

EMIRATES NBD BANK PJSC

GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022



EMIRATES NBD BANK PJSC

GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

**The Board of Directors
Emirates NBD Bank PJSC
Dubai
United Arab Emirates**

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of **Emirates NBD Bank PJSC, Dubai, United Arab Emirates** (the “Bank”) and its **Subsidiaries** (together referred to as the “Group”) as at 31 March 2022 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the three months period then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 - *Interim Financial Reporting* (“IAS 34”). Our responsibility is to express a conclusion on this 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 interim financial information is not prepared, in all material respects in accordance with IAS 34.

Deloitte & Touche (M.E.)




Musa Ramahi
Registration No.: 872
20 April 2022
Dubai
United Arab Emirates

EMIRATES NBD BANK PJSC

GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022 (UNAUDITED)

		Unaudited 31 March 2022	Audited 31 December 2021
	Notes	AED 000	AED 000
ASSETS			
Cash and deposits with Central Bank	3	67,690,034	70,753,613
Due from banks	4	53,812,350	45,343,248
Investment securities	5	105,625,358	106,156,886
Loans and receivables	6	425,350,502	422,272,390
Positive fair value of derivatives	19	10,881,072	10,658,925
Customer acceptances		10,004,979	11,343,522
Property and equipment		3,634,611	3,747,621
Goodwill and intangibles	7	5,912,385	5,981,491
Other assets	8	11,124,029	11,178,922
TOTAL ASSETS		694,035,320	687,436,618
LIABILITIES			
Due to banks		39,712,836	43,755,207
Customer deposits		468,973,513	456,483,888
Debt issued and other borrowed funds	9	60,563,396	63,387,228
Sukuk payable	10	3,672,500	3,672,500
Negative fair value of derivatives	19	11,479,408	9,186,321
Customer acceptances		10,004,979	11,343,522
Other liabilities	11	17,972,442	16,028,263
TOTAL LIABILITIES		612,379,074	603,856,929
EQUITY			
Issued capital		6,316,598	6,316,598
Treasury shares		(46,175)	(46,175)
Tier I capital notes	13	9,128,652	9,128,652
Share premium reserve		17,954,164	17,954,164
Legal and statutory reserve		3,158,299	3,158,299
Other reserves		2,945,393	2,945,393
Fair value reserve		(1,037,919)	(725,815)
Currency translation reserve		(9,372,862)	(8,299,265)
Retained earnings		52,546,052	53,088,213
TOTAL EQUITY ATTRIBUTABLE TO EQUITY AND NOTE HOLDERS OF THE GROUP		81,592,202	83,520,064
Non-controlling interest		64,044	59,625
TOTAL EQUITY		81,656,246	83,579,689
TOTAL LIABILITIES AND EQUITY		694,035,320	687,436,618

The attached notes 1 to 25 form an integral part of these Group condensed consolidated interim financial statements.
The independent auditors' report on review of the Group condensed consolidated interim financial statements is set out on page 1.



Director

20 APR 2022



Chief Executive Officer

**GROUP CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022 (UNAUDITED)**

		Unaudited three months period ended 31 March 2022 AED 000	Unaudited three months period ended 31 March 2021 AED 000
	<u>Notes</u>		
Interest and similar income		5,643,044	5,944,710
Interest and similar expense		(2,037,118)	(2,259,601)
Net interest income		3,605,926	3,685,109
Income from Islamic financing and investment products		747,899	625,258
Distribution on Islamic deposits and profit paid to Sukuk holders		(97,613)	(221,991)
Net income from Islamic financing and investment products		650,286	403,267
Net interest income and income from Islamic financing and investment products net of distribution to depositors		4,256,212	4,088,376
Fee and commission income		1,526,810	1,767,284
Fee and commission expense		(607,297)	(665,764)
Net fee and commission income		919,513	1,101,520
Net gain on trading securities		10,118	59,860
Other operating income	14	1,188,608	913,592
Total operating income		6,374,451	6,163,348
General and administrative expenses	15	(1,964,911)	(1,867,780)
Operating profit before impairment		4,409,540	4,295,568
Net impairment loss on financial assets	16	(1,404,460)	(1,762,998)
Operating profit after impairment		3,005,080	2,532,570
Share of profit of associate		-	9,180
Group profit for the period before tax		3,005,080	2,541,750
Taxation charge		(259,798)	(219,529)
Group profit for the period after tax		2,745,282	2,322,221
Attributable to:			
Equity holders of the Group		2,740,863	2,321,559
Non-controlling interest		4,419	662
Group profit for the period after tax		2,745,282	2,322,221
Earnings per share	18	0.41	0.34

The attached notes 1 to 25 form an integral part of these Group condensed consolidated interim financial statements. The independent auditors' report on review of the Group condensed consolidated interim financial statements is set out on page 1.

**GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022 (UNAUDITED)**

	Unaudited three months period ended 31 March 2022 AED 000	Unaudited three months period ended 31 March 2021 AED 000
Group profit for the period after tax	2,745,282	2,322,221
Other comprehensive income		
Items that will not be reclassified subsequently to the income statement:		
Movement in fair value reserve (equity instruments):		
- Net change in fair value	(8,448)	169,667
Items that may be reclassified subsequently to the income statement:		
Cost of hedging for forward element of a forward and currency basis spread excluded from hedge effectiveness testing:		
Net changes in the cost of hedging	(98,647)	(22,704)
Cash flow hedges:		
- Effective portion of changes in fair value	(421,178)	(208,718)
Fair value reserve (debt instruments):		
- Net change in fair value	403,058	(553,702)
- Net amount transferred to income statement	(45,312)	(149,099)
- Related deferred tax	(141,577)	132,141
Currency translation reserve	(1,071,231)	(912,702)
Hedge of a net investment in foreign operations	(2,366)	(13,476)
Other comprehensive income for the period	(1,385,701)	(1,558,593)
Total comprehensive income for the period	1,359,581	763,628
Attributable to:		
Equity holders of the Group	1,355,162	762,966
Non-controlling interest	4,419	662
Total comprehensive income for the period	1,359,581	763,628

The attached notes 1 to 25 form an integral part of these Group condensed consolidated interim financial statements. The independent auditors' report on review of the Group condensed consolidated interim financial statements is set out on page 1.

**GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022 (UNAUDITED)**

	Notes	Unaudited three months period ended 31 March 2022 AED 000	Unaudited three months period ended 31 March 2021 AED 000
<u>OPERATING ACTIVITIES</u>			
Group profit for the period before tax		3,005,080	2,541,750
Adjustment for non-cash items	22	1,158,015	1,945,825
Operating profit before changes in operating assets and liabilities		4,163,095	4,487,575
(Increase)/decrease in interest free statutory deposits		2,498,263	1,759,051
(Increase)/decrease in certificate of deposits with Central Banks maturing after three months		2,000,000	18,500,000
(Increase)/decrease in amounts due from banks maturing after three months		(10,306,022)	(5,439,807)
Increase/(decrease) in amounts due to banks maturing after three months		(1,462,623)	2,131,151
(Increase)/decrease in other assets		(531,834)	(2,240,614)
Increase/(decrease) in other liabilities		549,413	(1,581,813)
(Increase)/decrease in positive fair value of derivatives		(744,337)	1,553,606
Increase/(decrease) in negative fair value of derivatives		2,293,087	(1,483,552)
Increase/(decrease) in customer deposits		12,489,625	(5,104,871)
(Increase)/decrease in loans and receivables		(4,522,384)	5,523,267
		6,426,283	18,103,993
Taxes paid		38,765	(191,069)
Net cash flows generated from/(used in) operating activities		6,465,048	17,912,924

**GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022 (UNAUDITED)**

		Unaudited three months period ended 31 March 2022 AED 000	Unaudited three months period ended 31 March 2021 AED 000
	Notes		
<u>INVESTING ACTIVITIES</u>			
(Increase)/decrease in investment securities		749,088	(10,501,393)
(Increase)/decrease of property and equipment		(63,221)	(142,586)
Dividend income received		4,692	8,364
Net cash flows generated from/(used in) investing activities		690,559	(10,635,615)
<u>FINANCING ACTIVITIES</u>			
Issuance of debt issued and other borrowed funds	9	3,722,410	15,389,031
Repayment of debt issued and other borrowed funds	9	(5,369,348)	(8,872,093)
Interest on Tier I capital notes		(127,677)	(162,912)
Dividends paid		(3,155,347)	(2,524,278)
Net cash flows generated from/(used in) financing activities		(4,929,962)	3,829,748
Increase/(decrease) in cash and cash equivalents (refer Note 22)		2,225,645	11,107,057

The attached notes 1 to 25 form an integral part of these Group condensed consolidated interim financial statements. The independent auditors' report on review of the Group condensed consolidated interim financial statements is set out on page 1.

EMIRATES NBD BANK PJSC

**GROUP CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022 (UNAUDITED)**

	ATTRIBUTABLE TO EQUITY AND NOTE HOLDERS OF THE GROUP											
	Issued capital	Treasury shares	Tier I capital notes	Share premium reserve	Legal and statutory reserve	Other reserve	Fair value reserve	Currency translation reserve	Retained earnings	Total	Non-controlling interest	Group Total
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
Balance as at 1 January 2022	6,316,598	(46,175)	9,128,652	17,954,164	3,158,299	2,945,393	(725,815)	(8,299,265)	53,088,213	83,520,064	59,625	83,579,689
Profit for the period	-	-	-	-	-	-	-	-	2,740,863	2,740,863	4,419	2,745,282
Other comprehensive income for the period	-	-	-	-	-	-	(312,104)	(1,073,597)	-	(1,385,701)	-	(1,385,701)
Interest on Tier 1 capital notes	-	-	-	-	-	-	-	-	(127,677)	(127,677)	-	(127,677)
Dividends paid*	-	-	-	-	-	-	-	-	(3,155,347)	(3,155,347)	-	(3,155,347)
Balance as at 31 March 2022	6,316,598	(46,175)	9,128,652	17,954,164	3,158,299	2,945,393	(1,037,919)	(9,372,862)	52,546,052	81,592,202	64,044	81,656,246
Balance as at 1 January 2021	6,316,598	(46,175)	10,379,786	17,954,164	3,158,299	2,945,393	476,692	(3,607,673)	47,014,778	84,591,862	26,236	84,618,098
Profit for the period	-	-	-	-	-	-	-	-	2,321,559	2,321,559	662	2,322,221
Other comprehensive income for the period	-	-	-	-	-	-	(632,415)	(926,178)	-	(1,558,593)	-	(1,558,593)
Interest on Tier 1 capital notes	-	-	-	-	-	-	-	-	(162,912)	(162,912)	-	(162,912)
Dividends paid*	-	-	-	-	-	-	-	-	(2,524,278)	(2,524,278)	-	(2,524,278)
Balance as at 31 March 2021	6,316,598	(46,175)	10,379,786	17,954,164	3,158,299	2,945,393	(155,723)	(4,533,851)	46,649,147	82,667,638	26,898	82,694,536

*Dividend paid is net of the amount attributable to treasury shares.

The attached notes 1 to 25 form an integral part of these Group condensed consolidated interim financial statements.

The independent auditors' report on review of the Group condensed consolidated interim financial statements is set out on page 1.

1 CORPORATE INFORMATION

Emirates NBD Bank PJSC (the “Bank”) was incorporated in the United Arab Emirates on 16 July 2007 consequent to the merger between Emirates Bank International PJSC (“EBI”) and National Bank of Dubai PJSC (“NBD”), under the Commercial Companies Law (Federal Law Number 8 of 1984 as amended) as a Public Joint Stock Company. Federal Law No. 32 of 2021 on Commercial Companies has come into effect from 2 January 2022, replacing the existing Federal Law No. 2 of 2015.

The condensed consolidated interim financial statements for the period ended 31 March 2022 comprise the financial statements of the Bank and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates and joint ventures.

