

National Bank of Fujairah PJSC
Condensed consolidated interim financial information
For the nine month period ended
30 September 2025

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Review report on condensed consolidated interim financial information to the Board of Directors of National Bank of Fujairah PJSC

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of National Bank of Fujairah PJSC (the "Bank") and its subsidiaries (together referred to as the "Group") as at 30 September 2025 and the related condensed consolidated interim statements of income and comprehensive income for the three-month and nine-month periods then ended and the condensed consolidated interim statements of cash flows and changes in equity and for the nine-month period then ended and other explanatory notes. The Directors are responsible for the preparation and presentation of this condensed consolidated 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 consolidated 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 the condensed consolidated 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 consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers Limited Partnership Dubai Branch
29 October 2025

Stuart Alexander Scoular
Registered Auditor Number: 5563
Place: Dubai, United Arab Emirates

National Bank of Fujairah PJSC

Condensed consolidated interim statement of financial position

As at 30 September 2025

		30 September 2025 AED'000 Unaudited	Restated 31 December 2024 AED'000 Audited
	Notes		
Assets			
Cash and balances with the Central Bank of the UAE	5	6,681,268	6,635,580
Due from banks and financial institutions	6	2,455,765	2,229,905
Investments and Islamic instruments - fair value	7	13,180,952	11,017,842
Investments and Islamic instruments - amortised cost	7	6,463,873	6,183,631
Loans and advances and Islamic financing receivables	8	36,305,822	32,392,174
Acceptances		1,610,810	1,302,132
Other assets		676,092	539,992
Property and equipment		380,786	378,389
Intangibles		231,407	199,423
Total assets		67,986,775	60,879,068
Liabilities			
Due to banks	11	2,949,527	1,043,520
Customer deposits and Islamic customer deposits	12	49,127,635	45,757,020
Repurchase agreements	11	4,143,947	3,527,962
Term borrowings	11	899,885	808,060
Acceptances		1,621,992	1,306,664
Other liabilities		1,761,300	1,580,167
Total liabilities		60,504,286	54,023,393
Equity			
Share capital	13.1	2,580,412	2,580,412
Statutory reserve		1,709,784	1,709,784
Special reserve		764,977	764,977
Fair value reserve		99,806	32,567
Cash flow hedge reserve		1,650	565
Proposed cash dividends	13.2	-	387,062
Retained earnings		2,325,860	1,380,308
Total equity attributable to equity and securities holders of the Group		7,482,489	6,855,675
Total liabilities and equity		67,986,775	60,879,068

This condensed consolidated interim financial information was approved by the Board of Directors on 29 October 2025 and was signed on its behalf by:



Adnan Anwar

Chief Executive Officer



Brian Mulholland

Chief Financial Officer

The notes on pages 8 to 44 form an integral part of the condensed consolidated interim financial information. The independent auditor's review report of the condensed consolidated interim financial information is set out on page 1.

National Bank of Fujairah PJSC

Condensed consolidated interim statement of income – (Unaudited)

For the nine month period ended 30 September 2025

		Three month period ended 30 September 2025 AED'000	Three month period ended 30 September 2024 AED'000	Nine month period ended 30 September 2025 AED'000	Nine month period ended 30 September 2024 AED'000
	Notes				
Interest income and income from Islamic financing and investment activities		875,542	849,975	2,572,582	2,473,910
Interest expense and distribution to Islamic depositors		(389,073)	(404,134)	(1,160,000)	(1,145,614)
Net interest income and net income from Islamic financing and investment activities		486,469	445,841	1,412,582	1,328,296
Fees and commission income		131,784	122,401	421,924	358,571
Fees and commission expense		(16,809)	(13,976)	(46,310)	(36,984)
Net fees and commission income		114,975	108,425	375,614	321,587
Foreign exchange and derivatives income		54,774	48,463	165,459	139,137
Income from investments and Islamic instruments		988	975	9,115	2,382
Other operating income		4,763	19,870	58,867	36,520
Operating income		661,969	623,574	2,021,637	1,827,922
Operating expenses					
Employee benefit expense		(109,813)	(114,957)	(329,027)	(332,453)
Depreciation and amortization		(15,381)	(12,489)	(40,669)	(32,524)
Other operating expenses		(78,043)	(71,135)	(198,983)	(192,184)
Total operating expenses		(203,237)	(198,581)	(568,679)	(557,161)
Operating profit before impairment losses and tax		458,732	424,993	1,452,958	1,270,761
Net impairment losses	14	(106,984)	(194,859)	(413,586)	(555,712)
Profit for the period before tax		351,748	230,134	1,039,372	715,049
Tax	20	(31,755)	(20,862)	(94,000)	(64,624)
Profit for the period after tax		319,993	209,272	945,372	650,425
Earnings per share (basic and diluted)	15	AED 0.124	AED 0.080	AED 0.366	AED 0.236

The notes on pages 8 to 44 form an integral part of the condensed consolidated interim financial information.
The independent auditor's review report of the condensed consolidated interim financial information is set out on page 1.

National Bank of Fujairah PJSC

Condensed consolidated interim statement of comprehensive income – (Unaudited)

For the nine month period ended 30 September 2025

	Three month period ended 30 September 2025 AED'000	Three month period ended 30 September 2024 AED'000	Nine month period ended 30 September 2025 AED'000	Nine month period ended 30 September 2024 AED'000
Profit for the period after tax	319,993	209,272	945,372	650,425
Other comprehensive income / (loss)				
Items that will not be reclassified subsequently to the statement of income:				
Net change in fair value	-	-	-	(2,004)
Tax	-	-	(180)	180
Other comprehensive loss of the items that will not be reclassified subsequently to the statement of income	-	-	(180)	(1,824)
Items that may be reclassified subsequently to statement of income:				
Movement in fair value reserve (debt instruments):				
-Net change in fair value	22,112	81,992	76,786	79,810
-Net change in allowances for impairment	8,207	3,484	7,304	176
-Net amount transferred to the statement of income	(2,039)	(1,194)	(9,928)	(3,055)
Net change in fair value on cash flow hedges	(1,097)	8,708	1,085	4,400
Deferred tax	(2,446)	(8,600)	(6,743)	(7,551)
Other comprehensive income of the items that may be reclassified subsequently to statement of income	24,737	84,390	68,504	73,780
Other comprehensive income for the period	24,737	84,390	68,324	71,956
Total comprehensive income for the period	344,730	293,662	1,013,696	722,381

The notes on pages 8 to 44 form an integral part of the condensed consolidated interim financial information. The independent auditor's review report of the condensed consolidated interim financial information is set out on page 1.

National Bank of Fujairah PJSC

Condensed consolidated interim statement of cash flows – (Unaudited)

For the nine month period ended 30 September 2025

		Nine month period ended 30 September 2025 AED'000	Restated Nine month period ended 30 September 2024 AED'000
	Notes		
Operating activities			
Profit for the period before tax		1,039,372	715,049
Adjustments for:			
Depreciation and amortization		40,669	32,524
Gain on disposal of property, plant and equipment		(161)	-
Provision for employee end of service and other long term benefits		17,881	18,091
Net impairment losses	14	413,586	555,712
Tax	20	(94,000)	(64,624)
Net fair value gain on disposal of investments and Islamic instruments		(9,971)	(3,303)
Net changes in fair value of investments		856	921
Cash flow from operating activities before changes in operating assets and liabilities and payment of employee end of service and other long term benefits		1,408,232	1,254,370
Payment of employee end of service and other long term benefits		(15,964)	(10,699)
Change in due from the Central Bank of the UAE		(1,888,662)	(1,042,944)
Change in investments and Islamic instruments from CBUAE M-Bills		(1,973,773)	(1,663,677)
Change in due from banks and financial institutions		(48,816)	(418,453)
Change in loans and advances and Islamic financing receivables		(4,328,313)	(3,488,932)
Change in acceptances and other assets		(451,428)	(63,936)
Change in due to banks		1,906,007	162,444
Change in repurchase agreements		615,985	1,329,386
Change in customer deposits and Islamic customer deposits		3,370,615	3,273,946
Change in acceptances and other liabilities		484,830	385,216
Net cash used in operating activities		(921,287)	(283,279)
Investing activities			
Purchase of property, equipment and intangibles		(75,050)	(77,527)
Proceeds from sale of property, plant and equipment		161	-
Purchase of investments and Islamic instruments		(2,860,090)	(2,049,073)
Proceeds from sale and maturity of investments and Islamic instruments		2,288,337	994,548
Net cash used in investing activities		(646,642)	(1,132,052)

The notes on pages 8 to 44 form an integral part of the condensed consolidated interim financial information. The independent auditor's review report of the condensed consolidated interim financial information is set out on page 1.

