

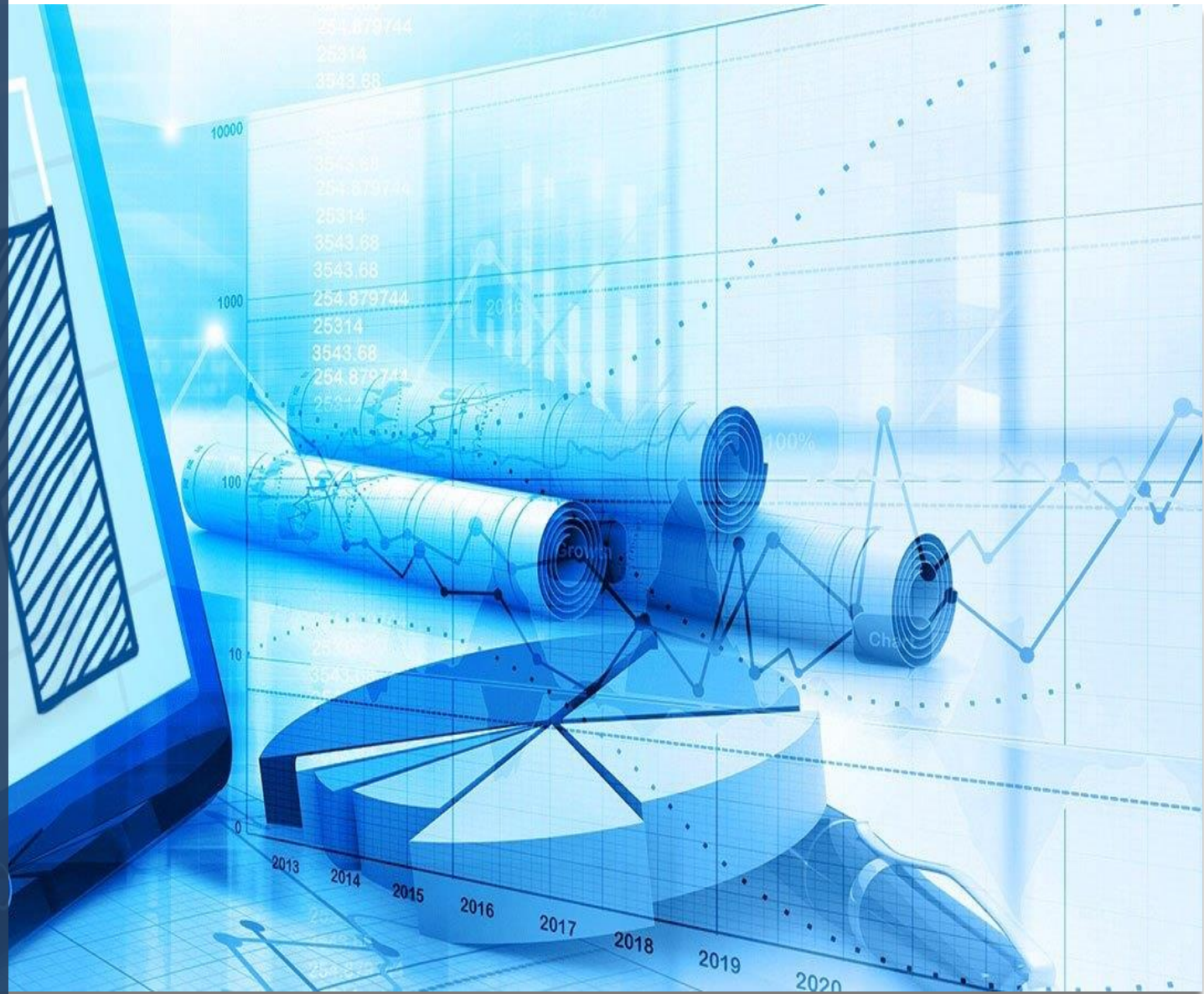
البنك العربي  
ARAB BANK



# ARAB BANK PLC

## RISK MANAGEMENT & PILLAR III DISCLOSURES

FOR THE PERIOD ENDED  
30 June 2025



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# **1. Overview, risk management, key prudential metrics and RWA:**

## **OVERVIEW**

### **Introduction**

The aim of the capital adequacy regime is to promote safety and soundness in the financial system. It is structured around three ‘pillars’: Pillar 1 on minimum capital requirements; Pillar 2 on the supervisory review process; and Pillar 3 on market discipline. Pillar 3 requires firms to publish a set of disclosures which allow market participants to assess the organization’s key prudential metrics, risk exposures and risk assessment process. The disclosures contained in this document cover the qualitative and quantitative disclosure requirements of Pillar 3, set out in the Notice No. CBUAE/BSN/2020/4980, and are mainly based on reviewed/audited financial statements as at 30 June 2025 with comparative figures for 31 March 2025 and 31 December 2024 where relevant. Some of the comparative figure disclosures have been represented to comply with the latest published standards.

### **Objective**

The objective of this report is to provide information on risk management in the Bank to relevant stakeholders and supervisory bodies. In particular, it describes the Bank’s capital adequacy and liquidity position.

### **Scope**

Arab Bank plc, United Arab Emirates Branches (interchangeably referred to as “AB UAE” or the “Bank”) was incorporated in the United Arab Emirates (“UAE”) as a commercial bank in 1971. The Head Office of the Branches is Arab Bank plc (interchangeably referred to as “HO” or the “Group”), a public shareholding bank, listed on the Amman Stock Exchange.

The Bank operates within the UAE through the following branches:

Abu Dhabi	2 branches
Dubai	4 branches
Sharjah	1 branch
Ras al-Khaimah	1 branch

Arab Bank – UAE Branches follows the pillar 1 of Basel III Standard and guideline to measure and calculate the required capital charges and subsequent Pillar III disclosures. The scope of regulatory consolidation represents the data prepared in Banking Return Forms (BRF) as well as the capital adequacy computation according to the CBUAE regulations and explanatory notes, while the consolidated financial statements represent the figures in the audited financial statements prepared according to applicable International Accounting Standards and related IFRSs. There are differences between the scope of regulatory reporting and audited financial statements, which mainly comprise of netting of provisions and interest in suspense as well as different classifications of asset line items.



