

BANK SOHAR SAOG

RECONCILIATION TEMPLATE - AS OF Sep'20

Step 1 :

(RO '000)

	Balance sheet as in published financial statements	Under regulatory scope of consolidation
	As at Sep'20	As at Sep'20
Assets		
Cash and balances with Central Bank of Oman	146,119	212,336
Certificates of deposit	-	-
Due from banks	211,342	145,093
Loans and advances	2,467,388	2,467,388
Investments in securities	690,305	690,305
Loans and advances to banks	-	-
Property and equipment	46,566	46,566
Deferred tax assets	-	-
Other assets	119,703	119,735
Total assets	3,681,423	3,681,423
Liabilities		
Due to banks	642,653	642,653
Customer deposits	2,348,496	2,348,496
Certificates of deposit	503	503
Current and deferred tax liabilities	-	-
Other liabilities	124,911	124,911
Subordinated Debts	35,674	35,674
Compulsory Convertible bonds	-	-
Total liabilities	3,152,237	3,152,237
Shareholders' Equity		
Paid-up share capital	245,355	245,355
Share premium	18,038	18,038
Legal reserve	28,519	28,519
General reserve	988	988
Retained earnings	25,377	25,377
Cumulative changes in fair value of investments	(3,693)	(3,693)
Subordinated debt reserve	14,000	14,000
Impairment reserve	602	602
Special Reserve	-	-
Perpetual Tier 1 Capital Securities	200,000	200,000
Total shareholders' equity	529,186	529,186
Total liability and shareholders' funds	3,681,423	3,681,423

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RECONCILIATION TEMPLATE - AS OF Sep'20

Step 2 :

(RO '000)

	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As at Sep'20	As at Sep'20	
Assets			
Cash and balances with CBO	146,119	212,336	
Balance with banks and money at call and short notice	211,342	145,093	
Investments :	690,305	690,305	
Of which Held to Maturity	217,332	217,332	
Out of investments in Held to Maturity:			
Investments in subsidiaries	NA	NA	
Investments in Associates and Joint Ventures	NA	NA	
Of which Available for Sale	376,045	376,045	
Out of investments in Available for Sale :	NA	NA	
Investments in Subsidiaries			
Investments in Associates and Joint Ventures	NA	NA	
Held for Trading	96,928	96,928	
Loans and advances	2,467,388	2,467,388	
Of which :			
Loans and advances to domestic banks	-	-	
Loans and advances to non-resident banks	-	-	
Loans and advances to domestic customers	2,178,600	2,178,600	
Loans and advances to non-resident Customers for domestic operations	-	-	
Loans and advances to non-resident Customers for operations abroad	16,609	16,609	
Loans and advances to SMEs	34,107	34,107	
Financing from Islamic banking window	238,072	238,072	
Fixed assets	46,566	46,566	
Other assets	119,703	119,735	
of which:			
Goodwill and intangible assets			
Out of which:			
goodwill	-	-	
Other intangibles (excluding MSRs)	-	-	
Deferred tax assets	-	-	
Goodwill on consolidation	-	-	
Debit balance in Profit & Loss account	-	-	
Total Assets	3,681,423	3,681,423	
Capital & Liabilities			
Paid-up Capital	263,393	263,393	
Of which:			
Amount eligible for CET1	263,393	263,393	
Amount eligible for AT1	200,000	200,000	
Reserves & Surplus	65,793	65,793	
Out of which			
Retained earnings*	25,377	25,377	b
Other Reserves	44,109	44,109	
Cumulative changes in fair value of investments	(3,693)	(3,693)	
Out of which :			
Losses from fair value of investments		-	a
Gains from fair value of investments		-	
Haircut of 55% on Gains		-	
Total Capital	329,186	329,186	
Deposits :	2,348,496	2,348,496	
Of which:			
Deposits from banks	-	-	
Customer deposits	2,098,857	2,098,857	
Deposits of Islamic Banking window	249,639	249,639	
Other deposits(please specify)	-	-	
Borrowings	643,156	643,156	
Of which: From CBO	-	-	
From banks	642,653	642,653	
From other institutions & agencies	503	503	
Borrowings in the form of bonds, Debentures and sukuku	-	-	
Others (Subordinated debt)	35,674	35,674	
Other liabilities & provisions**	124,911	124,911	
Of which:			
Out of which : DTLs related to Investments		-	
Out of which : DTAs related to Investments		-	
Out of which : DTLs related to Fixed Assets		-	
DTLs related to goodwill	-	-	
DTLs related to intangible assets	-	-	
TOTAL	3,481,423	3,481,423	

BANK SOHAR SAOG

RECONCILIATION TEMPLATE - AS OF Sep'20

Step 3 :

