

INVEST BANK P.S.C.

**Condensed consolidated interim financial information
for the nine-month period ended 30 September 2025**

Registered office
Al Zahra Street
P O Box 1885 - Sharjah
United Arab Emirates

INVEST BANK P.S.C.

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 Invest Bank P.S.C.

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Invest bank P.S.C. (the "Bank") and its subsidiaries (together referred to as the "Group") as at 30 September 2025 and the related condensed consolidated interim statements of profit or loss and other comprehensive income for the three-month and nine-month periods then ended, and the condensed consolidated interim statements of changes in equity and cash flows 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 the International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of 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 IAS 34 "Interim Financial Reporting".

Emphases of matter

We draw attention to the following matters:

- 1) Note 2.1 to the condensed consolidated interim financial information which states that the Group has a reimbursement asset of AED 1.69 billion as at 30 September 2025. The realisability of this asset is dependent on the ability of the Group to satisfactorily comply with the eligibility criteria as set out in note 2.1 to enable it to establish an unconditional contractual right to receive amounts due under the reimbursement asset from the Government of Sharjah ("GoS" or the "Guarantor") in accordance with the guarantee agreement entered into with GoS.
- 2) Note 2.2 to the condensed consolidated interim financial information which states that the Group continues to focus on a number of initiatives to manage its liquidity and financing requirements in addition to the support provided by the Central Bank of the United Arab Emirates and GoS.

Our conclusion is not modified in respect of these matters.

PricewaterhouseCoopers Limited Partnership – SHJ. BR

7 November 2025



Jigesh Ashokkumar Shah

Registered Auditor Number: 5621

Place: Sharjah, United Arab Emirates

PricewaterhouseCoopers Limited Partnership - SHJ. BR, Licence no. 515115
Office 4081, Megamall Tower Plot 260, PO Box 63801, Al Qassimia, Sharjah, UAE
T: +971 (0)6 597 8600, F: +971 (0)6 573 0896,

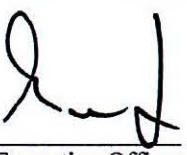
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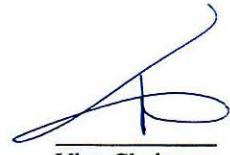
Condensed consolidated interim statement of financial position as at 30 September 2025

	<i>Note</i>	30 September 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000
ASSETS			
Cash and deposits with central banks	6	2,000,709	1,118,555
Due from banks	7	823,562	846,915
Investment securities	8	1,387,662	1,274,122
Loans and advances to customers	9	6,573,677	4,491,465
Reimbursement asset	2.1	1,688,078	2,068,501
Other assets	10	897,305	983,516
Total assets		13,370,993	10,783,074
LIABILITIES			
Due to banks	11	51,078	258
Deposits from customers	12	11,132,833	8,722,156
Other liabilities	13	606,196	581,942
Total liabilities		11,790,107	9,304,356
EQUITY			
Share capital	14	3,202,493	3,202,493
Fair value reserve		(41,309)	(43,722)
Foreign currency translation reserve		21,665	21,665
Accumulated losses		(1,602,083)	(1,701,718)
Equity attributable to equity holders of the Bank		1,580,766	1,478,718
Non-controlling interest		120	-
Total equity		1,580,886	1,478,718
Total liabilities and equity		13,370,993	10,783,074

This condensed consolidated interim financial information was approved and authorized for issue by the Board of Directors on 07 NOV 2025 and signed on their behalf by:



Chief Executive Officer



Vice Chairman

The notes 1 to 29 are an integral part of this condensed consolidated interim financial information.

INVEST BANK P.S.C.

Condensed consolidated interim statement of profit or loss for the nine-month period ended 30 September 2025

		Nine-month ended 30 Sep 2025 (un-audited)	Three-month ended 30 Sep 2025 (un-audited)	Nine-month ended 30 Sep 2024 (un-audited)	Three-month ended 30 Sep 2024 (un-audited)
	Note	AED'000	AED'000	AED'000	AED'000
Interest income	15	411,418	389,968	162,800	123,929
Interest expense	16	(262,994)	(262,161)	(92,062)	(88,886)
Net interest income		148,424	127,807	70,738	35,043
Net fees and commission income		65,991	53,434	23,463	24,687
Net income from foreign currencies		5,882	5,181	2,360	2,483
Other income		31,132	21,505	9,295	6,816
Total operating income		251,429	207,927	105,856	69,029
Operating expenses	17	(232,404)	(196,613)	(96,578)	(65,279)
Operating profit before impairment loss and taxation		19,025	11,314	9,278	3,750
Net reversal of impairment provision	18	82,850	111,399	42,536	10,491
Profit before taxation		101,875	122,713	51,814	14,241
Income tax expense		(2,240)	(11,044)	(1,100)	(1,282)
Profit for the period		99,635	111,669	50,714	12,959
Attributable to:					
Equity holders of the Bank		99,635	111,669	50,714	12,959
Non-controlling interest		-	-	-	-
Profit for the period		99,635	111,669	50,714	12,959
Earnings per share (AED)	27	0.0004	0.0004	0.0002	0.0000

The notes 1 to 29 are an integral part of this condensed consolidated interim financial information.

INVEST BANK P.S.C.

Condensed consolidated interim statement of comprehensive income for the nine-month period ended 30 September 2025

	Nine-month ended 30 Sep 2025 (un-audited)		Three-month ended 30 Sep 2025 (un-audited)	
	Note	AED'000	AED'000	AED'000
Profit for the period		99,635	111,669	50,714
Other comprehensive income:				
Items that will be reclassified to profit or loss:				
Change in fair value of debt securities measured at fair value through through other comprehensive income		1,627	279	794
Items that will not be reclassified to profit or loss:				
Change in fair value of equity instruments measured at fair value through other comprehensive income		786	1,064	651
Total comprehensive income for the period		102,048	113,012	52,159
		<hr/>	<hr/>	<hr/>
Attributable to:				
Equity holders of the Bank		102,048	113,012	52,159
Non-controlling interest		-	-	-
Total comprehensive income for the period		102,048	113,012	52,159
		<hr/>	<hr/>	<hr/>

The notes 1 to 29 are an integral part of this condensed consolidated interim financial information

INVEST BANK P.S.C.