## I. Key Metrics

The following table presents the breakdown of the Bank's key regulatory metrics, as measured and defined according to the CBUAE Basel & Liquidity Regulations.

Liquidity ratios (ELAR and ASRR) also remain well-buffered and trend comfortably against the binding requirements of 10% (floor) and 100% (cap) respectively.

		30-Jun-2025	31-Mar-2025	31-Dec-2024
		AED'000	AED'000	AED'000
<b>Available capital (amounts)</b>				
1	Common Equity Tier 1 (CET1)	2,963,480	2,806,822	2,696,988
1a	Fully loaded ECL accounting model	2,963,480	2,806,822	2,696,988
2	Tier 1	2,963,480	2,806,822	2,696,988
2a	Fully loaded ECL accounting model Tier 1	2,963,480	2,806,822	2,696,988
3	Total capital	3,200,148	3,038,586	2,913,651
3a	Fully loaded ECL accounting model total capital	3,200,148	3,038,586	2,913,651
<b>Risk-weighted assets (amounts)</b>				
4	Total risk-weighted assets (RWA)	20,506,347	20,109,422	18,549,617
<b>Risk-based capital ratios as a percentage of RWA</b>				
5	Common Equity Tier 1 ratio (%)	14.45%	13.96%	14.54%
5a	Fully loaded ECL accounting model CET1 (%)	14.45%	13.96%	14.54%
6	Tier 1 ratio (%)	14.45%	13.96%	14.54%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	14.45%	13.96%	14.54%
7	Total capital ratio (%)	15.61%	15.11%	15.71%
7a	Fully loaded ECL accounting model total capital ratio (%)	15.61%	15.11%	15.71%
<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%
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%
12	CET1 available after meeting the bank's minimum capital requirements (%)	5.11%	4.61%	5.21%
<b>Leverage Ratio</b>				
13	Total leverage ratio measure	33,111,112	31,714,993	29,942,760
14	Leverage ratio (%) (row 2/row 13)	8.95%	8.85%	9.01%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	8.95%	8.85%	9.01%
14b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	8.95%	8.85%	9.01%
<b>Liquidity Coverage Ratio</b>				
15	Total HQLA	-	-	-
16	Total net cash outflow	-	-	-
17	LCR ratio (%)	0%	0%	0%
<b>Net Stable Funding Ratio</b>				
18	Total available stable funding	-	-	-
19	Total required stable funding	-	-	-
20	NSFR ratio (%)	0%	0%	0%
<b>ELAR</b>				
21	Total HQLA	7,878,792	7,907,476	8,094,908
22	Total liabilities	21,305,784	20,865,090	19,852,176
23	Eligible Liquid Assets Ratio (ELAR) (%)	36.98%	37.90%	40.78%
<b>ASRR</b>				
24	Total available stable funding	21,161,877	20,666,527	19,603,757
25	Total Advances	14,621,806	14,037,828	13,345,347
26	Advances to Stable Resources Ratio (%)	69.10%	67.93%	68.08%



## II. Overview of RWA

The below table provides an overview of total RWA forming the denominator of the risk-based capital requirements

		RWA	RWA	Minimum capital requirements	Minimum capital requirements
		30-Jun-2025	31-Mar-2025	30-Jun-2025	31-Mar-2025
<b>AED'000</b>					
1	Credit risk (excluding counterparty credit risk)	<b>18,894,671</b>	18,490,424	<b>1,983,940</b>	1,941,495
2	Of which: standardised approach (SA)	<b>18,894,671</b>	18,490,424	<b>1,983,940</b>	1,941,495
3					
4					
5					
6	Counterparty credit risk (CCR)	<b>38,737</b>	50,686	<b>4,067</b>	5,322
7	Of which: standardised approach for counterparty credit risk	<b>38,737</b>	50,686	<b>4,067</b>	5,322
8	Of which: Internal Model Method (IMM)	-	-	-	-
9	Of which: other CCR	-	-	-	-
10	Credit valuation adjustment (CVA)	-	-	-	-
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					
18	Of which: securitisation external ratings-based approach (SEC-ERBA)	-	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-	-
20	Market risk	<b>37,121</b>	32,495	<b>3,898</b>	3,412
21	Of which: standardised approach (SA)	<b>37,121</b>	32,495	<b>3,898</b>	3,412
22					
23	Operational risk	<b>1,535,818</b>	1,535,818	<b>161,261</b>	161,261
24					
25					
26	<b>Total (1+6+10+11+12+13+14+15+16+20+23)</b>	<b>20,506,347</b>	20,109,423	<b>2,153,166</b>	2,111,489





