



**Christian Savings' financial information
relating to, and forming part of, the Product Disclosure Statement
for an offer of deposits by Christian Savings Limited dated**

25 February 2019

Dated 25 February 2019

Christian Savings' financial information

Christian Savings Limited (**Christian Savings, we, or us**) is required by law and its trust deed to meet certain financial requirements. These are minimum requirements. Meeting them does not mean that Christian Savings is safe. The section on specific risks relating to Christian Savings' creditworthiness in the Product Disclosure Statement dated 25 February 2019 (PDS) sets out risk factors that could cause its financial position to deteriorate. The offer register provides a breakdown of how the figures in this table are calculated, as well as full financial statements.

As described in the PDS, with effect from 1 September 2017, Christian Savings acquired all of the assets and obligations of Christian Savings Incorporated as part of a restructure of the Christian Savings group. The restructure transferred all operations (and obligations) of Christian Savings Incorporated to Christian Savings, with governance and management being undertaken by the same people. Accordingly, the historical information (prior to 1 September 2017) set out in the following tables show financial information for Christian Savings Incorporated, on the basis that, following the restructure, Christian Savings is substituted for Christian Savings Incorporated.

Key Ratios

| Capital Ratio | 31.8.2018 | 31.8.2017 | 31.8.2016 |
|--|--|--|--|
| Capital ratio | 13.68% | 11.19% | 10.98% |
| Minimum capital ratio as per the trust deed | 8% with a credit rating, 10% without a credit rating | 8% with a credit rating, 10% without a credit rating | 8% with a credit rating, 10% without a credit rating |
| Minimum capital ratio that must be set out in the trust deed under the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010 | 8% with a credit rating, 10% without a credit rating | 8% with a credit rating, 10% without a credit rating | 8% with a credit rating, 10% without a credit rating |
| The capital ratio is a measure of the extent to which Christian Savings is able to absorb losses without becoming insolvent. The lower the capital ratio, the fewer financial assets Christian Savings has to absorb unexpected losses arising out of its business activities. | | | |

| Related Party Exposures | 31.8.2018 | 31.8.2017 | 31.8.2016 |
|---|-----------|-----------|--|
| Aggregate exposure to related parties as calculated under the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010 | 5.9% | 7.5% | 23% ¹ |
| Maximum limit on aggregate exposures to related parties under trust deed | 15% | 15% | 15% of capital with effect from 1 November 2016. |
| Maximum limit on aggregate exposures to related parties under trust deed that must be included under the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010 | 15% | 15% | 15% |
| <p>Related party exposures are financial exposures that Christian Savings has to related parties. A related party is an entity that is related to Christian Savings through common control or some other connection that may give the party influence over Christian Savings (or Christian Savings over the related party). These related parties include loans to churches where our directors have a requisite degree of influence.</p> | | | |

| Liquidity Ratio | 31.8.2018 | 31.8.2017 | 31.8.2016 |
|---|-----------|-----------|-----------|
| Liquidity calculated in accordance with the trust deed | 26.9% | 28.5% | 24.7% |
| Minimum liquidity requirements under the trust deed | 15% | 15% | 15% |
| <p>Liquidity requirements help to ensure that Christian Savings has sufficient realisable assets on hand to pay its debts as they become due in the ordinary course of business. Failure to comply with liquidity requirements may mean that Christian Savings is unable to repay investors on time, and may indicate other financial problems in its business.</p> | | | |

¹ Changes in the composition of the board of directors, together with repayment of a related party loan, meant that Christian Savings Incorporated complied with the 15% related party exposures test which applied under the trust deed from 1 November 2016.

Selected financial information³

| | 31.8.2018 | 31.08.2017 | 31.8.2016 |
|--|-----------|------------|-----------|
| Total assets | \$155.7m | \$145.9m | \$146.9m |
| Total liabilities | \$137.9m | \$131.8m | \$134.5m |
| Net profit after tax | \$1.2m | \$0.7m | \$0.6m |
| Net cash flows from operating activities | \$1.4m | \$1.1m | \$0.1m |
| Cash and cash equivalents | \$41.8m | \$41.6m | \$36.3m |
| Capital | \$17.7m | \$14.1m | \$12.4m |

Notes: Christian Savings Limited is exempt from income tax due to its charitable status. All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

Contact information

Christian Savings Limited

55 Hugo Johnston Drive

Penrose

Auckland 1061

P O Box 12738

Toll free phone 0508 SAVING (0508 728 464)

www.christiansavings.co.nz

³ Capital has been calculated in accordance with the Deposit Takers (Credit Ratings, Capital Ratios, and Related Party Exposures) Regulations 2010. All other amounts have been calculated in accordance with generally accepted accounting practice.