



GRINDROD BANK LIMITED
BASEL PILLAR III DISCLOSURE REPORT
31 MARCH 2024



Grindrod Bank Limited

Template Reference:

		Annual Financial Statements
		Sep-23
	Template	Page Reference
1	OVA - Bank Risk Management Approach	80 - 90
2	LIQA - Liquidity Risk Management	82 - 84
3	CRA - General information about credit risk	80 - 82
4	CRB - Credit quality of assets	35 - 42, 55 - 61, 80 - 82
5	CRC - Credit risk mitigation techniques	35 - 42, 81
6	CRD - Use of external credit ratings under the standardised approach	35 - 42
7	CCRA - Qualitative disclosures related to CCR	82
8	REMA - Remuneration Policy	90 - 92
9	REM1 - Remuneration awarded during the financial year	71 - 73, 90 - 92
10	REM2 - Special Payments	71 - 73, 90 - 92

Grindrod bank has not prepared an integrated report since acquisition by African Bank in November 2022. The references to the integrated report sections can be found on the African Bank Pillar III disclosures, as Grindrod bank is consolidated into the group information presented.

Capital management

Template KM1: Key metrics - Grindrod Bank Limited

		a	b	c	d	e
		Mar-24	Dec-23	Sep-23	Jun-23	Mar-23
		T	T-1	T-2	T-3	T-4
	Available capital (amounts)	R'000	R'000	R'000	R'000	R'000
1	Common Equity Tier 1 (CET1)	1,630,482	1,583,686	1,527,192	1,470,081	1,470,081
1a	Fully loaded ECL accounting model CET1	1,630,482	1,583,686	1,527,192	1,470,081	1,470,081
2	Tier 1	1,915,482	1,868,686	1,812,192	1,755,081	1,755,081
2a	Fully loaded ECL accounting model Tier 1	1,915,482	1,868,686	1,812,192	1,755,081	1,755,081
3	Total capital	1,934,364	1,905,032	1,837,932	1,774,255	1,766,254
3a	Fully loaded ECL accounting model total capital	1,934,364	1,905,032	1,837,932	1,774,255	1,766,254
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	12,666,672	12,682,986	12,173,745	10,979,512	10,340,309
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	12.87%	12.49%	12.55%	13.39%	14.22%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	12.87%	12.49%	12.55%	13.39%	14.22%
6	Tier 1 ratio (%)	15.12%	14.73%	14.89%	15.99%	16.97%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	15.12%	14.73%	14.89%	15.99%	16.97%
7	Total capital ratio (%)	15.27%	15.02%	15.10%	16.16%	17.08%
7a	Fully loaded ECL accounting model total capital ratio (%)	15.27%	15.02%	15.10%	16.16%	17.08%
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%	2.50%	2.50%	2.50%	2.50%
9	Countercyclical buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
10	Bank G-SIB and/or D-SIB additional requirements (%)	0.00%	0.00%	0.00%	0.00%	0.00%
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.50%	2.50%	2.50%	2.50%	2.50%
12	CET1 available after meeting the bank's minimum capital requirements (%)	5.37%	4.99%	5.05%	5.89%	6.72%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	16,977,865	16,911,544	16,114,910	16,274,600	14,952,061
14	Basel III leverage ratio (%) (row 2 / row 13)	11.28%	11.05%	11.25%	10.78%	11.74%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%)	11.28%	11.05%	11.25%	10.78%	11.74%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA)	5,007,282	4,888,768	4,923,787	4,528,963	4,368,351
16	Total net cash outflow	1,479,296	1,756,306	1,488,654	919,643	1,049,363
17	LCR (%)	338%	278%	331%	492%	416%
Net Stable Funding Ratio						
18	Total available stable funding	11,845,832	11,601,789	11,586,715	11,146,652	11,031,172
19	Total required stable funding	8,381,772	8,365,068	8,242,917	7,749,482	7,291,104
20	NSFR	141%	139%	141%	144%	151%

