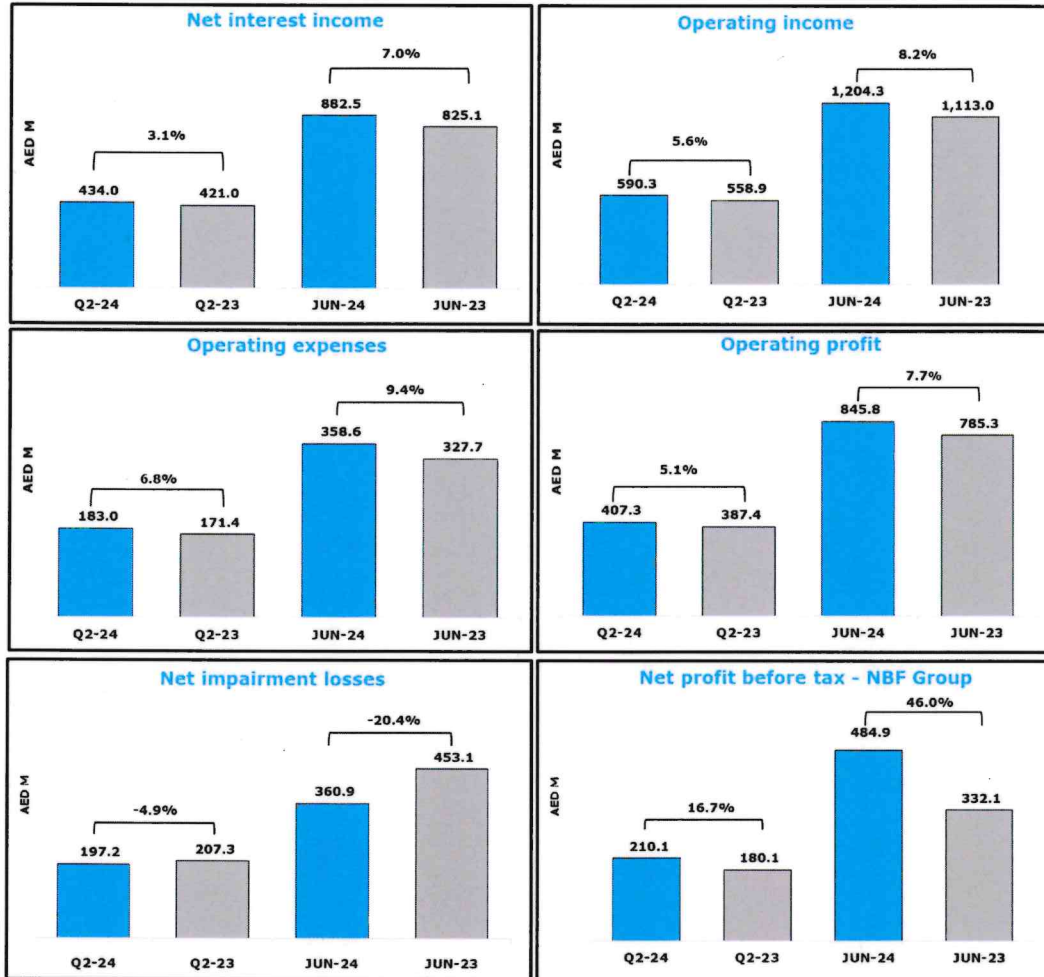




## For the six-month period ended 30 June 2024

Classified as: NBF External

## Summary of profit and loss for the six-month period ended 30 June 2024

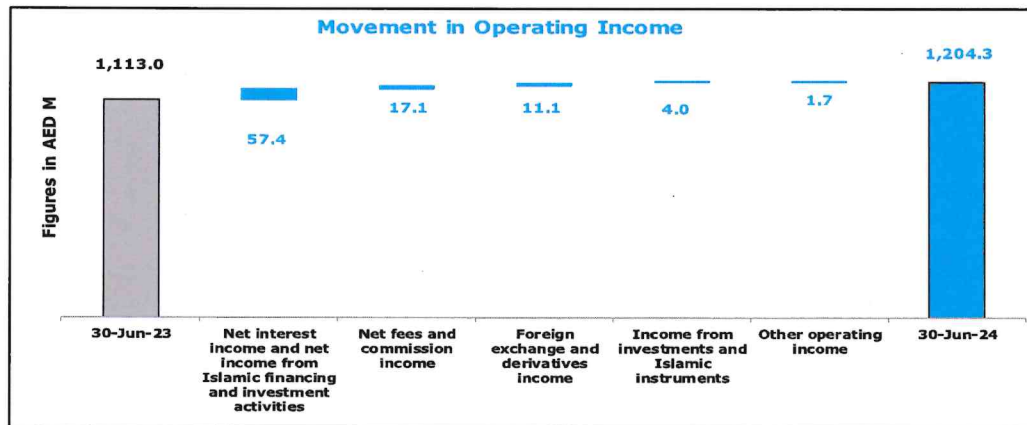


Supported by the higher revenue generation, NBF posted an operating profit of AED 845.8 million for the six-month period, a rise of 7.7% compared to AED 785.3 million in the corresponding period of 2023; and up 5.1% for the three-month period ended 30 June 2024 over the corresponding period of 2023.

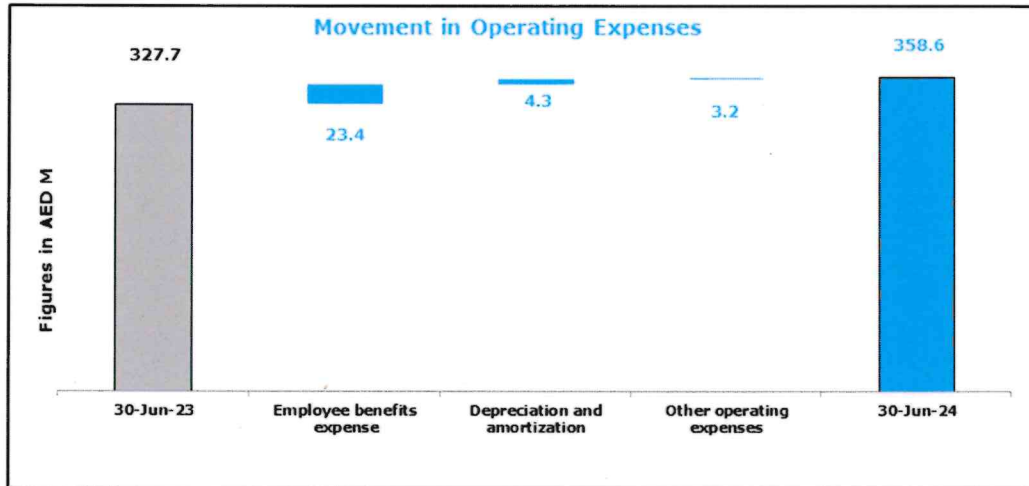
Operating income reached AED 1.2 billion for the six-month period ended 30 June 2024, up 8.2% compared to AED 1.1 billion in the corresponding period of 2023; and up 5.6% for the three-month period ended 30 June 2024 over the corresponding period of 2023 reflecting the underlying business performance.

Net interest income and net income from Islamic financing and investment activities grew 7.0% to AED 882.5 million for the six-month period ended 30 June 2024 compared to AED 825.1 million in the corresponding period of 2023. It was up 3.1% for the three-month period ended 30 June 2024 compared to the corresponding period of 2023. Net fees, commission and other income rose 8.9% to AED 229.8 million for the six-month period ended 30 June 2024 compared to AED 211.0 million in the corresponding period of 2023. It was up 12.1% for the three-month period ended 30 June 2024 compared to the corresponding period of 2023.

