

National Bank of Fujairah PJSC
Condensed consolidated interim financial information
For the nine month period ended
30 September 2026

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For the nine month period ended 30 September 2026

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Report on review of 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 the “Group”) as at 30 September 2026 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 for the nine-month period then ended and explanatory notes. The Board of Directors is 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 the International Standard on Review Engagements 2410, “Review of interim financial information performed by the independent auditor of the entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Report on review of condensed consolidated interim financial information (continued)

To the Board of Directors of National Bank of Fujairah PJSC

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 IAS 34.

PricewaterhouseCoopers Limited Partnership Dubai Branch

28 October 2026

A blue ink signature of Stuart Alexander Scoular, written in a cursive style.

Stuart Alexander Scoular

Registered Auditor Number 5563

Dubai, United Arab Emirates

National Bank of Fujairah PJSC

Condensed consolidated interim statement of financial position

As at 30 September 2026

		30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
	Notes		
Assets			
Cash and balances with the Central Bank of the UAE	5	7,112,774	9,332,525
Due from banks and financial institutions	6	2,312,242	1,420,745
Investments and Islamic instruments - fair value	7	12,796,857	11,864,529
Investments and Islamic instruments - amortised cost	7	8,502,755	6,667,038
Loans and advances and Islamic financing receivables	8	38,026,388	37,466,935
Acceptances		1,046,895	1,415,268
Other assets		695,689	605,716
Property and equipment		303,689	263,808
Intangibles		341,001	337,324
Total assets		71,138,290	69,373,888
Liabilities			
Due to banks	11	1,318,339	1,893,359
Customer deposits and Islamic customer deposits	12	52,033,163	50,981,399
Repurchase agreements	11	6,214,411	4,723,661
Term borrowings	11	1,046,805	899,885
Acceptances		1,048,968	1,420,716
Other liabilities		1,374,620	1,704,957
Total liabilities		63,036,306	61,623,977
Equity			
Share capital	13.1	2,580,412	2,580,412
Statutory reserve		1,709,784	1,709,784
Special reserve		885,493	885,493
Fair value reserve		(78,129)	105,252
Cash flow hedge reserve		4,363	3,833
Proposed cash dividends	13.2	-	516,082
Retained earnings		3,000,061	1,949,055
Total equity attributable to equity holders of the Group		8,101,984	7,749,911
Total liabilities and equity		71,138,290	69,373,888

This condensed consolidated interim financial information was approved and authorized for issue by the Board of Directors on 28 October 2026 and was signed on its behalf by:



Adnan Anwar

Chief Executive Officer



Ali Asif Sheikh

Senior Executive – Financial Control
and Interim Chief Financial Officer

The notes on pages 9 to 46 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 pages 1 and 2.

National Bank of Fujairah PJSC

Condensed consolidated interim statement of income – (Unaudited)

For the nine month period ended 30 September 2026

		Three month period ended 30 September 2026 AED'000	Three month period ended 30 September 2025 AED'000	Nine month period ended 30 September 2026 AED'000	Nine month period ended 30 September 2025 AED'000
	Notes				
Interest income and income from Islamic financing and investment activities		887,700	875,542	2,589,508	2,572,582
Interest expense and distribution to Islamic depositors		(383,527)	(389,073)	(1,101,206)	(1,160,000)
Net interest income and net income from Islamic financing and investment activities		504,173	486,469	1,488,302	1,412,582
Fees and commission income		150,551	131,784	420,029	421,924
Fees and commission expense		(21,072)	(16,809)	(61,150)	(46,310)
Net fees and commission income		129,479	114,975	358,879	375,614
Foreign exchange and derivatives income		54,734	54,774	162,608	165,459
Income from investments and Islamic instruments		2,015	988	11,182	9,115
Other operating income		4,270	4,763	54,904	58,867
Operating income		694,671	661,969	2,075,875	2,021,637
Operating expenses					
Employee benefit expense		(113,995)	(109,813)	(341,229)	(329,027)
Depreciation and amortisation		(19,576)	(15,381)	(57,076)	(40,669)
Other operating expenses		(50,424)	(78,043)	(176,685)	(198,983)
Total operating expenses		(183,995)	(203,237)	(574,990)	(568,679)
Operating profit before impairment losses and tax		510,676	458,732	1,500,885	1,452,958
Net impairment losses	14	(119,431)	(106,984)	(352,531)	(413,586)
Profit for the period before tax		391,245	351,748	1,148,354	1,039,372
Tax	20	(35,780)	(31,755)	(103,990)	(94,000)
Profit for the period after tax		355,465	319,993	1,044,364	945,372
Earnings per share (basic and diluted)	15	AED 0.138	AED 0.124	AED 0.405	AED 0.366

The notes on pages 9 to 46 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 pages 1 and 2.

National Bank of Fujairah PJSC

Condensed consolidated interim statement of comprehensive income – (Unaudited)

For the nine month period ended 30 September 2026

	Three month period ended 30 September 2026 AED'000	Three month period ended 30 September 2025 AED'000	Nine month period ended 30 September 2026 AED'000	Nine month period ended 30 September 2025 AED'000
Profit for the period after tax	355,465	319,993	1,044,364	945,372
Other comprehensive (loss) / income:				
Items that will not be reclassified subsequently to the statement of income:				
Movement in fair value reserve (equity instruments):				
Net change in fair value	(4,864)	-	2,326	-
Tax	426	-	543	(180)
Other comprehensive (loss) / income of the items that will not be reclassified subsequently to the statement of income	(4,438)	-	2,869	(180)
Items that may be reclassified subsequently to statement of income:				
Movement in fair value reserve (debt instruments):				
-Net change in fair value	(122,942)	22,112	(196,024)	76,786
-Net change in allowances for impairment	5,057	8,207	309	7,304
-Net amount transferred to the statement of income	(887)	(2,039)	(7,976)	(9,928)
Net change in fair value on cash flow hedges	(1,403)	(1,097)	530	1,085
Deferred tax	10,773	(2,446)	17,441	(6,743)
Other comprehensive (loss) / income of the items that may be reclassified subsequently to statement of income	(109,402)	24,737	(185,720)	68,504
Other comprehensive (loss) / income for the period	(113,840)	24,737	(182,851)	68,324
Total comprehensive income for the period	241,625	344,730	861,513	1,013,696

The notes on pages 9 to 46 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 pages 1 and 2.

