



Commercial Bank International P.S.C

Basel III - Pillar 3 Disclosures -30 June 2024

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1. Introduction

This Basel III - Pillar 3 Report for Commercial Bank International (“CBI” or “the bank”) has been prepared in accordance with the public/ market disclosure requirements and guidelines in respect of Pillar 3 of Basel III, as prescribed by the Central Bank of the UAE (CBUAE) and other clarifications received from time to time along with the Formal Disclosure Policy of the Bank.

The purpose of this report is to inform market participants of the key components, scope and effectiveness of the Banks risk measurement processes, risk profile and capital adequacy. This is accomplished by providing consistent and understandable disclosure of the Bank’s risk profile in a manner that enhances comparability with other institutions.

The Bank has adopted the Standardized Approach for determining the capital requirements for Credit Risk, Market Risk and Operational Risk. This Pillar 3 Report provides details on the Banks risk profile by risk asset class, which form the basis for the calculation of the capital requirement.

2. Key metrics at consolidated group level (KM1)

	AED in 000s	Jun-24	Mar-24	Dec-23	Sep-23	Jun-23
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	1,888,302	1,896,111	1,920,622	1,848,346	1,823,897
1a	Fully loaded ECL accounting model	1,856,157	1,871,773	1,861,439	1,792,273	1,774,422
2	Tier 1	2,347,427	2,355,236	2,379,747	2,307,471	2,283,022
2a	Fully loaded ECL accounting model Tier 1	2,315,282	2,330,898	2,320,564	2,251,398	2,233,547
3	Total capital	2,538,257	2,555,312	2,576,503	2,503,847	2,477,711
3a	Fully loaded ECL accounting model total capital	2,506,112	2,530,974	2,517,320	2,447,774	2,428,236
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	16,568,003	17,269,480	17,010,967	17,025,965	16,897,825
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	11.40%	10.98%	11.29%	10.86%	10.79%
5a	Fully loaded ECL accounting model CET1 (%)	11.20%	10.84%	10.94%	10.53%	10.50%
6	Tier 1 ratio (%)	14.17%	13.64%	13.99%	13.55%	13.51%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	13.97%	13.50%	13.64%	13.22%	13.22%
7	Total capital ratio (%)	15.32%	14.80%	15.15%	14.71%	14.66%
7a	Fully loaded ECL accounting model total capital ratio (%)	15.13%	14.66%	14.80%	14.38%	14.37%
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Bank D-SIB additional requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
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 (%)	4.40%	3.98%	4.29%	3.86%	3.79%
Leverage Ratio						
13	Total leverage ratio measure	22,445,259	21,667,933	21,562,956	21,494,437	22,720,370
14	Leverage ratio (%) (row 2/row 13)	10.46%	10.87%	11.04%	10.74%	10.05%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	10.32%	10.76%	10.76%	10.47%	9.83%

14b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	10.46%	10.87%	11.04%	10.74%	10.05%
Liquidity Coverage Ratio						
15	Total HQLA					
16	Total net cash outflow					
17	LCR ratio (%)					
Net Stable Funding Ratio						
18	Total available stable funding					
19	Total required stable funding					
20	NSFR ratio (%)					
ELAR						
21	Total HQLA	2,746,417	2,725,303	2,337,825	2,653,204	2,659,124
22	Total liabilities	17,016,608	16,094,542	16,052,929	15,846,954	16,655,886
23	Eligible Liquid Assets Ratio (ELAR) (%)	16.14%	16.93%	14.56%	16.74%	15.97%
ASRR						
24	Total available stable funding	14,555,331	14,453,300	14,695,718	14,241,683	13,344,312
25	Total Advances	13,756,379	13,056,941	13,677,694	12,661,953	13,192,743
26	Advances to Stable Resources Ratio (%)	94.51%	90.34%	93.07%	88.91%	98.86%

