Abu Dhabi Commercial Bank PJSC

Review report and condensed consolidated interim financial information for the six month period ended June 30, 2026

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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 30 June 2026, and the related income statement, statements of comprehensive income, statement of changes in equity and statement of cash flows for the six-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
23 July 2026
Abu Dhabi
United Arab Emirates

Condensed consolidated interim statement of financial position

As at June 30, 2026

	Notes	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Assets			
Cash and balances with central banks, net	4	56,556	63,019
Deposits and balances due from banks, net	5	67,158	56,594
Financial assets at fair value through profit or loss	6	28,892	24,622
Derivative financial instruments	7	16,007	15,160
Investment securities, net	8	170,747	166,137
Loans and advances to customers, net	9	444,596	403,031
Investment in associates and joint ventures		315	306
Investment properties	11	808	1,193
Other assets, net	12	39,513	34,970
Property and equipment, net		636	689
Intangible assets, net		7,687	7,658
Right of use assets, net		269	275
Total assets		**833,184**	773,654
Liabilities			
Due to banks	13	25,776	19,086
Derivative financial instruments	7	28,660	28,264
Deposits from customers	14	526,638	499,775
Euro commercial paper	15	7,900	8,720
Borrowings	16	111,623	89,794
Other liabilities	17	43,333	39,274
Total liabilities		**743,930**	684,913
Equity			
Share capital	18	7,912	7,912
Share premium		17,879	17,879
Other reserves	19	17,903	18,287
Retained earnings		36,801	35,904
Capital notes	20	8,755	8,755
Equity attributable to equity holders of the Bank		**89,250**	88,737
Non-controlling interests		4	4
Total equity		**89,254**	88,741
Total liabilities and equity		**833,184**	773,654

This condensed consolidated interim financial information was approved by the Board of Directors and authorised for issue on July 23, 2026 and signed on its behalf by:

Signed by: Khaldoon Al Mubarak 8EA7D7250F364EC...	DocuSigned by: 5ED75F3F067E4D2...	DocuSigned by: 9720F6148B7B41A...
Khaldoon Khalifa Al Mubarak	**Ala'a Eraiqat**	**Deepak Khullar**
Chairman	*Group Chief Executive Officer*	*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 six month period ended June 30, 2026

		3 months ended June 30		6 months ended June 30	
	Notes	**2026 AED million**	2025 AED million	**2026 AED million**	2025 AED million
Interest income	**21**	**7,926**	7,662	**15,485**	15,009
Interest expense	**22**	**(4,835)**	(4,658)	**(9,342)**	(9,191)
Net interest income		**3,091**	3,004	**6,143**	5,818
Income from Islamic financing and investing products		**1,030**	975	**2,017**	1,884
Distribution on Islamic deposits and profit paid to sukuk holders		**(388)**	(324)	**(689)**	(654)
Net income from Islamic financing and investing products		**642**	651	**1,328**	1,230
Total net interest income and income from Islamic financing and investing products		**3,733**	3,655	**7,471**	7,048
Net fees and commission income	**23**	**1,186**	929	**2,124**	1,749
Net trading income	**24**	**972**	872	**1,931**	1,431
Other operating income	**25**	**156**	273	**455**	513
Operating income		**6,047**	5,729	**11,981**	10,741
Operating expenses	**26**	**(1,691)**	(1,510)	**(3,210)**	(2,975)
Operating profit before impairment charge		**4,356**	4,219	**8,771**	7,766
Impairment charge	**27**	**(536)**	(1,187)	**(1,174)**	(1,833)
Profit after impairment charge		**3,820**	3,032	**7,597**	5,933
Share in profit of associates and joint ventures		**6**	4	**10**	9
Profit before taxation		**3,826**	3,036	**7,607**	5,942
Income tax charge		**(450)**	(468)	**(870)**	(928)
Profit for the period		**3,376**	2,568	**6,737**	5,014
Attributable to:					
Equity holders of the Bank		**3,376**	2,568	**6,737**	5,015
Non-controlling interests		**-**	-	**-**	(1)
Profit for the period		**3,376**	2,568	**6,737**	5,014
Basic earnings per share (AED)	**28**	**0.42**	0.33	**0.82**	0.63
Diluted earnings per share (AED)	**28**	**0.41**	0.33	**0.81**	0.63

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 six month period ended June 30, 2026

	3 months ended June 30		6 months ended June 30	
	2026	2025	2026	2025
	AED million	AED million	AED million	AED million
Profit for the period	**3,376**	2,568	**6,737**	5,014
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)	**127**	15	**(40)**	28
Net movement in cash flow hedge reserve (net of tax) (Note 19)	**(203)**	(72)	**(444)**	(39)
Net movement in revaluation reserve of debt instruments designated at FVTOCI (net of tax) (Note 19)	**326**	120	**(339)**	515
	250	63	**(823)**	504
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)	**18**	50	**1**	59
Other comprehensive income/(loss) for the period	**268**	113	**(822)**	563
Total comprehensive income for the period	**3,644**	2,681	**5,915**	5,577
Attributable to:				
Equity holders of the Bank	**3,644**	2,681	**5,915**	5,578
Non-controlling interests	**-**	-	**-**	(1)
Total comprehensive income for the period	**3,644**	2,681	**5,915**	5,577

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 six month period ended June 30, 2026

	Share capital AED million	Share premium AED million	Other reserves AED million	Retained earnings AED million	Capital notes AED million	Equity attributable to equity holders of the Bank AED million	Non-controlling interests AED million	Total equity AED million
As at January 1, 2026	**7,912**	**17,879**	**18,287**	**35,904**	**8,755**	**88,737**	**4**	**88,741**
Profit for the period	**-**	**-**	**-**	**6,737**	**-**	**6,737**	**-**	**6,737**
Other comprehensive loss for the period (Note 19)	**-**	**-**	**(822)**	**-**	**-**	**(822)**	**-**	**(822)**
Other movements	**-**	**-**	**438**	**(548)**	**-**	**(110)**	**-**	**(110)**
Dividends paid to equity holders of the Bank	**-**	**-**	**-**	**(4,985)**	**-**	**(4,985)**	**-**	**(4,985)**
Capital notes coupon paid (Note 28)	**-**	**-**	**-**	**(307)**	**-**	**(307)**	**-**	**(307)**
As at June 30, 2026	**7,912**	**17,879**	**17,903**	**36,801**	**8,755**	**89,250**	**4**	**89,254**
As at January 1, 2025	7,320	17,879	11,082	30,526	8,755	75,562	5	75,567
Profit for the period	-	-	-	5,015	-	5,015	(1)	5,014
Other comprehensive income for the period (Note 19)	-	-	563	-	-	563	-	563
Other movements	-	-	243	(445)	-	(202)	-	(202)
Amounts transferred within equity upon disposal of equity instruments designated at FVTOCI (net of tax)	-	-	-	(45)	-	(45)	-	(45)
Dividends paid to equity holders of the Bank	-	-	-	(4,319)	-	(4,319)	-	(4,319)
Capital notes coupon paid (Note 28)	-	-	-	(329)	-	(329)	-	(329)
As at June 30, 2025	7,320	17,879	11,888	30,403	8,755	76,245	4	76,249

Following the Annual General Meeting held on March 3, 2026, the shareholders approved the distribution of proposed cash dividend of AED 4,985 million for the year 2025, being AED 0.63 dividend per share and representing 63% of the paid up share capital (For the year 2024 – cash dividend of AED 4,319 million, being AED 0.59 dividend per share and representing 59% 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 six month period ended June 30, 2026

