Pillar 3 Report

30 June 2026

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1. Introduction

Bank of Sharjah P.J.S.C. (the "Bank"), is a public joint stock company incorporated by an Amiri Decree issued on 22 December 1973 by His Highness The Ruler of Sharjah and was registered in February 1993 under the Commercial Companies Law Number 8 of 1984 (as amended). The Bank commenced its operations under a banking license issued by the United Arab Emirates Central Bank dated 26 January 1974. The Bank is engaged in commercial and investment banking activities.

The Bank's registered office is located at Al Khan Road, P.O. Box 1394, Sharjah, United Arab Emirates. The Bank operates through six branches in the United Arab Emirates located in the Emirates of Sharjah, Dubai, Abu Dhabi, and City of Al Ain.

2. Purpose and Basis of preparation

The CBUAE supervises Bank of Sharjah ("BOS" or the "Bank") and its subsidiaries (together referred to as the "Group") on a consolidated basis, and therefore receives information on the capital adequacy of, and sets capital requirements for, the Group as a whole. The capital requirements are computed at a Group level using the Basel III framework of the Basel Committee on Banking Supervision ("Basel Committee"), after applying the amendments advised by the CBUAE, within national discretion. The Basel III framework is structured around three 'pillars': minimum capital requirements (Pillar I); supervisory review process (Pillar II); and market discipline (Pillar III).

The disclosures have been prepared in line with the disclosures template introduced by the CBUAE guidelines on disclosure requirements published in November 2020, November 2021, December 2022 and December 2023 respectively.

The Pillar III report of the Group for the period ended 30 June 2026 comprises detailed information on the underlying drivers of risk-weighted assets (RWA), and the capital of the Group. The report should be read in conjunction with the Group's reviewed Financial Statements as at 30 June 2026.

The complete listing of all direct subsidiaries of Bank of Sharjah PJSC as at 30 June 2026 is as follows:

Name of Subsidiary	**Proportion of ownership interest**		**Year of incorporation**	**Country of incorporation**	**Principal activities**
	2026	2025			
Emirates Lebanon Bank S.A.L.	**100%**	100%	1965	Lebanon	Financial institution
EL Capital FZC	**100%**	100%	2007	U.A.E.	Investment in a financial institution
BOS Real Estate FZC	**100%**	100%	2007	U.A.E.	Real estate development activities
BOS Capital FZC	**100%**	100%	2007	U.A.E.	Investment
Polyco General Trading L.L.C.	**100%**	100%	2008	U.A.E.	General trading
Borealis Gulf FZC	**100%**	100%	2010	U.A.E.	Investment & Real estate development activities
BOS Funding Limited	**100%**	100%	2015	Cayman Islands	Financing activities
Muwaileh Capital FZC	**90%**	90%	2010	U.A.E.	Developing of real estate & related activities
BOS Repos Limited	**100%**	100%	2018	Cayman Islands	Financing activities
BOS Derivatives Limited	**100%**	100%	2018	Cayman Islands	Financing activities
GTW Holding LTD	**100%**	100%	2022	U.A.E. (ADGM)	Facilitate the sale of real estate assets
GDLR Holding LTD	**100%**	100%	2022	U.A.E. (ADGM)	Facilitate the sale of real estate assets
BOS Real Estate Egypt	**100%**	100%	2023	Egypt	Real estate development activities

3. Overview of Pillar III

Pillar III complements the minimum capital requirements and the supervisory review process. Its aim is to encourage market discipline by developing disclosure requirements which allow market participants to assess certain specified information on the scope of application of Basel III, capital, particular risk exposures and risk assessment processes, and hence the capital adequacy of the institution. Disclosures consist of both quantitative and qualitative information and are provided on the consolidated level.

The CBUAE issued Basel III capital regulations, which came into effect from 1 February 2017 introducing minimum capital requirements at three levels, namely Common Equity Tier 1 (‘CET1’), Additional Tier 1 (‘AT1’) and Total Capital.

The minimum capital adequacy requirements as set out by the Central Bank of UAE are as follows:

- Minimum common equity tier 1 (CET 1) ratio of 7% of risk weighted assets (RWAs).
- Minimum tier 1 ratio of 8.5% of RWAs.
- Total capital adequacy ratio of 10.5% of RWAs.

In addition to CET 1 ratio of 7% of RWAs, a capital conservation buffer (CCB) of 2.5% of RWAs shall be maintained in the form of CET 1. A further counter cyclical buffer (CCyB) requirement shall be met by using CET 1. The level of CCyB is to be notified by 'the Central Bank' and there is no CCyB requirement during the current period. The Group has complied with all the externally imposed capital requirements and has prepared the capital adequacy ratios excluding the currency translation reserve resulting from the Lebanese operations.

Following are the changes in the revised standards which have been adopted:

- The Tier Capital Supply Standard
- Tier Capital Instruments Standard
- Pillar 2 Standard: Internal Capital Adequacy Assessment Process (ICAAP)
- Credit Risk, Market Risk and Operational Risk
- Equity Investment in Funds, Securitisation, Counterparty Credit Risk, Leverage Ratio
- Credit Value Adjustment (CVA) for Pillar I and III

CBUAE requires the Pillar 2 - Supervisory Review Process to focus on each bank’s Internal Capital Adequacy Assessment Process (ICAAP) in addition to Pillar 1 Capital calculations. The ICAAP should include a risk based forward looking view of, but not limited to, Credit, Market and Operational Risk Capital.