2.1 Overview of RWA (OV1)

	AED in 000's	Jun-24	Mar-24	Jun-24
		RWA		Minimum capital requirements
1	Credit risk (excluding counterparty credit risk)	15,228,247	15,971,329	1,598,966
2	Of which: standardised approach (SA)	15,228,247	15,971,329	1,598,966
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)	19,074	17,375	2,003
7	Of which: standardised approach for counterparty credit risk	19,074	17,375	2,003
8	Of which: Internal Model Method (IMM)			
9	Of which: other CCR			
10	Credit valuation adjustment (CVA)	19,074	17,375	2,003
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	279,650	278,029	29,363
21	Of which: standardised approach (SA)	279,650	278,029	29,363
22	Of which: internal models approach (IMA)			
23	Operational risk	1,021,957	985,371	107,306
24	Amounts below thresholds for deduction (subject to 250% risk weight)			
25	Floor adjustment			
26	Total (1+6+10+11+12+13+14+15+16+20+23)	16,568,003	17,269,480	1,739,640

Note Minimum capital requirements are calculated @ 10.50%

3. Composition of Capital

3.1 Composition of Regulatory Capital (CC1)

	AED in 000's	Jun-24 Amounts
Common Equity Tier 1 capital: instruments and reserves		
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	1,737,383
2	Retained earnings	(83,751)
3	Accumulated other comprehensive income (and other reserves)	257,599
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	Common Equity Tier 1 capital before regulatory deductions	1,911,231
Common Equity Tier 1 capital regulatory adjustments		
7	Prudent valuation adjustments	-
8	Goodwill (net of related tax liability)	(22,929)
9	Other intangibles including mortgage servicing rights (net of related tax liability)	-
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	Total regulatory adjustments to Common Equity Tier 1	(22,929)
25	Common Equity Tier 1 capital (CET1)	1,888,302
Additional Tier 1 capital: instruments		
26	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-
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	Additional Tier 1 capital before regulatory adjustments	-
Additional Tier 1 capital: regulatory adjustments		
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	Total regulatory adjustments to additional Tier 1 capital	-
38	Additional Tier 1 capital (AT1)	459,125
39	Tier 1 capital (T1= CET1 + AT1)	2,347,427
Tier 2 capital: instruments and provisions		
40	Directly issued qualifying Tier 2 instruments plus related stock surplus	-
41	<i>Directly issued capital instruments subject to phase-out from Tier 2</i>	-
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	<i>Of which: instruments issued by subsidiaries subject to phase-out</i>	-

44	Provisions	190,830
45	Tier 2 capital before regulatory adjustments	190,830
	Tier 2 capital: regulatory adjustments	
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	Total regulatory adjustments to Tier 2 capital	-
51	Tier 2 capital (T2)	190,830
52	Total regulatory capital (TC = T1 + T2)	2,538,257
53	Total risk-weighted assets	16,568,003
	Capital ratios and buffers	
54	Common Equity Tier 1 (as a percentage of risk-weighted assets)	11.40%
55	Tier 1 (as a percentage of risk-weighted assets)	14.17%
56	Total capital (as a percentage of risk-weighted assets)	15.32%
57	Institution specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)	2.50%
58	Of which: capital conservation buffer requirement	2.50%
59	Of which: bank-specific countercyclical buffer requirement	0.00%
60	Of which: higher loss absorbency requirement (e.g. DSIB)	0.00%
61	Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirement.	10.50%
	The CBUAE Minimum Capital Requirement	
62	Common Equity Tier 1 minimum ratio	7.00%
63	Tier 1 minimum ratio	8.50%
64	Total capital minimum ratio	10.50%
	Amounts below the thresholds for deduction (before risk weighting)	
65	Non-significant investments in the capital and other TLAC liabilities of other financial entities	
66	Significant investments in common stock of financial entities	0
67	Mortgage servicing rights (net of related tax liability)	
68	Deferred tax assets arising from temporary differences (net of related tax liability)	0
	Applicable caps on the inclusion of provisions in Tier 2	
69	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	228,996
70	Cap on inclusion of provisions in Tier 2 under standardised approach	190,830
71	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	
72	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	
	Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)	
73	Current cap on CET1 instruments subject to phase-out arrangements	0
74	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	0
75	Current cap on AT1 instruments subject to phase-out arrangements	0
76	Amount excluded from AT1 due to cap (excess after redemptions and maturities)	0
77	Current cap on T2 instruments subject to phase-out arrangements	0
78	Amount excluded from T2 due to cap (excess after redemptions and maturities)	0

