

ABC Islamic Bank (E.C.)
CBB – Composition of Capital Disclosure Requirements
As at 30 September 2024

Regulatory Capital Disclosure

US\$ 000's

PD 1 : Common disclosure template to be used from 1 January 2019

| | | <i>Reference</i> |
|---|--|------------------|
| Common Equity Tier 1 capital: instruments and reserves | | |
| 1 | Directly issued qualifying common share capital plus related stock surplus | 132,500 a |
| 2 | Retained earnings | 158,688 b + c1 |
| 3 | Accumulated other comprehensive income (and other reserves) | 51,271 c2 +c3 |
| 4 | Not applicable | - |
| 5 | Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1) | - |
| 6 | Common Equity Tier 1 capital before regulatory adjustments | 342,459 |
| Common Equity Tier 1 capital: regulatory adjustments | | |
| 7 | Prudential valuation adjustments | - |
| 8 | Goodwill (net of related tax liability) | - |
| 9 | Other intangibles other than mortgage-servicing rights (net of related tax liability) | 149 |
| 10 | Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability) | - |
| 11 | Cash-flow hedge reserve | - |
| 12 | Shortfall of provisions to expected losses | - |
| 13 | Securitisation gain on sale (as set out in paragraph 562 of Basel II framework) | - |
| 14 | Not applicable | - |
| 15 | Defined-benefit pension fund net assets | - |
| 16 | Investments in own shares | - |
| 17 | Reciprocal cross-holdings in common equity | - |
| 18 | Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold) | - |
| 19 | Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold) | - |
| 20 | Mortgage servicing rights (amount above 10% threshold) | - |
| 21 | Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability) | - |
| 22 | Amount exceeding the 15% threshold | - |
| 23 | <i>of which: significant investments in the common stock of financials</i> | - |
| 24 | <i>of which: mortgage servicing rights</i> | - |
| 25 | <i>of which: deferred tax assets arising from temporary differences</i> | - |
| 26 | CBB specific regulatory adjustments | - |
| 27 | Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions | - |
| 28 | Total regulatory adjustments to Common equity Tier 1 | 149 |
| 29 | Common Equity Tier 1 capital (CET1) | 342,310 |
| Additional Tier 1 capital: instruments | | |
| 30 | Directly issued qualifying Additional Tier 1 instruments plus related stock surplus | - |
| 31 | <i>of which: classified as equity under applicable accounting standards</i> | - |
| 32 | <i>of which: classified as liabilities under applicable accounting standards</i> | - |
| 33 | Directly issued capital instruments subject to phase out from Additional Tier 1 | - |
| 34 | Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) | - |
| 35 | <i>of which: instruments issued by subsidiaries subject to phase out</i> | - |
| 36 | Additional Tier 1 capital before regulatory adjustments | - |
| Additional Tier 1 capital: regulatory adjustments | | |
| 37 | Investments in own Additional Tier 1 instruments | - |
| 38 | Reciprocal cross-holdings in Additional Tier 1 instruments | - |
| 39 | Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold) | - |
| 40 | Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions) | - |
| 41 | CBB specific regulatory adjustments | - |
| 42 | Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions | - |
| 43 | Total regulatory adjustments to Additional Tier 1 capital | - |
| 44 | Additional Tier 1 capital (AT1) | - |
| 45 | Tier 1 capital (T1 = CET1 + AT1) | 342,310 |
| Tier 2 capital: instruments and provisions | | |
| 46 | Directly issued qualifying Tier 2 instruments plus related stock surplus | - |
| 47 | <i>Directly issued capital instruments subject to phase out from Tier 2</i> | - |
| 48 | Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in Group Tier 2) | - |
| 49 | <i>of which: instruments issued by subsidiaries subject to phase out</i> | - |
| 50 | Provisions | 8,999 d |
| 51 | Tier 2 capital before regulatory adjustments | 8,999 |

Regulatory Capital Disclosure (Continued)