3.1 Verification

The Pillar 3 Disclosures for the period ending 30 June 2026 have been reviewed by the Group’s internal and statutory auditors.

3.2 Implementation of Basel III standards and guidelines

The Group is compliant with Standardised Approach for Credit, Market and the Basic Indicator Approach for Operational Risk (Pillar 1) as applicable as of 30 June 2026.

4. Key Metrics for the group (KM1)

Key prudential regulatory metrics have been included in the following table:

		Jun 2026	Mar 2026	Dec 2025	Sep 2025	Jun 2025
Available capital (amounts)		**AED 000**	**AED 000**	**AED 000**	**AED 000**	**AED 000**
1	Common Equity Tier 1 (CET1)	**5,045,240**	4,823,077	4,596,122	4,224,939	4,052,756
1a	Fully loaded ECL accounting model	**5,045,240**	4,823,077	4,596,122	4,224,939	4,052,756
2	Tier 1	**5,045,240**	4,823,077	4,596,122	4,224,939	4,052,756
2a	Fully loaded ECL accounting model Tier 1	**5,045,240**	4,823,077	4,596,122	4,224,939	4,052,756
3	Total capital	**5,377,160**	5,154,730	4,941,017	4,399,892	4,428,761
3a	Fully loaded ECL accounting model total capital	**5,377,160**	5,154,730	4,941,017	4,399,892	4,428,761
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	**28,805,701**	28,756,772	29,277,899	31,590,709	31,549,316
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	**17.51%**	**16.77%**	**15.70%**	**13.37%**	**12.85%**
5a	Fully loaded ECL accounting model CET1 (%)	**17.51%**	**16.77%**	**15.70%**	**13.37%**	**12.85%**
6	Tier 1 ratio (%)	**17.51%**	**16.77%**	**15.70%**	**13.37%**	**12.85%**
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	**17.51%**	**16.77%**	**15.70%**	**13.37%**	**12.85%**
7	Total capital ratio (%)	**18.67%**	**17.93%**	**16.88%**	**13.93%**	**14.04%**
7a	Fully loaded ECL accounting model total capital ratio (%)	**18.67%**	**17.93%**	**16.88%**	**13.93%**	**14.04%**
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 (%)	-	-	-	-	-
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 (%)	**8.17%**	**7.43%**	**6.38%**	**3.43%**	**3.54%**
Leverage Ratio						
13	Total leverage ratio measure	**55,245,369**	56,720,183	49,752,107	50,690,378	48,306,640
14	Leverage ratio (%) (row 2/row 13)	**9.13%**	**8.50%**	**9.24%**	**8.33%**	**8.39%**
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	**9.13%**	**8.50%**	**9.24%**	**8.33%**	**8.39%**
14b	"Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)"	**9.13%**	**8.50%**	**9.24%**	**8.33%**	**8.39%**
Liquidity Coverage Ratio						
15	Total HQLA	-	-	-	-	-
16	Total net cash outflow	-	-	-	-	-
17	LCR ratio (%)	-	-	-	-	-
Net Stable Funding Ratio						
18	-	-	-	-	-	-
19	Total required stable funding	-	-	-	-	-
20	NSFR ratio (%)	-	-	-	-	-
ELAR						
21	Total HQLA	**5,371,494**	9,271,112	7,100,801	7,078,161	5,530,389
22	Total liabilities	**48,809,373**	50,400,929	44,177,321	45,824,695	43,484,658
23	Eligible Liquid Assets Ratio (ELAR) (%)	**11.01%**	**18.39%**	**16.07%**	**15.45%**	**12.72%**
ASRR						
24	Total available stable funding	**41,173,572**	43,210,498	38,707,466	37,697,692	36,906,475
25	Total Advances	**38,253,150**	36,541,296	32,529,357	32,820,432	32,302,516
26	Advances to Stable Resources Ratio (%)	**92.46%**	**84.57%**	**84.04%**	**87.06%**	**87.53%**

5. Overview of Risk Weighted Assets (OV1)

The following table provides an overview of RWAs, calculated in accordance with Basel III, by risk type and calculation approach.

		RWA			Minimum capital requirements
		Jun 2026	Mar 2026	Dec 2025	Jun 2026
		AED 000	AED 000	AED 000	AED 000
1	Credit risk (excluding counterparty credit risk)	**26,541,220**	26,528,812	27,585,860	**2,786,828**
2	Of which: standardised approach (SA)	**26,541,220**	26,528,812	27,585,860	**2,786,828**
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)	-	-	-	-
7	Of which: standardised approach for counterparty credit risk	-	-	-	-
8	Of which: Internal Model Method (IMM)	-	-	-	-
9	Of which: other CCR	-	-	-	-
10	Credit valuation adjustment (CVA)	**12,362**	3,421	5,769	**1,299**
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	**307,744**	310,078	346,424	**32,313**
21	Of which: standardised approach (SA)	**307,744**	310,078	346,424	**32,313**
22	Of which: internal models' approach (IMA)	-	-	-	-
23	Operational risk	**1,944,375**	1,914,461	1,339,846	**204,159**
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)**	**28,805,701**	**28,756,772**	**29,277,899**	**3,024,599**

6. Composition of Capital

6.1 Capital Management

The Group’s objectives when managing capital, which is a broader concept than the ‘equity’ in the consolidated statement of financial positions, are:

- To comply with the capital requirements set by the Central Bank of United Arab Emirates;
- To safeguard the Group’s ability to continue as a going concern and increase the returns for the shareholders; and
- To maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored on a regular basis by the Group’s management, employing techniques based on the guidelines developed by the Basel Committee and the Central Bank of United Arab Emirates. The required information is filed with the authority on a quarterly basis.