National Bank of Fujairah PJSC

Condensed consolidated interim statement of cash flows – (Unaudited)

For the nine month period ended 30 September 2026

		Nine month period ended 30 September 2026 AED'000	Restated* Nine month period ended 30 September 2025 AED'000
	Notes		
Cash flows from operating activities			
Profit for the period before tax		1,148,354	1,039,372
Adjustments for:			
Depreciation and amortization		57,076	40,669
Provision for employee end of service and other long term benefits		16,311	17,881
Gain on disposal of property, equipment and intangibles		-	(161)
Net impairment losses	14	352,531	413,586
Net fair value gain on disposal of investments and Islamic instruments		(11,255)	(9,971)
Net changes in fair value of investments		73	856
Payment of employee end of service and other long term benefits		(12,339)	(15,964)
Change in due from the Central Bank of the UAE		850,000	(1,850,000)
Change in investments and Islamic instruments from CBUAE M-Bills		739,347	(1,973,773)
Change in due from banks and financial institutions		(226,819)	(48,816)
Change in loans and advances and Islamic financing receivables		(936,337)	(4,328,313)
Change in acceptances and other assets		281,771	(451,428)
Change in due to banks		(575,020)	1,906,007
Change in repurchase agreements		1,490,750	615,985
Change in customer deposits and Islamic customer deposits		1,051,764	3,370,615
Change in acceptances and other liabilities		(683,373)	484,830
Tax	20	(103,990)	(94,000)
Net cash generated from / (used in) operating activities		3,438,844	(882,625)
Cash flows from investing activities			
Purchase of property, equipment and intangibles		(95,772)	(75,050)
Proceeds from sale of property and equipment and intangibles		-	161
Purchase of investments and Islamic instruments		(4,045,689)	(2,860,090)
Proceeds from sale and maturity of investments and Islamic instruments		1,834,629	2,288,337
Net cash used in investing activities		(2,306,832)	(646,642)
Cash flows from financing activities			
Cash dividends paid		(516,082)	(387,062)
Proceeds from term borrowings		679,505	91,825
Repayment of term borrowings		(532,585)	-
Net cash used in financing activities		(369,162)	(295,237)

National Bank of Fujairah PJSC

Condensed consolidated interim statement of cash flows – (Unaudited)

For the nine month period ended 30 September 2026

Net change in cash and cash equivalents		762,850	(1,824,504)
Cash and cash equivalents at beginning of the period		6,487,414	6,997,007
Cash and cash equivalents at end of the period	18	<u>7,250,264</u>	<u>5,172,503</u>
Interest / profit income received		2,616,722	2,551,694
Interest / profit expense paid		1,122,301	1,173,832

*For further details, refer note 23 – Comparative figures of this condensed consolidated interim financial information.

The notes on pages 9 to 46 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 pages 1 and 2.

National Bank of Fujairah PJSC

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

For the nine month period ended 30 September 2026

AED'000	Share capital	Statutory reserve	Special reserve	Fair value reserve	Cash flow hedge reserve	Proposed dividends	Retained earnings	Total
At 1 January 2026	2,580,412	1,709,784	885,493	105,252	3,833	516,082	1,949,055	7,749,911
Profit for the period after tax	-	-	-	-	-	-	1,044,364	1,044,364
Other comprehensive income / (loss) for the period	-	-	-	(183,381)	530	-	-	(182,851)
Total comprehensive income for the period	-	-	-	(183,381)	530	-	1,044,364	861,513
2025 cash dividends paid (note 13.2)	-	-	-	-	-	(516,082)	-	(516,082)
Others	-	-	-	-	-	-	6,642	6,642
At 30 September 2026	2,580,412	1,709,784	885,493	(78,129)	4,363	-	3,000,061	8,101,984
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	-	-	68,324
Total comprehensive income for the period	-	-	-	67,239	1,085	-	945,372	1,013,696
2024 cash dividends paid (note 13.2)	-	-	-	-	-	(387,062)	-	(387,062)
Others	-	-	-	-	-	-	180	180
At 30 September 2025	2,580,412	1,709,784	764,977	99,806	1,650	-	2,325,860	7,482,489

The notes on pages 9 to 46 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 pages 1 and 2.

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026

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. 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 2026 were:

Name	The percentage of shares owned from the Bank's capital
Department of Industry and Economy - Government of Fujairah	57.87%
Easa Saleh Al Gurg LLC	18.54%
Fujairah Investment Company	5.04%

The Bank is controlled by the Department of Industry and Economy - Government of Fujairah by majority of voting rights.

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

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 2026 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 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 2025.

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (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 2025 except the details explained in Note 22.

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 2025. The Group has not early adopted any new standards, interpretations or amendments that have been issued but are not yet effective in this condensed consolidated interim financial information. Other amendments and interpretations apply for the first time in 2026, but do not have a material impact on the Group's condensed consolidated interim financial information.

Standards, amendments and interpretations that are effective for the Group's accounting period beginning on 1 January 2026

The following amendments to existing standards have been applied by the Group in preparation of this condensed consolidated interim financial information. The adoption of these new standards does not have a significant impact on the condensed consolidated interim financial information.

Description	Effective from
Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	1 January 2026

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

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

Description	Effective from
Presentation and Disclosures in Financial Statements (IFRS 18)	1 January 2027

Given the effective date of 1 January 2027, the Group is currently assessing the impact of this new standard on the future presentation of the consolidated financial statements and intends to adopt this, when it becomes effective. Further, the Group will continue to evaluate the measures required to adhere to this new standard in terms of processes and financial reporting aspects for adoption.

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (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 2025.

(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. For other investments, a reasonable estimate of the fair value is determined by reference to the price of recent market transactions involving similar investments, or based on the expected discounted cash flows.

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 2026 (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 13 Fair Value Measurement, the Group has disclosed the relevant information in the table below:

Fair value measurement – fair value hierarchy:

30 September 2026 (Unaudited) AED'000	Notional	Gross carrying value	Level 1	Level 2	Level 3
Investments and Islamic instruments					
Debt securities / Islamic sukuku	-	12,538,239	12,538,239	-	-
Other investments	-	259,811	259,753	58	-
Forward foreign exchange contracts	28,956,085	15,015	-	15,015	-
Currency options	1,007,749	104	-	104	-
Interest rate derivatives	2,022,238	(5,304)	-	(5,304)	-
Commodity derivatives	320,669	1,624	-	1,624	-
31 December 2025 (Audited) AED'000	Notional	Gross carrying value	Level 1	Level 2	Level 3
Investments and Islamic instruments					
Debt securities / Islamic sukuku	-	11,446,430	11,446,430	-	-
Other investments	-	419,602	419,472	130	-
Forward foreign exchange contracts	28,541,334	152	-	152	-
Currency options	1,812,611	-	-	-	-
Interest rate derivatives	2,145,829	(5,683)	-	(5,683)	-
Commodity derivatives	673,539	(2,588)	-	(2,588)	-

