



GRINDROD FINANCIAL HOLDINGS LIMITED
BASEL PILLAR III DISCLOSURE REPORT
30 June 2020

Capital management

Template KM1: Key metrics - Grindrod Bank Limited

		a	b	c	d	e
		Jun-20	Mar-20	Dec-19	Sep-19	Jun-19
		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)	1 257 877	1 217 877	1 217 877	1 224 798	1 224 797
1a	Fully loaded ECL accounting model CET1	1 257 877	1 217 877	1 217 877	1 224 798	1 224 797
2	Tier 1	1 542 877	1 502 877	1 502 877	1 509 798	1 509 797
2a	Fully loaded ECL accounting model Tier 1	1 542 877	1 502 877	1 502 877	1 509 798	1 509 797
3	Total capital	1 566 826	1 525 006	1 525 006	1 539 439	1 539 438
3a	Fully loaded ECL accounting model total capital	1 566 826	1 525 006	1 525 006	1 539 439	1 539 438
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	11 232 361	9 787 049	9 457 107	10 253 170	9 849 410
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	11,20%	12,44%	12,88%	11,95%	12,44%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	11,20%	12,44%	12,88%	11,95%	12,44%
6	Tier 1 ratio (%)	13,74%	15,36%	15,89%	14,73%	15,33%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	13,74%	15,36%	15,89%	14,73%	15,33%
7	Total capital ratio (%)	13,95%	15,58%	16,13%	15,01%	15,63%
7a	Fully loaded ECL accounting model total capital ratio (%)	13,95%	15,58%	16,13%	15,01%	15,63%
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 (%)	4,20%	4,94%	5,38%	4,45%	4,94%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	12 807 851	13 381 397	14 175 828	13 648 295	12 951 823
14	Basel III leverage ratio (%) (row 2 / row 13)	12,05%	11,23%	10,60%	11,06%	11,66%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%)	12,05%	11,23%	10,60%	11,06%	11,66%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA)	987 732	2 632 243	2 687 739	1 399 206	1 409 274
16	Total net cash outflow	527 306	468 582	553 573	561 644	496 383
17	LCR (%)	187%	562%	486%	249%	284%
Net Stable Funding Ratio						
18	Total available stable funding	8 899 134	9 766 893	10 060 387	9 374 039	9 117 240
19	Total required stable funding	6 789 443	6 365 684	6 269 125	6 394 687	6 229 233
20	NSFR	131%	153%	160%	147%	146%

Capital management

Template KM1: Key metrics at consolidated level - Grindrod Financial Holdings Limited

		a	b	c	d	e
		Jun-20	Mar-20	Dec-19	Sep-19	Jun-19
		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)	1 254 042	1 217 949	1 217 881	1 224 870	1 224 869
1a	Fully loaded ECL accounting model CET1	1 254 042	1 217 949	1 217 881	1 224 870	1 224 869
2	Tier 1	1 539 042	1 502 949	1 502 881	1 509 870	1 509 869
2a	Fully loaded ECL accounting model Tier 1	1 539 042	1 502 949	1 502 881	1 509 870	1 509 869
3	Total capital	1 562 991	1 525 078	1 525 010	1 539 511	1 539 510
3a	Fully loaded ECL accounting model total capital	1 562 991	1 525 078	1 525 010	1 539 511	1 539 510
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	18 223 548	16 965 165	16 437 508	10 460 883	10 104 320
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	6,88%	7,18%	7,41%	11,71%	12,12%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	6,88%	7,18%	7,41%	11,71%	12,12%
6	Tier 1 ratio (%)	8,45%	8,86%	9,14%	14,43%	14,94%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	8,45%	8,86%	9,14%	14,43%	14,94%
7	Total capital ratio (%)	8,58%	8,99%	9,28%	14,72%	15,24%
7a	Fully loaded ECL accounting model total capital ratio (%)	8,58%	8,99%	9,28%	14,72%	15,24%
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 (%)	-0,12%	-0,32%	-0,09%	4,21%	4,62%
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	14 364 636	15 056 197	15 914 322	13 855 827	13 417 124
14	Basel III leverage ratio (%) (row 2 / row 13)	10,71%	9,98%	9,44%	10,90%	11,25%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%)	10,71%	9,98%	9,44%	10,90%	11,25%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA)	-	-	-	-	-
16	Total net cash outflow	-	-	-	-	-
17	LCR (%)	0%	0%	0%	0%	0%
Net Stable Funding Ratio						
18	Total available stable funding	-	-	-	-	-
19	Total required stable funding	-	-	-	-	-
20	NSFR	0%	0%	0%	0%	0%

