



بنك الشارقة  
Bank of Sharjah

# Pillar 3 Report

30 June 2025



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**Bank of Sharjah P.J.S.C.****Pillar III Disclosure for the period ended 30 June 2025****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 Central Bank of the UAE continues to support the Bank’s strategic effort to delink/deconsolidate its Lebanese Subsidiary, as the underlying accounting anomalies impact is not sustainable for the Bank and pose a threat of unnecessary volatility. Accordingly, the objective remains to cease the consolidation of the Lebanese Subsidiary’s financial statements in the Group’s financial statements, as per the Central Bank of the UAE recommendations effective 1st April 2023. This step is necessary to mitigate the accounting anomalies and disruptions resulting from the consolidation of the Lebanese Subsidiary. On 22nd June 2023, the Board approved the de-linking.

When the Group classified the Lebanese subsidiary as an "asset held for sale," all the subsidiary's assets and liabilities were categorized accordingly. Once classified in this category, the group of assets and liabilities is measured at the lower of carrying amount or fair value less costs to sell. If impairment occurs, an impairment loss is recognized in the consolidated statement of profit and loss. Impairment losses may be reversed. The fair value less cost to sell estimate remains a significant judgment, determined based on the market offer approach.

The previously heightened geopolitical environment in Lebanon had delayed the sale beyond the 12-month timeframe stipulated by IFRS 5. However, recent political and economic developments clearly indicate a more stable and promising outlook, prompting renewed interest from potential buyers. During the period ended 30 June 2025, the Bank received reconfirmed offers from potential acquirers, reflecting a more positive market sentiment. Discussions are advancing, with buyers demonstrating increased confidence in Lebanon’s financial sector recovery. The Bank has received expressions of interest from other potential buyers and is engaged in further discussions. An accredited multinational sell-side advisory firm has been appointed to support the sale process, including initiating due diligence procedures.

While the Bank remains confident in the successful sale of Emirates Lebanon Bank, it acknowledges that delays may still occur due to external factors. Nonetheless, the improving political and financial landscape is expected to facilitate and expedite the completion of the transaction. Additionally, the Bank has received an updated letter from the regulator reaffirming support for the classification of EL Bank as held for sale under IFRS 5, reflecting the improved market conditions and ongoing strategic efforts to finalize the sale.

## Bank of Sharjah P.J.S.C.

### Pillar III Disclosure for the period ended 30 June 2025

#### 2. Purpose and Basis of preparation (continued)

The complete listing of all direct subsidiaries of Bank of Sharjah PJSC as at 30 June 2025 is as follows:

Name of Subsidiary	Proportion of ownership interest		Year of incorporation	Country of incorporation	Principal activities
	2025	2024			
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.

### **3. Overview of Pillar III (continued)**

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 2025 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 2025.

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**4. Key Metrics for the group (KM1)**