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (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 sukuk 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 2026 (Unaudited)				31 December 2025 (Audited)			
	Notional	Positive fair value	Negative fair value	Net	Notional	Positive fair value	Negative fair value	Net
Derivatives								
Forward foreign exchange contracts	28,956,085	56,062	41,047	15,015	28,541,334	93,245	93,093	152
Currency options	1,007,749	18,634	18,530	104	1,812,611	19,100	19,100	-
Interest rate derivatives	2,022,238	15,172	20,476	(5,304)	2,145,829	9,388	15,071	(5,683)
Commodity derivatives	320,669	7,776	6,152	1,624	673,539	4,881	7,469	(2,588)
Total	32,306,741	97,644	86,205	11,439	33,173,313	126,614	134,733	(8,119)

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

4. Financial risk management (continued)

(d) Assets and liabilities

Classification and measurement

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

30 September 2026 (Unaudited)	At fair value through profit or loss	At fair value through other comprehensive income	Amortised cost / carrying value	Total
AED'000				
Assets				
Cash and balances with the Central Bank of the UAE	-	-	7,112,774	7,112,774
Due from banks and financial institutions	-	-	2,312,242	2,312,242
Investments and Islamic instruments	58	12,796,799	8,502,755	21,299,612
Loans and advances and Islamic financing receivables	-	-	38,026,388	38,026,388
Acceptances and other assets	-	-	1,742,584	1,742,584
Property and equipment and intangibles	-	-	644,690	644,690
Total assets	58	12,796,799	58,341,433	71,138,290
Liabilities				
Due to banks	-	-	1,318,339	1,318,339
Customer deposits and Islamic customer deposits	-	-	52,033,163	52,033,163
Repurchase agreements	-	-	6,214,411	6,214,411
Term borrowings	-	-	1,046,805	1,046,805
Acceptances and other liabilities	-	-	2,423,588	2,423,588
Total liabilities	-	-	63,036,306	63,036,306

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

4. Financial risk management (continued)

(d) Assets and liabilities (continued)

31 December 2025 (Audited) AED'000	At fair value through profit or loss	At fair value through other comprehensive income	Amortised cost / carrying value	Total
Assets				
Cash and balances with the Central Bank of the UAE	-	-	9,332,525	9,332,525
Due from banks and financial institutions	-	-	1,420,745	1,420,745
Investments and Islamic instruments	130	11,864,399	6,667,038	18,531,567
Loans and advances and Islamic financing receivables	-	-	37,466,935	37,466,935
Acceptances and other assets	-	-	2,020,984	2,020,984
Property and equipment and intangibles	-	-	601,132	601,132
Total assets	130	11,864,399	57,509,359	69,373,888
Liabilities				
Due to banks	-	-	1,893,359	1,893,359
Customer deposits and Islamic customer deposits	-	-	50,981,399	50,981,399
Repurchase agreements	-	-	4,723,661	4,723,661
Term borrowings	-	-	899,885	899,885
Acceptances and other liabilities	-	-	3,125,673	3,125,673
Total liabilities	-	-	61,623,977	61,623,977

Fair value of investments and Islamic instruments measured at amortised cost amounted to [AED 8,145.8 million](#) (31 December 2025: AED 6,710.8 million).

(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 2026 (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 318.6 million (31 December 2025: AED 518.9 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:

Hedging instrument	Assets	Liabilities	Notional
30 September 2026 (Unaudited)			
AED'000			
Derivatives held as cash flow hedges			
Interest rate swaps	4,370	7	318,646
Total derivative financial instruments	4,370	7	318,646
Hedging instrument			
31 December 2025 (Audited)			
AED'000			
Derivatives held as cash flow hedges			
Interest rate swaps	3,858	25	518,886
Total derivative financial instruments	3,858	25	518,886

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For the nine month period ended 30 September 2026 (continued)

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

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
Cash on hand	453,038	1,415,644
Certificates of Deposit (CDs) with the Central Bank of the UAE	3,100,000	4,450,000
Other balances with the Central Bank of the UAE (note 5.1)	3,559,736	3,466,881
	<u>7,112,774</u>	<u>9,332,525</u>

- 5.1 Other balances with the Central Bank of the UAE include regulatory cash reserve deposits of [AED 3,545.2 million](#) (2025: AED 3,466.9 million).

6. Due from banks and financial institutions

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
6.1 By type :		
Placements	493,840	73,460
Current accounts / term deposits	722,731	467,330
Bills discounted	1,098,596	882,796
	<u>2,315,167</u>	<u>1,423,586</u>
Less: Allowances for impairment (ECL) (note 10)	(2,925)	(2,841)
	<u>2,312,242</u>	<u>1,420,745</u>

Current accounts / term deposits include cash collateral of [AED 177.9 million](#) (31 December 2025: AED 22.1 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.

6.2 By currency :

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
AED	501,683	292,148
USD	1,561,474	901,446
EUR	74,808	74,773
GBP	32,947	7,368
XAU	7,595	6,215
Others	136,660	141,636
	<u>2,315,167</u>	<u>1,423,586</u>
Less: Allowances for impairment (ECL) (note 10)	(2,925)	(2,841)
	<u>2,312,242</u>	<u>1,420,745</u>

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For the nine month period ended 30 September 2026 (continued)

6. Due from banks and financial institutions (continued)

6.3 By geographical area :

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
UAE	481,049	288,839
GCC	256,893	286,266
Europe	374,018	229,128
Americas	336,272	201,358
Others	866,935	417,995
	<u>2,315,167</u>	<u>1,423,586</u>
Less: Allowances for impairment (ECL) (note 10)	<u>(2,925)</u>	<u>(2,841)</u>
	<u>2,312,242</u>	<u>1,420,745</u>

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

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
UAE	481,049	288,839
GCC	247,053	281,766
Europe	494,162	204,983
Americas	230,612	97,485
Others	862,291	550,513
	<u>2,315,167</u>	<u>1,423,586</u>
Less: Allowances for impairment (ECL) (note 10)	<u>(2,925)</u>	<u>(2,841)</u>
	<u>2,312,242</u>	<u>1,420,745</u>

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

6. Due from banks and financial institutions (continued)

6.4 Based on external credit ratings :

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
AA	9,627	46,908
AA–	456,739	146,231
A+	280,400	39,288
A	675,093	419,839
BBB+	420,014	277,925
BBB	12,799	11,652
BBB– and below	460,495	481,743
	2,315,167	1,423,586
Less: Allowances for impairment (ECL) (note 10)	(2,925)	(2,841)
	2,312,242	1,420,745

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 2026 (Unaudited)			
AED'000	Stage 1	Stage 2	Stage 3	Total
Outstanding balance	2,317,278	-	-	2,317,278
Allowances for impairment (ECL) (note 10)	(2,925)	-	-	(2,925)
Carrying amount	2,314,353	-	-	2,314,353

	31 December 2025 (Audited)			
AED'000	Stage 1	Stage 2	Stage 3	Total
Outstanding balance	1,427,813	-	-	1,427,813
Allowances for impairment (ECL) (note 10)	(2,841)	-	-	(2,841)
Carrying amount	1,424,972	-	-	1,424,972

