

**Announcement of Periodic Review: Moody's announces completion of a periodic review of ratings of The National Bank of Ras Al-Khaimah (P.S.C.)**

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15 Jul 2021

Limassol, July 15, 2021 -- Moody's Investors Service ("Moody's") has completed a periodic review of the ratings of The National Bank of Ras Al-Khaimah (P.S.C.) and other ratings that are associated with the same analytical unit. The review was conducted through a portfolio review discussion held on 12 July 2021 in which Moody's reassessed the appropriateness of the ratings in the context of the relevant principal methodology(ies), recent developments, and a comparison of the financial and operating profile to similarly rated peers. The review did not involve a rating committee. Since 1 January 2019, Moody's practice has been to issue a press release following each periodic review to announce its completion.

This publication does not announce a credit rating action and is not an indication of whether or not a credit rating action is likely in the near future. Credit ratings and outlook/review status cannot be changed in a portfolio review and hence are not impacted by this announcement. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on [www.moodys.com](http://www.moodys.com) for the most updated credit rating action information and rating history.

Key rating considerations are summarized below.

The National Bank of Ras Al-Khaimah (P.S.C.)'s (RAKBANK) long-term deposit ratings of Baa1 reflect its baa3 Baseline Credit Assessment (BCA) and adjusted BCA, as well as a two-notch uplift based on Moody's assessment of a very high probability of government support in case of need. The very high government support probability is driven by the Government of Ras al-Khaimah's ownership stake in RAKBANK, and the UAE authorities' track record in supporting the banking system.

The baa3 BCA captures RAKBANK's strong capital, resilient profitability, modest market funding reliance and solid liquidity. These strengths are moderated by the bank's exposure to high-risk retail and business banking segments, its rapid growth in wholesale banking, as well as its limited (though gradually improving) business diversification.

This document summarizes Moody's view as of the publication date and will not be updated until the next periodic review announcement, which will incorporate material changes in credit circumstances (if any) during the intervening period.

The principal methodology used for this review was Banks Methodology published in July 2021. Please see the Rating Methodologies page on [www.moodys.com](http://www.moodys.com) for a copy of this methodology.

This announcement applies only to EU rated, UK rated, EU endorsed and UK endorsed ratings. Non EU rated, non UK rated, non EU endorsed and non UK endorsed ratings may be referenced above to the extent necessary, if they are part of the same analytical unit.

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