

sasfin

Holdings Limited



Pillar III Risk Management Report

30 September 2024

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1. Introduction

The risk and capital management report (Pillar 3 disclosure) provides information regarding the activities of Sasfin Holdings Limited (Group) and Sasfin Bank Limited (Bank) in accordance with:

- The Basel Committee on Banking Supervision's (BCBS) revised Pillar 3 disclosure requirements (Pillar 3 standard), BCBS 309 published in January 2015, and the consolidated and enhanced framework, BCBS 400 published in March 2017; and
- Regulation 43 of the Regulations relating to Banks (Regulations), issued in terms of the Banks Act 94 of 1990, Directive D1/2019 on Matters related to Pillar 3 disclosure requirement framework, and all other Pillar 3 disclosure-related directives issued by the Prudential Authority (PA).

The information in this report applies mainly to banking operations, relating to risks directly impacting capital, liquidity, and other regulatory ratios. Monetary values are expressed in rand thousands.

For the reporting period 30 September 2024, the Board and senior management are satisfied that Group and Bank's risk and capital management processes are operating effectively, that business activities have been managed within the enterprise risk management framework (ERMF), and that the Group is adequately capitalised and funded to support the execution of its strategic reset.

This report has been internally verified through the Group's governance processes, in line with the Group's Public Disclosure Policy, which describes the responsibilities of senior management and the Board in the preparation and review of the Pillar 3 disclosure and aims to ensure that:

- Appropriate internal control processes and procedures relating to qualitative and quantitative information are followed. Where weaknesses were identified, specifically on manual controls and processes, management has initiated a remediation programme to address compliance and internal financial control deficiencies. The Board subsequently constituted a sub-committee (Board Remediation Oversight Committee) to oversee the adequate and effective implementation of the remediation plans, progress of which has been reported to the committee on an ongoing basis. Good progress has been made in this regard and the project is close to finalisation;
- The changing nature of user needs, as well as the regulatory environment in terms of qualitative and quantitative information are monitored and understood;
- The relevance, frequency and materiality of public information is constantly assessed; and
- Material risks are identified, and adequately closed.

In this regard, the Board and senior management have ensured that the appropriate procedures were followed in the preparation, review, and sign-off of all disclosures. The Board is satisfied that the Pillar 3 disclosures have been prepared in line with the Public Disclosure Policy, that appropriate internal control processes and reviews have been applied, and that the Pillar 3 disclosure complies with the relevant disclosure requirements.

This report is unaudited.

2. Risk Management and Risk Weighted Assets (RWA)

The approach to risk management is guided by the ERMF, which is effected by the board, management, and other personnel. The ERMF is applied in strategy setting and across the Group to manage risks in accordance with the Group's risk appetite, and to provide reasonable assurance regarding the achievement of the Group's objectives.

2.1 OV1: OVERVIEW OF RISK WEIGHTED ASSETS

Overview of risk management, key prudential metrics, and RWA

		Sasfin Holdings Limited			
		a	b	c	
		RWA			Minimum capital requirements
		Sep-24	Jun-24	Mar-24	Sep-24
R'000		T	T-1	T	T
1	Credit risk (excluding counterparty credit risk)	4 458 864	5 145 545	5 882 368	579 652
2	Of which: standardised approach (SA) ³	4 458 864	5 145 545	5 882 368	579 652
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)	2 347	1 430	7 213	305
7	Of which: standardised approach for counterparty credit risk	2 347	1 430	7 213	305
8	Of which: Internal Model Method (IMM)	-	-	-	-
9	Of which: other CCR	-	-	-	-
10	Credit valuation adjustment (CVA)	981	565	1 422	128
11	Equity positions under the simple risk weight approach ¹	633 434	658 843	304 518	82 346
12	Equity investments in funds – look-through approach	111 842	280 627	206 726	14 539
13	Equity investments in funds – mandate-based approach	-	-	-	-
14	Equity investments in funds – fall-back approach	-	-	-	-
15	Settlement risk	-	-	-	-
16	Securitisation exposures in the banking book ²	746 037	870 883	200 075	96 985
17	Of which: securitisation internal ratings-based approach (SEC-IRBA)	-	-	-	-
18	Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach	-	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	746 037	870 883	200 075	96 985
20	Market risk	46 657	49 711	17 057	6 065
21	Of which: standardised approach (SA)	46 657	49 711	17 057	6 065
22	Of which: internal model approaches (IMA)	-	-	-	-
23	Capital charge for switch between trading book and banking book	-	-	-	-
24	Operational risk	2 276 752	2 276 752	2 195 696	295 978
25	Amounts below thresholds for deduction (subject to 250% risk weight)	160 569	160 569	160 569	20 874
26	Aggregate capital floor applied	-	-	-	-
27	Floor adjustment (before application of transitional cap)	-	-	-	-
28	Floor adjustment (after application of transitional cap)	-	-	-	-
29	Total (1+6+10+11+12+13+14+15+16+20+23+24+25+28)	8 437 483	9 444 926	8 975 644	1 096 872

