

**Ahli United Bank B.S.C (C)**

**Regulatory Capital & Leverage Ratio  
Disclosures - Basel 3**

**31 March 2025**

**APPENDIX I - REGULATORY CAPITAL DISCLOSURES****PD 1 : Capital Composition Disclosure Template**

	<i>US\$ '000</i>	
<i>Basel 3 Common disclosure template</i>	<i>PIRI as on 31 March 2025</i>	<i>Reference</i>
<b><u>Common Equity Tier 1 capital: instruments and Reserves</u></b>		
Directly issued qualifying common share capital plus related stock surplus	2,786,983	A1
Retained earnings	813,732	B1+B2+B3+B4
Accumulated other comprehensive income (and other reserves)	1,070,917	C1+C2+C3+C4+ C5 +C6 +C7
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	9,379	D
Common Equity Tier 1 capital before regulatory adjustments	<b>4,681,011</b>	
<b><u>Common Equity Tier 1 capital: regulatory adjustments</u></b>		
Prudential valuation adjustments		
Goodwill (net of related tax liability)	90,192	E
Other intangibles other than mortgage-servicing rights (net of related tax liability)	89,194	F1+F2
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	G1-G2
Cash-flow hedge reserve	-	C7
Shortfall of provisions to expected losses		
Securitization gain on sale (as set out in paragraph 562 of Basel 2 framework)		
Not applicable		
Defined-benefit pension fund net assets		
Investments in own shares (if not already netted off paid-in capital on reported balance sheet)		
Reciprocal cross-holdings in common equity	1,762,299	K
Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)		
Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-	H1 + H2
<b>Total regulatory adjustments to Common equity Tier 1</b>	<b>1,941,685</b>	
<b>Common Equity Tier 1 capital (CET1)</b>	<b>2,739,326</b>	
<b><u>Additional Tier 1 capital: instruments</u></b>		
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	400,000	I
Additional Tier 1 instruments (and CET1 instruments not included above) issued by subsidiaries and held by third parties (amount allowed in group AT1)	2,010	J
<b>Additional Tier 1 capital before regulatory adjustments</b>	<b>402,010</b>	
<b>Total regulatory adjustments to Additional Tier 1 capital</b>	<b>-</b>	
<b>Additional Tier 1 capital (AT1)</b>	<b>402,010</b>	
<b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>3,141,336</b>	
<b><u>Tier 2 capital: instruments and provisions</u></b>		
Tier 2 instruments (and CET1 and AT1 instruments not included above) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	5,360	L
Expected Credit Losses & Reserves	166,774	M1+M2
<b>Tier 2 capital before regulatory adjustments</b>	<b>172,134</b>	
<b>Total regulatory adjustments to Tier 2 capital</b>	<b>-</b>	
<b>Tier 2 capital (T2)</b>	<b>172,134</b>	
<b>Total capital (TC = T1 + T2)</b>	<b>3,313,470</b>	
<b>Total risk weighted assets</b>	<b>12,757,080</b>	

**Capital ratios**

Common Equity Tier 1 (as a percentage of risk weighted assets)	21.5%
Tier 1 (as a percentage of risk weighted assets)	24.6%
Total capital (as a percentage of risk weighted assets)	<b>26.0%</b>

Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus D-SIB buffer requirement expressed as a percentage of risk weighted assets)	10.5%
--	-------

*of which: Capital Conservation Buffer requirement* 2.5%

*of which: bank specific countercyclical buffer requirement (N/A)* NA

*of which: D-SIB buffer requirement* 1.5%

**National minima (if different from Basel 3)**

CBB Common Equity Tier 1 minimum ratio (including buffers)	10.5%
CBB Tier 1 minimum ratio (including buffers)	12.0%
CBB total capital minimum ratio (including buffers)	14.0%

**Amounts below the thresholds for deduction (before risk weighting)**

Non-significant investments in the capital of other financial entities 97,170

Significant investments in the common stock of financial entities 46,068

**Applicable caps on the inclusion of Expected Credit Losses in Tier 2**

Expected Credit Losses (Stages 1 and 2) eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	328,369	N
Cap on inclusion of Expected Credit Losses in Tier 2 under standardized approach	131,684	M2

**PD 2 : Reconciliation Of Regulatory Capital****i) Step 1: Disclosure of Balance Sheet under Regulatory scope of Consolidation**