Condensed consolidated interim statement of changes in equity for the nine-month period ended 30 September 2025

	Share capital AED'000	Foreign currency translation reserve AED'000	Fair value value AED'000	Accumulated losses AED'000	Non- controlling interest AED'000	Total AED'000
At 1 January 2025	3,202,493	21,665	(43,722)	(1,701,718)	-	1,478,718
Non-controlling interests on acquisition of subsidiary	-	-	-	-	120	120
Profit for the period	-	-	-	99,635	-	99,635
Other comprehensive income:						
Changes in fair value of financial assets measured at fair value through other comprehensive income	-	-	2,413	-	-	2,413
Total comprehensive income for the period	-	-	2,413	99,635		102,048
At 30 September 2025 (un-audited)	<u>3,202,493</u>	<u>21,665</u>	<u>(41,309)</u>	<u>(1,602,083)</u>	<u>120</u>	<u>1,580,886</u>
At 1 January 2024	3,202,493	21,665	(42,091)	(1,512,491)	-	1,669,576
Profit for the period	-	-	-	111,669	-	111,669
Other comprehensive income:						
Changes in fair value of financial assets measured at fair value through other comprehensive income	-	-	1,274	69	-	1,343
Total comprehensive income for the period	-	-	1,274	111,738	-	113,012
At 30 September 2024 (un-audited)	<u>3,202,493</u>	<u>21,665</u>	<u>(40,817)</u>	<u>(1,400,753)</u>	<u>-</u>	<u>1,782,588</u>

The notes 1 to 29 are an integral part of this condensed consolidated interim financial information.

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Condensed consolidated interim statement of cash flows for the nine-month period ended 30 September 2025

		For the nine-month period ended	
		30 Sep 2025 (un-audited)	30 Sep 2024 (un-audited)
	Note	AED'000	AED'000
Cash flows from operating activities:			
Profit before taxation		101,875	122,713
Adjustments:			
Depreciation		8,802	6,919
Dividend income		(403)	6
Net gain on repossessed properties		(13,126)	(3,570)
Net reversal of impairment provision	18	(80,060)	(108,874)
		<hr/>	<hr/>
Operating cash flows before changes in operating assets and liabilities:			
		17,088	17,194
Changes in:			
Balances, reserves and deposits with Central Banks		104,069	(109,050)
Due from banks		68,099	(194,920)
Loans and advances to customers		(2,010,022)	(32,347)
Other assets		68,796	(89,339)
Reimbursement asset		380,423	377,392
Due to banks		48,744	(548)
Deposits from customers		2,410,677	158,871
Other liabilities		32,261	32,666
		<hr/>	<hr/>
Net cash generated from operating activities		1,120,135	159,919
		<hr/>	<hr/>
Cash flows from investing activities:			
Purchase of property and equipment		(15,506)	(7,833)
Purchase of investment securities ¹		(547,561)	(848,690)
Proceeds from maturity of investment securities		433,863	1,075,959
Properties repossessed		-	(512)
Sale of repossessed properties		37,245	16,029
Dividend received		403	-
		<hr/>	<hr/>
Net cash (used in) / generated from investing activities		(91,556)	234,953
		<hr/>	<hr/>
Cash flows from financing activities:			
Repayment of repo financing		-	(375,000)
		<hr/>	<hr/>
Net cash used in financing activities		-	(375,000)
		<hr/>	<hr/>
Net change in cash and cash equivalents		1,028,579	19,872
Cash and cash equivalents at the beginning of the period		1,129,870	1,474,251
		<hr/>	<hr/>
Cash and cash equivalents at the end of the period	21	2,158,449	1,494,123
		<hr/>	<hr/>

¹For non-cash transactions, refer to note 23.

The notes 1 to 29 are an integral part of this condensed consolidated interim financial information.

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

1 Legal status and activities

Invest bank P.S.C. ("Invest bank" or "the Bank") is a public shareholding company with limited liability which was incorporated in 1975 by an Emiri Decree issued by His Highness Dr. Sheikh Sultan Bin Mohammed Al Qassimi, Ruler of Sharjah. The registered address of the Bank is at Al Zahra Street, P.O. Box 1885, Sharjah, United Arab Emirates ("UAE").

Invest bank is licensed by the Central Bank of the UAE (the "CBUAE") to carry out banking activities and is principally engaged in the business of corporate and retail banking through its network of branches located in the Emirate of Sharjah, Dubai and Abu Dhabi. Invest bank also carries out banking activities through its branch ("the branch") in Beirut, Lebanon licensed by Banque Du Liban (the "CB Lebanon"). As a result of the prevailing financial and economic crisis in Lebanon, management have assessed the situation and is proceeding with the liquidation of the branch after having received the CB Lebanon approval to liquidate the branch.

The Bank's shares are listed on the Abu Dhabi Securities Exchange ("ADX"). As at 30 September 2025 the Government of Sharjah owns 70.06% (31 December 2024: 70.06%) of the shares of the Bank.

The condensed consolidated interim financial information incorporates the financial statements of the Bank and its subsidiaries (collectively referred to as "the Group") as follows:

<u>Name of subsidiary</u>	<u>Ownership Interest</u>	<u>Incorporation Year</u>	<u>Country</u>	<u>Principal activities</u>
Sharjah Expo Hotel LLC SP	100%	1984	UAE	Hotel Business
Gulf Real Estate Structured				
Equity I, Ltd	100%	2006	BVI	Special purpose vehicle
Ruba Real Estate LLC	60%	2025	UAE	Real Estate Consulting

The Bank's wholly owned subsidiary Ethraa Real Estate LLC was liquidated during July 2025.