US\$ 000's

PD 1 : Common disclosure template to be used from 1 January 2019 (Continued)

| | | |
|--|--|----------------|
| Tier 2 capital: regulatory adjustments | | |
| 52 | Investments in own Tier 2 instruments | - |
| 53 | Reciprocal cross-holdings in Tier 2 instruments | - |
| 54 | Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold) | - |
| 55 | Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions) | - |
| 56 | CBB specific regulatory adjustments | - |
| 57 | Total regulatory adjustments to Tier 2 capital | - |
| 58 | Tier 2 capital (T2) | 8,999 |
| 59 | Total capital (TC = T1 + T2) | 351,309 |
| 60 | Total risk weighted assets | 878,901 |
| Capital ratios and buffers | | |
| 61 | Common Equity Tier 1 (as a percentage of risk weighted assets) | 38.9% |
| 62 | Tier 1 (as a percentage of risk weighted assets) | 38.9% |
| 63 | Total capital (as a percentage of risk weighted assets) | 40.0% |
| 64 | Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus D-SIB buffer requirement expressed as a percentage of risk weighted assets) | 2.5% |
| 65 | <i>of Which: capital conservation buffer requirement</i> | 2.5% |
| 66 | <i>of Which: bank specific countercyclical buffer requirement (N/A)</i> | N/A |
| 67 | <i>of Which: G-SIB buffer requirement (N/A)</i> | N/A |
| 68 | Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets) | 29.9% |
| National minima including CBB (where different from Basel III) | | |
| 69 | CBB Common Equity Tier 1 minimum ratio | 9.0% |
| 70 | CBB Tier 1 minimum ratio | 10.5% |
| 71 | CBB total capital minimum ratio | 12.5% |
| Amounts below the thresholds for deduction (before risk weighting) | | |
| 72 | Non-significant investments in the capital of other financials | 2,935 |
| 73 | Significant investments in the common stock of financials | - |
| 74 | Mortgage servicing rights (net of related tax liability) | - |
| 75 | Deferred tax assets arising from temporary differences (net of related tax liability) | - |
| Applicable caps on the inclusion of provisions in Tier 2 | | |
| 76 | Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap) | 8,999 |
| 77 | Cap on inclusion of provisions in Tier 2 under standardised approach | 8,999 |
| 78 | N/A | |
| 79 | N/A | |
| Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2019 and 1 Jan 2023) | | |
| 80 | Current cap on CET1 instruments subject to phase out arrangements | N/A |
| 81 | Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities) | N/A |
| 82 | Current cap on AT1 instruments subject to phase out arrangements | N/A |
| 83 | Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) | N/A |
| 84 | Current cap on T2 instruments subject to phase out arrangements | N/A |
| 85 | Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) | N/A |

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Regulatory Capital Disclosure

US\$ 000's

PD 2 : Reconciliation of Regulatory Capital

i) Step 1: Disclosure of Balance Sheet under Regulatory scope of Consolidation

| | Balance sheet as in published financial statements | Consolidated PIR data |
|--|---|--------------------------|
| Cash and balances at central banks | - | - |
| Placements with banks and similar financial institutions | 18,234 | 18,250 |
| Items in the course of collection from other banks | - | - |
| Trading portfolio assets | - | - |
| Financings contracts | - | 1,814,719 |
| Murabaha | 1,665,579 | - |
| Istisna'a receivable | - | - |
| Ijarah assets | 136,737 | - |
| Ijarah installment receivables | - | - |
| Mudarabah | - | - |
| Musharakah | 5,201 | - |
| Salam | - | - |
| Istisna'a | - | - |
| Financial assets at fair value through P&L | - | - |
| Shari'a compliant Derivative financial instruments | - | - |
| Financings and advances to banks | - | - |
| Financings and advances to customers | - | - |
| Secured financing agreements and other similar secured financing | - | - |
| Available for sale financial investments | 1,156,520 | 1,157,462 |
| Current and deferred tax assets | - | - |
| Prepayments, accrued income and other assets | - | - |
| Investments in associates and joint ventures | - | - |
| Goodwill and intangible assets | - | - |
| Property, plant and equipment | 204 | 204 |
| Other assets | 13,031 | 13,040 |
| Total assets | 2,995,506 | 3,003,675 |
| Deposits or placements from banks | - | - |
| Items in the course of collection due to other banks | - | - |
| Parallel salam | - | - |
| Parallel Istisna'a | - | - |
| Ijarah installment payables | - | - |
| Customer accounts | - | - |
| Repurchase agreements and other similar secured facilities | - | - |
| Trading portfolio liabilities | - | - |
| Shari'a compliant hedging financial instruments | - | - |
| Sukuk securities in issue | - | - |
| Accruals, deferred income and other liabilities | - | - |
| Current and deferred tax liabilities (DTLs) | - | - |
| Subordinated liabilities | - | - |
| Collective impairment Provisions | - | - |
| Retirement benefit liabilities | - | - |
| Murabaha and other payables | 193,272 | 55,000 |
| Murabaha payables | - | - |
| Current account for non-banks | - | 8,209 |
| Balances of banks and similar institutions | - | 130,063 |
| Equity of Investment Account Holders | 2,441,850 | 2,441,850 |
| Other liabilities | 17,925 | 17,095 |
| Total liabilities | 2,653,047 | 2,652,217 |
| Paid-in share capital | 132,500 | 132,500 |
| Reserves | 209,959 | 209,959 |
| Expected credit losses | - | 8,999 |
| Accumulated other comprehensive income | - | - |
| Total Owners' equity | 342,459 | 351,458 |