## 2 Regulatory capital

### 2.1 Composition of regulatory capital

		30-Jun-2025	31-Dec-2024	Reference to CC2
	<b>Common Equity Tier 1 capital: instruments and reserves</b>	<b>AED'000</b>	<b>AED'000</b>	
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	620,704	620,704	CC2(c)
2	Retained earnings	2,012,462	1,746,061	
3	Accumulated other comprehensive income (and other reserves)	333,783	333,783	
4	<i>Directly issued capital subject to phase-out from CET1 (only applicable to non-joint stock companies)</i>	-	-	
5	Common share capital issued by third parties (amount allowed in group CET1)	-	-	
6	<b>Common Equity Tier 1 capital before regulatory deductions</b>	<b>2,966,949</b>	<b>2,700,548</b>	
	<b>Common Equity Tier 1 capital regulatory adjustments</b>			
7	Prudent valuation adjustments	-	-	
8	Goodwill (net of related tax liability)	-	-	CC2(a)
9	Other intangibles including mortgage servicing rights (net of related tax liability)	3,469	3,560	CC2(b)
10	Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	-	-	
11	Cash flow hedge reserve	-	-	
12	Securitisation gain on sale	-	-	
13	Gains and losses due to changes in own credit risk on fair valued liabilities	-	-	
14	Defined benefit pension fund net assets	-	-	
15	Investments in own shares (if not already subtracted from paid-in capital on reported balance sheet)	-	-	
16	Reciprocal cross-holdings in CET1, AT1, Tier 2	-	-	
17	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)	-	-	
18	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-	
19	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-	
20	Amount exceeding 15% threshold	-	-	
21	Of which: significant investments in the common stock of financials	-	-	
22	Of which: deferred tax assets arising from temporary differences	-	-	
23	CBUAE specific regulatory adjustments	-	-	
24	<b>Total regulatory adjustments to Common Equity Tier 1</b>	<b>3,469</b>	<b>3,560</b>	
25	<b>Common Equity Tier 1 capital (CET1)</b>	<b>2,963,480</b>	<b>2,696,988</b>	
	<b>Additional Tier 1 capital: instruments</b>			
26	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-	-	CC2(d)
27	Of which: classified as equity under applicable accounting standards	-	-	
28	Of which: classified as liabilities under applicable accounting standards	-	-	
29	<i>Directly issued capital instruments subject to phase-out from additional Tier 1</i>	-	-	
30	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in AT1)	-	-	
31	<i>Of which: instruments issued by subsidiaries subject to phase-out</i>	-	-	
32	<b>Additional Tier 1 capital before regulatory adjustments</b>	<b>-</b>	<b>-</b>	
	<b>Additional Tier 1 capital: regulatory adjustments</b>			
33	Investments in own additional Tier 1 instruments	-	-	
34	Investments in capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	
35	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	
36	CBUAE specific regulatory adjustments	-	-	
37	<b>Total regulatory adjustments to additional Tier 1 capital</b>	<b>-</b>	<b>-</b>	
38	<b>Additional Tier 1 capital (AT1)</b>	<b>-</b>	<b>-</b>	
39	<b>Tier 1 capital (T1= CET1 + AT1)</b>	<b>2,963,480</b>	<b>2,696,988</b>	
	<b>Tier 2 capital: instruments and provisions</b>			
40	Directly issued qualifying Tier 2 instruments plus related stock surplus	-	-	



41	Directly issued capital instruments subject to phase-out from Tier 2	0	0	
42	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)	-	-	
43	Of which: instruments issued by subsidiaries subject to phase-out	-	-	
44	Provisions	236,668	216,663	
45	<b>Tier 2 capital before regulatory adjustments</b>	<b>236,668</b>	<b>216,663</b>	
	<b>Tier 2 capital: regulatory adjustments</b>			
46	Investments in own Tier 2 instruments	-	-	
47	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)	-	-	
48	Significant investments in the capital, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	
49	CBUAE specific regulatory adjustments	-	-	
50	<b>Total regulatory adjustments to Tier 2 capital</b>	<b>-</b>	<b>-</b>	
51	<b>Tier 2 capital (T2)</b>	<b>236,668</b>	<b>216,663</b>	
52	<b>Total regulatory capital (TC = T1 + T2)</b>	<b>3,200,148</b>	<b>2,913,651</b>	
53	<b>Total risk-weighted assets</b>	<b>20,506,347</b>	<b>18,549,617</b>	
	<b>Capital ratios and buffers</b>			
54	<b>Common Equity Tier 1 (as a percentage of risk-weighted assets)</b>	<b>14.45%</b>	<b>14.54%</b>	
55	<b>Tier 1 (as a percentage of risk-weighted assets)</b>	<b>14.45%</b>	<b>14.54%</b>	
56	<b>Total capital (as a percentage of risk-weighted assets)</b>	<b>15.61%</b>	<b>15.71%</b>	
57	<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>	<b>2.50%</b>	<b>2.50%</b>	
58	<b>Of which: capital conservation buffer requirement</b>	<b>2.50%</b>	<b>2.50%</b>	
59	<b>Of which: bank-specific countercyclical buffer requirement</b>	-	-	
60	<b>Of which: higher loss absorbency requirement (e.g. DSIB)</b>	-	-	
61	<b>Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirement.</b>	<b>5.11%</b>	<b>5.21%</b>	
	<b>The CBUAE Minimum Capital Requirement</b>			
62	Common Equity Tier 1 minimum ratio	9.50%	9.50%	
63	Tier 1 minimum ratio	11.00%	11.00%	
64	Total capital minimum ratio	13.00%	13.00%	
	<b>Amounts below the thresholds for deduction (before risk weighting)</b>			
66	Significant investments in common stock of financial entities	-	-	
68	Deferred tax assets arising from temporary differences (net of related tax liability)	-	-	
	<b>Applicable caps on the inclusion of provisions in Tier 2</b>			
69	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	284,001	259,995	
70	Cap on inclusion of provisions in Tier 2 under standardised approach	236,668	216,663	
	<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)</b>			
73	Current cap on CET1 instruments subject to phase-out arrangements	-	-	
74	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-	
75	Current cap on AT1 instruments subject to phase-out arrangements	-	-	
76	Amount excluded from AT1 due to cap (excess after redemptions and maturities)	-	-	
77	Current cap on T2 instruments subject to phase-out arrangements	0	0	
78	Amount excluded from T2 due to cap (excess after redemptions and maturities)	(0)	(0)	