The Group's assets are risk weighted as to their relative credit, market, and operational risk. Credit risk includes both on and off-balance sheet risks. Market risk is defined as the risk of losses in on and off-balance sheet positions arising from movements in market prices and includes rate risk, foreign exchange risk, equity exposure risk, and commodity risk. Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events.

6.2 Regulatory Capital

The Group’s capital base is divided into three main categories, namely CET1, AT1 and Tier 2, depending on their characteristics.

- CET1 capital is the highest quality form of capital, comprising share capital, share premium, legal, statutory and other reserves, fair value reserve, retained earnings, non-controlling interest after deductions for goodwill and intangibles and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes under CBUAE guidelines.
- AT1 capital comprises eligible non-common equity capital instruments.
- Tier 2 capital comprises qualifying subordinated debt, and undisclosed reserve.

6. Composition of Capital

6.3 Composition of Regulatory Capital (CC1)

This provides a breakup of the elements constituting the Group's capital:

		Jun 2026 AED 000	Dec 2025 AED 000	CC2 Reference
	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	**3,000,000**	3,000,000	a
2	Retained earnings	**1,033,716**	1,168,045	b
3	Accumulated other comprehensive income (and other reserves)	**1,016,733**	429,906	
4	Directly issued capital subject to phase-out from CET1 (only applicable to non-joint stock companies)	-	-	
5	Common share capital issued by third parties (amount allowed in group CET1)	-	-	
6	**Common Equity Tier 1 capital before regulatory deductions**	**5,050,449**	**4,597,951**	
	Common Equity Tier 1 capital regulatory adjustments	-	-	
7	Prudent valuation adjustments	-	-	
8	Goodwill and other intangibles	**5,209**	849	
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)	-	980	
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	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-	
18	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-	
19	Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (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**	**5,209**	**1,829**	
25	**Common Equity Tier 1 capital (CET1)**	**5,045,240**	**4,596,122**	
	Additional Tier 1 capital: instruments	-	-	
26	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-	-	

6. Composition of Capital (continued)

6.3 Composition of Regulatory Capital (CC1) (continued)

		Jun 2026 AED 000	Dec 2025 AED 000	CC2 Reference
27	OF which: classified as equity under applicable accounting standards	-	-	
28	Of which: classified as liabilities under applicable accounting standards	-	-	
29	Directly issued capital instruments subject to phase-out from additional Tier 1	-	-	
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	*Of which: instruments issued by subsidiaries subject to phase-out*	-	-	
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)**	-	-	
39	**Tier 1 capital (T1= CET1 + AT1)**	**5,045,240**	**4,596,122**	
	Tier 2 capital: instruments and provisions	-	-	
40	Directly issued qualifying Tier 2 instruments plus related stock surplus	-	-	
41	Directly issued capital instruments subject to phase-out from Tier 2	-	-	
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	**331,920**	344,895	
45	**Tier 2 capital before regulatory adjustments**	**331,920**	**344,895**	
	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)**	**331,920**	**344,895**	
52	**Total regulatory capital (TC = T1 + T2)**	**5,377,160**	**4,941,017**	
53	**Total risk-weighted assets**	**28,805,701**	**29,277,899**	

6. Composition of Capital (continued)

6.3 Composition of Regulatory Capital (CC1) (continued)

		Jun 2026 AED 000	Dec 2025 AED 000	CC2 Reference
	Capital ratios and buffers			
54	Common Equity Tier 1 (as a percentage of risk-weighted assets)	**17.51%**	**15.70%**	
55	Tier 1 (as a percentage of risk-weighted assets)	**17.51%**	**15.70%**	
56	Total capital (as a percentage of risk-weighted assets)	**18.67%**	**16.88%**	
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)	**8.17%**	**6.38%**	
58	Of which: capital conservation buffer requirement	**8.17%**	**6.38%**	
59	Of which: bank-specific countercyclical buffer requirement	**-**	**-**	
60	Of which: higher loss absorbency requirement (e.g. DSIB)	**-**	**-**	
61	Common Equity Tier 1 (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirement.	**10.51%**	**8.70%**	
		-	**-**	
	The CBUAE Minimum Capital Requirement	**-**	-	
62	Common Equity Tier 1 minimum ratio	**7.00%**	**7.00%**	
63	Tier 1 minimum ratio	**8.50%**	**8.50%**	
64	Total capital minimum ratio	**10.50%**	**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	**-**	**-**	
67	Mortgage servicing rights (net of related tax liability)	**-**	**-**	
68	Deferred tax assets arising from temporary differences (net of related tax liability)	-	-	
	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)	-	-	
70	Cap on inclusion of provisions in Tier 2 under standardised approach	**-**	**-**	
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	**-**	**-**	
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	**-**	**-**	
78	Amount excluded from T2 due to cap (excess after redemptions and maturities)	-	-	

6. Composition of Capital (continued)

6.4 Reconciliation of regulatory capital to balance sheet (CC2)

The following table enable users to identify the differences between the scope of accounting consolidation and the scope of regulatory consolidation, and to show the link between the bank's balance sheet in its published financial statements and the numbers that are used in the composition of capital disclosure template set out in Template CC1.