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

		Jun 2025	Mar 2025	Dec 2024	Sep 2024	Jun 2024
		AED 000	AED 000	AED 000	AED 000	AED 000
<b>Available capital (amounts)</b>						
1	Common Equity Tier 1 (CET1)	4,052,756	3,924,362	3,865,227	3,799,543	3,716,254
1a	Fully loaded ECL accounting model	4,052,756	3,924,362	3,850,872	3,785,129	3,696,885
2	Tier 1	4,052,756	3,924,362	3,865,227	3,799,543	3,716,254
2a	Fully loaded ECL accounting model Tier 1	4,052,756	3,924,362	3,850,872	3,785,129	3,696,885
3	Total capital	4,428,761	4,290,843	4,186,048	4,097,388	4,032,398
3a	Fully loaded ECL accounting model total capital	4,428,761	4,290,843	4,171,693	4,082,974	4,013,029
<b>Risk-weighted assets (amounts)</b>						
4	Total risk-weighted assets (RWA)	31,549,316	30,998,249	27,439,382	25,500,054	26,847,622
<b>Risk-based capital ratios as a percentage of RWA</b>						
5	Common Equity Tier 1 ratio (%)	12.85%	12.67%	14.09%	14.90%	13.84%
5a	Fully loaded ECL accounting model CET1 (%)	12.85%	12.67%	14.03%	14.84%	13.77%
6	Tier 1 ratio (%)	12.85%	12.67%	14.09%	14.90%	13.84%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	12.85%	12.67%	14.03%	14.84%	13.77%
7	Total capital ratio (%)	14.04%	13.84%	15.26%	16.07%	15.02%
7a	Fully loaded ECL accounting model total capital ratio (%)	14.04%	13.84%	15.20%	16.01%	14.95%
<b>Additional CET1 buffer requirements as a percentage of RWA</b>						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	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 (%)	3.54%	3.34%	4.76%	5.57%	4.52%
<b>Leverage Ratio</b>						
13	Total leverage ratio measure	48,306,640	46,076,297	44,808,326	43,313,478	40,783,714
14	Leverage ratio (%) (row 2/row 13)	8.39%	8.55%	8.63%	8.77%	9.11%
14a	Fully loaded ECL accounting model leverage ratio (%) (row 2A/row 13)	8.39%	8.55%	8.59%	8.74%	9.06%
14b	"Leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)"	8.39%	8.55%	8.63%	8.77%	9.11%
<b>Liquidity Coverage Ratio</b>						
15	Total HQLA	-	-	-	-	-
16	Total net cash outflow	-	-	-	-	-
17	LCR ratio (%)	-	-	-	-	-
<b>Net Stable Funding Ratio</b>						
18	-	-	-	-	-	-
19	Total required stable funding	-	-	-	-	-
20	NSFR ratio (%)	-	-	-	-	-
<b>ELAR</b>						
21	Total HQLA	5,530,389	4,833,300	7,046,178	5,012,761	4,278,551
22	Total liabilities	43,484,658	41,182,676	40,109,352	37,284,971	35,555,710
23	Eligible Liquid Assets Ratio (ELAR) (%)	12.72%	11.74%	17.57%	13.44%	12.03%
<b>ASRR</b>						
24	Total available stable funding	36,906,475	34,474,533	33,430,893	32,490,645	28,774,030
25	Total Advances	32,302,516	27,917,078	26,297,734	25,629,534	24,481,849
26	Advances to Stable Resources Ratio (%)	87.53%	80.98%	78.66%	78.88%	85.08%

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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 2025	Dec 2024	Sep 2024	Jun 2025
		AED 000	AED 000	AED 000	AED 000
1	Credit risk (excluding counterparty credit risk)	30,066,447	25,629,851	23,778,099	3,156,977
2	Of which: standardised approach (SA)	30,066,447	25,629,851	23,778,099	3,156,977
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)	13,973	35,818	49,507	1,467
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	295,795	587,802	668,650	31,058
21	Of which: standardised approach (SA)	295,795	587,802	668,650	31,058
22	Of which: internal models' approach (IMA)	-	-	-	-
23	Operational risk	1,173,102	1,185,911	1,003,798	123,176
24	Amounts below thresholds for deduction (subject to 250% risk weight)	-	-	-	-
25	Floor adjustment	-	-	-	-
26	<b>Total (1+6+10+11+12+13+14+15+16+20+23)</b>	<b>31,549,317</b>	<b>27,439,382</b>	<b>25,500,054</b>	<b>3,312,678</b>

## 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.



**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**6. Composition of Capital (continued)**
**6.3 Composition of Regulatory Capital (CC1)**

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

		<b>Jun 2025</b>	<b>Dec 2024</b>	<b>CC2</b>
		<b>AED 000</b>	<b>AED 000</b>	<b>Reference</b>
	<b>Common Equity Tier 1 capital: instruments and reserves</b>			
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	749,287	589,223	b
3	Accumulated other comprehensive income (and other reserves)	304,871	277,406	
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	<b>Common Equity Tier 1 capital before regulatory deductions</b>	<b>4,054,158</b>	<b>3,866,629</b>	
	<b>Common Equity Tier 1 capital regulatory adjustments</b>			
7	Prudent valuation adjustments	-	-	
8	Goodwill and other intangibles	1,402	1,402	
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	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	<b>Total regulatory adjustments to Common Equity Tier 1</b>	<b>1,402</b>	<b>1,402</b>	
25	<b>Common Equity Tier 1 capital (CET1)</b>	<b>4,052,756</b>	<b>3,865,227</b>	
	<b>Additional Tier 1 capital: instruments</b>			
26	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	-	-	

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**6. Capital Management (continued)**
**6.3 Composition of Regulatory Capital (CC1) (continued)**