¹ Decrease QoQ due to lower balances in money market funds.

² Decrease QoQ in Securitisation RWA due to sale of sub debt exposure.

³ Decrease in loan book due to sale of property portfolio in August to African Bank Limited.

2. Risk Management and Risk Weighted Assets (RWA) *continued*

2.2 OV1: OVERVIEW OF RISK WEIGHTED ASSETS

Overview of risk management, key prudential metrics, and RWA

		Sasfin Bank Limited			
		a	b	c	
		RWA			Minimum capital requirements
R'000		Sep-24	Jun-24	Mar-24	Sep-24
		T	T-1	T	T
1	Credit risk (excluding counterparty credit risk) ²	4 085 043	4 856 195	5 032 458	531 056
2	Of which: standardised approach (SA)	4 085 043	4 856 195	5 032 458	531 056
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)	2 347	1 430	7 213	305
7	Of which: standardised approach for counterparty credit risk	2 347	1 430	7 213	305
8	Of which: Internal Model Method (IMM)	-	-	-	-
9	Of which: other CCR	-	-	-	-
10	Credit valuation adjustment (CVA)	981	565	1 422	128
11	Equity positions under the simple risk weight approach	290 441	316 138	316 138	37 757
12	Equity investments in funds – look-through approach	111 842	280 627	206 726	14 539
13	Equity investments in funds – mandate-based approach	-	-	-	-
14	Equity investments in funds – fall-back approach	-	-	-	-
15	Settlement risk	-	-	-	-
16	Securitisation exposures in the banking book ¹	746 037	870 883	200 075	96 985
17	Of which: securitisation internal ratings-based approach (SEC-IRBA)	-	-	-	-
18	Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach	-	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	746 037	870 883	200 075	96 985
20	Market risk	46 657	49 711	17 057	6 065
21	Of which: standardised approach (SA)	46 657	49 711	17 057	6 065
22	Of which: internal model approaches (IMA)	-	-	-	-
23	Capital charge for switch between trading book and banking book	-	-	-	-
24	Operational risk	1 699 534	1 699 534	1 151 383	220 939
25	Amounts below thresholds for deduction (subject to 250% risk weight)	83 983	83 983	105 278	10 918
26	Aggregate capital floor applied	-	-	-	-
27	Floor adjustment (before application of transitional cap)	-	-	-	-
28	Floor adjustment (after application of transitional cap)	-	-	-	-
29	Total (1+6+10+11+12+13+14+15+16+20+23+24+25+28)	7 066 865	8 159 066	7 037 750	918 692

¹ Decrease in Securitisation RWA due to sale of sub debt exposure.

² Decrease in loan book due to sale of property portfolio in August to African Bank Limited.

3. Capital and liquidity Risk

Governance: The Board is responsible for capital management and has delegated certain aspects of its role to the GRMC¹, including setting of appropriate capital targets and ensuring adequate capitalisation. Capital management is governed primarily by the GRMC, which oversees the relevant risks, with the ALCo² and its sub-committee, the Daily Liquidity Committee.

Management and Measurement: The internal capital management approach is embedded in a formal ICAAP³ consisting of the Group's risk appetite, capital, and risk management frameworks (including capital planning and stress testing). The GRMC and Board review the Group's risk profile to ensure that the level of available capital:

- exceeds the Group's minimum regulatory capital requirements by a predetermined margin;
- remains sufficient to support the Group's risk profile;
- remains consistent with the Group's strategic goals; and
- is sufficient to absorb potential losses under severe stress scenarios.