Common Equity Tier 1 capital: instruments and reserves			
		Component of regulatory capital reported by bank	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation from step 2
1	Directly issued qualifying common share (and equivalent for non- joint stock companies) capital plus related stock surplus	263,393	
2	Retained earnings	7,623	b
3	Accumulated other comprehensive income (and other reserves)	44,109	
4	<i>Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)</i>	-	
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	315,125	
7	Prudential valuation adjustments	-	
8	Goodwill (net of related tax liability)	-	
9	Losses from fair value of investments	(3,693)	a
10	DTA related to Investments	-	
11	Common Equity Tier 1 capital (CET1)	311,432	

Basel III common disclosure template to be used during the transition of regulatory adjustments

(Please fill in only the cells highlighted in green with numbers and those in yellow with comments, if any)

AMOUNTS
SUBJECT TO PRE-
BASEL III
TREATMENT

	RO '000		Comments
Common Equity Tier 1 capital: instruments and reserves			
1	263,393		
Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus			
2	8,225		
Retained earnings			
3	43,507		
Accumulated other comprehensive income (and other reserves)			
4	-		
Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)			
	-		
Public sector capital injections grandfathered until 1 January 2018			
5	-	-	
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)			
6	315,125		
Common Equity Tier 1 capital before regulatory adjustments			
Common Equity Tier 1 capital: regulatory adjustments			
7	3,698	-	
Prudential valuation adjustments			
8	-	-	
Goodwill (net of related tax liability)			
9	-	-	
Other intangibles other than mortgage-servicing rights (net of related tax liability)			
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 14.9 of CP-1)			
14	-	-	
Gains and losses due to changes in own credit risk on fair valued liabilities.			
15	-	-	
Defined-benefit pension fund net assets			
16	-	-	
Investments in own shares (if not already netted off paid-in capital on reported balance sheet)			
17	-	-	
Reciprocal cross-holdings in common equity			
18	-	-	
Investments in the capital of banking, financial, insurance and takaful 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, insurance and takaful 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	-	-	
of which: significant investments in the common stock of financials			
24	-	-	
of which: mortgage servicing rights			
25	-	-	
of which: deferred tax assets arising from temporary differences			
26	-	-	
National specific regulatory adjustments			
REGULATORY ADJUSTMENTS APPLIED TO COMMON EQUITY TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT			
	-	-	
Of which: [INSERT NAME OF ADJUSTMENT]			
	-	-	
Of which: [INSERT NAME OF ADJUSTMENT]			
	-	-	
Of which: [INSERT NAME OF ADJUSTMENT]			
27	-	-	
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions			
28	3,698		
Total regulatory adjustments to Common equity Tier 1			
29	311,427		
Common Equity Tier 1 capital (CET1)			
Additional Tier 1 capital: instruments			
30	200,000		
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus			
31	200,000		
of which: classified as equity under applicable accounting standards ⁵			
32	-		
of which: classified as liabilities under applicable accounting standards ⁶			
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	-		
of which: instruments issued by subsidiaries subject to phase out			
36	200,000		
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, insurance and takaful 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, insurance and takaful entities that are outside the scope of regulatory consolidation (net of eligible short positions)			
41	-		
National specific regulatory adjustments			
REGULATORY ADJUSTMENTS APPLIED TO ADDITIONAL TIER 1 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT			
	-	-	
Of which: [INSERT NAME OF ADJUSTMENT]			
	-	-	
Of which: [INSERT NAME OF ADJUSTMENT]			
	-	-	
Of which: [INSERT NAME OF ADJUSTMENT]			
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	200,000		
Additional Tier 1 capital (AT1)			
45	511,427		
Tier 1 capital (T1 = CET1 + AT1)			
Tier 2 capital: instruments and provisions			
46	-		
Directly issued qualifying Tier 2 instruments plus related stock surplus			
47	21,000		
Directly issued capital instruments subject to phase out from Tier 2			
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	-		
of which: instruments issued by subsidiaries subject to phase out			

Basel III common disclosure template to be used during the transition of regulatory adjustments

(Please fill in only the cells highlighted in green with numbers and those in yellow with comments, if any)

AMOUNTS
SUBJECT TO PRE-
BASEL III
TREATMENT

	RO '000		
50 Provisions	28,962		
51 Tier 2 capital before regulatory adjustments	49,962		

Comments

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, insurance and takaful 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, insurance and takaful entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-	-	
56 National specific regulatory adjustments REGULATORY ADJUSTMENTS APPLIED TO TIER 2 IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT	-		
Of which: [INSERT NAME OF ADJUSTMENT]			
Of which: [INSERT NAME OF ADJUSTMENT]			
Of which: [INSERT NAME OF ADJUSTMENT]			
57 Total regulatory adjustments to Tier 2 capital	-		
58 Tier 2 capital (T2)	49,962		
59 Total capital (TC = T1 + T2)	561,389		

Risk Weighted Assets			
RISK WEIGHTED ASSETS IN RESPECT OF AMOUNTS SUBJECT TO PRE-BASEL III TREATMENT	-		
Of which: [INSERT NAME OF ADJUSTMENT]			
Of which: [INSERT NAME OF ADJUSTMENT]			
Of which: [INSERT NAME OF ADJUSTMENT]			

