



## **Al Ahli Bank of Kuwait (UAE Branches)**

### **Basel III - Pillar III Disclosures**

**30-June-25**

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## **1 General Information / ABK Group Structure**

The Group structure consists of Al Ahli Bank of Kuwait K.S.C.P. (“the Bank”) and its wholly-owned subsidiary, Ahli Capital Investment Company K.S.C.C (“the Subsidiary”) and Al Ahli Bank of Kuwait - Egypt (together “the Group”) which are engaged in commercial banking activities of corporate banking, retail banking, international banking, treasury services and investment activities and advisory services. The Bank and the Subsidiary are headquartered in Kuwait. The Bank has a significant investment in Credit One Kuwait Holding Company K.S.C., which is classified as an associate and located in Kuwait.

The Basel III Pillar III Disclosure herein pertains to the activities of ABK UAE and all numbers are stated in AED thousands unless stated otherwise.

## **2 Pillar III disclosures**

Al Ahli Bank of Kuwait KSCP, UAE (ABK UAE, the Bank, the Branches) Basel Pillar III disclosures have been prepared in accordance with the guidelines prescribed by the Central Bank of the UAE (CBUAE) wherein the UAE banks are required to follow Standardised approaches for Pillar I minimum capital requirement i.e. Capital adequacy ratio to be at 13% or above, conduct Pillar II Supervisory Review and Evaluation Process (SREP) to assess internal Capital adequacy and Pillar III requirements to complement the other two pillars to focus on enhanced transparency of information disclosure, covering risk and capital management.

ABK UAE has adopted these guidelines in its capital adequacy assessment and management of all material risks covered under Pillar I and Pillar II:

- The Bank maintains a capital adequacy ratio at a minimum of 13 per cent.
- The Bank adopts the Standardised Approach for implementing Basel III
- The Bank conducts an Internal Capital assessment for all material risks (Pillar II risks) under the Internal Capital Adequacy Assessment Process (ICAAP). These risks include credit concentration risk, Credit Risk Mitigation CRM risks, operational risk, legal risk, interest rate risk, liquidity risk, strategic risk, reputation risk etc.
- The Bank conducts stress testing of its one year forward business projections under different scenarios and assess the impact on capital adequacy and profitability.
- The Bank provides timely, accurate, relevant and adequate disclosures of qualitative and quantitative information that enable users to assess its activities and risk profile. The following public disclosures are made in line with the requirements of the Central Bank of UAE.

These disclosures provide qualitative and quantitative information on risk management objectives and practices, capital management and capital adequacy to enable users to assess the Bank’s activities and risk profile. The following public disclosures are made in line with the requirements of the Central Bank of UAE (standardized approach) and include:

- Risk weighted assets of the ABK UAE - credit risk, market risk and operational risk
- Credit risk profile of gross credit exposure by counterparty classifications and ratings profile basis, gross credit exposure, credit risk mitigation and impaired loans by economic activity, geographical region and maturity

### 3 Capital Structure

The Central Bank of the UAE sets and monitors capital requirements for the branches of foreign banks.

ABK UAE, calculates its Capital Adequacy Ratio in line with the guidelines issued by the Central Bank of the UAE. The minimum capital adequacy ratio prescribed by the CBUAE was set to be maintained at 13.0% , at all times of Risk Weighted Assets (RWA), calculated as per the guidelines. Being branches of the Group the capital support remains at all times from the Parent entity.

ABK UAE's regulatory capital comprises of two tiers:

- Tier 1 Capital, which primarily include common Equity Tier 1 CET1 capital comprising of share capital, statutory reserve, other reserves and retained earnings, after deductions for goodwill and intangible assets, if any.
- Tier 2 Capital, which includes general provision of RWA under standardized approach (subject to maximum of 1.25 per cent of total credit risk weighted assets).

