



Al Baraka Islamic Bank B.S.C. (c)

Disclosure of Basel III Ratios

As at 31 December 2024

Liquidity Coverage Ratio (LCR) - Consolidated	Factor	Total Amount	Amount with Factor Applied	Amount with Factor Applied
			Q4 2024	Q3 2024
Stock of HQLA				
A. Level 1 assets:				
Coins and banknotes	100%	20,555	20,555	11,555
Qualified balances with the CBB	100%	47,105	47,105	60,687
Debt securities/Sukuk issued by the CBB or the Government of Bahrain	100%	154,052	154,052	154,858
Debt securities/Sukuk issued by governments of GCC member states and their central banks;	100%	7,439	7,439	6,443
Debt securities/Sukuk that can be monetised and issued or guaranteed by sovereigns, central banks, PSEs, IMF, BIS, ECB, EC, or MDBs	100%	11,233	11,233	11,370
Debt securities/Sukuk issued in local currency by sovereign or the country's central bank, where the liquidity risk arises or the banks home country - given a non-0 percent Risk-weight (RW);	100%	103,784	103,784	90,308
Debt securities/Sukuk issued in foreign currency by sovereign or central bank that does not exceed the value of the net cash outflow in the foreign currency caused by a stress scenario based on the bank's operations in the country where the liquidity risk arises from - given a non-0 percent RW	100%	-	-	-
Total level 1 Assets			344,169	335,220
B. Level 2 assets (maximum of 40 percent of HQLA)				
1) Level 2A assets	Fine			
Debt securities/Sukuk that can be issued and liquidated or guaranteed by sovereigns, central banks, PSEs, and qualified MDBs	85%	710	604	2,048
Debt securities/Sukuk qualified for liquidation (including commercial paper)	85%	1,171	995	821
Qualified covered bonds	85%	-	-	-
2) Level 2B assets (maximum of 15 percent of HQLA)	Fine			
Debt securities/Sukuk (including commercial paper) issued by qualified non-financial institutions	50%	235	118	1,051
Qualified common equity shares	50%	67	33	117
Total level 2 Assets (1+2)			1,750	4,037
Total value of stock of HQLA			345,919	339,258
Cash Outflows				
A1. Retail Mudaraba, Wakala and Reverse Murabaha Deposits				
Demand deposits and term deposits (maturity within 30 days)				
Stable deposits; and	3%	160,800	4,824	3,076
Less stable - retail deposits	10%	123,669	12,367	17,517
Retail and Small Business Customers demand and fixed deposits (for overseas branches and subsidiaries)*	-	-	-	-
B. Unsecured Wholesale Mudaraba, Wakala and Reverse Murabaha Funding				
1) Small business customer deposits:				
Less stable deposits	10%	53,603	5,360	4,652
Term deposits with remaining maturity over 30 days	0%	4,185	-	-
2) Operational deposits generated by clearing, custody, and cash management:	25%	-	-	-
3) Deposits from non-financial institutions, sovereign, central banks, multilateral development banks, PSEs, and Bahrain's Social Insurance Organization and GCC PIFs where PIF is a controller of the bank.	40%	281,556	112,622	103,113
4) Deposits from Financial Institutions and other legal entity corporations.	100%	125,837	125,837	117,351
C. Secured Funding				
Backed by level 1 assets or with central banks	0%	8,430	-	-
Backed by level 2A assets	15%	-	-	-
Secured funding transactions with domestic sovereign, PSE's or multilateral development banks that are not backed by level 1 or 2A assets	25%	-	-	-
Backed by other level 2B assets	50%	-	-	-
All others	100%	-	-	10,697
D. Other Cash Outflow				
Net Shari'a-compliant hedging contract cash outflow	100%	680	680	658
Asset-backed securities, covered sukuk, and other structured financing Instruments	100%	-	-	-
Asset-backed commercial sukuk, securities investment vehicles, and other similar financing tool	100%	-	-	-
Committed: credit and liquidity facilities given by bank to:				
Retail and small business customers, including credit cards (from amount not used)	5%	10,012	501	480
Non-financial corporates, sovereigns and central banks, PSEs and multilateral development banks (from amount not used) - Credit	10%	1,658	166	77
Non-financial corporates, sovereigns and central banks, PSEs and multilateral development banks (from amount not used) - Liquidity	30%	-	-	-
Banks subject to prudential supervision (from amount not used)	40%	-	-	-
Other financial institutions (including securities firms and insurance firms) (from amount not used) - Credit	40%	-	-	-
Other financial institutions (including securities firms and insurance firms) (from amount not used) - Liquidity	100%	-	-	-
Other legal entities (from amount not used)	100%	-	-	-
Other Contingent Funding Obligations:				
Guarantees, LCs, revocable credit and liquidity facilities, non-contractual commitments	5%	81,679	4,084	3,723
Customer short positions that are covered by other customers' collateral	50%	-	-	-
Increased liquidity needs related to the potential for valuations changes on posted collateral	20%	-	-	-
Other contractual cash outflows	100%	10,530	10,530	-
Total Cash Outflow			276,971	261,343
Cash Inflows				
A. Secured lending transactions backed by the following asset category				
Level 1 assets	0%	-	-	-
Level 2A assets	15%	-	-	-
Level 2B assets	50%	-	-	-
Margin lending backed by all other collateral	50%	-	-	-
Other collateral	100%	-	-	-
B. Committed facilities - credit and liquidity facilities given to banks	0%	-	-	-
C. Other inflows by				
Retail and small business customer	50%	4,160	2,080	2,091
Non-retail customers:				
1. Financial institutions and central banks	100%	68,970	68,970	81,510
2. Non-financial institutions	50%	9,490	4,745	8,574
Operational deposits held at other financial institutions	0%	7,044	-	-
D. Other net Shari'a-compliant hedging contract cash inflows; and	100%	-	-	-
E. Other contractual cash inflows	100%	3,005	3,005	14,582
Total Cash Inflows			78,800	106,757
Net cash outflow = total cash outflow - total cash inflow or lowest value (75 percent of total cash outflow)			198,171	154,586
Liquidity coverage ratio - HQLA / Net cash outflow/Regulatory Limit (Regulatory limit of 100%)			175%	219%