60 Total risk weighted assets (60a+60b+60c)	2,990,772		
60a Of which: Credit risk weighted assets	2,755,436		
60b Of which: Market risk weighted assets	55,588		
60c Of which: Operational risk weighted assets	179,749		

Capital Ratios			
61 Common Equity Tier 1 (as a percentage of risk weighted assets)	10.41		
62 Tier 1 (as a percentage of risk weighted assets)	17.10		
63 Total capital (as a percentage of risk weighted assets)	18.77		
64 Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB/D-SIB buffer requirement expressed as a percentage of risk weighted assets)	8.25%		
65 of which: capital conservation buffer requirement	1.25%		
66 of which: bank specific countercyclical buffer requirement			
67 of which: D-SIB/G-SIB buffer requirement			
68 Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	2.11		

National minima (if different from Basel III)			
69 National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum)	8.250		
70 National Tier 1 minimum ratio (if different from Basel 3 minimum)	10.250		
71 National total capital minimum ratio (if different from Basel 3 minimum)	12.250		

Amounts below the thresholds for deduction (before risk weighting)			
72 Non-significant investments in the capital of other financials	-		
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)	28,962		
77 Cap on inclusion of provisions in Tier 2 under standardised approach	34,443		
78 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-		
79 Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-		

Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)			
80 Current cap on CET1 instruments subject to phase out arrangements	-		
81 Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-		
82 Current cap on AT1 instruments subject to phase out arrangements	-		
83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-		
84 Current cap on T2 instruments subject to phase out arrangements	-		
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-		

SOHAR INTERNATIONAL SAOG
MAIN FEATURES TEMPLATE OF CAPITAL INSTRUMENTS - as of September 2020

1	Issuer	SOHAR INTERNATIONAL	SOHAR INTERNATIONAL	SOHAR INTERNATIONAL	SOHAR INTERNATIONAL
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)		ISIN OM0000003398		
3	Governing law(s) of the instrument <i>Regulatory treatment</i>	Banking Law of Oman	Banking Law of Oman / Commercial Companies Law	Banking Law of Oman / Commercial Companies Law	Banking Law of Oman / Commercial Companies Law
4	Transitional Basel III rules	NA	NA	NA	NA
5	Post-transitional Basel III rules	Tier 2	Common Equity Tier 1	Additional Tier 1	Additional Tier 1
6	Eligible at solo/group/group & solo	Solo	Solo	Solo	Solo
7	Instrument type (types to be specified by each jurisdiction)	Subordinated Debt	Equity Shares	Perpetual Capital Securities	Perpetual Capital Securities
8	Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	OMR 35.0	OMR 245.355 Million	OMR 100 Million	OMR 100 Million
9	Par value of instrument	OMR 35,000,000/=	OMR 245.355 Million	OMR 100 Million	OMR 100 Million
10	Accounting classification	Liability - amortised cost	Shareholder's Equity	Shareholder's Equity	Shareholder's Equity
11	Original date of issuance	Started issuance from 25th May 2016	03-Jan-07	25-Sep-17	14-Mar-19
12	Perpetual or dated	Dated	Perpetual	Perpetual	Perpetual
13	Original maturity date	7 years from date of allotment First maturity on 25th Jul 2023	NA	NA	NA
14	Issuer call subject to prior supervisory approval	No	NA	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	Not callable	NA	First call date i.e 5th anniversary from the date of issue, at bank's sole discretion or if directed to do so by the CBO at an early redemption amount	First call date i.e 5th anniversary from the date of issue, at bank's sole discretion or if directed to do so by the CBO at an early redemption amount
16	Subsequent call dates, if applicable	Not callable	NA	Every fifth anniversary thereafter after the first call date	Every fifth anniversary thereafter after the first call date
Coupons / dividends					
17	Fixed or floating dividend/coupon	Fixed	NA	Floating coupon	Floating coupon
18	Coupon rate and any related index	7.00% p.a.	NA	7.75% & every 5 year reset	7.50% & every 5 year reset
19	Existence of a dividend stopper	No	NO	NO	NO
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Fully discretionary	Fully discretionary, payable out of distributable items	Fully discretionary, payable out of distributable items
21	Existence of step up or other incentive to redeem	No	NO	NO	NO
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Nonconvertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	NA	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA
30	Write-down feature	No	NO	NO	NO
31	If write-down, write-down trigger(s)	NA	NA	NA	NA
32	If write-down, full or partial	NA	NA	NA	NA
33	If write-down, permanent or temporary	NA	NA	NA	NA
34	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinated to all Senior liabilities. Currently, subordinated to fixed deposits	Subordinated to the Compulsorily Convertible bonds issued by the Bank	Subordinated to the Compulsorily Convertible bonds issued by the Bank & subordinated loans	Subordinated to the Compulsorily Convertible bonds issued by the Bank & subordinated loans
36	Non-compliant transitioned features	NO	NO	NO	NO
37	If yes, specify non-compliant features	NA	NA	NA	NA