	6 months ended June 30	
	2026	2025
	AED million	AED million
OPERATING ACTIVITIES		
Profit before taxation	**7,607**	5,942
Adjustments for:		
Depreciation on property and equipment and right of use assets (Note 26)	**107**	96
Amortisation of intangible assets (Note 26)	**118**	112
Gross impairment charge	**1,406**	2,096
Share in profit of associates and joint ventures	**(10)**	(9)
Discount unwind on loans and advances	**(94)**	(58)
Net (gain)/loss from disposal of investment securities (Note 25)	**(1)**	184
Discount amortisation on investment securities	**(273)**	(266)
Dividend income (Note 25)	**(39)**	(17)
Loss/(gain) on sale of property and equipment	**3**	(3)
Amortisation and interest capitalised on borrowings and ECPs	**765**	896
Net gain from financial assets at fair value through profit or loss	**(1,171)**	(616)
Ineffective portion of hedges – gain (Note 7)	**(4)**	(2)
Employees' incentive plan expense (Note 19)	**87**	68
Cash flows from operating activities before changes in operating assets and liabilities	**8,501**	8,423
Net movement in due from banks and balances with central banks	**(2,497)**	(9,855)
Net movement in derivative financial instruments	**778**	(715)
Net purchases of financial assets at fair value through profit or loss	**(3,866)**	(5,643)
Net movement in loans and advances to customers	**(42,795)**	(28,565)
Net movement in other assets	**(1,363)**	(1,519)
Net movement in due to banks	**4,462**	3,918
Net movement in deposits from customers	**27,250**	42,194
Net movement in other liabilities	**779**	1,074
Net cash (used in)/from operations	**(8,751)**	9,312
Income tax paid	**(190)**	(144)
Net cash (used in)/from operating activities	**(8,941)**	9,168
INVESTING ACTIVITIES		
Net proceeds from redemption/disposal of investment securities	**38,173**	24,613
Net purchases of investment securities	**(44,595)**	(28,847)
Dividend received from investment securities (Note 25)	**39**	17
Dividend received from associates	**10**	14
Investment in associates and joint ventures	**(9)**	-
Net disposals of investment properties	**98**	23
Net purchases of property and equipment and computer software	**(170)**	(242)
Net cash used in investing activities	**(6,454)**	(4,422)
FINANCING ACTIVITIES		
Net movement in euro commercial paper	**(945)**	4,708
Net proceeds from borrowings	**70,212**	49,255
Repayment of borrowings	**(49,026)**	(49,288)
Payment of lease liabilities	**(51)**	(45)
Dividends paid to equity holders of the Bank	**(4,985)**	(4,319)
Capital notes coupon paid (Note 28)	**(307)**	(329)
Net cash from/(used in) financing activities	**14,898**	(18)
Effect of exchange rate changes on cash and cash equivalents	**(122)**	75
Net (decrease)/increase in cash and cash equivalents	**(619)**	4,803
Cash and cash equivalents at the beginning of the period	**73,133**	59,141
Cash and cash equivalents at the end of the period	**72,514**	63,944

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

Cash and cash equivalents

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

	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Cash and balances with central banks (Note 4)	**56,556**	63,020
Deposits and balances due from banks (excluding loans and advances to banks) (Note 5)	**43,498**	28,230
Less: Due to banks (Note 13)	**(25,776)**	(19,086)
	74,278	72,164
Less: Deposits and balances due from banks – with original maturity of more than three months	**(22,876)**	(15,634)
Add: Due to banks – with original maturity of more than three months	**21,116**	16,653
Less: Restricted balance with Central Bank	**(4)**	(50)
Total cash and cash equivalents	**72,514**	73,133

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

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, 2025, 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, 2025.

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 six month period ended June 30, 2026 are not necessarily indicative of the results that may be expected for the financial year ending December 31, 2026.

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 million 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, 2025.

2. Summary of material accounting policies (continued)

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

2.2.1 Standards and Interpretations in issue and effective

In the current period, the Group has applied the amendments to IFRS 9 and IFRS 7. 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, 2026.

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
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
Amendments to IFRS 19 'Subsidiaries without Public Accountability'- The amendments address reduced disclosures on supplier finance, excluding non-disclosure guidance, and replacing management-defined performance measure disclosures with a cross-reference to IFRS 18 for entities using those measures.	January 1, 2027
Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21).	January 1, 2027
Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28).	January 1, 2027
IFRS 20 'Regulatory assets and Regulatory Liabilities' specifies the recognition, measurement, presentation, and disclosure of regulatory assets, regulatory liabilities, regulatory income, and regulatory expense arising from specified rate regulated activities.	January 1, 2029

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").

2. Summary of material accounting policies (continued)

2.3 Basis of consolidation (continued)

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.

The following is the list of subsidiaries of the Bank as at June 30, 2026:

		Incorporation		
Name of subsidiary	**Ownership interest**	**Year**	**Country**	**Principal activities**
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 – S.P.C.	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.
ITMAM Services FZ LLC	100%	2010	UAE	Transaction processing and back-office support for the Group.
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	99.91%	1981	Egypt	Commercial banking services.
Al Hilal Bank PJSC	100%	2007	UAE	Islamic banking activities.
ADCB Islamic Bank JSC	100%	2010	Kazakhstan	Islamic banking activities.
Al Hur 1 Holding Limited	100%	2022	UAE	Real estate and financial investment activities.
Al Hur 2 Holding Limited	100%	2022	UAE	Real estate and financial investment activities.
Meedaf Investment Limited	100%	2023	UAE	Enterprise and service support.
ITMAM For Outsourcing Services LLC	100%	2025	Egypt	Back office support for the Group.
Touchpoints Data Services - LLC - S.P.C.	100%	2025	UAE	Data classification and analysis services and marketing consultancy and studies.
Abu Dhabi Commercial Engineering Services LLC – Dubai	100%	2025	UAE	Engineering services.
ADCB LTIP SPV Limited	Controlling Interest	2025	UAE	Trust activities.
Abu Dhabi Commercial Bank (Kazakhstan) JSC	100%	2026	Kazakhstan	Banking activities.

(1) dormant

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

2. Summary of material accounting policies (continued)

2.3 Basis of consolidation (continued)

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.

Transactions eliminated on consolidation

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

Investment in associates and joint ventures

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 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.

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.

3. Taxation

The Group is subject to the Domestic Minimum Top-up Tax (DMTT), which is aligned with the OECD Pillar Two Global Anti-Base Erosion (GloBE) model rules. Under the DMTT, the Group's UAE tax rate increases from 9% to 15%. However, where the conditions of the initial phase of International Activity Exclusion (IAE) are met, the Group is eligible to reduce its UAE tax rate from 15% to 9%.

Based on the Group's assessment as at June 30, 2026, the Group meets the eligibility criteria for the IAE. Accordingly, the applicable tax rate for the period in the UAE is 9%.

4. Cash and balances with central banks, net

	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Cash on hand	**2,833**	2,298
Balances with central banks	**18,141**	21,159
Reserves maintained with central banks	**31,326**	36,179
Certificate of deposits with central banks	**4,256**	3,384
Gross cash and balances with central banks	**56,556**	63,020
Less: Allowance for impairment (Note 10)	**-**	(1)
Total cash and balances with central banks, net	**56,556**	63,019
The geographical concentration is as follows:		
Within the UAE	**54,154**	59,735
Outside the UAE	**2,402**	3,285
	56,556	63,020
Less: Allowance for impairment (Note 10)	**-**	(1)
	56,556	63,019

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 June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Nostro balances	**7,612**	7,260
Margin deposits	**9,180**	7,798
Time deposits	**9,263**	4,685
Reverse repurchase agreements(*)	**17,093**	5,783
Wakala placements	**350**	2,704
Loans and advances to banks	**23,750**	28,470
Gross deposits and balances due from banks	**67,248**	56,700
Less: Allowance for impairment (Note 10)	**(90)**	(106)
Total deposits and balances due from banks, net	**67,158**	56,594
The geographical concentration is as follows:		
Within the UAE	**8,433**	5,058
Outside the UAE	**58,815**	51,642
	67,248	56,700
Less: Allowance for impairment (Note 10)	**(90)**	(106)
	67,158	56,594

(*) includes Islamic collateralised murabaha amounting to AED 2,376 million (December 31, 2025 – AED 150 million)

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

As at June 30, 2026, the Group received bonds with fair value of AED 19,215 million (December 31, 2025 – AED 7,267 million) under reverse repurchase agreements.

As at June 30, 2026, the Group hedges certain fixed and floating rate loans and advances to banks amounting to AED 303 million (December 31, 2025 – AED 421 million) for interest rate and foreign currency 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 June 30, 2026 was AED 21 million (December 31, 2025 – net negative fair value of AED 42 million).

6. Financial assets at fair value through profit or loss

	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Loans and advances and debt securities(*)(**)	**18,212**	14,511
Equities and funds(**)	**1,302**	30
Structured funding arrangements	**9,378**	10,081
Total financial assets at fair value through profit or loss	**28,892**	24,622
The geographical concentration is as follows:		
Within the UAE	**8,165**	9,008
Outside the UAE	**20,727**	15,614
	28,892	24,622

(*) includes perpetual debt securities amounting to AED 207 million (December 31, 2025 – AED 277 million)
(**) includes Islamic investing assets amounting to AED 702 million (December 31, 2025 – AED 677 million)

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 June 30, 2026, the fair value of these reference assets amounted to AED 12,738 million (December 31, 2025 – AED 14,597 million), of this AED 4,541 million (December 31, 2025 – AED 4,591 million) were posted against repo borrowings. Further, the Group also received net cash collateral of AED 32 million (December 31, 2025 – posted net cash collateral of AED 11 million) against this structuring arrangement. The structuring arrangement and reference assets received are governed under International Swaps and Derivatives Association (ISDA) agreements.