		<b>Jun 2025</b>	<b>Dec 2024</b>	<b>CC2</b>
		<b>AED 000</b>	<b>AED 000</b>	<b>Reference</b>
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	<i>Of which: instruments issued by subsidiaries subject to phase-out</i>	-	-	
32	<b>Additional Tier 1 capital before regulatory adjustments</b>	-	-	
	<b>Additional Tier 1 capital: regulatory adjustments</b>	-	-	
33	Investments in own additional Tier 1 instruments	-	-	
34	Investments in capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	
35	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-	
36	CBUAE specific regulatory adjustments	-	-	
37	Total regulatory adjustments to additional Tier 1 capital	-	-	
38	<b>Additional Tier 1 capital (AT1)</b>	-	-	
39	<b>Tier 1 capital (T1= CET1 + AT1)</b>	<b>4,052,756</b>	<b>3,865,227</b>	
	<b>Tier 2 capital: instruments and provisions</b>	-	-	
40	Directly issued qualifying Tier 2 instruments plus related stock surplus	-	-	
41	Directly issued capital instruments subject to phase-out from Tier 2	-	-	
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	376,005	320,821	
45	<b>Tier 2 capital before regulatory adjustments</b>	<b>376,005</b>	<b>320,821</b>	
	<b>Tier 2 capital: regulatory adjustments</b>	-	-	
46	Investments in own Tier 2 instruments	-	-	
47	Investments in capital, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-	-	
48	Significant investments in the capital, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	
49	CBUAE specific regulatory adjustments	-	-	
50	Total regulatory adjustments to Tier 2 capital	-	-	
51	<b>Tier 2 capital (T2)</b>	<b>376,005</b>	<b>320,821</b>	
52	<b>Total regulatory capital (TC = T1 + T2)</b>	<b>4,428,761</b>	<b>4,186,048</b>	
53	<b>Total risk-weighted assets</b>	<b>31,549,317</b>	<b>27,439,382</b>	

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**6. Capital Management (continued)**
**6.3 Composition of Regulatory Capital (CC1) (continued)**

		<b>Jun 2025</b>	<b>Dec 2024</b>	<b>CC2</b>
		<b>AED 000</b>	<b>AED 000</b>	<b>Reference</b>
	<b>Capital ratios and buffers</b>			
54	Common Equity Tier 1 (as a percentage of risk-weighted assets)	12.85%	14.09%	
55	Tier 1 (as a percentage of risk-weighted assets)	12.85%	14.09%	
56	Total capital (as a percentage of risk-weighted assets)	14.04%	15.26%	
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)	3.54%	4.76%	
58	Of which: capital conservation buffer requirement	3.54%	4.76%	
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.	5.85%	7.09%	
		-	-	
	<b>The CBUAE Minimum Capital Requirement</b>	-	-	
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)	-	-	
	<b>Applicable caps on the inclusion of provisions in Tier 2</b>	-	-	
69	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	-	-	
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	-	-	
	<b>Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)</b>	-	-	
73	Current cap on CET1 instruments subject to phase-out arrangements	-	-	
74	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-	
75	Current cap on AT1 instruments subject to phase-out arrangements	-	-	
76	Amount excluded from AT1 due to cap (excess after redemptions and maturities)	-	-	
77	Current cap on T2 instruments subject to phase-out arrangements	-	-	
78	Amount excluded from T2 due to cap (excess after redemptions and maturities)	-	-	