There are no differences between the regulatory and accounting consolidation, with both following the consolidation approach as per the IFRS 10 without excluding any entities. As mandated by the Central Bank of Bahrain ("CBB"), financial assets have been grossed up with impairment allowances for expected credit losses (ECL) - Stages 1 and 2, as presented below:

	<u>US\$ '000</u>
<b>Balance sheet as per published financial statements</b>	<b>26,117,897</b>
ECL - Stages 1 and 2	328,369
<b>Balance sheet as in Regulatory Return</b>	<b>26,446,266</b>

**ii) Step 2: Expansion of the Balance Sheet under Regulatory scope of Consolidation**

	<u>US\$ '000</u>	
<i>Assets</i>	<i>Balance as per published financial statements</i>	<i>Consolidated PIRI data</i>
Cash and balances with central banks	955,831	955,831
Financial assets at fair value through Profit & Loss		9,240
Due from central banks and sukuk	1,031,169	1,031,169
Due from banks	1,705,165	1,705,350
Financing receivables and Ijarah assets	9,604,661	9,920,658
Non-trading investments	11,423,812	11,426,637
<i>of which significant investment exceeding regulatory threshold</i>		-
<i>of which reciprocal cross-holdings in common equity</i>		1,762,299
<i>of which investment NOT exceeding regulatory threshold</i>		9,664,338
Investment properties	108,184	108,184
Profit receivable and other assets	953,818	953,940
<i>of which deferred tax assets</i>		-
Investments in associates	38,152	38,152
<i>of which significant investment exceeding regulatory threshold</i>		-
<i>of which significant investment NOT exceeding regulatory threshold</i>		38,152
Goodwill and other intangible assets	107,547	107,547
<i>of which Goodwill</i>		90,191
<i>of which other intangibles (excluding MSRs)</i>		17,356
Premises and equipments	189,558	189,558
<i>of which software</i>		71,838
<b>TOTAL ASSETS</b>	<b>26,117,897</b>	<b>26,446,266</b>
<i>Liabilities</i>		
Due to banks	610,654	610,654
Customers' accounts	2,133,641	-
<i>of which Customer current accounts</i>	1,716,464	1,716,464
<i>of which Funding Liabilities (eg. reverse commodity murabaha, etc.)</i>	417,177	-
Funding Liabilities (eg. reverse commodity murabaha, etc.)	-	5,143,330
<i>of which other Customers' accounts</i>	-	417,177
<i>of which Term financing against sukuk</i>	3,920,008	3,920,008
<i>of which Sukuk payable and term financing</i>	806,145	806,145
Profit payable and other liabilities	1,471,372	1,471,372
<i>of which deferred tax liabilities</i>	-	3,260
<b>TOTAL LIABILITIES</b>	<b>8,941,820</b>	<b>8,941,820</b>
<i>Quasi-Equity</i>	12,068,127	12,068,127
<b>TOTAL QUASI-EQUITY</b>	<b>12,068,127</b>	<b>12,068,127</b>

**Equity**

Paid-in share capital	2,786,983	2,786,983	
<i>of which form part of Common Equity Tier 1</i>		2,786,983	
Ordinary Share Capital		2,786,983	A1
Perpetual Tier 1 Capital Securities - AUB Bahrain	400,000	400,000	I
Reserves	1,865,866	1,865,866	
<i>of which form part of Common Equity Tier 1</i>			
Retained earnings/(losses) brought forward		759,859	B1
Proposed Dividend Payable		-	B2
Net profit for the current period		137,944	C1
Share premium		758,170	C2
Legal reserve		958,630	C3
Others		(38,095)	C4
FX translation adjustment		(936,533)	C5
Cumulative fair value changes on FVOCI investments		190,801	C6
Fair value changes of cash flow hedges		-	C7
<i>of which form part of Tier 2</i>			
Fixed assets revaluation reserves		35,090	M1
CBB modification loss (part of CET1)		17,612	B3
Non - controlling interest	55,101	55,101	
<i>of which amount eligible for Common Equity Tier 1</i>		9,379	D
<i>of which amount eligible for Additional Tier 1</i>		2,010	J
<i>of which amount eligible for Tier 2</i>		5,360	L
<i>of which amount ineligible</i>		38,352	
Impairment Allowance for Expected Credit Losses - Stages 1 and 2		328,369	N
<i>of which amount eligible for Tier 2 (maximum 1.25% of RWA)</i>		131,684	M2
<i>of which amount included in CET1 as per CBB</i>		36,261	B4
<i>of which amount ineligible</i>		160,424	
<b>TOTAL OWNER EQUITY</b>	<b>5,107,950</b>	<b>5,436,319</b>	
<b>TOTAL LIABILITIES, QUASI-EQUITY AND OWNER EQUITY</b>	<b>26,117,897</b>	<b>26,446,266</b>	

