ALEXANDRIA BANCORP LIMITED

Pillar 3 Disclosure Requirements for the period ended December 31, 2021

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Overview

1.1 Background

The purpose of this document is to set out the Basel III (Pillar 3) disclosures of Alexandria Bancorp Limited and its regulatory consolidation group (together referred to as both the "Bank" and the "Group") as at 31 December 2021. The Pillar 3 disclosures are set out in this document as required by the Cayman Islands Monetary Authority (Authority) and accordance with Rules and Guidelines Market Discipline Disclosure Requirements (Pillar 3) issued November 12, 2020. These are designed to promote market discipline by providing market participants with key information on a firm's risk exposure and risk management processes. Pillar 3 also aims to complement the minimum capital requirements described under Pillar 1, as well as the supervisory processes of Pillar 2.

Basel III has three components (Pillars) including minimum capital requirements, a supervisory review process and market discipline:

Pillar 1 - Minimum capital requirements: Establishes the rules by which regulatory capital can be calculated, including defining eligible capital instruments and calculating risk-weighted assets.

Pillar 2 - Supervisory review process: Addresses bank-wide governance and risk management, in addition to requiring banks to have an Internal Capital Adequacy Assessment Process.

Pillar 3 - Market discipline: Establishes regulatory disclosure requirements, which are designed to allow market participants to assess the risk and capital profiles of banks.

1.2 Minimum Capital Requirements

The Bank is subject to the following requirements:

- Minimum Capital Adequacy Ratio (CAR) requirement of at least 15%. As at Decemebr31, 2021 the Bank's CAR was 92.2%.

- Minimum Liquidity Ratio (MLR) of at least 15%. As at Decemebr31, 2021 the Bank's liquidity ratio (LR) was 28.6%.

1.3 Frequency of Publication

The disclosures will be reviewed at least annually and, if appropriate, more frequently. Disclosures will be published by March 31st of every year.

1.4 Scope of Application

The Group is made up of the following entities, which includes the Bank and its wholly owned subsidiaries that are fully consolidated in the Group's financial statements:

Alexandria Bancorp Limited
Alexandria Global Investment Management Limited
Blyth Nominees Limited
Value Secretary Services Ltd.
Value Director Services Ltd.
Hyco Limited

1.5 Verification

Pursuant to the Rules of Guidance, these disclosures will be published following the Board of Directors (the "Board") approval.

The disclosures are not subject to external audit. Unless otherwise stated, all figures are based on the Group's annual audited financial statements. There are no differences between the basis of consolidation of the Group for accounting and prudential purposes.

1.6 Media & Location of Publication

These disclosures will be published on the Group's corporate website (https://www.alexandriabancorp.com).

2. Risk Management Objectives and Policies

2.1 Risk Management

The Board ultimately is responsible for the Bank's risk management. The purpose of the risk management process is to ensure that the risks taken by the Bank do not threaten Bank's solvency or liquidity, and are balanced relative to the relevant expected return. This is ultimately managed through safeguarding that the risk levels do not exceed the Bank's risk appetite level, set by the Board. The Bank continuously strives to reduce the operational risks through improvement of processes, availability and assurance. The Board sets the risk level of the business and the assignment of the responsibilities and authorities regarding risk management. The assignment sets a structure for decision making in risk areas.

The Group's approach to capital management is to maintain a strong capital position to enable us to invest in the future of the Group, in line with our strategy, and to support the risks inherent in conducting our business. Capital management is an important part of our risk management framework and is underpinned by our Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP considers the relevant current and future risks to the business and the capital the Group considers necessary to support these risks.

The Group actively monitors its capital base to ensure sufficient and appropriate capital resources are maintained to cover the relevant risks to the business and to meet consolidated and local regulatory and working capital requirements.

Risk appetite expresses the aggregate level of risk that the Group is willing to assume within our risk capacity in order to achieve our business objectives. The Bank's risk metric for banking assesses the risks faced and there probability of occurring. Risk capacity is defined as the maximum level of risk the Bank can assume before breaching regulatory constraints and its obligations to stakeholders. The Bank's risk matrix for ICAAP evaluates the impact and probability each risk to determine an overall ranking for each risk.