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**6. Capital Management (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 2025		31 December 2024		CC1 Reference
	Balance sheet as published in the financial statements	Balance sheet as published in the financial statements	Balance sheet as published in the financial statements	Under regulatory scope of consolidation	
	AED 000	AED 000	AED 000	AED 000	
<b>Assets</b>					
Cash and balances with central Banks	2,596,991	2,596,991	4,639,575	4,639,575	
Deposits and balances due from Banks	753,376	753,376	595,972	595,972	
Loans and advances, net	30,097,047	30,097,047	24,302,758	24,302,758	
Investment securities, net	9,729,623	9,729,623	10,101,570	10,101,570	
Investment properties	1,157,453	1,157,453	1,157,453	1,157,453	
Assets acquired in settlement of debt	1,081,285	1,081,285	1,070,090	1,070,090	
Other assets	632,626	632,626	679,832	679,832	
Property and equipment	183,159	183,159	190,932	190,932	
Subsidiary held for sale	844,790	844,790	844,790	844,790	
<b>Total assets</b>	<b>47,076,350</b>	<b>47,076,350</b>	<b>43,582,972</b>	<b>43,582,972</b>	
<b>Liabilities</b>					
Customers' deposits	32,290,414	32,290,414	29,704,942	29,704,942	
Deposits and balances due to Banks	3,792,639	3,792,639	2,822,812	2,822,812	
Repo borrowings	2,321,009	2,321,009	2,420,284	2,420,284	
Other liabilities	971,795	971,795	1,245,042	1,245,042	
Issued bonds	3,577,880	3,577,880	3,563,070	3,563,070	
<b>Total liabilities</b>	<b>42,953,737</b>	<b>42,953,737</b>	<b>39,756,150</b>	<b>39,756,150</b>	
Share capital	3,000,000	3,000,000	3,000,000	3,000,000	a
Statutory reserve	1,088,469	1,088,469	1,088,469	1,088,469	
General and impairment reserve	262,885	262,885	190,316	190,316	
Investment fair value reserve	(783,597)	(783,597)	(811,062)	(811,062)	
Currency translation reserve	(386,675)	(386,675)	(386,675)	(386,675)	
Retained earnings	940,643	940,643	744,234	744,234	b
Non-controlling interest	888	888	1,540	1,540	
<b>Total equity</b>	<b>4,122,613</b>	<b>4,122,613</b>	<b>3,826,822</b>	<b>3,826,822</b>	

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**6. Capital Management (continued)**
**6.5 Main features of regulatory capital instruments (CCA)**

	30 June 2025	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
	<b>Regulatory treatment</b>	
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
	<b>Coupons/ dividends</b>	
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

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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.

		<b>Jun 2025</b>	<b>Dec 2024</b>	<b>Sep 2024</b>
		<b>AED 000</b>	<b>AED 000</b>	<b>AED 000</b>
1	Total consolidated assets as per published financial statements	47,076,350	43,582,972	40,728,842
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		-	1,305,711
4	Adjustments for temporary exemption of central bank reserves (if applicable)	-	-	-
5	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-	-
6	Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	-	-	-
7	Adjustments for eligible cash pooling transactions	-	-	-
8	Adjustments for derivative financial instruments	42,752	79,493	106,157
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)	(1,939,873)	(1,440,899)	(1,474,166)
11	Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	-	-	-
12	Other adjustments	3,127,411	2,586,760	2,646,934
13	<b>Leverage ratio exposure measure</b>	<b>48,306,640</b>	<b>44,808,326</b>	<b>43,313,478</b>

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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.

		<b>Jun 2025</b>	<b>Dec 2024</b>	<b>Sep 2024</b>
		<b>AED 000</b>	<b>AED 000</b>	<b>AED 000</b>
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	46,901,298	43,233,675	40,230,976
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)	11,496	110	110
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)	(191,355)	-	-
7	<b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)</b>	<b>46,721,439</b>	<b>43,233,785</b>	<b>40,231,086</b>
	<b>Derivative exposures</b>			
8	Replacement cost associated with <i>all</i> derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	4,844	3,870	4,588
9	Add-on amounts for PFE associated with <i>all</i> derivatives transactions	26,412	75,512	101,459
10	(Exempted CCP leg of client-cleared trade exposures)	-	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-	-
13	<b>Total derivative exposures (sum of rows 8 to 12)</b>	<b>31,256</b>	<b>79,382</b>	<b>106,047</b>
	<b>Securities financing transactions</b>			
14	Gross SFT <i>assets</i> (with no recognition of netting), after adjusting for sale accounting transactions	-	-	1,132,215
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-	-
16	CCR exposure for SFT assets	-	-	173,496
17	Agent transaction exposures	-	-	-
18	<b>Total securities financing transaction exposures (sum of rows 14 to 17)</b>	<b>-</b>	<b>-</b>	<b>1,305,711</b>
	<b>Other off-balance sheet exposures</b>			
19	Off-balance sheet exposure at gross notional amount	3,493,818	2,936,058	3,144,800
20	(Adjustments for conversion to credit equivalent amounts)	(1,939,873)	(1,440,899)	(1,474,166)
21	(Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)	-	-	-
22	<b>Off-balance sheet items (sum of rows 19 to 21)</b>	<b>1,553,945</b>	<b>1,495,159</b>	<b>1,670,634</b>
	<b>Capital and total exposures</b>			
23	<b>Tier 1 capital</b>	<b>4,052,756</b>	<b>3,865,227</b>	<b>3,799,543</b>
24	<b>Total exposures (sum of rows 7, 13, 18 and 22)</b>	<b>48,306,640</b>	<b>44,808,326</b>	<b>43,313,478</b>
	<b>Leverage ratio</b>			
25	<b>Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)</b>	<b>8.39%</b>	<b>8.63%</b>	<b>8.77%</b>
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	8.39%	8.63%	8.77%
26	CBUAE minimum leverage ratio requirement	3.00%	3.00%	3.00%
27	<b>Applicable leverage buffers</b>	<b>5.39%</b>	<b>5.63%</b>	<b>5.77%</b>

