



PILLAR 3 DISCLOSURES

DECEMBER 2018

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COMPOSITION OF CAPITAL DISCLOSURE TEMPLATE

ANNEXURE A

Name of bank/ controlling company **Grocapital Holdings Limited (Group)**

Six months ended 2018-12-31

TEMPLATE CC1: COMPOSITION OF REGULATORY CAPITAL

Basel III common disclosure template to be used during the transition of regulatory adjustments (i.e. from 1 June 2013 to 1 January 2018)		a	b
Common Equity Tier 1 capital: instruments and reserves		Amounts	Source based on reference numbers
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	466,646	(h)
2	Retained earnings		
3	Accumulated other comprehensive income (and other reserves) (BA700 line 31 column 1)	-	
6	Common Equity Tier 1 capital before regulatory adjustments (BA700 line 41 column 1)	466,859	
Common Equity Tier 1 capital: regulatory adjustments			
9	Other intangibles other than mortgage-servicing rights (net related tax liability)	86,222	(b) minus (e)
28	Total regulatory adjustments to Common equity Tier 1 (BA700 lines 42+55+57+58+59+61+63 column 1)	144,876	
29	Common Equity Tier 1 (CET1) (BA700 line 64 column 1)	321,983	
44	Additional Tier 1 capital (AT1) (BA700 line 76 column 1)	-	
45	Tier 1 capital (T1 = CET1 + AT1) (BA700 line 77 column 1)	321,983	
Tier 2 capital and provisions			
50	Provisions (BA700 line 84 column 1)	9,365	
51	Tier 2 capital before regulatory adjustments (BA700 line 78 column 1)	9,365	
Tier 2 capital: regulatory adjustments			
57	Total regulatory adjustments to Tier 2 capital (BA700 line 86 column 1)	-	
58	Tier 2 capital (T2) (BA700 line 87 column 1)	9,365	
59	Total capital (TC = T1 + T2) (BA700 line 88 column 1)	331,347	
60	Total risk weighted assets (BA700 line 6 column 7)	1,725,147	
Capital ratios			
61	Common Equity Tier 1 (as a percentage of risk weighted assets) (BA700 line 18 column 1)	18.66%	
62	Tier 1 (as a percentage of risk weighted assets) (BA700 line 18 column 2)	18.66%	
63	Total capital (as a percentage of risk weighted assets) (BA700 line 18 column 3)	19.21%	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	10.54%	
National Minima (if different from Basel 3)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum) (BA700 Column 1 (lines 9 + 14 + 15)) Excluding ICR and DSIB	4.50%	
70	National Tier 1 minimum ratio (if different from Basel 3 minimum) (BA700 Column 2 (lines 9 + 14 + 15)) Excluding ICR and DSIB	6.00%	
71	National total capital minimum ratio (if different from Basel 3 minimum) (BA700 Column 3 (lines 9 + 14 + 15)) Excluding ICR and DSIB	8.00%	
Applicable caps on the inclusion of provisions in Tier 2			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	18,256	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	9,365	

COMPOSITION OF CAPITAL DISCLOSURE TEMPLATE

ANNEXURE A

Name of bank/ controlling company **Grocapital Holdings Limited (Group)**

Six months ended 2018-12-31

TEMPLATE CC2: RECONCILIATION OF REGULATORY CAPITAL TO BALANCE SHEET

in 000's

	a	b	c
	Balance sheet as in audited financial statements	Under regulatory scope of consolidation	Reference
	As @ end of period	As @ end of period	
Assets			
Cash and balances at central banks	69,737	69,737	
Items in the course of collection from other banks			
Trading portfolio assets			
Financial assets designated at fair value			
Derivative financial instruments	5,593	5,593	
Loans and advances to banks	226,556	226,556	
Loans and advances to customers	1,765,003	1,765,003	
Reverse repurchase agreements and other similar secured lending			
Available for sale financial instruments	1,126,024	1,126,024	
Current and deferred tax assets			
Prepayments, accrued income and other assets	27,770	27,770	
Investments in associates and joint ventures			
Other Investments	15	15	
Goodwill and intangible assets	122,110	122,110	
Of which: goodwill	35,888	35,888	(a)
Of which: other intangibles (excluding MSRs)	86,222	86,222	(b)
Of which: MSRs			(c)
Property, plant and equipment	15,417	15,417	
Total assets	3,358,226	3,358,226	

