

**INVEST BANK P.S.C.**

**Condensed consolidated interim financial information  
for the three-month period ended 31 March 2026**

**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 three-month period ended 31 March 2026

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## **INDEPENDENT AUDITOR'S REPORT ON REVIEW OF 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 of 31 March 2026, and the related condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the three-month period then ended and material accounting policy information and other explanatory notes. Management 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 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.

### *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.

### *Other Matter*

The Group's consolidated financial statements for the year ended 31 December 2025 and condensed consolidated interim financial information for the three-month period ended 31 March 2025 were audited and reviewed respectively by another auditor who expressed an unmodified opinion and unmodified conclusion on those statements and that information on 23 February 2026 and 14 May 2025 respectively.

Deloitte & Touche (M.E.)



Obada AlKowatly  
Registration No. 1056  
13 May 2026  
Abu Dhabi  
United Arab Emirates

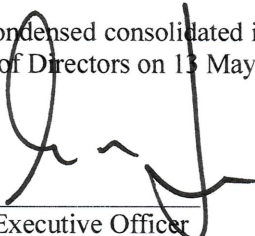
## INVEST BANK P.S.C.

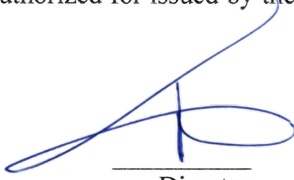
### Condensed consolidated interim statement of financial position as at 31 March 2026

		31 March 2026 Unaudited AED'000	31 December 2025 Audited AED'000
	<i>Note</i>		
<b>ASSETS</b>			
Cash and balances with central banks	7	1,871,150	2,092,121
Due from banks	8	1,094,450	838,822
Investment securities	9	1,766,571	1,468,471
Loans and advances to customers	10	7,946,098	7,194,902
Reimbursement asset	2	1,384,340	1,506,690
Other assets	11	966,542	1,068,268
<b>Total assets</b>		<b>15,029,151</b>	<b>14,169,274</b>
<b>LIABILITIES</b>			
Due to banks	12	341,743	214,735
Deposits from customers	13	12,178,050	11,332,763
Other liabilities	14	843,784	978,690
<b>Total liabilities</b>		<b>13,363,577</b>	<b>12,526,188</b>
<b>EQUITY</b>			
Share capital	15	3,202,493	3,202,493
Statutory reserve		14,147	14,147
Fair value reserve		(39,215)	(39,930)
Foreign currency translation reserve		21,665	21,665
Accumulated losses		(1,533,257)	(1,555,383)
Equity attributable to equity holder of the Bank		1,665,833	1,642,992
Non-controlling interest		(259)	94
<b>Total equity</b>		<b>1,665,574</b>	<b>1,643,086</b>
<b>Total liabilities and equity</b>		<b>15,029,151</b>	<b>14,169,274</b>

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

This condensed consolidated interim financial information was approved and authorized for issued by the Board of Directors on 13 May 2026 and signed on their behalf by:

  
Chief Executive Officer

  
Director

## INVEST BANK P.S.C.

### Condensed consolidated interim statement of profit or loss for the three-month period ended 31 March 2026

	<i>Note</i>	For the three-month period ended	
		31 March 2026 Unaudited AED'000	31 March 2025 Unaudited AED'000
Interest income	16	154,914	115,830
Interest expense	17	(91,037)	(83,548)
<b>Net interest income</b>		<b>63,877</b>	<b>32,282</b>
Fees and commission income		24,540	21,914
Fee and commission expenses		(4,390)	(639)
Net income from foreign currencies		5,753	1,992
Other income		22,263	6,503
<b>Total operating income</b>		<b>112,043</b>	<b>62,052</b>
<b>Operating expenses:</b>			
Staff cost		(60,271)	(42,375)
Depreciation and amortization		(2,387)	(2,757)
Other general and administrative expenses		(34,660)	(16,487)
<b>Total operating expenses</b>		<b>(97,318)</b>	<b>(61,619)</b>
<b>Operating profit before impairment charge and tax</b>		<b>14,725</b>	<b>433</b>
Net reversal of impairment provision	18	7,698	10,935
<b>Profit before taxation</b>		<b>22,423</b>	<b>11,368</b>
Tax expense	19	(650)	(240)
<b>Net profit for the period</b>		<b>21,773</b>	<b>11,128</b>
<b>Attributable to:</b>			
Equity holders of the Bank		22,126	11,128
Non-controlling interest		(353)	-
<b>Net profit for the period</b>		<b>21,773</b>	<b>11,128</b>
<b>Earnings per share (UAE Dirhams)</b>	20	<b>0.00008</b>	<b>0.00004</b>

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 three-month period ended 31 March 2026

	For the three-month period ended	
	31 March 2026	31 March 2025
	Unaudited AED'000	Unaudited AED'000
Net profit for the period	21,773	11,128
<b>Other comprehensive income:</b>		
<b>Items that will be reclassified subsequently to profit or loss:</b>		
Change in fair value of debt securities measured at fair value through other comprehensive income	(422)	769
<b>Items that will not be reclassified to profit or loss:</b>		
Net change in fair value of equity instruments measured at fair value through other comprehensive income	1,137	-
<b>Other comprehensive income for the period</b>	<u>715</u>	<u>769</u>
<b>Total comprehensive income for the period</b>	<u>22,488</u>	<u>11,897</u>
<b>Attributable to:</b>		
Equity holders of the Bank	22,841	11,897
Non-controlling interest	(353)	-
<b>Total comprehensive income for the period</b>	<u>22,488</u>	<u>11,897</u>