Capital management

Template OV1: Overview of RWA - Grindrod Bank Limited

		a	b	c
		RWA		Minimum capital requirements
		Jun-20	Mar-20	Jun-20
		T	T-1	T
		R'000	R'000	R'000
1	Credit risk (excluding counterparty credit risk)	8 338 899	6 832 601	875 584
2	Of which: standardised approach	8 338 899	6 832 601	875 584
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)	7 493	8 618	787
7	Of which: standardised approach for counterparty credit risk	7 493	8 618	787
8	Of which: Internal Model Method (IMM)	-	-	0
9	Of which: other CCR	-	-	0
10	Credit valuation adjustment (CVA)	13 198	15 301	1 386
11	Equity positions under the simple risk weight approach and the internal model method	1 840 091	1 841 089	193 210
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	-	-	-
21	Of which: standardised approach	-	-	-
22	Of which: internal models approach (IMA)	-	-	-
23	Operational risk	889 358	893 694	93 383
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
25	Floor adjustment	143 322	195 746	15 049
26	Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25)	11 232 361	9 787 049	1 179 398

Capital management

Template OV1: Overview of RWA - Grindrod Financial Holdings Limited

		a	b	c
		RWA		Minimum capital requirements
		Jun-20	Mar-20	Mar-20
		T	T-1	T
		R'000	R'000	R'000
1	Credit risk (excluding counterparty credit risk)	8 338 899	6 834 226	875 584
2	Of which: standardised approach	8 338 899	6 834 226	875 584
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)	7 493	8 618	787
7	Of which: standardised approach for counterparty credit risk	7 493	8 618	787
8	Of which: Internal Model Method (IMM)			
9	Of which: other CCR			
10	Credit valuation adjustment (CVA)	13 198	15 301	1 386
11	Equity positions under the simple risk weight approach and the internal model method	8 815 752	9 001 852	925 654
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			
21	Of which: standardised approach			
22	Of which: internal models approach (IMA)			
23	Operational risk	889 358	893 694	93 383
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	-	-	-
25	Floor adjustment	158 848	211 474	16 679
26	Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25)	18 223 548	16 965 165	1 913 473

Composition of Capital

Template CC1 – Composition of regulatory capital - Grindrod Bank Limited

		Jun-20
		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	916 278
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	1 264 857
Common Equity Tier 1 capital: regulatory adjustments		
7	Prudent valuation adjustments	-
8	Goodwill (net of related tax liability)	-
9	Other intangibles other than mortgage servicing rights (MSR) (net of related tax liability)	-
10	Deferred tax assets (DTA) that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	6 980
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	-
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	6 980
29	Common Equity Tier 1 capital (CET1)	1 257 877
	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)	1 542 877
	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	23 949
51	Tier 2 capital before regulatory adjustments	23 949
	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	23 949

59	Total regulatory capital (= Tier 1 + Tier2)	1 566 826
60	Total risk-weighted assets	11 232 361
	Capital adequacy ratios and buffers	
61	Common Equity Tier 1 capital (as a percentage of risk-weighted assets)	11,199%
62	Tier 1 capital (as a percentage of risk-weighted assets)	13,736%
63	Total capital (as a percentage of risk-weighted assets)	13,949%
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	2,500%
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	4,199%
	National minima (if different from Basel III)	
69	National minimum Common Equity Tier 1 capital adequacy ratio (if different from Basel III minimum)	7,00%
70	National minimum Tier 1 capital adequacy ratio (if different from Basel III minimum)	8,50%
71	National minimum Total capital adequacy ratio (if different from Basel III minimum)	10,50%
	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)	17 966
	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)	23 949
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 CC1 – Composition of regulatory capital - Grindrod Financial Holdings Limited

