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UAB®

البنك العربي المتحد
UNITED ARAB BANK

Basel III Pillar 3 Disclosures

30 SEPTEMBER 2025

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1. KM1: Overview of Risk Management, Key Prudential Metrics and RWA

AED 000s

	Available capital (amounts)	30 Sep 2025	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024
1	Common Equity Tier 1 (CET1)	3,361,265	2,179,720	2,079,277	1,976,037	2,005,983
1a	Fully loaded ECL accounting model	3,361,265	2,179,720	2,079,277	1,976,037	2,005,983
2	Tier 1	3,912,140	2,730,595	2,630,152	2,526,912	2,556,858
2a	Fully loaded ECL accounting model Tier 1	3,912,140	2,730,595	2,630,152	2,526,912	2,556,858
3	Total capital	4,124,517	2,942,583	2,824,348	2,708,957	2,726,575
3a	Fully loaded ECL accounting model total capital	4,124,517	2,942,583	2,824,348	2,708,957	2,726,575
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	18,125,734	18,039,656	16,556,700	15,556,994	14,534,310
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	18.5%	12.1%	12.6%	12.7%	13.8%
5a	Fully loaded ECL accounting model CET1 (%)	18.5%	12.1%	12.6%	12.7%	13.8%
6	Tier 1 ratio (%)	21.6%	15.1%	15.9%	16.2%	17.6%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	21.6%	15.1%	15.9%	16.2%	17.6%
7	Total capital ratio (%)	22.8%	16.3%	17.1%	17.4%	18.8%
7a	Fully loaded ECL accounting model total capital ratio (%)	22.8%	16.3%	17.1%	17.4%	18.8%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.5%	2.5%	2.5%	2.5%	2.5%
9	Countercyclical buffer requirement (%)	0.5%	0.0%	0.0%	0.0%	0.0%
10	Bank D-SIB additional requirements (%)	0.0%	0.0%	0.0%	0.0%	0.0%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	3.0%	2.5%	2.5%	2.5%	2.5%
12	CET1 available after meeting the bank's minimum capital requirements (%)	11.5%	5.1%	5.6%	5.7%	6.8%
	Leverage Ratio					
13	Total leverage ratio measure	29,551,267	26,563,647	25,953,480	23,764,086	22,405,230
14	Leverage ratio (%) (row 2 / row 13)	13.2%	10.3%	10.1%	10.6%	11.4%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A / row 13)	13.2%	10.3%	10.1%	10.6%	11.4%
14b	Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	13.2%	10.3%	10.1%	10.6%	11.4%

AED 000s

	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	2,905,656	3,523,721	3,717,380	3,196,278	2,670,656
22	Total liabilities	20,421,256	21,048,537	20,681,815	18,809,842	17,345,664
23	Eligible Liquid Assets Ratio (ELAR) (%)	14.2%	16.7%	18.0%	17.0%	15.4%
	ASRR					
24	Total available stable funding	16,682,348	16,620,048	16,485,661	15,315,813	14,262,877
25	Total Advances	13,583,199	13,224,810	12,148,985	11,562,136	10,606,907
26	Advances to Stable Resources Ratio (%)	81.4%	79.6%	73.7%	75.5%	74.4%

Note 1: "Fully Loaded" means bank's regulatory capital compared with a situation where the transitional arrangement had not been applied. CBUAE introduced transitional arrangements as per circular no. 04 / 2020 "Regulation Regarding Accounting Provisions and Capital Requirements - Transitional Arrangements". UAB has not used the transitional arrangement.

1.1. OV1: Overview of Risk Weighted Assets

		Risk Weighted Assets		Minimum Capital Requirements
		30 Sep 2025	30 Jun 2025	30 Sep 2025
1	Credit risk (excluding counterparty credit risk)	16,815,679	16,356,595	1,765,646
2	Of which: standardised approach (SA)	16,815,679	16,356,595	1,765,646
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)	113,558	65,283	11,924
7	Of which: standardised approach for counterparty credit risk	113,558	65,283	11,924
8	Of which: Internal Model Method (IMM)			
9	Of which: other CCR			
10	Credit valuation adjustment (CVA)	60,927	537,178	6,397
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	13,854	12,167	1,455
21	Of which: standardised approach (SA)	13,854	12,167	1,455
22	Of which: internal models approach (IMA)			
23	Operational risk	1,121,715	1,068,434	117,780
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)	18,125,734	18,039,656	1,903,202

*The minimum capital requirements applied is 10.5%

2. Leverage Ratio

2.1. LR1: Summary Comparison of Accounting Assets Vs Leverage Ratio Exposure

AED 000s

		30 Sep 2025	30 Jun 2025
1	Total consolidated assets as per published financial statements	24,465,361	23,921,351
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	171,688	25,896
9	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	199,895	200,583
10	Adjustments for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	4,714,323	2,415,817
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	29,551,267	26,563,647

