



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

**Disclosure of Basel III Ratios**

**As at 30 September 2024**

Liquidity Coverage Ratio (LCR) - Consolidated	Factor	Total Amount	Amount with Factor Applied	Amount with Factor Applied
			Q3 2024	Q2 2024
<b>Stock of HQLA</b>				
<b>A. Level 1 assets:</b>				
Coins and banknotes	100%	11,555	11,555	7,827
Qualified balances with the CBB	100%	60,687	60,687	37,067
Debt securities/Sukuk issued by the CBB or the Government of Bahrain	100%	154,858	154,858	127,344
Debt securities/Sukuk issued governments of GCC member states and their central banks;	100%	6,443	6,443	4,427
Debt securities/Sukuk that can be monetised and issued or guaranteed by sovereigns, central banks, PSEs, IMF, BIS, ECB, EC, or MDBs	100%	11,370	11,370	9,774
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%	90,308	90,308	102,739
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%	-	-	-
<b>Total level 1 Assets</b>			<b>335,220</b>	<b>289,178</b>
<b>B. Level 2 assets (maximum of 40 percent Of HQLA)</b>				
<b>1) Level 2A assets</b>	Fine			
Debt securities/Sukuk that can be issued and liquidated or guaranteed by sovereigns, central banks, PSEs, and qualified MDBs	85%	2,409	2,048	2,460
Debt securities/Sukuk qualified for liquidation (including commercial paper)	85%	966	821	-
Qualified covered bonds	85%	-	-	-
<b>2) Level 2B assets (maximum of 15 percent of HQLA)</b>	Fine			
Debt securities/Sukuk (including commercial paper) issued by qualified non-financial institutions	50%	2,103	1,051	1,596
Qualified common equity shares	50%	233	117	141
<b>Total level 2 Assets (1+2)</b>			<b>4,037</b>	<b>4,197</b>
<b>Total value of stock of HQLA</b>			<b>339,258</b>	<b>293,375</b>
<b>Cash Outflows</b>				
<b>A1. Retail Mudaraba, Wakala and Reverse Murabaha Deposits</b>				
Demand deposits and term deposits (maturity within 30 days)				
Stable deposits; and	3%	102,537	3,076	2,142
Less stable - retail deposits	10%	175,167	17,517	20,776
Retail and Small Business Customers demand and fixed deposits (for overseas branches and subsidiaries)*	-	-	-	-
<b>B. Unsecured Wholesale Mudaraba, Wakala and Reverse Murabaha Funding</b>				
<b>1) Small business customer deposits:</b>				
Less stable deposits	10%	46,520	4,652	4,889
Term deposits with remaining maturity over 30 days	0%	6,487	-	-
<b>2) Operational deposits generated by clearing, custody, and cash management:</b>	25%	-	-	-
<b>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.</b>	40%	257,783	103,113	93,883
<b>4) Deposits from Financial Institutions and other legal entity corporations.</b>	100%	117,351	117,351	101,942
<b>C. Secured Funding</b>				
Backed by level 1 assets or with central banks	0%	7,661	-	-
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	10,697	22,258
<b>D. Other Cash Outflow</b>				
Net Shari'a-compliant hedging contract cash outflow	100%	658	658	803
Asset-backed securities, covered sukuk, and other structured financing Instruments	100%	-	-	-
Asset-backed commercial sukuk, securities investment vehicles, and other similar financing tool	100%	-	-	-
<b>Committed: credit and liquidity facilities given by bank to:</b>				
Retail and small business customers, including credit cards (from amount not used)	5%	9,591	480	491
Non-financial corporates, sovereigns and central banks, PSEs and multilateral development banks (from amount not used) - Credit	10%	772	77	65
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%	-	-	-
<b>Other Contingent Funding Obligations:</b>				
Guarantees, LCs, revocable credit and liquidity facilities, non-contractual commitments	5%	74,459	3,723	3,850
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%	-	-	-
<b>Total Cash Outflow</b>			<b>261,343</b>	<b>251,100</b>
<b>Cash Inflows</b>				
<b>A. Secured lending transactions backed by the following asset category</b>				
Level 1 assets	0%	-	-	-
Level 2A assets	15%	-	-	-
Level 2B assets	50%	-	-	-
Margin lending backed by all other collateral	50%	-	-	-
Other collateral	100%	-	-	-
<b>B. Committed facilities - credit and liquidity facilities given to banks</b>	0%	-	-	-
<b>C. Other inflows by</b>				
Retail and small business customer	50%	4,182	2,091	2,125
<b>Non-retail customers:</b>				
1. Financial institutions and central banks	100%	81,510	81,510	58,409
2. Non-financial institutions	50%	17,148	8,574	5,826
Operational deposits held at other financial institutions	0%	3,645	-	-
<b>D. Other net Shari'a-compliant hedging contract cash inflows; and</b>	100%	-	-	-
<b>E. Other contractual cash inflows</b>	100%	14,582	14,582	8,669
<b>Total Cash Inflows</b>			<b>106,757</b>	<b>75,029</b>
<b>Net cash outflow = total cash outflow - total cash inflow or lowest value (75 percent of total cash outflow)</b>			<b>154,586</b>	<b>176,071</b>
<b>Liquidity coverage ratio - HQLA / Net cash outflow/Regulatory Limit (Regulatory limit of 100%)</b>			<b>219%</b>	<b>167%</b>