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 three-month period ended 31 March 2026

	Share capital AED'000	Statutory reserve AED'000	Foreign currency translation reserve AED'000	Fair value reserve AED'000	Accumulated losses AED'000	Total AED'000	Non- controlling interest AED'000	Total AED'000
<b>Balance at 1 January 2026</b>	<b>3,202,493</b>	<b>14,147</b>	<b>21,665</b>	<b>(39,930)</b>	<b>(1,555,383)</b>	<b>1,642,992</b>	<b>94</b>	<b>1,643,086</b>
Profit for the period	-	-	-	-	22,126	22,126	(353)	21,773
Other comprehensive income for the period	-	-	-	715	-	715	-	715
<b>Balance at 31 March 2026 (Unaudited)</b>	<b>3,202,493</b>	<b>14,147</b>	<b>21,665</b>	<b>(39,215)</b>	<b>(1,533,257)</b>	<b>1,665,833</b>	<b>(259)</b>	<b>1,665,574</b>
Balance at 1 January 2025	3,202,493	-	21,665	(43,722)	(1,701,718)	1,478,718	-	1,478,718
Profit for the period	-	-	-	-	11,128	11,128	-	11,128
Other comprehensive income for the period	-	-	-	769	-	769	-	769
<b>Balance at 31 March 2025 (Unaudited)</b>	<b>3,202,493</b>	<b>-</b>	<b>21,665</b>	<b>(42,953)</b>	<b>(1,690,590)</b>	<b>1,490,615</b>	<b>-</b>	<b>1,490,615</b>

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 cash flows for the three-month period ended 31 March 2026

		For the three month period ended	
		31 March 2026	31 March 2025
	Note	Unaudited AED'000	Unaudited AED'000
<b>OPERATING ACTIVITIES:</b>			
Profit before taxation		22,423	11,368
<b>Adjustments for:</b>			
Depreciation		2,387	2,757
Net loss on investment securities		-	(1,240)
(Gain) / loss on repossessed properties		(1,378)	753
Net impairment charge / (release)	18	3,012	(10,796)
<b>Cash flows from operating activities before changes in operating assets and liabilities</b>		<b>26,444</b>	<b>2,842</b>
Net movement in:			
Due from banks with original maturity over three months		(53,730)	158,491
Loans and advances to customers		(762,854)	(309,084)
Other assets		101,963	(73,738)
Reimbursement asset		122,350	155,324
Due to banks with original maturity over three months		(49,000)	(258)
Deposits from customers		845,287	529,442
Other liabilities		(137,997)	37,311
<b>Net cash from operating activities</b>		<b>92,463</b>	<b>500,330</b>
<b>INVESTING ACTIVITIES:</b>			
Purchase of property and equipment		(9,254)	(1,586)
Purchase of investment securities		(814,091)	(35,490)
Proceeds from sale / maturity of investment securities		526,445	25,711
Proceeds from sale of repossessed properties		9,319	3,220
<b>Net cash used in investing activities</b>		<b>(287,581)</b>	<b>(8,145)</b>
<b>FINANCING ACTIVITIES:</b>			
Repo financing		166,042	-
<b>Net cash from financing activity</b>		<b>166,042</b>	<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(29,076)</b>	<b>492,185</b>
Cash and cash equivalents at the beginning of the period		2,249,171	1,129,870
<b>Cash and cash equivalents at the end of the period</b>		<b>2,220,095</b>	<b>1,622,055</b>

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 three-month period ended 31 March 2026

### 1. Legal status and activities

Invest Bank P.S.C. ("Invest Bank" or "the Bank") is a public shareholding company with limited liability incorporated in 1975 in the Emirates of Sharjah, United Arab Emirates (UAE) 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.

The Bank also carries out banking activities through its branch ("the Branch") in Beirut, Lebanon licensed by the Central Bank of Lebanon (the "CB Lebanon"). As a result of the prevailing financial and economic crisis in Lebanon, management has assessed the situation and is in the process of liquidating 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"). At 31 March 2026, the Government of Sharjah (GoS) owns 70.06% (31 December 2025: 70.06%) and 18.05% through its investment arm Sharjah Social Security Fund of the issued and paid-up share capital of the Bank. The consolidated financial statements of the Group as at and for the year ended 31 December 2025 are available at website (<http://www.investbank.ae>).

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

### 2. Guarantee agreement with GoS

On 10 May 2023 ("the effective date"), the Bank entered into a guarantee agreement ("the Guarantee Agreement") with the Government of Sharjah (the "Guarantor" or "GoS"), which 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.

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 2. Guarantee agreement with GoS (continued)

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 realized 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:

	<b>31 March 2026 Unaudited AED'000</b>	31 December 2025 Audited AED'000
As at 1 January	<b>1,506,690</b>	2,068,501
Payment received during the period / year	<b>(122,350)</b>	(561,811)
As at 31 March / 31 December	<b><u>1,384,340</u></b>	<u>1,506,690</u>

## Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

### 3. Basis of preparation

#### a. Statement of compliance

The condensed consolidated interim financial information has been prepared on a going concern basis and in accordance with IAS 34 - Interim Financial Reporting. It does not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2025, which were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) (IFRS Accounting Standards), International Financial Reporting Interpretation Committee (IFRIC) Interpretations and requirements of applicable laws.