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 2026 (continued)

7. Investments and Islamic instruments

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
Investments at fair value through profit or loss (FVTPL)		
Investments designated as measured at FVTPL		
Other Investments (note 7.1)	58	130
	<u>58</u>	<u>130</u>
Investments at fair value through other comprehensive income (FVOCI)		
Debt securities / Islamic sukuks (note 7.2)	12,538,239	11,446,430
Other investments / Islamic instruments (note 7.3)	259,753	419,472
	<u>12,797,992</u>	<u>11,865,902</u>
Less: Allowances for impairment (ECL) (note 10)	(1,193)	(1,503)
Investments at fair value through other comprehensive income (FVOCI)	<u>12,796,799</u>	<u>11,864,399</u>
Investments - fair value	<u>12,796,857</u>	<u>11,864,529</u>
Investments measured at amortised cost		
Debt securities / Islamic sukuks (note 7.2)	8,505,261	6,669,396
Less: Allowances for impairment (ECL) (note 10)	(2,506)	(2,358)
Investments measured at amortised cost	<u>8,502,755</u>	<u>6,667,038</u>
	<u>21,299,612</u>	<u>18,531,567</u>

7.1 Investments at FVTPL include debt securities and various funds whose fair values are based on the net asset values provided by the fund managers.

7.2 Debt securities aggregating AED 12,271.8 million (31 December 2025: AED 10,072.6 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 2025: AED nil).

Debt securities portfolio include Islamic sukuks amounting to AED 1,105.9 million (31 December 2025: AED 1,287.1 million).

Debt securities portfolio include CBUAE M-bills amounting to AED 8,771.7 million (31 December 2025: AED 8,043.2 million).

7.3 Other investments include debt investments managed by external asset managers at the discretion of the Group, amounting to AED 212.8 million (31 December 2025: AED 216.4 million) and additional tier 1 perpetual securities of AED 47.0 million (31 December 2025: AED 203.1 million). No shares were purchased by the Bank during the period (31 December 2025: nil).

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

7. Investments and Islamic instruments (continued)

7.4 The dispersion of the investment portfolio is as follows:

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
Government	11,709,612	11,092,691
Banks and financial institutions	9,380,879	7,226,244
Others	212,820	216,493
	<u>21,303,311</u>	<u>18,535,428</u>
Less: Allowances for impairment (ECL) (note 10)	<u>(3,699)</u>	<u>(3,861)</u>
	<u>21,299,612</u>	<u>18,531,567</u>

7.5 By geographical area :

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
UAE	11,348,954	10,385,986
GCC	559,872	1,085,954
Europe	4,720,013	3,269,537
Americas	3,257,824	2,652,580
Others	1,416,648	1,141,371
	<u>21,303,311</u>	<u>18,535,428</u>
Less: Allowances for impairment (ECL) (note 10)	<u>(3,699)</u>	<u>(3,861)</u>
	<u>21,299,612</u>	<u>18,531,567</u>

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

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
UAE	11,839,141	10,844,779
GCC	1,216,466	1,634,645
Europe	4,631,589	3,179,588
Americas	2,096,245	1,600,821
Others	1,519,870	1,275,595
	<u>21,303,311</u>	<u>18,535,428</u>
Less: Allowances for impairment (ECL) (note 10)	<u>(3,699)</u>	<u>(3,861)</u>
	<u>21,299,612</u>	<u>18,531,567</u>

Others include investments in multilateral development banks amounting to AED 103.2 million (31 December 2025: AED 134.1 million).

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

7. Investments and Islamic instruments (continued)

7.6 By currency :

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
AED	8,900,760	8,158,438
USD	12,257,253	10,196,152
EUR	93,176	98,062
GBP	52,122	54,254
SGD	-	28,522
	21,303,311	18,535,428
Less: Allowances for impairment (ECL) (note 10)	(3,699)	(3,861)
	21,299,612	18,531,567

7.7 Based on external credit rating :

30 September 2026 (Unaudited) AED'000	Debt securities / Islamic sukus	Other investments	Total
AAA	88,366	-	88,366
AA	1,585,453	-	1,585,453
AA-	9,425,238	-	9,425,238
A+	1,020,179	2,974	1,023,153
A	1,275,424	249,635	1,525,059
A-	3,622,094	-	3,622,094
BBB+	3,367,771	-	3,367,771
BBB	574,037	-	574,037
BBB- and below	84,938	7,202	92,140
Less: Allowances for impairment (ECL) (note 10)	(3,698)	(1)	(3,699)
	21,039,802	259,810	21,299,612

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

7. Investments and Islamic instruments (continued)

7.7 Based on external credit rating (continued)

31 December 2025 (Audited) AED'000	Debt securities / Islamic sukuku	Other investments	Total
AAA	89,819	-	89,819
AA	1,531,685	-	1,531,685
AA-	8,661,031	-	8,661,031
A+	1,070,657	41,835	1,112,492
A	832,084	216,362	1,048,446
A-	2,857,639	36,127	2,893,766
BBB+	2,481,590	-	2,481,590
BBB	390,212	-	390,212
BBB- and below	201,109	125,278	326,387
Less: Allowances for impairment (ECL) (note 10)	(3,810)	(51)	(3,861)
	18,112,016	419,551	18,531,567

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 2026 (Unaudited) AED'000	Stage 1	Stage 2	Stage 3	Total
Outstanding balance	12,484,550	-	-	12,484,550
Allowances for impairment (ECL) (note 10)	(3,699)	-	-	(3,699)
Carrying amount	12,480,851	-	-	12,480,851

31 December 2025 (Audited) AED'000	Stage 1	Stage 2	Stage 3	Total
Outstanding balance	10,492,077	-	-	10,492,077
Allowances for impairment (ECL) (note 10)	(3,861)	-	-	(3,861)
Carrying amount	10,488,216	-	-	10,488,216

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.

In addition to the above, the net carrying value of CBUAE M-bills amounted to **AED 8.8 billion** (31 December 2025: AED 8.0 billion).