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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.

		Gross carrying values of			Of which ECL provisions		
		Defaulted exposures	Non-defaulted exposures		Allocated in regulatory category of Specific	Allocated in regulatory category of General	
30 June 2025		AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
1	Loans	2,118,036	29,792,351	1,813,340	397,021	1,416,319	30,097,047
2	Debt securities	-	8,871,429	10,208	-	10,208	8,861,221
3	Off-balance sheet exposure	-	1,326,053	1,063	-	1,063	1,324,990
<b>Total</b>		<b>2,118,036</b>	<b>39,989,833</b>	<b>1,824,611</b>	<b>397,021</b>	<b>1,427,590</b>	<b>40,283,258</b>

		Gross carrying values of			Of which ECL provisions		
		Defaulted exposures	Non-defaulted exposures		Allocated in regulatory category of Specific	Allocated in regulatory category of General	
31 December 2024							
1	Loans	2,104,388	23,984,940	1,786,567	397,233	1,389,337	24,302,758
2	Debt securities	-	9,627,604	9,268	-	9,268	9,618,336
3	Off-balance sheet exposure	-	1,454,401	18,104	-	18,104	1,436,297
<b>Total</b>		<b>2,104,388</b>	<b>35,066,945</b>	<b>1,813,939</b>	<b>397,233</b>	<b>1,416,709</b>	<b>35,357,391</b>

**Definition of Default**

Please refer Note 5 in the financial statements for the period ended 30 June 2025 for scope and definitions of 'past due' exposures.



**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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 2025	31 December 2024
		AED 000	AED 000
1	<b>Defaulted loans at the end of the previous reporting period</b>	<b>2,104,388</b>	<b>2,016,498</b>
2	Loans and Debt securities that have defaulted since the last year	54,964	4,861
3	Returned to non-default status	(23,082)	(120)
4	Amounts written off	-	46
5	Other changes	(18,234)	83,103
6	<b>Defaulted loans at the end of the reporting period</b>	<b>2,118,036</b>	<b>2,104,388</b>

**8.3 Credit Risk Mitigation Techniques (CR3)**

		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
30 June 2025		AED 000	AED 000	AED 000	AED 000	AED 000
1	Loans	10,428,318	21,482,069	15,385,890	-	-
2	Debt securities	4,065,989	4,805,440	4,500,000	-	-
3	<b>Total</b>	<b>14,494,307</b>	<b>26,287,509</b>	<b>19,885,890</b>	-	-
4	Of which defaulted	1,178,230	939,807	549,275	-	-

		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
31 December 2024		AED 000	AED 000	AED 000	AED 000	AED 000
1	Loans	7,528,564	18,560,762	12,469,208	-	-
2	Debt securities	2,627,604	7,000,000	7,000,000	-	-
3	<b>Total</b>	<b>10,156,168</b>	<b>25,560,762</b>	<b>19,469,208</b>	-	-
4	Of which defaulted	1,038,843	1,065,545	662,226	-	-

