

United Arab Bank P.J.S.C.

Review report and condensed interim financial statements

For the nine months period ended 30 September 2025

United Arab Bank P.J.S.C.

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For the nine months period ended 30 September 2025**

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Review report on condensed interim financial information to the Board of Directors of United Arab Bank P.J.S.C

Introduction

We have reviewed the accompanying condensed interim statement of financial position of United Arab Bank P.J.S.C (the "Bank") as at 30 September 2025 and the related condensed interim statements of income and comprehensive income, for the three-month and nine-month periods then ended and condensed interim statements of cash flows and changes in equity for the nine month period then ended and other explanatory notes. The Directors are responsible for the preparation and presentation of this condensed interim financial information in accordance with International Accounting Standard 34 – Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of the condensed 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 condensed interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 – Interim Financial Reporting ("IAS 34").

PricewaterhouseCoopers Limited Partnership – SHJ. BR
27 October 2025



Jigesh Ashokkumar Shah
Registered Auditor Number: 5621
Place: Sharjah, United Arab Emirates

United Arab Bank P.J.S.C.

INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

		<i>Unaudited</i> <i>30 September</i> <i>2025</i> <i>AED'000</i>	<i>Audited</i> <i>31 December</i> <i>2024</i> <i>AED'000</i>
	<i>Notes</i>		
Assets			
Cash and balances with UAE Central Bank	5	1,505,829	2,225,224
Due from banks, net	6	484,713	585,146
Loans and advances and Islamic financing receivables, net	7	14,112,034	11,526,357
Investments and Islamic instruments, net	8	7,408,851	6,004,981
Property, equipment and capital work-in-progress	9	242,490	204,207
Customer acceptances		311,671	422,990
Other assets, net	10	399,773	492,575
TOTAL ASSETS		24,465,361	21,461,480
Liabilities and Equity			
Liabilities			
Due to banks	11	4,482,677	3,596,354
Customer deposits and Islamic customer deposits	12	14,369,209	13,577,035
Medium term borrowings	13	734,600	734,600
Customer acceptances		311,671	422,990
Other liabilities	14	607,947	579,016
Total liabilities		20,506,104	18,909,995
Shareholders' equity			
Share capital	15	3,093,826	2,062,550
Treasury shares		-	(3,008)
Tier 1 instrument	15	550,875	550,875
Special reserve		78,118	78,118
Statutory reserve		107,042	107,042
General reserve		9,311	9,311
Cumulative changes in fair value	15	1,666	(98,231)
Retained earnings/(accumulated losses)		118,419	(155,172)
Total equity		3,959,257	2,551,485
TOTAL LIABILITIES AND EQUITY		24,465,361	21,461,480

This condensed interim financial information was approved by the Board of Directors on 27 October 2025 and signed on its behalf by:



HH Sheikh Mohammed Bin Faisal Bin Sultan Al Qassimi
Chairman



Shirish Bhide
Chief Executive Officer

The notes on pages 7 to 22 form an integral part of the condensed interim financial information.
The independent auditors' report on review of the Bank's condensed interim financial information is set out on page 1.

United Arab Bank P.J.S.C.

INTERIM STATEMENT OF INCOME

For the nine months period ended 30 September 2025

	Notes	<i>Three months period ended 30 September (Unaudited)</i>		<i>Nine months period ended 30 September (Unaudited)</i>	
		<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
		<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Interest income		287,464	273,219	840,241	816,019
Income from Islamic financing receivables		43,975	28,898	119,512	86,144
Total interest income and income from Islamic financing products		331,439	302,117	959,753	902,163
Interest expense		(155,719)	(162,730)	(459,841)	(461,706)
Distribution to Islamic depositors		(25,048)	(28,269)	(72,734)	(86,671)
Total interest expense and distribution to depositors		(180,767)	(190,999)	(532,575)	(548,377)
Net interest income and income from Islamic financing products net of distribution to depositors		150,672	111,118	427,178	353,786
Net fees and commission income		24,528	22,417	74,564	64,969
Foreign exchange income		14,351	9,850	36,172	22,690
Other operating income		17,263	8,269	42,443	10,678
Total operating income		206,814	151,654	580,357	452,123
Employee benefit expenses		(55,784)	(51,188)	(167,079)	(150,607)
Depreciation and amortization		(4,586)	(5,244)	(16,096)	(15,891)
Other operating expenses		(30,904)	(18,718)	(85,119)	(57,119)
Total operating expenses		(91,274)	(75,150)	(268,294)	(223,617)
Operating profit before impairment loss		115,540	76,504	312,063	228,506
Net impairment reversal	16	2,932	4,530	34,786	4,724
Net profit for the period before tax		118,472	81,034	346,849	233,230
Tax expense	17	(10,648)	(7,294)	(31,283)	(20,971)
Net profit for the period		107,824	73,740	315,566	212,259
Earnings per share (basic and diluted in AED)	4	0.04	0.04	0.14	0.10

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United Arab Bank P.J.S.C.

INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the nine months period ended 30 September 2025

	<i>Notes</i>	<i>Three months period ended 30 September (Unaudited)</i>		<i>Nine months period ended 30 September (Unaudited)</i>	
		<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
		<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Net profit for the period		107,824	73,740	315,566	212,259
Other comprehensive income					
Items that may be reclassified to the income statement:					
FVOCI investments:					
Net change in fair value		78,166	157,055	165,508	161,761
Reclassified to the income statement		(12,189)	(57,000)	(37,561)	(52,375)
Net change in allowance for expected credit loss		(3,782)	-	(18,170)	-
Cash flow hedge:					
Effective portion of changes in fair value		-	3,672	-	3,743
Total items that may be reclassified to the income statement		62,195	103,727	109,777	113,129
Related tax on other comprehensive income	17	(5,598)	-	(9,880)	-
Other comprehensive income for the period		56,597	103,727	99,897	113,129
Total comprehensive income for the period		164,421	177,467	415,463	325,388

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The independent auditors' report on review of the Bank's condensed interim financial information is set out on page 1.