The same accounting policies, presentation and methods of computation have been followed in this condensed consolidated interim financial information as were applied in the preparation and presentation of the Group's consolidated financial statements for the year ended 31 December 2025.

The results for the three-month period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

The preparation of the condensed consolidated interim financial information in conformity with IFRS Accounting Standards requires management to make judgements, 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.

The main areas of judgements, estimates and assumptions applied in this condensed consolidated interim financial information, including the key sources of estimation uncertainty were the same as those applied in the consolidated financial statements of the Group for the year ended 31 December 2025.

#### b. Functional and presentation currency

The condensed consolidated interim financial information is prepared in United Arab Emirates Dirham (AED), which is the Group's functional and presentation currency. Items included in this condensed consolidated interim financial information of the Group's branch are measured using the currency of the primary economic environment viz. Lebanese Pound and translated to the presentation currency.

The condensed consolidated interim financial information is presented in the AED and has been rounded off to the nearest thousand unless otherwise indicated.

# INVEST BANK P.S.C.

## Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

### 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 entities controlled by the Group. The Group controls an entity when it 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. The financial statements of subsidiaries are included in the condensed consolidated interim financial information from the date that control commences until the date that control ceases.

##### *ii. Loss of control*

Upon loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in condensed consolidated interim statement of profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value when control is lost. Subsequently, it is accounted for as an equity-accounted investee or in accordance with the Group’s accounting policy for financial instruments depending on the level of influence retained.

##### *iii. 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. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

### 4. Application of new and revised IFRS

#### **New and revised IFRSs applied with no material effect on the condensed consolidated interim financial statements**

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2026, have been adopted in condensed consolidated interim financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior periods but may affect the accounting for future transactions or arrangements.

*Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments*

# INVEST BANK P.S.C.

## Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

### 4. Application of new and revised IFRS (continued)

#### New and revised IFRSs applied with no material effect on the condensed consolidated interim financial statements (continued)

*Annual improvements to IFRS Accounting Standards — Volume 11*

The pronouncement comprises the following amendments:

- IFRS 1: Hedge accounting by a first-time adopter
- IFRS 7: Gain or loss on derecognition
- IFRS 7: Disclosure of deferred difference between fair value and transaction price
- IFRS 7: Introduction and credit risk disclosures
- IFRS 9: Lessee derecognition of lease liabilities
- IFRS 9: Transaction price
- IFRS 10: Determination of a ‘de facto agent’
- IAS 7: Cost method

#### New and revised IFRSs in issue but not yet effective

<u>New and revised IFRSs</u>	<u>Effective for annual periods beginning on or after</u>
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21)	1 January 2027
<b>IFRS Sustainability Disclosure Standards</b>	
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	Effective date not yet decided by the regulator in the United Arab Emirates
IFRS S2 Climate-related Disclosures	Effective date not yet decided by the regulator in the United Arab Emirates

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 consolidated financial statements.

### 5. 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.

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 6. Accounting classification of financial assets and financial liabilities

The table below shows the classification of the Group's financial assets and financial liabilities and their carrying amounts in accordance with categories of financial instruments specified in IFRS 9.

	<b>FVTPL</b>	<b>FVTOCI</b>	<b>Amortized</b>	<b>carrying</b>
	<b>Unaudited</b>	<b>Unaudited</b>	<b>cost</b>	<b>amount</b>
	<b>AED'000</b>	<b>AED'000</b>	<b>Unaudited</b>	<b>Unaudited</b>
			<b>AED'000</b>	<b>AED'000</b>
<b>At 31 March 2026</b>				
<b>Financial assets</b>				
Cash and deposits with central banks	-	-	1,871,150	1,871,150
Due from banks	-	-	1,094,450	1,094,450
Investment securities	9,882	188,494	1,568,195	1,766,571
Loans and advances to customers	-	-	7,946,098	7,946,098
Customers acceptances	-	-	96,401	96,401
Other financial assets	-	-	404,054	404,054
	<u>9,882</u>	<u>188,494</u>	<u>12,980,348</u>	<u>13,178,724</u>
<b>Financial liabilities</b>				
Due to banks	-	-	341,743	341,743
Deposits from customers	-	-	12,178,050	12,178,050
Acceptances	-	-	96,401	96,401
Other financial liabilities	-	-	732,942	732,942
	<u>-</u>	<u>-</u>	<u>13,349,136</u>	<u>13,349,136</u>

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 6. Accounting classification of financial assets and financial liabilities (continued)

	FVTPL Audited AED'000	FVTOCI Audited AED'000	Amortized cost Audited AED'000	carrying amount Audited AED'000
<b>At 31 December 2025</b>				
<b>Financial assets</b>				
Cash and deposits with central banks	-	-	2,092,121	2,092,121
Due from banks	-	-	838,822	838,822
Investment securities	-	144,398	1,324,073	1,468,471
Loans and advances to customers	-	-	7,194,902	7,194,902
Customers acceptances	-	-	108,114	108,114
Other financial assets	-	-	515,406	515,406
	<u>-</u>	<u>144,398</u>	<u>12,073,438</u>	<u>12,217,836</u>
<b>Financial liabilities</b>				
Due to banks	-	-	214,735	214,735
Deposits from customers	-	-	11,332,763	11,332,763
Acceptances	-	-	108,114	108,114
Other financial liabilities	-	551	847,046	847,597
	<u>-</u>	<u>551</u>	<u>12,502,658</u>	<u>12,503,209</u>