The Bank is listed on the Dubai Financial Market (TICKER: “EMIRATESNBD”). The Group’s principal business activities are corporate banking, consumer banking, treasury and Islamic banking. The Bank’s website is www.emiratesnbd.com.

The registered address of the Bank is Post Box 777, Dubai, United Arab Emirates (“UAE”).

The parent company of the Group is Investment Corporation of Dubai, a company in which the Government of Dubai is the majority shareholder.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”.

The accounting policies, including those pertaining to financial assets, cash and cash equivalents, Islamic financing and investing assets and investment properties, applied by the Group in the preparation of the condensed consolidated interim financial statements are consistent with those applied by the Group in the annual consolidated financial statements for the year ended 31 December 2021.

These condensed consolidated interim financial statements do not include all the information and disclosures required for full annual consolidated financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Group’s financial statements as at and for the year ended 31 December 2021. In addition, results for the three months period ended 31 March 2022 are not necessarily indicative of the results that may be expected for the full financial year ending 31 December 2022.

In preparing these condensed consolidated interim financial statements, significant judgments made by the management in applying the Group’s accounting policies and the key sources of estimation were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 December 2021.

The Bank, through its subsidiary DenizBank A.S., has banking operations in Turkey, which has strong indicators of being assessed as a hyperinflationary economy based on the cumulative inflation rates over the previous three years. If Turkey is determined to be a hyperinflationary economy in 2022, the Group will be required to apply IAS 29 Financial Reporting in Hyperinflationary Economies and accordingly, would require adjustments in its subsidiary’s financial statements, and will reflect these adjustments in the consolidated financial statements of the Group.

3 CASH AND DEPOSITS WITH CENTRAL BANKS

	Unaudited 31 March 2022 AED 000	Audited 31 December 2021 AED 000
Cash	5,718,715	6,023,245
Statutory and other deposits with Central Banks	42,677,110	45,176,256
Interest bearing placements with Central Banks	208,124	203,074
Murabahas and interest-bearing certificates of deposits with Central Banks	19,088,769	19,353,171
Less: Expected credit losses	(2,684)	(2,133)
	67,690,034	70,753,613

The reserve requirements which are kept with the Central Banks of the countries in which the Group operates are not available for use in the Group's day to day operations and cannot be withdrawn without the approval of the Central Banks. The level of reserves required changes periodically in accordance with the directives of the respective Central Banks.

4 DUE FROM BANKS

	Unaudited 31 March 2022 AED 000	Audited 31 December 2021 AED 000
Due from banks in UAE	6,461,009	4,834,929
Due from foreign banks	47,446,714	40,561,060
Less: Expected credit losses	(95,373)	(52,741)
	53,812,350	45,343,248

5 INVESTMENT SECURITIES

	Domestic*	Regional**	International***	Total
	AED 000	AED 000	AED 000	AED 000
<u>Unaudited 31 March 2022</u>				
<u>TRADING SECURITIES</u>				
<u>MEASURED AT FVTPL</u>				
Government Bonds	722,643	827,898	120,614	1,671,155
Corporate Bonds	616,817	303,654	90,689	1,011,160
Equity	-	-	141,977	141,977
Others	-	-	15,460	15,460
	1,339,460	1,131,552	368,740	2,839,752
<u>DESIGNATED AS AT FVTPL</u>				
Equity	36,635	118,512	1,777	156,924
Others	2,181	3,828	81,985	87,994
	38,816	122,340	83,762	244,918
<u>MEASURED AT AMORTISED COST</u>				
Government Bonds	53,445,881	15,337,571	6,786,700	75,570,152
Corporate Bonds	2,724,862	1,074,876	1,874,132	5,673,870
	56,170,743	16,412,447	8,660,832	81,244,022
Less: Expected credit losses				(16,969)
				81,227,053
<u>MEASURED AT FVOCI - DEBT INSTRUMENTS</u>				
Government Bonds	-	2,203,264	12,360,971	14,564,235
Corporate Bonds	3,525,973	1,116,537	1,585,249	6,227,759
	3,525,973	3,319,801	13,946,220	20,791,994
Less: Expected credit losses				(31,385)
				20,760,609
<u>MEASURED AT FVOCI - EQUITY INSTRUMENTS</u>				
Equity	97,388	60,241	395,397	553,026
	97,388	60,241	395,397	553,026
Gross Investment securities	61,172,380	21,046,381	23,454,951	105,673,712
Net Investment securities				105,625,358

*Domestic: These are securities issued within the UAE.

**Regional: These are securities issued within the Middle East excluding the UAE.

***International: These are securities issued outside the Middle East region.

5 INVESTMENT SECURITIES (CONTINUED)

	Domestic*	Regional**	International***	Total
<u>Audited 31 December 2021</u>	AED 000	AED 000	AED 000	AED 000
<u>TRADING SECURITIES</u>				
<u>MEASURED AT FVTPL</u>				
Government Bonds	1,000,906	876,759	61,900	1,939,565
Corporate Bonds	207,487	146,810	33,517	387,814
Equity	-	-	156,687	156,687
Others	-	-	8,294	8,294
	<u>1,208,393</u>	<u>1,023,569</u>	<u>260,398</u>	<u>2,492,360</u>
<u>DESIGNATED AS AT FVTPL</u>				
Equity	41,135	118,505	1,776	161,416
Others	2,267	4,441	84,027	90,735
	<u>43,402</u>	<u>122,946</u>	<u>85,803</u>	<u>252,151</u>
<u>MEASURED AT AMORTISED COST</u>				
Government Bonds	51,427,892	21,887,432	7,605,506	80,920,830
Corporate Bonds	2,505,241	971,605	1,584,718	5,061,564
	<u>53,933,133</u>	<u>22,859,037</u>	<u>9,190,224</u>	<u>85,982,394</u>
Less: Expected credit losses				<u>(17,364)</u>
				<u>85,965,030</u>
<u>MEASURED AT FVOCI - DEBT INSTRUMENTS</u>				
Government Bonds	-	2,545,951	8,373,459	10,919,410
Corporate Bonds	3,845,219	932,724	1,211,388	5,989,331
	<u>3,845,219</u>	<u>3,478,675</u>	<u>9,584,847</u>	<u>16,908,741</u>
Less: Expected credit losses				<u>(23,053)</u>
				<u>16,885,688</u>
<u>MEASURED AT FVOCI - EQUITY INSTRUMENTS</u>				
Equity	97,241	63,606	400,810	561,657
	<u>97,241</u>	<u>63,606</u>	<u>400,810</u>	<u>561,657</u>
Gross Investment securities	<u>59,127,388</u>	<u>27,547,833</u>	<u>19,522,082</u>	<u>106,197,303</u>
Net Investment securities				<u>106,156,886</u>

*Domestic: These are securities issued within the UAE.

