

Pillar 3 disclosure report
for the period ended 31 May 2024



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This report discloses the Capitec Bank Holdings Limited (Capitec, or the group) and Capitec Bank Limited (the bank) Pillar 3 disclosures for the period ended 31 May 2024, in accordance with the Basel Committee on Banking Supervision's (BCBS) Pillar 3 disclosure requirements, and Regulation 43 of the regulations relating to banks. In accordance with the Basel Pillar 3 framework and Regulation 43 of the amended regulations relating to banks, the group is required to publish standardised disclosure templates that provide users with key quantitative and qualitative information that is comparable and consistent.

With reference to our JSE Stock Exchange News Service announcement on 12 March 2024, Capitec has successfully increased its shareholding in Avafin Holding Limited ("Avafin"), an international online consumer lending group, from 40.66% to 97.69%, effective from 1 May 2024. Accordingly, Avafin has been consolidated effective 1 May 2024.

Key prudential regulatory metrics

May 2024

Capitec Bank Holdings Limited

KM1 – Key metrics

The following table provides an overview of the prudential regulatory metrics:

Line#	Available capital R'000	May 2024 Q1	Feb 2024 Q4	Nov 2023 Q3	Aug 2023 Q2	May 2023 Q1
1	Common equity tier 1 (CET1)	40 111 852	39 298 719	38 285 180	36 625 838	35 063 086
1a	Fully loaded ECL accounting model ⁽¹⁾	40 111 852	39 298 719	38 285 180	36 625 838	35 063 086
2	Tier 1	40 111 852	39 298 719	38 285 180	36 625 838	35 063 086
2a	Fully loaded ECL accounting model tier 1 ⁽¹⁾	40 111 852	39 298 719	38 285 180	36 625 838	35 063 086
3	Total capital	41 067 636	40 209 333	39 159 944	37 484 453	35 920 773
3a	Fully loaded ECL accounting model total capital ⁽¹⁾	41 067 636	40 209 333	39 159 944	37 484 453	35 920 773
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	111 188 236	110 801 018	104 150 753	101 884 657	102 849 841
Risk-based capital ratios as a percentage of RWA						
5	Common equity tier 1 ratio (%)	36.1	35.5	36.8	35.9	34.1
5a	Fully loaded ECL accounting model Common equity tier 1 ⁽¹⁾ (%)	36.1	35.5	36.8	35.9	34.1
6	Tier 1 ratio (%)	36.1	35.5	36.8	35.9	34.1
6a	Fully loaded ECL accounting model tier 1 ratio ⁽¹⁾ (%)	36.1	35.5	36.8	35.9	34.1
7	Total capital ratio (%)	36.9	36.3	37.6	36.8	34.9
7a	Fully loaded ECL accounting model total capital ratio ⁽¹⁾ (%)	36.9	36.3	37.6	36.8	34.9
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.5	2.5	2.5	2.5	2.5
9	Countercyclical buffer requirement (%)	-	-	-	-	-
10	Bank G-SIB and/or D-SIB additional requirements (%) ⁽³⁾	0.5	0.5	0.5	0.5	0.5
11	Total of bank CET1 specific buffer requirements (row 8 + row 9 + row 10) (%)	3.0	3.0	3.0	3.0	3.0
12	CET1 available after meeting the bank's minimum capital requirements (%)	28.1	27.5	28.8	27.9	26.1
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	214 893 053	208 346 500	207 476 766	201 577 746	194 009 300
14	Basel III leverage ratio (row 2/row 13) (%)	18.7	18.9	18.5	18.2	18.1
14a	Fully loaded ECL accounting model Basel III leverage ratio (row 2a/row 13) (%)	18.7	18.9	18.5	18.2	18.1
Liquidity coverage ratio						
15	Total HQLA	82 334 115	85 894 917	85 677 523	80 248 623	77 087 373
16	Total net cash outflow ⁽²⁾	3 480 794	3 582 532	3 562 036	3 292 349	3 685 102
17	LCR ratio (%)	2 365	2 398	2 405	2 437	2 092
Net stable funding ratio						
18	Total available stable funding	196 611 804	184 553 361	186 273 186	180 549 116	174 637 633
19	Total required stable funding	89 996 421	85 311 405	83 665 096	81 662 686	80 557 884
20	NSFR ratio (%)	218.5	216.3	222.6	221.1	216.8