National Bank of Fujairah PJSC

Condensed consolidated interim statement of cash flows – (Unaudited)

For the nine month period ended 30 September 2025 (continued)

		Restated
	Nine month period ended 30 September 2025 AED'000	Nine month period ended 30 September 2024 AED'000
Notes		
Financing activities		
Cash dividends paid	(387,062)	(212,000)
Proceeds from term borrowings	91,825	348,935
Repayment of term borrowings	-	(183,650)
Tier 1 capital securities coupon paid	-	(40,340)
Issue of Additional Tier 1 (AT1) capital securities	-	1,010,075
Tier 1 capital securities issuance cost	-	(734)
Net cash (used in) / generated from financing activities	(295,237)	922,286
Net change in cash and cash equivalents	(1,863,166)	(493,045)
Cash and cash equivalents at beginning of the period	4,229,759	2,532,848
Cash and cash equivalents at end of the period	2,366,593	2,039,803

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The notes on pages 8 to 44 form an integral part of the condensed consolidated interim financial information.
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National Bank of Fujairah PJSC

Condensed consolidated interim statement of changes in equity – (Unaudited)

For the nine month period ended 30 September 2025

AED'000	Share capital	Statutory reserve	Special reserve	Fair value reserve	Cash flow hedge reserve	Proposed dividends	Retained earnings	Tier 1 capital securities	Total
At 1 January 2025	2,580,412	1,709,784	764,977	32,567	565	387,062	1,380,308	-	6,855,675
Profit for the period after tax	-	-	-	-	-	-	945,372	-	945,372
Other comprehensive income for the period	-	-	-	67,239	1,085	-	180	-	68,504
Total comprehensive income for the period	-	-	-	67,239	1,085	-	945,552	-	1,013,876
2024 cash dividends paid	-	-	-	-	-	(387,062)	-	-	(387,062)
At 30 September 2025	2,580,412	1,709,784	764,977	99,806	1,650	-	2,325,860	-	7,482,489
At 1 January 2024	2,120,000	1,054,121	679,967	14,408	(1,230)	318,000	1,095,790	1,285,550	6,566,606
Profit for the period after tax	-	-	-	-	-	-	650,425	-	650,425
Other comprehensive income for the period	-	-	-	67,556	4,400	-	1,974	-	73,930
Total comprehensive income for the period	-	-	-	67,556	4,400	-	652,399	-	724,355
Issuance of Additional Tier 1 (AT1) capital securities	-	-	-	-	-	-	-	1,010,075	1,010,075
Tier 1 capital securities issuance cost	-	-	-	-	-	-	(734)	-	(734)
Tier 1 capital securities coupon paid	-	-	-	-	-	-	(40,340)	-	(40,340)
2023 cash dividends paid	-	-	-	-	-	(212,000)	-	-	(212,000)
2023 bonus shares issued	106,000	-	-	-	-	(106,000)	-	-	-
At 30 September 2024	2,226,000	1,054,121	679,967	81,964	3,170	-	1,707,115	2,295,625	8,047,962

The notes on pages 8 to 44 form an integral part of the condensed consolidated interim financial information.

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

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025

1. Legal status and activities

National Bank of Fujairah (the Bank) is a Public Joint Stock Company registered under the laws of the United Arab Emirates (UAE). The Bank operates under a banking license issued on 29 August 1984 by the Central Bank of the United Arab Emirates (Central Bank of the UAE or CBUAE) and commenced operations on 20 September 1984. The shares of the Bank were listed on Abu Dhabi Securities Exchange (ADX) on 23 October 2005. The shareholders who hold 5% or more of the Bank's share capital as at 30 September 2025 were:

Name	The percentage of shares owned from the Bank's capital
Department of Industry and Economy - Government of Fujairah	50.18%
Easa Saleh Al Gurg LLC	18.54%
Investment Corporation of Dubai	7.54%
Fujairah Investment Company	5.04%

The principal activity of the Bank is commercial banking which is carried out from its network of fourteen branches, across the UAE in emirates of Fujairah, Abu Dhabi, Dubai and Sharjah.

The Bank has two fully owned subsidiary companies:

- NBF Financial Services FZC was established in December 2004 with limited liability status in the Fujairah Free Trade Zone to provide support services to the Bank.
- NBF Markets (Cayman) Limited is registered in the Cayman Islands as an exempted company limited by shares under the Companies Law (revised) of the Cayman Islands and regulated by the Cayman Island Government General Registry. The Company was established on 31 January 2017 to provide support services to the Bank to enter into foreign exchange and derivative transactions with financial institutions /counterparties under the terms and conditions of International Swaps and Derivatives Association (ISDA).

The condensed consolidated interim financial information for the nine month period ended 30 September 2025 comprise the Bank and its subsidiaries (together referred to as 'the Group').

The registered address of the Group is Hamad Bin Abdullah Street, P. O. Box 887, Fujairah, United Arab Emirates.

2. Basis of preparation

Statement of compliance

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

This condensed consolidated interim financial information does not include all the information and disclosures required for full annual consolidated financial statements prepared in accordance with IFRS Accounting Standards and should be read in conjunction with the Group's consolidated financial statements as at and for the year ended 31 December 2024.

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

2. Basis of preparation *(continued)*

Statement of compliance *(continued)*

In preparing this condensed consolidated interim financial information, significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 December 2024 except for the new judgements and estimates explained in Note 3.

3. Material accounting policies

Changes in accounting policies

The accounting policies adopted in the preparation of the condensed consolidated interim financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the new applicable standards and amendments to the published standards effective as of 1 January 2025.

New and revised IFRS accounting standards adopted in the condensed consolidated interim financial information

The following new and revised IFRS accounting standards, which became effective for annual periods beginning on or after 1 January 2025, have been adopted in these consolidated financial statements. The application of these revised IFRS accounting standards have not had any material impact on the amounts reported for the current and prior periods. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Descriptions	Effective from
• Amendments to IAS 21 - Lack of Exchangeability	1 January 2025
• IFRS 18, 'Presentation and Disclosure in Financial Statements'	1 January 2025

Standards, amendments and interpretations issued but not yet effective and not early adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, the Group has not early adopted them in preparing this condensed consolidated interim financial information. The Group is constantly assessing the impact of these standards, interpretations and amendments on the future financial statements and intends to adopt these, if applicable, when they become effective.

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

4. Financial risk management

The Group's financial risk management objectives, policies and procedures are consistent with those disclosed in the audited consolidated financial statements as at and for the year ended 31 December 2024.

(a) Fair value measurement principles

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When available, the fair value of a financial instrument is based on quoted market prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis. If a quoted market price is not available or if a market for a financial instrument is not active, the fair value is determined by using valuation techniques. Valuation techniques include net present value techniques, discounted cash flow methods, comparison to similar instruments for which market observable prices exist. For investments under management with external fund managers, fair value is provided by the external fund managers, and is determined based on the market value of underlying investments of each fund. In all other cases, the instruments are measured at acquisition cost, including transaction cost, less impairment losses, if any.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market-related rate at the date of the condensed consolidated interim statement of financial position for an instrument with similar terms and conditions.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group and the counterparty, where appropriate. Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties; to the extent that the Group believes a third-party market participant would take them into account in pricing a transaction.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Group would receive or pay to terminate the contract at the date of the consolidated interim statement of financial position, taking into account current market conditions and the current creditworthiness of the counterparty.

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

4. Financial risk management (continued)

(b) Fair value hierarchy

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry, group, pricing service or regulatory agency, and those prices represent actual and regularly recurring market transactions on an arm's length basis.
- Level 2: Valuation techniques based on observable input, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Pursuant to disclosure requirements of IFRS 7 Financial Instruments: Disclosures, the Group has disclosed the relevant information in the table below:

Fair value measurement – fair value hierarchy:

30 September 2025 (Unaudited)

AED'000	Notional	Level 1	Level 2	Level 3
Investments and Islamic instruments				
Debt securities / Islamic sukuk	12,967,446	12,967,446	-	-
Other investments	214,664	213,416	1,248	-
Forward foreign exchange contracts	26,131,849	-	5,544	-
Currency options	1,329,351	-	-	-
Interest rate derivatives	2,669,518	-	(4,889)	-
Commodity derivatives	867,500	-	4,741	-

31 December 2024 (Audited)

AED'000	Notional	Level 1	Level 2	Level 3
Investments and Islamic instruments				
Debt securities / Islamic sukuk	10,414,529	10,414,529	-	-
Other investments	611,775	610,263	1,512	-
Forward foreign exchange contracts	21,591,701	-	5,040	-
Currency options	1,731,652	-	25	-
Interest rate derivatives	3,111,350	-	5,491	-
Commodity derivatives	437,239	-	513	-

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

4. Financial risk management (continued)

(b) Fair value hierarchy (continued)

Fair value measurement – fair value hierarchy (continued)

	Fair value (FV) hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to FV
Debt securities / Islamic sukuks and Other investments	Level 1	Quoted bid prices in active market	None	Not applicable
Other investments	Level 2	Quoted prices in secondary market	None	Not applicable
Derivatives	Level 2	Observable inputs either directly (i.e. as prices) or indirectly (i.e. derived from prices)	None	Not applicable

During the period, there were no transfers between Level 1 and Level 2. Further, there has been no change in the valuation techniques in relation to valuation of financial instruments.