### 4 Capital Management

ABK UAE follows the Group capital management philosophy aimed at maintaining an optimum level of capital to enable it to pursue strategies that build long-term shareholder value, whilst always meeting minimum Pillar I as well as Pillar II capital requirements. The Pillar II capital requirements for ABK-UAE are also assessed similar to the Group's internal estimate of the capital required to cover all the material risks, including those which are not captured under Pillar I capital and these risks include credit concentration risk, interest rate risk in the banking book, liquidity risk, legal risk, residual operational risk, strategic risk and reputation risk.

The Group manages its capital in an integrated manner with the aim of maintaining strong capital ratios and high ratings. This calls for a balanced approach: maintaining capital levels that are sufficient to provide a high return to shareholders; meeting the requirements of regulators, rating agencies and other stakeholders (including deposit holders ), while supporting future business growth. The cost of capital and its composition in terms of its quality and stability is also considered.

The Pillar I Capital Adequacy report is prepared by the Financial Control Division at UAE, the Pillar II charges and stress testing is conducted jointly by the Risk Management in UAE with the Group Risk Management in Kuwait. The ICAAP assessment has a strong governance process in place with Financial Control responsible for accuracy of input data and Group Internal Audit responsible for compliance with the Group policies. The Group Risk Management has an independent ICAAP unit responsible for reviewing the Pillar 2 models, consolidating the results and ensuring relevant reconciliation and accuracy of data.

### 5 Overview of Risk Management and RWA

#### 5.1 Table KM1: Key metrics

		a	b	c	d	e
		Jun-25	Mar-25	Dec-24	Sep-24	Jun-24
	<b>Available capital (amounts)</b>					
1	Common Equity Tier 1 (CET1)	809,354	813,230	813,891	771,998	758,858
1a	Fully loaded ECL accounting model	809,354	813,230	813,891	771,998	758,858
2	Tier 1	809,354	813,230	813,891	771,998	758,858
2a	Fully loaded ECL accounting model Tier 1	809,354	813,230	813,891	771,998	758,858
3	Total capital	845,791	849,485	853,224	803,480	789,434
3a	Fully loaded ECL accounting model total capital	845,791	849,485	853,224	803,480	789,434

**Pillar III Disclosures under the Capital Adequacy standards (Standardised approach) issued by Central Bank of UAE for the year ended 30<sup>th</sup> June 2025**

	<b>Risk-weighted assets (amounts)</b>					
4	Total risk-weighted assets (RWA)	3,148,935	3,134,626	3,380,518	2,699,381	2,626,552
	<b>Risk-based capital ratios as a percentage of RWA</b>					
5	Common Equity Tier 1 ratio (%)	25.70%	25.94%	24.08%	28.60%	28.89%
5a	Fully loaded ECL accounting model CET1 (%)	25.70%	25.94%	24.08%	28.60%	28.89%
6	Tier 1 ratio (%)	25.70%	25.94%	24.08%	28.60%	28.89%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	25.70%	25.94%	24.08%	28.60%	28.89%
7	Total capital ratio (%)	26.86%	27.10%	25.24%	29.77%	30.06%
7a	Fully loaded ECL accounting model total capital ratio (%)	26.86%	27.10%	25.24%	29.77%	30.06%
	<b>Additional CET1 buffer requirements as a percentage of RWA</b>					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)					
10	Bank D-SIB additional requirements (%)					
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	16.36%	16.60%	14.74%	19.27%	19.56%
	<b>Leverage Ratio</b>					
13	Total leverage ratio measure	12,074,103	10,489,795	10,995,928	9,643,111	10,060,277
14	Leverage ratio (%) (row 2/row 13)	6.7%	7.8%	7.4%	8.0%	7.5%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	6.7%	7.8%	7.4%	8.0%	7.5%
14 b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	6.70%	7.75%	7.40%	8.01%	7.54%
	<b>Liquidity Coverage Ratio</b>					
15	Total HQLA					
16	Total net cash outflow					
17	LCR ratio (%)					
	<b>Net Stable Funding Ratio</b>					
18	Total available stable funding					
19	Total required stable funding					
20	NSFR ratio (%)					
	<b>ELAR</b>					
21	Total HQLA	2,232,383	2,162,838	1,886,166	1,739,122	2,003,040
22	Total liabilities	10,326,700	8,666,134	9,304,979	8,361,250	8,732,888
23	Eligible Liquid Assets Ratio (ELAR) (%)	21.62%	24.96%	20.27%	20.80%	22.94%
	<b>ASRR</b>					
24	Total available stable funding	5,911,846	5,730,455	6,182,439	5,445,584	5,508,058
25	Total Advances	5,165,859	4,284,249	4,994,656	4,116,229	4,065,473
26	Advances to Stable Resources Ratio (%)	87.38%	74.76%	80.79%	75.59%	73.81%