Foreign exchange and derivatives income experienced a good growth of 14.0% compared to the corresponding period of 2023, reaching AED 90.7 million for the six-month period ended 30 June 2024. It was up 15.7% for the three-month period ended 30 June 2024 compared to the corresponding period of 2023.



Operating expenses increased by 9.4%, reflecting NBF's investments in its businesses, systems, infrastructure and people. These investments include a set of digitalization initiatives to further enhance our focus on exceptional customer service through digital adoption and innovation. Further, NBF's cost-to-income ratio stood at 29.8% compared to 29.4% in the corresponding period of 2023, remaining in the mid-industry range and reflecting on-going cost discipline.



## Summary of financial position as at 30 June 2024

Figures in AED M							
	JUN-2024	DEC-2023	Change %		JUN-24	JUN-23	Change %
Total Assets	55,631	51,720	7.6%		55,631	47,861	16.2%
Loans and Advances and Islamic Financing Recievables	29,449	27,904	5.5%		29,449	28,397	3.7%
Customer Deposits and Islamic Customer Deposits	41,594	38,572	7.8%		41,594	34,880	19.3%
Investments and Islamic instruments	8,847	8,143	8.6%		8,847	6,591	34.2%
Total Equity	6,748	6,567	2.8%		6,748	6,152	9.7%

Loans and advances and Islamic financing receivables rose by 5.5% to reach AED 29.4 billion compared to AED 27.9 billion at 2023 year-end, up by 3.7% from 30 June 2023.

Investments and Islamic instruments increased by 8.6% to reach AED 8.8 billion compared to AED 8.1 billion at 2023 year-end, up by 34.2% from 30 June 2023; optimizing a portion of liquidity towards a high-quality investment book to augment value and return.

Customer deposits and Islamic customer deposits increased by 7.8% to reach AED 41.6 billion compared to AED 38.6 billion at 2023 year-end, up by 19.3% from 30 June 2023. Current and Saving Accounts (CASA) deposits stood at 42.8% of total customer deposits, balancing the impact of higher rates for fixed-term deposit products.



## Summary of the cash flows and capital expenditure during the six-month period ended 30 June 2024

During the period, surplus liquidity has been deployed to fund quality loans and investment book growth and the overall position remains well within the bank's risk appetite and regulatory expectations. Cash and cash equivalents amounted to AED 1.9 billion compared to AED 1.8 billion on 30 June 2023.

During the six-month period ended 30 June 2024, NBF had incurred AED 47.5 million in capital expenditure relating to the additions of property, equipment and intangibles compared to AED 67.0 million in the corresponding period.