**Regional: These are securities issued within the Middle East excluding the UAE.

***International: These are securities issued outside the Middle East region.

6 LOANS AND RECEIVABLES

	Unaudited 31 March 2022 AED 000	Audited 31 December 2021 AED 000
Gross loans and receivables	463,230,253	459,457,866
Less: Expected credit losses	(37,879,751)	(37,185,476)
	425,350,502	422,272,390
	31 March 2022 AED 000	31 December 2021 AED 000
<u>At Amortised Cost</u>		
Overdrafts	128,654,680	141,178,599
Time loans	227,624,299	227,088,997
Loans against trust receipts	9,844,785	9,236,631
Bills discounted	4,388,276	3,892,605
Credit card receivables	13,824,129	13,353,455
Gross loans - conventional	384,336,169	394,750,287
Murabaha	55,206,934	41,489,900
Ijara	21,915,072	20,862,452
Wakala	943,723	975,081
Istisna'a	909,249	873,178
Credit cards receivable	1,704,568	1,646,713
Others	210,676	675,088
Less: Deferred income	(1,996,138)	(1,814,833)
Gross Islamic financing receivables	78,894,084	64,707,579
Gross loans and receivables	463,230,253	459,457,866
Total of credit impaired loans and receivables	29,488,300	29,159,717

Corporate Ijara assets amounting to AED 2.3 billion (2021: AED 2.3 billion) were securitised for the purpose of issuance of Sukuk liability (refer Note 10).

6 LOANS AND RECEIVABLES (CONTINUED)

	Unaudited 31 March 2022 AED 000	Audited 31 December 2021 AED 000
<u>Analysis by economic activity</u>		
Manufacturing	21,602,133	20,508,463
Construction	14,460,579	16,110,888
Trade	33,008,055	32,717,137
Transport and communication	15,141,087	12,892,388
Utilities and services	25,798,795	15,231,685
Sovereign	139,196,354	152,416,647
Personal	101,445,920	98,184,765
Real estate	48,103,397	49,337,859
Hotels and restaurants	11,876,508	11,723,275
Management of companies and enterprises	14,026,776	12,689,036
Financial institutions and investment companies	20,971,784	20,903,075
Agriculture	5,744,976	5,825,162
Others	13,850,027	12,732,319
Total loans and receivables	465,226,391	461,272,699
Less: Deferred Income	(1,996,138)	(1,814,833)
Less: Expected credit loss	(37,879,751)	(37,185,476)
	425,350,502	422,272,390

EMIRATES NBD BANK PJSC

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022 (UNAUDITED)**7 GOODWILL AND INTANGIBLES**

	Goodwill	Intangibles on Acquisition			Total	
	AED 000	Banking license AED 000	Customer relationships AED 000	Core deposit intangibles AED 000	Brands AED 000	AED 000
Unaudited 31 March 2022						
Cost						
<u>Balance as at 1 January 2022</u>	5,561,676	162,977	446,178	876,862	154,997	7,202,690
Foreign exchange movement*	(8,461)	(22,376)	9,275	6,834	(13,554)	(28,282)
Balance as at 31 March 2022	5,553,215	140,601	455,453	883,696	141,443	7,174,408
Less: Amortisation and impairment						
<u>Balance as at 1 January 2022</u>	4,903	-	384,715	831,581	-	1,221,199
Amortisation and impairment for the year	-	-	23,506	17,318	-	40,824
Balance as at 31 March 2022	4,903	-	408,221	848,899	-	1,262,023
Net Goodwill and Intangibles	5,548,312	140,601	47,232	34,797	141,443	5,912,385
Audited 31 December 2021						
Cost	5,561,676	162,977	446,178	876,862	154,997	7,202,690
Less: Amortisation and impairment	4,903	-	384,715	831,581	-	1,221,199
Net Goodwill and Intangibles	5,556,773	162,977	61,463	45,281	154,997	5,981,491

*Foreign exchange movement relates to translation of acquired Goodwill and intangibles pertaining to Emirates NBD Egypt and DenizBank using the period end exchange rate.

The goodwill and intangibles were acquired through business combinations. Goodwill and brands have indefinite life and are reviewed annually for impairment.

8 OTHER ASSETS

	Unaudited 31 March 2022 AED 000	Audited 31 December 2021 AED 000
Accrued interest receivable	3,159,901	3,107,720
Islamic profit receivable	210,782	187,898
Prepayments and other advances	688,131	837,789
Sundry debtors and other receivables	2,170,316	1,938,780
Inventory	1,504,316	1,529,478
Deferred tax asset	876,020	929,142
Investment properties	428,494	440,351
Others	2,086,069	2,207,764
	<u>11,124,029</u>	<u>11,178,922</u>

9 DEBT ISSUED AND OTHER BORROWED FUNDS

	Unaudited 31 March 2022 AED 000	Audited 31 December 2021 AED 000
Medium term note programme	49,999,128	54,560,648
Term loans and certificates of deposits	8,108,514	6,405,566
Borrowings raised from loan securitisations	2,455,754	2,421,014
	<u>60,563,396</u>	<u>63,387,228</u>

	Unaudited 31 March 2022 AED 000	Audited 31 December 2021 AED 000
Balance as at 1 January	63,387,228	54,662,670
New issues	3,722,410	25,636,942
Repayments	(5,369,348)	(13,313,409)
Other movements*	(1,176,894)	(3,598,975)
Balance at end of period / year	<u>60,563,396</u>	<u>63,387,228</u>

*Represents exchange rate and fair value movements on debts issued in foreign currency. The Group hedges the foreign currency risk on public issuances through derivative financial instruments.