Risk appetite is an integral element in the Group's business planning processes to determine appropriate risk alignment, capital and performance targets, while considering the Bank's risk capacity and appetite constraints for both financial and non-financial risks. Compliance monitoring of the ICAAP with the Bank's risk appetite and capacity is also stress-tested under various market conditions.
In order to determine Group's risk appetite and capacity, the Bank sets different trigger levels and thresholds on a forward-looking basis and defines the escalation requirements for further action. The Bank assigns risk metrics that are sensitive to the material risks to which the Bank is exposed and which are able to function as key indicators of financial health. The Bank also links its risk and risk control framework with the risk appetite framework.

The Bank's risk profile as compared to the Bank's risk appetite, strategy and its monitoring thereof is presented regularly to the Board. In the event that the Bank's desired risk appetite is breached under either normal or stressed scenarios, senior management would take steps to address the issue and notify the board on a timely basis. Amendments to the risk appetite and capacity must be approved by the Board.

The principal types of risk inherent in our business are market, liquidity, credit and operational risks. All risks are within the risk appetite per 31 December 2021.

2.2 Risk Governance

The Group's risk management objectives and policies are supported by a risk management framework which establishes the governance arrangements and the principles of how risk is to be identified, assessed, quantified, monitored and controlled. The key risk management responsibilities are allocated as shown below:

Board of Directors

The Board are responsible for the overall strategic management, supervision and risk management of Bank. The Board is responsible for agreeing risk appetite; and ensuring that risk is monitored and controlled effectively. Alexandria continuously strives to reduce the operational risks through improvement of processes, availability and assurance. The Board sets the risk level of the business and the assignment of the responsibilities and authorities regarding risk management. The assignment sets a structure for decision making in risk areas.

The Board meets as frequently as required, but no less than once per quarter.

Managing Director (MD)

The MD is responsible for the management of the day-to-day operations of the Bank in line with the Board's policies and procedures. The MD is responsible for implementing the Bank's business strategy and reflecting the Bank's risk tolerance into its decision-making process and is responsible for the control of the Bank's exposures to risk. The MD reports to the Board.

Chief Financial Officer (CFO)

The CFO is responsible for monitoring the overall capitalization and the capital adequacy as well as the overall liquidity situation, ensuring effective governance, risk management and control by establishing the appropriate routines and ensuring that the organization is adequate to facilitate that all risks inherent in the activities are identified. The CFO is responsible for the preparation of regular management statements presenting portfolio values, income, realized and unrealized gains on investments, to be reviewed by the MD. The day-to-day management of liquidity is the responsibility of the CFO who will oversee the preparation of daily cash summary reports and ensure the effective implementation prudent liquidity risk management and risk control procedures. The CFO reports to the Board and to the MD.

Chief Compliance Officer (CCO)

The CCO is responsible for the development, oversight and monitoring of the Bank's compliance program. The CCO's risk management function is independent of the business lines to ensure an adequate separation of duties and to avoid conflicts of interest. The CCO reports to the Board of Directors and MD.

Independent Internal Auditors

The Bank engages an independent internal auditor to assess the effectiveness of the Bank's internal control systems. A report containing audit findings and recommendations is provided to senior management and is formally presented to the Bank's Board. Implementation of audit recommendations is monitored by the Board through an action plan tracker.

2.3 The Risk and Control Framework

The Bank's risk management and control framework is built on the three lines of defense:

1. The first line of defense refers to all risk management activities carried out by the business operations and its support functions. Senior management's primary task is to support the risk owners with the identification and assessment of the risks as well as management response and mitigating action.

2. The risk and compliance function is the 2nd line of defense. It establishes a framework that facilitates risk identification and follow-up. The framework is supported by education and advice, and through the independent monitoring of the effectiveness of processes. Alexandria maintains management information systems and portfolio managers that monitor changing risk levels through access to timely information assisting management to make informed decisions.

3. The third line of defense refers to the internal audit function reporting to the Board. The Bank currently has an independent third-party internal audit function which tests, validates and assesses the efficiency of the risk management process and activities.