United Arab Bank P.J.S.C.

INTERIM STATEMENT OF CASH FLOWS

For the nine months period ended 30 September 2025

	<i>Notes</i>	<i>Nine months period ended 30 September (unaudited)</i>	
		<i>2025</i>	<i>2024</i>
		<i>AED '000</i>	<i>AED '000</i>
Operating activities			
Net profit for the period		315,566	212,259
Adjustments for:			
Depreciation		16,096	15,891
Provision for corporate tax		31,283	20,971
Gain on sale of property and equipment		(30)	(104)
Gain on sale of assets acquired in settlement of debt		(15,320)	-
Impairment on assets acquired in settlement of debt		5,950	5,500
Net-credit-impairment-losses		(10,327)	16,592
Amortization of commission paid on medium term borrowing		1,377	1,377
Amortisation of premium paid on investments		3,072	2,931
Loss on fixed assets written off		-	4,417
Net fair value gain on disposal of investments and Islamic instruments		(27,238)	(328)
Operating cash flows before movements in working capital		320,429	279,506
Changes in operating assets and liabilities:			
Loans and-advances and Islamic financing receivables		(2,558,081)	(1,414,334)
Balances with the UAE Central Bank maturing after three months		(231,908)	(165,394)
Due from banks maturing after three months		(3,111)	(7,730)
Other assets		154,189	(268,415)
Due to banks maturing after three months		659,375	(1,193,837)
Customer deposits and Islamic customer deposits		792,174	1,793,543
Other liabilities		(124,123)	203,580
Net cash used in operating activities		(991,056)	(773,081)
Investing activities			
Purchase of property, equipment and capital work-in-progress		(53,010)	(22,342)
Purchase of investments		(1,813,529)	(950,802)
Proceeds from redemption / sale of investments		565,481	498,554
Proceeds from sale of property and equipment		30	129
Proceeds from sale of assets acquired in settlement of debt		29,000	-
Net cash used in investing activities		(1,272,028)	(474,461)
Financing activities			
Proceeds from rights issue		1,031,276	-
Rights issuance cost		(8,469)	-
Net sale/(purchase) of treasury shares		2,802	(4,387)
Coupon paid on Tier 1 instrument		(44,401)	(44,420)
Net cash generated from/(used in) financing activities		981,208	(48,807)
Net decrease in cash and cash equivalents		(1,281,876)	(1,296,349)
Cash and cash equivalents at 1 January		12,573	1,182,622
Cash and cash equivalents at 30 September		(1,269,303)	(113,727)

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United Arab Bank P.J.S.C.

INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine months period ended 30 September 2025

	<i>Share capital AED'000</i>	<i>Tier 1 instrument AED'000</i>	<i>Special reserve AED'000</i>	<i>Statutory reserve AED'000</i>	<i>General reserve AED'000</i>	<i>Treasury shares AED'000</i>	<i>Cumulative changes in fair value AED'000</i>	<i>Retained Earnings/ (accumulated losses) AED'000</i>	<i>Total AED'000</i>
At 1 January 2025	2,062,550	550,875	78,118	107,042	9,311	(3,008)	(98,231)	(155,172)	2,551,485
Net profit for the period	-	-	-	-	-	-	-	315,566	315,566
Other comprehensive income for the period	-	-	-	-	-	-	99,897	-	99,897
Total comprehensive income for the period	-	-	-	-	-	-	99,897	315,566	415,463
Rights issue	1,031,276	-	-	-	-	-	-	-	1,031,276
Rights issue cost	-	-	-	-	-	-	-	(8,469)	(8,469)
Coupon on Tier 1 instrument	-	-	-	-	-	-	-	(33,300)	(33,300)
Treasury shares sold	-	-	-	-	-	3,008	-	(206)	2,802
At 30 September 2025 (unaudited)	3,093,826	550,875	78,118	107,042	9,311	-	1,666	118,419	3,959,257
At 1 January 2024	2,062,550	550,875	48,022	76,946	9,311	(3,885)	(119,170)	(334,904)	2,289,745
Net profit for the period	-	-	-	-	-	-	-	212,259	212,259
Other comprehensive income for the period	-	-	-	-	-	-	113,129	-	113,129
Total comprehensive income for the period	-	-	-	-	-	-	113,129	212,259	325,388
Coupon on Tier 1 instrument and others	-	-	-	-	-	-	-	(33,321)	(33,321)
Treasury shares acquired	-	-	-	-	-	(4,271)	-	(116)	(4,387)
At 30 September 2024 (unaudited)	2,062,550	550,875	48,022	76,946	9,311	(8,156)	(6,041)	(156,082)	2,577,425

The notes on pages 7 to 22 form an integral part of the condensed interim financial information.

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1 LEGAL STATUS AND ACTIVITIES

United Arab Bank P.J.S.C. (the “Bank”) was incorporated in 1975 as a Private Joint Stock Company in the Emirate of Sharjah. The legal form of the Bank was converted to a public company with limited liability in 1982 by a decree of His Highness the Ruler of Sharjah and has been registered as a Public Joint Stock Company under the UAE Commercial Companies Law No. (8) of 1984 (as amended). The Bank’s registered office is located in the Emirate of Sharjah, United Arab Emirates. The address of the registered office is PO Box 25022, Sharjah, United Arab Emirates.

The Bank carries out the business of commercial banking through its offices and branches in the United Arab Emirates. The Bank also carries out Islamic banking operations through Islamic banking windows at selected branches.

The condensed interim financial statements of the Bank have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC) and applicable requirements of laws of the United Arab Emirates.

