

SICO BSC (c)

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 SEPTEMBER 2024

Comprehensive investment services for the Bahrain and GCC securities market	
Commercial registration	33469
Board of Directors	Abdulla Kamal Chairman of the Board and the Investment Committee
	Hisham Al Kurdi Vice Chairman of the Board & the Investment Committee
	Waleed Al-Hashar Member of the Board & the Investment Committee
	Elham AlMajed Member of the Board & the Investment Committee
	Khalid Al Jasim Member of the Board & Chairman of the Nominations, Remuneration & Corporate Governance Committee
	Dana Raees Member of the Board & Vice Chairperson of the Nominations, Remuneration & Corporate Governance Committee
	Mohammed Abdulla Member of the Board & the Audit, Risk and Compliance Committee
	Tala Fakhro Member of the Board & Chairperson of the Audit, Risk and Compliance Committee
	Naseema Haider Member of the Board & Vice Chairperson of the Audit, Risk and Compliance Committee
	Fadi AlQutub Member of the Board & the Nominations, Remuneration & Corporate Governance Committee
Chief Executive Officer	Najla M. Al Shirawi
Office	Bahrain World Trade Center Isa Al Kabeer Avenue 365, Block 316, Kingdom of Bahrain Telephone 17515000, Fax 17514000
Bankers	BBK BSC
Auditors	Ernst & Young - Middle East

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the period ended 30 September 2024

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REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF SICO B.S.C. (c)

Introduction

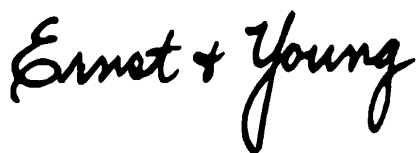
We have reviewed the accompanying condensed consolidated interim financial statements of SICO B.S.C. (c) ("the Bank") and its subsidiaries (collectively, "the Group") as at 30 September 2024, comprising of the consolidated interim statement of financial position as at 30 September 2024 and the related consolidated interim statements of profit or loss and comprehensive income for the three month and nine month period then ended and the consolidated interim statements of changes in equity and cash flows for the nine month period then ended and explanatory notes. The Board of Directors of the Bank is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34.



13 November 2024
Manama, Kingdom of Bahrain

SICO BSC (c)

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

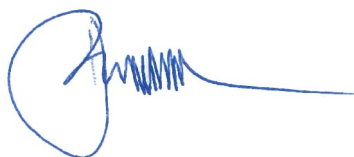
Bahraini Dinars '000

		30 September 2024	31 December 2023
ASSETS	<i>Notes</i>	(Reviewed)	<i>(Audited)</i>
Cash and bank balances		58,752	56,437
Treasury bills		12,133	10,151
Securities bought under repurchase agreements		238,176	252,883
Investments at fair value through profit or loss	11	25,394	25,152
Investments at fair value through other comprehensive income	12	12,138	12,497
Investments at amortised cost		17,508	17,372
Fees receivable		3,129	2,720
Other assets		11,649	9,642
Property and equipment		1,347	1,623
Intangible assets	13	1,474	1,456
TOTAL ASSETS		381,700	389,933
LIABILITIES AND EQUITY			
Liabilities			
Short term bank borrowings		11,310	5,655
Deposits		2,154	4,234
Securities sold under repurchase agreements		246,602	259,391
Customer accounts		37,483	35,806
Other liabilities		9,700	11,215
Payable to other unit holders in consolidated funds		610	3,150
Total liabilities		307,859	319,451
Equity			
Share capital		44,134	44,134
Shares under employee share incentive scheme		(2,263)	(2,263)
Treasury shares		(1,913)	(1,913)
Statutory reserve		9,781	9,781
General reserve		3,217	3,217
Investments fair value reserve		1,010	618
Retained earnings		19,875	16,908
Total equity (page 5)		73,841	70,482
TOTAL LIABILITIES AND EQUITY		381,700	389,933

The condensed consolidated interim financial statements was approved by the Board of Directors on 13 November 2024 and signed on its behalf by:



Abdulla Kamal
Chairman



Tala Fakhro
Director



Najla M. Al Shirawi
Chief Executive Officer

The accompanying notes 1 to 19 form an integral part of condensed consolidated interim financial statements.