2.4 Stress Testing

The Bank regularly performs stress testing to evaluate the capital position of the Bank under stressed conditions. Stress testing involves applying severe economic scenarios to business. Credit risk stress scenarios focus on the potential default of all receivables and loans. Profit and loss stress testing enables the Bank to determine whether addition capital would be required under each stress test scenario.

3. Key Prudential Metrics

Table 1: Key Metrics

	December 31, 2021	December 31, 2020
Tier 1 Capital Adequacy Ratio	83.5%	76.5%
Total Capital Adequacy Ratio	92.2%	90.3%
Leverage Ratio	28.6%	43.3%

The CAR ratio have increased from the prior year due to increased earnings while the LR was lower as less sovereign debt was held at December 31, 2021.

Table 2: Overview of Risk Weight Average (RWA) (OV1)

		RWA		Minimum capital requirements
		Dec 31, 2021	**Dec 31, 2020**	**Dec 31, 2021**
1	Credit risk (excluding counterparty credit risk) (CCR)	165,403,329	152,752,142	24,810,499
2	Securitization exposure	-	-	-
3	Counterparty credit risk	-	-	-
4	Of which: current exposure method	-	-	-
5	Of which: standardization method	-	-	-
6	Market risk	-	-	-
7	Of which: Equity risk	-	-	-
8	Operational risk:	6,869,213	6,679,313	549,537
9	Of which: Basic Indictor Approach	6,869,213	6,679,313	549,537
10	Of which: Standardization Method	-	-	-
11	Of which: Alternative Standard	-	-	-
12	Total (1+2+3+6+8)	**172,272,542**	**159,431,455**	**25,360,036**

Credit risk RWA decreased over the reporting period due to a decrease in deposit funding which lowered treasury holdings.

Table 3: Linkages Between Financial Statements and Regulatory Exposures (LI1)

Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories.

	a & b	c	d	e	f	g
		Carrying values of items:				
	Balance sheet at Dec 31, 2021 and under regulatory scope of consolidation	Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitization framework	Subject to market risk the framework	Not subject to capital requirements or subject to deduction from capital
Assets						
Cash and cash equivalents	55,717,539	55,717,539	-	-	-	-
Client overdrafts	353,624	353,624	-	-	-	-
Accounts receivable	783,783	783,783	-	-	-	-
Loans receivable	-	-		-	-	-
Capital assets	1,159,063	1,159,063				
Securities	154,595,590	154,595,590	-	-	-	-
Other assets	-	-	-	-	-	-
Total assets	212,609,599	212,609,599	-	-	-	-
Liabilities						
Client funds on demand	49,881,040	-	-	-	-	49,881,040
Loan due to related company	918,972					918,972
Accounts payable	1,113,226	-	-	-	-	1,113,226
Other liabilities	747,580	-	-	-	-	747,580
Total liabilities	52,660,818	-	-	-	-	52,660,818

Table 4: Main sources of differences between regulatory exposure amounts and carrying values in financial statements (LI2)

		a	b	c	d	e
			Items subject to:			
		Total	Credit risk framework	Securitization framework	Counterparty credit risk framework	Market risk framework
1	Asset carrying value amount under scope of regulatory consolidation (as per template LI1)	212,609,599	212,609,599	-	-	-
2	Liabilities carrying value amount under regulatory scope of consolidation (as per	52,660,818	-	-	-	-
3	Total net amount under regulatory scope of consolidation	159,948,781	212,609,599	-	-	-
4	Off-balance sheet amounts	-	-	-	-	-
5	Differences in valuations	-	-	-	-	-
6	Differences due to different netting rules, other than those already included in row 2	-	-	-	-	-
7	Differences due to consideration of provisions	-	-	-	-	-
8	Differences due to prudential filters	-	-	-	-	-
9	Exposure amounts considered for regulatory purposes	159,948,781	212,609,599	-	-	-

Financial statements carrying values and those under the scope of regulatory consolidation for the purposes of calculation of capital adequacy are the same.