## 2.2 Reconciliation of regulatory capital to balance sheet

30 June 2025

	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As of period-end	As of period-end	
	AED'000	AED'000	
<b>Assets</b>			
Cash and balances with Central Bank <sup>1</sup>	3,062,094	7,860,430	
Due from banks	1,977,726	1,977,917	
Due from the Head Office and branches abroad	452,898	452,898	
Loans and advances <sup>2</sup>	13,090,648	13,964,235	
Other financial assets <sup>1</sup>	4,912,532	207,519	
Right-of-use assets	32,704	32,704	
Other Assets	743,696	774,766	
Deferred tax assets <sup>3</sup>	235,739	235,739	
Property and equipment	17,043	17,043	
Goodwill and other intangible assets	3,469	3,469	
Of which: goodwill	-	-	(a)
Of which: intangibles (excluding MSRs)	3,469	3,469	(b)
Of which: MSRs	-	-	(b)
<b>Total assets</b>	<b>24,528,549</b>	<b>25,526,720</b>	
<b>Liabilities</b>			
Due to banks	107,249	107,249	
Due to the Head Offices and branches abroad	65,475	65,475	
Customers' deposits	18,333,035	18,333,035	
Security deposits <sup>4</sup>	1,529,536	1,529,536	
Other liabilities	974,798	1,214,222	
Provisions <sup>2</sup>	149,977	908,724	
Lease Contracts Liability	29,688	29,688	
Subordinated loan	-	-	
Current and deferred tax liabilities	240	240	
<b>Total liabilities</b>	<b>21,189,998</b>	<b>22,188,169</b>	
<b>Shareholders' equity</b>			
Paid-in share capital	620,704	620,704	
Of which: amount eligible for CET1	620,704	620,704	(c)
Of which: amount eligible for AT1	-	-	(d)
Retained earnings <sup>5</sup>	2,198,000	2,202,205	
Statutory reserve	310,352	310,352	
Other reserves <sup>5</sup>	23,000	204,332	
Impairment Reserve <sup>5</sup>	185,537	-	
Accumulated other comprehensive income	958	958	
<b>Total shareholders' equity</b>	<b>3,338,551</b>	<b>3,338,551</b>	

<sup>1</sup>Classification of M-bills as other financial assets in the financial statements whereas under balances with central bank under regulatory capital adequacy calculation purposes.

<sup>2</sup> The main differences between the loans and advances' asset carrying value reported in the audited financial statements and regulatory reporting is due to netting of provisions and interest in suspense in the financial statements while the carrying amounts for regulatory purposes are reported on a gross basis before regulatory adjustments and exclude general provisions.

<sup>3</sup> Items which are subject to regulatory deductions from capital, such as intangible assets, deferred tax assets (subject to threshold deduction) which are excluded from the asset carrying value amount under scope of regulatory capital adequacy calculation.

<sup>4</sup> Under capital adequacy calculation, the cash margins are calculated on a coverage basis (i.e. whichever is less of exposure value and cash margin) while in the financials they are reported on gross basis.

<sup>5</sup> Variances in Retained earnings, other reserve and Impairment reserve are related to general impairment reserve treatment.





31 December 2024

	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As of period-end	As of period-end	
	AED'000	AED'000	
<b>Assets</b>			
Cash and balances with Central Bank <sup>1</sup>	2,880,708	8,076,545	
Due from banks	557,515	557,639	
Due from the Head Office and branches abroad	262,057	262,057	
Loans and advances <sup>2</sup>	12,405,835	13,274,057	
Other financial assets <sup>1</sup>	5,758,537	669,855	
Right-of-use assets	33,588	33,588	
Other Assets	654,154	654,154	
Deferred tax assets <sup>3</sup>	233,629	233,629	
Property and equipment	8,305	8,305	
Goodwill and other intangible assets	3,560	3,560	
Of which: goodwill	-	-	(a)
Of which: intangibles (excluding MSRs)	3,560	3,560	(b)
Of which: MSRs	-	-	(b)
<b>Total assets</b>	<b>22,797,888</b>	<b>23,773,389</b>	
<b>Liabilities</b>			
Due to banks	171,477	171,477	
Due to the Head Offices and branches abroad	101,560	101,560	
Customers' deposits	17,270,814	17,270,814	
Security deposits <sup>4</sup>	1,236,420	1,236,420	
Other liabilities	823,966	1,017,114	
Provisions <sup>2</sup>	125,033	907,386	
Lease Contracts Liability	30,597	30,597	
Subordinated loan <sup>5</sup>	-	-	
Current and deferred tax liabilities	240	240	
<b>Total liabilities</b>	<b>19,760,107</b>	<b>20,735,608</b>	
<b>Shareholders' equity</b>			
Paid-in share capital	620,704	620,704	
Of which: amount eligible for CET1	620,704	620,704	(c)
Of which: amount eligible for AT1	-	-	(d)
Retained earnings	1,914,414	1,914,414	
Statutory reserve	310,352	310,352	
Other reserves	23,000	23,000	
Impairment Reserve	168,353	168,353	
Accumulated other comprehensive income	958	958	
<b>Total shareholders' equity</b>	<b>3,037,781</b>	<b>3,037,781</b>	

<sup>1</sup> Classification of M-bills as other financial assets in the financial statements whereas under balances with central bank under regulatory capital adequacy calculation purposes.

<sup>2</sup> The main differences between the loans and advances' asset carrying value reported in the audited financial statements and regulatory reporting is due to netting of provisions and interest in suspense in the financial statements while the carrying amounts for regulatory purposes are reported on a gross basis before regulatory adjustments and exclude general provisions.

<sup>3</sup> Items which are subject to regulatory deductions from capital, such as intangible assets, deferred tax assets (subject to threshold deduction) which are excluded from the asset carrying value amount under scope of regulatory capital adequacy calculation.

<sup>4</sup> Under capital adequacy calculation, the cash margins are calculated on a coverage basis (i.e. whichever is less of exposure value and cash margin) while in the financials they are reported on gross basis.

<sup>5</sup> Subordinated debt is considered tier 2 capital subject to amortization



## 2.3 Main features of regulatory capital instruments

The summary of key characteristics of each instrument are in the below prescribed table:

30 June 2025		Share Capital
		Quantitative / qualitative information
1	Issuer	Arab Bank PLC - UAE Branches
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	N/A
3	Governing law(s) of the instrument	UAE
<b>Regulatory treatment</b>		
4	Transitional arrangement rules (i.e. grandfathering)	Common Equity Tier 1
5	Post-transitional arrangement rules (i.e. grandfathering)	Common Equity Tier 1
6	Eligible at solo/group/group and solo	Solo
7	Instrument type (types to be specified by each jurisdiction)	Share Capital
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	AED 621 Mn
9	Nominal amount of instrument	AED 621 Mn
9a	Issue price	100
9b	Redemption price	100
10	Accounting classification	Shareholder's Equity
11	Original date of issuance	Various
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
<b>Coupons / dividends</b>		
17	Fixed or floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	No
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	N/A
21	Existence of step-up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	Write-down feature	None
25	If write-down, write-down trigger(s)	N/A
26	If write-down, full or partial	N/A
27	If write-down, permanent or temporary	N/A
28	If temporary write-down, description of write-up mechanism	N/A
28a	Type of subordination	N/A
29	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	Unsubordinated creditors
30	Non-compliant transitioned features	No
31	If yes, specify non-compliant features	N/A