#### 7. Cash and balances with central banks

	<b>31 March 2026 AED'000 (Unaudited)</b>	<b>31 December 2025 AED'000 (Audited)</b>
Cash in hand	<b>63,055</b>	57,734
Balances with central banks <sup>7.1</sup>	<b>1,086,879</b>	1,391,879
Reserve requirements with the central banks <sup>7.2</sup>	<b>872,425</b>	793,717
	<u><b>2,022,359</b></u>	<u>2,243,330</u>
Less: expected credit loss <sup>7.2</sup>	<u><b>(151,209)</b></u>	<u>(151,209)</u>
	<u><b>1,871,150</b></u>	<u>2,092,121</u>

<sup>7.1</sup> Includes overnight deposit amounting to AED 1,050 million (31 December 2025: AED 1,355 million) placed with CBUAE at 3.65% p.a. (31 December 2025: 3.65% p.a.).

<sup>7.2</sup> Statutory reserve requirement with the central banks are required to be maintained as per regulations of the CBUAE and the CB Lebanon. Reserves maintained with central banks represent deposits with central banks at stipulated percentages of its demand, savings, time, and other deposits. As per CBUAE regulations, subject to meeting reserve requirements over 14 days' period, the Bank is allowed to draw their balances held in reserve account maintained with CBUAE. These reserves are available for day-to-day operations. Therefore, the balances have been included in cash and cash equivalents (Note 21).

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 8. Due from banks

	<b>31 March 2026 (Unaudited) AED'000</b>	31 December 2025 (Audited) AED'000
Money market placements	240,574	42,390
Term loans	713,944	658,864
Nostro, margin and other balances	141,146	138,820
	<u>1,095,664</u>	<u>840,074</u>
Less: expected credit loss	(1,214)	(1,252)
	<u>1,094,450</u>	<u>838,822</u>
The geographical concentration is as follows:		
-Within the U.A.E.	220,282	22,473
-Outside the U.A.E.	875,382	817,601
	<u>1,095,664</u>	<u>840,074</u>
Less: expected credit loss	(1,214)	(1,252)
	<u>1,094,450</u>	<u>838,822</u>

#### 9. Investment securities

	<b>31 March 2026 (Unaudited) AED'000</b>	31 December 2025 (Audited) AED'000
<b>Financial assets measured at fair value through profit or loss (FVTPL)</b>		
Investments in quoted equity <sup>9.1</sup>	9,882	-
<b>Financial assets measured at fair value through other comprehensive income (FVTOCI)</b>		
Investments in quoted equity	13,029	11,216
Perpetual notes	134,495	82,009
Investments in quoted debt securities	40,970	51,173
<b>Financial assets at amortized cost:</b>		
Investments in debt securities <sup>9.2</sup>	1,578,694	1,328,714
	<u>1,777,070</u>	<u>1,473,112</u>
Less: allowance for impairment	(10,499)	(4,641)
	<u>1,766,571</u>	<u>1,468,471</u>

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 9. Investment securities (continued)

- <sup>9.1</sup> The Group purchased equity shares of a company listed in the Dubai Financial Market amounting to AED 9,882 thousand during the three-month period ended 31 March 2026 (Year ended 31 December 2025: Nil).
- <sup>9.2</sup> As at 31 March 2026, investments in debt securities amounting to AED 361,374 thousand (31 December 2025: 192,990) were pledged under repo agreements.

#### 10. Loans and advances to customers

	<b>31 March 2026</b>	31 December 2025
	<b>(Unaudited)</b>	(Audited)
	<b>AED'000</b>	AED'000
Overdrafts	4,996,761	4,772,590
Bills discounted	2,231,062	648,654
Trust receipts	626,187	537,696
Term loans	6,871,942	7,928,933
	<u>14,725,952</u>	<u>13,887,873</u>
<b>Allowances for impairment:</b>		
Interest in suspense	(2,376,136)	(2,293,370)
Expected credit loss	(4,403,718)	(4,399,601)
	<u>7,946,098</u>	<u>7,194,902</u>
Net loans and advances to customers	<u>7,946,098</u>	<u>7,194,902</u>

Below table shows the movement in the impairment provision:

	<b>Provision AED'000</b>	<b>Interest in suspense AED'000</b>	<b>Total AED'000</b>
At 1 January 2026	4,399,601	2,293,370	6,692,971
Net impairment charge (Note 18)	11,658	-	11,658
Net movement in interest in suspense	-	89,949	89,949
Amounts written off	(7,541)	(7,183)	(14,724)
	<u>4,403,718</u>	<u>2,376,136</u>	<u>6,779,854</u>
At 31 March 2026 (Unaudited)	<u>4,403,718</u>	<u>2,376,136</u>	<u>6,779,854</u>
	<b>Provision AED'000</b>	<b>Interest in suspense AED'000</b>	<b>Total AED'000</b>
At 1 January 2025	5,129,902	2,458,571	7,588,473
Net impairment reversal	(31,801)	-	(31,801)
Net movement in interest in suspense	-	366,316	366,316
Amounts written off	(698,500)	(531,517)	(1,230,017)
	<u>4,399,601</u>	<u>2,293,370</u>	<u>6,692,971</u>
At 31 December 2025 (Audited)	<u>4,399,601</u>	<u>2,293,370</u>	<u>6,692,971</u>

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 10. Loans and advances to customers (continued)