2 Recapitalization and liquidity

2.1 Guarantee agreement with GOS

On 10 May 2023, the Bank entered into a guarantee agreement ("the Guarantee Agreement") with the Government of Sharjah (the "Guarantor" or "GoS"), who is also the ultimate controlling shareholder of the Bank. Pursuant to the terms of the Guarantee Agreement, the GoS has undertaken to guarantee the Bank against losses of AED 3 billion in the net book value of specified financial and non-financial assets.

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Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

2 Recapitalization and liquidity (*continued*)

2.1 Guarantee agreement with GOS (*continued*)

As a condition precedent to the Guarantee Agreement, once the general assembly approves the increase in share capital through a rights issue, the Guarantor shall subscribe to its pro-rata share or all shares offered if not subscribed by other shareholders. The conditions precedent were fulfilled in September 2023, the “effective date” and the Guarantee Agreement became effective on that date.

The Government of Sharjah subscribed for 230 billion shares and an amount of AED 2.3 billion became payable to the Bank for GoS's participation in the rights issue. The rights issue increased the shareholding of the Government of Sharjah from 50.07% to 88.11%. The Guarantor executed the Guarantee Agreement as a private act and for commercial purposes at an agreed fee of AED 2.6 billion. The Bank settled the agreed fees payable of AED 2.6 billion by offsetting an amount of AED 2.3 billion against the receivable from the Guarantor arising from the issuance of shares and the remaining amount of AED 0.3 billion was settled through cash payment to Government of Sharjah. The fee payable of AED 2.6 billion in consideration for the Guarantee was accounted for as a reimbursement asset.

As per the agreement, the Government of Sharjah shall compensate the Bank for all Defaulted Amounts which are caused by a Credit Event under the guaranteed portfolio. The Credit event is defined as an event that occurs when, the guaranteed asset is written off in accordance with the Bank's policies or the Bank sells the guarantee obligation at a price below the initial net book value, or balances related to the Lebanon operations are realised at an amount below the initial net book value. Further, the Government shall compensate the Bank for all value losses arising from the non-financial assets when the non-financial asset is disposed or impaired.

The Guarantee Agreement is for a period of 5 years from the effective date. The maximum amount that could be claimed over the term of the guarantee is AED 3 billion with a maximum cap of AED 800 million per calendar year. However, in the final year, there is no cap on the maximum amount that can be claimed. If and to the extent the maximum compensation under the guarantee has not been exhausted at the end of the term of the guarantee, the Bank and the guarantor shall determine the final cash payment by the guarantor to the Bank. Subsequent to any payment notice under the agreement, the guarantor has the right of review to ensure payment notices are in line with the internal policies in all materials respects.

Below table shows the movement in reimbursement asset during the period/ year:

	30 September 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000
Balance at 1 January	2,068,501	2,600,000
Payment received during the period / year	(380,423)	(531,499)
Balance at 30 September / 31 December	1,688,078	2,068,501

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

2 Recapitalization and liquidity (*continued*)

2.2 Capital and liquidity

The shareholders of the Bank in General Assembly Meeting held on 27 April 2023 approved the Capital Restructuring Plan (the “Plan”). The relevant regulatory approvals for the Plan was obtained prior to the date of Board of Directors meeting held on 25 January 2023. Key features of the Plan are summarised as follows:

- A Guarantee Agreement was entered into with Government of Sharjah “GoS” which is explained above.
- The Bank shall through the rights issue increase its paid-up share capital by AED 2.6 billion (the “Rights issue) which is to be applied to the settlement of the Guarantee fee.
- The impact of the capital restructuring plan on the share capital and equity of the Bank is explained in the statement of changes in equity for the year ended 31 December 2023.

The Bank continues to focus on a number of initiatives to manage its liquidity and financing requirements in addition to the support, if any, required from the CBUAE and GoS. The Board and management believe that the Bank will have the ability to meet its financial obligations as and when they fall due.

Accordingly, these condensed consolidated interim financial statements have been prepared on a going concern basis.

3 Basis of preparation

a). *Statement of compliance*

This condensed consolidated interim financial information has been prepared on the historical cost basis except for the measurement of certain investment securities at fair value.

This condensed consolidated interim financial information has been prepared in accordance with International Accounting Standards (IAS) 34: "Interim Financial Reporting" and applicable laws of the UAE. It does not include all of the information required for full annual financial statements and should be read in conjunction with the audited consolidated financial statements of the Group as at and for the year ended 31 December 2024, which has been prepared in accordance with IFRS Accounting Standards.

The accounting policies applied by the Group in this condensed consolidated interim financial information are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2024.

b). *Functional and presentation currency*

This condensed consolidated interim financial information has been presented in United Arab Emirates Dirhams (AED) rounded to the nearest thousand, which is the Group's functional and presentation currency.

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Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

3 Basis of preparation (*continued*)

c). Consolidation

The condensed consolidated interim financial information incorporates the condensed consolidated interim financial information of Invest bank P.S.C. and its subsidiaries (collectively referred to as "Group").

(i) Subsidiaries

Subsidiaries are the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

(ii) Transactions eliminated on consolidation

Intra-group balances and income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the condensed consolidated interim financial information. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

d). Use of estimates and judgments

The preparation of the condensed consolidated interim financial information in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

Significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the condensed consolidated interim financial information are described as follows:

(i) Classification of financial assets

In accordance with IFRS 9, the Group classifies its financial assets based on the assessments of the business models in which the assets are held at a portfolio level and whether cash flows generated by assets constitute solely payments of principal and interest ("SPPI"). This requires significant judgement in evaluating how the Group manages its business model and on whether or not a contractual clause in all debt instruments of a certain type breaches SPPI and results in a material portfolio being recorded at fair value through profit or loss ("FVTPL").

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Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

3 Basis of preparation (*continued*)

d). Use of estimates and judgments (continued)

(ii) Measurement of the expected credit loss allowance

The measurement of the expected credit loss ("ECL") allowance for financial assets measured at amortised cost and fair value through other comprehensive income ("FVOCI") is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining the criteria for significant increase in credit risk ("SICR");
- Determining the criteria and definition of default;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward looking scenarios for each type of product / market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

(iii) Fair value of derivatives and unquoted securities

The fair values of financial instruments that are not quoted in active markets are determined by using valuation techniques. Where valuation techniques (such as models) are used to determine fair values, these are tested before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data, however areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect reported fair values of financial instruments.