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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	
	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
<b>30 June 2025</b>						
Sovereigns and their central Banks	13,889,881	-	13,889,881	-	701,235	5%
Public Sector Entities	2,867,279	82,792	2,990,766	82,792	1,951,843	64%
Multilateral development Banks	7,445	-	7,445	-	-	0%
Banks	2,542,356	730	2,541,991	730	1,342,199	53%
Securities firms	3,366	-	3,366	-	673	20%
Corporates	12,315,244	3,333,977	10,472,726	3,333,977	11,622,882	84%
Regulatory retail portfolios	108,429	76,319	77,553	76,319	49,433	32%
Secured by residential property	2,286,432	-	2,286,432	-	1,508,461	66%
Secured by commercial real estate	4,920,427	-	4,920,427	-	3,322,618	68%
Equity Investment in Funds (EIF)	-	-	-	-	-	-
Past-due loans	4,645,957	-	4,645,957	-	5,789,710	125%
Higher-risk categories	-	-	-	-	-	-
Other assets	4,116,027	-	4,116,027	-	3,777,393	92%
<b>Total</b>	<b>47,702,843</b>	<b>3,493,818</b>	<b>45,952,571</b>	<b>3,493,818</b>	<b>30,066,447</b>	<b>61%</b>

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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	
	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
<b>31 December 2024</b>						
Sovereigns and their central Banks	13,502,645	-	13,502,645	-	-	-
Public Sector Entities	2,961,211	87,396	3,213,891	87,396	2,206,405	67%
Multilateral development Banks	-	-	-	-	-	-
Banks	595,456	793	595,060	793	193,151	32%
Securities firms	514	-	514	-	103	20%
Corporates	11,277,289	2,778,974	9,935,926	2,778,974	10,377,553	82%
Regulatory retail portfolios	112,341	68,895	83,119	68,895	56,608	37%
Secured by residential property	2,295,458	-	2,295,458	-	1,515,962	66%
Secured by commercial real estate	4,890,240	-	4,890,240	-	3,525,056	72%
Equity Investment in Funds (EIF)	-	-	-	-	-	-
Past-due loans	3,277,282	-	3,277,282	-	4,079,646	124%
Higher-risk categories	-	-	-	-	-	-
Other assets	5,054,163	-	5,054,163	-	3,675,366	73%
<b>Total</b>	<b>43,966,599</b>	<b>2,936,058</b>	<b>42,848,298</b>	<b>2,936,058</b>	<b>25,629,850</b>	<b>56%</b>

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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 2025												
RWA weights	Risk weights											Total credit exposures
	0%	20%	35%	50%	75%	100%	150%	Others	Others	Others	Others	
Asset Classes	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
Sovereigns	13,124,300	-	-	128,694	-	636,888	-	-	-	-	-	13,889,882
Public Sector Entities	1,045,211	-	-	153,009	-	1,875,339	-	-	-	-	-	3,073,559
Multilateral development Banks	7,445	-	-	-	-	-	-	-	-	-	-	7,445
Banks	-	508,719	-	1,587,093	-	446,908	-	-	-	-	-	2,542,720
Securities firms	-	3,366	-	-	-	-	-	-	-	-	-	3,366
Corporates	2,258,954	-	-	-	-	11,041,136	232,499	-	274,114	-	-	13,806,703
Regulatory retail portfolios	101,732	-	-	-	10,826	41,313	-	-	-	-	-	153,871
Secured by residential property	3,738	-	1,178,682	-	32,359	1,071,654	-	-	-	-	-	2,286,432
Secured by commercial real estate	1,597,809	-	-	-	-	3,322,618	-	-	-	-	-	4,920,427
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-	-	-	-	-
Past-due loans	92,403	-	-	-	-	2,081,242	2,472,312	-	-	-	-	4,645,957
Higher-risk categories	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	375,313	186,716	-	-	-	3,181,896	372,102	-	-	-	-	4,116,027
<b>Total</b>	<b>18,606,905</b>	<b>698,801</b>	<b>1,178,682</b>	<b>1,868,796</b>	<b>43,185</b>	<b>23,698,994</b>	<b>3,076,913</b>	<b>-</b>	<b>274,114</b>	<b>-</b>	<b>-</b>	<b>49,446,389</b>

