MUFG Alternative Fund Services (Cayman) Limited

**PILLAR 3 - Market Discipline Disclosure Requirements**

| | |
|---|---|
| Reporting Date: | September-30-2026 |
| Reporting Year | 2026 |
| Reporting Period | Quarter 3 |
| Reporting Frequency | Quarterly |
| Reporting Type: | Regulatory Reporting |
| Submission Date: | December-31-2026 |
| | |
| Prepared by: | Banking Risk |

**MUFG ALTERNATIVE FUND SERVICES (CAYMAN) LIMITED**
**OV1 - Overview of RISK WEIGHTED ASSETS (RWA)**
Purpose: Overview of the Risk Weighted Assets of the Bank
Frequency: Quarterly
Reporting Format: Fixed

| | | a | b ** | c |
|---|---|---|---|---|
| **Index** | **Description** | RWA (In USD 000's) | | Minimum Capital Requirements (In USD 000's) |
| | | Sep-30-2026 | Jun-30-2026 | Sep-30-2026 |
| 1 | Credit risk (excluding counterparty credit risk) [standardised approach (SA)] | $3,196,401 | $3,232,399 | $319,640 |
| 2 | Counterparty credit risk | | | |
| 3 | Of which: standardised approach | $592,506 | $563,383 | $59,251 |
| 4 | Of which: other CCR | | | |
| 5 | Credit valuation adjustment (CVA) | $0 | $0 | |
| 6 | Equity positions under the simple risk weight approach | $0 | $0 | |
| 7 | Equity investments in funds – look-through approach | $0 | $0 | |
| 8 | Equity investments in funds – mandate-based approach | $0 | $0 | |
| 9 | Equity investments in funds – fall-back approach | $0 | $0 | |
| 10 | Settlement risk | $0 | $0 | |
| 11 | Securitisation exposures in banking book (SA) | $0 | $0 | |
| 12 | Market risk | $1,008 | $1,289 | $101 |
| 13 | Capital charge for switch between trading book and banking book | $0 | $0 | |
| 14 | Operational risk | $453,696 | $453,696 | $45,370 |
| 15 | Amounts below the thresholds for deduction (subject to 250% risk weight) | $0 | $0 | |
| 16 | Floor adjustment | $0 | $0 | |
| 17 | **Total:** | **$4,243,611** | **$4,250,767** | **$424,361** |

The major component of the Total Risk Weighted Assets (RWA) reported at USD 4.24 Billion for MUFG AFS Cayman Ltd is from the  Credit Risk charge at 75.32% of the Total RWA as of 2026 Q3. The credit risk charge is primarily attributed to Overnights and (USD/EUR) term deposit placements (maximum 1 year) with counterparty banks and from the credit assets from the banks  overdraft lending facilities(credit facilities) to its fund administration clients.
Counterparty Credit Risk(CCR) Charge was reported at 13.96% of the Total RWA. CCR is attributed mainly to the Foreign exchange derivatives (FX Forward positions) that the bank places on behalf of its  participating clients, as a part of its foriegn exchange hedging services and the swap positions (riskless principal trading) on USD/EUR currency exposures.
Operational Risk charges reported at 10.69 % of the Total RWA, is at annualized figure under the basic indicator approach.
Market Risk (Foreign Exchange Risk) contribution is reported at a minor 0.02% of the Total RWA as of Sep 30 ,2026. The Market risk charges are calculated for its net open FX positions (Long or Short Positions) on balance sheet assets and liabilities.

**MUFG ALTERNATIVE FUND SERVICES (CAYMAN) LIMITED**

**LR1: Summary comparison of accounting assets vs leverage ratio exposure measure**

Purpose: To reconcile the total assets in the published financial statements with the leverage ratio exposure measure.

Frequency: Quarterly

Format: Fixed.

| Index | Description | a<br>Amounts (In USD)<br>Sep-30-2026 |
|---|---|---|
| 1 | Total consolidated assets as per published financial statements | $7,314,004 |
| 2 | Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation | $0 |
| 3 | Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference | $0 |
| 4 | Adjustments for temporary exemption of central bank reserves (if applicable) | $0 |
| 5 | Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure | $0 |
| 6 | Adjustments for regular way purchases and sales of financial assets subject to trade date accounting | $0 |
| 7 | Adjustments for eligible cash pooling transactions | $0 |
| 8 | Adjustments for derivative financial instruments | $778,560 |
| 9 | Adjustment for securities financing transactions (i.e. repurchase agreements and similar secured lending) | $0 |
| 10 | Adjustment for off balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures) | $849,417 |
| 11 | Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital | $0 |
| 12 | Other adjustments | $0 |
| 13 | **Leverage Ratio Exposure Measure** | **$8,941,980** |

**Validations:**

Linkages across templates
[LR1:13/a] is equal to [LR2:24/a]

TRUE

MAFS Cayman reported a Leverage Ratio Exposure Measure of USD 8.94 billion as of Sep 30,2026 and a total consolidated assets (net of on-balance sheet derivatives) as per published financial statements of USD 7.31 billion. The Bank has also reported adjustments for off-balance sheet items converted to credit equivalent amounts (undrawn amounts from committed facilities) of USD 0.85 billion. The Bank reports no material differences between the total balance sheet assets as reported in the financial statements and the on-balance sheet exposures of the leverage ratio exposure measure.

