BADGER ALM · PRODUCT OVERVIEW

Big-bank ALM. Small-bank budget.

Funds transfer pricing and ALM, supporting Basel IRRBB, in one application for small banks, microfinance banks, finance houses and finance companies.

Static FTP
Transfer pricing and margins

Static ALM
IRRBB EVE and liquidity risk

Dynamic ALM
IRRBB NII and forecasting

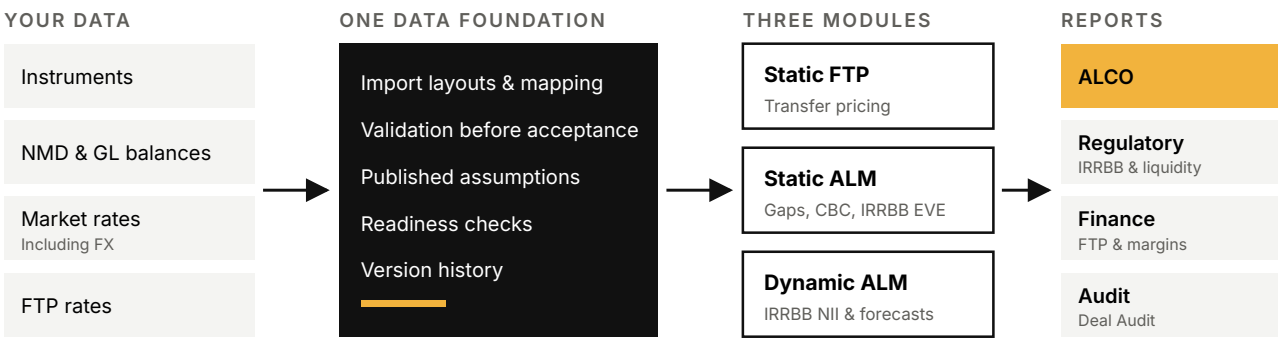
BADGER RISK TECHNOLOGIES

Badger Risk Technologies (Pty) Ltd · badgerrisk.com

One application for FTP and ALM.

Most small banks and lenders still manage interest rate and liquidity risk in Excel. Not by choice: enterprise ALM systems cost hundreds of thousands of dollars a year, take years to implement and need specialist IT to run. Badger ALM brings big-bank methodology to institutions that have outgrown spreadsheets but cannot justify an enterprise system.

How Badger ALM fits together



Excel or CSV extracts

Every module reads the same accepted data and published assumptions, so FTP and ALM results always reconcile to one balance sheet.

All exportable to Excel

01

Deal-level accuracy

Every result is calculated deal by deal, not from summary buckets. Any ALCO number can be traced back to the deals, rates and assumptions behind it.

02

Your files, your layout

Load Excel or CSV extracts exactly as your systems produce them. Map the columns once. No core banking integration project.

03

Run by your business team

Runs on a standard Windows laptop. No servers, cloud hosting or database administrators. Easy backup and restore.

Key capabilities

- Matched-maturity funds transfer pricing with term liquidity premium
- Contractual and behavioural cash-flow modelling
- Repricing gap, liquidity gap and counterbalancing capacity
- EVE and NII under the Basel IRRBB shock scenarios
- Balance-sheet and net interest income projections
- Multi-currency analysis with reporting-currency consolidation

Built for

- Small banks
- Microfinance banks
- Finance houses and finance companies
- Banks reporting IRRBB and liquidity to regulators
- Lenders reporting ALM to funders, DFIs and boards

Users: treasury, ALM, finance and risk teams, and the ALCO they report to.

02 · STATIC FTP

Find the honey in your balance sheet.

Static FTP assigns an internal funding cost or credit to every asset and liability. It separates deal pricing from funding economics, so you can see where your margin is really made, deal by deal.