**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 Q3 2024 stood at ~219%, and the above are the details of the daily averages computed throughout the quarter (including subsidiary).

Al Baraka Islamic Bank maintains -BHD 339 million (post-haircut) as HQLA versus an average net cash-outflow of -BHD 154.6 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)				Q3 2024	Q2 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
<b>Available Stable Funding (ASF):</b>							
1	Capital:	77,259	-	-	4,460	81,719	75,575
2	Regulatory Capital	77,259	-	-	4,460	81,719	75,575
3	Other Capital Instruments	-	-	-	-	-	-
4	Retail deposits and deposits from small business customers:	-	369,524	38,510	29,414	401,797	382,741
5	Stable deposits	-	103,030	20	45	97,942	4,590
6	Less stable deposits	-	266,493	38,490	29,369	303,855	378,151
7	Wholesale funding:	-	509,055	28,114	2,313	183,781	157,469
8	Operational deposits	-	-	-	1,232	1,232	2,730
9	Other wholesale funding	-	509,055	28,114	1,081	182,548	154,739
10	Other liabilities:	-	-	-	37,818	37,818	43,397
11	NSFR Shari'a-compliant hedging contract liabilities	-	-	-	-	-	-
12	All other liabilities not included in the above categories	-	-	-	37,818	37,818	43,397
13	<b>Total ASF</b>					<b>705,114</b>	<b>659,183</b>
<b>Required Stable Funding (RSF):</b>							
14	Total NSFR high-quality liquid assets (HQLA)					26,373	80,886
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	-	51,575	-	31,383	39,119	38,701
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:	-	94,981	26,587	-	60,784	54,477
20	- With a risk weight of less than or equal to 35% as per the Capital Adequacy Ratio guidelines	-	-	-	113,695	73,902	74,679
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:	60,045	-	-	-	60,045	57,000
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	17,416	-	-	-	17,416	21,191
30	OBS items	-	-	-	-	3,156	3,374
31	<b>Total RSF</b>					<b>297,145</b>	<b>330,308</b>
32	<b>NSFR (Regulatory limit of 100%)</b>					<b>237%</b>	<b>200%</b>

**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 Q3 2024 considering the Bank's subsidiary.

As of September 2024, the Bank's total weighted value of Available Stable Funding (ASF) stood at ~BHD 705 million vs a total weighted value of ~BHD 297 million Required Stable Funding (RSF). Banks must maintain the NSFR at or above a minimum regulatory requirement of 100%, where AIB levelled at ~182% on a solo basis and ~237% on a consolidated basis.