	30 June 2026		31 December 2025		CC1 Reference
	Balance sheet as published in the financial statements	Under regulatory scope of consolidation	Balance sheet as published in the financial statements	Under regulatory scope of consolidation	
	AED 000	AED 000	AED 000	AED 000	
Assets					
Cash and balances with central Banks	**2,411,107**	**2,411,107**	3,245,127	3,245,127	
Deposits and balances due from Banks	**561,923**	**561,923**	917,953	917,953	
Loans and advances, net	**36,504,018**	**36,504,018**	30,440,444	30,440,444	
Investment securities, net	**10,836,456**	**10,836,456**	10,913,596	10,913,596	
Investment properties	**1,247,068**	**1,247,068**	1,247,068	1,247,068	
Assets acquired in settlement of debt	**123,342**	**123,342**	122,875	122,875	
Other assets	**438,191**	**438,191**	482,372	482,372	
Property and equipment	**243,532**	**243,532**	157,188	157,188	
Subsidiary held for sale	**844,790**	**844,790**	844,790	844,790	
Total assets	**53,210,427**	**53,210,427**	**48,371,413**	**48,371,413**	
Liabilities					
Customers' deposits	**33,453,559**	**33,453,559**	31,507,048	31,507,048	
Deposits and balances due to Banks	**4,847,107**	**4,847,107**	3,654,192	3,654,192	
Repo borrowings	**3,402,744**	**3,402,744**	1,994,572	1,994,572	
Other liabilities	**1,271,066**	**1,271,066**	1,141,143	1,141,143	
Issued bonds	**5,449,431**	**5,449,431**	5,440,315	5,440,315	
Total liabilities	**48,423,907**	**48,423,907**	**43,737,270**	**43,737,270**	
Share capital	**3,000,000**	**3,000,000**	3,000,000	3,000,000	a
Statutory reserve	**1,161,347**	**1,161,347**	1,161,347	1,161,347	
General and impairment reserve	**121,985**	**121,985**	226,946	226,946	
Investment fair value reserve	**(144,613)**	**(144,613)**	(731,440)	(731,440)	
Currency translation reserve	**(386,675)**	**(386,675)**	(386,675)	(386,675)	
Retained earnings	**1,033,719**	**1,033,719**	1,363,047	1,363,047	b
Non-controlling interest	757	757	918	918	
Total equity	**4,786,520**	**4,786,520**	**4,634,143**	**4,634,143**	

6. Capital Management (continued)

6.5 Main features of regulatory capital instruments (CCA)

	30 June 2026	**Quantitative/ qualitative information**
1	Issuer	Bank of Sharjah PJSC
2	Unique identifier	AEB000101011
3	Governing law(s) of the instrument	Laws of Emirate of Sharjah
	Regulatory treatment	
4	Transitional Basel III rules	CET1
5	Post-transitional Basel III rules	CET1
6	Eligible at solo/group/group and solo	Group
7	Instrument type	Ordinary share
8	Amount recognised in regulatory capital (AED Mn)	3,000
9	Nominal amount of instrument (AED Mn)	3,000
9a	Issue price	NA
9b	Redemption price	NA
10	Accounting classification	Equity
11	Original date of issuance	22 Dec 1973
12	Perpetual or dated	Perpetual
13	Original maturity date	NA
14	Issue call subject to prior supervisory approval	NA
15	Optional call date, contingent call dates and redemption amount	NA
116	Subsequent call dates, if applicable	NA
	Coupons/ dividends	
17	Fixed or floating dividend	Floating
18	Coupon rate or any related index	NA
19	Existence of a dividend stopper	NA
20a	Full discretionary, partially discretionary or mandatory (in terms of timing)	NA
20b	Full discretionary, partially discretionary or mandatory (in terms of amount)	NA
21	Existence of step-up or other incentive to redeem	NA
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	NA
24	Write-down feature	NA
25	If write-down, write-down trigger(s)	NA
26	If write-down, full or partial	NA
27	If write-down, permanent or temporary	NA
28	If temporary write-down, description of writeup mechanism	NA
28a	Type of subordination	NA
29	Position in subordination hierarchy in liquidation	NA
30	Non-compliant transitioned features	NA
31	If yes, specify non-compliant transitioned features	NA

7 Leverage Ratio

7.1 Summary comparison of accounting assets versus leverage ratio exposure (LR1)

The following table reconciles the total assets in the published financial statements to the leverage ratio exposure measure.