**Staging movement:** Below table shows the movement in the gross loans and advances between the beginning and the end of period / year:

	31 March 2026 (Unaudited)				31 December 2025 (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
<b>Loans and advances</b>								
As at 1 January	6,459,415	749,156	6,679,302	13,887,873	4,329,140	302,332	7,734,142	12,365,614
Transfer from Stage 1 to Stage 2	(7,038)	7,038	-	-	(351,712)	351,712	-	-
Transfer from Stage 1 to Stage 3	(24)	-	24	-	(909)	-	909	-
Transfer from Stage 2 to Stage 1	6	(6)	-	-	23,115	(23,115)	-	-
Transfer from Stage 2 to Stage 3	-	(35,006)	35,006	-	-	(7,277)	7,277	-
Transfer from Stage 3 to Stage 1	9	-	(9)	-	115	-	(115)	-
Transfer from Stage 3 to Stage 2	-	22	(22)	-	-	112	(112)	-
Other movement in EADs	807,847	(24,540)	54,772	838,079	2,459,666	125,392	(1,062,799)	1,522,259
As at 31 March / 31 December	<u>7,260,215</u>	<u>696,664</u>	<u>6,769,073</u>	<u>14,725,952</u>	<u>6,459,415</u>	<u>749,156</u>	<u>6,679,302</u>	<u>13,887,873</u>

**Staging movement:** Below table shows the movement in the expected credit loss on loans and advances between the beginning and the end of period / year:

As at 1 January	43,359	92,695	4,263,547	4,399,601	42,417	85,230	5,002,255	5,129,902
Transfer from Stage 1 to Stage 2	(58)	58	-	-	(2,803)	2,803	-	-
Transfer from Stage 1 to Stage 3	-	-	-	-	(94)	-	94	-
Transfer from Stage 2 to Stage 1	1	(1)	-	-	1,665	(1,665)	-	-
Transfer from Stage 2 to Stage 3	-	(21,106)	21,106	-	-	(576)	576	-
Transfer from Stage 3 to Stage 1	-	-	-	-	38	-	(38)	-
Transfer from Stage 3 to Stage 2	-	2	(2)	-	-	53	(53)	-
Other movement in ECL	6,789	1,694	(4,366)	4,117	2,136	6,850	(739,287)	(730,301)
As at 31 March / 31 December	<u>50,091</u>	<u>73,342</u>	<u>4,280,285</u>	<u>4,403,718</u>	<u>43,359</u>	<u>92,695</u>	<u>4,263,547</u>	<u>4,399,601</u>

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 10. Loans and advances to customers (continued)

##### Concentration of credit risk - industry segment

Below table provides analysis of gross loans and advances by industry segment:

	31 March 2026 (Unaudited)				31 December 2025 (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	261,367	5,700	2,252,407	2,519,474	219,484	6	2,232,550	2,452,040
Construction	297,986	54,079	3,037,279	3,389,344	399,615	67,805	3,002,858	3,470,278
Real estate	2,174,460	56,348	373,932	2,604,740	1,350,031	56,141	373,881	1,780,053
Trade	521,024	10,581	799,421	1,331,026	297,849	13,556	800,001	1,111,406
Transport, storage and communication	55,361	1,040	48,547	104,948	57,596	1,392	47,955	106,943
Financial institutions	1,182,003	564,136	20,276	1,766,415	1,064,403	595,323	57	1,659,783
Other services	492,841	7	87,888	580,736	481,388	13,245	73,367	568,000
Government	1,105,926	-	-	1,105,926	1,112,827	-	-	1,112,827
Individuals	337,366	2,555	6,939	346,860	264,846	1,673	6,608	273,127
High net worth individuals	788,370	2,204	114,008	904,582	1,179,877	-	114,451	1,294,328
Others	43,511	14	28,376	71,901	31,499	15	27,574	59,088
Gross loans and advances	<u>7,260,215</u>	<u>696,664</u>	<u>6,769,073</u>	<u>14,725,952</u>	<u>6,459,415</u>	<u>749,156</u>	<u>6,679,302</u>	<u>13,887,873</u>

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 10. Loans and advances to customers *(continued)*

##### Concentration of credit risk - industry segment

Below table provides analysis of expected credit loss by industry segment:

	31 March 2026 (Unaudited)				31 December 2025 (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	1,367	2,956	1,490,718	1,495,041	1,881	-	1,496,432	1,498,313
Construction	603	21,855	1,936,577	1,959,035	1,695	24,910	1,941,130	1,967,735
Real Estate	20,386	25,253	161,118	206,757	8,731	23,876	159,715	192,322
Trade	3,009	6,710	540,749	550,468	2,229	5,667	545,771	553,667
Transport, storage and communication	1,226	405	29,043	30,674	673	548	29,055	30,276
Financial institutions	2,464	3,243	19,835	25,542	3,834	17,371	4	21,209
Other services	6,186	3,939	53,148	63,273	7,380	13,199	40,467	61,046
Government	3,626	4,168	-	7,794	3,601	-	-	3,601
Individuals	3,574	489	5,599	9,662	3,422	260	5,400	9,082
High net worth individuals	7,305	3,941	37,863	49,109	9,913	6,541	39,848	56,302
All others	345	383	5,635	6,363	-	323	5,725	6,048
Expected credit loss	<u>50,091</u>	<u>73,342</u>	<u>4,280,285</u>	<u>4,403,718</u>	<u>43,359</u>	<u>92,695</u>	<u>4,263,547</u>	<u>4,399,601</u>

# INVEST BANK P.S.C.

## Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

### 10. Loans and advances to customers (continued)

#### Impact of geopolitical developments

During the period, the wider Middle East region continued to experience heightened geopolitical tensions, which have contributed to increased uncertainty in the global and regional macroeconomic environment. In response to these developments, the Central Bank of the UAE (“CBUAE”) introduced a Financial Institution Resilience Package effective from 17 March 2026, providing temporary liquidity and capital flexibility measures to eligible banks.