	a	b	c
	Balance sheet as in audited financial statements	Under regulatory scope of consolidation	Reference
Liabilities	As @ end of period	As @ end of period	
Deposits from banks	363,272	363,272	
Items in the course of collection due to other banks	251,250	251,250	
Customer accounts	2,218,824	2,218,824	
Repurchase agreements and other similar secured borrowing			
Trading portfolio liabilities			
Financial liabilities designated at fair value			
Derivative financial instruments	5,794	5,794	
Debt securities in issue			
Accruals, deferred income and other liabilities	74,994	74,994	
Current and deferred tax liabilities			
Of which: DTLs related to goodwill			(d)
Of which: DTLs related to intangible assets			(e)
Of which: DTLs related to MSRs			(f)
Subordinated liabilities	-	-	
Provisions			
Retirement benefit liabilities			
Total liabilities	2,914,133	2,914,133	
Shareholder's Equity			
Paid-in share capital	466,646	466,646	
Of which: amount eligible for CET1	466,646	466,646	(h)
Of which: amount eligible for AT1			(i)
Retained earnings	(22,766)	(22,766)	
Accumulated and other comprehensive income	213	213	
Total shareholder's equity	444,093	444,093	

MAIN FEATURES DISCLOSURE TEMPLATE

ANNEXURE B

Name of bank/ controlling company **GroCapital Holdings (Group)**

Six months ended 2018-12-31

TABLE CCA: MAIN FEATURES OF REGULATORY CAPITAL INSTRUMENTS

Disclosure template for main features of regulatory capital instruments		Ordinary Share Capital (Including Share Premium)	Subordinated Debt
1	Issuer	GroCapital Holdings	
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	Not Applicable	
3	Governing law(s) of the instrument	South African Banks Act 1990	
Regulatory treatment			
4	Transitional Basel III rules	CET1	
5	Post-transitional Basel III rules	CET1	
6	Eligible at solo group/group & solo	Group	
7	instrument type (types to be specified by each jurisdiction)	Ordinary Share Capital and Share Premium	
8	Amount recognised in regulatory capital (Currency in mil, as of most recent reporting date)	ZAR 466million	
9	Par value of instrument	ZAR 1	
10	Accounting classification	Equity attributable to ordinary shares	
11	Original date of issuance	Ongoing	
12	Perpetual or dated	Perpetual	
13	Original maturity date	N/A	
14	Issuer call subject to prior supervisory approval	No	
15	Optional call date, contingent call dates and redemption amount	N/A	
16	Subsequent call date, if applicable	N/A	
Coupons / dividends			
17	Fixed or floating dividend / coupon	N/A	
18	Coupon rate and any related index	N/A	
19	Existence of a dividend stopper	No	
20	Fully discretionary, partially discretionary or mandatory	Full Discretionary	
21	Existence of step up or other incentive to redeem	No	
22	Noncumulative or cumulative	Non-cumulative	
23	Convertible or non-convertible	Non-convertible	
24	If convertible, conversion trigger (s)	N/A	

	Disclosure template for main features of regulatory capital instruments	Ordinary Share Capital (Including Share Premium)	Subordinated Debt
25	If convertible, fully or partially	N/A	
26	If convertible, conversion rate	N/A	
27	If convertible, mandatory or optional conversion	N/A	
28	If convertible, specify instrument type convertible into	N/A	
29	If convertible, specify issuer of instrument it converts into	N/A	
30	Write-down feature	N/A	
31	If write-down, write-down trigger (s)	N/A	
32	If write-down, full or partial	N/A	
33	If write-down, permanent or temporary	N/A	
34	If temporary write-down, description of write-up mechanism	N/A	
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Basel III Compliant	
36	Non-compliant transitioned features	No	
37	If yes, specify non-compliant features	N/A	