2.2. LR2: Leverage Ratio Common Disclosure Template

		AED 000s	
		30 Sep 2025	30 Jun 2025
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	24,437,359	23,888,654
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)	(220)	(771)
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)	(47,117)	(52,793)
7	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	24,390,022	23,835,090
Derivative exposures			
8	Replacement cost associated with <i>all</i> derivatives transactions (where applicable net of eligible cash variation margin and / or with bilateral netting)	17,134	13,453
9	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	159,313	66,659
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 (1.4 x (rows 8+9) + sum of rows 10 to 12)	247,027	112,156
Securities financing transactions			
14	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	2,242,393	1,964,394
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(2,042,498)	(1,763,811)
16	CCR exposure for SFT assets	-	-
17	Agent transaction exposures	-	-
18	Total securities financing transaction exposures (sum of rows 14 to 17)	199,895	200,583
Other off-balance sheet exposures			
19	Off-balance sheet exposure at gross notional amount	7,845,875	5,148,485
20	(Adjustments for conversion to credit equivalent amounts)	(3,131,552)	(2,732,668)
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)	4,714,323	2,415,817
Capital and total exposures			
23	Tier 1 capital	3,912,140	2,730,595
24	Total exposures (sum of rows 7, 13, 18 and 22)	29,551,267	26,563,647
Leverage ratio			
25	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)	13.2%	10.3%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	13.2%	10.3%
26	CBUAE minimum leverage ratio requirement	3.0%	3.0%
27	Applicable leverage buffers	10.2%	7.3%

3. Liquidity Risk Management

3.1. ELAR: Eligible Liquid Assets Ratio

30 September 2025

AED 000s

1	High Quality Liquid Assets	Nominal amount	Eligible Liquid Asset
1.1	Physical cash in hand at the bank + balances with the CBUAE	1,505,829	
1.2	UAE Federal Government Bonds and Sukuks	779,849	
	Sub Total (1.1 to 1.2)	2,285,678	2,285,678
1.3	UAE local governments publicly traded debt securities	814,212	
1.4	UAE Public sector publicly traded debt securities	-	
	Sub Total (1.3 to 1.4)	814,212	619,978
1.5	Foreign Sovereign debt instruments or instruments issued by their respective central banks	-	-
1.6	Total	3,099,890	2,905,656
2	Total liabilities		20,421,256
3	Eligible Liquid Assets Ratio (ELAR)		14.2%

30 June 2025

AED 000s

1	High Quality Liquid Assets	Nominal amount	Eligible Liquid Asset
1.1	Physical cash in hand at the bank + balances with the CBUAE	2,415,188	
1.2	UAE Federal Government Bonds and Sukuks	388,323	
	Sub Total (1.1 to 1.2)	2,803,511	2,803,511
1.3	UAE local governments publicly traded debt securities	797,542	
1.4	UAE Public sector publicly traded debt securities	-	
	Sub Total (1.3 to 1.4)	797,542	720,211
1.5	Foreign Sovereign debt instruments or instruments issued by their respective central banks	-	-
1.6	Total	3,601,053	3,523,721
2	Total liabilities		21,048,537
3	Eligible Liquid Assets Ratio (ELAR)		16.7%

3.2. ASRR: Advances to Stable Resources Ratio

			AED 000s	
		Items	30 Sep 2025	30 Jun 2025
1		Computation of Advances		
	1.1	Net Lending (gross loans - specific and collective provisions + interest in suspense)	11,285,941	10,775,795
	1.2	Lending to non-banking financial institutions	220,322	198,514
	1.3	Net Financial Guarantees & Stand-by LC (issued - received)	45,278	45,558
	1.4	Interbank Placements	2,031,658	2,204,943
	1.5	Total Advances	13,583,199	13,224,810
2		Calculation of Net Stable Resources		
	2.1	Total capital + general provisions	4,291,776	3,138,580
		Deduct:		
	2.1.1	Goodwill and other intangible assets	-	-
	2.1.2	Fixed Assets	385,653	366,748
	2.1.3	Funds allocated to branches abroad	-	-
	2.1.5	Unquoted Investments	1,301	1,301
	2.1.6	Investment in subsidiaries, associates and affiliates	-	-
	2.1.7	Total deduction	386,954	368,049
	2.2	Net Free Capital Funds	3,904,823	2,770,531
	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	50,000	129,909
	2.3.3	Refinancing of Housing Loans	-	-
	2.3.4	Borrowing from non-Banking Financial Institutions	1,148,088	1,187,001
	2.3.5	Customer Deposits	11,579,437	12,532,606
	2.3.6	Capital market funding / term borrowings maturing after 6 months from reporting date	-	-
	2.3.7	Total other stable resources	12,777,525	13,849,517
	2.4	Total Stable Resources (2.2+2.3.7)	16,682,348	16,620,048
3		Advances TO STABLE RESOURCES RATIO (1.6/ 2.4*100)	81.4%	79.6%