As at 31 March 2022, the outstanding medium term borrowings totalling AED 60,563 million (31 December 2021: AED 63,387 million) is falling due as below:

	Unaudited 31 March 2022 AED millions	Audited 31 December 2021 AED millions
2022	9,740	12,640
2023	7,495	7,398
2024	10,232	10,145
2025	7,314	7,098
2026	6,072	6,219
Beyond 2026	19,710	19,887
	<u>60,563</u>	<u>63,387</u>

10 SUKUK PAYABLE

	Unaudited 31 March 2022 AED 000	Audited 31 December 2021 AED 000
Balance as at 1 January	3,672,500	5,510,933
New issues	-	1,836,250
Repayments	-	(3,672,500)
Other movements	-	(2,183)
Balance at end of period / year	<u>3,672,500</u>	<u>3,672,500</u>

As at 31 March 2022, the outstanding Sukuk payable totalling AED 3,673 million (31 December 2021: AED 3,673 million) is falling due as follows:

	Unaudited 31 March 2022 AED million	Audited 31 December 2021 AED million
2025	1,836	1,836
2026	1,837	1,837
	<u>3,673</u>	<u>3,673</u>

11 OTHER LIABILITIES

	Unaudited 31 March 2022 AED 000	Audited 31 December 2021 AED 000
Accrued interest payable	1,646,066	1,783,235
Profit payable to Islamic depositors	96,459	109,477
Managers' cheques	2,370,341	1,509,281
Trade and other payables	5,282,028	4,369,047
Staff related liabilities	1,087,370	1,405,347
Provision for taxation	525,503	226,940
Others	6,964,675	6,624,936
	<u>17,972,442</u>	<u>16,028,263</u>

12 EQUITY HOLDER FUNDS

At the Annual General Meeting held on 23 February 2022, shareholders approved payment of a cash dividend of 50% of the issued and paid up capital (AED 0.50 per share) amounting to AED 3,158 million which has been recognised in the condensed consolidated interim financial statements as of 31 March 2022.

13 TIER I CAPITAL NOTES

The Group has issued a number of regulatory Tier 1 capital notes with details mentioned in the table below. The notes are perpetual, subordinated and unsecured. The Group can elect not to pay a coupon at its own discretion. Note holders will not have a right to claim the coupon and such event will not be considered an event of default. The notes carry no maturity date and have been classified as equity.

Issuance Month/year	Issued Amount	Coupon rate
May 2021	USD 750 million (AED 2.75 billion)	Fixed interest rate with a reset after six years
July 2020	USD 750 million (AED 2.75 billion)	Fixed interest rate with a reset after six years
March 2019	USD 1 billion (AED 3.67 billion)	Fixed interest rate with a reset after six years

14 OTHER OPERATING INCOME

	Unaudited three months period ended 31 March 2022 AED 000	Unaudited three months period ended 31 March 2021 AED 000
	-----	-----
Dividend income on equity investment measured at FVOCI	192	-
Dividend income on equity investments measured at FVTPL	4,500	8,364
Gain / (loss) from sale of debt investment securities measured at FVOCI	45,312	149,099
Gain / (loss) from investment securities designated at fair value through profit or loss	(5,684)	(2,649)
Rental income	5,546	7,352
Gain / (loss) on sale of properties (investment properties / inventories)	(396)	394
Foreign exchange income / (loss)*	(42,069)	(872,227)
Derivative income / (loss)	963,827	1,457,478
Other income (net)	217,380	165,781
	-----	-----
	<u>1,188,608</u>	<u>913,592</u>

* Foreign exchange income / (loss) comprises trading and translation gain / (loss) and gain / (loss) on dealings with customers.

15 GENERAL AND ADMINISTRATIVE EXPENSES

	Unaudited three months period ended	Unaudited three months period ended
	31 March 2022	31 March 2021
	AED 000	AED 000
Staff cost	1,192,357	1,062,993
Occupancy cost	63,678	64,938
Equipment & supplies	44,385	53,535
Information technology cost	87,917	84,223
Communication cost	67,980	66,148
Service, legal and professional fees	50,966	41,624
Marketing related expenses	26,640	25,923
Depreciation	176,231	188,720
Amortisation of intangibles	40,824	40,824
Others	213,933	238,852
	<u>1,964,911</u>	<u>1,867,780</u>

16 NET IMPAIRMENT LOSS ON FINANCIAL ASSETS

The charge to the income statement for the net impairment loss on financial assets is made up as follows:

	Unaudited three months period ended	Unaudited three months period ended
	31 March 2022	31 March 2021
	AED 000	AED 000
Net impairment of cash and deposits with central bank	883	(734)
Net impairment of due from banks / other assets	47,250	(13,860)
Net impairment of investment securities	8,233	(3,906)
Net impairment of loans and receivables	1,444,272	1,915,902
Net impairment of unfunded exposures	24,971	(73,162)
Bad debt written off / (recovery) and modification adjustment - net	(121,149)	(61,242)
Net impairment loss for the period	<u>1,404,460</u>	<u>1,762,998</u>

17 COMMITMENTS AND CONTINGENCIES

The Group's commitments and contingencies are as follows:

	Unaudited 31 March 2022 AED 000	Audited 31 December 2021 AED 000
Letters of credit	20,522,947	19,545,126
Guarantees	58,363,243	56,705,248
Liability on risk participations	167,975	218,757
Irrevocable loan commitments*	41,513,694	39,998,828
	<u>120,567,859</u>	<u>116,467,959</u>

* Irrevocable loan commitments represent a contractual commitment to permit draw downs on a facility within a defined period subject to conditions precedent and termination clauses. Since commitments may expire without being drawn down, and as conditions precedent to draw down have to be fulfilled the total contract amounts do not necessarily represent exact future cash requirements.