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Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

3 Basis of preparation (*continued*)

(v) Foreign currency translation

In accordance with IFRS Accounting Standards, monetary assets and liabilities denominated in foreign currency should be measured using the exchange rate prevailing at the date of the statement of financial position. Accordingly, as at 30 September 2025, exchange rate of LBP 89,500 to USD 1 (31 December 2024: LBP 89,500 to USD 1) has been used to translate and incorporate the balances of the Lebanese branch in the condensed consolidated interim financial information.

(vi) Reimbursement asset

The Bank's management has considered the following estimates and judgements while developing an appropriate policy for reimbursement assets:

- The Bank has paid a fee of AED 2.6 billion and the maximum coverage from the guarantee is AED 3 billion.
- Majority of the loans covered by the guarantee are in stage 3 and the total expected payouts up to the date of signing the guarantee is substantially equivalent to the fees paid for the guarantee.
- It is virtually certain that the guarantor will pay the Group on the occurrence of the credit event.

Management is confident that it will be able to meet the eligibility criteria of the Guarantee Agreement that will establishes a contractual right to receive the amounts due as reimbursement asset and be able to fully collect the resultant receivables from the Government of Sharjah in line with the agreement.

4 Application of other new and revised IFRS Accounting Standards

4.1 New and revised IFRSs Accounting Standards applied with no material effect on the condensed consolidated interim financial information

In the current period, the Group has applied the amendments to IAS 21 related to lack of exchangeability. The amendment contains guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The application of amendments to IFRS Accounting Standards has not had any material impact on the amounts reported for the current and prior periods but may affect the accounting for the Group's future transactions or arrangements. Other than the above, there are no other significant IFRS Accounting Standards, amendments or interpretations that were effective for the first time for the financial year beginning on or after 1 January 2025.

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Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

4 Application of other new and revised IFRS Accounting Standards (continued)

4.2 New and revised IFRSs Accounting Standards in issue but not yet effective and not early adopted

<i>New and revised IFRS in issue but not yet effective and not early adopted by the Group</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments specifies the matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9.	1 January 2026
Annual improvements to IFRS Accounting Standards	1 January 2026
IFRS 18: Presentation and Disclosure in Financial Statements contains requirements for all entities applying IFRS Accounting Standards for the presentation and disclosure of information in financial statements	1 January 2027
IFRS 19: Subsidiaries without Public Accountability: Disclosures specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.	1 January 2027

The Group has not early adopted any new and revised IFRS Accounting Standards that have been issued but are not yet effective. Management anticipates that these amendments will be adopted in the consolidated financial statements in the initial period when they become mandatorily effective. The Group is currently assessing the impact of these new standards, interpretations and amendments on the future financial statements.

4.3 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.

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

5 Accounting classification of financial assets and financial liabilities

The table below shows a reconciliation between line items in the condensed consolidated interim statement of financial position and categories of financial instruments.

	FVTPL AED'000	FVTOCI AED'000	Amortised cost AED'000	Total carrying amount AED'000
At 30 September 2025 (un-audited)				
Financial assets:				
Cash and deposits with central banks	-		2,000,709	2,000,709
Due from banks	-		823,562	823,562
Investment securities	-	61,270	1,326,392	1,387,662
Loans and advances to customers	-		6,573,677	6,573,677
Customers' indebtedness for acceptances	-		88,179	88,179
Other financial assets	33	-	75,765	75,798
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	33	61,270	10,888,284	10,949,587
Financial liabilities:				
Due to banks	-	-	51,078	51,078
Deposits from customers	-	-	11,132,833	11,132,833
Liabilities under acceptances	-	-	88,179	88,179
Other financial liabilities	385	-	501,742	502,127
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	385	-	11,773,832	11,774,217
At 31 December 2024 (audited)				
Financial assets:				
Cash and deposits with central banks	-	-	1,118,555	1,118,555
Due from banks	-	-	846,915	846,915
Investment securities	-	51,526	1,222,596	1,274,122
Loans and advances to customers	-	-	4,491,465	4,491,465
Customers' indebtedness for acceptances	-	-	161,529	161,529
Other financial assets	3,165	-	77,300	80,465
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	3,165	51,526	7,918,360	7,973,051
Financial liabilities:				
Due to banks	-	-	258	258
Deposits from customers	-	-	8,722,156	8,722,156
Liabilities under acceptances	-	-	161,529	161,529
Other financial liabilities	410	-	420,003	420,413
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	410	-	9,303,946	9,304,356

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

6 Cash and deposits with central banks

	30 September 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000
Cash in hand	43,406	22,478
Deposits with central banks	1,401,879	892,087
Reserve requirements with central banks (refer note 6.1)	706,633	355,199
Less: Allowance for impairment (ECL)	(151,209)	(151,209)
	<hr/>	<hr/>
	2,000,709	1,118,555
	<hr/>	<hr/>

6.1 At 30 September 2025, deposits with central banks includes statutory reserve requirements with the Central bank of UAE and the Central Bank of Lebanon amounting to AED 706,633 thousand (31 December 2024: AED 355,199 thousand). Statutory reserve requirement deposits are required to be maintained as per regulations of the Central Bank of the UAE and the Central Bank of Lebanon. However, as per the CBUAE regulations, the Bank is allowed to draw their balances held in the UAE Central Bank reserve account, while ensuring that they meet the reserve requirements over 14 days period. Therefore, the balances have been included in cash and cash equivalents (Refer Note 21).