(c) Fair values of derivative financial instruments

The positive and negative fair values of derivative financial instruments, entered into by the Group, at the reporting date are as below:

AED'000	30 September 2025 (Unaudited)				31 December 2024 (Audited)			
	Notional	Positive fair value	Negative fair value	Net	Notional	Positive fair value	Negative fair value	Net
Derivatives								
Forward foreign exchange contracts	26,131,849	103,781	98,237	5,544	21,591,701	49,713	44,673	5,040
Currency options	1,329,351	15,056	15,056	-	1,731,652	4,913	4,888	25
Interest rate derivatives	2,669,518	10,311	15,200	(4,889)	3,111,350	32,975	27,484	5,491
Commodity derivatives	867,500	7,321	2,580	4,741	437,239	2,537	2,024	513
Total	30,998,218	136,469	131,073	5,396	26,871,942	90,138	79,069	11,069

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

4. Financial risk management (continued)

(d) Assets and liabilities

Classification and measurement

The fair values and carrying values of the assets and liabilities (financial and non-financial) are shown below:

30 September 2025 (Unaudited)	At fair value through profit or loss	At fair value through other comprehensive income	Amortised cost	Total
AED'000				
Assets				
Cash and balances with the Central Bank of the UAE	-	-	6,681,268	6,681,268
Due from banks and financial institutions	-	-	2,455,765	2,455,765
Investments and Islamic instruments	168	13,180,784	6,463,873	19,644,825
Loans and advances and Islamic financing receivables	-	-	36,305,822	36,305,822
Acceptances and other assets	-	-	2,286,902	2,286,902
Property and equipment and intangibles	-	-	612,193	612,193
Total assets	168	13,180,784	54,805,823	67,986,775
Liabilities				
Due to banks	-	-	2,949,527	2,949,527
Customer deposits and Islamic customer deposits	-	-	49,127,635	49,127,635
Repurchase agreements	-	-	4,143,947	4,143,947
Term borrowings	-	-	899,885	899,885
Acceptances and other liabilities	-	-	3,383,292	3,383,292
Total liabilities	-	-	60,504,286	60,504,286

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

4. Financial risk management (continued)

(d) Assets and liabilities (continued)

31 December 2024 (Audited) AED'000	At fair value through profit or loss	At fair value through other comprehensive income	Amortised cost	Total
Assets				
Cash and balances with the Central Bank of the UAE	-	-	6,635,580	6,635,580
Due from banks and financial institutions	-	-	2,229,905	2,229,905
Investments and Islamic instruments	432	11,017,410	6,183,631	17,201,473
Loans and advances and Islamic financing receivables	-	-	32,392,174	32,392,174
Acceptances and other assets	-	-	1,842,124	1,842,124
Property and equipment and intangibles	-	-	577,812	577,812
Total assets	432	11,017,410	49,861,226	60,879,068
Liabilities				
Due to banks	-	-	1,043,520	1,043,520
Customer deposits and Islamic customer deposits	-	-	45,757,020	45,757,020
Repurchase agreements	-	-	3,527,962	3,527,962
Term borrowings	-	-	808,060	808,060
Acceptances and other liabilities	-	-	2,886,831	2,886,831
Total liabilities	-	-	54,023,393	54,023,393

Fair value of investments and Islamic instruments measured at amortised cost amounted to [AED 6,529.9 million](#) (31 December 2024: AED 6,075.6 million). Management considers that the carrying amounts of all other financial assets and financial liabilities measured at amortised cost in this condensed consolidated interim financial information approximate their fair values.

The Group performed a detailed analysis of its business models for managing financial assets and analysis of their cash flow characteristics.

(e) Market risk

Derivative financial instruments

In the ordinary course of business, the Group enters into various types of derivative transactions that are affected by variables in the underlying instruments.

A derivative is a financial instrument or other contract with all three of the following characteristics:

- its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

4. Financial risk management (continued)

(e) Market risk (continued)

Derivative financial instruments (continued)

- (ii) it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors; and
- (iii) it is settled at a future date.

Derivative financial instruments which the Group enters into includes forward foreign exchange contracts, interest rate derivatives, commodity derivatives and currency options.

The Group uses derivative financial instruments for hedging purposes as part of its asset and liability management activities in order to reduce its own exposure to fluctuations in interest rates.

The Group uses interest rate swaps to hedge interest rate risks. In all such cases, the hedging relationship and objectives including details of the hedged item and hedging instrument are formally documented and the transactions are accounted for based on the type of hedge.

The Group's exposure to interest rate swaps designated in hedge accounting relationships represents an amount of AED 497.1 million (31 December 2024: AED 501.4 million). The objective of the majority of these hedges is to reduce fluctuations from interest rate risk and is consistent with the overall interest rate risk management strategy of NBF.

The following table shows the positive (assets) and negative (liabilities) fair values of derivative financial instruments for hedging purposes:

Hedging instrument	Assets	Liabilities	Notional
30 September 2025 (Unaudited)			
AED'000			
Derivatives held as cash flow hedges			
Interest rate swaps	1,863	213	497,137
Total derivative financial instruments	1,863	213	497,137
Hedging instrument			
31 December 2024 (Audited)			
AED'000			
Derivatives held as cash flow hedges			
Interest rate swaps	565	-	501,418
Total derivative financial instruments	565	-	501,418

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

5. Cash and balances with the Central Bank of the UAE

	30 September 2025 AED'000 Unaudited	Restated 31 December 2024 AED'000 Audited
Cash on hand	425,358	316,466
Certificates of Deposit (CDs) with the Central Bank of the UAE	3,450,000	3,551,866
Regulatory cash reserve deposit	2,805,910	2,767,248
	<u>6,681,268</u>	<u>6,635,580</u>

Details of restatement have been covered in note 22 of this condensed consolidated interim financial information.

6. Due from banks and financial institutions

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
6.1 By type		
Placements	270,380	606,045
Current accounts / term deposits	1,106,756	823,596
Bills discounted	1,085,780	805,565
	<u>2,462,916</u>	<u>2,235,206</u>
Less: Allowances for impairment (ECL) (note 10)	<u>(7,151)</u>	<u>(5,301)</u>
	<u>2,455,765</u>	<u>2,229,905</u>

Placements include a Wakala placement amounting to **AED 50.0 million** (31 December 2024: AED nil) undertaken through a Shari'ah - compliant Islamic window, NBF Islamic.

Current accounts / term deposits include cash collateral of **AED 26.5 million** (31 December 2024: AED 8.3 million) in respect of negative fair value of derivatives, in accordance with the agreements with interbank counterparties.

Bills discounted represent bank risk discounting portfolio to support customers' trade business.