Capital management

Template OV1: Overview of RWA - Grindrod Bank Limited

		a	b	c
		RWA		Minimum capital requirements
		Mar-24	Dec-23	Mar-24
		T	T-1	T
		R'000	R'000	R'000
1	Credit risk (excluding counterparty credit risk)	10,138,712	10,194,251	1,165,952
2	Of which: standardised approach	10,138,712	10,194,251	1,165,952
3	Of which: foundation internal ratings-based (F-IRB) approach	-	-	-
4	Of which: supervisory slotting approach	-	-	-
5	Of which: advanced internal ratings-based (A-IRB) approach	-	-	-
6	Counterparty credit risk (CCR)	4,856	5,368	558
7	Of which: standardised approach for counterparty credit risk	4,856	5,368	558
8	Of which: Internal Model Method (IMM)	-	-	-
9	Of which: other CCR	-	-	-
10	Credit valuation adjustment (CVA)	3,899	4,839	448
11	Equity positions under the simple risk weight approach and the internal model method	1,212,278	1,124,970	139,412
12	Equity investments in funds – look-through approach	-	-	-
13	Equity investments in funds – mandate-based approach	-	-	-
14	Equity investments in funds – fall-back approach	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in banking book	-	-	-
17	Of which: securitisation internal ratings-based approach (SEC-IRBA)	-	-	-
18	Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-
20	Market risk	1,891	1,829	217
21	Of which: standardised approach	1,891	1,829	217
22	Of which: internal models approach (IMA)	-	-	-
23	Operational risk	1,142,951	1,066,759	131,439
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	88,339	140,172	10,159
25	Floor adjustment	73,746	144,798	8,481
26	Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25)	12,666,672	12,682,986	1,456,667

Composition of Capital

Template CC1 – Composition of regulatory capital - Grindrod Bank Limited

		Mar-24
		Amounts
Common Equity Tier 1 capital: instruments and reserves		R'000
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	348,579
2	Retained earnings	1,307,440
3	Accumulated other comprehensive income (and other reserves)	-
4	<i>Directly issued capital subject to phase-out from CET1 capital (only applicable to non-joint stock companies)</i>	-
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1 capital)	-
6	Common Equity Tier 1 capital before regulatory adjustments	1,656,019
Common Equity Tier 1 capital: regulatory adjustments		
7	Prudent valuation adjustments	9,654
8	Goodwill (net of related tax liability)	-
9	Other intangibles other than mortgage servicing rights (MSR) (net of related tax liability)	15,887
10	Deferred tax assets (DTA) that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	-
11	Cash flow hedge reserve	-
12	Shortfall of provisions to expected losses	-
13	Securitisation gain on sale (as set out in [CAP30.14])	-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	-4
15	Defined benefit pension fund net assets	-
16	Investments in own shares (if not already subtracted from paid-in capital on reported balance sheet)	-
17	Reciprocal cross-holdings in common equity	-

18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-
20	MSR (amount above 10% threshold)	-
21	DTA arising from temporary differences (amount above 10% threshold, net of related tax liability)	-
22	Amount exceeding the 15% threshold	-
23	Of which: significant investments in the common stock of financials	-
24	Of which: MSR	-
25	Of which: DTA arising from temporary differences	-
26	National specific regulatory adjustments	-
27	Regulatory adjustments applied to Common Equity Tier 1 capital due to insufficient Additional Tier 1 and Tier 2 capital to cover deductions	-
28	Total regulatory adjustments to Common Equity Tier 1 capital	25,537
29	Common Equity Tier 1 capital (CET1)	1,630,482
	Additional Tier 1 capital: instruments	
30	Directly issued qualifying additional Tier 1 instruments plus related stock surplus	285,000
31	Of which: classified as equity under applicable accounting standards	285,000
32	Of which: classified as liabilities under applicable accounting standards	-
33	<i>Directly issued capital instruments subject to phase-out from additional Tier 1 capital</i>	-
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group additional Tier 1 capital)	-
35	<i>Of which: instruments issued by subsidiaries subject to phase-out</i>	-
36	Additional Tier 1 capital before regulatory adjustments	285,000

Additional Tier 1 capital: regulatory adjustments		
37	Investments in own additional Tier 1 instruments	-
38	Reciprocal cross-holdings in additional Tier 1 instruments	-
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-
41	National specific regulatory adjustments	-
42	Regulatory adjustments applied to additional Tier 1 capital due to insufficient Tier 2 capital to cover deductions	-
43	Total regulatory adjustments to additional Tier 1 capital	-
44	Additional Tier 1 capital (AT1)	285,000
45	Tier 1 capital (T1 = CET1 + AT1)	1,915,482
Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-
47	<i>Directly issued capital instruments subject to phase-out from Tier 2 capital</i>	-
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-
49	<i>Of which: instruments issued by subsidiaries subject to phase-out</i>	-
50	Provisions	18,882
51	Tier 2 capital before regulatory adjustments	18,882
Tier 2 capital: regulatory adjustments		
52	Investments in own Tier 2 instruments	-
53	Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities	-
54	Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-
54a	Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions (for G-SIBs only)	-

