

## Capitec Bank Holdings Limited

November 2020 (3rd quarter)

### LIQ 1: Liquidity coverage ratio (LCR)

The LCR is a 30-day stress test, using 91 days (actual data points 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) 30 Nov 2020	Total Weighted Value (Average) 30 Nov 2020	Total Weighted Value (Average) 31 Aug 2020
<b>High-Quality Liquid Assets</b>				
<b>1</b>	<b>Total high-quality liquid assets (HQLA) <sup>(2)</sup></b>		<b>49 670 375</b>	37 955 609
<b>Cash Outflows</b>				
2	Retail deposits and deposits from small business customers, of which:	<b>99 248 036</b>	<b>6 710 125</b>	6 317 661
3	Stable deposits	-	-	-
4	Less-stable deposits	<b>99 248 036</b>	<b>6 710 125</b>	6 317 661
5	Unsecured wholesale funding, of which:	<b>8 447 264</b>	<b>1 999 520</b>	1 621 703
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-
7	Non-operational deposits (all counterparties)	<b>6 357 099</b>	<b>1 746 603</b>	1 579 950
8	Unsecured debt	<b>2 090 165</b>	<b>252 917</b>	41 753
9	Secured wholesale funding	<b>138 783</b>	-	-
10	Additional requirements, of which:	<b>5 258 919</b>	<b>308 839</b>	265 873
11	Outflows related to derivative exposures and other collateral requirements	<b>142 717</b>	<b>142 717</b>	129 175
12	Outflows related to loss of funding on debt products	-	-	-
13	Credit and liquidity facilities	<b>4 539 127</b>	<b>137 357</b>	105 182
14	Other contractual funding obligations	-	-	-
15	Other contingent funding obligations	<b>577 075</b>	<b>28 765</b>	31 516
<b>16</b>	<b>Total Cash Outflows</b>		<b>9 018 484</b>	8 205 237
<b>Cash Inflows</b>				
17	Secured lending (e.g. reverse repos)	<b>2 821 051</b>	<b>2 821 051</b>	2 668 483
18	Inflows from fully performing exposures	<b>21 980 683</b>	<b>19 658 834</b>	24 742 740
19	Other cash inflows	<b>23 087</b>	-	-
<b>20</b>	<b>Total Cash Inflows</b>	<b>24 824 821</b>	<b>22 479 885</b>	27 411 223
<b>Total Adjusted Value</b>				
21	Total HQLA <sup>(2)</sup>		<b>49 670 375</b>	37 955 609
22	Total Net Cash Outflows <sup>(1)</sup>		<b>2 254 621</b>	2 051 309
<b>23</b>	<b>Basel 3 Group Liquidity Coverage Ratio (%)</b>		<b>2 203%</b>	1 850%

<sup>(1)</sup> 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 30 November 2020, R579.4 million is attributable to Mercantile.

<sup>(2)</sup> The group's total HQLA is equal to that of Capitec and Mercantile combined. Of the total HQLA as at 30 November 2020, R1.08 billion is attributable to Mercantile.

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Line #	R'000	Total Unweighted Value (Average) 30 Nov 2020	Total Weighted Value (Average) 30 Nov 2020	Total Weighted Value (Average) 31 Aug 2020
<b>High-Quality Liquid Assets</b>				
<b>1</b>	<b>Total high-quality liquid assets (HQLA)</b>		<b>48 587 791</b>	37 049 459
<b>Cash Outflows</b>				
2	Retail deposits and deposits from small business customers, of which:	<b>95 574 340</b>	<b>6 342 756</b>	5 945 775
3	Stable deposits	-	-	-
4	Less-stable deposits	<b>95 574 340</b>	<b>6 342 756</b>	5 945 775
5	Unsecured wholesale funding, of which:	<b>4 448 424</b>	<b>808 050</b>	683 816
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	<b>2 128 716</b>	<b>532 179</b>	618 726
7	Non-operational deposits (all counterparties)	<b>229 543</b>	<b>22 954</b>	23 337
8	Unsecured debt	<b>2 090 165</b>	<b>252 917</b>	41 753
9	Secured wholesale funding	<b>138 783</b>	-	-
10	Additional requirements, of which:	<b>3 096 529</b>	<b>82 422</b>	55 110
11	Outflows related to derivative exposures and other collateral requirements	<b>5 137</b>	<b>5 137</b>	4 071
12	Outflows related to loss of funding on debt products	-	-	-
13	Credit and liquidity facilities	<b>3 091 392</b>	<b>77 285</b>	43 589
14	Other contractual funding obligations	-	-	-
15	Other contingent funding obligations	-	-	7 450
<b>16</b>	<b>Total Cash Outflows</b>		<b>7 233 228</b>	6 684 701
<b>Cash Inflows</b>				
17	Secured lending (e.g. reverse repos)	<b>2 821 051</b>	<b>2 821 051</b>	2 668 483
18	Inflows from fully performing exposures	<b>19 596 475</b>	<b>18 255 375</b>	21 160 946
19	Other cash inflows	<b>23 087</b>	-	-
<b>20</b>	<b>Total Cash Inflows</b>	<b>22 440 613</b>	<b>21 076 426</b>	23 829 429
<i>Total Adjusted Value</i>				
21	Total HQLA		<b>48 587 791</b>	37 049 459
22	Total Net Cash Outflows		<b>1 808 307</b>	1 671 175
<b>23</b>	<b>Basel 3 Liquidity Coverage Ratio (%)</b>		<b>2 687%</b>	2 217%