7 Due from banks

	30 September 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000
Money market placements	42,363	39,667
Term loans	622,215	711,659
Balances with other banks	159,816	96,735
	<hr/>	<hr/>
Gross due from banks	824,394	848,061
Less: Allowance for impairment (ECL)	(832)	(1,146)
	<hr/>	<hr/>
	823,562	846,915
	<hr/>	<hr/>

The geographical analysis of gross due from banks is as follow:

- Within the UAE	48,570	68,952
- Outside the UAE	775,824	779,109
	<hr/>	<hr/>
	824,394	848,061
	<hr/>	<hr/>

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

8 Investment securities

The details of investments are as follows:

	30 September 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000
Financial assets measured at fair value through other comprehensive income (FVTOCI)		
Investments in quoted equity securities	9,521	8,735
Investment in debt securities	51,749	42,791
Financial assets at amortised cost:		
Investments in debt securities	1,331,848	1,225,481
	1,393,118	1,277,007
Less: Allowance for impairment	(5,456)	(2,885)
	1,387,662	1,274,122

At 30 September 2025, Investment in debt securities include investment in debt securities issued by the GoS amounting to AED 700 million (31 December 2024: AED 700 million).

The Group has not purchased any equity investments during the nine-month period ended 30 September 2025 (2024: Nil).

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

9 Loans and advances to customers

	30 September 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000
Overdrafts	4,921,297	5,275,178
Bills discounted	776,927	136,951
Trust receipts	507,271	558,771
Term loans	7,622,922	6,394,714
	<hr/>	<hr/>
Allowances for impairment (refer note 9.1)	13,828,417 (7,254,740)	12,365,614 (7,874,149)
	<hr/>	<hr/>
Net loans and advances to customers	6,573,677	4,491,465
	<hr/>	<hr/>

Loans and advances to related parties have been disclosed in note 22 of the condensed consolidated interim financial information.

The movement during the period/ year in the allowance for impairment is as follows:

	30 September 2025			31 December 2024		
	(un-audited)			(audited)		
	Interest	in	Interest	in		
	Provision	suspense	Total	Provision	suspense	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
At 1 January	5,415,578	2,458,571	7,874,149	5,776,973	2,225,377	8,002,350
(Net writeback)						
/ impairment charge	(71,196)	-	(71,196)	84,760	-	84,760
Net movement in						
interest in suspense	-	305,822	305,822	-	454,427	454,427
Amounts written off	(446,622)	(407,413)	(854,035)	(488,085)	(240,990)	(729,075)
Effect of exchange						
difference	-	-	-	41,930	19,757	61,687
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As at period /						
year end	4,897,760	2,356,980	7,254,740	5,415,578	2,458,571	7,874,149
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

9 Loans and advances to customers (continued)

9.1 Stage wise analysis of gross loans and advances is provided in the below table:

	30 September 2025 (Unaudited)				31 December 2024 (Audited)			
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	Total AED'000	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	Total AED'000
Overdrafts	813,829	5,358	4,102,110	4,921,297	839,924	5,385	4,429,869	5,275,178
Bills discounted	709,008	-	67,919	776,927	57,014	732	79,205	136,951
Trust receipts	153,954	12,345	340,972	507,271	132,620	-	426,151	558,771
Term loans	4,600,928	481,121	2,540,873	7,622,922	3,299,582	296,215	2,798,917	6,394,714
Gross loans and advances	6,277,719	498,824	7,051,874	13,828,417	4,329,140	302,332	7,734,142	12,365,614

9.2 Staging movement: Below table shows the changes in the gross exposure between the beginning and the end of period / year:

	30 September 2025 (Unaudited)				31 December 2024 (Audited)			
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	Total AED'000	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	Total AED'000
As at 1 January 2024	4,329,140	302,332	7,734,142	12,365,614	3,810,007	314,523	8,129,902	12,254,432
Transfer from Stage 1 to Stage 2	(352,412)	352,412	-	-	(56,252)	56,252	-	-
Transfer from Stage 1 to Stage 3	(1,005)	-	1,005	-	(3,638)	-	3,638	-
Transfer from Stage 2 to Stage 1	7,170	(7,170)	-	-	46,990	(46,990)	-	-
Transfer from Stage 2 to Stage 3	-	(7,154)	7,154	-	-	(6,621)	6,621	-
Transfer from Stage 3 to Stage 1	225	-	(225)	-	-	-	-	-
Transfer from Stage 3 to Stage 2	-	8,038	(8,038)	-	-	36,961	(36,961)	-
Net movement in EADs	2,294,601	(149,634)	(682,164)	1,462,803	532,033	(51,793)	(369,058)	111,182
Gross exposure as at 30 September 2025 / 31 December 2024	6,277,719	498,824	7,051,874	13,828,417	4,329,140	302,332	7,734,142	12,365,614

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

9 Loans and advances to customers (continued)

9.2 Staging movement (continued)

The below table explain the movement in the expected credit loss allowance:

	30 September 2025 (Unaudited)						31 December 2024 (Audited)								
	12 month		Lifetime		Lifetime		12 month		Lifetime						
	ECL		ECL		ECL		ECL		ECL						
	Stage 1	AED'000	Stage 2	AED'000	Stage 3	AED'000	Total	AED'000	Stage 1	AED'000					
As at 1 January	60,718		87,269		5,267,591		5,415,578		39,130		31,317		5,706,526		5,776,973
Transfer from Stage 1 to Stage 2	(3,245)		3,245		-		-		(709)		709		-		-
Transfer from Stage 1 to Stage 3	(106)		-		106		-		(258)		-		258		-
Transfer from Stage 2 to Stage 1	754		(754)		-		-		457		(457)		-		-
Transfer from Stage 2 to Stage 3	-		(615)		615		-		-		(32)		32		-
Transfer from Stage 3 to Stage 1	39		-		(39)		-		-		-		-		-
Transfer from Stage 3 to Stage 2	-		266		(266)		-		-		13,857		(13,857)		-
Net movement in PDs/LGDs/EADs	8,320		(22,336)		(503,802)		(517,818)		22,098		41,875		(425,368)		(361,395)
Loss allowance as at 30 September 2025 / 31 December 2024	<u>66,480</u>		<u>67,075</u>		<u>4,764,205</u>		<u>4,897,760</u>		<u>60,718</u>		<u>87,269</u>		<u>5,267,591</u>		<u>5,415,578</u>

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

9 Loans and advances to customers (continued)

9.3 Gross credit exposure by industry segment

Below table provides gross credit exposure by industry segment:

	30 September 2025 (Unaudited)				31 December 2024 (Audited)			
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	Total AED'000	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	Total AED'000
Manufacturing	122,186	22,344	2,310,950	2,455,480	154,631	17,832	2,325,016	2,497,479
Construction	464,024	60,323	3,117,936	3,642,283	453,189	13,185	3,365,156	3,831,530
Real Estate	1,386,097	56,794	370,287	1,813,178	256,346	180,910	525,337	962,593
Trade	281,390	22,707	897,257	1,201,354	556,362	35,484	905,961	1,497,807
Transport, Storage and Communication	59,587	2,028	56,635	118,250	88,352	2,214	54,783	145,349
Financial Institutions	1,333,026	319,784	80,978	1,733,788	1,078,282	30,353	80,846	1,189,481
Other Services	487,683	9	72,026	559,718	382,188	4	256,182	638,374
Government	1,234,708	-	-	1,234,708	731,681	-	-	731,681
Individuals	193,566	1,371	5,839	200,776	193,096	4,740	22,980	220,816
High Net Worth Individuals	694,133	13,446	112,656	820,235	421,421	17,610	171,346	610,377
All others	21,319	18	27,310	48,647	13,592	-	26,535	40,127
Gross loans and advances	6,277,719	498,824	7,051,874	13,828,417	4,329,140	302,332	7,734,142	12,365,614
	=====	=====	=====	=====	=====	=====	=====	=====

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

9 Loans and advances to customers (continued)

9.4 Expected credit loss by industry segment

Below table provides expected credit loss by industry segment:

	30 September 2025 (Unaudited)				31 December 2024 (Audited)			
	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	Total AED'000	Stage 1 AED'000	Stage 2 AED'000	Stage 3 AED'000	Total AED'000
Manufacturing	964	1,189	1,601,979	1,604,132	1,027	2,377	1,638,112	1,641,516
Construction	18,114	10,394	2,137,888	2,166,396	16,156	19,204	2,378,766	2,414,126
Real Estate	7,156	22,146	203,370	232,672	392	51,047	204,568	256,007
Trade	5,365	1,830	640,298	647,493	2,990	4,600	680,530	688,120
Transport, Storage and Communication	1,185	17	34,941	36,143	2,065	889	35,262	38,216
Financial Institutions	3,090	2,650	71,188	76,928	2,839	2,867	71,203	76,909
Other Services	11,565	325	46,349	58,239	6,076	3,220	156,431	165,727
Government	4,255	-	-	4,255	3,352	-	-	3,352
Individuals	5,638	67	4,341	10,046	18,783	591	14,488	33,862
High Net Worth Individuals	7,328	291	23,415	31,034	5,598	2,331	78,677	86,606
All others	1,820	28,166	436	30,422	1,440	143	9,554	11,137
Loss allowances	<u><u>66,480</u></u>	<u><u>67,075</u></u>	<u><u>4,764,205</u></u>	<u><u>4,897,760</u></u>	<u><u>60,718</u></u>	<u><u>87,269</u></u>	<u><u>5,267,591</u></u>	<u><u>5,415,578</u></u>

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

10 Other assets

	30 September 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000
Interest receivable	15,509	19,812
Repossessed properties	637,186	661,305
Property plant and equipment	74,241	67,537
Prepayments and other assets	82,190	73,333
Customers' indebtedness for acceptances	88,179	161,529
	<hr/>	<hr/>
	897,305	983,516
	<hr/>	<hr/>

Repossessed properties were acquired in settlement of loans and advances.

11 Due to banks

	30 September 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000
Nostro (overdrawn) / vostro account	2,078	258
Term deposits	49,000	-
	<hr/>	<hr/>
Gross due from banks	51,078	258
	<hr/>	<hr/>
The geographical analysis of gross due to banks is as follow:		
- Within the UAE	49,002	-
- Outside the UAE	2,076	258
	<hr/>	<hr/>
	51,078	258
	<hr/>	<hr/>

12 Deposits from customers

	30 September 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000
Time deposits	7,858,002	6,401,234
Savings accounts	94,840	96,947
Current and other accounts	3,179,991	2,223,975
	<hr/>	<hr/>
	11,132,833	8,722,156
	<hr/>	<hr/>

Customers deposits from related parties have been disclosed in note 22 to the condensed consolidated interim financial information.

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Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

13 Other liabilities

	30 September 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000
Interest payable	164,312	127,679
Unearned income	13,374	20,378
Staff benefits payable	45,168	16,521
Accrued expenses	164,074	148,398
Manager's cheques	27,995	22,642
Liabilities under acceptances	88,179	161,529
Others	103,094	84,795
	<hr/> 606,196 <hr/>	<hr/> 581,942 <hr/>

14 Share capital

	30 September 2025 (un-audited)	31 December 2024 (audited)
Issued and paid-up capital		
Number of shares (thousands)	263,180,982	263,180,982
Face value of the share	AED 0.0122	AED 0.0122
Share capital (AED'000)	3,202,493	3,202,493

15 Interest income

	Nine-month ended 30 Sep 2025 (un-audited) AED'000	Three-month ended 30 Sep 2024 (un-audited) AED'000	Nine-month ended 30 Sep 2025 (un-audited) AED'000	Three-month ended 30 Sep 2024 (un-audited) AED'000
Deposits with banks	39,645	36,629	17,136	11,835
Investments securities	69,059	70,664	24,451	21,206
Loans and advances to customers	302,714	282,675	121,213	90,888
Interest income	<hr/> 411,418 <hr/>	<hr/> 389,968 <hr/>	<hr/> 162,800 <hr/>	<hr/> 123,929 <hr/>

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

16 Interest expense

	Nine-month ended 30 Sep 2025 (un-audited) AED'000	Three-month ended 30 Sep 2024 (un-audited) AED'000	Nine-month ended 30 Sep 2025 (un-audited) AED'000	Three-month ended 30 Sep 2024 (un-audited) AED'000
Due to banks	366	4,724	55	2,955
Time deposits	257,294	254,233	90,506	85,931
Other accounts	5,334	3,204	1,501	-
Interest expenses	262,994	262,161	92,062	88,886

