

**Ithmaar Bank B.S.C (c)**  
**Liquidity Disclosures – Basel III**  
**30 September 2020**

## Liquidity Coverage Ratio

One of the key requirements of the revised CBB guidelines includes the computation and disclosure of the Liquidity Coverage Ratio (LCR). LCR has been developed to promote short-term resilience of a bank's liquidity risk profile. The LCR requirements aim to ensure that a bank has an adequate stock of unencumbered high quality liquidity assets (HQLA) that consists of assets that can be converted into cash immediately to meet its liquidity needs for a 30-calendar day stressed liquidity period. The below table describes the average 90 day LCR of Ithmaar Bank on a consolidated basis as of 30 September 2020.

<b>Pillar 3 LCR Common Disclosure Template</b>			
		<b>For the Quarter ended 30/9/2020</b>	
		<b>BD 000</b>	
<b>BD 000</b>		<b>Total Unweighted Value (average)</b>	<b>Total Weighted Value (average)</b>
<b>HIGH-QUALITY LIQUID ASSETS</b>			
1	Total HQLA		459,011
<b>CASH OUTFLOWS</b>			
2	Retail deposits and deposits from small business customers, of which:		
3	Stable deposits	226,317	6,790
4	Less stable deposits	888,290	87,601
5	Unsecured wholesale funding, of which:		
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	76,759	19,190
7	Non-operational deposits (all counterparties)	481,443	236,145
8	Unsecured debt	-	-
9	Secured wholesale funding		-
10	Additional requirements, of which:		
11	Outflows related to derivative exposures and other collateral requirements	2,913	2,913
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	158,866	13,084
14	Other contractual funding obligations	56,784	56,784
15	Other contingent funding obligations	490,274	24,514
16	<b>TOTAL CASH OUTFLOWS</b>	-	447,019
<b>CASH INFLOWS</b>			
17	Secured lending (eg reverse repos)	26,126	-
18	Inflows from fully performing exposures	275,065	196,874
19	Other cash inflows	-	-
20	<b>TOTAL CASH INFLOWS</b>	301,191	196,874
			<b>TOTAL ADJUSTED VALUE</b>
21	<b>TOTAL HQLA</b>		459,011
22	<b>TOTAL NET CASH OUTFLOWS</b>		250,146
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>		183%

## Net Stable Funding Ratio (NSFR)

One of the key requirements of the revised CBB guidelines includes the computation and disclosure of the Net Stable Funding Ratio (NSFR). The NSFR requires banks to maintain a stable funding profile in relation to assets and off-balance sheet activities. The following table details the NSFR of Ithmaar Bank B.S.C (c) as of 30 September 2020 on a consolidated basis.

No.	Item	Unweighted Values (i.e. before applying relevant factors)				Total weighted value
		No specified maturity	Less than 6 months	More than 6 months and less than one year	Over one year	
<b>Available Stable Funding (ASF):</b>						
1	<b>Capital:</b>	<b>108</b>	-	-	<b>30</b>	<b>138</b>
2	Regulatory Capital	108	-	-	-	108
3	Other Capital Instruments	-	-	-	30	30
4	<b>Retail deposits and deposits from small business customers:</b>	<b>987</b>	<b>271</b>	<b>246</b>	<b>121</b>	<b>1,489</b>
5	Stable deposits	236	30	20	10	282
6	Less stable deposits	751	241	226	111	1,207
7	<b>Wholesale funding:</b>	<b>-</b>	<b>443</b>	<b>292</b>	<b>350</b>	<b>634</b>
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	443	292	350	634
10	<b>Other liabilities:</b>	<b>-</b>	<b>290</b>	<b>-</b>	<b>8</b>	<b>8</b>
11	NSFR Shari'a-compliant hedging contract liabilities	-	24	-	-	-
12	All other liabilities not included in the above categories	-	266	-	8	8
13	<b>Total ASF</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,270</b>
<b>Required Stable Funding (RSF):</b>						
14	Total NSFR high-quality liquid assets (HQLA)	-	-	-	-	13
15	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
16	<b>Performing loans and securities:</b>	<b>-</b>	<b>423</b>	<b>145</b>	<b>1,395</b>	<b>1,476</b>
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	128	26	584	617
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	295	119	625	739
20	- With a risk weight of less than or equal to 35% as per the CBB Capital Adequacy Ratio guidelines	-	-	-	171	111
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	-	-	-	14	9
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-
24	<b>Other assets:</b>	<b>-</b>	<b>368</b>	<b>-</b>	<b>1</b>	<b>370</b>
25	Physical traded commodities, including gold	-	-	-	-	-
26	Assets posted as initial margin for Shari'a-compliant hedging contracts contracts and contributions to default funds of CCPs	-	-	-	-	-
27	NSFR Shari'a-compliant hedging assets	-	-	-	-	-
28	NSFR Shari'a-compliant hedging contract liabilities before deduction of variation margin posted	-	5	-	-	5
29	All other assets not included in the above categories	-	364	-	1	365
30	OBS items	-	661	-	-	33
31	<b>Total RSF</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,892</b>
32	<b>NSFR (%)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>120%</b>