

## Case Summary

### ***Name of organisation :***

The organisation is the Commercial Bank of Dubai.

## Risk assessment

### ***Summary :***

Financial risk assessment involves identifying, evaluating, and managing potential financial risks that could impact an organization's stability and performance.

## Business and industry analysis

### ***Industry :***

The company operates in the banking and financial services industry, focusing on providing a wide range of banking solutions across various segments. Its operations are categorized into three primary business segments: Institutional Banking, Corporate Banking, and Personal Banking. Institutional Banking serves institutional clients, including government-related entities, offering loan facilities, trade finance, deposits, and e-commerce solutions. This segment is tailored to meet the needs of large institutions requiring complex financial products and services. Corporate Banking targets regional corporate clients, providing loans, working capital financing, trade finance, and deposit products. This segment supports businesses in managing their financial operations and growth strategies. Personal Banking caters to individual customers, offering products such as current accounts, savings accounts, fixed-rate deposits, personal loans, overdrafts, vehicle finance, and mortgages. This segment aims to meet the personal financial needs of consumers through various banking products. The company utilizes a structured approach to allocate resources effectively, with its Executive Committee reviewing segment performance regularly. This structure ensures the alignment of financial products with customer needs and enhances the company's ability to support economic growth and development across different client categories.

## Underwriting considerations

### ***Proposed loan :***

Borrower's cash flow and financial capacity refer to their ability to generate sufficient financial resources to meet their debt obligations and continue operations effectively.

## Business Profile

### ***Brief description of the company in 2 lines :***

Commercial Bank of Dubai (CBD) is a financial institution headquartered in Dubai, United Arab Emirates, providing banking solutions with a strong digital focus and services to various customer segments, including SMEs and retail customers. The bank operates through wholly owned subsidiaries, offering brokerage and manpower services.

### ***What is the specialization and the Unique selling proposition of the company? in 2 lines :***

The company specializes in providing innovative digital banking solutions and financial products like retail mortgages, Asset Backed Lending, and Supply Chain Financing. Its unique selling proposition is its focus on being 'Default Digital,' offering enhanced customer experiences through digital platforms and services.

***Description on the market and the target segment company is trying to provide services to? in 2 lines :***

The company targets corporate clients, institutional clients, and Small and Medium-Sized Enterprises (SMEs), focusing on providing digital banking services, supply chain financing, and asset-backed lending. They also cater to retail customers through digital 'Direct From Customer' offerings like Digi accounts and loans.

***Brief Description of Competitors, Challenges , market condition and market sentiment in relation to company industry segment ? :***

I don't have specific information about competitors, challenges, market conditions, or market sentiment related to a particular company or industry segment, as the provided context does not specify these details. If you have more specific information or context about the company or industry segment you are referring to, I might be able to help further.

## **Business Model**

***What are the revenue streams of the company with emphasis on critical revenue? in 2 lines :***

The company's critical revenue streams include rental income recognized on a straight-line basis and fee income not integral to the effective interest rate of financial instruments.

***Which customer segment it is Company targeting and how effective it is ? in 2 lines :***

The Company is targeting the Small and Medium-Sized Enterprises (SMEs) segment and has been effective in significantly expanding its retail customer base and increasing market share across all segments through digital innovations.

***What are the Key activities company performs to maintain profitability and sales? in 2 lines :***

The company maintains an active presence in the global money market for funding activities and manages a portfolio of highly marketable assets to protect against cash flow interruptions. Additionally, they focus on maintaining balance sheet liquidity ratios and strategically manage debt maturities.

***What are the Channels the company uses for selling and service other than website? in 2 lines :***

The company uses digital platforms such as the "iServe" self-service portal and alternative digital platforms for transactions, alongside its partnerships with local authorities like Dubai Economy and Jebel Ali Free Zone for specialized banking services.

***What are the Value proposition the company is offering ? in 2 lines :***

The company offers a globally leading digital platform for Supply Chain Financing and a digital self-service portal, iServe, to enhance customer experience with faster, transparent, and real-time

communication. Additionally, it provides innovative products like Asset Backed Lending and is committed to talent development and CSR initiatives.

## Management Structure

### ***Classify the company on the basis of Size, Ownership and the type of ownership in few lines :***

Based on the context provided, the company can be classified as follows: - **Size**: The context does not provide explicit information regarding the size of the company in terms of revenue, number of employees, or market capitalization, so this cannot be determined. - **Ownership**: The company seems to operate as a group with subsidiaries, indicating a potentially complex ownership structure involving parent and subsidiary relationships. - **Type of Ownership**: The company deals with fiduciary activities and manages assets on behalf of clients, suggesting it might be a financial institution or investment firm. However, the specific type of ownership (e.g., private, public, government-owned) is not explicitly mentioned in the context provided.

### ***Stake Holder's analysis for the company in few lines :***

The Commercial Bank of Dubai's key stakeholders include major shareholders such as Abdul Wahed Al Rostamani AWR Group LLC with a 6.61% stake, Al Majid Investments with 5%, and the general public holding 35.72%. The bank is committed to maintaining a strong capital base to ensure investor, creditor, and market confidence while balancing shareholder returns with capital security. The solid financial performance, highlighted by record profits and dividends, reflects contributions from employees and effective risk management. The Board of Directors and senior executives play a crucial role in governance and strategic decision-making.

### ***Who is the CEO, Managing director, COO, CIO of the company :***

Based on the provided context from the Commercial Bank of Dubai's Annual Report 2021, the Chief Operating Officer (COO) is Mr. Othman Bin Hendi. The context does not provide information about the CEO, Managing Director, or Chief Information Officer (CIO).