Table 5: Composition of Regulatory Capital

	Dec 31, 2021
Tier 1 capital: instruments and reserves	
Directly issued qualifying common share capital plus related stock surplus	18,080,000
Reserves:	
Retain earnings	126,067,874
Total Tier 1 Capital	144,147,874
Deductions from Tier 1 Capital	-
Net Tier 1 Capital (T1)	**144,147,874**
Tier 2 capital: instruments and provisions	
Unrealized gains on long term holdings of equity securities	16,199,462
Other upper tier 2 instruments	
Total Tier 2 Capital	16,199,462
Deductions from Tier 2 Capital	398,555
Net Tier 2 Capital (T2)	**15,800,907**
Total Net Tier 1 Capital and Total Net Tier 2 Capital	**159,948,781**
Total eligible capital.	**159,948,781**

4. Capital Adequacy

4.1 Timing of Capital Adequacy Calculations

Alexandria's management reviews the adequacy of the Bank's capital on at least a quarterly basis. Alexandria's Board reviews the adequacy of the Bank's capital at Board meetings, at least quarterly.

4.2 Rationale for Time Period

Alexandria has historically maintained a significant amount of surplus capital that, along with an understanding of the context of Alexandria's business, provides the Bank, its clients and its shareholders with confidence that Alexandria's capital is and will continue to be adequate. As a result, and subject to a change in the Bank's business strategy, the current time period used by Alexandria for reviewing the adequacy of the Bank's capital is considered appropriate.

5. Specific Risks

Alexandria has identified the risk areas that are material to Alexandria. Each risk area is defined along with the Bank's corresponding appetite for such risk. The Bank maintains sufficient capital to enable it to pursue its business objectives under normal and stressed conditions.

In the course of its business, Alexandria faces several specific risks that could affect the adequacy of its capital.

5.1 Market Risk

Market risk is the risk that the fair market of future cash flows of a financial instrument will fluctuate as a result of market forces. Market forces include three types of risk: interest rate risk, currency risk, and other price risk.

Alexandria invests primarily in marketable securities. As a result, the vast majority of Alexandria's capital generally can be liquidated and accessed within 7 days. While predominantly exposed to USD, Alexandria's portfolio includes securities and deposits in several currencies. Even significant variations in interest rates, foreign currency rates and security prices would not have a significant impact on the adequacy of Alexandria's capital.

Regarding Alexandria's deposit liabilities, to control the Bank's potential exposure caused by the movements in foreign exchange rates we maintain client deposits in deposits or cash instruments denominated in their base currency. Therefore the Bank fully manages its currency risk on client deposits. The Bank has concluded that no further action and or additional capital is required to mitigate this risk.

5.2 Interest Risk

Interest risks are structural and arise when there is a mismatch between the timing of interest rate reset or maturity of assets and liabilities. Alexandria's interest rate risk is insignificant. To control Alexandria's exposure to variations in earnings caused by sudden movements in market interest rates the Bank manages the interest rates offered on deposits to be less than the rates earned by Alexandria on its deposits and cash instruments maintained with its banking correspondents and custodians. Furthermore, with the permitted exception of short-term CAD, USD and GBP Treasury Bills maturing within 30 days, which the Bank treats as cash, Alexandria matches the terms of client deposits with the terms of the Bank's deposits with its correspondents. We have concluded that no further action and or additional capital is required to mitigate this risk.

5.3 Liquidity risk

Liquidity risk refers to the risk of being unable to meet payment obligations when they come due relative to the potential cost for obtaining alternative means of payment, including increased funding costs those obligations. The Bank manages its liquidity risk by maintaining a considerable buffer of liquid assets. The Bank's market liquidity risk is mitigated by having a liquidity buffer consisting of high-quality financial assets that even under stressed market conditions maintain their market value. The Bank's investment portfolio must remain sufficiently liquid to enable the Bank to meet all operating requirements that may be reasonably anticipated.

The Bank preforms a maturity horizon test on a monthly basis to ensure that the timing of all asset maturities equals or exceeds its liabilities. Monthly stress testing is performed on the basis that all liabilities are called on for immediate repayment.

As at December 31, 2021, the Bank had a $160 million buffer in excess of its liabilities up to 7 days and $160 million excess fund gap overall. As a result, the Bank has concluded that no further action would be required to mitigate this risk. Control and supervision of liquidity risk is managed by the CFO, and reported to the Board on a quarterly basis.

The Bank will invest in transferable securities and/or other liquid assets listed or traded on recognized markets.