2. CHANGES IN ACCOUNTING POLICIES, ESTIMATES AND JUDGMENTS

2.1 Changes in accounting policies

The accounting policies adopted in the preparation of the condensed interim financial information are consistent with those followed in the preparation of the Bank’s annual financial information for the year ended 31 December 2024 except for the below:

During the period, the bank has elected not to recognise right of use assets and lease liabilities and avail the short-term lease exemption in accordance with IFRS 16. Payments associated with low value and short term leases (lease term of 12 months or less) are recognised on a straight line basis over the lease term as an expense in the statement of profit and loss. The change in the accounting policy does not have a material impact on the Bank’s condensed interim financial statements.

The Bank has not early adopted any new standards, interpretations or amendments that have been issued but are not yet effective in these condensed interim financial statements. Other amendments and interpretations apply for the first time in 2025, but do not have an impact on the Bank’s condensed interim financial statements.

Standards, amendments and interpretations that are effective for the Bank’s accounting period beginning on 1 January 2025

The following amendments to existing standards have been applied by the Bank in preparation of these condensed interim financial statements. The adoption of these new standards does not have significant impact on the condensed interim financial statements.

Description	Effective from
Lack of Exchangeability (amendments to IAS 21)	1 January 2025
Standard Issued but not yet Effective	

The new and amended standards and interpretations that are issued but not yet effective, up to the date of issuance of the Bank’s interim condensed consolidated financial statements are described below.

Description	Effective from
Classification and measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	1 January 2026
Presentation and disclosures in financial statements (IFRS 18)	1 January 2027

The Bank is currently evaluating these amendments. The Bank will adopt it when the amendments become effective.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

2. CHANGES IN ACCOUNTING POLICIES, ESTIMATES AND JUDGMENTS (continued)

2.2 Key accounting estimates and judgments

The preparation of the condensed interim financial statements requires management to make estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty, and actual results may therefore differ resulting in future changes in these estimates. In preparing this condensed interim financial information, significant judgments made by management in applying the Bank's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited financial statements as at and for the year ended 31 December 2024.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

3.1 Basis of preparation

The condensed interim financial information of the Bank has been prepared in accordance with the IFRS Accounting Standards, International Accounting Standard (IAS) 34: Interim Financial Reporting as issued by International Accounting Standard Board (IASB).

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements prepared in accordance with IFRS Accounting Standards and should be read in conjunction with the Bank's audited financial statements as at and for the year ended 31 December 2024. In addition, results for the nine months period ended 30 September 2025 are not necessarily indicative of the results that may be expected for the full financial year ending 31 December 2025.

In preparing this condensed interim financial information, significant judgments made by the management in applying the Bank's accounting policies and the key sources of estimation were the same as those that were applied to the financial statements as at and for the year ended 31 December 2024 as explained in Note 2.2.

3.2 Material accounting policies

The accounting policies applied by the Bank in the preparation of the condensed interim financial statements are consistent with those applied by the Bank in the annual audited financial statements for the year ended 31 December 2024, except for changes in accounting policies explained in Note 2.1.

4 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank by the weighted number of shares outstanding during the period. The calculations are as follows:

	<i>Unaudited nine-months period ended 30 September</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>
Net profit for the period	315,566	212,259
Number of shares of AED 1 at the beginning of the year	2,062,550,649	2,055,964,510
Effect of rights issue of 1,031,275,325 weighted shares	192,655,830	-
Weighted number of shares of AED 1 each outstanding for the period	2,255,206,479	2,055,964,510
Basic earnings per share	0.14	0.10

The diluted earnings per share are the same as basic earnings per share as the Bank has not issued any instruments which would have a dilutive impact on earnings per share if or when exercised.

The total number of shares outstanding excludes Nil treasury shares (30 Sep 2024: 6,586,139) which is deducted for the purpose of computing earnings per share.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

5 CASH AND BALANCES WITH UAE CENTRAL BANK

	<i>Unaudited</i> <i>30 September</i> <i>2025</i> <i>AED'000</i>	<i>Audited</i> <i>31 December</i> <i>2024</i> <i>AED'000</i>
Cash on hand	40,493	48,684
Balances and statutory reserve requirements with UAE Central Bank	965,336	226,540
Overnight Deposit Facility and Certificate of Deposits	500,000	1,950,000
	1,505,829	2,225,224

As per the CBUAE regulations, the Bank is allowed to draw their balances under specified conditions held in the UAE reserve account, while ensuring that they meet the reserve requirements over a 14 day period.

The UAE Central Bank balances are high grade in nature. Cash and balances with UAE Central Bank is classified under stage 1 as per IFRS 9. However, these are low credit risk and therefore expected credit losses is considered to be immaterial and no provision has been recognised.

6 DUE FROM BANKS

	<i>Unaudited</i> <i>30 September</i> <i>2025</i> <i>AED'000</i>	<i>Audited</i> <i>31 December</i> <i>2024</i> <i>AED'000</i>
Demand deposits	259,852	285,368
Term deposits	225,000	300,000
Less: expected credit loss	(139)	(222)
	484,713	585,146

Due from banks includes AED 251,717 thousand (31 December 2024: AED 273,551 thousand) placed with foreign banks outside the UAE. AED 3,331 thousand (31 December 2024: AED 220 thousand) is held with other banks as margin for derivative transactions.