18 EARNINGS PER SHARE

The Group presents basic and diluted Earnings Per Share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders (further adjusted for interest expense on tier I capital notes) of the Bank by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all diluted potential ordinary shares, if any.

	Unaudited three months period ended 31 March 2022 AED 000	Unaudited three months period ended 31 March 2021 AED 000
Profit for the period attributable to equity holders	2,740,863	2,321,559
Deduct : Interest on Tier 1 capital notes	(127,677)	(162,912)
Net profit attributable to equity holders	2,613,186	2,158,647
Weighted average number of equity shares in issue ('000)	6,310,696	6,310,696
Earnings per share* (AED)	<u>0.41</u>	<u>0.34</u>

*The diluted and basic earnings per share were the same for the three months period ended 31 March 2022.

19 DERIVATIVES

	Unaudited 31 March 2022			Audited 31 December 2021		
	Positive fair value	Negative fair value	Notional amount	Positive fair value	Negative fair value	Notional amount
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
Derivatives held for trading	10,528,362	(9,162,900)	847,821,105	10,133,018	(7,966,273)	757,094,774
Derivatives held as cash flow hedges	160,812	(485,534)	23,298,999	238,462	(121,895)	29,221,176
Derivatives held as fair value hedges	187,442	(1,818,738)	29,326,580	287,445	(1,088,283)	30,004,652
Derivatives held as hedge of a net investment in foreign operations	4,456	(12,236)	807,660	-	(9,870)	452,876
Total	10,881,072	(11,479,408)	901,254,344	10,658,925	(9,186,321)	816,773,478

20 OPERATING SEGMENTS

The Group is organised into the following main businesses:

- Corporate and Institutional banking represents current and savings accounts, customer deposits, overdrafts, trade finance and term loans for government, corporate customers, investment banking, Islamic products under ENBD Islamic and structured financing primarily in the UAE, Egypt and KSA;
- Retail banking and Wealth Management represents retail loans and deposits, private banking and wealth management, equity broking services, asset management and consumer financing primarily in the UAE, Egypt and KSA;
- Global Markets and Treasury activities comprise of managing the Group's portfolio of investments, funds management and interbank treasury operations primarily in the UAE, Egypt and KSA;
- Islamic banking activities represent the income and fees earned and expenses paid by the Islamic banking subsidiaries;
- DenizBank is considered as a separate operating segment; and
- Other operations of the Group include Tanfeeth, property management, operations and support functions.

EMIRATES NBD BANK PJSC

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022 (UNAUDITED)

20 OPERATING SEGMENTS (CONTNUED)**Unaudited 31 March 2022**

	Corporate and Institutional banking	Retail banking and Wealth Management	Global Markets and Treasury	Islamic banking	DenizBank	Others	Total
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
Net interest income and income from Islamic products net of distribution to depositors	917,905	1,458,567	58,839	461,772	1,226,046	133,083	4,256,212
Net fees, commission and other income	422,441	818,740	117,593	190,260	593,461	(24,256)	2,118,239
Total operating income	1,340,346	2,277,307	176,432	652,032	1,819,507	108,827	6,374,451
General and administrative expenses	(138,495)	(595,500)	(38,880)	(280,584)	(520,782)	(390,670)	(1,964,911)
Net impairment loss on financial assets	(368,464)	(90,984)	(17,273)	(29,549)	(486,918)	(411,272)	(1,404,460)
Share of profit of associate and loss on its disposal	-	-	-	-	-	-	-
Taxation charge	(33,805)	(15,173)	(25,159)	-	(183,026)	(2,635)	(259,798)
Group profit for the period	799,582	1,575,650	95,120	341,899	628,781	(695,750)	2,745,282
Segment Assets	306,800,401	72,510,540	135,121,211	68,597,174	109,832,387	1,173,607	694,035,320
Segment Liabilities and Equity	188,468,875	190,860,093	23,233,195	59,431,560	101,078,836	130,962,761	694,035,320

EMIRATES NBD BANK PJSC

NOTES TO THE GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
 FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2022 (UNAUDITED)

20 OPERATING SEGMENTS (CONTNUED)

<u>Unaudited 31 March 2021</u>	Corporate and Institutional banking	Retail banking and Wealth Management	Global Markets and Treasury	Islamic banking	DenizBank	Others	Total
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
Net interest income and income from Islamic products net of distribution to depositors	1,044,772	1,336,298	(82,589)	397,862	1,285,046	106,987	4,088,376
Net fees, commission and other income	421,451	633,986	90,067	176,572	753,698	(802)	2,074,972
Total operating income	1,466,223	1,970,284	7,478	574,434	2,038,744	106,185	6,163,348
General and administrative expenses	(136,962)	(514,930)	(39,208)	(255,683)	(558,506)	(362,491)	(1,867,780)
Net impairment loss on financial assets	(728,627)	(200,137)	4,076	(107,161)	(658,991)	(72,158)	(1,762,998)
Share of profit of associate and loss on its disposal	-	-	-	-	-	9,180	9,180
Taxation charge	12,659	(24,073)	(24,515)	-	(179,693)	(3,907)	(219,529)
Group profit for the period	613,293	1,231,144	(52,169)	211,590	641,554	(323,191)	2,322,221
Segment Assets	314,167,706	61,134,200	124,992,260	68,101,138	125,479,168	1,184,351	695,058,823
Segment Liabilities and Equity	185,440,402	172,318,556	29,482,154	58,378,339	114,287,271	135,152,101	695,058,823

21 RELATED PARTY TRANSACTIONS

Emirates NBD Group is partly owned by Investment Corporation of Dubai (55.75%), a company in which the Government of Dubai is the majority shareholder.

Deposits from and loans to government related entities, other than those that have been individually disclosed, amount to 6% (December 2021: 5%) and 9% (December 2021: 6%) respectively, of the total deposits and loans of the Group.

These entities are independently run business entities, and all financial dealings with the Group are on normal commercial terms.

The Group has also entered into transactions with certain other related parties who are non-government related entities. Such transactions were also made on substantially the same terms, including interest rates and collateral, as those prevailing at the same time for comparable transactions with third parties and do not involve more than a normal amount of risk.