Stress tests are performed on the Group's capital position to determine the impact on the capital position should a severe economic downturn materialise. Stress tests consider changes in the macroeconomic environment, key risks, and vulnerabilities within the Group's business model.

Capital management also includes strategic allocation of capital and capital optimisation.

3.1 KM1: KEY PRUDENTIAL METRICS

Overview of risk management, key prudential metrics and RWA

		Sasfin Holdings Limited				
R'000		a	b	c	d	e
		Sep-24	Jun-24	Mar-24	Dec-23	Sep-23
		T	T-1	T-2	T-3	T-4
Available capital (amounts)						
1	Common Equity Tier 1 (CET1)	1 432 383	1 425 145	1 427 558	1 419 014	1 415 555
1a	Fully loaded ECL accounting model	1 432 383	1 425 145	1 427 558	1 419 014	1 415 555
2	Tier 1	1 432 383	1 425 145	1 427 558	1 419 014	1 415 555
2a	Fully loaded accounting model Tier 1	1 432 383	1 425 145	1 427 558	1 419 014	1 415 555
3	Total capital	1 488 719	1 492 665	1 496 365	1 485 771	1 486 296
3a	Fully loaded ECL accounting model total capital	1 488 719	1 492 665	1 496 365	1 485 771	1 486 296
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	8 437 482	9 444 926	8 975 644	9 005 986	9 118 591
Risk-based capital ratios as a percentage of RWA						
5	Common Equity Tier 1 ratio (%)	16.976%	15.089%	15.905%	15.756%	15.524%
5a	Fully loaded ECL accounting model CET1 (%)	16.976%	15.089%	15.905%	15.756%	15.524%
6	Tier 1 ratio (%)	16.976%	15.089%	15.905%	15.756%	15.524%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	16.976%	15.089%	15.905%	15.756%	15.524%
7	Total capital ratio (%)	17.644%	15.804%	16.671%	16.498%	16.300%
7a	Fully loaded ECL accounting model total capital ratio (%)	17.644%	15.804%	16.671%	16.498%	16.300%
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.500%	2.500%	2.500%	2.500%	2.500%
9	Countercyclical buffer requirement (%)	-	-	-	-	-
10	Bank D-SIB additional requirements (%)	-	-	-	-	-
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.500%	2.500%	2.500%	2.500%	2.500%
12	CET1 available after meeting the bank's minimum capital requirements (%)	8.476%	6.589%	7.405%	7.256%	7.024%
Basel III Leverage Ratio						
13	Total Basel III leverage ratio measure	11 913 685	12 868 650	12 684 771	13 145 929	12 855 816
14	Basel III leverage ratio (%) (row 2/row 13)	12.02%	11.08%	11.25%	10.79%	11.01%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2A/row 13)	12.02%	11.08%	11.25%	10.79%	11.01%
Liquidity Coverage Ratio						
15	Total HQLA	1 351 599	1 094 254	1 234 058	1 122 885	1 120 438
16	Total net cash outflow	362 012	381 665	426 678	373 575	317 392
17	LCR ratio (%)	373.36%	286.71%	289.22%	300.58%	353.01%
Net Stable Funding Ratio						
18	Total available stable funding	7 919 974	8 777 724	4 654 508	5 505 000	5 341 747
19	Total required stable funding	6 925 231	8 096 090	4 464 199	4 867 320	5 133 065
20	NSFR ratio	114.36%	108.42%	104.26%	113.10%	104.07%

¹ Group Risk and Capital Management Committee.

² Asset and Liability Committee.

³ Internal Capital Adequacy Assessment Process.

3. Capital and liquidity Risk *continued*

The capital adequacy ratios remain above the minimum regulatory requirements and within the Board approved limits. The slight decrease in available capital amounts is mainly due to a decrease in tier 2 capital as a result of lower general impairment allowances.

Total risk weighted assets decreased from R9.444 billion (Jun-24) to R8.437 billion (Sept-24), mainly attributable to a decrease in credit risk resulting from the sale of the property portfolio to African Bank and a decrease in equity risk as a result of a decrease in money market exposures to manage capital.

The liquidity coverage ratio remains strong, above the regulatory requirements, and within the Board Risk Appetite. The QoQ increase is mainly attributable to an increase in high quality liquid assets, coupled with a decrease in net cash outflows.