7 LOANS AND ADVANCES AND ISLAMIC FINANCING RECEIVABLES

	<i>Unaudited</i> <i>30 September</i> <i>2025</i> <i>AED'000</i>	<i>Audited</i> <i>31 December</i> <i>2024</i> <i>AED'000</i>
The composition of the loans and advances portfolio is as follows:		
(a) By type:		
Overdrafts	780,630	1,186,866
Term loans (medium and short term)	12,836,450	10,029,966
Loans against trust receipts	610,618	597,788
Bills discounted	94,869	126,188
Other cash advances	20,560	20,133
Bills drawn under letters of credit	131,941	113,187
Gross amount of loans and advances and Islamic financing receivables	14,475,068	12,074,128
Less: provision for impairment on loans and advances and Islamic financing receivables	(363,034)	(547,771)
Net loans and advances and Islamic financing receivables	14,112,034	11,526,357

Term loans (medium and short term) includes retail loans of AED 3,028,270 thousand (31 December 2024: AED 2,069,674 thousand).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

7 LOANS AND ADVANCES AND ISLAMIC FINANCING RECEIVABLES (continued)

(b) By economic sector:

	<i>Unaudited</i> <i>30 September</i> <i>2025</i> <i>AED'000</i>	<i>Audited</i> <i>31 December</i> <i>2024</i> <i>AED'000</i>
Real estate	2,487,521	1,958,608
Personal – retail mortgage	2,363,328	1,603,185
Government and public sector	839,107	743,584
Trade	807,599	987,882
Personal loans (retail and business)	987,533	849,273
Manufacturing	1,007,220	719,214
Construction	82,632	150,265
Services	1,784,466	1,797,360
Financial institutions	3,691,138	2,766,930
Transport and communication	421,808	427,433
Others	2,716	70,394
Gross loans and advances and Islamic financing receivables	<u>14,475,068</u>	<u>12,074,128</u>

Islamic financing gross receivables amount to AED 2,180,682 thousand (31 December 2024: AED 1,261,475 thousand) recognized through the Bank's Shari'a - compliant Islamic window.

Movement in the gross balances of loans and advances and Islamic financing receivables

	<i>Stage 1</i> <i>AED'000</i>	<i>Stage 2</i> <i>AED'000</i>	<i>Stage 3</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Gross carrying amount as at 31 December 2024	11,392,369	216,525	465,234	12,074,128
<i>Changes due to financial assets recognized in the opening balance that have</i>				
Transferred from Stage 1	(407,924)	177,842	230,082	-
Transferred from Stage 2	8,537	(12,966)	4,429	-
Transferred from Stage 3	-	13,524	(13,524)	-
Net of new assets originated or repaid	2,656,374	(11,859)	(86,435)	2,558,080
Write-offs	-	-	(157,140)	(157,140)
As at 30 September 2025	<u>13,649,356</u>	<u>383,066</u>	<u>442,646</u>	<u>14,475,068</u>
	<i>Stage 1</i> <i>AED'000</i>	<i>Stage 2</i> <i>AED'000</i>	<i>Stage 3</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Gross carrying amount as at 31 December 2023	9,044,063	471,210	496,662	10,011,935
<i>Changes due to financial assets recognized in the opening balance that have</i>				
Transferred from Stage 1	(15,317)	11,215	4,102	-
Transferred from Stage 2	63,020	(175,336)	112,316	-
Transferred from Stage 3	1	2,663	(2,664)	-
Net of new assets originated or repaid	2,300,602	(93,227)	(79,263)	2,128,112
Write-offs	-	-	(65,919)	(65,919)
As at 31 December 2024	<u>11,392,369</u>	<u>216,525</u>	<u>465,234</u>	<u>12,074,128</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

7 LOANS AND ADVANCES AND ISLAMIC FINANCING RECEIVABLES (continued)

Movement in provision for impairment of loans and advances

	<i>Stage 1</i> <i>AED'000</i>	<i>Stage 2</i> <i>AED'000</i>	<i>Stage 3</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Balance as at 31 December 2024	102,087	117,510	328,174	547,771
<i>Changes due to provisions recognized in the opening balance that have:</i>				
Transferred from 12 month ECL	(72,485)	12,603	59,882	-
Transferred from lifetime ECL not credit impaired	250	(3,325)	3,075	-
Transferred from lifetime ECL credit-impaired	-	12,705	(12,705)	-
Transferred to ECL on commitments and contingent liabilities				-
Net impairment charge/ (release) to income statement	63,095	(17,958)	(72,734)	(27,597)
Release to income statement	-	-	-	-
Write-offs	-	-	(157,140)	(157,140)
As at 30 September 2025	92,947	121,535	148,552	363,034

	<i>Stage 1</i> <i>AED'000</i>	<i>Stage 2</i> <i>AED'000</i>	<i>Stage 3</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Balance as at 31 December 2023	130,431	169,779	354,432	654,642
<i>Changes due to provisions recognized in the opening balance that have:</i>				
Transferred from 12 month ECL	(21,824)	7,336	14,488	-
Transferred from lifetime ECL not credit-impaired	8,991	(49,938)	40,947	-
Transferred from lifetime ECL credit-impaired	-	637	(637)	-
Transferred to ECL on commitments and contingent liabilities	(10,395)	-	4,780	(5,615)
Net impairment (release)/charge to income statement	(5,116)	(10,304)	3,487	(11,933)
Release to income statement	-	-	(23,404)	(23,404)
Write-offs	-	-	(65,919)	(65,919)
As at 31 December 2024	102,087	117,510	328,174	547,771

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

8 INVESTMENTS AND ISLAMIC INSTRUMENTS

	<i>Unaudited</i> 30 September 2025			<i>Audited</i> 31 December 2024		
	<i>Quoted</i> <i>AED'000</i>	<i>Unquoted</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>	<i>Quoted</i> <i>AED'000</i>	<i>Unquoted</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Debt:						
FVOCI						
Local	1,733,278	-	1,733,278	2,057,585	-	2,057,585
Overseas	2,761,058	-	2,761,058	2,244,046	-	2,244,046
Amortised cost						
Local	1,226,410	-	1,226,410	569,585	-	569,585
Overseas	1,702,316	-	1,702,316	1,135,082	-	1,135,082
Total debt securities	7,423,062	-	7,423,062	6,006,298	-	6,006,298
Equity:						
FVOCI						
Local	-	1,225	1,225	-	849	849
Overseas	-	76	76	-	76	76
Total equities	-	1,301	1,301	-	925	925
Total investments	7,423,062	1,301	7,424,363	6,006,298	925	6,007,223
Expected credit loss and reserve			(15,512)			(2,242)
Net investments			7,408,851			6,004,981

The Bank holds a stage 1 ECL allowance on its investment securities classified under FVOCI amounting to AED 11,090 thousand as at 30 September 2025 (31 December 2024: AED 29,260 thousand).