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

8. Loans and advances and Islamic financing receivables

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
8.1 By type		
Overdrafts	1,557,435	1,703,940
Term loans	31,253,389	30,803,394
Loans against trust receipts	5,259,367	4,832,154
Bills discounted	2,176,197	1,986,887
Bills drawn under letters of credit	211,117	315,085
Gross loans and advances and Islamic financing receivables	40,457,505	39,641,460
Allowances for impairment losses (ECL) (note 10)	(2,431,117)	(2,174,525)
Net loans and advances and Islamic financing receivables	38,026,388	37,466,935

8.2 Loans and advances and Islamic financing receivables include Murabaha Tawarruq and Ijara financing activities amounting to AED 6,162.5 million (31 December 2025: AED 5,887.2 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 receivables. The gross carrying amount of loans and advances and Islamic receivables, including accrued interest / profit, represents the Group's maximum exposure to credit risk on these assets:

30 September 2026 (Unaudited) AED'000	Stage 1	Stage 2	Stage 3	Total
Outstanding balance	37,546,104	1,586,878	1,885,936	41,018,918
Allowances for impairment (ECL) (note 10)	(331,010)	(657,188)	(1,442,919)	(2,431,117)
Carrying amount	37,215,094	929,690	443,017	38,587,801
 31 December 2025 (Audited) AED'000	 Stage 1	 Stage 2	 Stage 3	 Total
Outstanding balance	37,019,766	1,326,145	1,814,562	40,160,473
Allowances for impairment (ECL) (note 10)	(295,080)	(409,174)	(1,470,271)	(2,174,525)
Carrying amount	36,724,686	916,971	344,291	37,985,948

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (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 2025	37,019,766	1,326,145	1,814,562	40,160,473
Transferred from Stage 1	(329,162)	260,094	69,068	-
Transferred from Stage 2	75,175	(144,488)	69,313	-
Transferred from Stage 3	-	2,998	(2,998)	-
Other changes in underlying portfolios during the period	780,325	142,129	56,362	978,816
Written-off during the period	-	-	(120,371)	(120,371)
Gross carrying amount – 30 September 2026	37,546,104	1,586,878	1,885,936	41,018,918

Outstanding balance (Audited) 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	(305,862)	254,470	51,392	-
Transferred from Stage 2	387,885	(615,709)	227,824	-
Transferred from Stage 3	-	318	(318)	-
Other changes in underlying portfolios during the year	5,733,919	(120,098)	53,858	5,667,679
Written-off during the year	-	-	(494,224)	(494,224)
Gross carrying amount - 31 December 2025	37,019,766	1,326,145	1,814,562	40,160,473

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (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 2025	295,080	409,174	1,470,271	2,174,525
Transferred from Stage 1	(2,813)	7,731	31,402	36,320
Transferred from Stage 2	1,055	(8,392)	31,313	23,976
Transferred from Stage 3	-	24	(2,021)	(1,997)
Originated / (derecognized) during the period including changes in PDs / LGDs / EADs	37,688	248,651	32,325	318,664
Net allowance for impairment losses	35,930	248,014	93,019	376,963
Written-off during the period	-	-	(120,371)	(120,371)
ECL allowance – 30 September 2026	331,010	657,188	1,442,919	2,431,117

ECL (Audited) 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	(5,195)	13,848	29,329	37,982
Transferred from Stage 2	5,181	(62,341)	155,004	97,844
Transferred from Stage 3	-	17	(313)	(296)
Originated / (derecognized) during the year including changes in PDs / LGDs / EADs	46,104	121,615	255,460	423,179
Net allowance for impairment losses	46,090	73,139	439,480	558,709
Written-off during the year	-	-	(494,224)	(494,224)
ECL allowance - 31 December 2025	295,080	409,174	1,470,271	2,174,525

8.6 Risk mitigation, collateral and credit enhancements

In line with Basel, IFRS 9 standards and the CRMS issued by the Central Bank of the UAE (CBUAE), the CRFP outlines the basis pertaining to the eligibility, valuation, roles & 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 2026 (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 2026 (Unaudited)			
AED'000	Stage 1	Stage 2	Stage 3	Total
RR 1-19				
Grade RR 1 – 17: Performing	37,297,699	344,656	-	37,642,355
Grade RR 18 – 19: Watchlist	-	1,225,086	-	1,225,086
Total – RR 1-19	37,297,699	1,569,742	-	38,867,441
RR 20-22: Non-performing	-	-	1,590,064	1,590,064
Total	37,297,699	1,569,742	1,590,064	40,457,505

	31 December 2025 (Audited)			
AED'000	Stage 1	Stage 2	Stage 3	Total
RR 1-19				
Grade RR 1 – 17: Performing	36,763,702	302,541	-	37,066,243
Grade RR 18 – 19: Watchlist	-	1,011,163	-	1,011,163
Total – RR 1-19	36,763,702	1,313,704	-	38,077,406
RR 20-22: Non-performing	-	-	1,564,054	1,564,054
Total	36,763,702	1,313,704	1,564,054	39,641,460

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For the nine month period ended 30 September 2026 (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 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
Contingent liabilities:		
– Letters of credit covering movement of goods	1,711,174	1,487,525
– Financial guarantees and other direct credit substitutes	1,155,447	1,119,487
– Bid bonds, performance bonds and other transaction related contingencies	7,540,141	7,764,417
	<u>10,406,762</u>	<u>10,371,429</u>
Commitments:		
– Undrawn irrevocable commitments – credit related	666,110	521,946
– Commitments for future expenditure	237,269	228,788
	<u>903,379</u>	<u>750,734</u>
	<u>11,310,141</u>	<u>11,122,163</u>

The total undrawn commitments which are revocable at the discretion of the Bank amount to **AED 19,568.3 million** (31 December 2025: AED 17,655.6 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 2026 (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 2026 (Unaudited)			
	Stage 1	Stage 2	Stage 3	Total
AED'000				
Outstanding balance	9,980,906	70,200	147,106	10,198,212
Allowances for impairment (ECL) (note 10)	(39,803)	(5,720)	(100,896)	(146,419)
Carrying amount	9,941,103	64,480	46,210	10,051,793

	31 December 2025 (Audited)			
	Stage 1	Stage 2	Stage 3	Total
AED'000				
Outstanding balance	9,753,305	143,891	168,635	10,065,831
Allowances for impairment (ECL) (note 10)	(33,967)	(6,597)	(126,838)	(167,402)
Carrying amount	9,719,338	137,294	41,797	9,898,429

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 2025	9,753,305	143,891	168,635	10,065,831
Transferred from Stage 1	(7,128)	345	6,783	-
Transferred from Stage 2	33,482	(33,609)	127	-
Transferred from Stage 3	-	-	-	-
Originated / (expired) during the period	201,247	(40,427)	(28,439)	132,381
Written-off during the period	-	-	-	-
Gross carrying amount - 30 September 2026	9,980,906	70,200	147,106	10,198,212
Outstanding balance (Audited)	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	(47,756)	40,744	7,012	-
Transferred from Stage 2	9,656	(13,918)	4,262	-
Transferred from Stage 3	-	1,090	(1,090)	-
Originated / (expired) during the year	1,284,493	(57,100)	(9,348)	1,218,045
Written-off during the year	-	-	-	-
Gross carrying amount - 31 December 2025	9,753,305	143,891	168,635	10,065,831