The net stable funding ratio remains above the regulatory minimum requirement of 100%. The QoQ increase is due to a decrease in required stable funding, partially offset by a lower decrease in available stable funding.

3.2 KM1: KEY PRUDENTIAL METRICS

Overview of risk management, key prudential metrics and RWA

		Sasfin Bank Limited				
		a	b	c	d	e
		Sep-24	Jun-24	Mar-24	Dec-23	Sep-23
		T	T-1	T-2	T-3	T-4
R'000						
	Available capital (amounts)					
1	Common Equity Tier 1 (CET1)	1 021 260	1 039 581	1 000 478	1 027 265	1 040 299
1a	Fully loaded ECL accounting model	1 021 260	1 039 581	1 000 478	1 027 265	1 040 299
2	Tier 1	1 021 260	1 039 581	1 000 478	1 027 265	1 040 299
2a	Fully loaded accounting model Tier 1	1 021 260	1 039 581	1 000 478	1 027 265	1 040 299
3	Total capital	1 033 838	1 099 678	1 041 559	1 063 822	1 079 168
3a	Fully loaded ECL accounting model total capital	1 033 838	1 099 678	1 041 559	1 063 822	1 079 168
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	7 066 865	8 159 066	7 037 749	7 150 142	7 232 592
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	14.451%	12.741%	14.216%	14.367%	14.384%
5a	Fully loaded ECL accounting model CET1 (%)	14.451%	12.741%	14.216%	14.367%	14.384%
6	Tier 1 ratio (%)	14.451%	12.741%	14.216%	14.367%	14.384%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	14.451%	12.741%	14.216%	14.367%	14.384%
7	Total capital ratio (%)	14.629%	13.478%	14.800%	14.878%	14.921%
7a	Fully loaded ECL accounting model total capital ratio (%)	14.629%	13.478%	14.800%	14.878%	14.921%
	Additional CET1 buffer requirements as a percentage of RWA					
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.500%	2.500%	2.500%	2.500%	2.500%
9	Countercyclical buffer requirement (%)	-	-	-	-	-
10	Bank D-SIB additional requirements (%)	-	-	-	-	-
11	Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	2.500%	2.500%	2.500%	2.500%	2.500%
12	CET1 available after meeting the bank's minimum capital requirements (%)	5.951%	4.241%	5.716%	5.867%	5.883%
	Basel III Leverage Ratio					
13	Total Basel III leverage ratio measure	11 774 491	12 474 688	8 549 787	9 058 111	8 613 598
14	Basel III leverage ratio (%) (row 2/row 13)	8.67%	8.33%	11.70%	11.34%	12.08%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2A/row 13)	8.67%	8.33%	11.70%	11.34%	12.08%
	Liquidity Coverage Ratio					
15	Total HQLA	1 351 599	1 094 254	1 234 058	1 122 885	1 120 438
16	Total net cash outflow	362 012	381 665	426 678	373 575	317 392
17	LCR ratio (%)	373.36%	286.71%	289.22%	300.58%	353.01%
	Net Stable Funding Ratio					
18	Total available stable funding	7 919 974	8 777 724	4 654 508	5 505 000	5 341 747
19	Total required stable funding	6 925 231	8 096 090	4 464 199	4 867 320	5 133 065
20	NSFR ratio (%)	114.36%	108.42%	104.26%	113.10%	104.07%

4. Leverage ratio

Consistent with the treatment in table KM1, the leverage position is shown on both a regulatory and IFRS basis.

LR1: SUMMARY COMPARISON OF ACCOUNTING ASSETS VS LEVERAGE RATIO EXPOSURE

R'000		Sasfin Holdings Limited	
		a Sep-24	Jun-24
1	Total consolidated assets as per published financial statements	12 159 881	13 063 204
2	Adjustments 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	(212 315)	(224 494)
5	Adjustment for securities financing transactions (ie repos and similar secured lending)	–	–
6	Adjustments for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	106 152	177 935
7	Other adjustments	(140 033)	(147 996)
8	Leverage ratio exposure measure	11 913 685	12 868 649