### 3.Leverage Ratio

#### 3.1 Summary comparison of accounting assets vs leverage ratio exposure

		30-Jun-2025	31-March-2025	31-Dec-2024
		AED'000	AED'000	AED'000
1	Total consolidated assets as per interim/audited reviewed financial statements	24,528,549	23,899,380	22,797,888
2	Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-	-	-
3	Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-	-	-
4	Adjustments for temporary exemption of central bank reserves (if applicable)	-	-	-
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-	-
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	-	-	-
7	Adjustments for eligible cash pooling transactions	-	-	-
8	Adjustments for derivative financial instruments	42,560	54,734	57,282
9	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	-	-	-
10	Adjustments for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	8,427,689	7,625,155	6,999,081
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-	-	-
12	Other adjustments	112,314	135,724	88,509
13	<b>Leverage ratio exposure measure</b>	<b>33,111,112</b>	<b>31,714,993</b>	<b>29,942,760</b>

Arab Bank UAE's leverage ratio remains comfortably above the 3% minimum requirement at 8.95% for Q2'25 (8.85% as of Q1'25).



### 3.2 Leverage ratio common disclosure template

		30-Jun-2025	31-Mar-2025	31-Dec-2024
		AED'000	AED'000	AED'000
<b>On-balance sheet exposures</b>				
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	24,644,333	24,038,664	22,889,957
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)	(3,469)	(3,560)	(3,560)
7	<b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)</b>	<b>24,640,864</b>	<b>24,035,104</b>	<b>22,886,397</b>
<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)	11,423	10,510	13,182
9	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	31,137	44,224	44,100
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>	<b>42,560</b>	<b>54,734</b>	<b>57,282</b>
<b>Securities financing transactions</b>				
14	Gross SFT assets (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>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other off-balance sheet exposures</b>				
19	Off-balance sheet exposure at gross notional amount	16,020,120	14,763,513	13,828,083
20	(Adjustments for conversion to credit equivalent amounts)	(7,592,432)	(7,138,358)	(6,829,002)
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>	<b>8,427,688</b>	<b>7,625,155</b>	<b>6,999,081</b>
<b>Capital and total exposures</b>				
23	<b>Tier 1 capital</b>	<b>2,963,480</b>	<b>2,806,822</b>	<b>2,696,988</b>
24	<b>Total exposures (sum of rows 7, 13, 18 and 22)</b>	<b>33,111,112</b>	<b>31,714,993</b>	<b>29,942,760</b>
<b>Leverage ratio</b>				
25	<b>Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)</b>	<b>8.95%</b>	<b>8.85%</b>	<b>9.01%</b>
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	8.95%	8.85%	9.01%
26	CBUAE minimum leverage ratio requirement	3%	3%	3%
27	<b>Applicable leverage buffers</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>



## 4. Liquidity

### 4.1 Eligible Liquid Assets Ratio

The following table presents the breakdown of the Bank's available high-quality liquid assets (HQLA), as measured and defined according to the CBUAE Liquidity Regulations.

The ratio remains comfortably above the minimum requirement of 10%

30<sup>th</sup> Jun 2025

AED'000			
1	High Quality Liquid Assets	Nominal amount	Eligible Liquid Asset
1.1	Physical cash in hand at the bank + balances with the CBUAE	7,316,891	
1.2	UAE Federal Government Bonds and Sukuks	616,581	
	Sub Total (1.1 to 1.2)	7,933,472	7,933,472
1.3	UAE local governments publicly traded debt securities	0	
1.4	UAE Public sector publicly traded debt securities	0	
	Sub total (1.3 to 1.4)	0	0
1.5	Foreign Sovereign debt instruments or instruments issued by their respective central banks	0	0
1.6	Total	7,933,472	7,933,472
2	Total liabilities		21,092,569
3	Eligible Liquid Assets Ratio (ELAR)		37.61%

The above represents simple average of 3 monthly ELAR returns as submitted to CBUAE in Q2'25.

31<sup>st</sup> Dec 2024

AED'000			
1	High Quality Liquid Assets	Nominal amount	Eligible Liquid Asset
1.1	Physical cash in hand at the bank + balances with the CBUAE	7,307,910	
1.2	UAE Federal Government Bonds and Sukuks	814,308	
	Sub Total (1.1 to 1.2)	8,122,218	8,122,218
1.3	UAE local governments publicly traded debt securities	0	
1.4	UAE Public sector publicly traded debt securities	0	
	Sub total (1.3 to 1.4)	0	0
1.5	Foreign Sovereign debt instruments or instruments issued by their respective central banks	0	0
1.6	Total	8,122,218	8,122,218
2	Total liabilities		20,400,478
3	Eligible Liquid Assets Ratio (ELAR)		39.81%

The above represents simple average of 3 monthly ELAR returns as submitted to CBUAE in Q4'24.



## 4.2 Advances to Stable Resources Ratio

The following table presents the breakdown of the Bank's Advances to Stable Resources Ratio (ASRR), as per the CBUAE Liquidity Regulations. The ratio remains comfortably below the maximum limit of 100%