		Jun 2026	Mar 2026	Dec 2025
		AED 000	AED 000	AED 000
1	Total consolidated assets as per published financial statements	**53,210,427**	54,693,696	48,371,413
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	**45,589**	20,188	30,610
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)	**(1,803,685)**	(1,761,957)	(1,790,272)
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-	-	-
12	Other adjustments	**3,793,038**	3,768,256	3,140,356
13	**Leverage ratio exposure measure**	**55,245,369**	**56,720,183**	**49,752,107**

7 Leverage Ratio (continued)

7.2 Leverage ratio common disclosure template (LR2)

The table below provides a breakdown of the components of the leverage ratio denominator, as well as information on the actual leverage ratio, minimum requirements, and buffers as of period end.

		Jun 2026	Mar 2026	Dec 2025
		AED 000	**AED 000**	**AED 000**
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	**53,128,285**	54,625,564	48,182,601
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)	**7,493**	7,787	11,827
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)	**-**	-	-
7	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)**	**53,135,778**	**54,633,351**	**48,194,428**
	Derivative exposures			
8	Replacement cost associated with *all* derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	**6,414**	2,571	5,490
9	Add-on amounts for PFE associated with *all* derivatives transactions	**31,683**	9,831	13,293
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)**	**38,097**	**12,402**	**18,783**
	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	**3,875,179**	3,836,387	3,329,168
20	(Adjustments for conversion to credit equivalent amounts)	**(1,803,685)**	(1,761,957)	(1,790,272)
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)**	**2,071,494**	**2,074,430**	**1,538,896**
	Capital and total exposures			
23	**Tier 1 capital**	**5,045,240**	**4,823,077**	**4,596,122**
24	**Total exposures (sum of rows 7, 13, 18 and 22)**	**55,245,369**	**56,720,183**	**49,752,107**
	Leverage ratio			
25	**Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)**	**9.13%**	**8.50%**	**9.24%**
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	**9.13%**	8.50%	9.24%
26	CBUAE minimum leverage ratio requirement	**3.00%**	3.00%	3.00%
27	**Applicable leverage buffers**	**6.13%**	**5.50%**	**6.24%**

8. Credit Risk

8.1 Credit quality of assets (CR1)

The table provides a comprehensive picture of the credit quality of the Group's (on- and off-balance sheet) assets.

30 June 2026		Gross carrying values of		Allowances/ Impairments	Of which ECL provisions		Net values
		Defaulted exposures	Non-defaulted exposures		Allocated in regulatory category of Specific	Allocated in regulatory category of General	
		AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
1	Loans	**2,865,890**	**35,479,863**	**1,841,735**	**427,139**	**1,414,596**	**36,504,018**
2	Debt securities	-	**9,915,190**	**9,650**	-	**9,650**	**9,905,540**
3	Off-balance sheet exposure	-	**1,547,713**	**1,215**	-	**1,215**	**1,546,498**
Total		**2,865,890**	**46,942,766**	**1,852,600**	**427,139**	**1,425,461**	**47,956,056**

31 December 2025		Gross carrying values of		Allowances/ Impairments	Of which ECL provisions		Net values
		Defaulted exposures	Non-defaulted exposures		Allocated in regulatory category of Specific	Allocated in regulatory category of General	
		AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
1	Loans	2,844,970	29,441,141	1,845,667	427,500	1,418,167	30,440,444
2	Debt securities	-	9,937,219	12,346	-	12,346	9,924,873
3	Off-balance sheet exposure	-	1,289,461	1,431	-	1,431	1,288,030
Total		**2,844,970**	**40,667,821**	**1,859,444**	**427,500**	**1,431,944**	**41,653,347**

Definition of Default

Please refer Note 5 in the financial statements for the period ended 30 June 2026 for scope and definitions of 'past due' exposures.

8 Credit Risk (continued)

8.2 Changes in Stock of Defaulted Loans (CR2)

The following table identifies the changes in the bank's stock of defaulted exposures, the flows between non-defaulted and defaulted exposure categories and reductions in the stock of defaulted exposures due to write-offs.

		30 June 2026	31 December 2025
		AED 000	AED 000
1	**Defaulted loans at the end of the previous reporting year**	**2,844,970**	**2,104,388**
2	Loans and Debt securities that have defaulted since the last year	**536**	21,485
3	Returned to non-default status	**(1)**	(13,690)
4	Amounts written off	**-**	-
5	Other changes	**20,385**	732,787
6	**Defaulted loans at the end of the reporting year**	**2,865,890**	**2,844,970**

8.3 Credit Risk Mitigation Techniques (CR3)

30 June 2026		Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral of which: secured amount	Exposures secured by financial guarantees	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
		AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
1	Loans	**10,681,214**	**27,664,539**	**16,509,230**	**-**	**-**	**-**
2	Debt securities	**5,415,190**	**4,500,000**	**4,500,000**	**-**	**-**	**-**
3	**Total**	**16,692,309**	**32,164,539**	**21,009,230**	**-**	**-**	**-**
4	Of which defaulted	**1,859,114**	**1,006,776**	**477,678**	**-**	**-**	**-**

31 December 2025		Exposures unsecured: carrying amount	Exposures secured by collateral	Exposures secured by collateral of which: secured amount	Exposures secured by financial guarantees	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
		AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
1	Loans	9,701,079	22,585,032	13,151,892	-	-	
2	Debt securities	5,437,219	4,500,000	4,500,000	-	-	
3	**Total**	**15,138,298**	**27,085,032**	**17,651,892**	-	-	
4	Of which defaulted	1,861,886	983,084	569,070	-	-	

8. Credit Risk (continued)

8.4 Credit Risk Exposure and Credit Risk Mitigation (CRM) Effects (CR4)

The following table illustrates the effect of CRM on capital requirements' calculations. RWA density provides a synthetic metric on riskiness of each portfolio.