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

6. Due from banks and financial institutions (continued)

6.2 By currency

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
AED	746,049	197,590
USD	1,428,037	1,763,064
EUR	67,642	53,517
GBP	12,671	16,975
XAU	14,911	33,389
Others	193,606	170,671
	2,462,916	2,235,206
Less: Allowances for impairment (ECL) (note 10)	(7,151)	(5,301)
	2,455,765	2,229,905

6.3 By geographical area

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
UAE	252,977	386,913
GCC	419,443	446,194
Europe	794,950	441,413
Americas	274,035	476,246
Others	721,511	484,440
	2,462,916	2,235,206
Less: Allowances for impairment (ECL) (note 10)	(7,151)	(5,301)
	2,455,765	2,229,905

The dispersion of due from banks and financial institutions portfolio based on the redistribution of risk is set out below:

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
UAE	251,701	444,218
GCC	405,920	409,531
Europe	838,056	701,935
Americas	103,665	274,523
Others	863,574	404,999
	2,462,916	2,235,206
Less: Allowances for impairment (ECL) (note 10)	(7,151)	(5,301)
	2,455,765	2,229,905

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

6. Due from banks and financial institutions (continued)

6.4 Based on external credit ratings

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
AAA	-	110,190
AA	490,222	2,472
AA-	206,313	31,824
A+	143,785	265,484
A	534,518	876,166
BBB+	298,823	396,658
BBB	8,851	10,326
BBB- and below	780,404	542,086
	2,462,916	2,235,206
Less: Allowances for impairment (ECL) (note 10)	(7,151)	(5,301)
	2,455,765	2,229,905

6.5 Due from banks and financial institutions stage-wise analysis

The following table contains an analysis of the credit risk exposure of due from banks and financial institutions. The gross carrying amount of due from banks and financial institutions, including accrued interest / profit, represents the Group's maximum exposure to credit risk on these assets:

	30 September 2025 (Unaudited)			
AED'000	Stage 1	Stage 2	Stage 3	Total
Outstanding balance	2,466,410	-	-	2,466,410
Allowances for impairment (ECL) (note 10)	(7,151)	-	-	(7,151)
Carrying amount	2,459,259	-	-	2,459,259

	31 December 2024 (Audited)			
AED'000	Stage 1	Stage 2	Stage 3	Total
Outstanding balance	2,253,905	-	-	2,253,905
Allowances for impairment (ECL) (note 10)	(5,301)	-	-	(5,301)
Carrying amount	2,248,604	-	-	2,248,604

Due from banks and financial institutions were in stage 1 throughout the period. Accordingly, there have been no significant movements between stages in respect of these financial assets.

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

7. Investments and Islamic instruments

	30 September 2025 AED'000 Unaudited	Restated 31 December 2024 AED'000 Audited
Investments at fair value through profit or loss (FVTPL) (note 7.1)	168	432
Investments at fair value through other comprehensive income (FVOCI)		
Debt securities / Islamic sukuks (note 7.2)	12,967,446	10,414,529
Other investments / Islamic instruments (note 7.3)	214,496	611,343
	13,181,942	11,025,872
Less: Allowances for impairment (ECL) (note 10)	(1,158)	(8,462)
Investments at fair value through other comprehensive income (FVOCI)	13,180,784	11,017,410
Investments - fair value	13,180,952	11,017,842
Investments measured at amortised cost		
Debt securities / Islamic sukuks (note 7.2)	6,465,973	6,197,900
Less: Allowances for impairment (ECL) (note 10)	(2,100)	(14,269)
Investments measured at amortised cost	6,463,873	6,183,631
	19,644,825	17,201,473

- 7.1** Investments at FVTPL include various funds whose fair values are based on the net asset values provided by the fund managers.
- 7.2** Debt securities aggregating **AED 9,750.8 million** (31 December 2024: AED 8,621.8 million) represent the Group's investments in bonds and notes which are quoted on recognized exchanges and prices of which are available on internationally recognized platforms of Reuters and Bloomberg and are liquid in normal market conditions. The debt securities portfolio includes floating rate securities amounting to **AED nil** (31 December 2024: AED 235.9 million).
- Debt securities portfolio include Islamic sukuks amounting to **AED 1,256.2 million** (31 December 2024: AED 1,076.0 million).
- Debt securities portfolio include additional tier 1 perpetual bonds of **AED 152.3 million** (31 December 2024: AED 194.6 million).
- 7.3** Other investments include various funds whose fair values are based on the net asset values provided by the fund managers, amounting to **AED 213.4 million** (31 December 2024: AED 610.3 million). No shares were purchased by the Bank during the period (31 December 2024: nil).

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

7. Investments and Islamic instruments (continued)

7.4 The dispersion of the investment portfolio is as follows:

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
Government	12,421,894	10,815,286
Banks and financial institutions	7,011,524	5,797,143
Others	214,665	611,775
	<u>19,648,083</u>	<u>17,224,204</u>
Less: Allowances for impairment (ECL) (note 10)	<u>(3,258)</u>	<u>(22,731)</u>
	<u>19,644,825</u>	<u>17,201,473</u>

7.5 By geographical area

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
UAE	11,791,551	9,957,329
GCC	941,331	726,665
Europe	3,177,945	2,919,303
Americas	2,631,529	2,552,487
Others	1,105,727	1,068,420
	<u>19,648,083</u>	<u>17,224,204</u>
Less: Allowances for impairment (ECL) (note 10)	<u>(3,258)</u>	<u>(22,731)</u>
	<u>19,644,825</u>	<u>17,201,473</u>

The dispersion of investment portfolio based on the redistribution of risk is set out below:

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
UAE	12,179,428	10,331,604
GCC	1,468,526	1,092,094
Europe	3,084,289	2,726,974
Americas	1,602,098	1,652,635
Others	1,313,742	1,420,897
	<u>19,648,083</u>	<u>17,224,204</u>
Less: Allowances for impairment (ECL) (note 10)	<u>(3,258)</u>	<u>(22,731)</u>
	<u>19,644,825</u>	<u>17,201,473</u>

Others include investments in multilateral development banks amounting to AED 207.8 million (31 December 2024: AED 348.2 million).

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

7. Investments and Islamic instruments (continued)

7.6 By currency

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
AED	9,592,231	7,987,849
USD	9,929,429	9,078,028
EUR	72,798	94,537
GBP	53,625	-
SGD	-	40,390
JPY	-	23,400
	19,648,083	17,224,204
Less: Allowances for impairment (ECL) (note 10)	(3,258)	(22,731)
	19,644,825	17,201,473

7.7 Based on external credit rating

30 September 2025 (Unaudited) AED'000	Debt securities / Islamic sukuku	Other investments	Total
AAA	89,730	-	89,730
AA	1,378,133	-	1,378,133
AA-	10,132,009	-	10,132,009
A+	1,059,243	-	1,059,243
A	724,261	213,470	937,731
A-	3,003,403	-	3,003,403
BBB+	2,241,141	-	2,241,141
BBB	533,793	-	533,793
BBB- and below	271,706	1,194	272,900
Less: Allowances for impairment (ECL) (note 10)	(3,197)	(61)	(3,258)
	19,430,222	214,603	19,644,825

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

7. Investments and Islamic instruments (continued)

7.7 Based on external credit rating (continued)

31 December 2024 (Audited) AED'000	Debt securities / Islamic sukuk	Other investments	Total
AAA	129,133	-	129,133
AA	1,612,048	-	1,612,048
AA-	8,413,236	-	8,413,236
A+	684,256	117,887	802,143
A	578,512	492,376	1,070,888
A-	2,158,700	-	2,158,700
BBB+	2,297,044	-	2,297,044
BBB	417,471	-	417,471
BBB- and below	322,029	1,512	323,541
Less: Allowances for impairment (ECL) (note 10)	(19,907)	(2,824)	(22,731)
	16,592,522	608,951	17,201,473

BBB- and below rating investments include unrated issuances by Government related entities.

7.8 Debt investments and Islamic instruments stage-wise analysis

The following table contains an analysis of the credit risk of relevant debt investments and Islamic instruments and the related ECL. The gross carrying amount of debt investments and Islamic instruments, including accrued interest / profit, represents the Group's maximum exposure to credit risk on these assets:

30 September 2025 (Unaudited) AED'000	Stage 1	Stage 2	Stage 3	Total
Outstanding balance	10,116,485	-	-	10,116,485
Allowances for impairment (ECL) (note 10)	(3,258)	-	-	(3,258)
Carrying amount	10,113,227	-	-	10,113,227

31 December 2024 (Audited) AED'000	Stage 1	Stage 2	Stage 3	Total
Outstanding balance	9,467,028	-	-	9,467,028
Allowances for impairment (ECL) (note 10)	(22,731)	-	-	(22,731)
Carrying amount	9,444,297	-	-	9,444,297

Debt investments and Islamic instruments are in stage 1 throughout the period. Accordingly, there have been no significant movements between stages in respect of these financial assets.

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

8. Loans and advances and Islamic financing receivables

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
8.1 By type		
Overdrafts	1,789,960	1,758,637
Term loans	30,113,391	26,276,878
Loans against trust receipts	4,590,756	4,309,984
Bills discounted	1,952,645	1,869,600
Bills drawn under letters of credit	314,329	287,115
Gross loans and advances and Islamic financing receivables	38,761,081	34,502,214
Allowances for impairment losses (ECL) (note 10)	(2,455,259)	(2,110,040)
Net loans and advances and Islamic financing receivables	36,305,822	32,392,174

8.2 Loans and advances and Islamic financing receivables include Murabaha Tawarruq and Ijara financing activities amounting to **AED 5,310.4 million** (31 December 2024: AED 4,474.4 million) provided through a Shari'ah compliant Islamic window, NBF Islamic.