SICO BSC (c)

CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

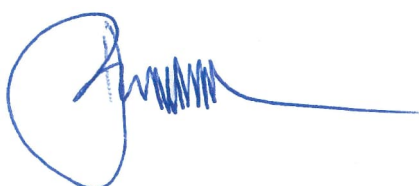
For the three months and nine months ended 30 September 2024

Bahraini Dinars '000

	Notes	<i>For the nine months ended</i>		<i>For the three months ended</i>	
		30 September 2024 (Reviewed)	<i>30 September 2023 (Reviewed)</i>	30 September 2024 (Reviewed)	<i>30 September 2023 (Reviewed)</i>
Net investment income	14	2,604	2,766	1,173	498
Net fee income	15	7,960	5,378	3,181	2,194
Brokerage and other income		3,091	1,447	1,090	410
Net interest income		2,915	2,620	938	733
Total income		16,570	12,211	6,382	3,835
Staff cost		7,419	6,107	2,828	2,009
Other operating expenses		3,908	3,758	1,487	1,339
Expected Credit Loss		-	(24)	-	(24)
Share of profit of other unit holders in consolidated funds		32	195	30	(34)
Total expenses		11,359	10,036	4,345	3,290
Profit for the period		5,211	2,175	2,037	545
'Basic and diluted earnings per share (fils)		12.76	5.05	4.99	1.27



Abdulla Kamal
Chairman



Tala Fakhro
Director



Najla M. Al Shirawi
Chief Executive Officer

SICO BSC (c)

CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the three months and nine months ended 30 September 2024

Bahraini Dinars '000

	<i>For the nine months ended</i>		<i>For the three months ended</i>	
	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>	<i>30 September</i>
	<i>2024</i>	<i>2023</i>	<i>2024</i>	<i>2023</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Profit for the period	5,211	2,175	2,037	545
Other comprehensive income				
<i>Items that will be reclassified to profit or loss in subsequent periods:</i>				
Net changes in fair value of FVOCI debt instruments	188	(95)	266	(69)
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>				
Net change in fair value of FVOCI equity instruments	156	67	234	48
Total other comprehensive income for the period	344	(28)	500	(21)
Total comprehensive income for the period	5,555	2,147	2,537	524

The accompanying notes 1 to 19 form an integral part of condensed consolidated interim financial statements.

SICO BSC (c)

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2024

Bahraini Dinars '000

<i>2024 (Reviewed)</i>	<i>Share capital</i>	<i>Shares under employee share incentive scheme</i>	<i>Treasury Shares</i>	<i>Statutory reserve</i>	<i>General reserve</i>	<i>Investments fair value reserve</i>	<i>Retained earnings</i>	<i>Total equity</i>
Balance at 1 January 2024	44,134	(2,263)	(1,913)	9,781	3,217	618	16,908	70,482
Profit for the period	-	-	-	-	-	-	5,211	5,211
Other comprehensive income:								
Net change in fair value of FVOCI instruments	-	-	-	-	-	344	-	344
Total other comprehensive income	-	-	-	-	-	344	-	344
Total comprehensive income for period	-	-	-	-	-	344	5,211	5,555
Amount transferred to retained earnings on sale of FVOCI equity instruments	-	-	-	-	-	48	(48)	-
Transfer to charitable donation reserve	-	-	-	-	-	-	(50)	(50)
Transaction with owners recognized directly in equity:								
Cash dividends paid for 2023	-	-	-	-	-	-	(2,146)	(2,146)
Balance at 30 September 2024	44,134	(2,263)	(1,913)	9,781	3,217	1,010	19,875	73,841

The accompanying notes 1 to 19 form an integral part of condensed consolidated interim financial statements.

SICO BSC (c)

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

For the nine months ended 30 September 2024

Bahraini Dinars '000

	Share capital	Shares under employee share incentive scheme	Treasury Shares	Statutory reserve	General reserve	Investments fair value reserve	Retained earnings	Total equity
2023 (Reviewed)								
Balance at 1 January 2023	44,134	(2,263)	-	9,343	3,217	885	14,666	69,982
Profit for the period	-	-	-	-	-	-	2,175	2,175
Other comprehensive income:								
Net change in fair value of FVOCI instruments	-	-	-	-	-	(28)	-	(28)
Total other comprehensive income	-	-	-	-	-	(28)	-	(28)
Total comprehensive income for period	-	-	-	-	-	(28)	2,175	2,147
Amount transferred to retained earnings on sale of FVOCI equity instruments	-	-	-	-	-	(485)	485	-
Transfer to charitable donation reserve	-	-	-	-	-	-	(40)	(40)
Transaction with owners recognized directly in equity:								
Cash dividends paid for 2022	-	-	-	-	-	-	(2,146)	(2,146)
Treasury shares purchased	-	-	(1,913)	-	-	-	-	(1,913)
Balance at 30 September 2023	44,134	(2,263)	(1,913)	9,343	3,217	372	15,140	68,030

The accompanying notes 1 to 19 form an integral part of condensed consolidated interim financial statements.