⁽¹⁾ Capitec formally transitioned to IFRS 9 on 1 March 2018 and by 1 March 2021 fully phased in IFRS 9.

⁽²⁾ Capitec has a net cash inflow after applying the run-off factors, therefore the outflows for the purpose of the ratio are deemed to be 25% of gross outflows.

⁽³⁾ This represents the additional add-on requirement for global systemically important banks (G-SIBs) and domestic systemically important banks (D-SIBs).

Key prudential regulatory metrics continued

May 2024

Capitec Bank Limited

KM1 – Key metrics continued

The following table provides an overview of the prudential regulatory metrics:

Line#	Available capital R'000	May 2024 Q1	Feb 2024 Q4	Nov 2023 Q3	Aug 2023 Q2	May 2023 Q1
1	Common equity tier 1 (CET1)	35 706 175	34 649 992	33 965 746	33 135 272	32 346 728
1a	Fully loaded ECL accounting model ⁽¹⁾	35 706 175	34 649 992	33 965 746	33 135 272	32 346 728
2	Tier 1	35 706 175	34 649 992	33 965 746	33 135 272	32 346 728
2a	Fully loaded ECL accounting model tier 1 ⁽¹⁾	35 706 175	34 649 992	33 965 746	33 135 272	32 346 728
3	Total capital	36 648 474	35 563 157	34 843 465	33 996 637	33 208 285
3a	Fully loaded ECL accounting model total capital ⁽¹⁾	36 648 474	35 563 157	34 843 465	33 996 637	33 208 285
Risk-weighted assets (amounts)						
4	Total risk-weighted assets (RWA)	104 764 242	105 211 920	99 833 913	97 592 410	99 112 001
Risk-based capital ratios as a percentage of RWA						
5	Common equity tier 1 ratio (%)	34.1	32.9	34.0	34.0	32.6
5a	Fully loaded ECL accounting model Common equity tier 1 ⁽¹⁾ (%)	34.1	32.9	34.0	34.0	32.6
6	Tier 1 ratio (%)	34.1	32.9	34.0	34.0	32.6
6a	Fully loaded ECL accounting model tier 1 ratio ⁽¹⁾ (%)	34.1	32.9	34.0	34.0	32.6
7	Total capital ratio (%)	35.0	33.8	34.9	34.8	33.5
7a	Fully loaded ECL accounting model total capital ratio ⁽¹⁾ (%)	35.0	33.8	34.9	34.8	33.5
Additional CET1 buffer requirements as a percentage of RWA						
8	Capital conservation buffer requirement (2.5% from 2019) (%)	2.5	2.5	2.5	2.5	2.5
9	Countercyclical buffer requirement (%)	-	-	-	-	-
10	Bank G-SIB and/or D-SIB additional requirements ⁽³⁾ (%)	0.5	0.5	0.5	0.5	0.5
11	Total of bank CET1 specific buffer requirements (row 8 + row 9 + row 10) (%)	3.0	3.0	3.0	3.0	3.0
12	CET1 available after meeting the bank's minimum capital requirements (%)	26.1	24.9	26.0	26.0	24.6
Basel III leverage ratio						
13	Total Basel III leverage ratio exposure measure	209 276 989	204 504 920	204 594 191	198 209 940	191 256 135
14	Basel III leverage ratio (row 2/row 13) (%)	17.1	16.9	16.6	16.7	16.9
14a	Fully loaded ECL accounting model Basel III leverage ratio (row 2a/row 13) (%)	17.1	16.9	16.6	16.7	16.9
Liquidity coverage ratio						
15	Total HQLA	82 334 115	85 894 917	85 677 523	80 248 623	77 087 373
16	Total net cash outflow ⁽²⁾	3 442 256	3 630 781	3 535 913	3 292 349	3 578 716
17	LCR ratio (%)	2 392	2 366	2 423	2 437	2 154
Net stable funding ratio						
18	Total available stable funding	190 246 087	180 136 930	182 186 294	177 165 498	171 686 432
19	Total required stable funding	85 214 090	82 262 591	80 333 390	77 790 273	77 164 272
20	NSFR ratio (%)	223.3	219.0	226.8	227.7	222.5