		Jun-20
		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	380 278
2	Retained earnings	880 744
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	1 261 022
Common Equity Tier 1 capital: regulatory adjustments		
7	Prudent valuation adjustments	-
8	Goodwill (net of related tax liability)	-
9	Other intangibles other than mortgage servicing rights (MSR) (net of related tax liability)	-
10	Deferred tax assets (DTA) that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	6 980
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	-
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	6 980
29	Common Equity Tier 1 capital (CET1)	1 254 042
	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)	1 539 042
	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	23 949
51	Tier 2 capital before regulatory adjustments	23 949
	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	23 949
59	Total regulatory capital (= Tier 1 + Tier2)	1 562 991
60	Total risk-weighted assets	18 223 548

Capital adequacy ratios and buffers		
61	Common Equity Tier 1 capital (as a percentage of risk-weighted assets)	6,881%
62	Tier 1 capital (as a percentage of risk-weighted assets)	8,445%
63	Total capital (as a percentage of risk-weighted assets)	8,577%
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	2,500%
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	-0,119%
National minima (if different from Basel III)		
69	National minimum Common Equity Tier 1 capital adequacy ratio (if different from Basel III minimum)	7,00%
70	National minimum Tier 1 capital adequacy ratio (if different from Basel III minimum)	8,50%
71	National minimum Total capital adequacy ratio (if different from Basel III minimum)	10,50%
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)	17 967
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)	23 949
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

	Jun-20		
	a	b	c
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As at period-end	As at period-end	
Assets	R'000	R'000	
Property and equipment	10 380	10 380	
Investment securities	195 581	195 581	
Deferred taxation	24 946	24 946	
Loans and advances	7 760 036	7 760 036	
Preference shares - linked to trust participatory contributions	-	-	
Other assets	88 027	88 027	
Liquid assets and short-term negotiable securities	1 598 881	1 598 881	
Cash and short-term funds	2 538 415	2 538 415	
Total assets	12 216 266	12 216 266	
Liabilities			
Deposits and funding instruments	10 510 270	10 510 270	
Derivative instruments	74 825	74 825	
Provisions	6 421	6 421	
Other liabilities	35 431	35 431	
Trust participatory contributions	-	-	
Taxation	206	206	
Deferred taxation	-	-	
Total liabilities	10 627 153	10 627 153	
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	955 534	955 534	
Total shareholders' equity	1 589 113	1 589 113	

Composition of Capital

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

	Jun-20		
	a	b	c
	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
	As at period-end	As at period-end	
Assets	R'000	R'000	
Property and equipment	10 380	10 380	
Investment securities	9 397	9 397	
Deferred taxation	24 946	24 946	
Loans and advances	7 760 036	7 760 036	
Preference shares - linked to trust participatory contributions	1 727 444	1 727 444	
Other assets	103 550	103 550	
Liquid assets and short-term negotiable securities	1 598 881	1 598 881	
Cash and short-term funds	2 538 417	2 538 417	
Total assets	13 773 051	13 773 051	
Liabilities			
Deposits and funding instruments	10 510 270	10 510 270	
Derivative instruments	74 825	74 825	
Provisions	6 421	6 421	
Other liabilities	61 442	61 442	
Trust participatory contributions	1 530 774	1 530 774	
Taxation	206	206	
Deferred taxation	-	-	
Total liabilities	12 183 938	12 183 938	
Shareholders' equity			
Paid-in share capital	665 278	665 278	
Of which: amount eligible for CET1 capital	380 278	380 278	
Of which: amount eligible for AT1 capital	285 000	285 000	
Retained earnings	923 835	923 835	
Total shareholders' equity	1 589 113	1 589 113	

Credit Risk

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

		Jun-20					
		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)	-	7 493		1,4	6 780	20 691
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						20 691

The Group's exposure to counterparty credit risk is in respect of over the counter interest rate swaps entered into on behalf of clients for the purpose of hedging exposures 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 and Grindrod Financial Holdings Limited

		Jun-20	
		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	6 780	13 198
4	Total subject to the CVA capital charge	6 780	13 198

Credit Risk

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

	Jun-20								
	a	b	c	d	e	f	g	h	i
Risk weight****→	0%	10%	20%	50%	75%	100%	150%	Others	Total credit exposure
Regulatory portfolio*!									
Sovereigns									-
Non-central government public sector entities									-
Multilateral development banks									-
Banks						20 691			20 691
Securities firms									-
Corporates									-
Regulatory retail portfolios									-
Other assets									-
Total	-	-	-	-	-	20 691	-	-	20 691