55	Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-
56	National specific regulatory adjustments	-
57	Total regulatory adjustments to Tier 2 capital	-
58	Tier 2 capital	18,882
59	Total regulatory capital (= Tier 1 + Tier2)	1,934,364
60	Total risk-weighted assets	12,666,672
	Capital adequacy ratios and buffers	
61	Common Equity Tier 1 capital (as a percentage of risk-weighted assets)	12.87%
62	Tier 1 capital (as a percentage of risk-weighted assets)	15.12%
63	Total capital (as a percentage of risk-weighted assets)	15.27%
64	Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of risk-weighted assets)	
65	Of which: capital conservation buffer requirement	2.50%
66	Of which: bank-specific countercyclical buffer requirement	0%
67	Of which: higher loss absorbency requirement	0%
68	Common Equity Tier 1 capital (as a percentage of risk-weighted assets) available after meeting the bank's minimum capital requirements	5.37%
	National minima (if different from Basel III)	
69	National minimum Common Equity Tier 1 capital adequacy ratio (if different from Basel III minimum)	7.50%
70	National minimum Tier 1 capital adequacy ratio (if different from Basel III minimum)	9.25%
71	National minimum Total capital adequacy ratio (if different from Basel III minimum)	11.50%
	Amounts below the thresholds for deduction (before risk-weighting)	
72	Non-significant investments in the capital and other TLAC liabilities of other financial entities	-
73	Significant investments in the common stock of financial entities	-
74	MSR (net of related tax liability)	-
75	DTA arising from temporary differences (net of related tax liability)	35,335

Applicable caps on the inclusion of provisions in Tier 2 capital		
76	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to standardised approach (prior to application of cap)	18,882
77	Cap on inclusion of provisions in Tier 2 capital under standardised approach	-
78	Provisions eligible for inclusion in Tier 2 capital in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-
79	Cap for inclusion of provisions in Tier 2 capital under internal ratings-based approach	-
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2018 and 1 Jan 2022)		
80	<i>Current cap on CET1 instruments subject to phase-out arrangements</i>	-
81	<i>Amount excluded from CET1 capital due to cap (excess over cap after redemptions and maturities)</i>	-
82	<i>Current cap on AT1 instruments subject to phase-out arrangements</i>	-
83	<i>Amount excluded from AT1 capital due to cap (excess over cap after redemptions and maturities)</i>	-
84	<i>Current cap on Tier 2 instruments subject to phase-out arrangements</i>	-
85	<i>Amount excluded from Tier 2 capital due to cap (excess over cap after redemptions and maturities)</i>	-

Composition of Capital

Template CC2 – Reconciliation of regulatory capital to balance sheet - Grindrod Bank Limited

	Mar-24		
	a	b	c
	Balance sheet	Under regulatory scope of consolidation	Reference
	As at period-end	As at period-end	
Assets	R'000	R'000	
Property and equipment	33,505	33,505	
Intangible assets	15,887	15,887	
Investment securities	3,020	3,020	
Deferred taxation	35,335	35,335	
Loans and advances	10,183,147	10,183,147	
Derivative instruments	2,041	2,041	
Taxation	-	-	
Other assets	266,614	266,614	
Liquid assets and short-term negotiable securities	2,086,240	2,086,240	
Cash and short-term funds	3,509,021	3,509,021	
Total assets	16,134,810	16,134,810	
Liabilities			
Deposits and funding instruments	14,045,292	14,045,292	
Derivative instruments	95	95	
Provisions	9,240	9,240	
Other liabilities	59,261	59,261	
Taxation	10,282	10,282	
Total liabilities	14,124,170	14,124,170	
Shareholders' equity			
Paid-in share capital	633,579	633,579	
Of which: amount eligible for CET1 capital	348,579	348,579	
Of which: amount eligible for AT1 capital	285,000	285,000	
Retained earnings	1,377,061	1,377,061	
Total shareholders' equity	2,010,640	2,010,640	

Credit Risk

Template CR1: Credit quality of assets - Grindrod Bank Limited

		a	b	c	d	e	f	g
		Gross carrying values of		Allowances/ impairments	Of which ECL accounting provisions for credit losses		Of which ECL accounting provisions for credit losses	Net values
					on standardised approach exposures		on IRB exposures	
		Defaulted exposures	Non-defaulted exposures		Allocated in regulatory category of Specific	Allocated in regulatory category of General		(a+b-c)
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
1	Loans	1,385,297	9,495,234	360,932	344,855	16,077	-	10,519,598
2	Debt Securities	-	2,086,543	304	-	304	-	2,086,240
3	Off-balance sheet exposures	-	1,435,764	-	-	-	-	1,435,764
4	Total	1,385,297	13,017,541	361,236	344,855	16,381	-	14,041,602

Exposures more than 90 days past due but not impaired were sufficiently collateralised.