7. Derivative financial instruments

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

	Fair values		
	Assets AED million	Liabilities AED million	Notional AED million
As at June 30, 2026 (unaudited)			
Derivatives held or issued for trading			
Foreign exchange derivatives	**1,273**	**1,074**	**476,311**
Interest rate and cross currency swaps	**7,946**	**9,995**	**544,970**
Credit derivatives	**23**	**23**	**1,162**
Interest rate and commodity options	**1,062**	**1,094**	**58,793**
Futures (exchange traded)	**229**	**184**	**169,933**
Commodity and energy swaps	**1,610**	**509**	**11,633**
Swaptions	**940**	**73**	**28,892**
Total derivatives held or issued for trading	**13,083**	**12,952**	**1,291,694**
Derivatives held as fair value hedges			
Interest rate and cross currency swaps	**2,670**	**15,239**	**210,027**
Derivatives held as cash flow hedges			
Interest rate and cross currency swaps	**75**	**414**	**59,211**
Forward foreign exchange contracts	**179**	**55**	**13,806**
Total derivatives held as cash flow hedges	**254**	**469**	**73,017**
Total derivative financial instruments	**16,007**	**28,660**	**1,574,738**
As at December 31, 2025 (audited)			
Derivatives held or issued for trading			
Foreign exchange derivatives	1,582	1,366	407,927
Interest rate and cross currency swaps	7,980	8,355	448,083
Credit derivatives	9	24	904
Interest rate and commodity options	715	747	72,794
Futures (exchange traded)	47	66	13,540
Commodity and energy swaps	1,296	649	13,855
Swaptions	1,016	62	24,248
Total derivatives held or issued for trading	12,645	11,269	981,351
Derivatives held as fair value hedges			
Interest rate and cross currency swaps	2,074	16,846	214,882
Derivatives held as cash flow hedges			
Interest rate and cross currency swaps	238	111	48,779
Forward foreign exchange contracts	203	38	21,049
Total derivatives held as cash flow hedges	441	149	69,828
Total derivative financial instruments	15,160	28,264	1,266,061

The notional amounts indicate the volume of transactions and are neither indicative of the market risk nor credit risk. The net hedge ineffectiveness gains relating to the fair value and cash flow hedges amounting to AED 4 million (for the six month period ended June 30, 2025 – net gains of AED 2 million) has been recognised in the condensed consolidated interim income statement.

As at June 30, 2026, the Group received cash collateral of AED 4,274 million (December 31, 2025 – AED 3,350 million) and bonds with fair value of AED 1,019 million (December 31, 2025 – AED 1,562 million) against positive fair value of derivative assets.

As at June 30, 2026, the Group placed cash collateral of AED 10,014 million (December 31, 2025 – AED 9,068 million) and bonds with fair value of AED 6,247 million (December 31, 2025 – AED 9,497 million) against negative fair value of derivative liabilities.

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

8. Investment securities, net

	UAE AED million	Other GCC(*) countries AED million	Rest of the world AED million	Total AED million
As at June 30, 2026 (unaudited)				
At fair value through other comprehensive income (FVTOCI)				
Quoted:				
Government securities	**17,192**	**16,694**	**40,061**	**73,947**
Bonds – Banks and financial institutions	**2,076**	**1,382**	**5,835**	**9,293**
Bonds – Others	**6,857**	**2,587**	**6,473**	**15,917**
Equities and funds(**)	**380**	**54**	**980**	**1,414**
Total quoted	**26,505**	**20,717**	**53,349**	**100,571**
Unquoted:				
Equities and funds	**126**	**1**	**30**	**157**
Total investment securities at fair value through other comprehensive income	**26,631**	**20,718**	**53,379**	**100,728**
At amortised cost				
Quoted:				
Government securities	**9,808**	**11,268**	**17,214**	**38,290**
Bonds – Banks and financial institutions	**1,178**	**1,475**	**11,524**	**14,177**
Bonds – Others	**8,565**	**2,191**	**6,802**	**17,558**
Total quoted	**19,551**	**14,934**	**35,540**	**70,025**
Less: Allowance for impairment (Note 10)	**(2)**	**(1)**	**(3)**	**(6)**
Total investment securities at amortised cost	**19,549**	**14,933**	**35,537**	**70,019**
Total investment securities, net	**46,180**	**35,651**	**88,916**	**170,747**
As at December 31, 2025 (audited)				
At fair value through other comprehensive income (FVTOCI)				
Quoted:				
Government securities	13,510	13,631	35,449	62,590
Bonds – Banks and financial institutions	1,395	1,239	4,826	7,460
Bonds – Others	7,443	2,394	3,648	13,485
Equities and funds(**)	465	44	54	563
Total quoted	22,813	17,308	43,977	84,098
Unquoted:				
Equities and funds	116	1	28	145
Total investment securities at fair value through other comprehensive income	22,929	17,309	44,005	84,243
At amortised cost				
Quoted:				
Government securities	13,363	13,171	21,246	47,780
Bonds – Banks and financial institutions	1,549	1,559	10,282	13,390
Bonds – Others	10,595	2,216	7,921	20,732
Total quoted	25,507	16,946	39,449	81,902
Less: Allowance for impairment (Note 10)	(3)	(2)	(3)	(8)
Total investment securities at amortised cost	25,504	16,944	39,446	81,894
Total investment securities, net	48,433	34,253	83,451	166,137

(*) Gulf Cooperation Council
(**) includes investments in perpetual bonds

8. Investment securities, net (continued)

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

	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
At fair value through other comprehensive income (FVTOCI)		
Sukuk investments	**11,768**	11,389
Equities	**8**	71
	11,776	11,460
At amortised cost		
Sukuk investments	**5,425**	5,884
Less: Allowance for impairment	**(1)**	(2)
	5,424	5,882
Net Islamic investing assets	**17,200**	17,342

As at June 30, 2026, the allowance for impairment on debt instruments designated at FVTOCI amounting to AED 28 million (December 31, 2025 – AED 32 million) (Note 10) is included in revaluation reserve of investments carried at FVTOCI.

The Group hedges certain fixed and floating rate investments securities amounting to AED 115,520 million (December 31, 2025 – AED 106,615 million) for interest rate and foreign currency risks through interest rate and currency swaps and designates these as fair value and cash flow hedges, respectively. The net negative fair value of these swaps as at June 30, 2026 was AED 2,109 million (December 31, 2025 – net negative fair value AED 3,922 million).

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 June 30, 2026 (unaudited)		As at December 31, 2025 (audited)	
	Carrying value of pledged securities(*) AED million	**Carrying value of associated liabilities AED million**	Carrying value of pledged securities(*) AED million	Carrying value of associated liabilities AED million
Repurchase financing	**65,772**	**63,115**	44,496	41,764

(*) includes securities of AED 4,541 million (December 31, 2025 – AED 4,591 million) received as collateral by the Group (Note 6)

Further, the Group pledged investment securities with fair value amounting to AED 6,832 million (December 31, 2025 – AED 9,493 million) 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 June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Overdrafts (retail and corporate)	15,395	16,294
Retail loans - mortgages	19,708	19,368
Retail loans - others	45,539	46,179
Corporate loans	327,660	292,477
Credit cards	6,378	6,192
Other facilities	38,658	30,455
Gross loans and advances to customers	453,338	410,965
Less: Allowance for impairment (Note 10)	(8,742)	(7,934)
Total loans and advances to customers, net	444,596	403,031

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

	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Murabaha	38,651	33,801
Ijara financing	14,391	13,730
Salam	444	422
Others	1,668	1,201
Gross Islamic financing assets	55,154	49,154
Less: Allowance for impairment	(1,215)	(826)
Net Islamic financing assets	53,939	48,328

The Group hedges certain fixed and floating rate loans and advances amounting to AED 74,076 million (December 31, 2025 – AED 66,164 million) 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 June 30, 2026 was AED 903 million (December 31, 2025 – net negative fair value of AED 889 million).