Regulatory Capital Disclosure

US\$ 000's

PD 2 : Reconciliation of Regulatory Capital (continued)

ii) Step 2: Expansion of the Balance Sheet under Regulatory scope of Consolidation

| | Balance sheet as in published financial statements | Consolidated PIR data | Reference |
|--|---|--------------------------|-----------|
| Cash and balances at central banks | - | - | |
| Placements with banks and similar financial institutions | 18,234 | 18,250 | |
| Items in the course of collection from other banks | - | - | |
| Trading portfolio assets | - | - | |
| Financings contracts | - | 1,814,719 | |
| Murabaha | 1,665,579 | - | |
| Istisna'a receivable | - | - | |
| Ijarah assets | 136,737 | - | |
| Ijarah installment receivables | - | - | |
| Mudarabah | - | - | |
| Musharakah | 5,201 | - | |
| Salam | - | - | |
| Istisna'a | - | - | |
| Financial assets at fair value through P&L | - | - | |
| Shari'a compliant hedging financial instruments | - | - | |
| Financings and advances to banks | - | - | |
| Financings and advances to customers | - | - | |
| Secured financing agreements and other similar secured financing | - | - | |
| Available for sale financial investments | 1,156,520 | 1,157,462 | |
| Current and deferred tax assets | - | - | |
| Prepayments, accrued income and other assets | - | - | |
| Investments in associates and joint ventures | - | - | |
| Goodwill and intangible assets | - | - | |
| <i>of which goodwill</i> | - | - | |
| <i>of which other intangibles (excluding MSRs)</i> | - | - | |
| <i>of which MSRs</i> | - | - | |
| Property, plant and equipment | 204 | 204 | |
| Other assets | 13,031 | 13,040 | |
| Total assets | 2,995,506 | 3,003,675 | |
| Deposits or placements from banks | - | - | |
| Items in the course of collection due to other banks | - | - | |
| Parallel salam | - | - | |
| Parallel Istisna'a | - | - | |
| Ijarah installment payables | - | - | |
| Customer accounts | - | - | |
| Repurchase agreements and other similar secured financing | - | - | |
| Trading portfolio liabilities | - | - | |
| Other financial liabilities | - | - | |
| Shari'a compliant derivative financial instruments | - | - | |
| Sukuk securities in issue | - | - | |
| Accruals, deferred income and other liabilities | - | - | |
| Current and deferred tax liabilities | - | - | |
| <i>of which DTLs related to goodwill</i> | - | - | |
| <i>of which DTLs related to intangible assets (excluding MSRs)</i> | - | - | |
| <i>of which DTLs related to MSRs</i> | - | - | |
| Subordinated liabilities | - | - | |
| Provisions | - | - | |
| Retirement benefit liabilities | - | - | |
| Murabaha and other payables | 193,272 | 55,000 | |
| Murabaha payables | - | - | |
| Current account for non-banks | - | 8,209 | |
| Balances of banks and similar institutions | - | 130,063 | |
| Equity of Investment Account Holders | 2,441,850 | 2,441,850 | |
| Other liabilities | 17,925 | 17,095 | |
| Total liabilities | 2,653,047 | 2,652,217 | |