LR1: SUMMARY COMPARISON OF ACCOUNTING ASSETS VS LEVERAGE RATIO EXPOSURE

R'000		Sasfin Bank Limited	
		a Sep-24	Jun-24
1	Total consolidated assets as per published financial statements	11 760 671	12 394 825
2	Adjustments 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	(586)	(425)
5	Adjustment for securities financing transactions (ie repos and similar secured lending)	–	–
6	Adjustments for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	87 604	159 451
7	Other adjustments	(73 198)	(79 164)
8	Leverage ratio exposure measure	11 774 491	12 474 688

4. Leverage ratio *continued*

LR2: LEVERAGE RATIO COMMON DISCLOSURE TEMPLATE (JANUARY 2014 STANDARD)

		Sasfin Holdings Limited	
		a	b
		Sep-24	Jun-24
R'000		T	T-1
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	11 805 857	12 690 303
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	–	–
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of row 1 and 2)	11 805 857	12 690 303
Derivative exposures			
4	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	1 063	425
5	Add-on amounts for PFE associated with all derivatives transactions	614	596
6	Gross-up for derivatives collateral provide where deducted from the balance sheet assets pursuant to the operative accounting framework	–	–
7	(Deductions of receivable 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 rows 4 to 10)	1 677	1 021
Securities financing transactions			
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	CCR 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	614 482	1 167 728
18	(Adjustments for conversion to credit equivalent amounts)	(508 330)	(989 793)
19	Off-balance sheet items (sum of rows 17 and 18)	106 152	177 935
Capital and total exposures			
20	Tier 1 capital	1 432 383	1 425 755
21	Total exposures (sum of rows 3, 11, 16 and 19)	11 913 685	12 869 261
Leverage ratio			
22	Basel III leverage ratio	12.02%	11.08%

4. Leverage ratio *continued*

LR2: LEVERAGE RATIO COMMON DISCLOSURE TEMPLATE (JANUARY 2014 STANDARD)

		Sasfin Bank Limited	
		a Sep-24 T	b Jun-24 T-1
R'000			
On-balance sheet exposures			
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	11 685 210	12 314 215
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	–	–
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of row 1 and 2)	11 685 210	12 314 215
Derivative exposures			
4	Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	1 063	425
5	Add-on amounts for PFE associated with all derivatives transactions	614	596
6	Gross-up for derivatives collateral provide where deducted from the balance sheet assets pursuant to the operative accounting framework	–	–
7	(Deductions of receivable 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 rows 4 to 10)	1 677	1 021
Securities financing transactions			
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	CCR 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	600 530	1 153 804
18	(Adjustments for conversion to credit equivalent amounts)	(512 926)	(994 352)
19	Off-balance sheet items (sum of rows 17 and 18)	87 604	159 451
Capital and total exposures			
20	Tier 1 capital	1 021 260	1 039 581
21	Total exposures (sum of rows 3, 11, 16 and 19)	11 774 491	12 474 688
Leverage ratio			
22	Basel III leverage ratio	8.67%	8.33%

5. Liquidity

LIQ1: LIQUIDITY COVERAGE RATIO (LCR)

		Sasfin Bank Limited	
		a	b
		Total unweighted value (average)	Total weighted value (average)
R'000			
High-quality liquid assets			
1	Total HQLA		1 351 599
Cash outflows			
2	Retail deposits and deposits from small business customers, of which:	532 570	53 257
3	Stable deposits		–
4	Less stable deposits	532 570	53 257
5	Unsecured wholesale funding, of which:	3 786 286	1 114 532
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	–	–
7	Non-operational deposits (all counterparties)	3 786 286	1 114 532
8	Unsecured debt	–	–
9	Secured wholesale funding		
10	Additional requirements, of which:	810 214	69 936
11	Outflows related to derivative exposures and other collateral requirements	–	–
12	Outflows related to loss of funding of debt products	–	–
13	Credit and liquidity facilities	810 214	69 936
14	Other contractual funding obligations	–	–
15	Other contingent funding obligations	–	–
16	TOTAL CASH OUTFLOWS		1 237 725
Cash inflows			
17	Secured lending (eg reverse repo)	707 427	707 427
18	Inflows from fully performing exposures	336 453	168 227
19	Other cash inflows	59	59
20	TOTAL CASH INFLOWS	1 043 939	875 713
R'000			
21	Total HQLA		1 351 599
22	Total net cash outflows		362 012
23	Liquidity coverage ratio (%)		373.36%