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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 2024		Risk weights											Total credit exposures AED 000			
RWA weights  Asset Classes												Others		Others	Others	Others
	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					
Sovereigns	13,502,645	-	-	-	-	-	-	-	-	-	-	-	13,502,645			
Public Sector Entities	1,084,312	-	-	21,138	-	2,195,836	-	-	-	-	-	-	3,301,286			
Multilateral development Banks	-	-	-	-	-	-	-	-	-	-	-	-	-			
Banks	-	349,336	-	246,467	-	50	-	-	-	-	-	-	595,853			
Securities firms	-	514	-	-	-	-	-	-	-	-	-	-	514			
Corporates	2,239,957	-	-	-	-	9,825,677	-	-	649,266	-	-	-	12,714,900			
Regulatory retail portfolios	93,454	-	-	-	7,805	50,755	-	-	-	-	-	-	152,014			
Secured by residential property	-	-	1,186,199	-	33,868	1,075,392	-	-	-	-	-	-	2,295,459			
Secured by commercial real estate	1,365,184	-	-	-	-	3,525,056	-	-	-	-	-	-	4,890,240			
Equity Investment in Funds (EIF)	-	-	-	-	-	-	-	-	-	-	-	-	-			
Past-due loans	66,866	-	-	-	-	1,471,956	1,738,460	-	-	-	-	-	3,277,282			
Higher-risk categories	-	-	-	-	-	-	-	-	-	-	-	-	-			
Other assets	1,470,832	117,312	-	-	-	3,094,249	371,770	-	-	-	-	-	5,054,163			
Total	19,823,250	467,162	1,186,199	267,605	41,673	21,238,971	2,110,230	-	649,266	-	-	-	45,784,356			

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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.

<b>30 June 2025</b>						
	<b>Replacement cost</b>	<b>Potential future exposure</b>	<b>EEPE</b>	<b>Alpha used for computing regulatory EAD</b>	<b>EAD post-CRM</b>	<b>RWA</b>
	<b>AED 000</b>	<b>AED 000</b>	<b>AED 000</b>	<b>AED 000</b>	<b>AED 000</b>	<b>AED 000</b>
1 SA-CCR (for derivatives)	3,460	18,866	-	1.4	31,256	13,976
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	-	-	-	-	-	-
<b>6 Total</b>	<b>3,460</b>	<b>18,866</b>	<b>-</b>	<b>1.4</b>	<b>31,256</b>	<b>13,976</b>

  

<b>31 December 2024</b>						
	<b>Replacement cost</b>	<b>Potential future exposure</b>	<b>EEPE</b>	<b>Alpha used for computing regulatory EAD</b>	<b>EAD post-CRM</b>	<b>RWA</b>
	<b>AED 000</b>	<b>AED 000</b>	<b>AED 000</b>	<b>AED 000</b>	<b>AED 000</b>	<b>AED 000</b>
1 SA-CCR (for derivatives)	2,765	53,937	-	1.4	79,382	35,818
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	-	-	-	-	-	-
<b>6 Total</b>	<b>2,765</b>	<b>53,937</b>	<b>-</b>	<b>1.4</b>	<b>79,382</b>	<b>35,818</b>

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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 2025		31 December 2024	
	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	31,256	13,976	79,382	35,818
2 All portfolios subject to the Simple alternative CVA capital charge	-	-	-	-

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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 2025**

Regulatory portfolio	Credit Exposure							Total credit exposure
	0%	20%	50%	75%	100%	150%	Others	
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
Sovereigns	-	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-	-
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-
Banks	-	6,910	24,346	-	-	-	-	31,256
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	-	-	-	-	-	-	-	-
<b>Total</b>	-	6,910	24,346	-	-	-	-	31,256



**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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:

**31 December 2024**

Regulatory portfolio	Credit Exposure							Total credit exposure
	0%	20%	50%	75%	100%	150%	Others	
	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000	AED 000
Sovereigns	-	-	-	-	-	-	-	-
Public Sector Entities (PSEs)	-	-	-	-	-	-	-	-
Multilateral development banks (MDBs)	-	-	-	-	-	-	-	-
Banks	-	12,935	66,447	-	-	-	-	79,382
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	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>12,935</b>	<b>66,447</b>	-	-	-	-	<b>79,382</b>

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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 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	-	294	-	11,496	3,885	4,004
Domestic sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
<b>Total</b>	-	294	-	11,496	3,885	4,004

**31 December 2024**

	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	-	-	-	-	-	17,566
Domestic sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	17,566

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**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:

	<b>30 June 2025</b>	<b>31 December 2024</b>
	<b>RWA</b>	<b>RWA</b>
	<b>AED 000</b>	<b>AED 000</b>
1 General Interest rate risk (General and Specific)	<b>30,805</b>	-
2 Equity risk (General and Specific)	-	60,556
3 Foreign exchange risk	<b>254</b>	1,163
4 Commodity risk	-	-
<b>Options</b>	-	-
5 Simplified approach	-	-
6 Delta-plus method	-	-
7 Scenario approach	-	-
8 Securitisation	-	-
<b>Total</b>	<b>31,059</b>	<b>61,719</b>

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**11. Liquidity risk management**
**11.1 Eligible Liquid Asset Ratio (ELAR)**

	Jun 2025		Dec 2024		Sep 2024	
	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	2,644,703		4,614,865		3,735,219	
UAE Federal Government Bonds and Sukuks	1,584,418		773,389		98,069	
<b>Subtotal</b>	<b>4,229,121</b>	<b>4,229,121</b>	<b>5,388,254</b>	<b>5,388,254</b>	<b>3,833,288</b>	<b>3,833,288</b>
UAE local governments publicly traded debt securities	3,668,000		5,208,657		4,216,114	
UAE Public sector publicly traded debt securities	-		-		-	
<b>Subtotal</b>	<b>3,668,000</b>	<b>1,301,268</b>	<b>5,208,657</b>	<b>1,657,924</b>	<b>4,216,114</b>	<b>1,179,473</b>
Foreign Sovereign debt instruments or instruments issued by their respective central banks	-	-	-	-	-	-
<b>Total</b>	<b>7,897,121</b>	<b>5,530,389</b>	<b>10,596,911</b>	<b>7,046,178</b>	<b>8,049,402</b>	<b>5,012,761</b>
Total liabilities		<b>43,484,658</b>		<b>40,109,352</b>		<b>37,284,971</b>
<b>Eligible Liquid Assets Ratio (ELAR)</b>		<b>12.72%</b>		<b>17.57%</b>		<b>13.44%</b>

**Bank of Sharjah P.J.S.C.**
**Pillar III Disclosure for the period ended 30 June 2025**
**11. Liquidity risk management (continued)**
**11.2 Advances to Stables Resources Ratio (ASRR)**

	<b>Jun 2025</b> <b>AED 000</b>	<b>Dec 2024</b> <b>AED 000</b>	<b>Sep 2024</b> <b>AED 000</b>
<b>Computation of Advances</b>			
Net Lending (Gross loans - specific and collective provisions + interest in suspense)	31,456,794	25,692,081	24,695,538
Lending to Non-banking financial institutions	56,572	13	24,909
Financial Guarantees & Stand-by LC (Issued - Received)	232,350	236,561	236,561
Interbank placements	556,800	369,079	672,526
<b>Total Advances</b>	<b>32,302,516</b>	<b>26,297,734</b>	<b>25,629,534</b>
<b>Calculation of Net Stable Resources</b>			
Total capital + general provision	5,538,932	5,216,155	5,096,054
<b>Deduct:</b>			
Goodwill and other intangible assets	-	-	-
Fixed Assets	1,257,818	1,254,715	1,257,707
Funds allocated to branches abroad	-	-	-
Unquoted Investments	77,792	77,572	102,922
Investment in subsidiaries, associates and affiliates	-	-	-
<b>Total deduction</b>	<b>1,335,610</b>	<b>1,332,287</b>	<b>1,360,629</b>
<b>Net Free Capital Funds</b>	<b>4,203,322</b>	<b>3,883,868</b>	<b>3,735,425</b>
<b>Other stable resources:</b>			
Funds from the head office	-	-	-
Interbank deposits with remaining life of more than 6 months	-	-	476,046
Refinancing of Housing Loans	-	-	-
Borrowing from non-banking financial institutions	546,497	857,756	483,021
Customer Deposits	28,578,777	25,126,199	24,218,891
Capital market funding/ term borrowings maturing after 6 months from reporting date	3,577,880	3,563,070	3,577,262
<b>Total other stable resources</b>	<b>32,703,154</b>	<b>29,547,025</b>	<b>28,755,220</b>
<b>Total Stable Resources</b>	<b>36,906,475</b>	<b>33,430,893</b>	<b>32,490,645</b>
<b>Advances to stable resources ratio</b>	<b>87.53%</b>	<b>78.66%</b>	<b>78.88%</b>