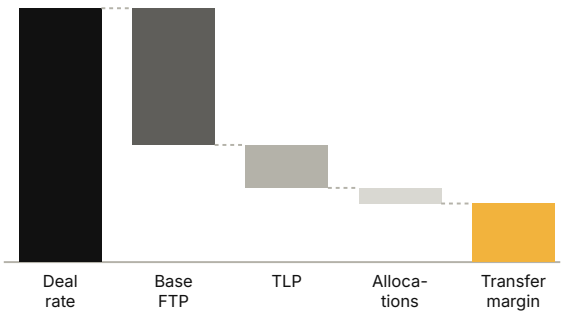
Contractual pricing

- Matched-maturity FTP for fixed and floating-rate instruments
- Bullet and amortising products
- Pricing at origination or at each repricing event
- Historical curve selection by exact pricing date, with controlled fallback to the closest earlier curve
- Base FTP curves and term liquidity premium (TLP)
- Cost and benefit allocation adjustments
- Multi-currency FTP income and expense

Non-maturing and ledger balances

- FTP for non-maturing deposits and ledger balances through product/GL and currency assignments
- Interest-bearing and non-interest-bearing balances
- Approved assigned rates for exceptional instruments, such as expired-maturity contracts, with the pricing evidence retained

Rate composition of a loan



Illustrative only. Final transfer rate = base FTP + TLP + allocation adjustments.

Internal Funding Centre

A virtual Funding Centre is the internal counterparty to every business-unit position. FTP income and expense are attributed to both sides, reconciled, and checked to net to zero at bank level. It supports management analysis and is not a general-ledger posting engine.

FTP reports

Report	What it shows
Overview	Run, methodology and source-data summary
Transfer Margin	Interest, FTP income and expense, and margin by business unit, product and currency
Rate Composition	Base FTP, TLP, assigned rates, cost and benefit allocations, and final transfer rate
Funding Centre	Funding position, spreads and internal FTP reconciliation
Deal Audit	Pricing and calculation evidence for every individual position
Reconciliations	Source-to-result and zero-sum controls
Run information	Data, curves and assumption versions used in the run

All reports can be filtered by business unit, product and currency, and exported to Excel.

Your structural risk, as at today.

Static ALM projects the cash flows of today's balance sheet from contractual terms and published behavioural assumptions, and measures liquidity risk and Basel IRRBB economic value of equity at the reporting date.

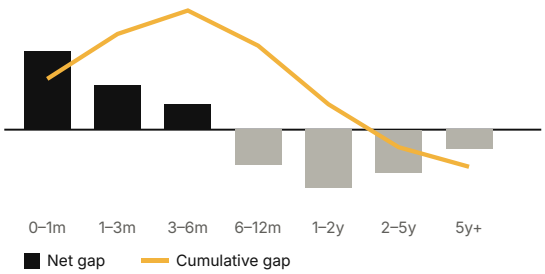
Cash-flow modelling

- Bullet, level-principal and level-payment structures
- Fixed and floating-rate contracts, payment and maturity schedules
- Bank-supplied instalments or theoretical calculation, with controlled assumptions where data is incomplete

Repricing gap

- Fixed-rate maturity and floating-rate next-reset treatment
- Amortising principal repricing
- Behavioural repricing profiles for non-maturing deposits
- Rate-sensitive and non-rate-sensitive classification
- Net and cumulative gap across your own bucket sets

Repricing gap by time bucket

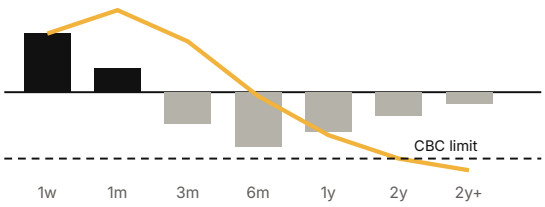


Illustrative only. Bucket sets are user-defined.