The Group has not utilized the liquidity relief measures available under this package during the three-month period ended 31 March 2026.

The Group’s expected credit loss (ECL) methodology, governance framework and key modelling approaches remain consistent with those applied in the annual financial statements for the year ended 31 December 2025. However, in determining ECL for the period, management considered the potential impact of prevailing geopolitical conditions and made forward looking adjustments, applying stressed scenario weightings, and performing sector specific impact assessments for portfolios assessed to be more sensitive to geopolitical related economic shocks. Based on this assessment, management applied an ECL management overlay to capture risks arising from the current geopolitical situation that may not yet be fully reflected in the underlying models. This overlay is included within the net impairment for the three month period ended 31 March 2026.

The Group continues to monitor geopolitical developments, macroeconomic conditions and regulatory responses closely and will reflect any material impacts, if and when they arise, in future reporting periods.

### 11. Other assets

	<b>31 March 2026 (Unaudited) AED’000</b>	31 December 2025 (Audited) AED’000
Interest receivable	22,849	24,286
Advances, prepayments and other assets	414,554	501,115
Repossessed properties	333,404	342,286
Customer acceptances	96,401	108,114
Property and equipment	99,334	92,467
	<u>966,542</u>	<u>1,068,268</u>

### 12. Due to banks

	<b>31 March 2026 (Unaudited) AED’000</b>	31 December 2025 (Audited) AED’000
Current and call accounts	10,383	417
Term deposits	-	49,000
Repo against fixed income securities (Note 9.2)	331,360	165,318
	<u>341,743</u>	<u>214,735</u>

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 13. Deposits from customers

	<b>31 March 2026</b>	31 December 2025
	<b>(Unaudited)</b>	(Audited)
	<b>AED'000</b>	AED'000
Time deposits	<b>8,634,712</b>	7,959,307
Savings accounts	<b>95,458</b>	114,713
Current and other accounts	<b>3,447,880</b>	3,258,743
	<b>12,178,050</b>	11,332,763

#### 14. Other liabilities

	<b>31 March 2026</b>	31 December 2025
	<b>(Unaudited)</b>	(Audited)
	<b>AED'000</b>	AED'000
Interest payable	<b>115,272</b>	162,537
Provision for unfunded exposure	<b>218,766</b>	233,536
Customer acceptances	<b>96,401</b>	108,114
Accrued expenses	<b>178,088</b>	221,388
Manager's cheques	<b>86,185</b>	35,915
Unearned income	<b>35,010</b>	35,596
Staff benefits payable	<b>39,967</b>	55,416
Tax liabilities	<b>12,958</b>	29,441
Others	<b>61,137</b>	96,747
	<b>843,784</b>	978,690

#### 15. Share capital

	<b>31 March 2026</b>	31 December 2025
	<b>(Unaudited)</b>	(Audited)
<b>Issued and paid-up capital</b>		
Issued and paid-up share capital (AED'000)	<b>3,202,493</b>	3,202,493
Number of shares (thousands)	<b>263,180,982</b>	263,180,982
Face value of the share (AED)	<b>0.0122</b>	0.0122

#### 16. Interest income

	<b>For the three-month period ended</b>	
	<b>31 March 2026</b>	31 March 2025
	<b>(Unaudited)</b>	(Unaudited)
	<b>AED'000</b>	AED'000
Banks	<b>15,716</b>	11,076
Investment securities	<b>24,493</b>	19,320
Loans and advances to customers	<b>114,705</b>	85,434
	<b>154,914</b>	115,830

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 17. Interest expense

	For the three-month period ended	
	31 March 2026 (Unaudited) AED'000	31 March 2025 (Unaudited) AED'000
Banks	714	141
Time deposits	87,887	80,549
Savings, call and other accounts	2,436	2,858
	<u>91,037</u>	<u>83,548</u>

#### 18. Net impairment (release) / charge

	For the three-month period ended	
	31 March 2026 (Unaudited) AED'000	31 March 2025 (Unaudited) AED'000
<b>Net impairment (release) / charge on:</b>		
- loans and advances	11,658	(15,156)
- cash and balances with Central banks	-	-
- due from banks	(38)	-
- investment securities	5,858	116
- others	(14,466)	4,244
Recoveries from loans previously written off	(10,710)	(139)
	<u>(7,698)</u>	<u>(10,935)</u>

#### 19. Taxation

The corporate tax rate applicable in the UAE is 9% (2025: 9%) for taxable profits exceeding AED 375,000. The overall effective tax rate for the Group is approximately 9% (2025: 9%). The difference between the applicable tax rate and the Group's effective tax rate arises due to various adjustments being made in accordance with the corporate tax law as shown below:

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 19. Taxation (continued)

A summary of total income tax expense recognized in condensed consolidated interim profit or loss account is provided below:

	For the three-month period ended	
	31 March 2026 (Unaudited) AED'000	31 March 2025 (Unaudited) AED'000
Profit before taxation	22,423	11,368
Prima facie tax expense at 9%	2,018	989
<b>Tax effect of difference:</b>		
Non-deductible expenses	578	350
Movement in unrecognized deferred tax	(1,946)	(1,099)
<b>Income tax expense</b>	<b>650</b>	<b>240</b>

The Organization of Economic Cooperation and Development (OECD) has published Global Anti-Base Erosion (“GloBE”) Model Rules, which include a minimum 15% tax rate by jurisdiction (“Pillar Two”). Various countries have enacted or intend to enact tax legislation to comply with Pillar Two rules.