8.3 Loans and advances and Islamic financing receivables stage-wise analysis

The following table contains an analysis of the credit risk exposure of loans and advances and Islamic financing receivables. The gross carrying amount of loans and advances and Islamic financing receivables, including accrued interest / profit, represents the Group's maximum exposure to credit risk on these assets:

30 September 2025 (Unaudited) AED'000	Stage 1	Stage 2	Stage 3	Total
Outstanding balance	35,631,068	1,669,401	2,045,011	39,345,480
Allowances for impairment (ECL) (note 10)	(316,729)	(505,860)	(1,632,670)	(2,455,259)
Carrying amount	35,314,339	1,163,541	412,341	36,890,221
 31 December 2024 (Audited) AED'000	 Stage 1	 Stage 2	 Stage 3	 Total
Outstanding balance	31,203,824	1,807,164	1,976,030	34,987,018
Allowances for impairment (ECL) (note 10)	(248,990)	(336,035)	(1,525,015)	(2,110,040)
Carrying amount	30,954,834	1,471,129	451,015	32,876,978

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

8. Loans and advances and Islamic financing receivables (continued)

8.4 Movement in the gross balance of loans and advances and Islamic financing receivables

Outstanding balance (Unaudited) AED'000	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount - 31 December 2024	31,203,824	1,807,164	1,976,030	34,987,018
Transferred from Stage 1	(206,448)	163,304	43,144	-
Transferred from Stage 2	143,401	(189,851)	46,450	-
Transferred from Stage 3	-	255	(255)	-
Other changes in underlying portfolios during the period	4,490,291	(111,471)	49,092	4,427,912
Written-off during the period	-	-	(69,450)	(69,450)
Gross carrying amount – 30 September 2025	35,631,068	1,669,401	2,045,011	39,345,480

Outstanding balance (Audited) AED'000	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount – 31 December 2023	26,259,891	2,207,549	1,679,876	30,147,316
Transferred from Stage 1	(593,516)	477,796	115,720	-
Transferred from Stage 2	189,542	(413,249)	223,707	-
Transferred from Stage 3	-	981	(981)	-
Other changes in underlying portfolios during the year	5,347,907	(465,913)	251,156	5,133,150
Written-off during the year	-	-	(293,448)	(293,448)
Gross carrying amount - 31 December 2024	31,203,824	1,807,164	1,976,030	34,987,018

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

8. Loans and advances and Islamic financing receivables (continued)

8.5 Movement in the provision for impairment of loans and advances and Islamic financing receivables

ECL (Unaudited) AED'000	Stage 1	Stage 2	Stage 3	Total
ECL allowance - 31 December 2024	248,990	336,035	1,525,015	2,110,040
Transferred from Stage 1	(3,788)	10,252	40,034	46,498
Transferred from Stage 2	1,498	(10,701)	33,182	23,979
Transferred from Stage 3	-	17	(251)	(234)
Net originated / (derecognized) during the period including changes in PDs / LGDs / EADs	70,029	170,257	104,140	344,426
Net allowance for impairment losses	67,739	169,825	177,105	414,669
Written-off during the period	-	-	(69,450)	(69,450)
ECL allowance – 30 September 2025	316,729	505,860	1,632,670	2,455,259

ECL (Audited) AED'000	Stage 1	Stage 2	Stage 3	Total
ECL allowance - 31 December 2023	188,434	458,984	1,085,637	1,733,055
Transferred from Stage 1	(8,084)	28,336	80,217	100,469
Transferred from Stage 2	5,184	(62,952)	138,479	80,711
Transferred from Stage 3	-	87	(582)	(495)
Net originated / (derecognized) during the year including changes in PDs / LGDs / EADs	63,456	(88,420)	514,712	489,748
Net allowance for impairment losses	60,556	(122,949)	732,826	670,433
Written-off during the year	-	-	(293,448)	(293,448)
ECL allowance - 31 December 2024	248,990	336,035	1,525,015	2,110,040

8.6 Risk mitigation, collateral and credit enhancements

In line with Basel, IFRS 9 standards and the Credit Risk Management Standards (CRMS) issued by the Central Bank of the UAE (CBUAE), NBF's Credit Risk Management Framework (CRMF) outlines the basis pertaining to the eligibility, valuation, roles and responsibilities of various departments and overall management of collateral in order to adopt effective credit risk mitigation mechanism and maximize the use of eligible collateral.

The eligible collateral under IFRS 9 helps in arriving at EAD and LGD for Expected Credit Loss (ECL) calculations. As for measuring ECL, the expected cash shortfalls will reflect via LGD, the cash flows expected from collateral realization provided the same are as per contractual terms.

The Group manages credit exposure by obtaining security where appropriate, and the Group may also close out transactions, facilitate a secondary market sale or reduce exposures as appropriate to mitigate credit risk.

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

8. Loans and advances and Islamic financing receivables (continued)

8.6 Risk mitigation, collateral and credit enhancements (continued)

The amount and type of collateral depends on assessments of the credit risk of the counterparty. The types of collateral mainly include cash, guarantees, stand-by letter of credit (bank guarantee), pledge over listed shares and mortgage and liens over real estate or movable and immovable assets; vehicles, ships and equipment. Collateral generally is not held against non-trading investments and due from banks and financial institutions.

Management monitors the market value of collateral, and wherever necessary the Group requests additional collateral in accordance with the underlying agreement, and considers collateral obtained during its review of the adequacy of the allowance for impairment losses.

Estimates of fair value are updated and assessed on a periodic basis in accordance with the respective credit policies.

The credit quality of the loans and advances and Islamic financing receivables is managed by the Group using internal credit ratings comprising 22 grades. The risk rating system is used as a credit risk management tool whereby any risks taken on the Group's books are rated against a set of predetermined standards which are in line with the Central Bank of the UAE guidelines.

The Group's Credit Risk Rating Methodology reflects its assessment of the probability of default of individual counterparties mapped to the ratings specified by the External Credit Assessment Institutions (ECAIs). The mapping is based on a statistical model which takes into consideration the industry weights, country specific factors and the sensitivity of the counter party to systematic risk. Risk classification distribution by risk grades is presented below:

Risk grades of gross loans and advances and Islamic financing receivables

30 September 2025 (Unaudited)				
AED'000	Stage 1	Stage 2	Stage 3	Total
RR 1-19				
Grade RR 1 – 17: Performing	35,375,713	451,776	-	35,827,489
Grade RR 18 – 19: Watchlist	-	1,182,482	-	1,182,482
Total – RR 1-19	35,375,713	1,634,258	-	37,009,971
RR 20-22: Non-performing	-	-	1,751,110	1,751,110
Total	35,375,713	1,634,258	1,751,110	38,761,081

31 December 2024 (Audited)				
AED'000	Stage 1	Stage 2	Stage 3	Total
RR 1-19				
Grade RR 1 – 17: Performing	30,974,093	443,418	-	31,417,511
Grade RR 18 – 19: Watchlist	-	1,318,230	-	1,318,230
Total – RR 1-19	30,974,093	1,761,648	-	32,735,741
RR 20-22: Non-performing	-	-	1,766,473	1,766,473
Total	30,974,093	1,761,648	1,766,473	34,502,214

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

9. Contingent liabilities and commitments

Contingent liabilities represent credit related commitments under letters of credit and guarantees which are designed to meet the requirements of the Group's customers towards third parties. Commitments represent credit facilities and other capital expenditure commitments of the Group which are undrawn at the date of consolidated interim statement of financial position. All credit related commitments are unconditionally cancellable / revocable at the discretion of the Group except for the amounts mentioned in the following table:

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
Contingent liabilities:		
- Letters of credit covering movement of goods	1,520,587	1,783,426
- Financial guarantees and other direct credit substitutes	1,133,834	898,774
- Bid bonds, performance bonds and other transaction related contingencies	7,333,819	6,463,495
	<u>9,988,240</u>	<u>9,145,695</u>
Commitments:		
- Undrawn irrevocable commitments – credit related	477,952	328,770
- Commitments for future expenditure	272,823	138,014
	<u>750,775</u>	<u>466,784</u>
	<u>10,739,015</u>	<u>9,612,479</u>

The total undrawn commitments which are revocable at the discretion of the Bank amount to [AED 17,757.3 million](#) (31 December 2024: AED 17,214.5 million). Many of the contingent liabilities and commitments will expire without being funded in whole or in part. Therefore, the amounts do not necessarily represent expected future cash flows.