**PD 3 : Main features of regulatory capital instruments**

1	<b>Issuer</b>	Ahli United Bank B.S.C (c )	Ahli United Bank B.S.C (c )
2	<b>Unique identifier</b>	N/A	ISIN: XS1133289832 / Perpetual Tier 1 Capital Securities
3	<b>Governing law(s) of the instrument</b>	Laws of Bahrain	English Law, except for the provisions of subordination which will be governed by the Laws of Bahrain
4	<b>Transitional CBB rules</b>	Not applicable	Not applicable
5	<b>Post-transitional CBB rules</b>	Common Equity Tier 1	Additional Tier 1
6	<b>Eligible at solo/group/group &amp; solo</b>	Solo and Group	Solo and Group
7	<b>Instrument type</b>	Common Equity Shares	Capital Securities
8	<b>Amount recognized in regulatory capital</b>	\$2787.0 mn	\$400.0 mn
9	<b>Par value of instrument (USD)</b>	\$0.25	\$1000 subject to minimum of \$200,000
10	<b>Accounting classification</b>	Shareholders' equity	Shareholders' equity
11	<b>Original date of issuance</b>	31-May-2000	29-Apr-2015
12	<b>Perpetual or dated</b>	Perpetual	Perpetual
13	<b>Original maturity date</b>	No Maturity	Callable every six months
14	<b>Issuer call subject to prior supervisory approval</b>	NA	Yes
15	<b>Optional call date, contingent call dates and redemption amount</b>	NA	Call Option : On every Distribution Payment Date at Par/100%; Tax event at Par/100%; Regulatory Capital Event at 101% (Full or partial)
16	<b>Subsequent call dates, if applicable</b>	NA	Every Distribution Payment Date
17	<b>Fixed or floating dividend/coupon</b>	NA	Fixed
18	<b>Coupon rate and any related index</b>	NA	5.839%
19	<b>Existence of a dividend stopper</b>	NA	Yes
20	<b>Fully discretionary, partially discretionary or mandatory</b>	Fully discretionary	Fully discretionary
21	<b>Existence of step up or other incentive to redeem</b>	No	No
22	<b>Noncumulative or cumulative</b>	NA	Noncumulative
23	<b>Convertible or non-convertible</b>	NA	Non-convertible
24	<b>If convertible, conversion trigger (s)</b>	NA	NA
25	<b>If convertible, fully or partially</b>	NA	NA
26	<b>If convertible, conversion rate</b>	NA	NA
27	<b>If convertible, mandatory or optional conversion</b>	NA	NA
28	<b>If convertible, specify instrument type convertible into</b>	NA	NA
29	<b>If convertible, specify issuer of instrument it converts into</b>	NA	NA
30	<b>Write-down feature</b>	NA	Yes
31	<b>If write-down, write-down trigger(s)</b>	NA	Notification by regulator of Non viability without (a) write-down ; or (b) a public sector injection of capital (or equivalent support)
32	<b>If write-down, full or partial</b>	NA	Fully / Partially
33	<b>If write-down, permanent or temporary</b>	NA	Permanent
34	<b>If temporary write-down, description of write-up mechanism</b>	NA	NA
35	<b>Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)</b>	Additional Tier 1 Capital Bonds	All depositors and creditors
36	<b>Non-compliant transitioned features</b>	NA	No
37	<b>If yes, specify non-compliant features</b>	NA	NA

31 March 2025

**Leverage Ratio**

The leverage ratio serves as a supplementary measure to the risk-based capital requirements. The leverage ratio is computed on a consolidated basis and being Bahraini bank licensees designated as DSIB must meet a 3.75% leverage ratio minimum requirement at all times.

**Leverage Ratio components**

	<i><b>US\$ '000</b></i>
Tier1 Capital [A]	3,141,336
Total Exposure [B]	27,204,832
Leverage Ratio ([A] / [B])	<b>11.5%</b>