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

	As at June 30, 2026 (unaudited)			As at December 31, 2025 (audited)		
	Within the UAE AED million	Outside the UAE AED million	Total AED million	Within the UAE AED million	Outside the UAE AED million	Total AED million
Economic activity sector						
Agriculture	179	114	293	61	110	171
Energy	5,711	28,811	34,522	5,130	24,517	29,647
Trading	29,798	17,143	46,941	25,711	14,962	40,673
Real estate investment	45,846	2,322	48,168	44,917	1,649	46,566
Hospitality	5,483	-	5,483	5,388	-	5,388
Transport and communication	10,008	8,923	18,931	8,662	9,125	17,787
Personal	74,862	1,188	76,050	74,573	1,161	75,734
Government and public sector entities	88,566	15,083	103,649	79,755	13,736	93,491
Financial institutions(*)	21,061	36,374	57,435	18,504	27,246	45,750
Manufacturing	3,667	16,208	19,875	3,374	11,159	14,533
Services	5,981	2,252	8,233	5,730	2,131	7,861
Others	27,192	6,566	33,758	27,046	6,318	33,364
Gross loans and advances to customers	318,354	134,984	453,338	298,851	112,114	410,965
Less: Allowance for impairment (Note 10)			(8,742)			(7,934)
Total loans and advances to customers, net			444,596			403,031

(*) includes investment companies

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

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

	As at June 30, 2026 (unaudited)		As at December 31, 2025 (audited)	
	Gross loans and advances to customers AED million	Allowance for impairment AED million	Gross loans and advances to customers AED million	Allowance for impairment AED million
Stage 1	**431,206**	**1,286**	385,451	1,296
Stage 2	**13,384**	**3,157**	16,847	3,164
Stage 3	**8,208**	**4,210**	8,075	3,383
Purchased or originated credit-impaired	**540**	**89**	592	91
Total	**453,338**	**8,742**	410,965	7,934

10. Impairment allowances

The movement in impairment allowances is as follows:

	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Opening balance	**8,499**	10,610
Charge for the period/year	**1,406**	3,686
Recoveries during the period/year	**(232)**	(583)
Net charge for the period/year	**1,174**	3,103
Adjustments to gross carrying value for the period/year	**7**	8
Net amounts written-off during the period/year	**(388)**	(5,228)
Impact of currency translation	**(5)**	6
Total impairment allowances	**9,287**	8,499

Allocation of impairment allowances is as follows:

	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Balances with central banks (Note 4)	**-**	1
Deposits and balances due from banks (Note 5)	**90**	106
Investment securities at amortised cost (Note 8)	**6**	8
Investment securities designated at FVTOCI (Note 8)(*)	**28**	32
Loans and advances to customers (Note 9)	**8,742**	7,934
Other assets (Note 12)	**25**	25
Letters of credit, guarantees and other commitments (Note 17)	**396**	393
Total impairment allowances	**9,287**	8,499

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

Impact of geopolitical developments

During the period, the wider Middle East region continued to experience elevated geopolitical tensions, contributing to increased uncertainty across both regional and global macroeconomic conditions. In response to these developments, the CBUAE introduced the Financial Institution Resilience Package ("FIRP"), effective March 17, 2026, which provides temporary liquidity and capital support measures to eligible banks. Subsequently, the CBUAE issued FIRP version 2.0, extending certain relief measures and introducing amendments to the applicable terms and conditions for banks operating in the UAE. The revised requirements became effective from July 1, 2026.

The Group's expected credit loss ("ECL") methodology, governance framework and key modelling approaches remained substantially consistent with those applied in the annual financial statements for the year ended December 31, 2025. However, in assessing ECL as at June 30, 2026, management incorporated enhanced forward-looking considerations to evaluate the potential impact of the prevailing geopolitical

10. Impairment allowances (continued)

Impact of geopolitical developments (continued)

environment. This assessment included the application of a deferral-based stress framework using downside analytical assumptions, incorporating sensitivities for potential increases in credit risk, hypothetical deterioration in borrower credit quality and prospective increases in customer deferral levels. In determining the appropriate level of impairment, management performed a comprehensive assessment of model-based estimates together with the results of the stress-testing exercises. Based on this evaluation, management concluded that an additional management overlay was necessary to address risks arising from the current geopolitical environment that may not yet be fully captured within the Group's existing credit risk models. Accordingly, an ECL overlay has been recognised and is included within the Group's net impairment charge for the period (Note 27).

The Group continues to monitor geopolitical developments, macroeconomic conditions and regulatory measures on an ongoing basis. The assumptions and judgements applied in the ECL assessment will be reviewed and updated as necessary to reflect evolving economic and market conditions, with any resulting impacts recognised in future reporting periods.

11. Investment properties

	AED million
As at January 1, 2025	1,716
Additions during the year	88
Disposals during the year	(641)
Revaluation of investment properties	30
As at December 31, 2025 (audited)	1,193
Disposals during the period	**(386)**
Impact of currency translation	**1**
As at June 30, 2026 (unaudited)	**808**

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 June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Interest receivable	**7,038**	6,333
Prepayments	**208**	103
Acceptances (Note 17)	**28,683**	26,149
Others	**3,609**	2,410
Gross other assets	**39,538**	34,995
Less: Allowance for impairment (Note 10)	**(25)**	(25)
Total other assets, net	**39,513**	34,970

13. Due to banks

	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Vostro balances	**2,519**	1,793
Margin deposits	**3,348**	3,207
Time deposits	**19,909**	14,086
Total due to banks	**25,776**	19,086

14. Deposits from customers

	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Time deposits	**285,846**	267,610
Current account deposits	**178,611**	179,027
Savings deposits	**58,145**	49,794
Long term government deposits	**90**	149
Margin deposits	**3,946**	3,195
Total deposits from customers	**526,638**	499,775

Islamic deposits included in the above table are as follows:

	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Current account deposits	**24,390**	21,717
Margin deposits	**285**	343
Mudaraba savings deposits(*)	**27,328**	24,765
Mudaraba term deposits	**497**	586
Murabaha deposits	**25**	737
Wakala deposits	**30,369**	22,846
Total Islamic deposits	**82,894**	70,994

(*) includes AED 14 million pertaining to investment risk reserve (IRR) (December 31, 2025 – AED 15 million)

The Group hedges customer deposits amounting to AED 48,610 million (December 31, 2025 – AED 62,027 million) 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 June 30, 2026 was AED 96 million (December 31, 2025 – net positive fair value of AED 173 million).

15. Euro commercial paper

The details of euro commercial paper ("ECP") issuances under the Bank's ECP programme are as follows:

	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Currency (CCY)		
US dollar (USD)	**3,015**	3,913
Euro (EUR)	**3,512**	2,684
Great Britain pound (GBP)	**1,132**	2,123
Australian dollar (AUD)	**241**	-
Total euro commercial paper	**7,900**	8,720

The Group hedges euro commercial paper amounting to AED 1,113 million (December 31, 2025 – AED 4,807 million) for foreign currency using foreign exchange swaps and designates these swaps as cash flow hedges. The net negative fair value of these hedge contracts as at June 30, 2026 was AED 9 million (December 31, 2025 – net positive fair value of AED 2 million). The effective interest rate on zero coupon ECPs ranges between 2.22% p.a. to 5.15% p.a. (December 31, 2025 – between 2.12% p.a. to 4.55% p.a.).

16. Borrowings

The details of borrowings as at June 30, 2026 (unaudited) are as follows:

Instrument	Currency (CCY)	Within 1 year AED million	1-3 years AED million	3-5 years AED million	Over 5 years AED million	Total AED million
Global medium term notes	Australian dollar (AUD)	508	377	149	-	1,034
	Chinese renminbi (CNH)	541	-	-	-	541
	Swiss franc (CHF)	-	-	464	-	464
	Hong Kong dollar (HKD)	-	94	-	-	94
	US dollar (USD)	4,043	7,509	5,872	16,054	33,478
	Indonesian rupiah (IDR)	-	277	115	-	392
		5,092	8,257	6,600	16,054	36,003
Bilateral loans	US dollar (USD)	1,394	3,602	733	-	5,729
	Kazakhstan tenge (KZT)	48	16	-	-	64
Certificate of deposits issued	Great Britain pound (GBP)	1,233	-	-	-	1,233
	US dollar (USD)	1,792	-	-	-	1,792
	Hong Kong dollar (HKD)	619	-	-	-	619
	Chinese renminbi (CNH)	54	-	-	-	54
	Euro (EUR)	705	-	-	-	705
	Canadian dollar (CAD)	351	-	-	-	351
	United Arab Emirates dirham (AED)	159	-	-	-	159
Subordinated notes - fixed rate	US dollar (USD)	-	-	-	1,799	1,799
Borrowings through repurchase agreements	US dollar (USD)	62,114	999	-	-	63,113
	Egyptian pound (EGP)	-	-	-	2	2
Total borrowings		73,561	12,874	7,333	17,855	111,623

The Group hedges borrowings amounting to AED 42,181 million 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 June 30, 2026 was AED 9,837 million.

