

## Capitec Bank Holdings Limited

May 2020 (1st 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 May 2020	Total Weighted Value (Average) 31 May 2020	Total Weighted Value (Average) 29 Feb 2020
<b>High-Quality Liquid Assets</b>				
<b>1</b>	<b>Total high-quality liquid assets (HQLA) <sup>(2)</sup></b>		<b>37 327 479</b>	32 989 868
<b>Cash Outflows</b>				
2	Retail deposits and deposits from small business customers, of which:	<b>90 959 767</b>	<b>6 003 920</b>	5 587 905
3	Stable deposits	-	-	-
4	Less-stable deposits	<b>90 959 767</b>	<b>6 003 920</b>	5 587 905
5	Unsecured wholesale funding, of which:	<b>9 127 159</b>	<b>2 053 041</b>	2 054 022
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-
7	Non-operational deposits (all counterparties)	<b>6 025 138</b>	<b>1 693 336</b>	1 818 216
8	Unsecured debt	<b>3 102 021</b>	<b>359 705</b>	235 806
9	Secured wholesale funding	<b>173 997</b>	-	-
10	Additional requirements, of which:	<b>4 004 226</b>	<b>284 656</b>	137 561
11	Outflows related to derivative exposures and other collateral requirements	<b>144 212</b>	<b>144 212</b>	5 066
12	Outflows related to loss of funding on debt products	-	-	-
13	Credit and liquidity facilities	<b>2 743 512</b>	<b>96 531</b>	87 349
14	Other contractual funding obligations	<b>275 480</b>	<b>1 947</b>	-
15	Other contingent funding obligations	<b>841 022</b>	<b>41 966</b>	45 146
<b>16</b>	<b>Total Cash Outflows</b>		<b>8 341 617</b>	7 779 488
<b>Cash Inflows</b>				
17	Secured lending (e.g. reverse repos)	<b>1 194 597</b>	<b>1 194 597</b>	397 213
18	Inflows from fully performing exposures	<b>20 608 175</b>	<b>17 492 678</b>	18 390 821
19	Other cash inflows	<b>4 738</b>	-	-
<b>20</b>	<b>Total Cash Inflows</b>	<b>21 807 510</b>	<b>18 687 275</b>	18 788 034
				Total Adjusted Value
21	Total HQLA <sup>(2)</sup>		<b>37 327 479</b>	32 989 868
22	Total Net Cash Outflows <sup>(1)</sup>		<b>2 085 404</b>	1 944 872
<b>23</b>	<b>Basel 3 Group Liquidity Coverage Ratio (%)</b>		<b>1 790%</b>	1 696%

<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 31 May 2020, R563.6 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 31 May 2020, R987.9 million is attributable to Mercantile.

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Line #	R'000	Total Unweighted Value (Average) 31 May 2020	Total Weighted Value (Average) 31 May 2020	Total Weighted Value (Average) 29 Feb 2020
<b>High-Quality Liquid Assets</b>				
<b>1</b>	<b>Total high-quality liquid assets (HQLA)</b>		<b>36 339 564</b>	31 844 004
<b>Cash Outflows</b>				
2	Retail deposits and deposits from small business customers, of which:	<b>87 445 570</b>	<b>5 652 501</b>	5 261 380
3	Stable deposits	-	-	-
4	Less-stable deposits	<b>87 445 570</b>	<b>5 652 501</b>	5 261 380
5	Unsecured wholesale funding, of which:	<b>5 647 512</b>	<b>960 845</b>	472 393
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	<b>2 310 602</b>	<b>577 651</b>	206 218
7	Non-operational deposits (all counterparties)	<b>234 889</b>	<b>23 489</b>	30 369
8	Unsecured debt	<b>3 102 021</b>	<b>359 705</b>	235 806
9	Secured wholesale funding	<b>173 997</b>	-	-
10	Additional requirements, of which:	<b>1 772 062</b>	<b>51 345</b>	49 128
11	Outflows related to derivative exposures and other collateral requirements	<b>1 181</b>	<b>1 181</b>	1 070
12	Outflows related to loss of funding on debt products	-	-	-
13	Credit and liquidity facilities	<b>1 535 198</b>	<b>38 380</b>	34 810
14	Other contractual funding obligations	-	-	-
15	Other contingent funding obligations	<b>235 683</b>	<b>11 784</b>	13 248
<b>16</b>	<b>Total Cash Outflows</b>		<b>6 664 691</b>	5 782 901
<b>Cash Inflows</b>				
17	Secured lending (e.g. reverse repos)	<b>1 194 597</b>	<b>1 194 597</b>	397 213
18	Inflows from fully performing exposures	<b>17 371 951</b>	<b>15 235 803</b>	15 487 504
19	Other cash inflows	<b>4 738</b>	-	-
<b>20</b>	<b>Total Cash Inflows</b>	<b>18 571 286</b>	<b>16 430 400</b>	15 884 717
<i>Total Adjusted Value</i>				
21	Total HQLA		<b>36 339 564</b>	31 844 004
22	Total Net Cash Outflows		<b>1 666 173</b>	1 445 725
<b>23</b>	<b>Basel 3 Liquidity Coverage Ratio (%)</b>		<b>2 181%</b>	2 203%