		Items	30-Jun-2025	31-Mar-2025	31-Dec-2024
1		Computation of Advances	AED'000	AED'000	AED'000
	1.1	Net Lending (gross loans - specific and collective provisions + interest in suspense)	13,217,468	13,221,320	12,525,628
	1.2	Lending to non-banking financial institutions	-	-	-
	1.3	Net Financial Guarantees & Stand-by LC (issued - received)	1,404,338	816,508	819,719
	1.4	Interbank Placements	-	-	-
	1.5	<b>Total Advances</b>	<b>14,621,806</b>	<b>14,037,828</b>	<b>13,345,347</b>
2		Calculation of Net Stable Resources			
	2.1	Total capital + general provisions	3,437,012	3,270,530	3,129,423
		<b>Deduct:</b>			
	2.1.1	Goodwill and other intangible assets	3,469	4,036	3,560
	2.1.2	Fixed Assets	17,043	17,418	8,305
	2.1.3	Funds allocated to branches abroad	-	-	-
	2.1.5	Unquoted Investments	2,961	2,961	2,961
	2.1.6	Investment in subsidiaries, associates and affiliates	-	-	-
	2.1.7	<b>Total deduction</b>	<b>23,473</b>	<b>24,415</b>	<b>14,826</b>
	2.2	<b>Net Free Capital Funds</b>	<b>3,413,539</b>	<b>3,246,115</b>	<b>3,114,597</b>
	2.3	<b>Other stable resources:</b>			
	2.3.1	Funds from the head office	-	-	-
	2.3.2	Interbank deposits with remaining life of more than 6 months	-	-	-
	2.3.3	Refinancing of Housing Loans	-	-	-
	2.3.4	Borrowing from non-Banking Financial Institutions	-	-	-
	2.3.5	Customer Deposits	17,748,338	17,420,412	16,489,160
	2.3.6	Capital market funding/ term borrowings maturing after 6 months from reporting date	-	-	-
	2.3.7	<b>Total other stable resources</b>	<b>17,748,338</b>	<b>17,420,412</b>	<b>16,489,160</b>
	2.4	<b>Total Stable Resources (2.2+2.3.7)</b>	<b>21,161,877</b>	<b>20,666,527</b>	<b>19,603,757</b>
3		<b>Advances TO STABLE RESOURCES RATIO (1.6/ 2.4*100)</b>	<b>69.10</b>	<b>67.93</b>	<b>68.08</b>





## 5. Credit Risk

### 5.1 Credit Quality of Assets

30 June 2025

		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	
In AED'000							
1	Loans <sup>1</sup>	760,999	13,162,941	655,990	569,464	86,526	13,267,950
2	Debt securities <sup>2</sup>	-	4,911,532	1,961	-	1,961	4,909,571
3	Off-balance sheet exposures <sup>3</sup>	68,083	16,415,349	47,485	37,699	9,786	16,435,947
4	<b>Total</b>	<b>829,082</b>	<b>34,489,822</b>	<b>705,436</b>	<b>607,163</b>	<b>98,273</b>	<b>34,613,468</b>

<sup>1</sup> This figure is net of interest received in advance

<sup>2</sup> This figure includes financial assets at amortized cost (including M-Bills from CBUAE)

<sup>3</sup> This figure includes trade finance (including irrevocable other commitments amounting to AED 1.8Bn), OTC derivatives, and excluding revocable other commitments.

31 December 2024

		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	
In AED'000							
1	Loans <sup>1</sup>	795,815	12,443,875	665,913	580,487	85,426	12,573,777
2	Debt securities <sup>2</sup>	-	5,756,803	1,227	-	1,227	5,755,576
3	Off-balance sheet exposures <sup>3</sup>	84,487	15,207,004	48,072	43,364	4,708	15,243,419
4	<b>Total</b>	<b>880,302</b>	<b>33,407,682</b>	<b>715,212</b>	<b>623,851</b>	<b>91,361</b>	<b>33,572,772</b>

<sup>1</sup> This figure is net of interest received in advance

<sup>2</sup> This figure includes financial assets at amortized cost (including M-Bills from CBUAE)

<sup>3</sup> This figure includes trade finance (including irrevocable other commitments amounting to AED 1.2Bn), OTC derivatives, and excluding revocable other commitments.

### 5.2 Changes in stock of defaulted loans and debt securities

		30 Jun 2025 AED'000	31 Dec 2024 AED'000
1	Defaulted loans and debt securities at the end of the previous reporting period	795,816	1,124,234
2	Loans and debt securities that have defaulted since the last reporting period	24,573	114,895
3	Returned to non-default status	-	-
4	Amounts written off	731	402,190
5	Other changes	(58,659)	(41,124)
6	<b>Defaulted loans and debt securities at the end of the reporting period (1+2-3-4±5)</b>	<b>760,999</b>	<b>795,815</b>



## 5.3 Credit risk mitigation techniques - overview

- Overview of net exposure after CRM:

30 June 2025

Quantitative disclosure		Exposure	Risk Weighted Assets
In AED'000			
	Gross exposure prior to Credit Risk Mitigation	41,589,942	20,299,502
Less	Exposure covered by on-balance sheet netting	-	-
Less	Exposure covered by eligible financial collateral	1,360,079	1,360,079
Less	Exposure covered by guarantees	12,029	6,015
Less	Exposure covered by Credit Derivative	-	-
Net exposure after Credit Risk Mitigation		40,217,834	18,933,408

31 December 2024

Quantitative disclosure		Exposure	Risk Weighted Assets
In AED'000			
	Gross exposure prior to Credit Risk Mitigation	37,657,495	18,315,260
Less	Exposure covered by on-balance sheet netting	-	-
Less	Exposure covered by eligible financial collateral	973,164	973,164
Less	Exposure covered by guarantees	18,138	9,069
Less	Exposure covered by Credit Derivative	-	-
Net exposure after Credit Risk Mitigation		36,666,194	17,333,027

- Below is an illustration of CRM distribution by collateral type:

30 June 2025

In AED'000		Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
1	Loans <sup>1</sup>	12,718,691	1,187,454	585,072	17,795	12,000	-	-
2	Debt securities <sup>2</sup>	4,911,532	-	-	-	-	-	-
3	<b>Total</b>	<b>17,630,223</b>	<b>1,187,454</b>	<b>585,072</b>	<b>17,795</b>	<b>12,000</b>	<b>-</b>	<b>-</b>
4	Of which defaulted	760,999	-	-	-	-	-	-

<sup>1</sup>This figure is net of interest received in advance

<sup>2</sup>This figure includes financial assets at amortized cost (including M-Bills from CBUAE)

31 December 2024

In AED'000		Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
1	Loans <sup>1</sup>	12,240,019	990,842	387,658	8,829	8,829	-	-
2	Debt securities <sup>2</sup>	5,756,803	-	-	-	-	-	-
3	<b>Total</b>	<b>17,996,822</b>	<b>990,842</b>	<b>387,658</b>	<b>8,829</b>	<b>8,829</b>	<b>-</b>	<b>-</b>
4	Of which defaulted	795,815	-	-	-	-	-	-