Credit Risk

Template CCR5: Composition of collateral for CCR exposure - Grindrod Bank Limited and Grindrod Financial Holdings 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				77 564		
Cash – other currencies						
Domestic sovereign debt						
Other sovereign debt						
Government agency debt						
Corporate bonds						
Equity securities						
Other collateral						
Total	-	-	-	77 564	-	-

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 on standardised approach exposures	Allocated in regulatory category of Specific	Allocated in regulatory category of General	Of which ECL accounting provisions for credit losses on IRB exposures	Net values (a+b-c)
		Defaulted exposures	Non- defaulted exposures						
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
1	Loans	491 101	10 123 821	87 198	63 250	23 948	-	-	10 527 724
2	Debt Securities	-	-	-	-	-	-	-	-
3	Off-balance sheet exposures	-	981 900	-	-	-	-	-	981 900
4	Total	491 101	11 105 721	87 198	63 250	23 948	-	-	11 509 624

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.

Credit Risk

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

		Jun-20
		a
		R'000
1	Defaulted loans and debt securities at end of the previous reporting period	236 544
2	Loans and debt securities that have defaulted since the last reporting period	287 400
3	Returned to non-defaulted status	-
4	Amounts written off	-
5	Other changes	- 32 843
6	Defaulted loans and debt securities at end of the reporting period	491 101
	(1+2-3-4+5)	

Credit Risk

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

		Jun-20				
		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	-	11 596 822	11 533 572	-	-
2	Debt securities	-	-	-	-	-
3	Total	-	11 596 822	11 533 572	-	-
4	Of which defaulted	-	491 101	491 101	-	-

Credit Risk

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

		Jun-20					
		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	R'000
1	Sovereigns and their central banks	787 256	-	787 256	-	-	-
2	Non-central government public sector entities	-	-	-	-	-	-
3	Multilateral development banks	-	-	-	-	-	-
4	Banks	2 832 612	-	2 832 612	-	971 959	12%
5	Securities firms	-	-	-	-	-	0%
6	Corporates	6 446 903	973 520	6 446 903	272 474	7 340 060	87%
7	Regulatory retail portfolios	-	-	-	-	-	-
8	Secured by residential property	57 050	8 380	57 050	4 190	34 373	0%
9	Secured by commercial real estate	-	-	-	-	-	-
10	Equity	-	-	-	-	-	-
11	Past-due loans	491 101	-	491 101	-	-	-
12	Higher-risk categories	-	-	-	-	-	-
13	Other assets	364 483	-	364 483	-	98 407	1%
14	Total	10 979 405	981 900	10 979 405	276 664	8 444 799	100%

Credit Risk

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

		Jun-20									
		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 ¹		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	787 256	-	-	-	-	-	-	-	-	787 256
2	Non-central government public sector entities	-	-	-	-	-	-	-	-	-	-
3	Multilateral development banks	-	-	-	-	-	-	-	-	-	-
4	Banks	-	-	2 325 816	-	-	-	506 796	-	-	2 832 612
5	Securities firms	-	-	-	-	-	-	-	-	-	-
6	Corporates	-	-	-	-	1	-	6 696 313	23 065	-	6 719 377
7	Regulatory retail portfolios	-	-	-	-	-	-	-	-	-	-
8	Secured by residential property	-	-	-	41 334	-	-	19 906	-	-	61 240
9	Secured by commercial real estate	-	-	-	-	-	-	-	-	-	-
10	Equity	-	-	-	-	-	-	-	-	-	-
11	Past-due loans	-	-	-	-	82 912	-	17 981	390 208	-	491 101
12	Higher-risk categories	-	-	-	-	-	-	-	-	-	-
13	Other assets	266 076	-	-	-	-	-	98 407	-	-	364 483
14	Total	1 053 332	-	2 325 816	41 334	82 911	-	7 330 409	419 279	-	11 286 089

Leverage ratio

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

		Jun-20
		R'000
1	Total consolidated assets as per published financial statements	12 209 286
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	7 493
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)	591 073
7	Other adjustments	-
8	Leverage ratio exposure measure	12 807 851

Leverage ratio

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

		Jun-20
		R'000
1	Total consolidated assets as per published financial statements	13 766 071
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	7 493
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)	591 073
7	Other adjustments	-
8	Leverage ratio exposure measure	14 364 636