3.2 Reconciliation of Regulatory Capital to Balance Sheet (CC2)

AED in 000's	Balance sheet as in published financial statements	Under regulatory scope of consolidation
Assets		
Cash and balances with the Central Banks	1,315,622	1,315,622
Derivative financial assets	3,755	3,755
Deposits and balances due from banks	842,638	842,638
Loans and advances to customers	10,840,794	10,840,794
Islamic financing and investing assets	1,669,558	1,669,558

Financial assets at (FVTOCI)	47,763	106,355
Financial assets at (FVTPL)	257,631	1,836
Financial assets measured at amortised cost	3,120,147	3,120,147
Property Inventory and Others	849,435	745,826
Receivables and other assets	875,850	929,790
Investment properties	23,867	23,867
Intangible assets	22,929	22,929
Property and equipment	92,356	92,356
Investment in associates	10,000	10,000
Total assets	19,972,345	19,725,473
Liabilities		
Balance due to the Central Bank of the UAE	-	-
Derivative financial liability	(1,877)	(1,877)
Deposits and balances due to banks	(1,826,628)	(1,826,628)
Customers' deposits	(11,689,607)	(11,695,577)
Islamic customers' deposits	(2,535,039)	(2,535,039)
Payables and other liabilities	(977,432)	(976,967)
Total liabilities	(17,030,583)	(17,036,088)
Shareholders' equity		
Share capital	(1,737,383)	(1,737,383)
Tier 1 Capital	(459,125)	(459,125)
Statutory reserve	(317,313)	(314,543)
General reserve	-	-
Properties revaluation reserve	-	-
Investments revaluation reserve	62,793	56,944
Specific provision reserve	(350,861)	(350,861)
General provision reserve	-	-
Accumulated loss /(Retained earnings)	(18,825)	115,896
Non-controlling interests	(121,048)	(313)
Total shareholders' equity	(2,941,762)	(2,689,385)

3.3 Main Features of Regulatory Capital Instruments (CCA)

		Quantitative / qualitative information	Common Equity
1	Issuer	CBI TIER 1 PRIVATE LIMITED	CBI
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	ISIN: XS1339766476	NA
3	Governing law(s) of the instrument	English Law	UAE Law
	Regulatory treatment		
4	Transitional arrangement rules (i.e. grandfathering)	Grandfathered at 100% eligibility for 10 years commencing from 1-Jan-2018 until 31-Dec-2027	NA
5	Post-transitional arrangement rules (i.e. grandfathering)	NA	NA
6	Eligible at solo/group/group and solo	Group	Group
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Ordinary shares
8	Amount recognised in regulatory capital (currency in millions, as of most recent reporting date)	AED 459.125 Mn	AED 1,737.383 Mn
9	Nominal amount of instrument	AED 459.125 Mn	AED 1,737.383 Mn
9a	Issue price	AED 459.125 Mn	AED 1,737.383 Mn
9b	Redemption price	AED 459.125 Mn	AED 1,737.383 Mn
10	Accounting classification	AT-1	Common Equity/ Ordinary shares
11	Original date of issuance	23-Dec-15	Multiple dates
12	Perpetual or dated	Perpetual	NA
13	Original maturity date	NA	NA
14	Issuer call subject to prior supervisory approval	Yes	NA
15	Optional call date, contingent call dates and redemption amount	on or after Dec-2021, redemption amount 100%	NA
16	Subsequent call dates, if applicable	First Call Date and every interest payment date thereafter	NA