<sup>1</sup>This figure is net of interest received in advance

<sup>2</sup>This figure includes financial assets at amortized cost (including M-Bills from CBUAE)



## 5.4 Standardised approach - credit risk exposure and Credit Risk Mitigation (CRM) effects

30 June 2025

In AED'000		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	Asset classes	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	8,499,876	0	8,499,876	0	0	0%
2	Public Sector Entities	1,022,431	183,763	1,022,431	103,983	588,148	52%
3	Multilateral development banks	0	0	0	0	0	0%
4	Banks	2,788,427	671,167	2,815,626	493,687	1,420,968	43%
5	Securities firms	0	0	0	0	0	0%
6	Corporates	6,544,638	14,452,449	6,996,276	6,466,973	12,324,448	92%
7	Regulatory retail portfolios	589,024	965	589,908	68	390,088	66%
8	Secured by residential property	2,318,677	0	2,318,677	0	980,641	42%
9	Secured by commercial real estate	1,811,837	686,256	1,811,837	665,936	2,357,960	95%
10	Equity Investment in Funds (EIF)	0	0	0	0	0	0%
11	Past-due loans	760,999	68,080	20,601	23,858	43,410	98%
12	Higher-risk categories	11,005	0	11,005	0	16,508	150%
13	Other assets	1,180,348	0	1,180,348	0	772,500	65%
14	<b>Total</b>	<b>25,527,262</b>	<b>16,062,680</b>	<b>25,266,585</b>	<b>7,754,505</b>	<b>18,894,671</b>	<b>57%</b>

31 December 2024

In AED'000		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
	Asset classes	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	8,696,827	0	8,696,827	0	0	0%
2	Public Sector Entities	1,003,884	190,939	1,003,884	109,381	610,543	55%
3	Multilateral development banks	0	0	0	0	0	0%
4	Banks	1,592,306	620,466	1,619,505	418,586	1,089,928	53%
5	Securities firms	0	0	0	0	0	0%
6	Corporates	6,806,470	12,982,154	7,171,130	5,886,584	12,211,012	94%
7	Regulatory retail portfolios	600,094	968	601,071	-22	396,889	66%
8	Secured by residential property	1,770,018	0	1,770,018	0	747,225	42%
9	Secured by commercial real estate	1,450,112	6,355	1,450,112	6,035	1,430,647	98%
10	Equity Investment in Funds (EIF)	0	0	0	0	0	0%
11	Past-due loans	795,816	84,484	5,216	83,435	87,602	99%
12	Higher-risk categories	2,466	0	2,466	0	3,699	150%
13	Other assets	1,054,137	0	1,054,137	0	699,845	66%
14	<b>Total</b>	<b>23,772,130</b>	<b>13,885,366</b>	<b>23,374,366</b>	<b>6,503,999</b>	<b>17,277,390</b>	<b>58%</b>



## 5.5 Standardised approach - exposures by asset classes and risk weights:

30 June 2025

In AED'000

	Risk Weight	0%	20%	35%	50%	75%	100%	150%	Others	Total credit exposures amount (post CCF and post-CRM)
Asset classes										
1	Sovereigns and their central banks	8,499,876	-	-	-	-	-	-	-	8,499,876
2	Public Sector Entities	(3,246)	503,796	-	276,950	-	348,914	-	-	1,126,414
3	Multilateral development banks	-	-	-	-	-	-	-	-	-
4	Banks	27,199	1,740,788	-	989,664	-	499,030	52,632	-	3,309,313
5	Securities firms	-	-	-	-	-	-	-	-	-
6	Corporates	965,912	-	-	122,204	-	11,300,461	76,021	998,651	13,463,249
7	Regulatory retail portfolios	79,226	-	-	-	482,643	28,107	-	-	589,976
8	Secured by residential property	-	-	2,058,517	-	-	260,160	-	-	2,318,677
9	Secured by commercial real estate	119,813	-	-	-	-	2,357,960	-	-	2,477,773
10	Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-	-
11	Past-due loans	1,049	-	-	-	-	43,410	-	-	44,459
12	Higher-risk categories	-	-	-	-	-	-	11,005	-	11,005
13	Other assets	739,398	27,573	-	-	-	177,638	-	235,739	1,180,348
14	<b>Total</b>	<b>10,429,227</b>	<b>2,272,157</b>	<b>2,058,517</b>	<b>1,388,818</b>	<b>482,643</b>	<b>15,015,680</b>	<b>139,658</b>	<b>1,234,390</b>	<b>33,021,090</b>

31 December 2024

In AED'000

	Risk Weight	0%	20%	35%	50%	75%	100%	150%	Others	Total credit exposures amount (post CCF and post-CRM)
Asset classes										
1	Sovereigns and their central banks	8,696,827	-	-	-	-	-	-	-	8,696,827
2	Public Sector Entities	-	432,183	-	313,950	-	367,132	-	-	1,113,265
3	Multilateral development banks	-	-	-	-	-	-	-	-	-
4	Banks	27,199	420,991	-	1,174,686	-	408,872	6,343	-	2,038,091
5	Securities firms	-	-	-	-	-	-	-	-	-
6	Corporates	643,956	-	-	128,313	-	11,032,091	76,021	1,177,333	13,057,714
7	Regulatory retail portfolios	83,908	-	-	-	481,008	36,133	-	-	601,049
8	Secured by residential property	-	-	1,573,527	-	-	196,491	-	-	1,770,018
9	Secured by commercial real estate	25,500	-	-	-	-	1,430,647	-	-	1,456,147
10	Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-	-
11	Past-due loans	1,049	-	-	-	-	87,602	-	-	88,651
12	Higher-risk categories	-	-	-	-	-	-	2,466	-	2,466
13	Other assets	644,108	14,482	-	-	-	194,613	-	200,934	1,054,137
14	<b>Total</b>	<b>10,122,547</b>	<b>867,656</b>	<b>1,573,527</b>	<b>1,616,949</b>	<b>481,008</b>	<b>13,753,581</b>	<b>84,830</b>	<b>1,378,267</b>	<b>29,878,365</b>