5. Liquidity *continued*

LIQ2: NET STABLE FUNDING RATIO (NSFR)

		Sasfin Bank Limited				
		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
R'000		No maturity*	<6 months	6 months to <1 year	≥1 year	
Available stable funding (ASF) item						
1	Capital:	-	-	-	1 096 351	1 096 351
2	Regulatory capital	-	-	-	1 096 351	1 096 351
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers:	-	2 069 165	200 354	240 584	2 314 454
5	Stable deposits	-	610 535	15 518	-	594 750
6	Less stable deposits	-	1 458 631	184 836	240 584	1 719 704
7	Wholesale funding:	-	691 926	37 834	12 533	377 412
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	691 926	37 834	12 533	377 412
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities:	-	4 368 644	308 555	3 538 944	4 131 756
12	NSFR derivative liabilities	-	-	-	-	-
13	All other liabilities and equity not included in the above categories	-	4 368 644	308 555	3 538 944	4 131 756
14	Total ASF					7 919 974
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)					85 940
16	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17	Performing loans and securities:	-	6 722 498	178 372	4 220 761	5 272 197
18	Performing loans to financial institutions secured by Level 1 HQLA	-	1 594 773	-	124 025	85 940
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	2 281 743	3 685	86 222	430 325
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:	-	2 845 982	174 687	3 193 815	4 225 077
21	With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	816 699	530 854
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	-	-	-	-	-
25	Assets with matching interdependent liabilities	-	-	-	-	-
26	Other liabilities:	-	586	-	1 621 911	1 622 497
27	Physical traded commodities, including gold	-	-	-	-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	-	-
29	NSFR derivative assets	-	586	-	-	586
30	NSFR derivative liabilities before deduction of variation margin posted	-	-	-	-	-
31	All other assets not included in the above categories	-	-	-	1 621 911	1 621 911
32	Off-balance sheet items	-	-	-	-	30 538
33	Total RSF					6 925 231
34	Net Stable Funding Ratio (%)					114.36%

Corporate details

Country of incorporation and domicile	South Africa
Independent Non-executive Chair	Richard Buchholz
Executive Directors	Michael Sassoon (Chief Executive Officer) Harriet Heymans (Group Financial Director) Erol Zeki (Alternate)
Independent Non-executive Directors	Tapiwa Njikizana Mark Thompson (Lead) Tienie van der Mescht Eileen Wilton Anton van Wyk
Non-independent, Non-executive Directors	Gugu Dingaan Nontobeko Ndhrazi Roland Sassoon Shaun Rosenthal (Alternate)
Acting Group Company Secretary	Howard Brown
Transfer secretaries	Computershare Investor Services (Pty) Limited Rosebank Towers 15 Biermann Avenue Rosebank Johannesburg 2196
Independent sponsor	Questco Corporate Advisory (Pty) Limited
Auditors	PricewaterhouseCoopers Inc. (PwC)
Registered office	140 West Street, Sandown, Sandton, Johannesburg, Gauteng, 2196 Tel: +27 11 809 7500 Fax: +27 11 887 6167/2489
Postal address	PO Box 95104 Grant Park Johannesburg 2051
Website	www.sasfin.com
Email	investorrelations@sasfin.com
Company registration number	1987/002097/06
Tax reference number	9300204717

Disclaimer

The Group has, in good faith, made a reasonable effort to ensure the accuracy and completeness of the information contained in this report, including information that may be regarded as forward-looking statements.

Forward-looking statements are not statements of fact, but statements by the Board based on its current estimates, projections, expectations, beliefs and assumptions regarding the Group's future performance, and no assurance is given.

The risks and uncertainties inherent in the forward-looking statements include, but are not limited to, changes to IFRS and the interpretations, applications and practices as they apply to past, present and future periods; domestic and international business and market conditions such as exchange rate and interest rate movements; changes in the domestic and international regulatory and legislative environments; changes to domestic and international operational, social, economic and political risks; and the effects of current and future litigation.

The Group does not undertake to update any forward-looking statements and does not assume responsibility for any loss or damage arising as a result of the reliance by any party thereon, including but not limited to, loss of earnings, profits, consequential loss or damage.

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