	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
30 June 2026	On-balance sheet amount AED 000	Off-balance sheet amount AED 000	On-balance sheet amount AED 000	Off-balance sheet amount AED 000	RWA AED 000	RWA Density
Sovereigns and their central Banks	19,953,383	-	19,953,383	-	959,187	5%
Public Sector Entities	2,075,788	25,216	2,243,304	25,216	1,198,364	53%
Multilateral development Banks	7,413	-	7,413	-	-	-
Banks	2,588,114	9,858	2,586,455	9,858	1,273,207	49%
Securities firms	1,612	-	1,612	-	325	20%
Corporates	14,391,658	3,766,071	8,121,529	3,766,071	8,969,450	75%
Regulatory retail portfolios	50,239	74,034	20,706	74,034	30,181	32%
Secured by residential property	12,512	-	12,512	-	5,331	43%
Secured by commercial real estate	4,997,968	-	4,997,968	-	4,935,525	99%
Equity Investment in Funds (EIF)	-	-	-	-	-	-
Past-due loans	6,814,327	-	6,814,327	-	6,335,829	93%
Higher-risk categories	-	-	-	-	-	-
Other assets	3,237,494	-	3,237,494	-	2,833,821	88%
Total	54,130,508	3,875,179	47,996,703	3,875,179	26,541,220	51%

8. Credit Risk (continued)

8.4 Credit Risk Exposure and Credit Risk Mitigation (CRM) Effects (CR4)

The following table illustrates the effect of CRM on capital requirements' calculations. RWA density provides a synthetic metric on riskiness of each portfolio.

	Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
31 December 2025	**On-balance sheet amount AED 000**	**Off-balance sheet amount AED 000**	**On-balance sheet amount AED 000**	**Off-balance sheet amount AED 000**	**RWA AED 000**	**RWA Density**
Sovereigns and their central Banks	14,912,043	-	14,912,043	-	848,691	6%
Public Sector Entities	1,651,807	70,888	2,060,431	70,888	568,322	27%
Multilateral development Banks	7,542	-	7,542	-	-	-
Banks	3,091,336	9,443	3,089,884	9,443	1,418,763	46%
Securities firms	1,190	-	1,190	-	238	20%
Corporates	16,370,057	3,177,566	10,418,130	3,177,566	11,040,439	81%
Regulatory retail portfolios	101,068	71,271	70,755	71,271	40,617	29%
Secured by residential property	14,793	-	14,793	-	7,244	49%
Secured by commercial real estate	4,453,049	-	4,453,049	-	4,391,678	99%
Equity Investment in Funds (EIF)	-	-	-	-	-	-
Past-due loans	5,520,359	-	5,520,359	-	6,552,081	119%
Higher-risk categories	-	-	-	-	-	-
Other assets	3,086,169	-	3,086,169	-	2,717,787	88%
Total	**49,209,413**	**3,329,168**	**43,634,345**	**3,329,168**	**27,585,860**	**59%**

8. Credit Risk (continued)

8.5 Exposures by Asset classes and Risk Weights (CR5)

The following table presents the breakdown of credit risk exposures under the standardised approach by asset class and risk weight.
Exposures amount (post CCF and post-CRM)

30 June 2026	Risk weights											
								Others	Others	Others	Others	Total
RWA weights / Asset Classes	0% AED 000	20% AED 000	35% AED 000	50% AED 000	75% AED 000	100% AED 000	150% AED 000	250% AED 000	85% AED 000	2% AED 000	1250% AED 000	credit exposures AED 000
Sovereigns	18,849,212	-	-	455,254	-	483,632	165,285	-	-	-	-	19,953,383
Public Sector Entities	682,043	-	-	776,226	-	810,251	-	-	-	-	-	2,268,520
Multilateral development Banks	7,413	-	-	-	-	-	-	-	-	-	-	7,413
Banks	-	514,427	-	1,823,128	-	258,758	-	-	-	-	-	2,596,313
Securities firms	-	1,609	-	-	-	3		-		-	-	1,612
Corporates	3,001,895	-	-	-	-	8,040,295	323,934	-	521,476	-	-	11,887,600
Regulatory retail portfolios	61,841	-	-	-	10,875	22,024	-	-	-	-	-	94,740
Secured by residential property	3,137	-	6,222	-	-	3,153	-	-	-	-	-	12,512
Secured by commercial real estate	62,443	-	-	-	-	4,935,525	-	-	-	-	-	4,997,968
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-	-	-	-	-
Past-due loans	495,747	-	-	-	-	6,284,084	34,496	-	-	-	-	6,814,327
Higher-risk categories			-	-	-			-	-	-	-	-
Other assets	380,232	252,162	-	-	-	2,248,521	356,579	-	-	-	-	3,237,494
Total	23,543,963	768,198	6,222	3,054,608	10,875	23,086,246	880,294	-	521,476	-	-	51,871,882