	Coupons / dividends	Coupon	Dividend
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index		0.05993 NA
19	Existence of a dividend stopper	Yes	Yes
20a	Fully discretionary, partially discretionary, or mandatory (in terms of timing)	Full discretionary	Full discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Full discretionary	Full discretionary
21	Existence of step-up or other incentive to redeem	NA	NA
22	Non-cumulative or cumulative	Non-Cumulative	Non-Cumulative
23	Convertible or non-convertible	Non-Cumulative	Non-Cumulative
24	Writedown feature	Yes	Yes
25	If Writedown, Writedown trigger(s)	At the point of non-viability	At the point of non-viability
26	If Writedown, full or partial	Full	Full
27	If Writedown, permanent or temporary	Permanent	Permanent
28	If temporary write-down, description of writeup mechanism	NA	NA
28a	Type of subordination	NA	NA
29	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned).	NA	NA
30	Non-compliant transitioned features	NA	NA
31	If yes, specify non-compliant features	NA	NA

4. Macprudential Supervisory Measures

CCyB1: Geographical distribution of credit exposures used in the countercyclical buffer

Not applicable. There are no credit exposures relevant for the calculation of the countercyclical buffer.

5. Leverage Ratio

5.1 Summary Comparison of Accounting Assets vs Leverage Ratio Exposure Measure (LR1)

AED in 000's		Jun-24
1	Total consolidated assets as per published financial statements	19,972,345
2	Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(246,872)
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	(22,929)
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	38,825
9	Adjustment for securities financing transactions (ie repos and similar secured lending)	-
10	Adjustments for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	2,703,890
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-
12	Other adjustments	-
13	Leverage ratio exposure measure	22,445,259

5.2 Leverage Ratio Common Disclosure Template (LR2)

AED in 000's		Jun-24	Mar-24
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	19,725,473	18,748,987
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)	(22,929)	(25,118)
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	19,702,544	18,723,869
Derivative exposures			
8	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	8,542	8,189
9	Add-on amounts for PFE associated with all derivatives transactions	19,190	13,848
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	Total derivative exposures (sum of rows 8 to 12)	38,825	30,851
Securities financing transactions			
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	Total securities financing transaction exposures (sum of rows 14 to 17)	-	-
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	5,412,941	5,858,612
20	(Adjustments for conversion to credit equivalent amounts)	(2,709,051)	(2,945,399)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	-	-
22	Off-balance sheet items (sum of rows 19 to 21)	2,703,890	2,913,213
Capital and total exposures			
23	Tier 1 capital	2,347,427	2,355,236
24	Total exposures (sum of rows 7, 13, 18 and 22)	22,445,259	21,667,933
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	10.458%	10.870%
26	CBUAE minimum leverage ratio requirement	3.000%	3.000%
27	Applicable leverage buffers	7.458%	7.870%

6. Liquidity Risk

Liquidity Coverage Ratio (LIQ1) - Not Applicable

Net Stable Funding Ratio (NSFR) - Not Applicable

6.1 Eligible Liquid Assets Ratio

AED in 000's		Jun-24	
1	High Quality Liquid Assets	Nominal amount	Eligible Liquid Asset
1.1	Physical cash in hand at the bank + balances with the CBUAE	1,315,622	
1.2	UAE Federal Government Bonds and Sukuks	924,372	
	Sub Total (1.1 to 1.2)	2,239,994	2,239,994

1.3	UAE local governments publicly traded debt securities	506,423	
1.4	UAE Public sector publicly traded debt securities	0	
	Sub total (1.3 to 1.4)	506,423	506,423
1.5	Foreign Sovereign debt instruments or instruments issued by their respective central banks	0	0
1.6	Total	2,746,417	2,746,417
2	Total liabilities		17,016,608
3	Eligible Liquid Assets Ratio (ELAR)		16.14%