In determining the value of its assets, securities, including debt and equity securities, which are quoted, listed or traded on or under the rules of any recognized Market, the last traded price of the asset's principal exchange are used.

An investment in shares in collective investment schemes are to be valued on the basis of the latest published net asset value of such shares.

Cash deposits and similar assets are to be valued at their face value together with accrued interest

5.4 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes and procedures, human error, faulty systems or external events. Alexandria's small size both contributes and mitigates operational risk for the Bank. The Bank's IT security structure, internal controls and audit processes are designed to mitigate operational risk events to the greatest extent possible. As the majority of the Bank's capital is not subject to operational risks inherent at the bank because the majority of the Bank's capital is overseen by Alexandria's parent company, the potential impact of operational risk on the adequacy of the Bank's capital is considered to be low or immaterial.

The Bank considers the Pillar 1 capital requirement of $7.1 million, calculated using the basic indicator approach, to be sufficient and no additional capital should be held for operational risk. We have concluded that no further action and or additional capital is required to mitigate this risk.

5.5 Concentration Risk & Counter-Party Risk

Regarding the Bank's investment portfolio, while the Bank has a significant investment in the Alexandria Fund, this investment is comprised of several different strategies of marketable securities and the investment is not considered to be a high concentration risk for the Bank. All securities and fund investments are priced frequently using reliable sources and are reviewed on a monthly basis by the CFO. All securities and all underlying securities holdings held by funds are also verified by the Bank's external auditors on an annual basis for material differences.

Regarding the Bank's use of counter-parties, the Bank has some concentrated deposits with correspondent banks. The Bank manages its counter-party risk by maintaining correspondent banking relationships with high quality counter-parties. The Bank reviews the risk profile of its counter-parties on at least a quarterly basis and limits its exposure to higher risk counter parties. We have concluded that no further action and or additional capital is required to mitigate this risk.

5.6 Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to pay for its obligations. The Bank's business does not expose it to material credit risk. Alexandria's risk appetite for credit risk is low. All loans are approved by the Board of Directors and reviewed at each Board meeting. Loaned funds are extended out of the Bank's own capital rather than client deposits. The Bank had no loans outstanding at December 31, 2021.. The Bank has concluded that no further action and or additional capital is required to mitigate this risk.

The Group uses the Standardized Approach for credit risk at the consolidated level for regulatory reporting purposes. Under this approach, exposures are assigned to portfolio segments based on the type of counterparty and/or the nature of the underlying exposure. This approach allows the use of external ratings, where available, from accredited ratings agencies for the determination of appropriate risk weights, and also includes a wider range of eligible financial collaterals. The RWAs are then calculated according to the following formula:

RWA = L Credit Equivalent Amount' for all asset classes x Regulatory Defined Risk Weights

The major asset classes as defined by the Basel guidelines adopted by the ABL are sovereigns, public sector entities, multilateral development banks, banks, corporates, retail, securitized assets and VIP/HNI (high net worth individuals). Each segment has a defined risk weight ranging from 0% to 150% depending on tenor, type of exposure, asset class, whether the counterparty has an external rating and whether the exposure is past due.

Table 6: Credit Quality of Assets (CR1)

The following table shows the past due loans and allowances for impaired exposures and charges to the consolidated statement of operations for the period ended December 31, 2021.

		a	b	c	d
		Gross carrying values of:		**Allowances/ impairments (c)**	**Net values (a+b-c)**
		Defaulted exposures (a)	**Non-defaulted exposures (b)**		
1	Loans	-	-	-	-
2	Debt Securities	-	15,042,069	-	15,042,069
3	Off-balance sheet exposures	-	-	-	-
4	Total	-	15,042,069	-	15,042,069

Loans are evaluated individually and management estimates the expected losses based on the probability of recovery of all monies due, and is based on an assessment of the borrower's current repayment capacity, including collateral. Based on management assessment there are no provisions for expected losses on loans.

"Default" is broadly defined as either non-payment of a material financial obligation persisting for 90 days or occurrence of events that would lead the bank to consider that the Obligor is unlikely to service its credit obligations to the bank.

Based on management assessment there are no provisions for expected losses on loans, no defaults, and no exposures past-due more than 90 days that would be considered impaired for accounting purposes as disclosed in the quantitative disclosures of this section.