Regulatory Capital Disclosure

US\$ 000's

PD 2 : Reconciliation of Regulatory Capital (continued)**ii) Step 2: Expansion of the Balance Sheet under Regulatory scope of Consolidation**

| | Balance sheet as in published financial statements | Consolidated PIR data | Reference |
|--|---|----------------------------------|------------------|
| Paid-in share capital | 132,500 | 132,500 | |
| <i>of which form part of CET1</i> | | | |
| Ordinary Shares Capital | 132,500 | 132,500 | a |
| Reserves | 209,959 | 209,959 | |
| <i>of which form part of CET1</i> | | | |
| Retained earnings/(losses) brought forward | 120,842 | 120,842 | b |
| Net profit for the current period | 37,846 | 37,846 | c1 |
| Legal reserve | 45,698 | 45,698 | c2 |
| Fair value changes on investment | 5,573 | 5,573 | c3 |
| Expected credit losses | - | 8,999 | e |
| <i>of which amount eligible for TII (Maximum 1.25% of RWA)</i> | - | 8,999 | d |
| <i>of which amount ineligible</i> | - | 0 | |
| Total owners ' equity | 342,459 | 351,458 | |

Regulatory Capital Disclosure

PD 3 : Main features of regulatory capital instruments

| Disclosure template for main features of regulatory capital instruments | | |
|---|---|--------------------------------|
| 1 | Issuer | ABC Islamic Bank |
| 2 | Unique identifier (e.g. CUSIP, ISIN, OR Bloomberg identifier for private placement) | ABC |
| 3 | Governing law(s) of the instrument | Laws of Bahrain |
| | Regulatory treatment | |
| 4 | Transitional CBB rules | Common Equity Tier 1 |
| 5 | Post-transitional CBB rules | Common Equity Tier 1 |
| 6 | Eligible at solo/group/group & solo | Group & Solo |
| 7 | Instrument type (types to be specified by each jurisdiction) | Common equity shares |
| 8 | Amount recognised in regulatory capital (Currency in thousand, as of most recent reporting date) | US\$ 132,500 |
| 9 | Par value of instrument (US\$ each) | 100 |
| 10 | Accounting classification | Owners' equity |
| 11 | Original date of issuance | Various |
| 12 | Perpetual or dated | Perpetual |
| 13 | Original maturity date | No maturity |
| 14 | Issuer call subject to prior supervisory approval | Yes |
| 15 | Optional call date, contingent call dates and redemption amount | N/A |
| 16 | Subsequent call dates, if applicable | N/A |
| | Coupons / dividends | |
| 17 | Fixed or floating dividend/coupon | As decided by the shareholders |
| 18 | Coupon rate and any related index | N/A |
| 19 | Existence of a dividend stopper | N/A |
| 20 | Fully discretionary, partially discretionary or mandatory | Fully discretionary |
| 21 | Existence of step up or other incentive to redeem | NO |
| 22 | Noncumulative or cumulative | N/A |
| 23 | Convertible or non-convertible | N/A |
| 24 | If convertible, conversion trigger (s) | N/A |
| 25 | If convertible, fully or partially | N/A |
| 26 | If convertible, conversion rate | N/A |
| 27 | If convertible, mandatory or optional conversion | N/A |
| 28 | If convertible, specify instrument type convertible into | N/A |
| 29 | If convertible, specify issuer of instrument it converts into | N/A |
| 30 | Write-down feature | NO |
| 31 | If write-down, write-down trigger(s) | N/A |
| 32 | If write-down, full or partial | N/A |
| 33 | If write-down, permanent or temporary | N/A |
| 34 | If temporary write-down, description of write-up mechanism | N/A |
| 35 | Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument) | N/A |
| 36 | Non-compliant transitioned features | NO |
| 37 | If yes, specify non-compliant features | N/A |