SICO BSC (c)

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the nine months ended 30 September 2024

Bahraini Dinars '000

	30 September 2024 (Reviewed)	30 September 2023 (Reviewed)
Operating activities		
Profit for the period	5,211	2,175
Adjustments for:		
Depreciation, Intangible amortization	551	627
ECL	-	(24)
Unrealised fair value (Gain) /Loss	(492)	29
Operating profit before changes in operating assets and liabilities	5,270	2,807
Changes in		
Securities bought under repurchase agreements	14,707	(74,460)
Net Purchase of treasury bills with original maturity of more than 90 days	(4,105)	(4,287)
Investments at fair value through profit or loss	250	146
Investments at fair value through other comprehensive income	703	(1,874)
Investments at amortized cost	(136)	709
Fees receivable	(409)	(831)
Other assets	(2,007)	(155)
Securities sold under repurchase agreements	(12,789)	73,858
Customer accounts	1,677	7,208
Other liabilities	(1,565)	936
Payable to other unit holders in consolidated funds	(2,540)	(75)
Net cash (used in) / generated from operating activities	(944)	3,982
Investing activity		
Capital expenditure on furniture and equipment	(293)	(221)
Cash used in investing activity	(293)	(221)
Financing activities		
Short-term bank borrowings	5,655	1,885
Deposits	(2,080)	9,387
Treasury shares purchased	-	(1,913)
Dividend paid	(2,146)	(2,146)
Net cash generated from financing activities	1,429	7,213
Net increase in cash and cash equivalents	192	10,974
Cash and cash equivalents at the beginning of the period	66,588	60,575
Cash and cash equivalents at the end of the period	66,780	71,549
Represented by:		
Cash and bank balances	58,752	64,433
Treasury bills with original maturity of less than 90 days	8,028	7,116
Cash and bank balances & treasury bills	66,780	71,549

The accompanying notes 1 to 19 form an integral part of condensed consolidated interim financial statements.

1 REPORTING ENTITY

This condensed consolidated financial statements is the reviewed condensed consolidated interim financial statements (the “condensed consolidated interim financial statements”) of SICO BSC (c) (“SICO” or the “Bank”) and its subsidiaries (together the “Group”). The Bank operates under a wholesale banking license issued by the Central Bank of Bahrain (the “CBB”).

2 BASIS OF PREPARATION

The condensed consolidated interim financial statements has been prepared in accordance with International Accounting Standard 34 (Interim Financial Reporting), which permits the interim financial statements to be in summarized form.

The condensed consolidated interim financial statements does not include all the information required for full annual financial statements and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2023.

3 ACCOUNTING POLICIES

The new accounting standards issued and effective as at 1 January 2024 do not have a significant impact on the Group's accounting policies. The condensed consolidated interim financial statements has been prepared using the same accounting policies and methods of computation applied in the preparation of the Group's audited consolidated financial statements for the year ended 31 December 2023 (see note 2).

4 ESTIMATES

The preparation of the condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were similar to those applied to the consolidated financial statements for the year ended 31 December 2023 (see note 2).

5 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The condensed consolidated interim financial statements does not include all financial risk management information and disclosures required in the annual consolidated financial statements and they should be read in conjunction with the Group's audited consolidated financial statements for the year ended 31 December 2023. There have been no changes in the risk management department or in any risk management policies since 31 December 2023.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 September 2024

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5 FINANCIAL RISK MANAGEMENT (continued)

The key regulatory ratios are as follows:

	<i>Regulatory Requirement</i>	<i>30 September 2024</i>	<i>31 December 2023</i>
Liquidity Coverage Ratio	100%	636%	493%
Net Stable Funding Ratio (note 17)	100%	161%	156%

The daily average LCR for the nine-months period ended 30 September 2024 was 593% (Daily average for the year ended 31 December 2023: 416%).