The Group has conducted an assessment of the potential exposure to Pillar Two income taxes and concluded that the Group is not subject to the Pillar Two Model rules as per the OECD GloBE proposal as the Group’s revenue is below the threshold revenue specified for the applicability of pillar two.

#### 20. Earnings per share

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

	For the three-month period ended	
	31 March 2026 (Unaudited) AED'000	31 March 2025 (Unaudited) AED'000
Profit attributable to ordinary shareholders (AED'000)	22,126	11,128
Weighted average number of shares outstanding at 31 March (thousands)	263,180,982	263,180,982
Basic and diluted earnings per share (UAE Dirhams)	0.00008	0.00004

At 31 March 2026 and 31 March 2025, the Bank does not have any instrument resulting in dilution of basic earnings per share.

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 21. Cash and cash equivalents

	<b>31 March 2026 (Unaudited) AED'000</b>	31 March 2025 (Unaudited) AED'000
Cash and deposits with central banks	1,871,150	1,499,540
Due from banks	1,094,450	801,396
Due to banks	(341,743)	(1,772)
	<u>2,623,857</u>	<u>2,299,164</u>
<b>Less: Original maturity over three months</b>		
Due from banks	(735,122)	(677,109)
Repo financing	331,360	-
	<u>2,220,095</u>	<u>1,622,055</u>

#### 22. Commitments and contingent liabilities

	<b>31 March 2026 (Unaudited) AED'000</b>	31 December 2025 (Audited) AED'000
<b>Commitments:</b>		
Irrevocable commitments to extend credit	521,908	748,605
<b>Contingent liabilities:</b>		
Letters of credit	135,932	128,391
Letters of guarantee	3,144,749	3,277,784
<b>Others</b>		
Capital commitments	3,000	1,250
	<u>3,805,589</u>	<u>4,156,030</u>

#### 23. Derivative financial instruments

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

	<b>Fair value</b>		<b>Notional AED'000</b>
	<b>Assets AED'000</b>	<b>liabilities AED'000</b>	
<b>31 March 2026 (Unaudited)</b>			
<b>Held as fair value hedges</b>			
Currency swaps	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
<b>31 December 2025 (Audited)</b>			
Currency swaps	-	551	146,910
	<u>          </u>	<u>          </u>	<u>          </u>

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 three-month period ended 31 March 2026

#### 24. Related party transactions

In the normal course of business, the Group enters into transactions with 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. Related parties comprise major shareholders, Board of Directors and key management personnel of the Group. Key management personnel comprise those Management committee members (“MEMCO”) of the Group who are involved in the strategic planning and decision making of the Group. The terms of these transactions are approved by the Group’s management and are made on terms agreed by the Board of Directors or Management.

Related party balances and transactions of the Group included in the consolidated statement of financial position and consolidated statement of profit or loss accounts are as follows:

	<b>Government of Sharjah AED'000</b>	<b>Government of Sharjah related entities AED'000</b>	<b>Board of directors AED'000</b>	<b>Other related parties AED'000</b>	<b>Total AED'000</b>
<b>Balances as at 31 March 2026</b>					
<b>(Unaudited)</b>					
Loans and advances to customers	819,333	885,456	-	350,000	2,054,789
Reimbursement asset	1,384,340	-	-	-	1,384,340
Investment securities	699,959	-	-	-	699,959
Deposits from customers	16,918	1,182,494	19,222	81,072	1,299,706
Commitments and contingent liabilities	-	45,402	50,000	-	95,402
Other assets	8,721	3,050	-	13,317	25,088
Other liabilities	1	20,440	187	192	20,820
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balances as at 31 December 2025</b>					
<b>(Audited)</b>					
Loans and advances to customers	819,333	897,294	-	250,000	1,966,627
Reimbursement asset	1,506,690	-	-	-	1,506,690
Investment securities	699,976	-	-	-	699,976
Deposits from customers	70,960	1,127,543	14,589	62,256	1,275,348
Commitments and contingent liabilities	-	45,154	50,000	8,185	103,339
Other assets	9,408	1,264	-	7,486	18,158
Other liabilities	5	62,422	144	104	62,675
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 24. Related party transactions (continued)

	Government of Sharjah AED'000	Government of Sharjah related entities AED'000	Board of directors AED'000	Other related parties AED'000	Total AED'000
<b>Transactions for the three-month period ended 31 March 2026 (unaudited)</b>					
Interest income	14,595	12,370	-	5,832	32,797
Interest expense	419	12,401	43	89	12,952
<b>Transactions for the three-month period ended 31 March 2025 (unaudited)</b>					
Interest income	18,194	12,305	-	4,205	34,704
Interest expense	5,132	7,557	-	302	12,991

None of the loans granted to related parties are classified as impaired as at 31 March 2026 (31 December 2025: Nil).