Included in the above are investment securities amounting to AED 2,242,393 thousand (31 December 2024: 1,460,843 thousand) secured under repurchase agreement with the lenders. The Banks holds an ECL allowance of AED 4,973 thousand (31 December 2024: AED 2,447 thousand) on these investment securities secured under repurchase agreements.

Investments and Islamic instruments are classified under stage 1 as per IFRS 9.

9 PROPERTY, EQUIPMENT AND CAPITAL WORK IN-PROGRESS

During the nine-month period ended 30 September 2025, the Bank acquired assets with a cost of AED 53,010 thousand (30 September 2024: AED 22,342 thousand). The depreciation charged during the nine-months period ended 30 September 2025 is AED 14,727 thousand (30 September 2024: AED 13,984 thousand).

10 OTHER ASSETS

	<i>Unaudited</i> 30 September 2025 <i>AED'000</i>	<i>Audited</i> 31 December 2024 <i>AED'000</i>
Interest receivable, net	202,004	157,968
Positive fair value of derivatives (Note 21)	28,006	51,268
Prepayments and other assets	139,673	225,125
Right-of-use assets	-	8,494
Assets repossessed in settlement of debts, net (refer below)	30,090	49,720
	399,773	492,575

During the period, the Bank recognized a gain of AED 15,320 thousand (2024: AED Nil) on its properties which had a net carrying value of AED 13,680 thousand (2024: AED 13,680 thousand) at the time of sale. During the nine-month period ended 30 September 2025, the bank has recognized an impairment of AED 5,950 thousand (30 September 2024: AED 5,500 thousand).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

11 DUE TO BANKS

	<i>Unaudited</i> <i>30 September</i> <i>2025</i> <i>AED'000</i>	<i>Audited</i> <i>31 December</i> <i>2024</i> <i>AED'000</i>
Demand deposits	14,144	42,129
Term deposits	4,468,533	3,554,225
	4,482,677	3,596,354

Term deposits include borrowings through repurchase agreements of AED 2,048,625 thousand (31 December 2024: AED 1,234,446 thousand). Demand deposits include AED 10,867 thousand (31 December 2024: AED 35,623 thousand) held as margin for derivative transactions.

12 CUSTOMER DEPOSITS AND ISLAMIC CUSTOMER DEPOSITS

	<i>Unaudited</i> <i>30 September</i> <i>2025</i> <i>AED'000</i>	<i>Audited</i> <i>31 December</i> <i>2024</i> <i>AED'000</i>
Term deposits	9,421,260	9,014,789
Current accounts	4,783,789	4,384,780
Call and savings accounts	164,160	177,466
	14,369,209	13,577,035

Customer' deposits include Islamic customer deposits amounting to AED 1,950,923 thousand (31 December 2024: AED 2,091,426 thousand) undertaken through the Bank's Shari'a - compliant Islamic window.

13 MEDIUM TERM BORROWINGS

The Bank has arranged a term loan facility amounting to AED 734,600 thousand during 2023. The facility carries a floating interest rate, being margin over EIBOR and is repayable in full in December 2025.

14 OTHER LIABILITIES

	<i>Unaudited</i> <i>30 September</i> <i>2025</i> <i>AED'000</i>	<i>Audited</i> <i>31 December</i> <i>2024</i> <i>AED'000</i>
Interest payable	158,459	166,380
Negative fair value of derivatives (Note 21)	13,702	12,149
ECL on off-balance sheet exposures (Note 18)	94,846	100,149
Staff related provisions	24,486	21,698
Accrued expenses	34,573	50,729
Un-presented cheques	199,410	54,313
Lease liability	-	7,180
Corporate tax liability	31,309	29,811
Deferred tax liability	11,951	2,071
Others	39,211	134,536
	607,947	579,016

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

15 SHARE CAPITAL AND RESERVES

a) Share capital

The issued and fully paid-up share capital of the Bank comprises 3,093,825,974 (2024: 2,062,550,649) shares of AED 1 each.

In the Annual General Meeting held on 6 March 2025, the shareholders approved the increase of the paid-up share capital from 2,062,550,649 up to 3,093,825,974 by issuing 1,031,275,325 shares through rights issuance at nominal value of AED 1 per share. Subsequently in August 2025, the rights issue was fully subscribed. The transaction costs incurred towards the rights issuance are accounted for as a deduction from equity.

b) Tier 1 instrument

On 30 March 2023, the Bank has issued a perpetual, non-callable 5.5 years Tier 1 Instrument (“instrument”) of USD 150,000 thousand (AED 550,875 thousand) which qualifies to be included as regulatory Tier 1 capital. The instrument constitutes direct, unsecured, non-convertible and sub-ordinated obligations of the Bank. Under the terms and conditions of the issue, the Bank may elect not to pay a coupon and has the option to call back the Instrument at the contractual reset date subject to Central Bank of UAE approval.

c) Cumulative changes in fair value

Cumulative changes in fair value reserve includes the net change in fair value of FVOCI assets, deferred tax liability and the net change in allowance for expected credit loss. This reserve has a balance of AED 1,666 thousand as of 30 September 2025 (2024: negative AED 98,231 thousand).