Restructured exposures are classified as such when the Bank has granted a concession to the client to vary material terms of the original agreement.

Debt securities includes the bank's investment in treasury bills and government bonds.

Credit Risk

Template CR2: Changes in stock of defaulted loans and debt securities - Grindrod Bank Limited

		Mar-24
		a
		R'000
1	Defaulted loans and debt securities at end of the previous reporting period	1,029,709
2	Loans and debt securities that have defaulted since the last reporting period	763,920
3	Returned to non-defaulted status	461,687
4	Amounts written off	-
5	Other changes	53,355
6	Defaulted loans and debt securities at end of the reporting period	1,385,297
	(1+2-3-4+5)	

Credit Risk

Template CR3: Credit risk mitigation techniques – overview - Grindrod Bank Limited

		Mar-24				
		a	b	c	d	e
		Exposures unsecured: carrying amount	Exposures to be secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
		R'000	R'000	R'000	R'000	R'000
1	Loans	1,259,516	11,056,779	10,690,252	21,672	-
2	Debt securities	2,086,543	-	-	-	-
3	Total	3,346,059	11,056,779	10,690,252	21,672	-
4	Of which defaulted	-	1,385,297	1,040,442	-	-

Unsecured loans includes the bank's placement of surplus cash in the interbank market.

Debt securities includes the bank's investment in treasury bills and government bonds.

Credit Risk

Template CR4: Standardised approach – Credit risk exposure and credit risk mitigation effects (CRM) - Grindrod Bank Limited

		Mar-24					
		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
	Asset classes	R'000	R'000	R'000	R'000	R'000	%
1	Sovereigns and their central banks	4,614,342	-	4,614,342	-	-	0%
2	Non-central government public sector entities	-	-	-	-	-	0%
3	Multilateral development banks	-	-	-	-	-	0%
4	Banks	1,259,516	-	1,259,516	-	71,917	1%
5	Securities firms	-	-	-	-	-	0%
6	Corporates	7,989,201	1,361,199	7,967,529	540,643	8,507,743	83%
7	Regulatory retail portfolios	132,233	34,824	132,233	1,528	133,761	1%
8	Secured by residential property	114,284	39,741	114,284	24,314	54,864	1%
9	Secured by commercial real estate	-	-	-	-	-	0%
10	Equity	-	-	-	-	-	0%
11	Past-due loans	1,385,297	-	1,385,297	-	1,375,283	13%
12	Higher-risk categories	-	-	-	-	-	0%
13	Other assets	468,454	-	468,454	-	73,746	1%
14	Total	15,963,327	1,435,764	15,941,655	566,485	10,217,315	100%

Credit Risk

Template CR5: Standardised approach – exposures by asset classes and risk weights

		Mar-24									
		a	b	c	d	e	f	g	h	i	j
Risk weight* --		0%	10%	20%	35%	50%	75%	100%	150%	Others	Total credit exposures amount (post CCF and post-CRM)
Asset classes:		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
1	Sovereigns and their central banks	4,614,342	-	-	-	-	-	-	-	-	4,614,342
2	Non-central government public sector entities	-	-	-	-	-	-	-	-	-	-
3	Multilateral development banks	-	-	-	-	-	-	-	-	-	-
4	Banks	919,355	-	335,305	-	-	-	4,856	-	-	1,259,516
5	Securities firms	-	-	-	-	-	-	-	-	-	-
6	Corporates	-	-	-	-	-	-	8,508,171	-	-	8,508,171
7	Regulatory retail portfolios	-	-	-	-	-	-	133,761	-	-	133,761
8	Secured by residential property	-	-	-	127,141	-	6,085	5,374	-	-	138,599
9	Secured by commercial real estate	-	-	-	-	-	-	-	-	-	-
10	Equity	-	-	-	-	-	-	-	-	-	-
11	Past-due loans	-	-	-	-	260,406	-	385,294	739,597	-	1,385,297
12	Higher-risk categories	-	-	-	-	-	-	-	-	-	-
13	Other assets	394,708	-	-	-	-	-	73,746	-	-	468,455
14	Total	5,928,405	-	335,305	127,141	260,406	6,085	9,111,202	739,597	-	16,508,139