6.2 Advances to Stables Resource Ratio

AED in 000's			Jun-24
	Items		Amount
1	Computation of Advances		
1.1	Net Lending (gross loans - specific and collective provisions + interest in suspense)		12,392,181
1.2	Lending to non-banking financial institutions		361,364
1.3	Net Financial Guarantees & Stand-by LC (issued - received)		210,968
1.4	Interbank Placements		791,866
1.5	Total Advances		13,756,379
2	Calculation of Net Stable Resources		
2.1	Total capital + general provisions		2,977,414
	Deduct:		
2.1.1	Goodwill and other intangible assets		22,929
2.1.2	Fixed Assets		838,182
2.1.3	Funds allocated to branches abroad		-
2.1.5	Unquoted Investments		17,399
2.1.6	Investment in subsidiaries, associates and affiliates		103,642
2.1.7	Total deduction		982,152
2.2	Net Free Capital Funds		1,995,262
2.3	Other stable resources:		
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		92,384
2.3.5	Customer Deposits		12,467,685
2.3.6	Capital market funding/ term borrowings maturing after 6 months from reporting date		-
2.3.7	Total other stable resources		12,560,069
2.4	Total Stable Resources (2.2+2.3.7)		14,555,331
3	Advances TO STABLE RESOURCES RATIO (1.6/ 2.4*100)		94.51

7. Credit Risk

7.1 Credit Quality of Assets (CR1)

AED in 000's		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	2,351,084	11,809,614	(785,541)	(542,127)	(243,414)	14,946,239
2	Debt securities	-	3,168,693	(14,799)	-	(14,799)	3,183,492
3	Off-balance sheet exposures	118,033	5,294,909	(24,283)	(221)	(24,062)	5,437,224
4	Total	2,469,116	20,273,215	(824,623)	(542,348)	(282,275)	23,566,954

7.2 Changes in stock of defaulted loans and debt securities (CR2)

AED in 000's		Jun-24
1	Defaulted loans and debt securities at the end of the previous reporting period	2,595,951
2	Loans and debt securities that have defaulted since the last reporting period	412,975
3	Returned to non-default status	(89,084)
4	Amounts written off	(16,704)
5	Other changes	(434,021)
6	Defaulted loans and debt securities at the end of the reporting period (1+2-3-4±5)	2,469,116

7.3 Credit risk mitigation techniques – overview (CR3)

AED in 000's		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	14,968,564	2,873,471	2,873,471	-	-	-	-
2	Debt securities	3,168,693	-	-	-	-	-	-
3	Total	18,137,256	2,873,471	2,873,471	-	-	-	-
4	Of which defaulted	1,193,682	375,880	375,880	-	-	-	-

7.4 Standardised approach - credit risk exposure and Credit Risk Mitigation (CRM) effects (CR4)

AED in 000's		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
Sl.No	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	4,839,580	5,000	4,839,580	1,000	1,884,383	38.93%
2	Public Sector Entities	1,355,825	36,950	1,355,825	33,395	1,083,873	78.02%
3	Multilateral development banks	-	-	-	-	-	0.00%
4	Banks	1,185,950	134,029	1,185,950	54,378	969,246	78.14%
5	Securities firms	198,713	191,063	21,667	40,397	62,064	100.00%
6	Corporates	5,625,339	4,654,127	3,914,739	1,872,026	5,748,072	99.33%
7	Regulatory retail portfolios	437,930	195,801	404,226	51,142	377,811	82.97%
8	Secured by residential property	548,588	-	544,430	-	234,219	43.02%
9	Secured by commercial real estate	2,044,747	116,762	1,628,768	80,558	1,709,326	100.00%
10	Equity Investment in Funds (EIF)	-	-	-	-	-	0.00%
11	Past-due loans	1,451,746	118,033	1,106,165	87,734	1,438,201	120.46%
12	Higher-risk categories	270,251	-	270,251	-	405,377	150.00%
13	Other assets	1,266,740	-	1,266,740	-	1,334,750	105.37%
14	Total	19,225,409	5,451,766	16,538,341	2,220,629	15,247,322	81.28%