16 NET IMPAIRMENT LOSSES

Provision for credit losses recognized in the condensed interim statement of income is as follows:

	<i>Nine months period ended 30 September (Unaudited)</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>
Net impairment of financial assets on:		
Loans and advances, Islamic financing receivables and other financial assets	40	(11,585)
Contingent liabilities (Note 18)	5,304	(4,982)
Due from banks	83	(25)
Investments and Islamic instruments	4,900	-
Recovery on bad debts written-off	30,409	26,816
Impairment on non-financial assets (Note 10)	(5,950)	(5,500)
Net impairment reversal	34,786	4,724

17 TAX EXPENSE

The Bank calculates the period income tax expense using the tax rate that would be applicable to the expected total earnings. The major components of income tax expense in the condensed interim financial statement of profit or loss are:

	<i>Nine months period ended 30 September (Unaudited)</i>	
	<i>2025</i>	<i>2024</i>
Tax expense for the period:		
Statement of profit or loss:		
Current tax charge	31,283	20,971
Statement of other comprehensive income:		
Deferred tax on items that may be reclassified to income statement	9,880	-

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

17 TAX EXPENSE (continued)

Reconciliation of Bank's tax on profit based on accounting and profit as per tax law is as follows:

	<i>Nine months period ended 30 September (Unaudited)</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>
Net profit before tax	346,849	233,230
Effect of corporate income tax @ 9%	31,216	20,991
Tax effects of:		
Expense not deductible for tax purposes	101	14
Effect of standard exemption	(34)	(34)
Income tax expense	31,283	20,971

For determining the tax expense for the period, the accounting profit has been adjusted for tax purposes. Adjustments for tax purpose include items relating to both income and expense. After giving effect to these adjustments, the average effective tax rate is estimated to 9.02%.

The Bank is domiciled in the UAE and is not expected to be captured within the Pillar Two rules.

18 COMMITMENTS AND CONTINGENT LIABILITIES

Contingent liabilities represent credit related commitments under letters of credit and guarantees that are designed to meet the requirements of the Bank's customers towards third parties. Commitments represent credit facilities that are undrawn as on the date of the condensed interim statement of financial position. The Bank has the following gross credit related commitments:

	<i>Unaudited 30 September 2025 AED'000</i>	<i>Audited 31 December 2024 AED'000</i>
<i>Contingent liabilities</i>		
Letters of credit	418,505	378,897
Guarantees	2,700,765	2,259,152
	3,119,270	2,638,049
<i>Commitments</i>		
Undrawn loan commitments	2,484,212	1,930,278

Movement in the gross balance of contingent liabilities

	<i>Stage 1 AED'000</i>	<i>Stage 2 AED'000</i>	<i>Stage 3 AED'000</i>	<i>Total AED'000</i>
Gross carrying amount				
As at 31 December 2024	2,425,790	107,092	105,167	2,638,049
<i>Changes due to financial assets recognized in the opening balance that have:</i>				
Transferred from Stage 1	(50)	50	-	-
Transferred from Stage 2	14,516	(16,945)	2,429	-
Transferred from Stage 3	-	-	-	-
Net of originated / (expired) during the period	511,945	(13,954)	(16,770)	481,221
As at 30 September 2025	2,952,201	76,243	90,826	3,119,270

United Arab Bank P.J.S.C.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

18 COMMITMENTS AND CONTINGENT LIABILITIES (continued)

	<i>Stage 1</i> <i>AED'000</i>	<i>Stage 2</i> <i>AED'000</i>	<i>Stage 3</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Gross carrying amount				
As at 31 December 2023	1,858,206	199,480	134,645	2,192,331
<i>Changes due to financial assets recognized in the opening balance that have:</i>				
Transferred from Stage 1	(30,985)	30,852	133	-
Transferred from Stage 2	44,681	(56,721)	12,040	-
Transferred from Stage 3	-	-	-	-
Net of originated / (expired) during the period	553,888	(66,519)	(41,651)	445,718
As at 31 December 2024	2,425,790	107,092	105,167	2,638,049

Movement in the provision for impairment of commitments and contingent liabilities

	<i>Stage 1</i> <i>AED'000</i>	<i>Stage 2</i> <i>AED'000</i>	<i>Stage 3</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Balance as at 31 December 2024	3,100	16,564	80,485	100,149
<i>Changes due to provisions recognized in the opening balance that have:</i>				
Transferred from 12 month ECL	-	-	-	-
Transferred from lifetime ECL not credit impaired	658	(921)	263	-
Transferred from lifetime ECL credit impaired	-	-	-	-
Transferred from ECL on loans and advances	-	-	-	-
Net impairment charge/(release) to income statement (Note 16)	588	(2,407)	(3,485)	(5,304)
As at 30 September 2025	4,346	13,236	77,264	94,846

	<i>Stage 1</i> <i>AED'000</i>	<i>Stage 2</i> <i>AED'000</i>	<i>Stage 3</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Balance as at 31 December 2023	4,393	16,667	68,605	89,665
<i>Changes due to provisions recognized in the opening balance that have:</i>				
Transferred from 12 month ECL	(823)	823	-	-
Transferred from lifetime ECL not credit impaired	60	(4,908)	4,848	-
Transferred from lifetime ECL credit impaired	-	-	-	-
Transferred from ECL on loans and advances	-	1,745	3,870	5,615
Net impairment (release)/charge to income statement	(530)	2,237	3,162	4,869
As at 31 December 2024	3,100	16,564	80,485	100,149

In the normal course of business, certain litigations were filed by or against the Bank. However, based on management's assessment, none of the litigations have a material impact on Bank's financial results.

The bank seeks to comply with all applicable laws and regulations by which it is governed and is not aware of any material fines or penalties that warrant disclosure in the financial statements.

United Arab Bank P.J.S.C.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

19 SEGMENTAL INFORMATION

For the purposes of reporting to the chief operating decision makers, the Bank is organized into three segments:

- Wholesale banking - principally handling loans and other credit facilities and deposit and current accounts for corporate and institutional customers.
- Retail banking - principally handling individual customers' deposits, and providing consumer type loans, overdrafts, credit card facilities and funds transfer facilities as well as Islamic banking services.
- Treasury and capital markets - principally managing the Bank's portfolio of investments and interbank treasury operations including transactions for foreign exchange, derivatives, margin FX and hedging strategies.