5.2 Table OV1: Overview of RWA

		a	b	c	d
		RWA			Minimum capital requirements
		Jun-25	Mar-25	Dec-24	Jun-25
1	Credit risk (excluding counterparty credit risk)	2,775,906	2,776,915	3,034,190	291,470
2	Of which: standardised approach (SA)	2,775,906	2,776,915	3,034,190	291,470
3	Of which: foundation internal ratings-based (F-IRB) approach				
4	Of which: supervisory slotting approach				
5	Of which: advanced internal ratings-based (A-IRB) approach				
6	Counterparty credit risk (CCR)	134,472	115,327	102,766	14,120
7	Of which: standardised approach for counterparty credit risk	134,472	115,327	102,766	14,120
8	Of which: Internal Model Method (IMM)				
9	Of which: other CCR				
10	Credit valuation adjustment (CVA)	4,600	8,163	9,688	483
11	Equity positions under the simple risk weight approach				
12	Equity investments in funds - look-through approach				
13	Equity investments in funds - mandate-based approach				
14	Equity investments in funds - fall-back approach				
15	Settlement risk				
16	Securitisation exposures in the banking book				
17	Of which: securitisation internal ratings-based approach (SEC-IRBA)				
18	Of which: securitisation external ratings-based approach (SEC-ERBA)				
19	Of which: securitisation standardised approach (SEC-SA)				
20	Market risk	1,803	2,066	1,719	189
21	Of which: standardised approach (SA)	1,803	2,066	1,719	189
22	Of which: internal models approach (IMA)				
23	Operational risk	232,155	232,155	232,156	24,376
24	Amounts below thresholds for deduction (subject to 250% risk weight)				
25	Floor adjustment				
26	<b>Total (1+6+10+11+12+13+14+15+16+20+23)</b>	<b>3,148,935</b>	<b>3,134,626</b>	<b>3,380,518</b>	<b>330,638</b>

## 6 Composition of Capital

### 6.1 Table CC1: Composition of regulatory capital

	a	b
	Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
<b>Common Equity Tier 1 capital: instruments and reserves</b>		
Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	690,000	Same as from CC2 template
Retained earnings	78,918	
Accumulated other comprehensive income (and other reserves)	44,236	
<i>Directly issued capital subject to phase-out from CET1 (only applicable to non-joint stock companies)</i>		
Common share capital issued by third parties (amount allowed in group CET1)		
<b>Common Equity Tier 1 capital before regulatory deductions</b>	<b>813,154</b>	
<b>Common Equity Tier 1 capital regulatory adjustments</b>		
Prudent valuation adjustments		
Goodwill (net of related tax liability)		CC2 (a) minus (d)
Other intangibles including mortgage servicing rights (net of related tax liability)	(3,800)	CC2 (a) minus (d)
Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	-	
Cash flow hedge reserve		
Securitisation gain on sale		
Gains and losses due to changes in own credit risk on fair valued liabilities		
Defined benefit pension fund net assets		
Investments in own shares (if not already subtracted from paid-in capital on reported balance sheet)		
Reciprocal cross-holdings in CET1, AT1, Tier 2		
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)		
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)		
Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)		
Amount exceeding 15% threshold		
Of which: significant investments in the common stock of financials		
Of which: deferred tax assets arising from temporary differences		
CBUAE specific regulatory adjustments		