⁽¹⁾ The bank formally transitioned to IFRS 9 on 1 March 2018 and by 1 March 2021 fully phased in IFRS 9.

⁽²⁾ The bank has a net cash inflow after applying the run-off factors. therefore the outflows for the purpose of the ratio are deemed to be 25% of gross outflows.

⁽³⁾ This represents the additional add-on requirement for global systemically important banks (G-SIBs) and domestic systemically important banks (D-SIBs).

Capital management

May 2024

Capitec Bank Holdings Limited

Regulatory capital adequacy

The consolidated capital position for the group and the bank for the period ended 31 May 2024 is set out below:

R'000	GROUP		BANK	
	May 2024	Feb 2024	May 2024	Feb 2024
Composition of qualifying regulatory capital				
Ordinary share capital ⁽¹⁾	5 485 914	5 456 540	6 105 981	6 105 981
Foreign currency translation reserve	19 327	101 574	-	-
Other reserves	515 866	505 392	263	6 286
Retained earnings	36 379 199	37 351 783	31 542 556	32 617 644
Total ordinary shareholder equity	42 400 306	43 415 289	37 648 800	38 729 911
Regulatory adjustments				
Intangible assets, deferred tax assets excluding temporary differences and goodwill in terms of IFRS ⁽⁶⁾	(1 678 208)	(1 326 994)	(1 294 966)	(1 326 994)
Other regulatory adjustments	(17 359)	(759)	(69 367)	(99 544)
Unappropriated profit	(592 887)	(2 788 817)	(578 292)	(2 653 381)
Common equity tier 1 capital (CET1)	40 111 852	39 298 719	35 706 175	34 649 992
CET1 (%)	36.1	35.5	34.1	32.9
Issued preference share capital ⁽¹⁾	42 912	43 260	42 912	43 260
Phase-out – non-loss absorbent ⁽¹⁾⁽⁵⁾	(42 912)	(43 260)	(42 912)	(43 260)
Additional tier 1 capital (AT1)⁽¹⁾	-	-	-	-
AT1 (%)	-	-	-	-
Tier 1 capital (T1)	40 111 852	39 298 719	35 706 175	34 649 992
T1 (%)	36.1	35.5	34.1	32.9
General allowance for credit impairment	955 784	910 614	942 299	913 165
Tier 2 capital (T2)	955 784	910 614	942 299	913 165
T2 (%)	0.8	0.8	0.9	0.9
Total qualifying regulatory capital	41 067 636	40 209 333	36 648 474	35 563 157
Total (%)⁽²⁾	36.9	36.3	35.0	33.8
Total regulatory capital requirement⁽³⁾	13 342 588	13 296 122	12 571 708	12 625 430
Total risk-weighted assets⁽⁴⁾	111 188 236	110 801 018	104 764 242	105 211 920

⁽¹⁾ Starting in 2013, the non-loss absorbent AT1 and T2 capital was subject to a 10% per annum phase-out in terms of Basel 3, fully phased-out on 1 January 2022.

⁽²⁾ The total capital adequacy ratio percentage is determined by dividing the total qualifying regulatory capital by total risk-weighted assets.