The Group continues to meet minimum required regulatory liquidity ratios and is also in compliance with the minimum required capital adequacy ratio ("CAR").

6 OPERATING SEGMENTS

The Group's lines of business are brokerage, asset management, treasury, investment banking, market making and custody business. At present, the Group's revenue is reviewed by lines of business and the expenses and results are reviewed at Group level. Accordingly, there are no reportable segments.

7 COMPARABILITY

Due to nature of the Group's business, the three and nine months' results reported in this condensed consolidated interim financial statements may not represent a proportionate share of the overall annual results. In particular, dividends and performance fee are not necessarily recognized in the same interim reporting periods each year and are dependent on actions and performances of the investee companies and portfolio performance.

8 APPROPRIATIONS

At the shareholders Annual General Meeting for the year 2023 on 25 March 2024, the shareholders resolved to make the appropriations of the profit for the year ended 31 December 2023, which were given effect during the first quarter of 2024. These include a cash dividend of BD 2,146 (2022: BD 2,146) (5 fils per share), representing 5% of the paid up capital and charitable donations of BD 50.

9 SHARES UNDER EMPLOYEE SHARE INCENTIVE SCHEME

The Group has established an Employee Share Incentive scheme (the "Scheme") which is operated through a Trustee. The Trust has been set up by the transfer of shares of the Bank allotted to the employees under the Scheme.

Under the Scheme, employees are entitled to receive shares as part of their bonus in ratios determined by the Board of Directors. The value of the shares is to be determined based on the fair value of the Group's net assets as at the reporting date. This Scheme is treated as a cash-settled share based payment transaction due to the restrictions imposed under the Scheme whereby the employees have to sell back the shares to the Group on resignation/ retirement based on the vesting conditions mentioned in the scheme.

SICO BSC (c)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 September 2024

Bahraini Dinars '000

10 CONTINGENCIES, COMMITMENTS AND MEMORANDUM ACCOUNTS

	30 September 2024	<i>31 December 2023</i>
Assets under custody	3,346,496	3,322,187
Assets under management **	2,215,100	1,941,330
Guarantees	3,593	3,593
Other commitments	7,599	2,511

** On a gross basis, including leverage, SICO's total AUMs stands at BD 2,564,148 (2023: BD 2,252,092).

11 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 September 2024	<i>31 December 2023</i>
Quoted equity securities		
- Parent	977	734
- Consolidated funds	-	3,278
Funds		
- Quoted	12,656	10,702
- Unquoted	5,490	2,470
Quoted debt securities		
- Parent	1,740	3,561
- Consolidated funds	3,965	3,841
Unquoted debt securities		
- Parent	566	566
	25,394	25,152

12 INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 September 2024	<i>31 December 2023</i>
Equity securities		
- Quoted	3,799	3,594
- Unquoted	377	377
Debt securities		
- Quoted	7,962	8,526
	12,138	12,497

13 INTANGIBLE ASSETS

	30 September 2024	<i>31 December 2023</i>
Intangibles – software	974	956
Other intangibles	500	500
	1,474	1,456

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 September 2024

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14 NET INVESTMENT INCOME

	<i>Nine months ended</i>	
	<i>30 September 2024</i>	<i>30 September 2023</i>
Net gain from investments - fair value through profit or loss	598	565
Net gain from sale of investments - fair value through comprehensive income	1	75
Realised gain on sale of treasury bills	2	15
Interest income from debt instruments	1,541	1,470
Dividend income	462	641
	2,604	2,766

Net gain from investments at fair value through profit or loss comprises the following:

	<i>Nine months ended</i>	
	<i>30 September 2024</i>	<i>30 September 2023</i>
Realised gain	106	594
Unrealised gain	492	(29)
	598	565

The realised gain / (loss) from investments at fair value through profit or loss represents the difference between the carrying amount of investments at the beginning of the reporting period, or the transaction price if it was purchased in the current reporting period, and its sale or settlement price that occur during the period.

The unrealised gain represents the difference between the carrying amount of investments at the beginning of the period, or the transaction price if it was purchased in the current reporting period, and its carrying amount at the end of the period.