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<b>Total regulatory adjustments to Common Equity Tier 1</b>	(3,800)	
<b>Common Equity Tier 1 capital (CET1)</b>	809,354	
<b>Additional Tier 1 capital: instruments</b>		
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	0	
Of which: classified as equity under applicable accounting standards		
Of which: classified as liabilities under applicable accounting standards		
<i>Directly issued capital instruments subject to phase-out from additional Tier 1</i>		
Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in AT1)		
<i>Of which: instruments issued by subsidiaries subject to phase-out</i>		
Additional Tier 1 capital before regulatory adjustments		
<b>Additional Tier 1 capital: regulatory adjustments</b>		
Investments in own additional Tier 1 instruments		
Investments in capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation		
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation		
CBUAE specific regulatory adjustments		
Total regulatory adjustments to additional Tier 1 capital		
<b>Additional Tier 1 capital (AT1)</b>	<b>0</b>	
<b>Tier 1 capital (T1= CET1 + AT1)</b>	<b>809,354</b>	
<b>Tier 2 capital: instruments and provisions</b>		
Directly issued qualifying Tier 2 instruments plus related stock surplus		
<i>Directly issued capital instruments subject to phase-out from Tier 2</i>		
Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 30) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		
<i>Of which: instruments issued by subsidiaries subject to phase-out</i>		
Provisions	36,437	1.25% of CRWA
<b>Tier 2 capital before regulatory adjustments</b>	<b>36,437</b>	
<b>Tier 2 capital: regulatory adjustments</b>		
Investments in own Tier 2 instruments		
Investments in capital, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		
Significant investments in the capital, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		
CBUAE specific regulatory adjustments		
<b>Total regulatory adjustments to Tier 2 capital</b>	<b>0</b>	
<b>Tier 2 capital (T2)</b>	<b>36,437</b>	
<b>Total regulatory capital (TC = T1 + T2)</b>	<b>845,791</b>	

**Pillar III Disclosures under the Capital Adequacy standards (Standardised approach) issued by Central Bank of UAE for the year ended 30<sup>th</sup> June 2025**

<b>Total risk-weighted assets</b>	3,148,935	
<b>Capital ratios and buffers</b>		
<b>Common Equity Tier 1 (as a percentage of risk-weighted assets)</b>	25.70%	
<b>Tier 1 (as a percentage of risk-weighted assets)</b>	25.70%	
<b>Total capital (as a percentage of risk-weighted assets)</b>	26.86%	
<b>Institution specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)</b>	0	
<b>Of which: capital conservation buffer requirement</b>	2.50%	
<b>Of which: bank-specific countercyclical buffer requirement</b>		
<b>Of which: higher loss absorbency requirement (e.g. DSIB)</b>		
<b>Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirement.</b>	16.36%	
<b>The CBUAE Minimum Capital Requirement</b>		
Common Equity Tier 1 minimum ratio	7.00%	
Tier 1 minimum ratio	8.50%	
Total capital minimum ratio	10.50%	
<b>Amounts below the thresholds for deduction (before risk weighting)</b>		
Significant investments in common stock of financial entities	0	
Deferred tax assets arising from temporary differences (net of related tax liability)	0	
<b>Applicable caps on the inclusion of provisions in Tier 2</b>		
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	41,639	
Cap on inclusion of provisions in Tier 2 under standardised approach	36,437	
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)</b>		
<i>Current cap on CET1 instruments subject to phase-out arrangements</i>		
<i>Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)</i>		
<i>Current cap on AT1 instruments subject to phase-out arrangements</i>		
<i>Amount excluded from AT1 due to cap (excess after redemptions and maturities)</i>		
<i>Current cap on T2 instruments subject to phase-out arrangements</i>		
<i>Amount excluded from T2 due to cap (excess after redemptions and maturities)</i>		

