

Valoores' in'IFRS9 solutions provides an enterprise platform enabling efficient classification and measurement automation, while industrializing the impairment and hedge accounting processes.

**You Have The Value,
We Bring You The Added Value**

Key Features

- in'Data Governance
 - Manage Accounts
 - Customer KYC (Corporate – Retail – SME – Housing)
 - Collateral
 - Payments – Transactions
 - Definition of Default
 - Staging and Thresholds
 - Product Hierarchies
 - Organizational Structure
 - Dynamic Structures and Management by Status
- in'Balance Sheet PPF
 - Income Statement & Cash Flow industrialization
 - Consolidation and Drill Down
 - Posting by BP
 - in'Balance Sheet
 - Consolidation and Production
 - Bottom Up and Top Down Approach
 - Historical Data View
 - Forward Looking Information

■ IFRS 9 “Regulatory Tsunami” comes to succeed IAS 39 by introducing new requirements and models for financial institutions. Financial Instruments are now perceived differently while the guidelines are divided under 3 main pillars: Classification & Measurement, Impairment, and Hedge Accounting.

Valoores adopted IFRS 9 as the flagship product of its compliance and risk solutions focusing on the pain arising from the market from an implementation perspective, as well as the governance aspect of the challenges. While IFRS 9 cannot be considered as “another headache for the risk department”, many still tackle the new regulatory pressures from a risk perspective only.

■ To be able to “demystify” the IFRS 9 guidelines and apply a smooth transition between IAS39 incurred models and IFRS 9 expected, forward-looking models, one must embrace IFRS 9 as a discipline rather than a set of new rules. Valoores did exactly that to come up with an end to end solution set and creating the “IFRS 9 Ecosystem” simplifying the roadmap to implementation.

■ With January '18 around the corner, many banks and financial institutions are ready to invest in IFRS 9 without accurately studying their IFRS 9 needs. IFRS 9 comes as a subjective judgmental compliance and can be subjectively implemented at each entity depending on their needs and how “IFRS 9 ready” the entity is.

■ In conclusion, IFRS 9 with its forward-looking impairment model is expected to further augment the efficiency of the banking system. It can be concluded that this impairment model has served its main purpose if another financial crisis is averted and thereby the interests of shareholders and general public are safeguarded. Only time can prove the effectiveness of the revised set of guidelines.

Although IFRS 9 is an accounting standard, it is expected to play its part in strengthening the financial institution's credit risk management system in particular and bringing about a sound banking system at large.



Key Features

- in'Ratios
 - Corporate and SME customers ratio generation
 - Automation of Ratio Calculation and Generation
 - Use of Ratios as Model Parameters in in'Analytics
 - Bank's Ratios automation and generation
- in'Analytics – Modeling
 - Multiple Statistical Models
 - Holistic view over Performance and Historical Data
 - Data Cleansing and Smoothing
 - Breakpoint Removal – General Trend
 - Lift and Model Parameters
 - Quantification of qualitative information (macroeconomic factors, etc.)
 - Forecast Execution and ECL automation
- Reduced Complexity in Financial Statements through avoiding the mistakes that are most often stumbled upon in the market. This leads to a more volatile, solid, and clear Balance Sheet and Income Statement, this will be even more enhanced with Valoores' vast and detailed coverage of the financial statements.
- Increase in integrity and trust of financial institutions in the financial markets they are taking action in.
- Easier rebalancing or discontinuity of hedging, this too while respecting the required criteria situated on hedges.
- Improved credit quality through improved initial recognition (Impairment) and deterioration.
- Valoores' coverage of the financial statements through its In' Profit will stimulate the introduction of the standards posed by IASB's IFRS 9 on the market. An easy and simple interface will better assess the regulatory compliances/standards of the IFRS 9.
- Credit appraisal and pre-sanction processes: Going forward, financial institutions are expected to tighten their credit appraisal processes. Given the requirement of forward looking expected credit losses, financial institutions are about to look at further strengthening of their underwriting standards and credit appraisal processes.
- Closely monitor assets: Financial institutions are expected to closely monitor the "watch-list" category of assets that are likely to slip into the category of "under-performing or credit impaired" to avoid assets being classified into "stage 2 or 3". In addition, they are expected to make all efforts to ensure that the assets classified into stage 1 as of last reporting date do not migrate to stage 2 or 3 owing to the Lifetime ECL impact.
- Capital & business planning: IFRS 9 impairment guidelines have a direct effect on the retained earnings and thus, the bank's capital. Given the capital constraints, it is quite likely that each line of business within an institution be mandated to efficiently utilize the scarce capital resources allocated to them and maximize profits.
- Being a crucial part of the risk and finance transformation journey of an institution, these guidelines will also bring about strong coordination between risk and finance teams.
- IFRS 9 guidelines are expected to indirectly drive sound documentation of internal credit risk management policies and procedures.
- Better transparency to the investors, public and other stakeholders in terms of enhanced market disclosures.

Valoores was founded in 2011 by business intelligence experts to make raw business data meaningful and understandable for all people in all sorts of industries. It was built on the solid foundation of knowledge and experience of business intelligence and data warehousing which would ultimately bring our clients strides ahead in their competitive markets.

