts	-	20,000	-	20,000
Derivative financial instruments	-	361,488	-	361,488
	<u>9,654,760</u>	<u>381,488</u>	<u>50,352</u>	<u>10,086,600</u>
Liabilities at fair value				
Derivative financial instruments	-	304,145	-	304,145
	<u>-</u>	<u>304,145</u>	<u>-</u>	<u>304,145</u>

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

31. Fair value hierarchy (continued)

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

There were no transfers between levels during the period.

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

In the application of the Group's accounting policies, which are described in Note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

33. Seasonality of results

Dividend income of AED 25.0 million (30 June 2024: AED 23.0 million) of seasonal nature was recorded in the condensed consolidated interim financial information for the period.

**Notes to the condensed consolidated interim financial information
for the period from 1 January 2025 to 30 June 2025 (continued)**

34. Risk management

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

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

Measurement of Expected Credit loss (ECL)

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

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

The Group has used the updated macro-economic forecasts for the period and is currently using the weightings of (40:30:30) for Baseline: Upside: Downside scenarios. The sensitivity to 10% increase in Downside Scenario, with a corresponding decrease of 10% in Upside scenario is AED 36.8 million as of 30 June 2025 (31 December 2024: AED 37.7 million).

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

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

	30 June 2025 (un-audited)			
	Stage 1	Stage 2	Stage 3	Grand Total
	AED’000	AED’000	AED’000	AED’000
Opening balance 1 January 2025	47,251,057	1,697,428	1,125,509	50,073,994
Transfer from Stage 1 to Stage 2	(1,323,782)	1,323,782	-	-
Transfer from Stage 2 to Stage 3	-	(592,765)	592,765	-
Transfer from Stage 2 to Stage 1	444,878	(444,878)	-	-
Transfer from Stage 3 to Stage 2	-	28,409	(28,409)	-
Change in Exposures during the period	(11,643,260)	(539,069)	(223,636)	(12,405,965)
New financial assets originated and other transfers	13,924,214	68,242	37,657	14,030,113
Write-offs	-	-	(431,602)	(431,602)
Closing balance 30 June 2025	48,653,107	1,541,149	1,072,284	51,266,540

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

34. Risk management (continued)

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

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

Changes in the gross carrying value for due from banks

	30 June 2025 (un-audited)			Grand Total AED'000
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	
Opening balance 1 January 2025	12,407,009	1,305	-	12,408,314
Stage 1 to Stage 3 Transfer	(523)	-	523	-
Stage 2 to Stage 3 Transfer	-	(1,850)	1,850	-
Change in exposures during the period	(4,168,303)	545	-	(4,167,758)
New financial assets originated	8,176,068	-	-	8,176,068
Closing balance 30 June 2025	16,414,251	-	2,373	16,416,624

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

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

	30 June 2025 (un-audited)			Total AED'000
	Stage 1 12-month AED'000	Stage 2 Lifetime AED'000	Stage 3 Lifetime AED'000	
Opening balance 1 January 2025	8,072,649	129,172	88,273	8,290,094
Change in Exposures during the period	(985,065)	(3,122)	(28,010)	(1,016,197)
New Financial Assets Originated	1,278,798	-	-	1,278,798
Write offs	-	-	-	-
Closing balance 30 June 2025	8,366,382	126,050	60,263	8,552,695

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

34. Risk management (continued)

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

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

*Exposures are gross of IFRS 9 provisions held.

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

	30 June 2025 (un-audited)			Grand Total
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	AED'000
Opening balance 1 January 2025	7,279,954	209,164	-	7,489,118
Stage 1 to Stage 2 Transfer	-	-	-	-
Stage 2 to Stage 3 Transfer	-	(7,062)	7,062	-
Change in Exposures during the period	(2,959,649)	3,706	69	(2,955,874)
New Financial Assets Originated	3,865,244	-	-	3,865,244
Write offs	-	-	-	-
Closing balance 30 June 2025	8,185,549	205,808	7,131	8,398,488

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

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

34. Risk management (continued)

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

	30 June 2025 (un-audited)			Grand Total AED'000
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	
As at 1 January 2025	1,396,869	586,089	867,096	2,850,054
Stage 1 to Stage 2 Transfer	(94,035)	94,035	-	-
Stage 2 to Stage 3 Transfer	-	(248,544)	248,544	-
Stage 2 to Stage 1 Transfer	51,062	(51,062)	-	-
Stage 3 to Stage 2 Transfer	-	8,037	(8,037)	-
Changes in PD's/ LGD's/ EAD	(61,108)	(3,543)	46,046	(18,605)
New financial assets originated and other transfers	156,478	15,673	32,625	204,776
Write offs	-	-	(431,602)	(431,602)
As at 30 June 2025	1,449,266	400,685	754,672	2,604,623

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

Provision for expected credit loss for due from banks

	30 June 2025 (un-audited)			Grand Total AED'000
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	
As at 1 January 2025	46,904	810	-	47,714
Stage 1 to Stage 3 Transfer	(325)	-	325	-
Stage 2 to Stage 3 Transfer	-	(1,148)	1,148	-
Changes in PD's/ LGD's/ EAD	(1,384)	338	-	(1,046)
New financial assets originated	41,911	-	-	41,911
As at 30 June 2025	87,106	-	1,473	88,579

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

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

Notes to the condensed consolidated interim financial information for the period from 1 January 2025 to 30 June 2025 (continued)

34. Risk management (continued)

Provision for expected credit loss for investment securities - FVOCI

	30 June 2025 (un-audited)			Grand Total
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	AED'000
As at 1 January 2025	7,810	19,173	41,000	67,983
Changes in PD's/ LGD's/ EAD	(601)	(7,022)	2,623	(5,000)
New financial assets originated	5,386	-	-	5,386
Write offs	-	-	-	-
As at 30 June 2025	12,595	12,151	43,623	68,369

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

Provision for expected credit loss for investment securities - amortised cost

	30 June 2025 (un-audited)			Grand Total
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	AED'000
As at 1 January 2025	5,152	39,685	-	44,837
Stage 2 to Stage 3 transfer	-	(6,391)	6,391	-
Changes in PD's/ LGD's/ EAD	2,727	(10,086)	740	(6,619)
New financial assets originated	3,486	-	-	3,486
Write offs	-	-	-	-
As at 30 June 2025	11,365	23,208	7,131	41,704

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

35. Subsequent Events

There have been no events subsequent to the statement of financial position date that would significantly affect the amounts reported in the condensed consolidated interim financial statements as at and for the period ended 30 June 2025.

36. Approval of the condensed consolidated interim financial information

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