**6.2 Table CCA: Main features of regulatory capital instruments**

		Quantitative / qualitative information
1	Issuer	Designated capital from Head Office
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	
3	Governing law(s) of the instrument	
	Regulatory treatment	
4	Transitional arrangement rules (i.e. grandfathering)	
5	Post-transitional arrangement rules (i.e. grandfathering)	
6	Eligible at solo/group/group and solo	
7	Instrument type (types to be specified by each jurisdiction)	
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	
9	Nominal amount of instrument	
9a	Issue price	
9b	Redemption price	
10	Accounting classification	
11	Original date of issuance	
12	Perpetual or dated	
13	Original maturity date	
14	Issuer call subject to prior supervisory approval	
15	Optional call date, contingent call dates and redemption amount	
16	Subsequent call dates, if applicable	
	Coupons / dividends	
17	Fixed or floating dividend/coupon	
18	Coupon rate and any related index	
19	Existence of a dividend stopper	
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	
21	Existence of step-up or other incentive to redeem	
22	Non-cumulative or cumulative	
23	Convertible or non-convertible	
24	Writedown feature	
25	If writedown, writedown trigger(s)	
26	If writedown, full or partial	
27	If writedown, permanent or temporary	
28	If temporary write-own, description of writeup mechanism	
28a	Type of subordination	

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29	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	
30	Non-compliant transitioned features	
31	If yes, specify non-compliant features	

## 7 Leverage Ratio

### 7.1 Table LR2: Leverage ratio common disclosure

In AED'000		a	b	c
		Jun-25	Mar-25	Dec-24
<b>On-balance sheet exposures</b>				
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	8,609,835	7,473,441	7,917,015
2	Gross-up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework			
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)			
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)			
5	(Specific and general provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital)			
6	(Asset amounts deducted in determining Tier 1 capital)	(3,800)	(4,151)	
7	<b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)</b>	8,606,035	7,469,290	7,917,015
<b>Derivative exposures</b>				
8	Replacement cost associated with <i>all</i> derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	11,581	5,342	2,384
9	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	265,049	334,144	311,321
10	(Exempted CCP leg of client-cleared trade exposures)			
11	Adjusted effective notional amount of written credit derivatives			
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)			
13	<b>Total derivative exposures (sum of rows 8 to 12)</b>	276,630	339,486	313,705
<b>Securities financing transactions</b>				
14	Gross SFT <i>assets</i> (with no recognition of netting), after adjusting for sale accounting transactions			
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)			
16	CCR exposure for SFT assets			
17	Agent transaction exposures			
18	<b>Total securities financing transaction exposures (sum of rows 14 to 17)</b>	-	-	-

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Other off-balance sheet exposures				
19	Off-balance sheet exposure at gross notional amount	4,344,239	4,049,227	3,665,654
20	(Adjustments for conversion to credit equivalent amounts)	(1,152,801)	(1,368,208)	(900,446)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)			
22	<b>Off-balance sheet items (sum of rows 19 to 21)</b>	3,191,438	2,681,019	2,765,208
Capital and total exposures				
23	<b>Tier 1 capital</b>	809,354	813,230	813,891
24	<b>Total exposures (sum of rows 7, 13, 18 and 22)</b>	12,074,103	10,489,795	10,995,928
Leverage ratio				
25	<b>Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)</b>	6.70%	7.75%	7.40%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)			
26	CBUAE minimum leverage ratio requirement	3%	3%	3%
27	<b>Applicable leverage buffers</b>	<b>3.70%</b>	<b>4.75%</b>	<b>4.40%</b>