Table 7: Changes in stock of defaulted loans and debt securities (CR2)

1	**Defaulted loans and debt securities at end of the previous reporting period**	-
2	Loans and debt securities that have defaulted since the last reporting period	-
3	Returned to non-defaulted status	-
4	Amounts written off	-
5	Other changes	-
6	**Defaulted loans and debt securities at end of the reporting period (1+2-3-4+-5)**	-

Table 8: CRB - Breakdown of Exposures by Geographical Area

	Exposures post-CCF and CRM				
	Cayman Islands	United States	Canada	Rest of the world	Total
On balance sheet, of which:	37,789,020	95,060,176	54,463,621	25,296,782	212,609,599
Sovereigns and their central banks	-	-	15,042,069	-	15,042,069
Banks	1,253,918	-	39,421,552	-	40,675,470
Securities firms	-	-	-		-
Higher Risk categories					
Other assets	36,535,102	95,060,176		25,296,782	156,892,060
Off -balance	-	-	-	-	-
Derivatives	-	-	-	-	-

Table 9: CRB - Breakdown of Exposures by Residual Maturity

	Exposures post-CCF and CRM					
	Within 3 months	3-12 month	1-5 year	Over 5 year.	No Fixed Maturity	Total
On balance sheet, of which:	210,288,677	118,021	197,838	2,005,063	-	212,609,599
Sovereigns and their central banks	15,042,069	-	-	-		15,042,069
Banks	40,675,470	-	-	-		40,675,470
Securities firms	-	-	-	-		-
Higher Risk categories						
Other assets	154,571,138	118,021	197,838	2,005,063		156,892,060
						-
Off -balance	-	-	-	-		-
Derivatives	-	-	-	-		-

Table 10: CRB - Breakdown of Exposures by Industry

	Exposures post-CCF and CRM			
	Government	Banks and Other Financial Institution	Other	Total
On balance sheet, of which:	15,042,069	195,271,060	2,296,470	212,609,599
Sovereigns and their central banks	15,042,069	-	-	15,042,069
Banks	-	40,675,470	-	40,675,470
Securities firms	-	-	-	-
Higher Risk categories				
Other assets		154,595,590	2,296,470	156,892,060
				-
Off -balance	-	-	-	-
Derivatives	-	-	-	-

Table 11: CR3: Credit risk mitigation techniques - overview

The Group requires security for all loan in order to mitigate credit risk.

		a	b	c	d	e	f	g
		Exposures unsecured: carrying amount	**Exposures secured by collateral**	**Exposures secured by collateral of which: secured amount**	**Exposures secured by financial guarantee**	**Exposures secured by financial guarantee of which: secured amount**	**Exposures secured by credit derivatives**	**Exposures secured by credit derivatives of which: secured amount**
1	Loans	-	-	-	-	-	-	-
2	Debt securities	15,042,069	-	-	-	-	-	-
3	**Total**	15,042,069	-	-	-	-	-	-
4	Of which: defaulted	-	-	-	-	-	-	-

CRD: Qualitative disclosures on banks' use of external credit ratings under the standardized approach for credit risk

In accordance with the Basil II guidelines "Rules, Conditions and Guidelines on Minimum Capital Requirements (Pillar 1)" the Group uses credit ratings assigned by external credit assessment institutions (ECAIs) Standards and Poor's (S&P) to determine the risk weight for Sovereigns, Banks and Security Firms, and Claims on Higher Risk Assets and Other Assets exposures.

The Standardized approach risk weights corresponding to ECAIs credit ratings are as follows:

Sovereigns:

Credit Assessment	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to BB-	Below B-	Unrated
Risk Weight	0%	20%	50%	100%	150%	100%

Banks and Security Firms:

Credit Assessment	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to BB-	Below B-	Unrated
Risk Weight	20%	50%	50%	100%	150%	50%

