Capitec Bank Holdings Limited

August 2020 (2nd quarter)

LIQ 1: Liquidity coverage ratio (LCR)

The LCR is a 30-day stress test, using 92 days (actual data point for the quarter) to calculate an average for the quarter, which requires banks to hold sufficient high-quality liquid assets to cover envisaged net outflows. These outflows are calibrated using prescribed Basel factors applied to assets and liabilities in a static run-off model. Basel definitions are used to identify high-quality liquid assets.

Line #	R'000	Total Unweighted Value (Average) 31 Aug 2020	Total Weighted Value (Average) 31 Aug 2020	Total Weighted Value (Average) 31 May 2020
	High-Quality Liquid Assets			
1	**Total high-quality liquid assets (HQLA)** [2]		37 955 609	37 327 479
	Cash Outflows			
2	Retail deposits and deposits from small business customers, of which:	95 174 590	6 317 661	6 003 920
3	Stable deposits	-	-	-
4	Less-stable deposits	95 174 590	6 317 661	6 003 920
5	Unsecured wholesale funding, of which:	8 463 157	1 621 703	2 053 041
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-
7	Non-operational deposits (all counterparties)	6 127 655	1 579 950	1 693 336
8	Unsecured debt	2 335 502	41 753	359 705
9	Secured wholesale funding	171 979	-	-
10	Additional requirements, of which:	3 970 913	265 873	284 656
11	Outflows related to derivative exposures and other collateral requirements	129 175	129 175	144 212
12	Outflows related to loss of funding on debt products	-	-	-
13	Credit and liquidity facilities	3 205 154	105 182	96 531
14	Other contractual funding obligations	-	-	1 947
15	Other contingent funding obligations	636 584	31 516	41 966
16	**Total Cash Outflows**		8 205 237	8 341 617
	Cash Inflows			
17	Secured lending (e.g. reverse repos)	2 668 483	2 668 483	1 194 597
18	Inflows from fully performing exposures	28 046 888	24 742 740	17 492 678
19	Other cash inflows	6 068	-	-
20	**Total Cash Inflows**	30 721 439	27 411 223	18 687 275
			Total Adjusted Value	
21	Total HQLA [2]		37 955 609	37 327 479
22	Total Net Cash Outflows[1]		2 051 309	2 085 404
23	**Basel 3 Group Liquidity Coverage Ratio (%)**		1 850%	1 790%

[1] *Both Capitec and Mercantile Bank Limited ("Mercantile"), on an individual basis, have a net cash inflow after applying the run-off weightings applicable to calculate the ratio, therefore outflows for the purpose of the ratio are deemed to be 25% of gross outflows. Of the total net cash outflows as at 31 August 2020, R534.8 million is attributable to Mercantile.*

[2] *The group's total HQLA is equal to that of Capitec and Mercantile combined. Of the total HQLA as at 31 August 2020, R906.2 million is attributable to Mercantile.*

Capitec Bank Limited

August 2020 (2nd quarter)

LIQ 1: Liquidity coverage ratio (LCR)

The LCR is a 30-day stress test, using 92 days (actual data point for the quarter) to calculate an average for the quarter, which requires banks to hold sufficient high-quality liquid assets to cover envisaged net outflows. These outflows are calibrated using prescribed Basel factors applied to assets and liabilities in a static run-off model. Basel definitions are used to identify high-quality liquid assets.

Line #	R'000	Total Unweighted Value (Average) 31 Aug 2020	Total Weighted Value (Average) 31 Aug 2020	Total Weighted Value (Average) 31 May 2020
	High-Quality Liquid Assets			
1	**Total high-quality liquid assets (HQLA)**		37 049 459	36 339 564
	Cash Outflows			
2	Retail deposits and deposits from small business customers, of which:	91 455 731	5 945 775	5 652 501
3	Stable deposits	-	-	-
4	Less-stable deposits	91 455 731	5 945 775	5 652 501
5	Unsecured wholesale funding, of which:	5 043 772	683 816	960 845
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	2 474 905	618 726	577 651
7	Non-operational deposits (all counterparties)	233 365	23 337	23 489
8	Unsecured debt	2 335 502	41 753	359 705
9	Secured wholesale funding	171 979	-	-
10	Additional requirements, of which:	1 896 646	55 110	51 345
11	Outflows related to derivative exposures and other collateral requirements	4 071	4 071	1 181
12	Outflows related to loss of funding on debt products	-	-	-
13	Credit and liquidity facilities	1 743 579	43 589	38 380
14	Other contractual funding obligations	-	-	-
15	Other contingent funding obligations	148 996	7 450	11 784
16	**Total Cash Outflows**		6 684 701	6 664 691
	Cash Inflows			
17	Secured lending (e.g. reverse repos)	2 668 483	2 668 483	1 194 597
18	Inflows from fully performing exposures	23 557 210	21 160 946	15 235 803
19	Other cash inflows	6 068	-	-
20	**Total Cash Inflows**	26 231 761	23 829 429	16 430 400
				Total Adjusted Value
21	Total HQLA		37 049 459	36 339 564
22	Total Net Cash Outflows		1 671 175	1 666 173
23	**Basel 3 Liquidity Coverage Ratio (%)**		2 217%	2 181%