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

9. Contingent liabilities and commitments (continued)

9.1 Off balance sheet exposures stage-wise analysis

The following table contains an analysis of the credit risk of relevant off balance sheet exposures and the related ECL. The gross carrying amount of off balance sheet exposures below represents the Group's maximum exposure to credit risk on these assets:

	30 September 2025 (Unaudited)			
	Stage 1	Stage 2	Stage 3	Total
AED'000				
Outstanding balance	9,357,123	180,810	171,373	9,709,306
Allowances for impairment (ECL) (note 10)	(31,993)	(6,415)	(126,048)	(164,456)
Carrying amount	9,325,130	174,395	45,325	9,544,850

	31 December 2024 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
AED'000				
Outstanding balance	8,506,912	173,075	167,799	8,847,786
Allowances for impairment (ECL) (note 10)	(28,118)	(5,281)	(121,166)	(154,565)
Carrying amount	8,478,794	167,794	46,633	8,693,221

9.2 Movement in the gross balance of off-balance sheet exposures

Outstanding balance (Unaudited)	Stage 1	Stage 2	Stage 3	Total
AED'000				
Gross carrying amount - 31 December 2024	8,506,912	173,075	167,799	8,847,786
Transferred from Stage 1	(58,459)	51,985	6,474	-
Transferred from Stage 2	902	(3,999)	3,097	-
Transferred from Stage 3	-	-	-	-
Originated / (expired) during the period	907,768	(40,251)	(5,997)	861,520
Written-off during the period	-	-	-	-
Gross carrying amount - 30 September 2025	9,357,123	180,810	171,373	9,709,306

Outstanding balance (Audited)	Stage 1	Stage 2	Stage 3	Total
AED'000				
Gross carrying amount - 31 December 2023	6,690,731	226,462	163,555	7,080,748
Transferred from Stage 1	(30,985)	29,428	1,557	-
Transferred from Stage 2	12,852	(26,489)	13,637	-
Transferred from Stage 3	-	-	-	-
Originated / (expired) during the year	1,834,314	(56,326)	(10,950)	1,767,038
Written-off during the year	-	-	-	-
Gross carrying amount - 31 December 2024	8,506,912	173,075	167,799	8,847,786

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

9. Contingent liabilities and commitments (continued)

9.3 Movement in the provision for impairment of off-balance sheet exposures

ECL – AED '000 (Unaudited)	Stage 1	Stage 2	Stage 3	Total
ECL allowances - 31 December 2024	28,118	5,281	121,166	154,565
Transferred from Stage 1	(280)	408	5,351	5,479
Transferred from Stage 2	2	(183)	3,029	2,848
Transferred from Stage 3	-	-	-	-
Net originated / expired during the period including changes in PDs / LGDs / EADs	4,153	909	(3,498)	1,564
Net allowance for impairment losses	3,875	1,134	4,882	9,891
Written-off during the period	-	-	-	-
ECL allowances - 30 September 2025	31,993	6,415	126,048	164,456

ECL – AED '000 (Audited)	Stage 1	Stage 2	Stage 3	Total
ECL allowances - 31 December 2023	19,986	2,943	117,630	140,559
Transferred from Stage 1	(200)	312	1,172	1,284
Transferred from Stage 2	90	(238)	11,493	11,345
Transferred from Stage 3	-	-	-	-
Net originated / expired during the year including changes in PDs / LGDs / EADs	8,242	2,264	(9,129)	1,377
Net allowance for impairment losses	8,132	2,338	3,536	14,006
Written-off during the year	-	-	-	-
ECL allowances – 31 December 2024	28,118	5,281	121,166	154,565

The provision for ECL against the off-balance sheet exposures disclosed above is classified under other liabilities.

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

10. Stage-wise ECL

The analysis of ECL by stage for loans and advances and Islamic financing receivables, due from banks and financial institutions, debt investments and Islamic instruments, acceptances and other assets and off-balance sheet items is as follows:

AED' 000

30 September 2025 (Unaudited)

	Loans and advances and Islamic financing receivables	Due from banks and financial institutions	Investments and Islamic instruments	Acceptances and other assets	Off-balance sheet exposures	Total	ECL rate
Stage 3	1,632,670	-	-	12,743	126,048	1,771,461	79.4%
Stage 2	505,860	-	-	6,847	6,415	519,122	25.8%
Stage 1	316,729	7,151	3,258	2,392	31,993	361,523	0.6%
	822,589	7,151	3,258	9,239	38,408	880,645	
Total ECL	2,455,259	7,151	3,258	21,982	164,456	2,652,106	4.2%
ECL rate	6.2%	0.3%	0.03%	1.3%	1.7%		

AED' 000

31 December 2024 (Audited)

	Loans and advances and Islamic financing receivables	Due from banks and financial institutions	Investments and Islamic instruments	Acceptances and other assets	Off-balance sheet exposures	Total	ECL rate
Stage 3	1,525,015	-	-	12,832	121,166	1,659,013	76.9%
Stage 2	336,035	-	-	59	5,281	341,375	17.2%
Stage 1	248,990	5,301	22,731	2,442	28,118	307,582	0.6%
	585,025	5,301	22,731	2,501	33,399	648,957	
Total ECL	2,110,040	5,301	22,731	15,333	154,565	2,307,970	4.1%
ECL rate	6.0%	0.2%	0.2%	1.2%	1.7%		

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

11. Due to banks, repurchase agreements and term borrowings

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
<i>By type:</i>		
Due to banks (note 11.1)	2,949,527	1,043,520
Repurchase agreements	4,143,947	3,527,962
Term borrowings (note 11.2)	899,885	808,060
	<u>7,993,359</u>	<u>5,379,542</u>
<i>By geographical area:</i>		
UAE	3,586,102	2,023,232
GCC	140,000	-
Europe	3,380,885	2,609,383
Americas	1,028	1,065
Others	885,344	745,862
	<u>7,993,359</u>	<u>5,379,542</u>

As at 30 September 2025, due to banks include cash collateral of AED 73.6 million (31 December 2024: AED 97.8 million), in respect of positive fair value of derivatives, in accordance with the agreements with the interbank counterparties.

Due to banks include a Wakala borrowing amounting to AED 424.6 million (31 December 2024: 548.7 million) undertaken through a Shari'ah - compliant Islamic window, NBF Islamic.

The investment securities under repurchase agreements amounted to AED 4,631.7 million (31 December 2024: AED 3,905.8 million).

11.1 Due to banks include gold related borrowings amounting to AED 245.2 million (31 December 2024: AED 191.8 million) utilized to finance gold loans extended to customers on a matched basis.

11.2 Term borrowings comprise of several bilateral borrowings obtained from other banks and financial institutions as follows:

Loan no.	Year obtained	Maturity	Interest rate	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
1	2023	Sep-26	SOFR + Margin	183,650	183,650
2	2023	Dec-28	SOFR + Margin	183,650	183,650
3	2024	May-26	SOFR + Margin	183,650	183,650
4	2024	May-26	SOFR + Margin	91,825	91,825
5	2024	Sep-26	SOFR + Margin	73,460	73,460
6	2024	Dec-27	SOFR + Margin	91,825	91,825
7	2025	Mar-27	SOFR + Margin	91,825	-
				<u>899,885</u>	<u>808,060</u>

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

12. Customer deposits and Islamic customer deposits

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
<i>By type:</i>		
Demand and margin deposits	20,514,680	19,200,555
Saving deposits	961,874	588,958
Fixed term and notice deposits	27,651,081	25,967,507
	<u>49,127,635</u>	<u>45,757,020</u>
<i>By geographical area:</i>		
UAE	45,478,882	41,946,028
GCC	1,474,028	1,224,892
Europe	968,627	1,333,426
Americas	442,117	1,054,238
Others	763,981	198,436
	<u>49,127,635</u>	<u>45,757,020</u>

12.1 Included above, Islamic customer deposits undertaken through a Shari'ah - compliant Islamic window, NBF Islamic.

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
<i>By type:</i>		
Qard Islamic current accounts	814,190	728,394
Murabaha deposits	1,229,759	682,549
Wakala deposits	3,081,195	3,212,977
Mudaraba deposits	65,985	56,440
	<u>5,191,129</u>	<u>4,680,360</u>

13. Shareholders' equity

13.1 Share capital

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
<i>Authorised, issued and fully paid:</i>		
2,580,412,281 shares of AED 1 each (2024: 2,580,412,281 shares of AED 1 each)	<u>2,580,412</u>	<u>2,580,412</u>

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

13. Shareholders' equity (continued)

13.2 Proposed cash dividends

The Board of Directors proposed a distribution of cash dividends of 15% of share capital for the year ended 31 December 2024. The distribution was approved by the shareholders at the Annual General Assembly Meeting held in March 2025.