## 6. Counterparty Credit Risk

### 6.1 Analysis of counterparty credit risk (CCR) exposure by approach:

30 June 2025

In AED'000		Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR (for derivatives)	8,159	22,241		1.4	42,560	38,737
2				-	-	-	-
3	Simple Approach for credit risk mitigation (for SFTs)					-	-
4	Comprehensive Approach for credit risk mitigation (for SFTs)					-	-
5						-	-
6	<b>Total</b>						<b>38,737</b>

31 December 2024

In AED'000		Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR (for derivatives)	9,416	31,500		1.4	57,282	55,637
2				-	-	-	-
3	Simple Approach for credit risk mitigation (for SFTs)					-	-
4	Comprehensive Approach for credit risk mitigation (for SFTs)					-	-
5						-	-
6	<b>Total</b>						<b>55,637</b>

### 6.2 Credit valuation adjustment (CVA) capital charge:

30 June 2025

In AED'000		a EAD post-CRM	b RWA
1	All portfolios subject to the Standardised CVA capital charge	-	-
2	All portfolios subject to the Simple alternative CVA capital charge	42,560	38,737



## 6.3 Standardised approach - CCR exposures by regulatory portfolio and risk weights:

30 June 2025

In AED'000

	Risk Weights	0%	20%	50%	75%	100%	150%	Others	Total credit exposure
Asset classes									
1	Sovereigns and their central banks	-	-	-	-	-	-	-	-
2	Public Sector Entities	-	-	-	-	-	-	-	-
3	Multilateral development banks	-	-	-	-	-	-	-	-
4	Banks	-	-	7,647	-	26,485	-	-	34,132
5	Securities firms	-	-	-	-	-	-	-	-
6	Corporates	-	-	-	-	8,428	-	-	8,428
7	Regulatory retail portfolios	-	-	-	-	-	-	-	-
8	Secured by residential property	-	-	-	-	-	-	-	-
9	Secured by commercial real estate	-	-	-	-	-	-	-	-
10	Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-
11	Past-due loans	-	-	-	-	-	-	-	-
12	Higher-risk categories	-	-	-	-	-	-	-	-
13	Other assets	-	-	-	-	-	-	-	-
14	<b>Total</b>	-	-	7,647	-	34,913	-	-	42,560

31 December 2024

In AED'000

	Risk Weights	0%	20%	50%	75%	100%	150%	Others	Total credit exposure
Asset classes									
1	Sovereigns and their central banks	-	-	-	-	-	-	-	-
2	Public Sector Entities	-	-	-	-	-	-	-	-
3	Multilateral development banks	-	-	-	-	-	-	-	-
4	Banks	-	-	3,290	-	42,010	-	-	45,300
5	Securities firms	-	-	-	-	-	-	-	-
6	Corporates	-	-	-	-	11,982	-	-	11,982
7	Regulatory retail portfolios	-	-	-	-	-	-	-	-
8	Secured by residential property	-	-	-	-	-	-	-	-
9	Secured by commercial real estate	-	-	-	-	-	-	-	-
10	Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-
11	Past-due loans	-	-	-	-	-	-	-	-
12	Higher-risk categories	-	-	-	-	-	-	-	-
13	Other assets	-	-	-	-	-	-	-	-
14	<b>Total</b>	-	-	3,290	-	53,992	-	-	57,282





## 6.4 Composition of collateral for CCR exposure:

30 June 2025

In AED'000	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash - domestic currency	-	-	-	-	-	-
Cash - other currencies	-	-	-	-	-	-
Domestic sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

31 December 2024

In AED'000	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash - domestic currency	-	-	-	-	-	-
Cash - other currencies	-	-	-	-	-	-
Domestic sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

## 6.5 Credit derivative exposures:

AB UAE does not have any credit derivative exposures.



## 6.6 Exposures to central counterparties:

		30-Jun-2025	
		EAD (post-CRM)	RWA
		AED'000	AED'000
<b>1</b>	<b>Exposures to QCCPs (total)</b>		-
2	Exposures for trades at QCCPs (excluding initial margin and default fund contribution); of which:	-	-
3	(i) OTC derivatives	-	-
4	(ii) Exchange-traded derivatives	-	-
5	(iii) Securities financing transactions	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	
8	Non-segregated initial margin	-	-
9	Pre-funded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
<b>11</b>	<b>Exposures to non-QCCPs (total)</b>		<b>38,737</b>
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contribution); of which:	-	-
13	(i) OTC derivatives	42,560	38,737
14	(ii) Exchange-traded derivatives	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Pre-funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

		31-Dec-2024	
		EAD (post-CRM)	RWA
		AED'000	AED'000
<b>1</b>	<b>Exposures to QCCPs (total)</b>		-
2	Exposures for trades at QCCPs (excluding initial margin and default fund contribution); of which:	-	-
3	(i) OTC derivatives	-	-
4	(ii) Exchange-traded derivatives	-	-
5	(iii) Securities financing transactions	-	-
6	(iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	
8	Non-segregated initial margin	-	-
9	Pre-funded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
<b>11</b>	<b>Exposures to non-QCCPs (total)</b>		<b>55,637</b>
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contribution); of which:	-	-
13	(i) OTC derivatives	57,282	55,637
14	(ii) Exchange-traded derivatives	-	-
15	(iii) Securities financing transactions	-	-
16	(iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Pre-funded default fund contributions	-	-
20	Unfunded default fund contributions	-	-



## 7. Market Risk

### 7.1 Market risk under the standardised approach (SA)

		30-Jun-2025	31-Dec-2024
		RWA	RWA
		AED'000	AED'000
1	General Interest rate risk (General and Specific)	6,176	6,887
2	Equity risk (General and Specific)	-	-
3	Foreign exchange risk	30,945	19,875
4	Commodity risk	-	-
	Options		
5	Simplified approach	-	-
6	Delta-plus method	-	-
7			
8	Securitisation	-	-
9	<b>Total</b>	<b>37,121</b>	<b>26,762</b>