Liquidity gap and survival horizon

- Contractual cash flows, with or without interest
- Behavioural runoff profiles for non-maturing balances
- User-defined liquidity scenarios with scenario-specific runoff
- Counterbalancing capacity: eligible assets, monetisation tenor and haircuts, without double-counting contractual inflows
- Survival-horizon analysis by scenario

Liquidity gap with counterbalancing capacity

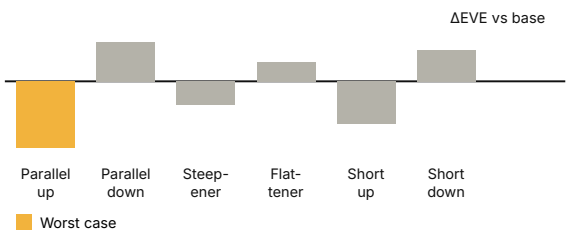


Illustrative only. Cumulative gap (amber) against available counterbalancing capacity.

Economic value of equity (IRRBB)

- Base EVE by currency, with local or documented proxy curves
- Behavioural EVE profiles for non-maturing deposits
- All six Basel IRRBB shock scenarios: parallel up and down, steepener, flattener, short rate up and short rate down, by currency, with optional floors
- ΔEVE by scenario against base, including the worst-case outcome

ΔEVE under the six Basel IRRBB scenarios



Illustrative only. Reported by currency and in reporting currency.

Your balance sheet and earnings, tomorrow.

Dynamic ALM projects net interest income forward. It measures Basel IRRBB earnings risk on a constant balance sheet, and forecasts earnings on a dynamic balance sheet as deals mature, reprice and are replaced by new business.

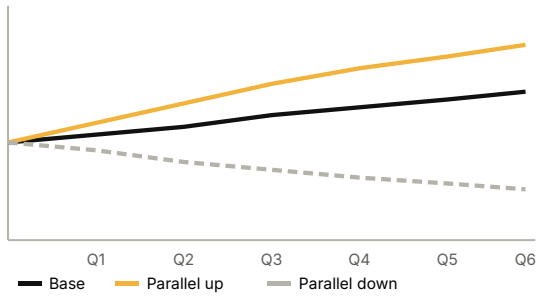
Dynamic projection

- Forward balance-sheet projection from the accepted opening position
- Maturity and reinvestment assumptions
- New-business volumes, mix, pricing and terms by product
- Balance-sheet growth and contraction scenarios
- Projected interest income and expense by product and currency

Scenarios and sensitivity

- Rate scenarios alongside volume and behavioural scenarios
- Net interest income forecasting and NII sensitivity
- Side-by-side scenario comparison
- Stress testing for ALCO and budget planning

Projected NII: base and parallel shocks



Illustrative only.

IRRBB earnings risk (ΔNII)

- Basel IRRBB earnings measure: ΔNII over a 12-month horizon
- Constant balance sheet: maturing positions replaced like for like
- Parallel up and down rate shocks by currency, with optional floors
- ΔNII against base, by currency and in reporting currency

Static FTP
What did each deal earn after funding?

Static ALM
Where is the risk in today's balance sheet?

Dynamic ALM
What happens to earnings and risk next?

Reporting across all three modules

- Practitioner reports, not black-box outputs
- Native-currency analysis with reporting-currency consolidation
- Deal Audit: from ALCO number back to source deal
- Reconciliations from source data to results
- Excel export of every report
- Reports tied to a specific run, never silently recalculated
- Reopen any past result exactly as it was reported
- One licence: all modules included, no add-ons

Built for real banking data.

Badger ALM adapts to the files your systems already produce, rather than forcing your data into a rigid template. Every input, assumption and result is versioned and traceable.

Data requirements

Typical extracts, confirmed for your institution during setup:

Extract	Typical content
Instruments	Deal ID, product or GL code, currency, balance, rate, fixed or floating, reset terms, start, maturity and payment dates, amortisation type, instalment
NMD and GL balances	Product or GL code, currency, balance, interest-bearing flag
Market rates	Yield curves and FX rates to reporting currency
FTP rates	Base FTP and TLP curves, assigned FTP rates, cost and benefit allocations

Formats: Excel and CSV. Contractual data only: no personal customer information is required.