14. Net impairment losses

	30 September 2025 AED'000 Unaudited	30 September 2024 AED'000 Unaudited
Loans and advances and Islamic financing receivables, acceptances, other assets and off balance sheet items	431,209	557,252
Due from banks and financial institutions	1,850	(549)
Investments and Islamic instruments	(19,473)	(991)
	<u>413,586</u>	<u>555,712</u>

15. Earnings per share

The calculation of earnings per share for the nine month period ended 30 September 2025 is based on net profit of AED 945.4 million (30 September 2024: AED 609.4 million after deduction of AED 41.1 million of additional Tier 1 capital securities coupon payment and issuance cost) divided by the weighted average number of shares of 2,580.4 million (30 September 2024: 2,580.4 million shares) outstanding during the period.

The calculation of earnings per share for the three month period ended 30 September 2025 is based on net profit of AED 320.0 million (30 September 2024: net profit of AED 206.0 million after deduction of AED 3.3 million of additional Tier 1 capital securities coupon payment and issuance cost) divided by the weighted average number of shares of 2,580.4 million (30 September 2024: 2,580.4 million shares) outstanding during the period.

16. Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In the case of the Group, related parties, as defined in the International Accounting Standard No. 24, include major shareholders of the Group, directors and officers of the Group and companies of which they are principal owners and key management personnel. Banking transactions are entered into with related parties on agreed terms and conditions approved by the Board of Directors. The significant transactions and balances included in the condensed consolidated interim financial information, which predominantly relate to Directors and shareholders of the Group, are as follows:

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

16. Related parties (continued)

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
Statement of financial position items		
Loans and advances and Islamic financing receivables	3,809,019	3,971,914
Customer deposits and Islamic customer deposits	10,987,846	10,589,657
Investments and Islamic instruments	210,464	139,261
Acceptances	17,130	208,870
Contingent liabilities		
Letters of credit	78,518	130,064
Financial guarantees and other direct credit substitutes	35,607	36,212
Transaction related contingencies	770,290	621,819
Commitments for future expenditure	144,675	6,369
	30 September 2025 AED'000 Unaudited	30 September 2024 AED'000 Unaudited
Statement of changes in equity items		
Tier 1 capital securities coupon paid	-	11,316
Statement of income items		
Interest income and income from Islamic financing and investment activities	154,413	154,029
Interest expense and distribution to Islamic depositors	331,678	368,302
Other income	11,462	9,252
Operating expenses	33,390	30,204
Key management compensation		
Salaries and other short-term benefits	36,572	20,328
Employee end of service benefits	1,085	729

Stage 3 ECL, amounting to **AED 282.7 million**, has been recognized pertinent to related parties (31 December 2024: 282.6 million). Further, stage 1 and 2 ECL amounted to **AED 14.4 million** (31 December 2024: 18.2 million).

The loans and advances and Islamic financing receivables given to related parties have been secured against collateral amounting to **AED 2,933.9 million** (31 December 2024: AED 2,430.8 million).

During the nine-month period ended 30 September 2025, capital expenditure transactions with related parties amounted to **AED 4.9 million** (31 December 2024: AED 1.5 million).

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

16. Related parties (continued)

Further, segregation of balances with related parties at the reporting date are shown below:

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
Major shareholders and their related entities		
Loans and advances and Islamic financing receivables	2,178,449	1,382,056
Customer deposits and Islamic customer deposits	9,343,476	8,710,719
Investments and Islamic instruments	210,464	139,261
Acceptances	10,537	200,188
Letters of credit	65,549	107,632
Financial guarantees and other direct credit substitutes	35,161	35,512
Transaction related contingencies	551,221	489,377
Commitments for future expenditure	144,394	1,176
Exposure to directors and their related entities		
Loans and advances and Islamic financing receivables	135,022	143,448
Customer deposits and Islamic customer deposits	164,796	86,304
Transaction related contingencies	2,493	11,339
Key management personnel and their related parties		
Loans and advances and Islamic financing receivables	58,310	45,691
Customer deposits and Islamic customer deposits	37,889	178,189
Financial guarantees and other direct credit substitutes	-	5
Others		
Loans and advances and Islamic financing receivables	1,437,238	2,400,719
Customer deposits and Islamic customer deposits	1,441,685	1,614,445
Acceptances	6,593	8,682
Letters of credit	12,969	22,432
Financial guarantees and other direct credit substitutes	446	695
Transaction related contingencies	216,576	121,103
Commitments for future expenditure	281	5,193

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

17. Capital adequacy ratio

The Bank's risk weighted assets (RWA) are weighted on the basis of relative credit, market, and operational risks. Credit risk includes both on and off-balance sheet risks. In accordance with the Basel III Compliance – Standardized Approach, the Bank is following the standardized measurement approach for credit, market and operational risk, under the existing Pillar 1 of Basel III requirements with the addition of the respective changes pertinent to capital supply.

The quantitative requirements, based on the regulations / guidelines, have been detailed below:

- i. Total regulatory capital (net of regulatory adjustments) – at least 10.5% of risk weighted assets (RWA) – comprises of two tiers:
 - a. Tier 1 capital – at least 8.5% of RWA, composed of:
 1. Common equity Tier 1 (CET1) – at least 7.0% of RWA; and
 2. Additional Tier 1 (AT1).

Common equity Tier 1 (CET1) includes ordinary share capital, statutory reserve, special reserve, retained earnings and fair value reserves relating to unrealized gains on investments classified as FVOCI / available-for-sale with a hair-cut of 55%; and Additional Tier 1 (AT1) comprises of Tier 1 capital securities.
 - b. Tier 2 capital

It includes collective impairment provision and sub-ordinated facilities. Collective impairment provision, including impairment reserve general, shall not exceed 1.25% of total credit risk weighted assets.
- ii. Banks must maintain a Capital Conservation Buffer (CCB) of 2.5% of RWA in the form of CET1 capital. CB UAE may also require banks to implement Countercyclical Buffer (CCyB), to protect the banks from periods of excess aggregate credit growth. CCyB must be met by using CET1 capital and the level may vary between 0 - 2.5% of RWA.

Minimum transitional arrangements as per the Central Bank of the UAE

Capital element	Basel III 2025	Basel III 2024
Minimum common equity tier 1 ratio	7.0%	7.0%
Minimum tier 1 capital ratio	8.5%	8.5%
Minimum capital adequacy ratio	10.5%	10.5%
Capital conservation buffer	2.5%	2.5%

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

17. Capital adequacy ratio (continued)

AED'000	30 September 2025 Unaudited	31 December 2024 Audited
CET1 capital		
Share capital	2,580,412	2,580,412
Statutory reserve	1,709,784	1,709,784
Special reserve	764,977	764,977
Retained earnings	2,325,860	1,380,308
IFRS 9 transitional arrangement – ECL (stage 1 and 2) impact	-	30,114
Accumulated other comprehensive income	45,655	14,909
Regulatory deductions – intangibles	(231,407)	(199,423)
CET1 total	7,195,281	6,281,081
Additional Tier 1 (AT1) Capital		
Tier 1 capital securities	-	-
Total Tier 1	7,195,281	6,281,081
Tier 2 Capital		
Collective impairment provision	511,975	454,807
Total Tier 2	511,975	454,807
Total capital base (a)	7,707,256	6,735,888
 Risk weighted assets		
AED'000		
Credit risk	40,958,014	36,384,556
Market risk	139,873	40,002
Operational risk	4,650,038	4,178,045
Total risk weighted assets (b)	45,747,925	40,602,603
 Capital adequacy ratio (a) / (b)	16.8%	16.6%
Tier 1 ratio	15.7%	15.5%
Common equity Tier 1 ratio (CET 1)	15.7%	15.5%

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

18. Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise the following balances from the date of acquisition:

	30 September 2025 AED'000 Unaudited	30 September 2024 AED'000 Unaudited
Cash on hand	425,358	398,450
Balances with the Central Bank of the UAE	700,000	1,084,257
Due from banks with less than three months maturity	1,241,235	557,096
	<u>2,366,593</u>	<u>2,039,803</u>

Balances with the Central Bank of the UAE include certificates of deposit with less than three-month maturity.

Based on residual maturities, cash on hand, balances with the Central Bank of the UAE and due from banks amounting to AED 6,814.9 million are maturing within three months from 30 September 2025 (AED 5,532.8 million had maturity within three months from 30 September 2024).