17 Operating expenses

	Nine-month ended 30 Sep 2025 (un-audited) AED'000	Three-month ended 30 Sep 2024 (un-audited) AED'000	Nine-month ended 30 Sep 2025 (un-audited) AED'000	Three-month ended 30 Sep 2024 (un-audited) AED'000
Staff cost	141,014	106,636	53,891	36,153
Depreciation	8,802	6,919	3,289	2,626
Other expenses	82,588	83,058	39,398	26,500
Operating expenses	232,404	196,613	96,578	65,279

18 Net reversal of impairment provision

	Nine-month ended 30 Sep 2025 (un-audited) AED'000	Three-month ended 30 Sep 2024 (un-audited) AED'000	Nine-month ended 30 Sep 2025 (un-audited) AED'000	Three-month ended 30 Sep 2024 (un-audited) AED'000
Net (reversal) / addition of impairment provision on:				
- loans and advances	(71,196)	(114,101)	(36,802)	(7,725)
- cash and balances with central banks	-	(1,275)	-	(257)
- banks	(313)	74	(102)	(4)
- investments	2,571	1,818	(1,334)	(379)
- others	(11,122)	4,610	(1,587)	597
Recoveries from loans and advances previously written off	(2,790)	(2,525)	(2,711)	(2,723)
	(82,850)	(111,399)	(42,536)	(10,491)

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

19 Commitments and contingent liabilities

	30 September 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000
Letters of credit	141,571	202,103
Letters of guarantee	2,897,035	2,977,184
Undrawn commitments to extend credit	819,044	230,320
	<hr/>	<hr/>
	3,857,650	3,409,607
	<hr/>	<hr/>

20 Derivative financial instruments

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

	Fair value Assets AED'000	Fair value liabilities AED'000	Notional AED'000
30 September 2025			
Held as fair value hedges			
Interest rate swaps	-	346	22,613
Forward foreign exchange contracts	33	35	2,700
	<hr/>	<hr/>	<hr/>
	33	381	25,313
	<hr/>	<hr/>	<hr/>
31 December 2024			
Derivatives held or issued for trading			
Interest rate caps	2	2	36,825
Forwards	3,163	-	59,517
Held as fair value hedges			
Interest rate swaps	-	408	27,831
	<hr/>	<hr/>	<hr/>
	3,165	410	124,173
	<hr/>	<hr/>	<hr/>

The notional amounts indicate the volume of transactions and are neither indicative of the market risk nor credit risk.

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

21 Cash and cash equivalents

	30 Sep 2025 (un-audited) AED'000	30 Sep 2024 (un-audited) AED'000
Cash and deposits with central banks	2,000,709	1,476,739
Due from banks	824,394	651,890
Due to banks	(51,078)	(282)
	<hr/>	<hr/>
	2,774,025	2,128,347
Original maturity over 90 days:		
Deposits with central banks	-	(107,993)
Due from banks	(664,578)	(526,513)
Due to banks	49,002	282
	<hr/>	<hr/>
	2,158,449	1,494,123
	<hr/>	<hr/>

22 Related party transactions

In the normal course of business, the Group enters into various transactions with related parties including board of directors, their related companies and key management personnel having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director, executive or otherwise, of the Group.

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

22 Related party transactions (*continued*)

The related party transactions are executed at the terms agreed between the parties. Other than the transactions disclosed in note 2.1 and note 8 the volume of related party transactions, outstanding balances at the period and year end, and related income and expenses for the period and year are as follows:

	Sharjah Government of Sharjah AED'000	Sharjah Government related entities AED'000	Board of directors AED'000	Other balances AED'000	Total AED'000
30 September 2025 (un-audited)					
Loans and advances					
with customers	933,326	894,011	-	350,000	2,177,337
Reimbursement asset	1,688,078	-	-	-	1,688,078
Deposits from customers	737,244	925,559	13,881	73,770	1,750,454
Commitments and contingent liabilities					
Outstanding letters of credit and guarantees	-	45,154	25,000	2,218	72,372
	Sharjah Government of Sharjah AED'000	Sharjah Government related entities AED'000	Board of directors AED'000	Other balances AED'000	Total AED'000
31 December 2024 (audited)					
Loans and advances					
with customers	459,110	743,515	-	50,122	1,252,747
Reimbursement asset	2,068,501	-	-	-	2,068,501
Deposits from customers	212,722	622,541	7,473	89,268	932,004
Commitments and contingent liabilities					
Outstanding letters of credit and guarantees	-	46,351	12,000	33,622	91,973

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

22 Related party transactions (*continued*)

None of the loans granted to related parties are impaired as at 30 September 2025 (31 December 2024: Nil).

The loans extended to related parties bear interest at rates ranging from 5.43% to 7.26% per annum. At 30 September 2025, outstanding loans and advances due from related parties are collateralised by deposits amounting to AED 79 million (31 December 2024: AED 78.1million).

	Government of Sharjah AED'000	Government related entities AED'000	Board of directors AED'000	Other balances AED'000	Total AED'000
30 September 2025 (un audited)					
Interest income	67,530	39,617	-	14,512	121,659
Interest expense	11,741	29,233	103	625	41,702
30 September 2024 (un audited)					
Interest income	61,070	40,117	-	13,276	114,463
Interest expense	23,201	28,021	-	997	52,219

Key management personnel

	30 Sep 2025 (un-audited) AED'000	30 Sep 2024 (un-audited) AED'000
Salaries and other short-term benefits	20,724	13,574
Termination benefits	717	2,407
	21,441	15,981

INVEST BANK P.S.C.

Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

23 Non-cash transactions

During the nine-month period ended 30 September 2024, there was a reduction in investment securities against customer deposits amounting to AED 1 billion upon the maturity of the Government of Sharjah Sukuks. This is considered as a non-cash transaction in the cashflow statement.

24 Fair value measurement

The table below shows the detail of assets and liabilities measured at fair value at the end of the reporting period, by level into the fair value hierarchy, into which the fair value measurement is categorised.