RISK WEIGHTED ASSETS DISCLOSURE TEMPLATE
ANNEXURE A

 Name of bank/ controlling company **GroCapital Holdings (Group)**

Period ended 2018-12-31

in 000's

		T	d
		a	
		RWA	Minimum capital requirements = 8%
		Dec-18	Dec-18
1	Credit risk (excluding counterparty credit risk)	1,493,629	119,490
2	Of which: standardised approach (SA)	1,493,629	119,490
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)	14,173	1,134
7	Of which: standardised approach for counterparty credit risk	14,173	1,134
8	Of which: Internal Model Method (IMM)		
9	Of which: other CCR		
10	Credit valuation adjustment (CVA)		
11	Equity positions under the simple risk weight approach		
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	1,327	106
21	Of which: standardised approach (SA)	1,327	106
22	Of which: internal model approaches (IMA)		
23	Capital charge for switch between trading book and banking book		
24	Operational risk	216,018	17,281
25	Amounts below the thresholds for deduction (subject to 250% risk weight)		
26	Floor adjustment		
27	Total (1 + 6 + 10 + 11 + 12 + 13 + 14 + 15 + 16 + 20 + 23 + 24 + 25 + 26)	1,725,147	138,012

KEY METRICS DISCLOSURE TEMPLATE
ANNEXURE A - KM1

 Name of bank/ controlling company **GroCapital Holdings (Group)**

Period ended 2018-12-31

		in 000's
		a
		T
		Dec-18
	Available capital (amounts)	
1	Common Equity Tier 1 (CET1)	321,983
1a	Fully loaded ECL accounting model	
2	Tier 1	321,983
2a	Fully loaded ECL accounting model Tier 1	
3	Total capital	331,347
3a	Fully loaded ECL accounting model total capital	
	Risk-weighted assets (amounts)	
4	Total risk-weighted assets (RWA)	1,725,147
	Risk-based capital ratios as a percentage of RWA	
5	Common Equity Tier 1 ratio (%)	18.66%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	
6	Tier 1 ratio (%)	18.66%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	
7	Total capital ratio (%)	19.21%
7a	Fully loaded ECL accounting model total capital ratio (%)	
	Additional CET1 buffer requirements as a percentage of RWA	
8	Capital conservation buffer requirement (2.5% from 2019) (%)	1.875%
9	Countercyclical buffer requirement (%)	
10	Bank G-SIB and/or D-SIB additional requirements (%)	
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	1.875%
12	CET1 available after meeting the bank's minimum capital requirements (%)	10.54%
	Basel III leverage ratio	
13	Total Basel III leverage ratio exposure measure	3,377,924
14	Basel III leverage ratio (%) (row 2 / row 13)	9.53%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row13)	9.53%
	Liquidity Coverage Ratio	
15	Total HQLA	1,195,761
16	Total net cash outflow	538,824
17	LCR ratio (%)	221.92%
	Net Stable Funding Ratio	
18	Total available stable funding	2,049,316
19	Total required stable funding	1,586,076
20	NSFR ratio	129.21%

LEVERAGE RATIO DISCLOSURE TEMPLATE**LR 1 & LR 2**Name of bank/ controlling company **GroCapital Holdings (Group)**

Period ended 2018-09-30

Annexure A - LR1**Table 1**

Summary comparison of accounting assets vs leverage ratio exposure measure		Dec-18
	Item	R'000
1	Total consolidated assets as per published financial statements	3,358,226
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	5,526
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	136,282
7	Other adjustments	(122,110)
8	Leverage ratio exposure	3,377,924

Table 2

Leverage ratio common disclosure template		Leverage ratio framework
		Dec-18
	Item	R'000
On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	3,352,631
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(122,110)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	3,230,521
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	5,593
5	Add-on amounts for PFE associated with all derivatives transactions	5,526
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 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 lines 4 to 10)	11,119
Securities financing transaction exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	
14	CCR exposure for SFT assets	
15	Agent transaction exposures	
16	Total securities financing transaction exposures (sum of lines 12 to 15)	-
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	292,092
18	(Adjustments for conversion to credit equivalent amounts)	(155,810)
19	Off-balance sheet items (sum of lines 17 and 18)	136,282
Capital and total exposures		
20	Tier 1 capital	321,983
21	Total exposures (sum of lines 3, 11, 16 and 19)	3,377,924
Leverage ratio		
22	Basel III leverage ratio	9.53%