Related party balances and transactions are carried out on normal commercial terms and are as follows:

	Unaudited 31 March 2022 AED 000	Audited 31 December 2021 AED 000
	-----	-----
<u>Loans and receivables:</u>		
To majority shareholder of the parent	134,463,267	148,117,393
To parent	1,498,839	1,273,898
To directors and related companies	850,195	872,993
	-----	-----
	136,812,301	150,264,284
	=====	=====
<u>Customer and Islamic deposits:</u>		
From majority shareholder of the parent	5,439,515	5,367,019
From parent	1,078,482	1,967,593
	-----	-----
	6,517,997	7,334,612
	=====	=====
Investment in Government of Dubai bonds	6,505,893	6,481,084

21 RELATED PARTY TRANSACTIONS (CONTINUED)

	Unaudited three months period ended	Unaudited three months period ended
	31 March 2022	31 March 2021
	AED 000	AED 000
Payments made to associates	-	84
Payments made to other related parties	-	17,180
Fees received in respect of funds managed by the Group	6,562	4,985
Directors sitting fee	3,129	4,794

The total amount of compensation paid to key management personnel of the Group during the period was as follows:

	Unaudited three months period ended	Unaudited three months period ended
	31 March 2022	31 March 2021
	AED 000	AED 000
<u>Key management compensation:</u>		
Short term employment benefits	53,460	42,848
Post employment benefits	480	457

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

22 NOTES TO THE GROUP CONSOLIDATED CASH FLOW STATEMENT

	Unaudited three months period ended 31 March 2022 AED 000	Unaudited three months period ended 31 March 2021 AED 000
(a) Analysis of changes in cash and cash equivalents during the period		
Balance at beginning of period	28,732,343	20,911,912
Net cash inflow/(outflow)	2,225,645	11,107,057
Balance at end of period	<u>30,957,988</u>	<u>32,018,969</u>
(b) Analysis of cash and cash equivalents		
Cash and deposits with Central Banks	67,690,034	87,789,343
Due from banks	53,812,350	43,178,195
Due to banks	(39,712,836)	(52,628,774)
	<u>81,789,548</u>	<u>78,338,764</u>
Less: deposits with Central Banks for regulatory purposes	(42,677,110)	(41,184,611)
Less: certificates of deposits with Central Banks maturing after three months	(1,000,000)	(15,000,000)
Less: amounts due from banks maturing after three months	(33,708,788)	(26,238,581)
Add: amounts due to banks maturing after three months	26,554,338	36,103,397
	<u>30,957,988</u>	<u>32,018,969</u>

22 NOTES TO THE GROUP CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

	Unaudited three months period ended 31 March 2022 AED 000	Unaudited three months period ended 31 March 2021 AED 000
	-----	-----
(c) Adjustment for non cash and other items		
Impairment loss / (reversal) on cash and deposits with central banks	883	(734)
Impairment loss / (reversal) on due from banks	47,250	(13,860)
Impairment loss / (reversal) on investment securities	8,233	(3,906)
Impairment loss / (reversal) on loans and receivables	1,444,272	1,915,902
Impairment loss / (reversal) on unfunded exposures	24,971	(73,162)
Amortisation of fair value	29,527	36,593
(Discount) / premium on Investment securities	(41,838)	(11,429)
Unrealised foreign exchange loss / (gain)	418,398	1,142,575
Amortisation of intangibles	40,824	40,824
Depreciation / impairment on property and equipment / Investment property	180,541	193,416
Share of profit of associate	-	(9,180)
Dividend income on equity investments	(4,692)	(8,364)
Unrealized (gain) / loss on investments	23,766	18,746
Unrealized (gain) / loss on FV Hedged item	(1,014,516)	(1,281,202)
Gain on sale of properties (inventories)	396	(394)
	-----	-----
	<u>1,158,015</u>	<u>1,945,825</u>

23 ASSETS AND LIABILITIES MEASURED AT FAIR VALUEFair Value of assets and liabilities

The table below analyses assets and liabilities measured at fair value on a recurring basis. The different levels in the fair value hierarchy have been defined as follows:

- Level 1: quoted prices (unadjusted) in principal markets for identified assets or liabilities.
- Level 2: valuation using inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: valuation using inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

<u>Unaudited 31 March 2022</u>	Level 1	Level 2	Level 3	Total
	AED 000	AED 000	AED 000	AED 000
<u>Investment Securities</u>				
Trading securities at FVTPL	2,839,752	-	-	2,839,752
FVOCI - debt instruments	20,774,733	17,261	-	20,791,994
FVOCI - equity instruments	451,146	872	101,008	553,026
Designated at FVTPL	97,074	-	147,844	244,918
	24,162,705	18,133	248,852	24,429,690
<u>Derivatives</u>				
<u>Positive fair value of derivatives</u>				
Derivatives held for trading	-	10,528,362	-	10,528,362
Derivatives held as cash flow hedges	-	160,812	-	160,812
Derivatives held as fair value hedges	-	187,442	-	187,442
Derivatives held as hedge of a net investment in foreign operations	-	4,456	-	4,456
	-	10,881,072	-	10,881,072
<u>Negative fair value of derivatives</u>				
Derivatives held for trading	-	(9,162,900)	-	(9,162,900)
Derivatives held as cash flow hedges	-	(485,534)	-	(485,534)
Derivatives held as fair value hedges	-	(1,818,738)	-	(1,818,738)
Derivatives held as hedge of a net investment in foreign operations	-	(12,236)	-	(12,236)
	-	(11,479,408)	-	(11,479,408)
	24,162,705	(580,203)	248,852	23,831,354
Audited 31 December 2021	19,944,467	1,489,739	253,307	21,687,513

23 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE (CONTINUED)

The following table shows a reconciliation from the beginning balances to the ending balances for the fair value measurements in Level 3 of the fair value hierarchy.