Claims on Higher Risk Assets and Other Assets

Risk Weight	100%

Table 12: CR4: Standardized approach - credit risk exposure and CRM effects

		a	b	c	d	e	f
Asset classes		Exposures before CCF and CRM		Exposures post-CCF		RWA and RWA density	
		On-balance amount	Off-balance amount	On-balance amount	Off-balance amount	RWA	RWA density
1	Sovereigns and their central banks	15,042,069		15,042,069		-	0%
2	Non-central government public	-		-		-	0%
3	Multilateral development banks	-		-		-	0%
4	Banks	39,421,552		39,421,552		7,884,310	20%
5	Banks	1,253,918		1,253,918		626,959	50%
6	Securities firms	-		-		-	50%
7	Corporates	-		-		-	0%
8	Regulatory retail portfolios	-		-		-	0%
9	Secured by residential property	-		-		-	0%
10	Secured by commercial real	-		-		-	0%
11	Past-due exposures	-		-		-	0%
12	Higher-risk categories	-		-		-	0%
13	Other assets	156,892,060		156,892,060		156,892,060	100%

Table 13: CR5: Standardized approach – exposures by asset class and risk

		a	b	c	d	e	f	g	h	I	j
Asset classes\Risk weight*		**0%**	**10%**	**20%**	**35%**	**50%**	**75%**	**100%**	**150%**	**Others**	**Total credit exposure amount (post CCF and post-CRM)**
1	Sovereigns and their central banks	15,042,069	-	-	-	-	-	-	-	-	15,042,069
2	Non-central government public sector entities	-	-	-	-	-	-	-	-	-	-
3	Multilateral development banks	-	-	-	-	-	-	-	-	-	-
4	Banks	-	-	1,253,918	-	39,421,552	-	-	-	-	40,675,470
5	Securities firms	-	-	-	-	-	-	-	-	-	-
6	Corporates	-	-	-	-	-	-	-	-	-	-
7	Regulatory retail portfolios	-	-	-	-	-	-	-	-	-	-
8	Secured by residential property	-	-	-	-	-	-	-	-	-	-
9	Secured by commercial real estate	-	-	-	-	-	-	-	-	-	-
10	Past-due exposures	-	-	-	-	-	-	-	-	-	-
11	Higher-risk categories	-	-	-	-	-	-	-	-	-	-
12	Other assets	-	-	-	-	-	-	156,892,060	-	-	156,892,060
13	Total	15,042,069	-	1,253,918	-	39,421,552	-	156,892,060	-	-	212,609,599

6. LR1: Summary comparison of accounting assets vs leverage ratio exposure measure

		a
1	Total consolidated assets as per published financial statements	212,609,599
13	Leverage ratio exposure measure	212,609,599

7. LR2: Leverage ratio common disclosure template

On-balance sheet exposures		
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	212,609,599
7	Total on balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)	212,609,599
Derivative exposures		
13	Total derivative exposures	0
Securities financing transaction exposures		
18	Total securities financing transaction exposures	0
Other off-balance sheet exposures		
22	Off-balance sheet items	0
Capital and total exposures		
23	**Tier 1 capital**	
24	**Total exposures (sum of rows 7, 13, 18 and 22)**	212,609,599
Leverage ratio		
25	**Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)**	68%
26	Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	68%
27	**National minimum leverage ratio requirement**	15%
28	**Applicable leverage buffers**	53%

8. Asset Encumbrance

The Group has no encumbered assets:

	a	b	c	d
	Encumbered assets	[Optional] Central Bank Facilities	Unencumbered assets	Total
The assets on the balance sheet would be disaggregated; there can be as much disaggregation as desired	-	-	212,609,599	212,609,599

9. REM: Qualitative and quantitative disclosure requirements related to remuneration

9.1 Remuneration

The Group has a Compensation Committee (CC) that is responsible for the application of the compensation principles, practices and processes within all of the Group's operations. The CC reviews and approves the Group employee compensation to support the business objectives determined by the Board and encourages sound risk management practices, including long-term and short-term risks.

The CC is responsible for approving employee compensation including salary, bonuses and benefits across the Group. This includes the terms of bonus plans, and the compensation packages of senior management and for other Material Risk Takers.

Each member of the CC is a Non-Executive Director, independent of day-to-day operational activities. No individual is involved in decisions relating to their own compensation.