7.5 Standardised approach - exposures by asset classes and risk weights (CR5)

AED in 000's		a	b	c	d	e	f	g	h	i	j
Sl.No	Asset classes / Risk Weight	0%	20%	35%	50%	75%	85%	100%	150%	Others	Total credit exposures amount (post CCF and post-CRM)
1	Sovereigns and their central banks	3,099,772	150,019	-	-	-	-	1,063,607	527,181	-	4,840,580
2	Public Sector Entities	-	50,000	-	530,695	-	-	808,525	-	-	1,389,220
3	Multilateral development banks	-	-	-	-	-	-	-	-	-	-
4	Banks	-	67,085	-	434,837	-	-	738,392	12	-	1,240,327
5	Securities firms	211,220	-	-	-	-	-	62,064	-	-	273,283
6	Corporates	1,751,105	50,228	-	26,563	-	744,287	4,943,233	99,245	-	7,614,660
7	Regulatory retail portfolios	38,339	-	-	-	310,222	-	145,144	-	-	493,705
8	Secured by residential property	4,158	-	476,268	-	2,545	-	65,616	-	-	548,588
9	Secured by commercial real estate	415,979	-	-	-	-	-	1,709,326	-	-	2,125,305
10	Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-	-	-
11	Past-due loans	375,880	-	-	-	-	-	705,295	488,604	-	1,569,779
12	Higher-risk categories	-	-	-	-	-	-	-	270,251	-	270,251
13	Other assets	57,251	-	-	-	-	-	958,966	250,522	-	1,266,740
14	Total	5,953,704	317,332	476,268	992,095	312,768	744,287	11,200,170	1,635,816	-	21,632,439

8. Counterparty Credit Risk (CCR).

8.1 Credit risk (CCR) exposure by approach (CCR1)

SL.No	AED in 000's	Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR (for derivatives)	8,542	19,190		1.4	38,825	19,074
2							
3	Simple Approach for credit risk mitigation (for SFTs)						
4	Comprehensive Approach for credit risk mitigation (for SFTs)						
5							
6	Total						

8.2 Standardised approach - Credit valuation adjustment (CVA) capital charge (CCR2)

Sl.No	AED in 000's	EAD post-CRM	RWA
1	All portfolios subject to the Standardised CVA capital charge*	-	-
2	All portfolios subject to the Simple alternative CVA capital charge	38,825	19,074

8.3 Standardised approach - CCR exposures by regulatory portfolio and risk weights (CCR3)

AED in 000's		a	b	c	d	e	f	g	h
Sl.No	Regulatory portfolio / Risk Weight	0%	20%	50%	75%	100%	150%	Others	Total credit exposure
1	Sovereigns	-	-	-	-	-	-	-	-
2	Public Sector Entities (PSEs)	-	-	-	-	-	-	-	-
3	Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-
4	Banks	-	16,184	13,607	-	-	-	-	29,791
5	Securities firms	-	-	-	-	-	-	-	-
6	Corporates	-	-	-	-	9,034	-	-	9,034
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	-	-	-	-	-	-	-	-
Total		-	16,184	13,607	-	9,034	-	-	38,825

8.4 Composition of collateral for CCR exposure (CCR5)

AED in 000's	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
Cash - domestic currency	-	-	-	-
Cash - other currencies	-	-	-	9,254
Domestic sovereign debt	-	-	-	-
Government agency debt	-	-	-	-
Corporate bonds	-	-	-	-
Equity securities	-	-	-	-
Other collateral	-	-	-	-
Total	-	-	-	9,254

8.5 Credit derivative exposures (CCR6)

Not Applicable

8.6 Exposures to central counterparties (CCR8)

AED in 000's		EAD (post-RM)	RWA
1	Exposures to QCCPs (total)		
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		
11	Exposures to non-QCCPs (total)		
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contribution); of which:	38,825	19,074
13	(i) OTC derivatives		
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		

9. Securitisation

Not Applicable

10. Market Risk

10.1 Market risk under the standardised approach (MR1)

Total Capital Requirement for Market Risk under Standardized Approach as on 30th June

AED in 000's		RWA
1	General Interest rate risk (General and Specific)	-
2	Equity risk (General and Specific)	-
3	Foreign exchange risk	279,650
4	Commodity risk	-
	Options	
5	Simplified approach	-
6	Delta-plus method	-
7		
8	Securitisation	
9	Total	279,650