15 NET FEE INCOME

	<i>Nine months ended</i>	
	<i>30 September 2024</i>	<i>30 September 2023</i>
Fee income from trust or other fiduciary activities		
Management fee	5,712	4,319
Performance fee	381	433
Custody fee - net	563	437
Advisory & Underwriting fee	410	189
Structuring fee	894	-
	7,960	5,378

16 RELATED PARTIES

The following are the related party transactions during the period. All of these transactions are in the ordinary course of business and on normal commercial terms.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 September 2024

Bahraini Dinars '000

16 RELATED PARTIES (continued)

Transactions with funds owned by the subsidiary companies namely SICO Funds Company BSC (c), SICO Funds Company III BSC (c), SICO Funds Company IV BSC (c), SICO Funds Company VI BSC (c), SICO Funds Company VIII BSC (c), SICO Funds Company IX BSC (c), SICO Ventures Company WLL, SICO Kingdom Equity Fund, SICO Capital GCC Dividend Growth Fund, SICO Capital Money Market Fund, Al Qasr Real Estate Fund, Riyadh Real Estate Fund, SICO Saudi REIT Fund, SICO Capital Khairat Fund, Mena Residential RE Fund and Najd Real Estate Fund are as follows:

Transactions with above-mentioned related parties :

	<i>Nine months ended</i>	
	<i>30 September</i>	<i>30 September</i>
	2024	2023
Fee income	1,724	953
Dividend income	19	-

Balances with above mentioned related parties at the reporting date are as follows:

	<i>30 September</i>	<i>31 December</i>
	2024	2023
Fee receivable	1,332	276
Investments in own funds	12,849	11,022
Funds under management	169,894	146,585
Securities bought under repurchase agreements	1,125	-
Other receivables	181	-

Transactions with shareholders:

	<i>Nine months ended</i>	
	<i>30 September</i>	<i>30 September</i>
	2024	2023
Fee income	220	186
Dividend income	11	-
Expenses	49	-

Balances with shareholders :

	<i>30 September</i>	<i>31 December</i>
	2024	2023
Fee receivable	102	266
Fee payable	40	232
Securities sold under repurchase agreements	4,367	16,846
Funds under management	75,991	87,240
Investments	1,389	1,552
Placements	4,955	4,902
Borrowings	7,540	3,770

The Group has banking relationships, makes deposits and placements and has utilised and unutilised credit facilities with certain of its shareholders that are banks.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 September 2024

Bahraini Dinars '000

17 FAIR VALUE

(i) Set out below is a comparison of the carrying amounts and fair values of financial instruments:

	<i>30 September 2024</i>		<i>31 December 2023</i>	
	<i>Carrying amount</i>	<i>Fair value</i>	<i>Carrying amount</i>	<i>Fair value</i>
Assets				
Cash and bank balances	58,752	58,752	56,437	56,437
Treasury bills*	12,133	12,133	10,151	10,151
Securities bought under repurchase agreements*	238,176	238,176	252,883	252,883
Investments at fair value through profit or loss	25,394	25,394	25,152	25,152
Investments at fair value through other comprehensive income	12,138	12,138	12,497	12,497
Investments at amortised cost	17,508	18,258	17,372	17,829
Fees receivable	3,129	3,129	2,720	2,720
Other assets excluding prepayments	11,036	11,034	9,107	9,107
Total assets	378,266	379,014	386,319	386,776
Liabilities				
Short term bank borrowings	11,310	11,310	5,655	5,655
Deposits	2,154	2,154	4,234	4,234
Securities sold under repurchase agreements*	246,602	246,602	259,391	259,391
Customer accounts	37,483	37,488	35,806	35,806
Other liabilities	9,700	9,700	11,215	11,215
Payable to unit holders	610	610	3,150	3,150
Total liabilities	307,859	307,864	319,451	319,451

All investments at fair value through other comprehensive income and investments at fair value through profit or loss are carried at fair value. Investments at amortised cost are carried at amortised cost.

*The carrying amount of assets and liabilities carried at amortized cost approximates the fair value in view of the short-term nature of these assets and liabilities.

(ii) Fair value hierarchy

The Group measures fair values of financial instruments using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements from the date of reclassification.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes instruments where the valuation technique includes inputs not based on market observable data.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 September 2024

Bahraini Dinars '000

17 FAIR VALUE (continued)

(ii) Fair value hierarchy (continued)

The tables below analyses financial assets and liabilities carried at fair value, by the level in the fair value hierarchy into which the fair value measurement is categorised.