⁽³⁾ This value is currently 12% of risk-weighted assets, being the Basel global minimum requirement of 8%, the South African country-specific Pillar 2A buffer of 1%, the capital conservation buffer of 2.5% and the domestic systemically important bank ("D-SIB") capital add-on of 0.5%. In terms of the regulations relating to banks the individual capital requirement ("ICR") Pillar 2B requirement is excluded.

⁽⁴⁾ Risk-weighted assets is calculated by using regulatory percentages applied to the balance sheet, in order to establish the base for calculating the required regulatory capital.

⁽⁵⁾ The base value of preference shares which would phase-out in terms of Basel 3 is R258 969 000. At 31 May 2024, 83.43% (Feb 2024: 83.30%) of these shares had been repurchased as they would no longer contribute to qualifying regulatory capital. The remaining preference shares in issue, with a base value R42.91 million, are shown as phased-out.

⁽⁶⁾ In terms of the regulations relating to banks, goodwill and intangible assets net of the related deferred tax liability, are treated as specified adjustments and are deducted from CET1 capital and reserve funds.

Capital management continued

May 2024

Capitec Bank Holdings Limited

OV1 – Overview of risk-weighted assets (RWA)

The purpose of the OV1 template is to provide an overview of total risk-weighted assets (RWA) forming the denominator of the risk-based capital requirements.

Line#	R'000	RWA May 2024	RWA Feb 2024	Minimum capital requirements ⁽¹⁾ May 2024
1	Credit risk (excluding counterparty credit risk) (CCR)	76 435 744	72 816 158	9 172 289
2	Of which standardised approach (SA)	76 435 744	72 816 158	9 172 289
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)	26 953	32 982	3 234
7	Of which standardised approach for counterparty credit risk (SA-CCR)	26 953	32 982	3 234
8	Of which internal model method (IMM)	-	-	-
9	Of which other CCR	-	-	-
10	Credit valuation adjustment (CVA)	14 175	12 774	1 701
11	Equity positions under the simple risk weight approach and the internal model method during the five-year linear phase-in period	200 847	358 779	24 102
12	Equity investments in funds – look-through approach	1 564 583	4 875 976	187 750
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	546 366	324 623	65 564
21	Of which standardised approach (SA)	546 366	324 623	65 564
22	Of which internal model approaches (IMA)	-	-	-
23	Capital charge for switch between trading book and banking book	-	-	-
24	Operational risk	13 342 588	13 296 122	1 601 111
	Other risk	11 400 538	10 638 716	1 368 064
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	7 656 442	8 444 888	918 773
26	Output 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)	111 188 236	110 801 018	13 342 588

⁽¹⁾ This value is currently 12% of risk-weighted assets, being the Basel global minimum requirement of 8%, the South African country-specific Pillar 2A buffer of 1%, the capital conservation buffer of 2.5% and the domestic systemically important bank (D-SIB) capital add-on of 0.5%. In terms of the regulations relating to banks, the individual capital requirement (ICR) Pillar 2B requirement is excluded.

Capital management continued

May 2024

Capitec Bank Limited

OV1 – Overview of risk-weighted assets (RWA) continued

The purpose of the OV1 template is to provide an overview of total risk-weighted assets (RWA) forming the denominator of the risk-based capital requirements.