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
30 September 2025 (un-audited)				
Financial assets				
FVTPL - equity securities	9,521	-	-	9,521
FVOCI - debt securities	51,749	-	-	51,749
Fair value of derivatives	-	33	-	33
	61,270	33	-	61,303
Financial Liabilities				
Net fair value of derivatives	-	381	-	381
	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
31 December 2024 (audited)				
Financial assets				
FVOCI - equity securities	8,735	-	-	8,735
FVOCI - debt securities	42,791	-	-	42,791
Net fair value of derivatives	-	2,755	-	2,755
	51,526	2,755	-	54,281
Financial Liabilities				
Net fair value of derivatives	-	410	-	410

25 Capital adequacy ratio

As per the Central bank regulation for Basel III, the capital requirement as at 30 September 2025 and 31 December 2024 is 13%.

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Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

25 Capital adequacy ratio (*continued*)

The bank must comply with the following minimum requirements:

- i. CET1 must be at least 7% of risk weighted assets (RWA);
- ii. Tier 1 capital must be at least 8.5% of risk weighted assets (RWA); and
- iii. Total capital, excluding the capital conservation buffer, is calculated as sum of Tier 1 capital and Tier 2 capital must be at least 10.5% of risk weighted assets (RWA).

The capital adequacy ratio is computed based on circulars issued by the CBUAE as per Basel III taking into consideration the effect of the guarantee by the Government of Sharjah.

The Group's regulatory capital position was as follows:

	30 September 2025 (un-audited) AED'000	31 December 2024 (audited) AED'000
Tier 1 Capital		
Share capital	3,202,493	3,202,493
Fair value reserve	(41,309)	(43,722)
Foreign currency translation	21,665	21,665
Accumulated losses	(1,602,083)	(1,701,718)
Minority interest	120	-
	1,580,886	1,478,718
Total tier 1 capital	1,580,886	1,478,718
Less: Regulatory deductions and adjustments	(4,346)	(2,222)
	1,576,540	1,476,496
Tier 2 Capital		
General provision	86,201	62,724
	86,201	62,724
Total tier 2 capital	86,201	62,724
	1,662,741	1,539,220
Key weighted assets		
Credit risk	6,896,104	5,017,928
Market risk	4,015	32,374
Operational risk	397,541	309,016
	7,297,660	5,359,318
Total risk weighted assets (RWA)	7,297,660	5,359,318
Total tier 1 capital expressed as % of RWA	21.60%	27.55%
Total tier 1 and tier 2 capital expressed as % of RWA	22.78%	28.72%

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Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

26 Segmental analysis

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is specifically focused on the type of business activities undertaken as a Group. For operating purposes, the Group is organized into two major business segments:

- (i) Commercial Banking, which principally provides loans and other credit facilities, deposits and current accounts for corporate, government, institutional and individual customers; and
- (ii) Investment and treasury Banking, which involves the management of the Group's investment portfolio and interest rate, currency and derivative portfolio. Investment and treasury undertakes the Group's funding and centralized financial risk management activities through borrowings, issue of debt securities and use of derivatives for risk management. It also undertakes trading and corporate finance activities and investing in liquid assets such as short-term placements, corporate and government debt securities.

The Group's operating segments wise assets and liabilities are provided in the below table:

	30 September 2025 (un-audited)		
	Commercial banking AED'000	Treasury & investments AED'000	Total AED'000
Segment total assets	9,885,758	3,485,235	13,370,993
Segment total liabilities	11,788,705	1,402	11,790,107

	31 December 2024 (audited)		
	Commercial banking AED'000	Treasury & investments AED'000	Total AED'000
Segment total assets	7,787,263	2,995,811	10,783,074
Segment total liabilities	9,302,856	1,500	9,304,356

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Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

26 Segmental analysis (*continued*)

Below table presents information regarding the Group's operating segments for the nine-month period ended 30 September 2025:

	30 September 2025 (un-audited)		
	Commercial banking AED'000	Treasury & investments AED'000	Total AED'000
Net interest and other income	137,686	113,743	251,429
Net writeback / (impairment loss)	85,421	(2,571)	82,850
Segment depreciation	8,705	97	8,802
Profit / (loss) for the period	(7,469)	107,104	99,635

	30 September 2024 (Unaudited)		
	Commercial banking AED'000	Treasury & investments AED'000	Total AED'000
Net interest and other income	114,370	93,557	207,927
Net writeback / (impairment loss)	113,596	(2,197)	111,399
Segment depreciation	6,919	-	6,919
Profit for the period	22,073	89,596	111,669

Revenue reported under each of the segments represents revenue generated from external customers. There were no inter-segment sales in the period. Transactions between segments, inter-segment cost of funds and allocation of expenses are not determined by management for the purpose of resource allocation. For the purposes of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments except for reimbursement assets, property and equipment and certain amounts included in other assets are shown in Treasury and Investments; and
- All liabilities are allocated to reportable segments except for certain amounts included in other liabilities are shown in Treasury and Investments.

The Group mainly operates in the United Arab Emirates so secondary segment related information has not been disclosed.

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Notes to condensed consolidated interim financial information for the nine-month period ended 30 September 2025

27 Earnings per share

Basic earnings per share is based on the loss attributable to ordinary shareholders of the Bank and weighted average number of ordinary shares.

	Nine-month ended 30 September		Three-month ended 30 Sep	
	2025 (un-audited) AED'000	2024 (un-audited) AED'000	2025 (un-audited) AED'000	2024 (un-audited) AED'000
Net profit attributable to ordinary shareholders (AED'000)	99,635	111,669	50,714	12,959
Weighted average number of shares outstanding (thousands)	263,180,982	263,180,982	263,180,982	263,180,982
Earnings per share (AED)	0.0004	0.0004	0.0002	0.0000

28. Seasonality of results

No income of a seasonal nature was recorded in the condensed consolidated interim statement of profit or loss for the nine-month period ended 30 September 2025.

29 Subsequent Events

There have been no events subsequent to the statement of condensed consolidated interim financial information 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.