Segmental information for the nine months period ended 30 September 2025 is as follows:

	<i>Wholesale banking AED'000</i>	<i>Retail banking AED'000</i>	<i>Treasury and capital markets AED'000</i>	<i>Total AED'000</i>
Net interest income and income from Islamic products net of distribution to depositors	260,214	43,820	123,144	427,178
Other operating income	89,203	14,555	49,421	153,179
Operating expenses	(146,183)	(54,878)	(67,233)	(268,294)
Net impairment losses	27,019	2,833	4,934	34,786
Net profit for the period before tax	230,253	6,330	110,266	346,849
Capital expenditure - Property and equipment	27,906	6,953	18,151	53,010
As at 30 September 2025				
Segment assets	12,578,604	3,233,419	8,653,338	24,465,361
Segment liabilities	12,580,244	3,711,050	4,214,810	20,506,104

Segmental information for the nine months period ended 30 September 2024 was as follows:

	<i>Wholesale banking AED'000</i>	<i>Retail banking AED'000</i>	<i>Treasury and capital markets AED'000</i>	<i>Total AED'000</i>
Net interest income and income from Islamic products net of distribution to depositors	201,773	34,126	117,887	353,786
Other operating income	67,588	7,562	23,187	98,329
Operating expenses	(126,693)	(41,528)	(55,396)	(223,617)
Net impairment losses	527	4,077	120	4,724
Net profit for the period before tax	143,195	4,237	85,798	233,230
Capital expenditure - Property and equipment	11,083	2,011	9,248	22,342
As at 31 December 2024				
Segment assets	11,529,908	2,302,775	7,628,797	21,461,480
Segment liabilities	12,697,027	2,964,978	3,247,990	18,909,995

The Bank operates in only one geographic area, the Middle East. Accordingly, no further geographical analysis of operating income, net profit and net assets is given.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

20 RELATED PARTY TRANSACTIONS

The Bank carries out transactions in the ordinary course of business with related parties, defined as shareholders who have a significant equity interest in the Bank, Directors of the Bank, key management personnel of the Bank and companies over which such shareholders and Directors exercise control or significant influence either directly or indirectly.

The significant balances outstanding are as follows:

	<i>Unaudited</i> <i>30 September</i> <i>2025</i> <i>AED'000</i>	<i>Audited</i> <i>31 December</i> <i>2024</i> <i>AED'000</i>
<u><i>Shareholders:</i></u>		
Due from banks	239	132
Due to banks	3,047	6,159
Contingent liabilities	6,045	6,045
Loans and advances	33	6,193
Customer deposits	7,896	5,952
Tier 1 Instrument	550,175	550,875
Accrued coupon on Tier 1 instrument	-	11,101
	<i>Unaudited</i> <i>30 September</i> <i>2025</i> <i>AED'000</i>	<i>Audited</i> <i>31 December</i> <i>2024</i> <i>AED'000</i>
<u><i>Directors:</i></u>		
Loans and advances	1,435	1,301
Customer deposits	15,958	9,344
Contingent liabilities	16	-
<u><i>Other related entities of shareholders and Directors:</i></u>		
Loans and advances	82,696	64,406
Due from banks	11	8
Due to banks	10	46
Customer deposits	251,176	262,849
Acceptances	2,287	559
Contingent liabilities	27,142	30,578
	<i>Unaudited</i> <i>30 September</i> <i>2025</i> <i>AED'000</i>	<i>Audited</i> <i>31 December</i> <i>2024</i> <i>AED'000</i>
<u><i>Key management personnel of the Bank:</i></u>		
Loans and advances	18,341	11,997
Customers' deposits	11,794	7,272
<u><i>Shareholders, Directors, their related entities and key management personnel:</i></u>		
Interest receivable	1,424	592
Interest payable	1,565	1,734

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

20 RELATED PARTY TRANSACTIONS (continued)

The significant balances outstanding are as follows: (continued)

The income, expenses, purchase and sale of investments in respect of related parties during the period included in the interim statement of income are as follows:

	<i>Unaudited nine months period ended 30 September</i>	
	<i>2025</i>	<i>2024</i>
	<i>AED'000</i>	<i>AED'000</i>
<i>Shareholders, Directors, their related entities and key management personnel:</i>		
Interest income	2,958	4,980
Interest expense	3,836	4,434
Fee and commission	17,211	2,146
Professional fees and other administrative expenses	144	142
Coupon paid on Tier 1 instrument	44,401	44,400
<i>Key management personnel</i>		
<i>Number of key management personnel</i>		
	13	13
Salaries and other short term benefits	21,758	19,722
Employees' end of service benefits	637	480
Total compensation to key management personnel	22,395	20,202

Terms and conditions of transactions with related parties

The above mentioned outstanding balances and transactions arose from the ordinary course of business and have been conducted on an arm's length. The interest charged to, and by, related parties is at normal commercial rates.

The Bank has leased office space in various premises owned by a related party. The property leases and associated expenses for the nine month's period ended 30 September 2025 amounted to AED 1,085 thousand (30 September 2024: AED 1,159 thousand). The property rentals are negotiated each year at market rates.

21 FAIR VALUES OF FINANCIAL INSTRUMENTS

The Bank uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 - quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2 - other techniques for which all inputs have a significant effect on the recorded fair value that are observable, either directly or indirectly; and

Level 3 - techniques that use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

21 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

Financial instruments recorded at fair value

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

	<i>Level 1</i> <i>AED'000</i>	<i>Level 2</i> <i>AED'000</i>	<i>Level 3</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
30 September 2025				
Investments	4,494,336	-	1,301	4,495,637
Derivative assets	-	28,006	-	28,006
	<u>4,494,336</u>	<u>28,006</u>	<u>1,301</u>	<u>4,523,643</u>
Derivative liabilities	-	13,702	-	13,702
31 December 2024				
Investments	4,301,631	-	925	4,302,556
Derivative assets	-	51,268	-	51,268
	<u>4,301,631</u>	<u>51,268</u>	<u>925</u>	<u>4,353,824</u>
Derivative liabilities	-	12,149	-	12,149

There were no other movements between the levels of financial instruments during the year (2024: Nil).