	Trading securities at FVTPL	Designated at FVTPL	FVOCI – debt instrument	FVOCI– equity instrument	Total
	AED 000	AED 000	AED 000	AED 000	AED 000
Balance as at 1 January 2022	-	152,359	-	100,948	253,307
Total gains or losses:					
- in profit or loss	-	(4,515)	-	-	(4,515)
- in other comprehensive income	-	-	-	(74)	(74)
Purchases	-	-	-	-	-
Settlements and other adjustments	-	-	-	134	134
Balance as at 31 March 2022 (unaudited)	-	147,844	-	101,008	248,852
Balance as at 31 December 2021 (audited)	-	152,359	-	100,948	253,307

The fair value of financial instruments classified as level 3 are, in certain circumstances, measured using valuation techniques that incorporate assumptions that are not evidenced by the prices from observable current market transactions in the same instrument and are not based on observable market data. The Group employs valuation techniques, depending on the instrument type and available market data. For example, in the absence of active market, an investment's fair value is estimated on the basis of an analysis of the investee's financial position and results, risk profile and other factors. Favourable and unfavourable changes in the value of financial instruments are determined on the basis of changes in the value of the instruments as a result of varying the levels of the unobservable parameters, quantification of which is judgmental.

During the period ended 31 March 2022 no financial assets measured at FVOCI were transferred from Level 1 to Level 2 or from Level 2 to Level 1 (2021: AED Nil).

For comparative information please refer to the Group's consolidated financial statements for the year ended 31 December 2021.

24 RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2021.

Stage-wise financing exposures and the related ECL as at 31 March 2022 are given below:

(Gross carrying amounts)
Loans and receivables

AED 000
31 March 2022

	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit-impaired	Total
Balance at 1 January	399,020,797	31,277,352	29,159,717	459,457,866
Transfers from stage 1	(3,605,161)	3,523,121	82,040	-
Transfers from stage 2	1,903,347	(3,452,649)	1,549,302	-
Transfers from stage 3	-	166,428	(166,428)	-
New financial assets, net of repayments and others	4,680,601	228,117	(882,266)	4,026,452
Amounts written off during the period	-	-	(254,065)	(254,065)
Total gross loans and receivables*	401,999,584	31,742,369	29,488,300	463,230,253
Expected credit losses	(3,766,730)	(6,970,864)	(27,142,157)	(37,879,751)
Carrying amount	398,232,854	24,771,505	2,346,143	425,350,502

AED 000
31 March 2021

	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit-impaired	Total
Balance at 1 January	421,733,474	26,974,892	29,817,914	478,526,280
Transfers from stage 1	(7,362,514)	7,312,555	49,959	-
Transfers from stage 2	1,632,768	(3,339,607)	1,706,839	-
Transfers from stage 3	-	408,785	(408,785)	-
New financial assets, net of repayments and others	(4,849,175)	837,505	(1,842,336)	(5,854,006)
Amounts written off during the period	-	-	(466,772)	(466,772)
Total gross loans and receivables*	411,154,553	32,194,130	28,856,819	472,205,502
Expected credit losses	(4,487,112)	(6,907,759)	(24,708,331)	(36,103,202)
Carrying amount	406,667,441	25,286,371	4,148,488	436,102,300

*The credit-impaired loans and receivables of AED 29,488 million (2021: AED 29,160 million) comprises of AED 28,503 million (2021: AED 28,138 million) credit-impaired loans and receivables and AED 985 million (2021: AED 1,022 million) classified as POCI acquired at fair value.

24 RISK MANAGEMENT (CONTINUED)**Amounts arising from ECL**

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

Loans and receivables**AED 000****31 March 2022**

	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit-impaired	Total
Balance at 1 January	3,847,334	6,929,276	26,408,866	37,185,476
Transfers from stage 1	(160,711)	159,500	1,211	-
Transfers from stage 2	212,175	(1,005,970)	793,795	-
Transfers from stage 3	-	89,100	(89,100)	-
Allowances / (reversals) made during the period	(78,346)	952,511	1,027,978	1,902,143
Write back / recoveries made during the period	-	-	(457,871)	(457,871)
Amounts written off during the period	-	-	(254,065)	(254,065)
Exchange and other adjustments	(53,722)	(153,553)	(288,657)	(495,932)
Closing Balance	3,766,730	6,970,864	27,142,157	37,879,751

AED 000**31 March 2021**

	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit-impaired	Total
Balance at 1 January	4,612,683	5,697,198	24,674,930	34,984,811
Transfers from stage 1	(205,496)	201,018	4,478	-
Transfers from stage 2	194,538	(634,979)	440,441	-
Transfers from stage 3	-	98,326	(98,326)	-
Allowances / (reversals) made during the period	(97,278)	1,636,496	508,648	2,047,866
Write back / recoveries made during the period	-	-	(131,964)	(131,964)
Amounts written off during the period	-	-	(466,772)	(466,772)
Exchange and other adjustments	(17,335)	(90,300)	(223,104)	(330,739)
Closing Balance	4,487,112	6,907,759	24,708,331	36,103,202

Deferral amounts of UAE customers

As at 31 March 2022, the total deferrals provided to customers was AED 10.7 billion (2021: AED 10.7 billion). AED 8.6 billion has been repaid till date. Total active deferrals amounted to AED 2.1 billion (2021: AED 2.5 billion). Active deferrals for Corporate and Institutional Banking amount to AED 1.3 billion and Retail Banking and Wealth Management AED 0.8 billion.

Total number of customers supported is 134,178 customers out of which 133,614 relate to Retail Banking and Wealth Management and 564 relate to Corporate and Institutional Banking.

25 IBOR TRANSITION (INTEREST RATE BENCHMARK REFORMS)

The Group closely monitors the market and the output from the various industry working groups managing the transition to new benchmark interest rates. GBP LIBOR has already transitioned to SONIA and management continues to run the project on the Group's transition activities on USD LIBOR to SOFR and engages with various stakeholders to support an orderly transition and to mitigate the risks resulting from the transition. The project is significant in terms of scale and complexity and will impact products, internal systems and processes.

The Group's exposures to USD and GBP Libor including hedging instruments and hedged items is not materially different from those disclosed in the Group consolidated financial statements as at 31 December 2021.