As at 30 September 2024	Level 1	Level 2	Level 3	Total
Assets				
Investments at fair value through profit or loss				
- Equity	977	-	-	977
- Debt securities	5,705	566	-	6,271
- Funds	12,656	-	5,490	18,146
Investment at fair value through other comprehensive income:				
- Equities	3,799	377	-	4,176
- Debt securities	7,962	-	-	7,962
	31,099	943	5,490	37,532
31 December 2023	Level 1	Level 2	Level 3	Total
Assets				
Investments at fair value through profit or loss				
- Equity	4,012	-	-	4,012
- Debt securities	7,402	566	-	7,968
- Funds	10,702	-	2,470	13,172
Investment at fair value through other comprehensive income:				
- Equities	3,594	377	-	3,971
- Debt securities	8,526	-	-	8,526
	34,236	943	2,470	37,649

The following table analyses the movement in Level 3 financial assets during the period:

	Level 3 2024	Level 3 2023
At 1 January	2,470	3,086
Total (loss) : in income statement	(120)	(246)
Purchases	3,147	29
Sold	(7)	(333)
At 30 September	5,490	2,536

18 NET STABLE FUNDING RATIO (NSFR)

In August 2018, the Central Bank of Bahrain issued its regulations on Liquidity Risk Management (Module LM). The main objective of the NSFR is to promote the resilience of the banking system by improving the funding profile of banks by ensuring they have sufficient level of stable funding in relation to their assets and commitments. The NSFR thus promotes banks to rely on funding from stable sources and long-term borrowing in order to reduce the risks of disruptions which might impact the bank's liquidity position.

As per CBB Module LM, banks are required to meet the minimum NSFR of at least 100% on a continuous basis.

Further details on the calculation of the NSFR is presented in the following tables.

30 September 2024	<i>Unweighted values (before applying factors)</i>				<i>Total weighted value</i>
	<i>No specified maturity</i>	<i>Less than 6 months</i>	<i>More than 6 months and less than one year</i>	<i>Over one year</i>	
Available stable funding (ASF):					
Capital:					
Regulatory capital	71,304	-	-	66	71,370
Retail deposits and deposits from small business customers:					
Less stable deposits	-	14,283	-	-	12,855
Other liabilities:					
All other liabilities not included in above categories	-	259,962	28,660	5,598	21,364
Total ASF					105,589

18 NET STABLE FUNDING RATIO (NSFR) (continued)

30 September 2024	<i>Unweighted values (before applying factors)</i>				<i>Total weighted value</i>
	<i>No specified maturity</i>	<i>Less than 6 months</i>	<i>More than 6 months and less than one year</i>	<i>Over one year</i>	
Required stable funding (RSF):					
Total NSFR high-quality liquid assets (HQLA)	274,496	-	-	-	15,442
Deposits held at other financial institutions for operational purposes					
Performing loans and securities:					
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	33,320	25,488	-	29,404
Other assets:					
All other assets not included in the above categories	11,765	55,393	-	-	20,074
Off-balance sheet items	11,094	-	-	-	555
Total RSF					65,475
NSFR %					161%

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

30 September 2024

Bahraini Dinars '000

18 NET STABLE FUNDING RATIO (NSFR) (continued)

	<i>Unweighted values (before applying factors)</i>				<i>Total weighted value</i>
	<i>No specified maturity</i>	<i>Less than 6 months</i>	<i>More than 6 months and less than one year</i>	<i>Over one year</i>	
31 December 2023					
Available stable funding (ASF):					
Capital:					
Regulatory capital	68,096	-	-	66	68,162
Retail deposits and deposits from small business customers:					
Less stable deposits	-	12,232	-	-	11,008
Other liabilities:					
NSFR derivative liabilities					
All other liabilities not included in above categories	-	300,970	-	5,521	7,722
Total ASF					86,892
Required stable funding (RSF):					
Total NSFR high-quality liquid assets (HQLA)	273,551	-	-	-	14,377
Deposits held at other financial institutions for operational purposes					
Performing loans and securities:					
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	36,692	-	-	18,346
Other assets:					
All other assets not included in the above categories	14,108	57,359	-	-	22,712
Off-balance sheet items	6,014	-	-	-	305
Total RSF					55,740
NSFR %					156%

19 COMPARATIVE FIGURES

Certain of the prior year/period figures have been reclassified to conform to the presentation adopted in the current year/period. Such reclassification does not affect previously reported net income or owners' equity.