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (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 2025	33,967	6,597	126,838	167,402
Transferred from Stage 1	(41)	108	1,494	1,561
Transferred from Stage 2	106	(348)	90	(152)
Transferred from Stage 3	-	-	-	-
Originated / expired during the period including changes in PDs / LGDs / EADs	5,771	(637)	(27,526)	(22,392)
Net allowance for impairment losses	5,836	(877)	(25,942)	(20,983)
Written-off during the period	-	-	-	-
ECL allowances - 30 September 2026	39,803	5,720	100,896	146,419

ECL – AED '000 (Audited)	Stage 1	Stage 2	Stage 3	Total
ECL allowances - 31 December 2024	28,118	5,281	121,166	154,565
Transferred from Stage 1	(287)	504	6,642	6,859
Transferred from Stage 2	102	(68)	3,783	3,817
Transferred from Stage 3	-	-	(836)	(836)
Originated / expired during the year including changes in PDs / LGDs / EADs	6,034	880	(3,917)	2,997
Net allowance for impairment losses	5,849	1,316	5,672	12,837
Written-off during the year	-	-	-	-
ECL allowances – 31 December 2025	33,967	6,597	126,838	167,402

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 2026 (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 2026 (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	1,442,919	-	-	10,800	100,896	1,554,615	76.1%
Stage 2	657,188	-	-	174	5,720	663,082	39.8%
Stage 1	331,010	2,925	3,699	1,899	39,803	379,336	0.6%
	988,198	2,925	3,699	2,073	45,523	1,042,418	
Total ECL	2,431,117	2,925	3,699	12,873	146,419	2,597,033	3.9%
ECL rate	5.9%	0.1%	0.03%	1.2%	1.4%		

AED' 000

31 December 2025 (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	1,470,271	-	-	12,095	126,838	1,609,204	80.6%
Stage 2	409,174	-	-	2,298	6,597	418,069	26.3%
Stage 1	295,080	2,841	3,861	1,855	33,967	337,604	0.6%
	704,254	2,841	3,861	4,153	40,564	755,673	
Total ECL	2,174,525	2,841	3,861	16,248	167,402	2,364,877	3.7%
ECL rate	5.4%	0.2%	0.04%	1.1%	1.7%		

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

11. Due to banks, repurchase agreements and term borrowings

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
<i>By type:</i>		
Due to banks	1,318,339	1,893,359
Repurchase agreements	6,214,411	4,723,661
Term borrowings (note 11.1)	1,046,805	899,885
	8,579,555	7,516,905
<i>By geographical area:</i>		
UAE	2,196,241	2,357,800
GCC	-	100,000
Europe	4,360,189	3,820,173
Americas	312,205	53,771
Others	1,710,920	1,185,161
	8,579,555	7,516,905

As at 30 September 2026, due to banks include cash collateral of AED 17.0 million (31 December 2025: AED 118.8 million), in respect of positive fair value of derivatives, in accordance with the agreements with the interbank counterparties.

Due to banks include Wakala borrowings amounting to AED 371.2 million (31 December 2025: 183.7 million) undertaken through a Shari'ah - compliant Islamic window, NBF Islamic.

The investment securities under repurchase agreements amounted to AED 6,517.5 million (31 December 2025: AED 5,247.2 million).

11.1 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 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
1	2023	Sep-26	SOFR + Margin	-	183,650
2	2023	Dec-28	SOFR + Margin	183,650	183,650
3	2024	May-26	SOFR + Margin	-	183,650
4	2024	May-26	SOFR + Margin	-	91,825
5	2024	Sep-26	SOFR + Margin	-	73,460
6	2024	Dec-27	SOFR + Margin	91,825	91,825
7	2025	Mar-27	SOFR + Margin	91,825	91,825
8	2026	Mar-27	SOFR + Margin	165,285	-
9	2026	Apr-27	SOFR + Margin	91,825	-
10	2026	Mar-27	SOFR + Margin	146,920	-
11	2026	Jun-27	SOFR + Margin	110,190	-
12	2026	Jun-27	SOFR + Margin	91,825	-
13	2026	Aug-27	SOFR + Margin	73,460	-
				1,046,805	899,885

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

12. Customer deposits and Islamic customer deposits

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
<i>By type:</i>		
Demand and margin deposits	22,491,639	21,944,448
Saving deposits	1,119,327	1,156,148
Fixed term and notice deposits	28,422,197	27,880,803
	<u>52,033,163</u>	<u>50,981,399</u>
<i>By geographical area:</i>		
UAE	50,163,704	47,589,601
GCC	185,366	1,122,498
Europe	1,048,175	1,268,394
Americas	164,806	598,701
Others	471,112	402,205
	<u>52,033,163</u>	<u>50,981,399</u>

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

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
<i>By type:</i>		
Qard Islamic current accounts	1,035,367	876,538
Murabaha deposits	153,422	1,036,064
Wakala deposits	3,857,420	2,844,856
Mudaraba deposits	62,965	70,315
	<u>5,109,174</u>	<u>4,827,773</u>

13. Shareholders' equity

13.1 Share capital

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
<i>Authorised, issued and fully paid:</i>		
2,580,412,281 shares of AED 1 each (2025: 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 2026 (continued)

13. Shareholders' equity (continued)

13.2 Proposed cash dividends

The Board of Directors proposed a distribution of profits of 20% (2024: 15%) of share capital in the form of cash dividends for the year ended 31 December 2025. Accordingly, cash dividend per share amounted to AED 0.20 (2024: AED 0.15). This distribution was approved by the shareholders at the Annual General Assembly Meeting held in March 2026 and paid during April 2026.

14. Net impairment losses

	30 September 2026 AED'000 Unaudited	30 September 2025 AED'000 Unaudited
Loans and advances and Islamic financing receivables, acceptances, other assets and off balance sheet items	352,609	431,209
Due from banks and financial institutions	84	1,850
Investments and Islamic instruments	(162)	(19,473)
	<u>352,531</u>	<u>413,586</u>

15. Earnings per share

The calculation of earnings per share for the nine month period ended 30 September 2026 is based on net profit after tax of AED 1,044.4 million (30 September 2025: AED 945.4 million) divided by the weighted average number of shares of 2,580.4 million (30 September 2025: 2,580.4 million shares) outstanding during the period.

The calculation of earnings per share for the three month period ended 30 September 2026 is based on net profit after tax of AED 355.5 million (30 September 2025: AED 320.0 million) divided by the weighted average number of shares of 2,580.4 million (30 September 2025: 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. 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 2026 (continued)

16. Related parties (continued)

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
Condensed consolidated interim statement of financial position items		
Loans and advances and Islamic financing receivables	2,422,731	2,576,543
Customer deposits and Islamic customer deposits	11,193,086	10,283,225
Investments and Islamic instruments	-	213,034
Acceptances	24,220	42,584
Contingent liabilities		
Letters of credit	259,754	70,702
Financial guarantees and other direct credit substitutes	49,574	42,950
Transaction related contingencies	528,148	835,710
Commitments for future expenditure	119,699	123,510
	30 September 2026 AED'000 Unaudited	30 September 2025 AED'000 Unaudited
Condensed consolidated interim statement of income items		
Interest income and income from Islamic financing and investment activities	101,749	154,413
Interest expense and distribution to Islamic depositors	276,704	331,678
Other income	10,785	11,462
Operating expenses	40,575	33,390
Key management compensation		
Salaries and other short-term benefits	33,321	36,572
Employee end of service benefits	672	1,085

Stage 3 ECL, amounting to AED 282.8 million, has been recognized pertinent to related parties (31 December 2025: 282.8 million). Further, stage 1 and 2 ECL amounted to AED 13.4 million (31 December 2025: 13.0 million).