Flexible import

- Bank-specific import layouts
- Source columns mapped once to model fields
- Source values mapped where bank codes differ
- Multiple extracts per reporting period
- Import history, with current and superseded data kept separate

Validation before acceptance

Must fix before accepting
Defects that stop an extract from being accepted.

Can accept, issues to review
Findings that can be accepted, but need attention in modelling or setup.

Configuration

- Product mapping
- Cash-flow methods
- Repricing and liquidity bucket sets
- Behavioural assumptions
- Currency and curve assignments
- Scenario and valuation settings

Assumption control

- Draft, then publish
- Published versions cannot be changed
- Full revision history
- Drafts never alter an official run
- Rates kept with effective dates

Run controls

- Readiness check: blockers and warnings
- Each run records the exact data and assumption versions used
- Sealed, reproducible results
- Reconciliation controls
- Deal-level calculation evidence

Blockers stop an incomplete model from running. Warnings flag assumptions without stopping a valid run.

Live in four weeks.

Implementation is a business project, not an IT project. Your team supplies extracts it already produces; we configure, reconcile and train alongside you.

W1
Your data

Agree extracts, build import layouts and mappings, validate the first reporting month.

W2
Your setup

Configure curves, TLP, buckets, behavioural assumptions and scenarios.

W3
Your numbers

First FTP and ALM runs, reconciled to your balance sheet and existing reports.

W4
Your team

Training, ALCO pack review, handover and sign-off.

Timeline assumes extracts are available at the start. Scope and timing are confirmed in the proposal.

The monthly cycle

1	2	3	4	5	6	7	8
Workspace	Import	Validate	Configure	Readiness	Run	Report	Export & keep

Select bank, month and currency · load extracts · accept data · publish assumptions · check blockers · run models · review ALCO reports · export to Excel and re

Technical specifications

Platform	Microsoft Windows
Hardware	Standard business laptop or desktop
Interface	Browser-based, hosted locally on the machine; Microsoft Edge and Google Chrome
Calculation	Local Python calculation engines
Database	Embedded local database; no SQL Server or database administrator
Input	Excel and CSV extracts; rate templates
Output	Interactive reports and Excel workbooks
Deployment	Local installation; no cloud hosting

Your data stays with you

- Runs on your own machine; data is not sent to Badger Risk or to the cloud
- Contractual data only; no personal customer information required
- No integration with core banking systems

Continuity

- Easy backup and restore of the full workspace
- No key-person risk: models, assumptions and run history live in the system, not in one person's spreadsheet

Multi-user access, authentication and backup procedures are agreed with your IT team for your environment.

07 · ABOUT BADGER RISK

Built by an ALM practitioner.

Badger Risk Technologies was founded by Philip Mouton after 26 years in asset-liability management and funds transfer pricing.

Inside the banks

Stanbic, across 16 African countries, and Al Hilal Bank in the UAE.

Inside the systems

Two decades implementing the leading vendor ALM and FTP platforms across Africa and the Gulf.

Building systems

Co-founder of RiskRelay, an early warning system used by Standard Bank across its 21 affiliate countries for six years.

Full circle

Badger ALM: big-bank know-how, built for small banks and lenders.

Why Badger

Pound for pound, Africa's most fearless animal. Pound for pound, the most ALM capability a small bank or lender can get.

Commercial principles

- One licence, all modules included
- No hidden costs: implementation, training and support set out upfront
- Priced for small banks and lenders

Become a founding client in 2027.

Badger ALM launches in early 2027. A limited number of founding clients will go live first.

Founding-client pricing, locked in

First place in the implementation queue

Direct input into reports and features

Direct access to the founder, during implementation and beyond

Size is no limit.

See Badger ALM run on a balance sheet like yours.

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Badger ALM supports Basel IRRBB and liquidity risk measurement. Regulatory compliance depends on each institution's methodology, calibration, governance and local supervisory requirements. Product capabilities are subject to version, configuration and implementation scope. Charts in this document are illustrative and do not show real results.

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