The basis for determining the fair value of the financial instruments in the table above is explained in the financial statements for the year ended 31 December 2024.

Financial instruments not recorded at fair value

The fair values of financial instruments not recorded at fair value includes cash and balances with the UAE Central Bank, due from banks, loans and advances and Islamic financing receivables, investments held at amortised cost, customer acceptances, other assets (excluding derivative assets), due to banks, customer deposits and Islamic customer deposits, medium term borrowings and other liabilities (excluding derivative liabilities) that are categorised as level two based on market observable inputs. The fair values of financial instruments not recorded at fair value are not materially different to their carrying values.

Financial instruments carried at amortised cost

The fair value of the quoted debt instruments at amortised cost as at 30 September 2025 amounted to AED 2,937,889 thousand (31 December 2024: AED 1,705,409 thousand). The fair value determination of the quoted debt instruments will fall under level 1 category wherein fair value is determined based on inputs that are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

22 DERIVATIVES

Derivatives held for risk management

The tables below show the fair values of derivative financial instruments for risk management and hedging purposes, recorded as Other Assets and Other Liabilities, together with their notional amounts. The notional amount is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the period end and are neither indicative of the market risk nor credit risk.

30 September 2025

	<i>Positive fair value</i> <i>AED'000</i>	<i>Negative fair value</i> <i>AED'000</i>	<i>Notional amount</i> <i>AED'000</i>	<i>Notional amounts by term to maturity</i>			
				<i>Within 3 months</i>	<i>3-12 months</i>	<i>1-5 years</i>	<i>Over 5 years</i>
				<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Forward contracts	7,040	(10,183)	4,026,437	1,080,137	2,127,357	818,943	-
Interest rate swaps	928	(928)	465,000	-	15,000	450,000	-
Foreign currency options	2,499	(2,591)	58,760	-	58,760	-	-
	10,467	(13,702)	4,550,197	1,080,137	2,201,117	1,268,943	-

31 December 2024

	<i>Positive fair value</i> <i>AED'000</i>	<i>Negative fair value</i> <i>AED'000</i>	<i>Notional amount</i> <i>AED'000</i>	<i>Notional amounts by term to maturity</i>			
				<i>Within 3 months</i>	<i>3-12 months</i>	<i>1-5 years</i>	<i>Over 5 years</i>
				<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
Forward contracts	8,442	(10,793)	2,645,007	2,614,924	30,083	-	-
Interest rate swaps	1,355	(1,356)	630,000	-	-	630,000	-
	9,797	(12,149)	3,275,007	2,614,924	30,083	630,000	-

As at 30 September 2025, the Bank held the following interest rate swaps as hedging instruments in fair value hedges of interest rate risk, along with amounts relating to hedged items:

	<i>Positive fair value</i> <i>AED'000</i>	<i>Negative fair value</i> <i>AED'000</i>	<i>Notional amount</i> <i>AED'000</i>	<i>Notional amounts by term to maturity</i>			
				<i>Within 3 months</i>	<i>3-12 months</i>	<i>1-5 years</i>	<i>Over 5 years</i>
				<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>	<i>AED'000</i>
30 September 2025							
Hedge of investments	17,539	-	923,151	36,725	238,713	647,713	-
31 December 2024							
Hedge of investments	41,471	-	1,150,476	187,121	73,450	889,905	-

The carrying amount of the hedged items are included in the line item 'Investments' on the statement of financial position with the notional amount totaling to AED 921,224 thousand (31 December 2024: AED 1,124,058 thousand). These hedged items comprise of debt instruments which are held as FVOCI.

The Bank has recognised the following gains relating to hedge ineffectiveness calculated as follows:

	30 September 2025		30 September 2024	
	<i>Change in value</i> <i>AED'000</i>	<i>Effectiveness recognised in profit and loss</i> <i>AED'000</i>	<i>Change in value</i> <i>AED'000</i>	<i>Effectiveness recognised in profit and loss</i> <i>AED'000</i>
On hedging instruments	(23,932)	(6,953)	(26,966)	7,267
On hedged items	16,979		34,233	

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months period ended 30 September 2025

23 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following statement of financial position amounts with original maturities of three months or less:

	<i>Unaudited</i> <i>30 September</i> <i>2025</i> <i>AED'000</i>	<i>Unaudited</i> <i>30 September</i> <i>2024</i> <i>AED'000</i>
Cash and balances with UAE Central Bank	581,902	1,365,551
Due from other banks	481,523	576,518
Due to banks	(2,332,728)	(2,055,796)
	(1,269,303)	(113,727)

Subsequent to the date of the statement of financial position and through the date of authorisation of these financial statements, 86% of the above “Due to Banks” balances have matured and been settled accordingly.

24 CAPITAL ADEQUACY RATIO

	<i>Unaudited</i> <i>30 September</i> <i>2025</i> <i>AED'000</i>	<i>Audited</i> <i>31 December</i> <i>2024</i> <i>AED'000</i>
Common equity Tier 1 capital ratio	18.5%	12.7%
Tier 1 capital ratio	21.6%	16.2%
Capital adequacy ratio	22.8%	17.4%

25 COMPARATIVE FIGURES

Certain comparative figures have been reclassified where appropriate to conform to the presentation and accounting policies adopted in these financial statements.

26 SUBSEQUENT EVENTS

There have been no events subsequent to the statement of financial position date that would significantly affect the amounts reported in this condensed interim financial information as at and for the nine-months period ended 30 September 2025.