16. **Borrowings** (continued)

The details of borrowings as at December 31, 2025 (audited) are as follows:

Instrument	Currency (CCY)	Within 1 year AED million	1-3 years AED million	3-5 years AED million	Over 5 years AED million	Total AED million
Global medium term notes	Australian dollar (AUD)	-	861	144	-	1,005
	Chinese renminbi (CNH)	358	169	-	-	527
	Swiss franc (CHF)	-	-	475	-	475
	Hong Kong dollar (HKD)	-	96	-	-	96
	US dollar (USD)	1,638	6,220	8,523	15,394	31,775
	Indonesian rupiah (IDR)	-	-	447	-	447
		1,996	7,346	9,589	15,394	34,325
Bilateral loans	US dollar (USD)	-	4,991	733	-	5,724
	Kazakhstan tenge (KZT)	-	60	-	-	60
Certificate of deposits issued	Great Britain pound (GBP)	3,225	-	-	-	3,225
	US dollar (USD)	1,609	-	-	-	1,609
	Hong Kong dollar (HKD)	216	-	-	-	216
	Chinese renminbi (CNH)	52	-	-	-	52
	Euro (EUR)	989	-	-	-	989
Subordinated notes - fixed rate	US dollar (USD)	-	-	-	1,830	1,830
Borrowings through repurchase agreements	US dollar (USD)	40,108	1,654	-	-	41,762
	Egyptian pound (EGP)	-	-	-	2	2
Total borrowings		48,195	14,051	10,322	17,226	89,794

The Group hedges borrowings amounting to AED 43,305 million 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, 2025 was AED 9,802 million.

16. Borrowings (continued)

Interests are payable in arrears and the contractual coupon rates as at June 30, 2026 (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. and quarterly coupons between 90 to 94 basis points over bank bill swap rate (BBSW)	Fixed rate of 4.50% p.a.	Fixed rate between 2.696% p.a. to 2.80% p.a.	-
	CNH	Fixed rate between 3.2% p.a. to 3.415% p.a.	-	-	-
	CHF	-	-	Fixed rate of 2.023% p.a.	-
	HKD	-	Fixed rate of 4.16% p.a.	-	-
	USD	Fixed rate between 1.63% p.a. to 5.1% p.a. and quarterly coupon of 88 basis points over SOFR	Fixed rate between 4.50% p.a. to 5.50% p.a. and quarterly coupons between 110 to 166 basis points over SOFR	Quarterly coupons between 78 to 140 basis points over SOFR	Fixed rate between 4.65% p.a. to 5.00% p.a. and zero coupons with an internal rate between 3.271% p.a. to 5.785% p.a.(*)
	IDR	-	Fixed rate of 8.16% p.a.	Fixed rate of 7.50% p.a.	-
Bilateral loans	USD	Monthly coupon of 68 basis point over SOFR	Monthly coupons between 68 to 85 basis points over SOFR	Monthly coupon of 78 basis point over SOFR	-
	KZT	Fixed rate of 9.50% p.a.	Fixed rate of 8.50% p.a.	-	-
Certificate of deposits issued	GBP	Zero coupons with an internal rate between 3.94% p.a. to 4.30% p.a.	-	-	-
	USD	Zero coupons with an internal rate between 3.86% p.a. to 4.42% p.a.	-	-	-
	HKD	Zero coupons with an internal rate between 2.59% p.a. to 3.4% p.a.	-	-	-
	CNH	Zero coupon with an internal rate of 1.80% p.a.	-	-	-
	EUR	Zero coupons with an internal rate between 2.85% p.a. to 2.90% p.a.	-	-	-
	CAD	Zero coupon with an internal rate of 2.87% p.a.	-	-	-
	AED	Zero coupon with an internal rate of 4.35% 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 3.74% p.a. to 4.02% p.a., monthly coupons between 22 to 52 basis points over SOFR, quarterly coupons between 19 to 60 basis points over SOFR, semi-annual coupon of 41 basis points over SOFR, and coupons on maturity between 15 to 35 basis points over SOFR	Quarterly coupon of 57 basis points over SOFR	-	-
	EGP	-	-	-	Fixed rate between 0.50% p.a. to 3.50% p.a.

(*) includes AED 15,575 million accreting notes for maturities ranging from 30 years to 40 years with internal rate of return ranging from 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.

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.

Further, the Group posted net cash collateral of AED 489 million (December 31, 2025 – received AED 242 million) as margin calls against repurchase agreement.

17. Other liabilities

	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Interest payable	**3,705**	3,818
Recognised liability for defined benefit obligation	**536**	528
Deferred income	**2,143**	1,904
Acceptances (Note 12)	**28,683**	26,149
Impairment allowance on letters of credit, guarantees and other commitments (Note 10)	**396**	393
Others(*)	**7,870**	6,482
Total other liabilities	**43,333**	39,274

(*) includes AED 262 million (December 31, 2025 – AED 268 million) pertaining to lease liability

18. Share capital

	Authorised	**Issued and fully paid**	
	AED million	**As at June 30 2026 unaudited AED million**	As at December 31 2025 audited AED million
Ordinary shares of AED 1 each	**10,000**	**7,912**	7,912

19. Other reserves (unaudited)

Reserves movement for the six month period ended June 30, 2026:

	Employees' incentive plan shares, net AED million	Statutory reserve AED million	Legal reserve AED million	General reserve AED million	Contingency reserve AED million	Foreign currency translation reserve AED million	Cash flow hedge reserve AED million	Impairment reserve - general AED million	Revaluation reserve of investments designated at FVTOCI AED million	Attributable to equity holders of the Bank AED million	Non-controlling interests AED million	Total AED million
As at January 1, 2026	**(335)**	**3,956**	**11,380**	**2,000**	**150**	**(629)**	**190**	**1,517**	**58**	**18,287**	**(1)**	**18,286**
Exchange difference arising on translation of foreign operations	-	-	-	-	-	(40)	-	-	-	(40)	-	(40)
Net fair value changes on cash flow hedges	-	-	-	-	-	-	(568)	-	-	(568)	-	(568)
Net fair value changes on cash flow hedges reclassified to condensed consolidated interim income statement	-	-	-	-	-	-	80	-	-	80	-	80
Net fair value changes of debt instruments designated at FVTOCI	-	-	-	-	-	-	-	-	(382)	(382)	-	(382)
Changes in allowance for expected credit losses on debt instruments designated at FVTOCI	-	-	-	-	-	-	-	-	(4)	(4)	-	(4)
Amounts reclassified to condensed consolidated interim income statement for debt instruments designated at FVTOCI	-	-	-	-	-	-	-	-	16	16	-	16
Related tax impact	-	-	-	-	-	-	44	-	31	75	-	75
Net fair value changes of equity instruments designated at FVTOCI (net of tax)	-	-	-	-	-	-	-	-	1	1	-	1
Total other comprehensive loss for the period	**-**	**-**	**-**	**-**	**-**	**(40)**	**(444)**	**-**	**(338)**	**(822)**	**-**	**(822)**
Acquisition of shares	(203)	-	-	-	-	-	-	-	-	(203)	-	(203)
Transfers from retained earnings	-	-	-	-	-	-	-	554	-	554	-	554
Shares - vested portion	87	-	-	-	-	-	-	-	-	87	-	87
As at June 30, 2026	**(451)**	**3,956**	**11,380**	**2,000**	**150**	**(669)**	**(254)**	**2,071**	**(280)**	**17,903**	**(1)**	**17,902**

19. **Other reserves** (unaudited) (continued)

Reserves movement for the six month period ended June 30, 2025:

	Employees' incentive plan shares, net AED million	Statutory reserve AED million	Legal reserve AED million	General reserve AED million	Contingency reserve AED million	Foreign currency translation reserve AED million	Cash flow hedge reserve AED million	Impairment reserve - general AED million	Revaluation reserve of investments designated at FVTOCI AED million	Attributable to equity holders of the Bank AED million	Non-controlling interests AED million	Total AED million
As at January 1, 2025	(175)	3,660	5,872	2,000	150	(712)	254	781	(748)	11,082	(1)	11,081
Exchange difference arising on translation of foreign operations	-	-	-	-	-	28	-	-	-	28	-	28
Net fair value changes on cash flow hedges	-	-	-	-	-	-	(80)	-	-	(80)	-	(80)
Net fair value changes on cash flow hedges reclassified to condensed consolidated interim income statement	-	-	-	-	-	-	31	-	-	31	-	31
Net fair value changes of debt instruments designated at FVTOCI	-	-	-	-	-	-	-	-	499	499	-	499
Changes in allowance for expected credit losses on debt instruments designated at FVTOCI	-	-	-	-	-	-	-	-	(6)	(6)	-	(6)
Amounts reclassified to condensed consolidated interim income statement for debt instruments designated at FVTOCI	-	-	-	-	-	-	-	-	74	74	-	74
Related tax impact	-	-	-	-	-	-	10	-	(52)	(42)	-	(42)
Net fair value changes of equity instruments designated at FVTOCI	-	-	-	-	-	-	-	-	11	11	-	11
Related tax impact on fair value changes of equity instruments designated at FVTOCI	-	-	-	-	-	-	-	-	(2)	(2)	-	(2)
Amounts transferred within equity upon disposal of equity instruments designated at FVTOCI	-	-	-	-	-	-	-	-	50	50	-	50
Total other comprehensive income/(loss) for the period	-	-	-	-	-	28	(39)	-	574	563	-	563
Acquisition of shares	(270)	-	-	-	-	-	-	-	-	(270)	-	(270)
Transfers from retained earnings	-	-	-	-	-	-	-	445	-	445	-	445
Shares - vested portion	68	-	-	-	-	-	-	-	-	68	-	68
As at June 30, 2025	(377)	3,660	5,872	2,000	150	(684)	215	1,226	(174)	11,888	(1)	11,887

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.

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

Issuance	Currency	Interest rate	First call date	**As at June 30 2026 unaudited AED million**	As at December 31 2025 audited AED million
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**	6,000
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(*)	**2,755**	2,755
				8,755	8,755

(*) 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 June 30		6 months ended June 30	
	2026 AED million	2025 AED million	**2026 AED million**	2025 AED million
Loans and advances to banks	**887**	824	**1,695**	1,583
Loans and advances to customers	**5,348**	5,116	**10,437**	10,024
Investment securities	**1,691**	1,722	**3,353**	3,402
Total interest income	**7,926**	7,662	**15,485**	15,009

22. Interest expense (unaudited)

	3 months ended June 30		6 months ended June 30	
	2026	2025	**2026**	2025
	AED million	AED million	**AED million**	AED million
Deposits from banks	**209**	136	**384**	248
Deposits from customers	**3,270**	3,102	**6,386**	6,176
Euro commercial paper	**59**	132	**137**	223
Borrowings(*)	**1,297**	1,288	**2,435**	2,544
Total interest expense	**4,835**	4,658	**9,342**	9,191

(*) includes AED 7 million (for the six month period ended June 30, 2025 - AED 6 million) for interest expense on lease liabilities

23. Net fees and commission income (unaudited)

	3 months ended June 30		6 months ended June 30	
	2026	2025	**2026**	2025
	AED million	AED million	**AED million**	AED million
Fees and commission income				
Card related fees	**674**	510	**1,094**	962
Loan processing fees	**367**	353	**736**	593
Accounts related fees	**157**	133	**313**	277
Trade finance commission	**231**	192	**449**	387
Asset management and investment services	**66**	58	**148**	126
Other fees	**261**	254	**521**	516
Total fees and commission income	**1,756**	1,500	**3,261**	2,861
Fees and commission expense				
Card related fees	**(349)**	(332)	**(666)**	(642)
Loan processing fees	**(35)**	(33)	**(72)**	(58)
Others	**(186)**	(206)	**(399)**	(412)
Total fees and commission expense	**(570)**	(571)	**(1,137)**	(1,112)
Net fees and commission income	**1,186**	929	**2,124**	1,749

24. Net trading income (unaudited)

	3 months ended June 30		6 months ended June 30	
	2026	2025	**2026**	2025
	AED million	AED million	**AED million**	AED million
Net gain from dealing in foreign currencies	**289**	258	**605**	494
Net gain from financial assets at fair value through profit or loss and derivatives	**683**	614	**1,326**	937
Net trading income	**972**	872	**1,931**	1,431

25. Other operating income (unaudited)

	3 months ended June 30		6 months ended June 30	
	2026	2025	**2026**	2025
	AED million	AED million	**AED million**	AED million
Property management income	**5**	3	**8**	6
Net (loss)/gain from disposal of investment securities	**(35)**	(112)	**1**	(184)
Net gain from hedging derivatives	**118**	245	**233**	379
Dividend income	**34**	8	**39**	17
Others(*)	**34**	129	**174**	295
Total other operating income	**156**	273	**455**	513

(*) includes realised gain of AED 111 million (for the six month period ended June 30, 2025 – AED 160 million) on sale/extinguishment of loans and advances

26. Operating expenses (unaudited)

	3 months ended June 30		6 months ended June 30	
	2026	2025	**2026**	2025
	AED million	AED million	**AED million**	AED million
Staff expenses	**988**	892	**1,817**	1,699
General administrative expenses	**593**	515	**1,168**	1,068
Depreciation on property and equipment and right of use assets	**53**	48	**107**	96
Amortisation of intangible assets	**57**	55	**118**	112
Total operating expenses	**1,691**	1,510	**3,210**	2,975

27. Impairment charge (unaudited)

	3 months ended June 30		6 months ended June 30	
	2026	2025	**2026**	2025
	AED million	AED million	**AED million**	AED million
Financial instruments carried at amortised cost – net charge(*)	**727**	1,336	**1,406**	2,138
Debt instruments designated at FVTOCI – net release	**-**	(2)	**(4)**	(6)
Commitment and contingent liabilities – net (release)/charge	**(32)**	(32)	**4**	(36)
Less: Recoveries during the period	**(159)**	(115)	**(232)**	(263)
Total impairment charge (Note 10)	**536**	1,187	**1,174**	1,833

(*) includes net release of AED 2 million (for the six month period ended June 30, 2025 – AED 8 million) 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 June 30		6 months ended June 30	
	2026	2025	**2026**	2025
	AED million	AED million	**AED million**	AED million
Profit for the period attributable to the equity holders of the Bank	**3,376**	2,568	**6,737**	5,015
Less: Coupons paid on capital notes (Note 20)	**(110)**	(110)	**(307)**	(329)
Net adjusted profit for the period attributable to the equity holders of the Bank (a)	**3,266**	2,458	**6,430**	4,686
	Number of shares in million		Number of shares in million	
Weighted average number of shares in issue throughout the period	**7,912**	7,487	**7,912**	7,487
Less: Weighted average number of shares resulting from employees' incentive plan shares	**(58)**	(36)	**(52)**	(38)
Weighted average number of equity shares in issue during the period for basic earnings per share (b)	**7,854**	7,451	**7,860**	7,449
Add: Weighted average number of shares resulting from employees' incentive plan shares	**58**	36	**52**	38
Weighted average number of equity shares in issue during the period for diluted earnings per share (c)	**7,912**	7,487	**7,912**	7,487
Basic earnings per share (AED) (a)/(b)	**0.42**	0.33	**0.82**	0.63
Diluted earnings per share (AED) (a)/(c)	**0.41**	0.33	**0.81**	0.63

29. Commitments and contingent liabilities

The Group has the following commitments and contingent liabilities:

	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Letters of credit	**17,868**	14,284
Guarantees	**99,867**	90,696
Commitments to extend credit(*)	**118,369**	96,521
Total commitments on behalf of customers	**236,104**	201,501
Commitments for future capital expenditure and others	**624**	527
Commitments to invest in investment securities	**4,199**	432
Total commitments and contingent liabilities	**240,927**	202,460

(*) includes AED 12,832 million (December 31, 2025 – AED 12,484 million) 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 in line with the Group's internal management and reporting framework. The Group's Management Executive Committee (the Chief Operating Decision Maker "CODM") is responsible for allocation of resources to these segments. Performance of these segments is reviewed regularly by the Group's Strategic Management Committee ("SMC"), operating under delegated authority from the CODM.