The loans and advances and Islamic financing receivables given to related parties have been secured against collateral amounting to AED 3,146.0 million (31 December 2025: AED 2,154.1 million).

During the period, capital expenditure transactions with related parties amounted to AED 1.9 million (31 December 2025: AED 17.6 million).

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

16. Related parties (continued)

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

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
Major shareholders and their related entities		
Loans and advances and Islamic financing receivables	1,133,848	1,154,264
Customer deposits and Islamic customer deposits	10,720,265	8,478,255
Investments and Islamic instruments	-	213,034
Acceptances	19,100	38,990
Letters of credit	230,929	46,354
Financial guarantees and other direct credit substitutes	49,229	42,506
Transaction related contingencies	248,921	540,603
Commitments for future expenditure	119,699	123,510
Exposure to directors and their related entities		
Loans and advances and Islamic financing receivables	166,915	139,424
Customer deposits and Islamic customer deposits	121,293	155,535
Transaction related contingencies	3,120	2,445
Key management personnel and their related parties		
Loans and advances and Islamic financing receivables	57,606	64,776
Customer deposits and Islamic customer deposits	52,909	38,958
Others		
Loans and advances and Islamic financing receivables	1,064,362	1,218,079
Customer deposits and Islamic customer deposits	298,619	1,610,477
Acceptances	5,120	3,594
Letters of credit	28,825	24,348
Financial guarantees and other direct credit substitutes	345	444
Transaction related contingencies	276,107	292,662

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (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:
 - Common equity Tier 1 (CET1) – at least 7.0% of RWA; and
 - 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 2026	Basel III 2025
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 2026 (continued)

17. Capital adequacy ratio (continued)

AED'000	30 September 2026 Unaudited	31 December 2025 Audited
CET1 capital		
Share capital	2,580,412	2,580,412
Statutory reserve	1,709,784	1,709,784
Special reserve	885,493	885,493
Retained earnings	3,000,061	1,949,055
Accumulated other comprehensive income	(73,766)	49,088
Regulatory deductions – intangibles and deferred tax asset	(350,479)	(337,324)
CET1 total	7,751,505	6,836,508
Additional Tier 1 (AT1) Capital		
AT1 capital securities	-	-
Total Tier 1	7,751,505	6,836,508
Tier 2 Capital		
Collective impairment provision	527,751	514,027
Total Tier 2	527,751	514,027
Total capital base (a)	8,279,256	7,350,535
 <i>Risk weighted assets</i>		
AED'000		
Credit risk	42,220,045	41,122,170
Market risk	77,082	65,065
Operational risk	5,005,926	4,747,192
Total risk weighted assets (b)	47,303,053	45,934,427
Capital adequacy ratio (a) / (b)	17.5%	16.0%
Tier 1 ratio	16.4%	14.9%
Common equity Tier 1 ratio (CET 1)	16.4%	14.9%

National Bank of Fujairah PJSC

Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (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 2026 AED'000 Unaudited	Restated* 30 September 2025 AED'000 Unaudited
Cash on hand	453,038	425,358
Balances with the Central Bank of the UAE	2,182,417	700,000
Due from banks with less than three months maturity	1,069,651	1,241,235
Regulatory cash reserve deposit	3,545,158	2,805,910
	<u>7,250,264</u>	<u>5,172,503</u>

Balances with the Central Bank of the UAE principally include certificates of deposit and CBUAE M-Bills 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 9,427.2 million are maturing within three months from 30 September 2026 (AED 9,620.9 million had maturity within three months from 30 September 2025).

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 2026 (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 2026 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	471,881	558,657	150,312	307,452	1,488,302
Non-interest income	149,346	244,373	11,871	181,983	587,573
Operating income	621,227	803,030	162,183	489,435	2,075,875
Operating expenses	(170,875)	(269,962)	(88,036)	(46,117)	(574,990)
Operating profit before impairment losses and tax	450,352	533,068	74,147	443,318	1,500,885
Net impairment losses	(206,254)	(78,353)	(68,208)	284	(352,531)
Profit for the period before tax	244,098	454,715	5,939	443,602	1,148,354
Tax	(22,104)	(41,177)	(538)	(40,171)	(103,990)
Profit for the period after tax	221,994	413,538	5,401	403,431	1,044,364
30 September 2026 (Unaudited)					
Segment assets	21,585,402	11,032,351	7,865,673	30,654,864	71,138,290
Segment liabilities	30,737,276	17,484,870	6,081,806	8,732,354	63,036,306
Capital expenditure	-	-	-	95,772	95,772

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

19. Segmental reporting (continued)

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
31 December 2025 (Audited)					
Segment assets	22,614,102	10,276,983	7,145,500	29,337,303	69,373,888
Segment liabilities	31,714,288	16,740,403	5,797,180	7,372,106	61,623,977
Capital expenditure	-	-	-	91,474	91,474

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

20. Tax

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.

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 2026. Based on the review and assessment, a deferred tax asset has been recognized, amounting to AED 9.5 million as at 30 September 2026 (31 December 2025: deferred tax liability of AED 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 9.06% 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 for the period ended 30 September 2026 are as follows:

	30 September 2026 AED'000 Unaudited	30 September 2025 AED'000 Unaudited
Current corporate income tax		
Current corporate income tax charge	103,990	94,000
Adjustments in respect of current corporate income tax of previous year	-	-
Corporate income tax expense reported in the consolidated interim statement of income	103,990	94,000

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

20. Tax (continued)

Amount recognized in the consolidated statement of other comprehensive income

	30 September 2026 AED'000 Unaudited	30 September 2025 AED'000 Unaudited
Tax related to items that will not be reclassified subsequently to the statement of income	543	(180)
Deferred tax related to items that may be reclassified subsequently to the statement of income	17,441	(6,743)
Tax reflected in the consolidated statement of other comprehensive income	17,984	(6,923)