Line#	R'000	RWA May 2024	RWA Feb 2023	Minimum capital requirements ⁽¹⁾ May 2024
1	Credit risk (excluding counterparty credit risk) (CCR)	75 356 995	73 020 208	9 042 839
2	Of which standardised approach (SA)	75 356 995	73 020 208	9 042 839
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)	26 953	32 982	3 234
7	Of which standardised approach for counterparty credit risk (SA-CCR)	26 953	32 982	3 234
8	Of which internal model method (IMM)	-	-	-
9	Of which other CCR	-	-	-
10	Credit valuation adjustment (CVA)	14 175	12 774	1 701
11	Equity positions under the simple risk weight approach and the internal model method during the five-year linear phase-in period	227 721	308 618	27 327
12	Equity investments in funds – look-through approach	1 564 583	4 875 976	187 750
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	136 881	12 765	16 426
21	Of which standardised approach (SA)	136 881	12 765	16 426
22	Of which internal model approaches (IMA)	-	-	-
23	Capital charge for switch between trading book and banking book	-	-	-
24	Operational risk	12 571 709	12 625 430	1 508 605
	Other risk	8 225 898	7 529 719	987 108
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	6 639 327	6 793 448	796 718
26	Output 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)	104 764 242	105 211 920	12 571 708

⁽¹⁾ This value is currently 12% of risk-weighted assets, being the Basel global minimum requirement of 8%, the South African country-specific Pillar 2A buffer of 1%, the capital conservation buffer of 2.5% and the domestic systemically important bank (D-SIB) capital add-on of 0.5%. In terms of the regulations relating to banks, the individual capital requirement (ICR) Pillar 2B requirement is excluded.

Capital management continued

May 2024

Capitec Bank Holdings Limited

LR1 – Summary comparison of accounting assets vs leverage ratio exposure measure

The purpose of the LR1 template is to reconcile the total assets in the financial statements with the leverage ratio exposure measure.

Line#	R'000	GROUP		BANK	
		May 2024	Feb 2024	May 2024	Feb 2024
1	Total consolidated assets as per published financial statements	214 513 642	207 578 626	208 408 340	203 709 199
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(136 010)	(96 391)	-	-
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	(19 989)	(10 587)	(19 989)	(1 381)
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	84 612	87 323	84 612	87 323
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	2 146 365	2 115 282	2 168 359	2 136 317
7	Other adjustments	(1 695 567)	(1 327 753)	(1 364 333)	(1 426 538)
8	Leverage ratio exposure	214 893 053	208 346 500	209 276 989	204 504 920

Capital management continued

May 2024

Capitec Bank Holdings Limited

LR2 – Leverage ratio common disclosure template

The purpose of the LR2 template is to provide a detailed breakdown of the components of the leverage ratio denominator, as well as information on the actual leverage ratio, minimum requirements and buffers.

Line#	R'000	GROUP		BANK	
		May 2024	Feb 2024	May 2024	Feb 2024
		On-balance sheet exposures			
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	205 211 266	187 434 197	199 241 973	183 670 367
2	(Asset amounts deducted in determining Basel III tier 1 capital)	(1 695 567)	(1 327 753)	(1 364 333)	(1 426 538)
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	203 515 699	186 106 444	197 877 640	182 243 829
		Derivative exposures			
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	21 891	17 301	21 891	17 301
5	Add-on amounts for PFE associated with all derivatives transactions ⁽¹⁾	2 393	5 716	2 393	5 716
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 provide in derivatives transactions)	-	-	-	-
8	(Exempted CCP leg of client-cleared trade exposures) ⁽²⁾	-	-	-	-
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)	24 284	23 017	24 284	23 017
		Securities financing transaction exposures			
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	9 122 094	20 014 434	9 122 094	20 014 434
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-	-	-
14	CCR exposure for SFT assets	84 612	87 323	84 612	87 323
15	Agent transaction exposures	-	-	-	-
16	Total securities financing transaction exposures (sum of lines 12 to 15)	9 206 706	20 101 757	9 206 706	20 101 757
		Other off-balance sheet exposures			
17	Off-balance sheet exposure at gross notional amount	16 634 018	16 820 564	16 838 783	17 015 954
18	(Adjustments for conversion to credit equivalent amounts)	(14 487 654)	(14 705 282)	(14 670 424)	(14 879 637)
19	Off-balance sheet items (sum of lines 17 and 18)	2 146 364	2 115 282	2 168 359	2 136 317
		Capital and total exposures			
20	Tier 1 capital	40 111 852	39 298 719	35 706 175	34 649 992
21	Total exposures (sum of lines 3, 11, 16 and 19)	214 893 053	208 346 500	209 276 989	204 504 920
		Leverage ratio			
22	Basel III leverage ratio (%)	18.7	18.9	17.1	16.9

⁽¹⁾ PFE is defined as potential future exposure.