A summary of the activities of each of the Group's reportable segments is set out below:

Retail banking - comprises retail and business banking activities, including products and services offered to retail customers and small and medium enterprises ("SMEs"), as well as Islamic financing. The segment includes loans, deposits and other transactions and balances with retail and business banking customers. Effective January 1, 2026, the business banking division was transferred from the corporate and investment banking segment to the retail banking segment. Accordingly, the financial performance and results of the business banking division have been reported within the retail banking segment for the current and prior periods.

Private banking - comprises services offered to high-net-worth individuals, including private banking, asset management, brokerage, Islamic financing and investments in associates. The segment includes loans, deposits and other transactions and balances with high-net-worth individuals and related corporate and private accounts, as well as fund management activities.

Corporate and investment banking - comprises cash management, trade finance, corporate finance, investment banking, Islamic financing, infrastructure and asset finance, and services provided to government and public sector enterprises. The segment includes loans, deposits and other transactions and balances with corporate customers.

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

Others - comprises the activities and operations of entities not included in the above segments, including income from real estate management, rental income from leased properties and any other activities not specifically attributable to the above reportable segments.

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 Group's SMC. 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.

30. Operating segments (continued)

The following is an analysis of the Group's revenue and results by operating segments for the six month period ended June 30, 2026 (unaudited):

	Retail banking AED million	Private banking AED million	Corporate and investment banking AED million	Investments and treasury AED million	Others AED million	Total AED million
Net interest income	**1,967**	**559**	**1,640**	**1,967**	**10**	**6,143**
Net income from Islamic financing and investing products	**803**	**67**	**199**	**259**	**-**	**1,328**
Total net interest income and income from Islamic financing and investing products	**2,770**	**626**	**1,839**	**2,226**	**10**	**7,471**
Non-interest income	**1,328**	**93**	**2,211**	**761**	**117**	**4,510**
Operating income	**4,098**	**719**	**4,050**	**2,987**	**127**	**11,981**
Operating expenses	**(1,754)**	**(192)**	**(839)**	**(228)**	**(197)**	**(3,210)**
Operating profit/(loss) before impairment charge	**2,344**	**527**	**3,211**	**2,759**	**(70)**	**8,771**
Impairment (charge)/release	**(462)**	**(365)**	**(354)**	**7**	**-**	**(1,174)**
Profit/(loss) after impairment charge	**1,882**	**162**	**2,857**	**2,766**	**(70)**	**7,597**
Share in profit of associates and joint ventures	**-**	**4**	**-**	**-**	**6**	**10**
Profit/(loss) before taxation	**1,882**	**166**	**2,857**	**2,766**	**(64)**	**7,607**
Income tax (charge)/release	**(171)**	**(15)**	**(358)**	**(332)**	**6**	**(870)**
Profit/(loss) for the period	**1,711**	**151**	**2,499**	**2,434**	**(58)**	**6,737**
As at June 30, 2026 (unaudited)						
Total assets	**85,763**	**24,070**	**428,236**	**292,792**	**2,323**	**833,184**
Total liabilities	**165,120**	**56,968**	**276,806**	**243,714**	**1,322**	**743,930**

The following is an analysis of the Group's revenue and results by operating segments for the six month period ended June 30, 2025 (unaudited):

	Retail banking AED million	Private banking AED million	Corporate and investment banking AED million	Investments and treasury AED million	Others AED million	Total AED million
Net interest income	1,866	708	1,432	1,809	3	5,818
Net income from Islamic financing and investing products	810	54	188	178	-	1,230
Total net interest income and income from Islamic financing and investing products	2,676	762	1,620	1,987	3	7,048
Non-interest income	1,064	110	1,708	634	177	3,693
Operating income	3,740	872	3,328	2,621	180	10,741
Operating expenses	(1,752)	(209)	(742)	(201)	(71)	(2,975)
Operating profit before impairment charge	1,988	663	2,586	2,420	109	7,766
Impairment (charge)/release	(307)	(1,417)	(126)	17	-	(1,833)
Profit/(loss) after impairment charge	1,681	(754)	2,460	2,437	109	5,933
Share in profit of associates and joint ventures	-	4	-	-	5	9
Profit/(loss) before taxation	1,681	(750)	2,460	2,437	114	5,942
Income tax (charge)/release	(243)	83	(386)	(373)	(9)	(928)
Profit/(loss) for the period	1,438	(667)	2,074	2,064	105	5,014
As at December 31, 2025 (audited)						
Total assets	82,935	25,091	382,843	281,492	1,293	773,654
Total liabilities	154,787	56,491	259,477	212,798	1,360	684,913

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 June 30, 2026 (unaudited):

	Retail banking AED million	Private banking AED million	Corporate and investment banking AED million	Investments and treasury AED million	Others AED million	Total AED million
Net interest income	**995**	**293**	**813**	**985**	**5**	**3,091**
Net income from Islamic financing and investing products	**392**	**39**	**103**	**108**	**-**	**642**
Total net interest income and income from Islamic financing and investing products	**1,387**	**332**	**916**	**1,093**	**5**	**3,733**
Non-interest income	**767**	**46**	**1,007**	**427**	**67**	**2,314**
Operating income	**2,154**	**378**	**1,923**	**1,520**	**72**	**6,047**
Operating expenses	**(918)**	**(102)**	**(448)**	**(125)**	**(98)**	**(1,691)**
Operating profit/(loss) before impairment charge	**1,236**	**276**	**1,475**	**1,395**	**(26)**	**4,356**
Impairment charge	**(185)**	**(239)**	**(112)**	**-**	**-**	**(536)**
Profit/(loss) after impairment charge	**1,051**	**37**	**1,363**	**1,395**	**(26)**	**3,820**
Share in profit of associates and joint ventures	**-**	**3**	**-**	**-**	**3**	**6**
Profit/(loss) before taxation	**1,051**	**40**	**1,363**	**1,395**	**(23)**	**3,826**
Income tax charge	**(96)**	**(4)**	**(183)**	**(167)**	**-**	**(450)**
Profit/(loss) for the period	**955**	**36**	**1,180**	**1,228**	**(23)**	**3,376**

The following is an analysis of the Group's revenue and results by operating segments for the three month period ended June 30, 2025 (unaudited):

	Retail banking AED million	Private banking AED million	Corporate and investment banking AED million	Investments and treasury AED million	Others AED million	Total AED million
Net interest income	983	360	745	914	2	3,004
Net income from Islamic financing and investing products	426	30	103	92	-	651
Total net interest income and income from Islamic financing and investing products	1,409	390	848	1,006	2	3,655
Non-interest income	552	58	987	346	131	2,074
Operating income	1,961	448	1,835	1,352	133	5,729
Operating expenses	(869)	(107)	(385)	(112)	(37)	(1,510)
Operating profit before impairment charge	1,092	341	1,450	1,240	96	4,219
Impairment (charge)/release	(161)	(918)	(119)	11	-	(1,187)
Profit/(loss) after impairment charge	931	(577)	1,331	1,251	96	3,032
Share in profit of associates and joint ventures	-	2	-	-	2	4
Profit/(loss) before taxation	931	(575)	1,331	1,251	98	3,036
Income tax (charge)/release	(131)	58	(208)	(178)	(9)	(468)
Profit/(loss) for the period	800	(517)	1,123	1,073	89	2,568

30. Operating segments (continued)

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)	
	6 months ended June 30		**6 months ended June 30**	
	2026 AED million	2025 AED million	**2026 AED million**	2025 AED million
Retail banking	**2,892**	2,819	**1,206**	921
Private banking	**196**	437	**523**	435
Corporate and investment banking	**7,045**	6,513	**(2,995)**	(3,185)
Investments and treasury	**1,721**	792	**1,266**	1,829
Others	**127**	180	**-**	-
Total operating income	**11,981**	10,741	**-**	-

	External (unaudited)		**Inter-segment** (unaudited)	
	3 months ended June 30		**3 months ended June 30**	
	2026 AED million	2025 AED million	**2026 AED million**	2025 AED million
Retail banking	**1,509**	1,427	**645**	534
Private banking	**103**	258	**275**	190
Corporate and investment banking	**3,479**	3,440	**(1,556)**	(1,605)
Investments and treasury	**884**	471	**636**	881
Others	**72**	133	**-**	-
Total operating income	**6,047**	5,729	**-**	-

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 branches and subsidiaries in the UAE. International area represents the operations of the Group that originates from its subsidiaries and branches outside the UAE. The information regarding the Group's revenue from continuing operations and non-current assets by geographical location are detailed as follows:

	Domestic (unaudited)		**International** (unaudited)	
	6 months ended June 30		**6 months ended June 30**	
	2026 AED million	2025 AED million	**2026 AED million**	2025 AED million
Income				
Net interest income and income from Islamic financing and investing products	**7,077**	6,653	**394**	395
Non-interest income	**4,433**	3,627	**77**	66