## 8 Liquidity Risk Management

### 8.1 Table ELAR: Eligible Liquid Assets Ratio

1	High Quality Liquid Assets	Jun-25		Mar-25		Dec-24	
		Nominal amount	Eligible Liquid Asset	Nominal amount	Eligible Liquid Asset	Nominal amount	Eligible Liquid Asset
1.1	Physical cash in hand at the bank + balances with the CBUAE	1,996,592		1,927,725		1,668,166	
1.2	UAE Federal Government Bonds and Sukuks	0		0		0	
	Sub Total (1.1 to 1.2)	1,996,592	1,996,592	1,927,725	1,927,725	1,668,166	1,668,166
1.3	UAE local governments publicly traded debt securities	0		0		0	
1.4	UAE Public sector publicly traded debt securities	0		0		0	
	Sub total (1.3 to 1.4)	0	0	0	0	0	0
1.5	Foreign Sovereign debt instruments or instruments issued by their respective central banks	235,791	235,791	235,113	235,113	218,000	218,000
1.6	<b>Total</b>	<b>2,232,383</b>	<b>2,232,383</b>	<b>2,162,838</b>	<b>2,162,838</b>	<b>1,886,166</b>	<b>1,886,166</b>
2	Total liabilities		10,326,700		8,666,134		9,304,979
3	<b>Eligible Liquid Assets Ratio (ELAR)</b>		<b>21.62%</b>		<b>24.96%</b>		<b>20.27%</b>

## 8.2 Table ASRR: Advances to Stables Resource Ratio

	Items	Jun-25	Mar-25	Dec-24
<b>1</b>	<b>Computation of Advances</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
1.1	Net Lending (gross loans - specific and collective provisions + interest in suspense)	4,439,071	4,066,889	4,300,386
1.2	Lending to non-banking financial institutions	0	0	0
1.3	Net Financial Guarantees & Stand-by LC (issued - received)	44,575	45,077	51,582
1.4	Interbank Placements	682,213	172,283	642,688
<b>1.5</b>	<b>Total Advances</b>	<b>5,165,859</b>	<b>4,284,249</b>	<b>4,994,656</b>
<b>2</b>	<b>Calculation of Net Stable Resources</b>			
2.1	Total capital + general provisions	979,870	962,730	948,525
	<b>Deduct:</b>			
2.1.1	Goodwill and other intangible assets	3,800	4,151	4,141
2.1.2	Fixed Assets	24,500	24,180	24,413
2.1.3	Funds allocated to branches abroad	0	0	0
2.1.5	Unquoted Investments	0	0	0
2.1.6	Investment in subsidiaries, associates and affiliates	0	0	0
<b>2.1.7</b>	<b>Total deduction</b>	<b>28,300</b>	<b>28,331</b>	<b>28,554</b>
<b>2.2</b>	<b>Net Free Capital Funds</b>	<b>951,570</b>	<b>934,399</b>	<b>919,971</b>
<b>2.3</b>	<b>Other stable resources:</b>			
2.3.1	Funds from the head office	0	0	0
2.3.2	Interbank deposits with remaining life of more than 6 months	146,900	0	0
2.3.3	Refinancing of Housing Loans	0	0	0
2.3.4	Borrowing from non-Banking Financial Institutions	7,156	9,807	8,673
2.3.5	Customer Deposits	4,806,220	4,786,249	5,253,795
2.3.6	Capital market funding/ term borrowings maturing after 6 months from reporting date	0	0	0
<b>2.3.7</b>	<b>Total other stable resources</b>	<b>4,960,276</b>	<b>4,796,056</b>	<b>5,262,468</b>
<b>2.4</b>	<b>Total Stable Resources (2.2+2.3.7)</b>	<b>5,911,846</b>	<b>5,730,455</b>	<b>6,182,439</b>
<b>3</b>	<b>Advances TO STABLE RESOURCES RATIO (1.6/ 2.4*100)</b>	<b>87.38%</b>	<b>74.76%</b>	<b>80.79%</b>