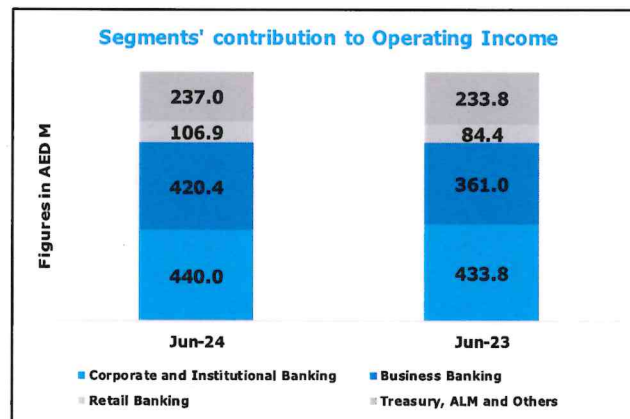
### Key Performance Indicators

- Ample liquidity has been maintained with lending to stable resources ratio (LSRR) at 66.8% (2023: 67.4%) and eligible liquid assets ratio (ELAR) at 29.7% (2023: 28.3%), well ahead of Central Bank of the UAE's minimum requirements.
- The capital adequacy ratio (CAR) stood at 18.6% (Tier 1 ratio of 17.5% and CET 1 ratio of 14.1%) compared to 19.0% (Tier 1 ratio of 17.8% and CET 1 ratio of 14.2%) at 2023 year-end and is being maintained at this level to support the bank's ability to grow and meet any challenges that may arise from the evolving global economy. Further, at the General Assembly Meeting held on 26 June 2024, the shareholders, through a special resolution, approved the issuance of an amount up to USD (\$) 275 million (AED 1.01 billion) Additional Tier 1 capital securities ("AT1 capital") for the purpose of supporting the bank's capital adequacy ratio, scheduled for 16 September 2024. The issuance will be privately placed with the Government of Fujairah and the capital instruments shall include the terms and conditions required by the Central Bank of the UAE, including conversion into ordinary shares, at a conversion ratio of AED 2.85, within two years of the issuance being mandatory, subject to relevant competent regulatory approvals.
- Return on average equity was 13.3%, up from 11.1% for the corresponding period in 2023.
- Return on average assets was 1.6%, up from 1.4% for the corresponding period in 2023.

## Our Segmented Focus

NBF's business strategy continues to revolve around client relationships, supported by the segmented approach adopted by the bank to serve its customer needs. This assists in building diversification and maintaining stable growth.

For the six-month period ended 30 June 2024, the operating income from Corporate and Institutional banking customers was AED 440.0 million, an increase of 1.4% compared to the corresponding period. For Business Banking segment, the operating income rose by 16.4% to AED 420.4 million. For Retail Banking it increased by 26.8% while Treasury, ALM & others have increased by 1.4% compared to the corresponding period.



Further, NBF Islamic recorded operating income of AED 81.4 million for the six-month period ended 30 June 2024 compared to AED 74.4 million in the corresponding period.

## Expectation regarding the economy, sector and its impact on the bank

We are pleased with the bank delivering another very strong set of results in the first half of 2024 and being honored with a number of prestigious awards and endorsements. We are particularly delighted that, during Q2 2024, the bank was ranked first by NAFIS in the medium-sized banking sector category, under the patronage of His Highness Sheikh Mansour Bin Zayed Al Nahyan, UAE Vice President, Deputy Prime Minister, Minister of Presidential Court, and Chairman of the Board of the Emirati Talent Competitiveness Council; has been awarded the 'Best Cloud Implementation', 'Best Treasury Management Implementation' and 'Most Innovative Trading Platform' awards at the recent MEA Finance



Banking Technology Summit and Awards 2024; was recognized in the Forbes Middle East's Top 100 Listed Companies; and was the winner of the 'Leading Practices in Internal Audit Award 2024 in GRC category' by the UAE Internal Auditors Association; showcasing our collective efforts and unwavering commitment to supporting the aspirations of UAE National talent, harnessing cutting-edge technology and embedding best-in-class practices.

NBF's financial performance over the recent quarters underscores the importance of maintaining a well-informed and strategic approach to achieving sustainable growth. We remain focused on the delivery of our financial and operational targets; and appreciate the robust and broad-based performance across our business segments and local markets in what continues to be an uncertain global operating and economic environment.

Benefitting from the buoyant local market momentum and being the financial partner focused on our customers' business and personal needs, NBF will continue to support the quality opportunities to enhance shareholder value, facilitated by strong capital adequacy, ample liquidity and a well-diversified balance sheet.

NBF's key shareholders include the Government of Fujairah, Easa Saleh Al Gurg LLC and Investment Corporation of Dubai. Rated Baa1 / Prime-2 for deposits and A3 for counterparty risk assessment by Moody's and BBB+ / A-2 by Standard & Poor's, both with a stable outlook, the bank is listed on the Abu Dhabi Securities Exchange under the symbol "NBF". It has a branch network of 14 across the UAE.

**Vince Cook**  
Chief Executive Officer

**Adnan Anwar**  
Deputy Chief Executive Officer

**Brian Mulholland**  
Chief Financial Officer