**MUFG ALTERNATIVE FUND SERVICES (CAYMAN) LIMITED**

**LR2: Leverage Ratio Common Disclosure**

Purpose: To describe the components of the leverage ratio denominator, as well as information on the actual leverage ratio, minimum requirements and buffers.

Frequency: Quarterly

Format: Fixed.

| Index | Description | a<br>Amounts (In USD)<br>Sep-30-2026 | b<br>Amounts (In USD)<br>Jun-30-2026 |
|---|---|---|---|
| | **On-Balance Sheet Exposures:** | | |
| 1 | On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral) | $7,314,004 | $7,613,432 |
| 2 | Gross up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative accounting framework | $0 | $0 |
| 3 | (Deductions of receivable assets for cash variation margin provided in derivatives transactions) | $0 | $0 |
| 4 | (Adjustment for securities received under securities financing transactions that are recognised as an asset) | $0 | $0 |
| 5 | (Specific and general provisions associated with on balance sheet exposures that are deducted from Basel III Tier 1 capital) | $0 | $0 |
| 6 | (Asset amounts deducted in determining Basel III Tier 1 capital and regulatory adjustments) | $0 | $0 |
| 7 | **Total on balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)** | **$7,314,004** | **$7,613,432** |
| | **Derivative Exposures:** | | |
| 8 | Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting) | $364,452 | $319,894 |
| 9 | Add on amounts for potential future exposure associated with all derivatives transactions | $414,107 | $417,064 |
| 10 | (Exempted central counterparty (CCP) leg of client cleared trade exposures) | $0 | $0 |
| 11 | Adjusted effective notional amount of written credit derivatives | $0 | $0 |
| 12 | (Adjusted effective notional offsets and add on deductions for written credit derivatives) | $0 | $0 |
| 13 | **Total derivative exposures (sum of rows 8 to 12)** | **$778,560** | **$736,958** |
| | **Securities financing transaction exposures:** | | |
| 14 | Gross SFT assets (with no recognition of netting), after adjustment for sale accounting transactions | $0 | $0 |
| 15 | (Netted amounts of cash payables and cash receivables of gross SFT assets) | $0 | $0 |
| 16 | Counterparty credit risk exposure for SFT assets | $0 | $0 |
| 17 | Agent transaction exposures | $0 | $0 |
| 18 | **Total securities financing transaction exposures (sum of rows 14 to 17)** | **$0** | **$0** |
| | **Other off-balance sheet exposures:** | | |
| 19 | Off-balance balance sheet exposure at gross notional amount | $3,999,155 | $3,789,759 |
| 20 | (Adjustments for conversion to credit equivalent amounts) | -$3,149,738 | -$3,031,152 |
| 21 | (Specific and general provisions associated with off balance sheet exposures deducted in determining Tier 1 capital) | $0 | $0 |
| 22 | **Off-balance sheet items (sum of rows 19 to 21)** | **$849,417** | **$758,608** |
| | **Capital and total exposures:** | | |
| 23 | **Tier 1 capital** | **$934,483** | **$934,483** |
| 24 | **Total exposures (sum of rows 7, 13, 18 and 22)** | **$8,941,980** | **$9,108,998** |
| | **Leverage ratio:** | | |
| 25 | **Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)** | **10.45%** | **10.26%** |
| 25A | **Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)** | **10.45%** | **10.26%** |
| 26 | **National minimum leverage ratio requirement** | **3.00%** | **3.00%** |
| 27 | **Applicable leverage buffers** | **NA** | **NA** |
| | **Total Exposures Measure:** | **8,941,980.43** | **9,108,997.86** |

MAFS Cayman reported a slightly higher Leverage Ratio of 10.45% as of Sep 30, 2026 compared to a lower ratio of 10.26% as of Jun 30, 2026, as the bank's total exposures decreased and it's capital measure remained stable. Available Capital was reported at USD 935 million as of Sep 30, 2026. The Total Exposure measures was noted to decrease due to decrease of deposit balances in the Bank's' balance sheet (assets and liabilities).