8. Credit Risk (continued)

8.5 Exposures by Asset classes and Risk Weights (CR5) (continued)

The following table presents the breakdown of credit risk exposures under the standardised approach by asset class and risk weight.
Exposures amount (post CCF and post-CRM)

31 December 2025	Risk weights											
RWA weights / Asset Classes	0% AED 000	20% AED 000	35% AED 000	50% AED 000	75% AED 000	100% AED 000	150% AED 000	Others 250% AED 000	Others 85% AED 000	Others 2% AED 000	Others 1250% AED 000	Total credit exposures AED 000
Sovereigns	13,961,824	-	-	203,055	-	747,163	-	-	-	-	-	**14,912,043**
Public Sector Entities	1,387,180	-	-	351,634	-	392,505	-	-	-	-	-	**2,131,319**
Multilateral development Banks	7,542	-	-	-	-	-	-	-	-	-	-	**7,542**
Banks	-	872,585	-	1,964,992	-	261,750	-	-	-	-	-	**3,099,327**
Securities firms	-	1,190	-	-	-	-	-	-	-	-	-	**1,190**
Corporates	2,606,750	-	-	-	-	9,867,817	337,943	-	783,186	-	-	**13,595,696**
Regulatory retail portfolios	99,114	-	-	-	9,175	33,736	-	-	-	-	-	**142,026**
Secured by residential property	-	-	11,613	-	-	3,180	-	-	-	-	-	**14,793**
Secured by commercial real estate	61,371	-	-	-	-	4,391,678	-	-	-	-	-	**4,453,049**
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-	-	-	-	**-**
Past-due loans	524,753	-	-	-	-	1,882,658	3,112,949	-	-	-	-	**5,520,359**
Higher-risk categories	-	-	-	-	-	-	-	-	-	-	-	**-**
Other assets	377,862	223,408	-	-	-	2,108,490	376,409	-	-	-	-	**3,086,169**
Total	**19,026,396**	**1,097,183**	**11,613**	**2,519,681**	**9,175**	**19,688,977**	**3,827,301**	**-**	**783,186**	**-**	**-**	**46,963,513**

9. Counterparty credit risk (CCR)

9.1 Analysis of Counterparty Credit Risk by approach (CCR1)

The following table provides counterparty credit risk requirements and is aligned to the Standardised Approach required by CBUAE to calculate CCR.

	30 June 2026	Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
		AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
1	SA-CCR (for derivatives)	**4,581**	**22,631**	**-**	**1.4**	**38,096**	**12,363**
2	Internal Model Method (for derivatives and SFTs)	**-**	**-**	**-**	**-**	**-**	**-**
3	Simple Approach for credit risk mitigation (for SFTs)	**-**	**-**	**-**	**-**	**-**	**-**
4	Comprehensive Approach for credit risk mitigation (for SFTs)	**-**	**-**	**-**	**-**	**-**	**-**
5	VaR for SFTs	**-**	**-**	**-**	**-**	**-**	**-**
6	**Total**	**4,581**	**22,631**	**-**	**1.4**	**38,096**	**12,363**

	31 December 2025	Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
		AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
1	SA-CCR (for derivatives)	3,921	9,495	-	1.4	18,783	5,769
2	Internal Model Method (for derivatives and SFTs)	-	-	-	-	-	-
3	Simple Approach for credit risk mitigation (for SFTs)	-	-	-	-	-	-
4	Comprehensive Approach for credit risk mitigation (for SFTs)	-	-	-	-	-	-
5	VaR for SFTs	-	-	-	-	-	-
6	**Total**	**3,921**	**9,495**	**-**	**1.4**	**18,783**	**5,769**

9. Counterparty credit risk (CCR) (continued)

9.2 Credit valuation adjustment (CVA) capital charge (CCR2)

The following table provides counterparty credit risk requirements and is aligned to the Standardised Approach required by CBUAE to calculate CCR.

		30 June 2026		31 December 2025	
		EAD post-CRM	**RWA**	**EAD post-CRM**	**RWA**
		AED 000	**AED 000**	**AED 000**	**AED 000**
1	All portfolios subject to the Standardised CVA capital charge	**38,096**	**12,363**	18,783	5,769
2	All portfolios subject to the Simple alternative CVA capital charge	**-**	**-**	-	-

9. Counterparty credit risk (CCR) (continued)

9.3 Standardized approach CCR exposures by regulatory portfolio and risk weights (CCR3)

The following table provides risk weights of the counterparty credit risk requirements and in aligned to the Standardised Approach by Regulatory portfolio:

30 June 2026	**Credit Exposure**							
Regulatory portfolio (AED 000)	**0%**	**20%**	**50%**	**75%**	**100%**	**150%**	**Others**	**Total credit exposure**
Sovereigns	-	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-	-
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-
Banks	-	**25,422**	**12,674**	-	-	-	-	**38,096**
Securities firms	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	-	-	-
Regulatory retail portfolios	-	-	-	-	-	-	-	-
Secured by residential property	-	-	-	-	-	-	-	-
Secured by commercial real estate	-	-	-	-	-	-	-	-
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-
Past-due loans	-	-	-	-	-	-	-	-
Higher-risk categories	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
Total	**-**	**25,422**	**12,674**	**-**	**-**	**-**	**-**	**38,096**