The loans extended to related parties during the year are repayable over 1 year and earn interest at rates ranging from 5.09% to 6.68% per annum (2025: 6% to 10% per annum). As at 31 March 2026, outstanding loans and advances to related parties are secured by deposits under lien amounting to AED 59 million (31 December 2025: AED 66.9 million).

Deposits from related parties bear interest at the rates upto 4.53% (31 December 2025: Upto 4.83% per annum).

#### Key management personnel remuneration

Remuneration of key management personnel and Board of Directors' fees and expenses during the period are as follows:

	For the three-month period ended	
	31 March 2026 Unaudited AED'000	31 March 2025 Unaudited AED'000
Salaries and other short-term benefits	19,221	4,565
Termination benefits	286	100
Board of directors' fees and expenses	7,570	1,950
	<u>27,077</u>	<u>6,615</u>

## Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

### 25. 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:

**Commercial Banking**, which principally provides loans and other credit facilities, deposits and current accounts for corporate, government, institutional and individual customers; and

**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, investing and centralized financial risk management activities through borrowings 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.

Revenue reported under each of the segments represents revenue generated from external customers. There were no inter-segment revenue during 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 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.

### Geographic segments

The Group operates in two principal geographic areas i.e. domestic and international. The United Arab Emirates is designated as domestic area which represents the operations of the Group that originates from the UAE branches and subsidiaries. International area represents the operations of the Group that originates from its Branch outside UAE.



## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 26. Fair value of assets and liabilities

##### (a) Fair value hierarchy of assets/liabilities measured at fair value

The fair values of assets and liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other assets/liabilities, the Group determines fair values using other valuation techniques. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

##### Valuation of investment securities

The Group measures fair values using the following fair value hierarchy, which 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.

Level 2: Inputs other than quoted prices included within Level 1 that are observable 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 in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not 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 for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 26. Fair value of assets and liabilities (continued)

##### (a) Fair value hierarchy of assets/liabilities measured at fair value (continued)

The following table analyses assets at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the condensed consolidated interim statement of financial position.

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000	Carrying value AED'000
<b>At 31 March 2026 (Unaudited)</b>					
FVTPL	9,882	-	-	9,882	9,882
FVTOCI					
- equity	13,029	-	-	13,029	13,029
- perpetual notes	134,495	-	-	134,495	134,495
- debt securities	40,970	-	-	40,970	40,970
	<u>198,376</u>	<u>-</u>	<u>-</u>	<u>198,376</u>	<u>198,376</u>
<b>At 31 December 2025 (Audited)</b>					
FVTOCI					
- equity	11,216	-	-	11,216	11,216
- perpetual notes	82,009	-	-	82,009	82,009
- debt securities	51,173	-	-	51,173	51,173
Net fair value of derivatives	-	(551)	-	(551)	(551)
	<u>144,398</u>	<u>(551)</u>	<u>-</u>	<u>143,847</u>	<u>143,847</u>

During the period ended 31 March 2026, there is no movement in financial instruments from level 1 to level 2 of vice versa (Year ended 31 December 2025: Nil).

Although the Group believes that its estimates to fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value.

##### (b) Financial instruments not measured at fair value

The fair values of financial instruments not measured at fair value are not materially different from the respective carrying value and disclosed in the relevant, if applicable.

#### 27. Capital adequacy ratio

As per the Central bank regulation for Basel III, the capital requirement as at 31 March 2026 and 31 December 2025 is 13%.

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 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 RWA.

## INVEST BANK P.S.C.

### Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026

#### 27. Capital adequacy ratio (continued)

Below table shows the capital adequacy ratio 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.

	<b>31 March 2026 (Unaudited) AED'000</b>	31 December 2025 (Audited) AED'000
<b>TIER 1 Capital</b>		
Share capital	<b>3,202,493</b>	3,202,493
Statutory reserve	<b>14,147</b>	14,147
Foreign currency translation	<b>21,665</b>	21,665
Fair value reserve	<b>(39,215)</b>	(39,930)
Accumulated losses	<b>(1,533,257)</b>	(1,555,383)
Minority interest	<b>(259)</b>	94
<b>Regulatory deductions and adjustments:</b>		
Intangible assets	<b>(17,775)</b>	(17,585)
<b>Total tier 1 capital</b>	<b>1,647,799</b>	1,625,501
<b>TIER 2 Capital</b>		
Eligible general provisions	<b>109,092</b>	99,572
<b>Total tier 2 capital</b>	<b>109,092</b>	99,572
<b>Total regulatory capital</b>	<b>1,756,891</b>	1,725,073
<b>RISK WEIGHTED ASSETS</b>		
Credit risk	<b>8,727,328</b>	7,965,722
Market risk	<b>28,366</b>	10,664
Operational risk	<b>594,452</b>	552,549
<b>Total risk weighted assets (RWA)</b>	<b>9,350,146</b>	8,528,935
CET 1 ratio	<b>17.62%</b>	19.06%
Tier 1 ratio	<b>17.62%</b>	19.06%
Tier 2 ratio	<b>1.17%</b>	1.17%
Capital adequacy ratio	<b>18.79%</b>	20.23%

## **INVEST BANK P.S.C.**

### **Notes to condensed consolidated interim financial information for the three-month period ended 31 March 2026**

#### **28. Seasonality of results**

No income of a seasonal nature was recorded in the condensed consolidated interim statement of profit or loss for the three-month period ended 31 March 2026.

#### **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 three-month period ended 31 March 2026.