⁽²⁾ CCP is defined as central counterparty.

Liquidity risk

May 2024

Liquidity risk is managed by the assets and liabilities committee that oversees the activities of the treasury department which operates in terms of an approved assets and liabilities management policy and approved limits, managing cash on a centralised basis.

Further information regarding liquidity management is available in the integrated annual report.

This section presents various measurements of the group liquidity position.

Capitec Bank Holdings Limited

LIQ1 – Liquidity coverage ratio (LCR)

The LCR is a 30-day stress test, using 92 days (actual data points for the quarter) to calculate an average for the quarter, which requires banks to hold sufficient high-quality liquid assets to cover envisaged net outflows. These outflows are calibrated using prescribed Basel factors applied to assets and liabilities in a static run-off model. Basel definitions are used to identify high-quality liquid assets.

Line#	LCR common disclosure – Group R'000	Total unweighted value (average) May 2024	Total weighted value (average) May 2024	Total weighted value (average) Feb 2024
High-quality liquid assets				
1	Total high-quality liquid assets (HQLA)		82 334 115	85 894 917
Cash outflows				
2	Retail deposits and deposits from small business customers, of which:	135 031 279	8 616 427	10 689 559
3	Stable deposits	35 614 830	1 762 484	-
4	Less stable deposits	99 416 449	6 853 943	10 689 559
5	Unsecured wholesale funding, of which:	16 319 497	3 617 983	3 157 313
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-
7	Non-operational deposits (all counterparties)	12 258 739	2 111 167	2 173 089
8	Unsecured debt	4 060 758	1 506 816	984 224
9	Secured wholesale funding	735 470	-	-
10	Additional requirements, of which:	17 864 389	1 688 767	483 258
11	Outflows related to derivative exposures and other collateral requirements	219	219	595
12	Outflows related to loss of funding on debt products	-	-	-
13	Credit and liquidity facilities	15 999 918	442 890	448 230
14	Other contractual funding obligations	1 213 100	1 213 100	26
15	Other contingent funding obligations	651 152	32 558	34 407
16	Total cash outflows		13 923 177	14 330 130
Cash inflows				
17	Secured lending (e.g. reverse repos)	2 641 653	-	-
18	Inflows from fully performing exposures	12 707 011	11 277 319	15 472 744
19	Other cash inflows	149 725	238	247
20	Total cash inflows	15 498 389	11 277 557	15 472 991

Liquidity risk continued

Capitec Bank Holdings Limited

LIQ1 – Liquidity coverage ratio (LCR) continued

R'000	Total adjusted value May 2024	Total adjusted value Feb 2024
21 Total HQLA	82 334 115	85 894 917
22 Total net cash outflows ⁽¹⁾	3 480 794	3 582 532
23 Liquidity coverage ratio (%)	2 365	2 398

⁽¹⁾ The total net weighted cash outflows are calculated as the total cash outflows, less the minimum of either the cash inflows, or 75% of total outflows.

Capitec Bank Limited

LIQ1 – Liquidity coverage ratio (LCR)