The CC meets annually to review the fixed and variable pay for management and staff. During the year, the CC receives employee feedback from the Group's Managing Director, who provides advice on the implications of the compensation on Group risks and risk management, and upon recommended adjustments that should be made to levels of staff compensation, at both a Group and individual level, accounting for relevant current and potential risks.

The CC considers the Group's strategic goals in reaching its decisions on Group compensation, being mindful of the Group's duties to shareholders and other stakeholders. The CC seeks to preserve shareholder value by ensuring alignment of variable compensation decisions with risk and economic performance, as well as with the successful retention, recruitment and motivation of Group employees.

9.2 Elements of Compensation

Fixed Remuneration

Employee compensation packages are comprised of fixed remuneration and benefits (reward for fulfilling particular job requirements) and discretionary bonuses intended to incentivize employees to demonstrate achievement in terms of meeting Group objectives and to encourage long-term development and retention within the Group.

Variable Remuneration

All management and staff, other than the Independent Non-Executive Directors, are eligible to receive a discretionary bonus in respect of their respective roles with the Group.

Annual discretionary bonuses may be awarded based on the performance of the Group, the business, and the individual as detailed below. Annual incentives consist of discretionary bonuses. Annual incentives are subject to review by the MD to ensure they adequately reflect risk and performance, and are subject to approval by the CC.

As part of the year-end risk adjustment process, the financial performance including revenues, net income, and prudential valuation are used in the evaluation.

The amount of variable compensation to be awarded to employees is appropriately adjusted for risk. Key considerations that are taken into account in the risk adjustment process include financial measures such as revenue, net income and regulatory capital and non-financial risk factors such as conduct, regulatory, credit, market and operational risk exposure against risk appetite. Upon completion of the review, adjustments for risk may be recommended for consideration in the approval of final variable compensation.

Non-financial measures considered in the discretionary bonus evaluation process include adherence to the Group's Code of conduct, risk of management policies and procedures.

The Group has no compensation deferral requirements.

Guaranteed variable remuneration is only awarded in exceptional circumstances, such as senior control functions roles, business critical roles and strategic hires.

Where applicable, the Group provides severance payments to satisfy its statutory and legal obligations and to support the transition of employees away from their employment with the Group in circumstances where there is an early termination of an employee's employment.

9.3 Disclosure of Remuneration

The table below provides an analysis of the remuneration provided to 10 employees as for the group during 2021.

	Total
Fixed remuneration *	1,793,632
Variable remuneration **	587,650
	2,381,282

* Includes base salary, non-discretionary bonus, other cash payments (excluding variable pay) and employer pension contributions earned during 2021.

** Includes total bonus in respect of the 2021 financial year.

10. List of annual disclosures not applicable to the Group is as follows:

Disclosures	Tables and Templates	Reason
Counterparty Credit Risk	CCR1 – Analysis of counterparty credit risk exposure by approach	No Trading Book
	CCR3 – Standardized approach of CCR exposures by regulatory portfolio and risk weights	No Trading Book
	CCR5 – Composition of collateral for CCR exposure	No Trading Book
	CCR6 – Credit derivatives exposures	No Trading Book
Leverage ratio	LIQA – Liquidity risk management	Not a requirement for Class B banks
	LIQ1 – Liquidity Coverage Ratio (LCR)	Not a requirement for Class B banks
	LIQ2 – Net Stable Funding Ratio (NSFR)	Not a requirement for Class B banks
Securitization	SECA – Qualitative disclosure requirements related to securitization exposures	No Trading Book
	SEC1 – Securitization exposures in the banking book	No Trading Book
	SEC2 – Securitization exposures in the trading book	No Trading Book
	SEC3 – Securitization exposures in the banking book and associated regulatory capital requirements – bank acting as originator or as sponsor	No Trading Book
	SEC4 – Securitization exposures in the banking book and associated capital requirements - bank acting as investor	No Trading Book
Market Risk	Market Risk MRA – Qualitative disclosure requirements	No Trading Book
	MR1 – Market risk under standardized approach	No Trading Book
Operational Risk	OPR – Qualitative and quantitative disclosure requirements related to operational risk	No Trading Book
Interest Rate Risk in the Banking Book (IRRBB)	IRR – Qualitative and quantitative disclosure requirements related to interest rate risk in the banking book	No Trading Book