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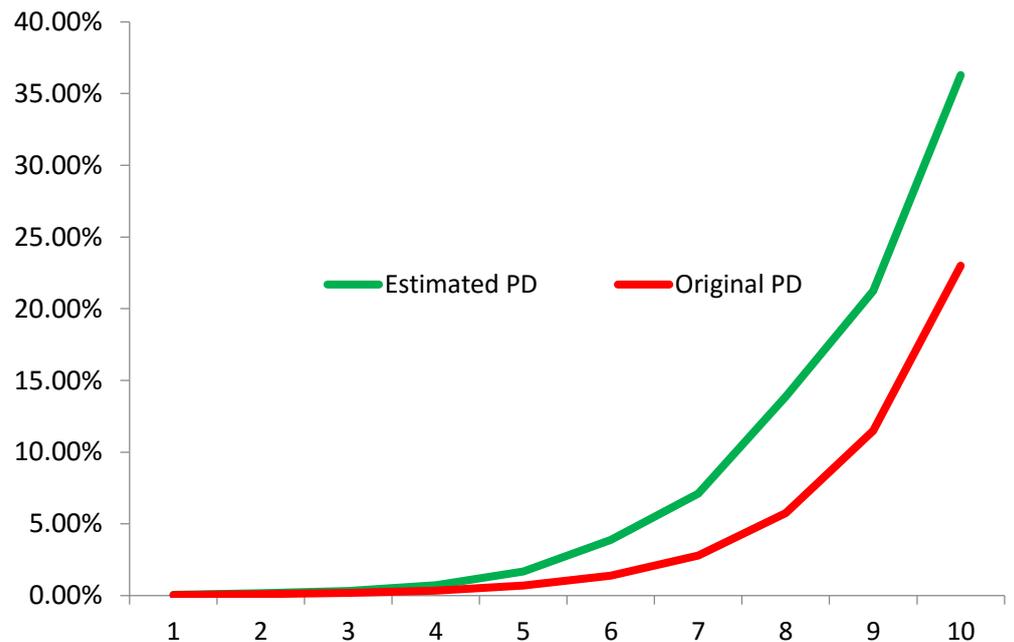
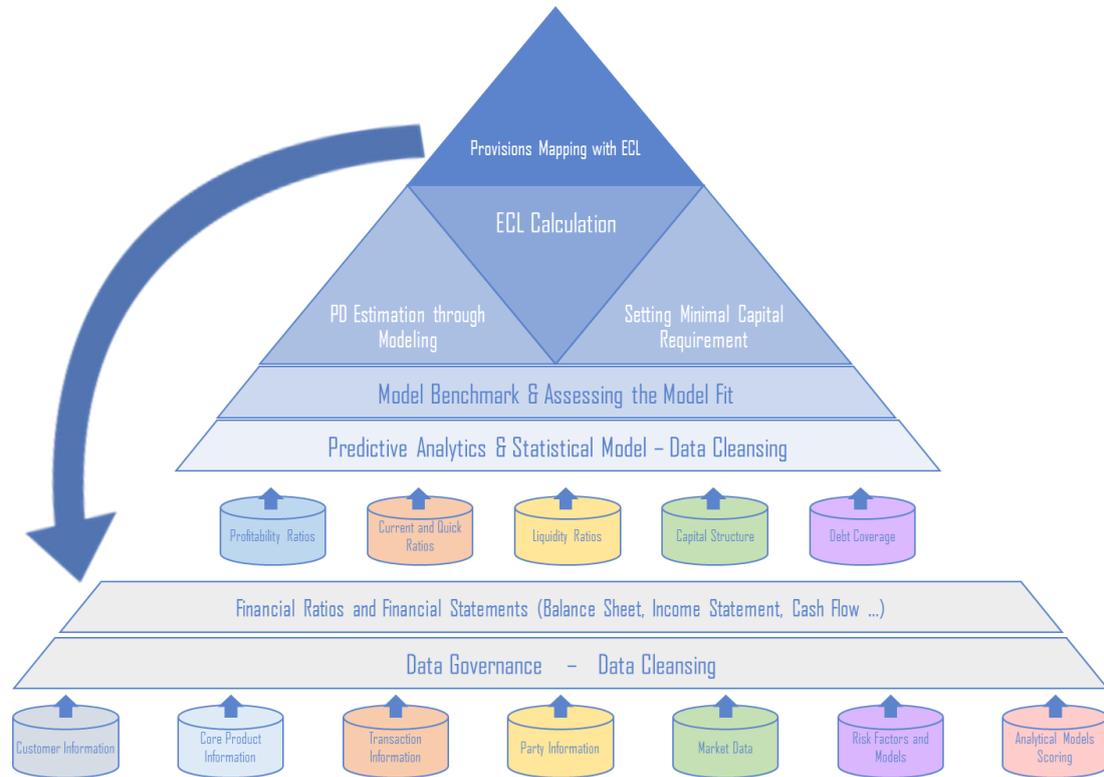
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in'IFRS9

Key Features

- in'Analytics – Benchmarking
 - Benchmarking against ROC Curves
 - LDAP and Wald Test
 - Likelihood Ratios (T/F Negatives – T/F Positives)
 - Accuracy Ratios (Random – Ideal models)
 - Error Rate (%) generation – Confidence Intervals ($\alpha - \beta - \delta$)
 - Self-Learning – Adaption models
- in'GRC – Rules, Alerts, & Workflows
 - Simulation Creation
 - Stress Testing
 - Business Processes Automation
 - ECL Posting on B/S through BP
 - Alerts and Tasks by User and Role
 - Validation Cycles
- in'Via – Reports and KPRIs
 - Canned Library
 - KPIs and KRIs
 - IASB Reporting
 - BDL Reporting



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