	Domestic (unaudited)		**International** (unaudited)	
	3 months ended June 30		**3 months ended June 30**	
	2026 AED million	2025 AED million	**2026 AED million**	2025 AED million
Income				
Net interest income and income from Islamic financing and investing products	**3,540**	3,452	**193**	203
Non-interest income	**2,277**	2,042	**37**	32

30. Operating segments (continued)

Geographical information (continued)

	Domestic		International	
	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million	**As at June 30 2026 unaudited AED million**	As at December 31 2025 audited AED million
Non-current assets				
Investment in associates and joint ventures	**315**	306	**-**	-
Investment properties	**808**	1,193	**-**	-
Property and equipment, net	**507**	544	**129**	145
Intangible assets, net	**7,582**	7,563	**105**	95
Right of use assets, net	**242**	240	**27**	35

31. Capital adequacy ratio

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

	As at June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Common equity tier 1 (CET1) capital		
Share capital (Note 18)	**7,912**	7,912
Share premium	**17,879**	17,879
Other reserves	**16,817**	16,856
Retained earnings	**36,753**	35,840
Regulatory deductions and adjustments	**(8,496)**	(8,005)
Proposed cash dividend	**-**	(4,985)
Total CET1 capital	**70,865**	65,497
Additional tier 1 (AT1) capital		
Capital notes (Note 20)	**8,755**	8,755
Total AT1 capital	**8,755**	8,755
Total tier 1 capital	**79,620**	74,252
Tier 2 capital		
Eligible general provision	**4,210**	4,676
Subordinated notes	**1,799**	1,830
Total tier 2 capital	**6,009**	6,506
Total regulatory capital	**85,629**	80,758
Risk-weighted assets		
Credit risk	**465,982**	427,627
Market risk	**16,556**	11,403
Operational risk	**36,417**	35,872
Total risk-weighted assets	**518,955**	474,902
CET1 ratio	**13.66%**	13.79%
AT1 ratio	**1.68%**	1.85%
Tier 1 ratio	**15.34%**	15.64%
Tier 2 ratio	**1.16%**	1.36%
Capital adequacy ratio	**16.50%**	17.00%

32. Related party transactions

The Group enters into transactions with the parent and its related entities, associates, joint ventures, 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.

Senior 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.

Parent and ultimate controlling party

Mubadala Investment Company holds 60.77% 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 million	Directors and their related parties AED million	Senior management personnel and their related parties AED million	Associates, joint ventures and funds under management AED million	Total AED million
Balances as at June 30, 2026 (unaudited)					
Deposits and balances due from banks	**1,878**	**-**	**-**	**-**	**1,878**
Financial assets at fair value through profit or loss	**1,344**	**-**	**-**	**2,936**	**4,280**
Derivative financial instruments - assets	**882**	**3**	**-**	**-**	**885**
Investment securities	**31,834**	**-**	**-**	**303**	**32,137**
Loans and advances to customers(*)	**76,743**	**3,430**	**54**	**173**	**80,400**
Other assets	**750**	**4**	**-**	**48**	**802**
Due to banks	**118**	**-**	**-**	**-**	**118**
Derivative financial instruments - liabilities	**1,237**	**3**	**-**	**-**	**1,240**
Deposits from customers	**99,605**	**567**	**35**	**1,505**	**101,712**
Other liabilities	**999**	**2**	**18**	**17**	**1,036**
Capital notes	**6,000**	**-**	**-**	**-**	**6,000**
Commitments and contingent liabilities	**45,919**	**61**	**3**	**63**	**46,046**
Transactions for the six month period ended June 30, 2026 (unaudited)					
Interest income, Islamic financing income and non-interest income	**2,638**	**89**	**1**	**15**	**2,743**
Interest expense and Islamic profit distribution	**1,687**	**3**	**-**	**26**	**1,716**
Share in profit of associates and joint ventures	**-**	**-**	**-**	**10**	**10**
Coupons paid on capital notes	**197**	**-**	**-**	**-**	**197**

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

32. Related party transactions (continued)

	Ultimate controlling party and its related parties AED million	Directors and their related parties AED million	Senior management personnel and their related parties AED million	Associates, joint ventures and funds under management AED million	Total AED million
Balances as at December 31, 2025 (audited)					
Deposits and balances due from banks	53	-	-	-	53
Financial assets at fair value through profit or loss	48	-	-	2,936	2,984
Derivative financial instruments - assets	1,101	9	-	-	1,110
Investment securities	31,392	-	-	294	31,686
Loans and advances to customers(*)	66,547	3,672	47	191	70,457
Other assets	835	5	-	24	864
Due to banks	37	-	-	-	37
Derivative financial instruments - liabilities	1,333	5	-	-	1,338
Deposits from customers	105,323	546	19	1,628	107,516
Other liabilities	1,359	3	17	11	1,390
Capital notes	6,000	-	-	-	6,000
Commitments and contingent liabilities	41,508	70	3	61	41,642
Transactions for the six month period ended June 30, 2025 (unaudited)					
Interest income, Islamic financing income and non-interest income	3,156	114	1	18	3,289
Interest expense and Islamic profit distribution	2,094	8	-	27	2,129
Share in profit of associates and joint ventures	-	-	-	9	9
Coupons paid on capital notes	219	-	-	-	219

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

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

	6 months ended June 30	
	2026	2025
	AED million	AED million
Short term benefits	**31**	28
Post-employment benefits	**1**	1
Variable pay benefits	**29**	26
Total remuneration	**61**	55
Board of Directors fees and expenses	**20**	20

In addition to the above, the senior management personnel were granted long term deferred compensation including share based payments of AED 59 million (for the six month period ended June 30, 2025 – AED 48 million).

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:

33. Fair value hierarchy (continued)

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 valuation 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.

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:

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

33. Fair value hierarchy (continued)

Valuation techniques using significant unobservable inputs – Level 3

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.

	Notes	Level 1 Quoted market prices AED million	Level 2 Observable inputs AED million	Level 3 Significant unobservable inputs AED million	Total fair value AED million	Carrying value AED million
As at June 30, 2026 (unaudited)						
Assets at fair value						
Financial assets at fair value through profit or loss	**6**	**10,577**	**14,107**	**4,208**	**28,892**	**28,892**
Derivative financial instruments	**7**	**229**	**15,778**	**-**	**16,007**	**16,007**
Investment securities, net	**8**					
- At fair value through other comprehensive income		**98,294**	**2,277**	**157**	**100,728**	**100,728**
- At amortised cost		**61,710**	**6,506**	**-**	**68,216**	**70,019**
Investment properties	**11**	**-**	**-**	**808**	**808**	**808**
Total		**170,810**	**38,668**	**5,173**	**214,651**	**216,454**
Liabilities at fair value						
Derivative financial instruments	**7**	**184**	**28,476**	**-**	**28,660**	**28,660**
Liabilities at amortised cost						
Euro commercial paper	**15**	**-**	**7,907**	**-**	**7,907**	**7,900**
Borrowings	**16**	**16,933**	**94,680**	**-**	**111,613**	**111,623**
Total		**17,117**	**131,063**	**-**	**148,180**	**148,183**
As at December 31, 2025 (audited)						
Assets at fair value						
Financial assets at fair value through profit or loss	6	11,152	10,504	2,966	24,622	24,622
Derivative financial instruments	7	47	15,113	-	15,160	15,160
Investment securities, net	8					
- At fair value through other comprehensive income		82,710	1,388	145	84,243	84,243
- At amortised cost		75,662	4,961	-	80,623	81,894
Investment properties	11	-	-	1,193	1,193	1,193
Total		169,571	31,966	4,304	205,841	207,112
Liabilities at fair value						
Derivative financial instruments	7	66	28,198	-	28,264	28,264
Liabilities at amortised cost						
Euro commercial paper	15	-	8,726	-	8,726	8,720
Borrowings	16	15,307	75,000	-	90,307	89,794
Total		15,373	111,924	-	127,297	126,778

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.

33. Fair value hierarchy (continued)

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 June 30 2026 unaudited AED million	As at December 31 2025 audited AED million
Opening balance	**3,111**	3,324
Net additions during the period/year	**1,254**	93
Disposals including capital refunds during the period/year	**-**	(76)
Adjustment through income/other comprehensive income statement during the period/year	**-**	(230)
Closing balance	**4,365**	3,111

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.