Credit Risk

Template CCR1: Analysis of CCR exposures by approach - Grindrod Bank Limited

		Mar-24					
		a	b	c	d	e	f
		Replacement cost	Potential future exposure	Effective EPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR (for derivatives)	3,041	428		1.4	4,642	8,755
2	Internal models method (for derivatives and securities financing transactions, or SFTs)	-	-	-	-	-	-
3	Simple Approach for credit risk mitigation (for SFTs)	-	-	-	-	-	-
4	Comprehensive Approach for credit risk mitigation (for SFTs)	-	-	-	-	-	-
5	Value-at-risk (VaR) for SFTs	-	-	-	-	-	-
6	Total	3,041	428	-	1.4	4,642	8,755

The Group's exposure to counterparty credit risk is in respect of over the counter interest rate swaps entered into to hedge against exposure to market risk.

The Group currently does not engage in transactions that would give rise to wrong-way risk (where default risk and credit exposure increase together).

Credit Risk

Template CCR2: Credit valuation adjustment (CVA) capital charge - Grindrod Bank Limited

		Mar-24	
		a	b
		EAD post-CRM	RWA
	Total portfolios subject to the Advanced CVA capital charge	-	-
1	(i) VaR component (including the 3×multiplier)	-	-
2	(ii) Stressed VaR component (including the 3×multiplier)	-	-
3	All portfolios subject to the Standardised CVA capital charge	4,642	3,899
4	Total subject to the CVA capital charge	4,642	3,899

Credit Risk

Template CCR3: Standardised approach – CCR exposures by regulatory portfolio and risk weights - Grindrod Bank Limited

Risk weight***→	Mar-24								
	a	b	c	d	e	f	g	h	i
	0%	10%	20%	50%	75%	100%	150%	Others	Total credit exposure
Regulatory portfolio*!									
Sovereigns	-	-	-	-	-	-	-	-	-
Non-central government public sector entities	-	-	-	-	-	-	-	-	-
Multilateral development banks	-	-	-	-	-	-	-	-	-
Banks	-	-	-	-	-	4,856	-	-	4,856
Securities firms	-	-	-	-	-	-	-	-	-
Corporates	-	-	-	-	-	-	-	-	-
Regulatory retail portfolios	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	4,856	-	-	4,856

Credit Risk

Template CCR5: Composition of collateral for CCR exposure - Grindrod Bank Limited

	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
Cash – domestic currency	-	-	-	-	-	-
Cash – other currencies	-	-	-	-	-	-
Domestic sovereign debt	-	-	-	-	-	-
Other sovereign debt	-	-	-	-	-	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	-	-	-	-
Equity securities	-	-	-	-	-	-
Other collateral	-	-	-	-	-	-
Total	-	-	-	-	-	-

Leverage ratio

Template LR1 – Summary comparison of accounting assets vs leverage ratio exposure measure - Grindrod Bank Limited

		Mar-24
		R'000
1	Total consolidated assets as per published financial statements	16,116,883
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	3,469
5	Adjustment for securities financing transactions (ie repos and similar secured lending)	-
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	857,513
7	Other adjustments	-
8	Leverage ratio exposure measure	16,977,865

Leverage ratio

Template LR2: Leverage ratio common disclosure template - Grindrod Bank Limited

		Mar-24	Dec-23
		T	T-1
		R'000	R'000
		Quarter-end	Quarter-end
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	16,116,883	15,746,939
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	-	-
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 and 2)	16,116,883	15,746,939
Derivative exposures			
4	Replacement cost associated with <i>all</i> derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	3,041	3,356
5	Add-on amounts for potential future exposure (PFE) associated with <i>all</i> derivatives transactions	428	478
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-	-
8	(Exempted central counterparty, or CCP, leg of client-cleared trade exposures)	-	-
9	Adjusted effective notional amount of written credit derivatives	-	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
11	Total derivative exposures (sum of rows 4 to 10)	3,469	3,834
Securities financing transaction exposures			
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
14	Counterparty credit risk exposure for SFT assets	-	-
15	Agent transaction exposures	-	-
16	Total securities financing transaction exposures (sum of rows 12 to 15)	-	-
Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	1,435,765	1,840,908
18	(Adjustments for conversion to credit equivalent amounts)	(578,252)	(680,137)
19	Off-balance sheet items (sum of rows 17 and 18)	857,513	1,160,771
Capital and total exposures			
20	Tier 1 capital	1,915,482	1,868,686
21	Total exposures (sum of rows 3, 11, 16 and 19)	16,977,865	16,911,544
Leverage ratio			
22	Basel III leverage ratio	11.28%	11.05%