## 9 Credit Risk Management

### 9.1 Table CR1: Credit quality of assets

(AED'000)		a	b	c	d	e	f
		Gross carrying values of		Allowances/ Impairments	Of which ECL accounting provisions for credit losses on SA exposures		Net values (a+b-c)
		Defaulted exposures	Non-defaulted exposures		Allocated in regulatory category of Specific	Allocated in regulatory category of General	
1	Loans	2,604	4,797,189	122,722	0	122,722	4,677,070
2	Debt securities	-	235,791	-	-	-	235,791
3	Off-balance sheet exposures	3,126	3,272,648	2,670	1,252	1,419	3,273,104
4	<b>Total</b>	<b>5,730</b>	<b>8,305,628</b>	<b>125,393</b>	<b>1,252</b>	<b>124,141</b>	<b>8,185,965</b>

### 9.2 Table CR2: Changes in stock of defaulted loans and debt securities

30-Jun-25		a
1	Defaulted loans and debt securities at the end of the previous reporting period	904
2	Loans and debt securities that have defaulted since the last reporting period	2,604
3	Returned to non-default status	
4	Amounts written off	-
5	Other changes	(904)
6	<b>Defaulted loans and debt securities at the end of the reporting period (1+2-3-4±5)</b>	<b>2,604</b>

## 10 Credit Risk Mitigation

### 10.1 Table CR4: Standardised approach - credit risk exposure and Credit Risk Mitigation (CRM) effects

30-Jun-25		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereigns and their central banks	3,603,757	-	3,603,757		-	0%
2	Public Sector Entities	378,261	-	378,261		378,261	100%
3	Multilateral development banks	-	-			-	
4	Banks	1,340,517	620	1,340,517	424	566,633	42%
5	Securities firms	-	-			-	

**Pillar III Disclosures under the Capital Adequacy standards (Standardised approach) issued by Central Bank of UAE for the year ended 30<sup>th</sup> June 2025**

6	Corporates	2,488,847	4,316,093	2,488,847	3,165,853	1,161,792	21%
7	Regulatory retail portfolios	2,231	-	2,231		1,914	86%
8	Secured by residential property	27,358	-	27,358		9,575	35%
9	Secured by commercial real estate	657,167	24,400	657,167	24,400	665,220	98%
10	Equity Investment in Funds (EIF)						
11	Past-due loans	2,606	3,126		4,480	2606	58%
12	Higher-risk categories	-	-			-	
13	Other assets	109,091	-	109,091		124,376	114%
14	<b>Total</b>	<b>8,609,835</b>	<b>4,344,239</b>	<b>8,607,229</b>	<b>3,195,157</b>	<b>2,910,378</b>	

**10.2 Table CR5: Standardised approach - exposures by asset classes and risk weights**

30-Jun-25		a	b	c	d	e	f	g	h	i
Risk Weight	Asset classes	0%	20%	35%	50%	75%	100%	150%	Others	Total credit exposures amount (post CCF and post-CRM)
		1	Sovereigns and their central banks	3,603,757						
2	Public Sector Entities						378,261			378,261
3	Multilateral development banks									-
4	Banks		346,124		994,817		-			1,340,941
5	Securities firms									-
6	Corporates	4,482,384	-		-		1,102,157		70,159	5,654,700
7	Regulatory retail portfolios	317				-	1,914			2,231
8	Secured by residential property			27,358						27,358
9	Secured by commercial real estate	16,347					665,220			681,567
10	Equity Investment in Funds (EIF)									-
11	Past-due loans	1,874			-		2,606			4,480
12	Higher-risk categories									-
13	Other assets	11,227	-				80,190		17,674	109,091
14	<b>Total</b>	<b>8,115,906</b>	<b>346,124</b>	<b>27,358</b>	<b>994,817</b>	<b>-</b>	<b>2,230,347</b>	<b>-</b>	<b>87,834</b>	<b>11,802,386</b>

## 11 Market Risk

### 11.1 Table MR1: Market risk under the standardised approach (SA)

		(AED'000)	a
		30-Jun-25	RWA
1	General Interest rate risk (General and Specific)		-
2	Equity risk (General and Specific)		-
3	Foreign exchange risk		1,803
4	Commodity risk		-
	Options		
5	Simplified approach		
6	Delta-plus method		
7			
8	Securitisation		
9	<b>Total</b>		<b>1,803</b>