Tax reconciliation

	30 September 2026 AED'000 Unaudited	30 September 2025 AED'000 Unaudited
Accounting profit for the period before tax	1,148,354	1,039,372
At United Arab Emirates' statutory corporate income tax rate of 9%	103,352	93,544
Tax amount of the adjustments related to non-deductible expenses	672	490
Effect of standard tax exemptions	(34)	(34)
Corporate income tax expense	103,990	94,000
Corporate income tax expense reported in the consolidated statement of income	103,990	94,000
Effective tax rate	9.06%	9.04%

Movement in current and deferred tax (asset) / liability recognized in other assets / other liabilities

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
Balance at the beginning of the year – deferred tax liability	7,963	2,815
Movement during the period / year	(17,441)	5,148
Balance at the end of the period / year – (deferred tax asset) / deferred tax liability	(9,478)	7,963

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

20. Tax (continued)

Movement in current and deferred tax (asset) / liability recognized in other assets / other liabilities (continued)

	30 September 2026 AED'000 Unaudited	31 December 2025 AED'000 Audited
Current tax liability		
Balance at the beginning of the period / year	120,568	84,541
Current tax charge during the period / year	103,990	119,840
Adjustments in respect of items that will not be reclassified subsequently to the statement of income	(518)	728
Tax paid	(120,568)	(84,541)
Balance at the end of the period / year	103,472	120,568

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 2026.

22. Impact of geopolitical conflict

Early March 2026, the region saw unprecedented geopolitical tensions with an escalating regional conflict sending shockwaves through the global economy. This disrupted energy exports, shipping routes and supply chains with oil prices reaching exceptionally high levels exhibiting the largest supply disruption in modern energy history. This was amplified by cyber incidents, inflationary pressures, volatile commodity prices and an operating environment characterized by uncertainty. The CBUAE announced support measures to facilitate the UAE banking sector's key role in supporting its customers, the UAE economy and to stabilize the overall macro-economic environment.

Since the onset of the regional conflict, NBF activated its Business Continuity Planning ('BCP') and has successfully taken a number of measures ranging from remote working and use of digital solutions. This has ensured continuity of customer services, and safeguarding health and safety of all stakeholders whilst leaving large number of the branches open for business. NBF continues to closely monitor regional and market developments and remains aligned with the guidance of the relevant UAE authorities. Enhanced vigilance across technology, cybersecurity, and operational resilience protocols remain in place to safeguard systems and customer interests. NBF has been proactively managing its liquidity and further strengthened its position to navigate through these uncertain times with resilience. As at 30 September 2026, NBF's advances to deposits ratio stood at 73.1%, lending to stable resources ratio ('LSRR') at 66.5% and eligible liquid assets ratio ('ELAR') at 27.5%, well within CBUAE's minimum requirements.

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

22. Impact of geopolitical conflict *(continued)*

The Management Risk Committee ('MRC'), Distressed Asset Committee ('DAC') and Central Credit Committee ('CCC') of the Group ensures governance over all critical decisions and requirements of the IFRS 9 standard and the related guidance and notices. Directives issued by the Regulator are complied and monitored with the appropriate involvement of key stakeholders including Finance, Risk, Credit and the Business divisions. These include key technical accounting and risk methodology decisions, management overlays, inputs and assumptions used for the determination of ECL and macro-economic factors consideration. Execution of principal decisions and results of reviews and monitoring are presented to the Board Audit Committee, Board Risk and Sustainability Committee and the Board, as NBF is committed to upholding the highest corporate governance standards.

Pursuant to the Standards and Guidance issued by the CBUAE during March 2026 and updated during June 2026 (version 2.0) and September 2026 (version 3.0) via the financial institution resilience package and due to the exceptional nature of current circumstances, NBF has granted repayment holiday to some of its impacted customers. In cases where the bank has offered payment deferral relief to selected customers, an assessment by management of the related "significant increase in credit risk" based on past performance and future expected performance has been assessed and documented accordingly.

On account of the uncertainties caused by the on-going geopolitical conflicts, NBF prudently updated the inputs and assumptions used for the determination of ECL. NBF has considered the impact of higher volatility in the forward-looking macro-economic factors, when determining the severity and likelihood of economic scenarios for ECL determination. Forecast for macroeconomic variables has been modified as well as the assigned probabilities for downside scenario increased to 40% from 30% as at 31 December 2025 and reduced the upside scenario to 20% from 30% as at 31 December 2025. These are temporary and will be subject to appropriate suitability and governance reviews going forward, in line with the CBUAE directives. The Group has considered the potential impacts of the current market volatility in determination of the reported amounts of the Group's financial and non-financial assets, and these are considered to represent management's best assessment based on observable information.

Markets, however, remain volatile and the resulting impacts remain sensitive to market fluctuations. The Group will continue to monitor and reflect appropriately all such impacts in ECL calculations on a going forward basis. Scenarios will be re-assessed as the conditions develop, and the Group will continue to re-assess its position and the related impact on a regular basis. With the heightened geopolitical concerns and the related shocks being experienced throughout the world economies, NBF on an on-going basis will review prudently the macro-economic environment, the credit book, the staging decisions and regulatory guidance to ensure accurate reflection of the Group's assessment of all of these aspects at the reporting date.

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Notes to the condensed consolidated interim financial information

For the nine month period ended 30 September 2026 (continued)

23. Comparative figures

Reclassification of “Cash reserve with the Central Bank of the UAE” from operating activities to Cash and Cash Equivalents

In prior periods, the Group had classified changes in “cash reserve with the Central Bank of the UAE” within “Net cash generated from operating activities”. According to the Central Bank of the UAE regulations, the Group is allowed to draw on the cash reserve with the Central Bank of the UAE on any day up to 100%, while ensuring that, on average, it meets the reserve requirements over a 14-day reserve maintenance period. According to IAS 7 – Statement of cash flows, cash comprises cash on hand and demand deposits.

The Group has reassessed the nature of “cash reserve with the Central Bank of the UAE” and concluded that the balance is available on demand and meets the definition of cash as set out under IAS 7, and therefore should be classified as cash and cash equivalents in the condensed consolidated interim statement of cash flows for the nine month period ended 30 September 2025. As such, the comparative figures in the condensed consolidated interim statement of cash flows for the nine month period ended 30 September 2025 have been restated in accordance with IAS 1 ‘Presentation of financial statements’ in order to conform with the presentation for the current period.

The impact of the restatement on the condensed consolidated interim statement of cash flows for the period ended 30 September 2025 is as follows.

	30 September 2025		
	As previously reported AED’000	Impact of restatement AED’000	Restated AED’000
<i>Operating activities</i>			
Change in due from the Central Bank of the UAE	(1,888,662)	38,662	(1,850,000)
Net cash used in operating activities	(921,287)	38,662	(882,625)
Net change in cash and cash equivalents	(1,863,166)	38,662	(1,824,504)
Cash and cash equivalents at beginning of the period	4,229,759	2,767,248	6,997,007
Cash and cash equivalents at end of the period	2,366,593	2,805,910	5,172,503