Liquidity

Template LIQ1: Liquidity Coverage Ratio (LCR)

		Mar-24	
		a	b
		Total unweighted value	Total weighted value
		(average)	(average)
		R'000	R'000
High-quality liquid assets			
1	Total HQLA	4,889,350	4,889,350
Cash outflows			
2	Retail deposits and deposits from small business customers, of which:		
3	Stable deposits	-	-
4	Less stable deposits	2,718,739	271,874
5	Unsecured wholesale funding, of which:		
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
7	Non-operational deposits (all counterparties)	7,814,484	2,252,651
8	Unsecured debt		
9	Secured wholesale funding	-	-
10	Additional requirements, of which:		
11	Outflows related to derivative exposures and other collateral requirements	-	-
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	-	-
14	Other contractual funding obligations	916,264	51,855
15	Other contingent funding obligations	460,813	22,393
16	TOTAL CASH OUTFLOWS	11,910,300	2,598,773
Cash inflows			
17	Secured lending (e.g. reverse repos)	-	-
18	Inflows from fully performing exposures	1,192,523	1,043,666
19	Other cash inflows	130,310	130,310
20	TOTAL CASH INFLOWS	1,322,833	1,173,976
		Total adjusted value	
21	Total HQLA		4,889,350
22	Total net cash outflows		1,424,797
23	Liquidity Coverage Ratio (%)		343

To manage liquidity risk, the Group performs, among others, the following:

- Contractual maturity mismatch analysis
- Monitoring maintenance of high quality liquid assets in excess of statutory requirements
- Monitoring diversification of the funding base

Diversification of funding is monitored with respect to term, product and counterparty to ensure a varied overall funding mix.

A liquidity buffer is maintained in the form of unencumbered cash, government securities (typically eligible for repurchase with the central bank), and near cash well in excess of the regulatory requirements.

The Group manages funding requirements by assessing the liquidity impact under normal (business as usual) and stressed scenarios.

The Group maintains contingency funding plans which detail the course of actions that can be taken in the event of a liquidity stress including processes to be followed in the event of a stress situation.

Liquidity

Template LIQ2: Net Stable Funding Ratio (NSFR) - Grindrod Bank Limited

		Mar-24				
		a	b	c	d	e
		Unweighted value by residual maturity				Weighted
		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	value
		R'000	R'000	R'000	R'000	R'000
Available stable funding (ASF) item						
1	Capital:					
2	Regulatory capital				1,959,901	1,959,901
3	Other capital instruments				69,621	69,621
4	Retail deposits and deposits from small business customers:					
5	Stable deposits		-	-	-	-
6	Less stable deposits		8,361,184	74,915	19,372	7,611,861
7	Wholesale funding:					
8	Operational deposits		-	-	-	-
9	Other wholesale funding		5,540,308	28,239	21,275	2,193,534
10	Liabilities with matching interdependent assets					
11	Other liabilities:					
12	NSFR derivative liabilities				95	
13	All other liabilities and equity not included in the above categories		64,616	6,506	7,661	10,914
14	Total ASF					11,845,832
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)					104,023
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:					
18	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	585,779	-	-	87,867
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	4,262,858	860,837	7,604,625	7,778,321
21	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	-	-
22	Performing residential mortgages, of which:					
23	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk					
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities		0			0
25	Assets with matching interdependent liabilities					
26	Other assets:					
27	Physical traded commodities, including gold					
28	Assets posted as initial margin for derivative contracts and contributions to default funds of central counterparties				-	-
29	NSFR derivative assets				2,041	2,041
30	NSFR derivative liabilities before deduction of variation margin posted				-	-
31	All other assets not included in the above categories				352,425	352,425
32	Off-balance sheet items				1,141,728	57,095
33	Total RSF					8,381,772
34	Net Stable Funding Ratio (%)					141