General Disclosures:

The Liquidity Coverage Ratio (LCR) is aimed at assessing the Bank's ability to meet the liquidity requirements in the short term (1 month), and must be maintained at/or above the minimum regulatory limit of 100% at all times. The Bank's quarterly average of daily consolidated LCR as of Q4 2024 stood at -175%, and the above are the details of the daily averages computed throughout the quarter (including subsidiary).

Al Baraka Islamic Bank maintains -BHD 346 million (post-haircut) as HQLA versus an average net cash-outflow of -BHD 198 million. Debt securities/ Sukuk issued by the CBB and government of Bahrain formed the major portion of the Bank's HQLA.

NSFR Common Disclosure Template - Consolidated							BHD'000	
No.	Item	Unweighted Values (i.e. before applying relevant factors)				Q4 2024	Q3 2024	
		No specified maturity	Less than 6 months	More than 6 months and less than one year	Over one year	Total weighted value	Total weighted value	
Available Stable Funding (ASF):								
1	Capital:	68,614	-	-	4,397	73,011	81,719	
2	Regulatory Capital	68,614	-	-	4,397	73,011	81,719	
3	Other Capital Instruments	-	-	-	-	-	-	
4	Retail deposits and deposits from small business customers:	-	350,043	31,370	26,113	369,590	401,797	
5	Stable deposits	-	4,104	10	45	3,953	97,942	
6	Less stable deposits	-	345,939	31,360	26,068	365,636	303,855	
7	Wholesale funding:	-	430,293	10,744	1,476	129,347	183,781	
8	Operational deposits	-	-	-	407	407	1,232	
9	Other wholesale funding	-	430,293	10,744	1,069	128,940	182,548	
10	Other liabilities:	-	-	-	40,128	40,128	37,818	
11	NSFR Shari'a-compliant hedging contract liabilities	-	-	-	-	-	-	
12	All other liabilities not included in the above categories	-	-	-	40,128	40,128	37,818	
13	Total ASF					612,076	705,114	
Required Stable Funding (RSF):								
14	Total NSFR high-quality liquid assets (HQLA)					27,933	26,373	
15	Deposits held at other financial institutions for operational purposes	-	-	-	-	-	-	
16	Performing financing and securities:							
17	Performing financing to financial institutions secured by Level 1 HQLA	-	-	-	-	-	-	
18	Performing financing to financial institutions secured by non-level 1 HQLA and unsecured performing financing to financial institutions	-	25,730	-	31,383	35,242	39,119	
19	Performing financing to non-financial corporate clients, financing to retail and small business customers, and financing to sovereigns, central banks and PSEs, of which:	-	39,690	65,576	-	52,633	60,784	
20	- With a risk weight of less than or equal to 35% as per the Capital Adequacy Ratio guidelines	-	-	-	157,238	109,371	73,902	
21	Performing residential mortgages, of which:	-	-	-	-	-	-	
22	With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio Guidelines	-	-	-	-	-	-	
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-	-	
24	Other assets:	45,475	-	-	-	45,475	60,045	
25	Physical traded commodities, including gold	-	-	-	-	-	-	
26	Assets posted as initial margin for Shari'a-compliant hedging contracts and contributions to default funds of CCPs	-	-	-	-	-	-	
27	NSFR Shari'a-compliant hedging contract assets	-	-	-	-	-	13,625	
28	NSFR Shari'a-compliant hedging contract liabilities before deduction of variation margin posted	-	-	-	-	-	2,725	
29	All other assets not included in the above categories	16,212	-	-	-	16,212	17,416	
30	OBS items	-	-	-	-	3,475	3,156	
31	Total RSF					290,342	297,145	
32	NSFR (Regulatory limit of 100%)					211%	237%	

General Disclosures:

The NSFR is designed as a medium to long-term measure intended to provide a sustainable maturity structure of assets and liabilities; aiming to limit over-reliance on short-term wholesale funding and promotes funding stability. The above are the details of the NSFR components as of Q4 2024 considering the Bank's subsidiary.

As of December 2024, the Bank's total weighted value of Available Stable Funding (ASF) stood at ~BHD 612 million vs a total weighted value of ~BHD 290 million Required Stable Funding (RSF). Banks must maintain the NSFR at or above a minimum regulatory requirement of 100%, where AIB levelled at ~137% on a solo basis and ~211% on a consolidated basis.