31 December 2025	**Credit Exposure**							
Regulatory portfolio (AED 000)	**0%**	**20%**	**50%**	**75%**	**100%**	**150%**	**Others**	**Total credit exposure**
Sovereigns	-	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-	-
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-
Banks	-	12,075	6,708	-	-	-	-	**18,783**
Securities firms	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	-	-	-
Regulatory retail portfolios	-	-	-	-	-	-	-	-
Secured by residential property	-	-	-	-	-	-	-	-
Secured by commercial real estate	-	-	-	-	-	-	-	-
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-
Past-due loans	-	-	-	-	-	-	-	-
Higher-risk categories	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
Total	**-**	**12,075**	**6,708**	**-**	**-**	**-**	**-**	**18,783**

9. Counterparty credit risk (CCR) (continued)

9.4 Composition of collateral for Counterparty Credit Risk exposure (CCR5)

The following table provides collateral posted and received for derivative transactions.

30 June 2026

	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		
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
Cash - domestic currency	-	-	-	-	-	-
Cash - other currencies	-	**7,493**	-	-	-	-
Domestic sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	**-**	**7,493**	**-**	**-**	**-**	**-**

31 December 2025

	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		
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
Cash - domestic currency	-	-	-	-	-	-
Cash - other currencies	-	11,827	-	-	-	-
Domestic sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	**-**	**11,827**	**-**	**-**	**-**	**-**

10. Market risk

Market Risk under the Standardised Approach – (MR1)

The following table provides the components of RWAs under the Standardised Approach for market risk:

		30 June 2026 RWA AED 000	31 December 2025 RWA AED 000
1	General Interest rate risk (General and Specific)	**31,652**	34,324
2	Equity risk (General and Specific)	-	-
3	Foreign exchange risk	**661**	2,051
4	Commodity risk	-	-
	Options	-	
5	Simplified approach	-	-
6	Delta-plus method	-	-
7	Scenario approach	-	-
8	Securitisation	-	-
	Total	**32,313**	**36,375**

11 Liquidity risk management

11.1 Eligible Liquid Asset Ratio (ELAR)

	Jun 2026		Mar 2026		Dec 2025	
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
High Quality Liquid Assets	**Nominal Amount**	**Eligible Liquid Assets**	**Nominal Amount**	**Eligible Liquid Assets**	**Nominal Amount**	**Eligible Liquid Assets**
Physical cash in hand at the bank + balance with the CBUAE	**2,556,335**		5,056,220		3,304,664	
UAE Federal Government Bonds and Sukuks	**1,551,278**		2,096,562		2,125,360	
Subtotal	**4,107,613**	**4,107,613**	**7,152,782**	**7,152,782**	**5,430,024**	**5,430,024**
UAE local governments publicly traded debt securities	**2,568,000**		3,438,870		3,672,000	
UAE Public sector publicly traded debt securities	-		-		-	
Subtotal	**2,568,000**	**1,263,881**	**3,438,870**	**2,118,330**	**3,672,000**	**1,670,777**
Foreign Sovereign debt instruments or instruments issued by their respective central banks	-	-	-	-	-	-
Total	**6,675,613**	**5,371,494**	**10,591,652**	**9,271,112**	**9,102,024**	**7,100,801**
Total liabilities		**48,809,373**		**50,400,929**		**44,177,321**
Eligible Liquid Assets Ratio (ELAR)		**11.01%**		**18.39%**		**16.07%**

11 Liquidity risk management

11.2 Advances to Stables Resources Ratio (ASRR)

	Jun 2026 AED 000	Mar 2026 AED 000	Dec 2025 AED 000
Computation of Advances			
Net Lending (Gross loans - specific and collective provisions + interest in suspense)	**37,918,597**	36,087,903	31,803,499
Lending to non-banking financial institutions	**17**	55,095	55,111
Financial Guarantees & Stand-by LC (Issued - Received)	**150,886**	214,648	215,295
Interbank placements	**-**	183,650	455,452
Total Advances	**38,069,500**	**36,541,296**	**32,529,357**
Calculation of Net Stable Resources			
Total capital + general provision	**6,201,113**	6,168,225	6,052,307
Deduct:			
Goodwill and other intangible assets	**-**	-	-
Fixed Assets	**359,781**	360,430	273,437
Funds allocated to branches abroad	**-**	-	-
Unquoted Investments	**62,098**	81,981	82,017
Investment in subsidiaries, associates and affiliates	**-**	-	-
Total deduction	**421,879**	**442,411**	**355,454**
Net Free Capital Funds	**5,779,234**	**5,725,814**	**5,696,853**
Other stable resources:			
Funds from the head office	**-**	-	-
Interbank deposits with remaining life of more than 6 months	**-**	165,417	-
Refinancing of Housing Loans	**-**	-	-
Borrowing from non-banking financial institutions	**703,344**	1,009,731	851,548
Customer Deposits	**29,241,563**	30,864,669	26,718,750
Capital market funding/ term borrowings maturing after 6 months from reporting date	**5,449,431**	5,444,867	5,440,315
Total other stable resources	**35,394,338**	**37,484,684**	**33,010,613**
Total Stable Resources	**41,173,572**	**43,210,498**	**38,707,466**
Advances to stable resources ratio	**92.46%**	**84.57%**	**84.04%**