Leverage ratio

Template LR2: Leverage ratio common disclosure template - Grindrod Bank

		Jun-20	Mar-20
		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)	12 209 286	12 870 312
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)	12 209 286	12 870 312
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)	-	905
5	Add-on amounts for potential future exposure (PFE) associated with <i>all</i> derivatives transactions	7 493	-
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)	7 493	905
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	981 900	923 409
18	(Adjustments for conversion to credit equivalent amounts)	- 390 828	- 413 229
19	Off-balance sheet items (sum of rows 17 and 18)	591 073	510 180
Capital and total exposures			
20	Tier 1 capital	1 542 877	1 502 877
21	Total exposures (sum of rows 3, 11, 16 and 19)	12 807 851	13 381 397
Leverage ratio			
22	Basel III leverage ratio	12,05%	11,23%

Leverage ratio

Template LR2: Leverage ratio common disclosure template - Grindrod Financial Holdings Limited

		Jun-20	Mar-20
		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)	13 766 071	14 545 112
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)	13 766 071	14 545 112
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)	-	905
5	Add-on amounts for potential future exposure (PFE) associated with <i>all</i> derivatives transactions	7 493	-
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)	7 493	905
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	981 900	923 409
18	(Adjustments for conversion to credit equivalent amounts)	- 390 828	- 413 229
19	Off-balance sheet items (sum of rows 17 and 18)	591 073	510 180
Capital and total exposures			
20	Tier 1 capital	1 539 042	1 502 949
21	Total exposures (sum of rows 3, 11, 16 and 19)	14 364 636	15 056 197
Leverage ratio			
22	Basel III leverage ratio	10,71%	9,98%

Liquidity

Template LIQ1: Liquidity Coverage Ratio (LCR)

		Jun-20	
		a	b
		Total unweighted value	Total weighted value
		(average)	(average)
		R'000	R'000
High-quality liquid assets			
1	Total HQLA		1 749 118
Cash outflows			
2	Retail deposits and deposits from small business customers, of which:		
3	Stable deposits	-	-
4	Less stable deposits	1 694 598	169 460
5	Unsecured wholesale funding, of which:		
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-
7	Non-operational deposits (all counterparties)	5 383 987	1 738 308
8	Unsecured debt		
9	Secured wholesale funding		-
10	Additional requirements, of which:		
11	Outflows related to derivative exposures and other collateral requirements	223	223
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	-	-
14	Other contractual funding obligations	369 958	25 236
15	Other contingent funding obligations	258 420	12 014
16	TOTAL CASH OUTFLOWS		1 945 241
Cash inflows			
17	Secured lending (eg reverse repos)	-	-
18	Inflows from fully performing exposures	3 230 755	2 975 293
19	Other cash inflows	34 729	34 729
20	TOTAL CASH INFLOWS	3 265 484	3 010 022
		Total adjusted value	
21	Total HQLA		1 749 118
22	Total net cash outflows		486 310
23	Liquidity Coverage Ratio (%)		360

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 which details processes to be followed in the event of a stress situation.

Liquidity

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

		Jun-20				
		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				1 573 806	1 573 806
3	Other capital instruments				39 256	39 256
4	Retail deposits and deposits from small business customers:					
5	Stable deposits		-	-	-	-
6	Less stable deposits		4 865 476	134 807	22 220	4 522 475
7	Wholesale funding:					
8	Operational deposits		-	-	-	-
9	Other wholesale funding		4 539 020	342 902	605 845	2 721 539
10	Liabilities with matching interdependent assets					
11	Other liabilities:					
12	NSFR derivative liabilities				2 739	
13	All other liabilities and equity not included in the above categories		-	-	42 058	42 058
14	Total ASF					8 899 134
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)					38 815
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		2 406 214			360 932
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:		2 227 522	431 596	5 539 500	5 915 668
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		1 377	1 235	35 013	24 064
24	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities		600 185			300 093
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				-	-
30	NSFR derivative liabilities before deduction of variation margin posted				-	-
31	All other assets not included in the above categories				119 766	119 766
32	Off-balance sheet items				635 503	30 105
33	Total RSF					6 789 443
34	Net Stable Funding Ratio (%)					131,07



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