19. Segmental reporting

The Group uses business segments for presenting its segment information in line with the Group's management and internal reporting structure. The Group's operations are confined mainly in the UAE.

Business segments pay and receive interest, to and from Treasury on an arm's length basis to reflect allocation of capital and funding costs.

Business segments

The Group conducts its activity through the following clearly defined business segments:

Corporate and Institutional banking

Corporate and Institutional segments

The segment offers a range of products and services including credit and trade finance products, and services to large and medium sized corporate customers through separate units and to financial institutions, and accepts deposits.

Business banking segment

The segment offers a range of products and services including credit and trade finance products, and services to small and medium sized customers through separate units, and accepts deposits. The segment also offers transactional services to small and medium sized businesses.

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

19. Segmental reporting (continued)

Retail banking

The segment offers a range of products and services to individuals and high net worth individuals including personal and mortgage loans, credit cards, other transactions and balances, and accepts their deposits.

Treasury, Asset and Liability Management (ALM) and others

The segment undertakes the Group's asset and liability management centrally and is responsible for optimum utilization of resources in productive assets and management of exchange and interest positions within the limits and guidelines set by management and approved by the Board.

Treasury also offers various foreign exchange and derivative products to customers and is entrusted with the responsibility of managing the Group's investment portfolio together with the Investment Management Unit under the guidance from the Investment Committee and Asset and Liability Committee. The Group's capital and investment in subsidiaries is recognised under this segment.

The Group has central shared services which include Operations, Risk Management, Human Resources, Finance, Information systems and Technology, Product Development, Legal, Credit and Internal Audit. The shared services costs are allocated to business segments based on transaction and relevant drivers.

The segment analysis based on business segments is as follows:

Nine month period ended 30 September 2025 AED'000 (Unaudited)	Corporate and institutional segments	Business banking segment	Retail banking	Treasury, ALM and others	Consolidated
Net interest income and net income from Islamic financing and investment activities	534,314	505,053	149,130	224,085	1,412,582
Non-interest income	175,791	203,973	27,044	202,247	609,055
Operating income	710,105	709,026	176,174	426,332	2,021,637
Operating expenses	(183,994)	(241,638)	(107,702)	(35,345)	(568,679)
Operating profit before impairment losses and tax	526,111	467,388	68,472	390,987	1,452,958
Net impairment losses	(212,073)	(167,508)	(51,771)	17,766	(413,586)
Profit for the period before tax	314,038	299,880	16,701	408,753	1,039,372
Tax	(28,401)	(27,121)	(1,510)	(36,968)	(94,000)
Profit for the period after tax	285,637	272,759	15,191	371,785	945,372
30 September 2025 (Unaudited)					
Segment assets	22,756,896	9,834,325	6,725,318	28,670,236	67,986,775
Segment liabilities	31,825,538	14,824,422	5,792,334	8,061,992	60,504,286
Capital expenditure	-	-	-	75,050	75,050

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

19. Segmental reporting (continued)

Nine month period ended 30 September 2024 AED'000 (Unaudited)	Corporate and institutional segments	Business banking segment	Retail banking	Treasury, ALM and others	Consolidated
Net interest income and net income from Islamic financing and investment activities	522,035	454,210	142,648	209,403	1,328,296
Non-interest income	161,873	175,996	19,439	142,318	499,626
Operating income	683,908	630,206	162,087	351,721	1,827,922
Operating expenses	(188,163)	(237,684)	(96,474)	(34,840)	(557,161)
Operating profit before impairment losses and tax	495,745	392,522	65,613	316,881	1,270,761
Net impairment losses	(476,259)	(62,315)	(20,154)	3,016	(555,712)
Profit for the period before tax	19,486	330,207	45,459	319,897	715,049
Tax	(1,761)	(29,843)	(4,108)	(28,912)	(64,624)
Profit for the period after tax	17,725	300,364	41,351	290,985	650,425
31 December 2024 (Audited)					
Segment assets	20,744,018	8,790,425	5,284,643	26,059,982	60,879,068
Segment liabilities	30,202,652	13,315,129	5,244,784	5,260,828	54,023,393
Capital expenditure	-	-	-	100,582	100,582

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

20. Tax

Implementation of UAE Corporation Tax Law and application of IAS 12 Income Taxes

On 9 December 2022, UAE Federal Decree Law No. 47 of 2022 was published setting in place a general corporate income tax for the first time. The UAE Tax Law has confirmed the application of the Corporate Tax ('CT') to tax periods commencing on or after 1 June 2023. Since the Group is expected to pay tax in accordance with the provision of the UAE CT Law on its operational results with effect from 1 January 2024, current taxes have been accounted for in the consolidated financial statements for the period beginning from 1 January 2024. NBF Group's CT registration was concluded, and the Group's updated CT registration certificate was issued by the Federal Tax Authority ('FTA') dated 1 September 2025. NBF's debut CT return and the associated payment was undertaken within September 2025 in line with the tax regulations.

Similar to previous year, the Group considered the application of IAS 12 and any requirements for the measurement and recognition of deferred taxes for the period ended 30 September 2025. Based on the review and assessment, a deferred tax liability has been recognized, amounting to **AED 9.6 million** as at 30 September 2025 (31 December 2024: AED 2.8 million), arising from items that may be reclassified subsequently to the statement of income, from other comprehensive income perspective. Further, NBF Group is effectively managed and controlled in the UAE, therefore, NBF Group is out of scope of the UAE Domestic Minimum Top-Up Tax (DMTT) rules. Accordingly, the current tax impact has been calculated considering the potential adjustments which has resulted in an effective tax rate of **9.04%** per annum: the details of which have been presented below.

Amount recognised in the condensed consolidated statement of income

The components of corporate income tax expense are as follows:

	30 September 2025 AED'000 Unaudited	30 September 2024 AED'000 Unaudited
Current corporate income tax		
Current corporate income tax charge	94,000	64,624
Adjustments in respect of current corporate income tax of previous year	-	-
Corporate income tax expense reported in the consolidated statement of income	94,000	64,624

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

20. Tax (continued)

Amount recognized in the consolidated statement of other comprehensive income

	30 September 2025 AED'000 Unaudited
Tax related to items that will not be reclassified subsequently to the statement of income	(180)
Deferred tax related to items that may be reclassified subsequently to the statement of income	(6,743)
Tax reflected in the consolidated statement of other comprehensive income	(6,923)

Tax reconciliation

	30 September 2025 AED'000 Unaudited
Accounting profit for the period before tax	1,039,372
At United Arab Emirates' statutory corporate income tax rate of 9%	93,544
Tax amount of the adjustments related to non-deductible expenses	490
Effect of standard tax exemptions	(34)
Corporate income tax expense	94,000
Corporate income tax expense reported in the consolidated statement of income	94,000
Effective tax rate	9.04%

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

20. Tax (continued)

Movement in current and deferred tax liability recognized in other liabilities

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
Deferred tax liability		
Balance at the beginning of the period	2,815	-
Movement during the period	6,743	2,815
Balance at the end of the period	9,558	2,815

Movement in current and deferred tax liability recognized in other liabilities

	30 September 2025 AED'000 Unaudited	31 December 2024 AED'000 Audited
Current tax liability		
Balance at the beginning of the period	84,541	-
Current tax charge during the period	94,000	84,721
Adjustments in respect of items that will not be reclassified subsequently to the statement of income	-	(180)
Tax paid	(84,541)	-
Balance at the end of the period	94,000	84,541

21. Subsequent events

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

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2025 (continued)

22. Comparative figures

In prior years, CBUAE Monetary Bills ('M-Bills') were presented under "Cash and balances with the Central Bank of the UAE" in the condensed consolidated interim statement of financial position. The M-Bills are investment securities with contractual maturities ranging from 1 month to 12 months and are measured at fair value through other comprehensive income.

During the nine-month period ended 30 September 2025, M-Bills amounting to AED 7,755.7 million have been reclassified from "Cash and balances with the Central Bank of the UAE" and presented under "Investments and Islamic instruments – fair value" in the condensed consolidated interim statement of financial position for the year ended 31 December 2024.

In the Group's view, such presentation is more relevant for the readers of the condensed consolidated interim statement of financial position as M-Bills are held for liquidity management purposes and are now classified with investments with similar nature and measurement basis. There is no overall impact on the condensed consolidated interim statement of cash flows as a result of this restatement, given cash flows arising from M-Bills are classified within operating activities and are presented as a separate line item "change in investments and Islamic instruments from CBUAE M-Bills" in the condensed consolidated interim statement of cash flows of the Group, which is consistent with the nature and the function of these investments.