Line#	LCR common disclosure – Bank R'000	Total unweighted value (average) May 2024	Total weighted value (average) May 2024	Total weighted value (average) Feb 2024
High-quality liquid assets				
1	Total high-quality liquid assets (HQLA)		82 334 115	85 894 917
Cash outflows				
2	Retail deposits and deposits from small business customers, of which:	135 031 279	8 616 427	10 689 559
3	Stable deposits	35 614 830	1 762 484	-
4	Less stable deposits	99 416 449	6 853 943	10 689 559
5	Unsecured wholesale funding, of which:	16 319 497	3 617 983	3 350 306
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-
7	Non-operational deposits (all counterparties)	12 258 739	2 111 167	2 173 089
8	Unsecured debt	4 060 758	1 506 816	1 177 217
9	Secured wholesale funding	735 470	-	-
10	Additional requirements, of which:	17 710 237	1 534 615	483 258
11	Outflows related to derivative exposures and other collateral requirements	219	219	595
12	Outflows related to loss of funding on debt products	-	-	-
13	Credit and liquidity facilities	15 999 918	442 890	448 230
14	Other contractual funding obligations	1 058 948	1 058 948	26
15	Other contingent funding obligations	651 152	32 558	34 407
16	Total cash outflows		13 769 025	14 523 123
Cash inflows				
17	Secured lending (e.g. reverse repos)	2 641 653	-	-
18	Inflows from fully performing exposures	12 695 800	11 266 108	15 472 735
19	Other cash inflows	149 725	238	247
20	Total cash inflows	15 487 178	11 266 346	15 472 982

Liquidity risk

May 2024

Capitec Bank Limited

LIQ1 – Liquidity coverage ratio (LCR) continued

R'000	Total adjusted value May 2024	Total adjusted value Feb 2024
21 Total HQLA	82 334 115	85 894 917
22 Total net cash outflows ⁽¹⁾	3 442 256	3 630 781
23 Liquidity coverage ratio (%)	2 392	2 366

⁽¹⁾ The total net weighted cash outflows are calculated as the total cash outflows, less the minimum of either the cash inflows, or 75% of total outflows.

Composition of high-quality liquid assets

R'000	May 2024	Feb 2024
Cash	3 349 962	3 582 773
Qualifying central bank reserves	3 465 984	3 612 758
Specified debt securities issued in Rand by the central government of the South Africa or the Reserve Bank	70 606 876	71 546 215
Specified marketable securities from sovereigns, central banks, public sector entities, multilateral development banks and development banks	2 641 653	5 067 287
Settlement account with the South African Reserve Bank ⁽¹⁾	2 269 640	2 085 884
Total level one qualifying high-quality liquid assets	82 334 115	85 894 917

⁽¹⁾ Per Directive 11 of 2022, all excess cash reserve balances held in a bank's settlement account should also be included as part of the bank's level 1 HQLA.

Capitec Bank Holdings Limited

LIQ2 – Net stable funding ratio (NSFR)

Line#	May 2024 Available stable funding (ASF) R'000	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	>= 1 year	
1	Capital: (sum of rows 2 and 3)	42 763 204	-	-	42 912	42 806 116
2	Regulatory capital	42 763 204	-	-	-	42 763 204
3	Other capital instruments	-	-	-	42 912	42 912
4	Retail deposits and deposits from small business customers (sum of rows 5 and 6)	-	121 746 912	12 287 673	19 724 443	144 141 112
5	Stable deposits	-	70 983 639	4 727 189	7 089 455	79 014 742
6	Less stable deposits	-	50 763 273	7 560 484	12 634 988	65 126 370
7	Wholesale funding: (sum of rows 8 and 9)	-	5 677 850	28 093	2 156 441	4 478 519
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	5 677 850	28 093	2 156 441	4 478 519
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities: (sum of rows 12 and 13)	-	6 558 444	1 255 932	2 929 573	5 186 057
12	NSFR derivative liabilities	-	-	-	-	-
13	All other liabilities and equity not included in the above categories	-	6 558 444	1 255 932	2 929 573	5 186 057
14	Total ASF					196 611 804

Liquidity risk continued

Capitec Bank Holdings Limited

LIQ2 – Net stable funding ratio (NSFR) continued

Line#	May 2024 R'000	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	>= 1 year	
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)					3 951 561
16	Deposits held at other financial institutions for operational purposes	-	211 103	-	-	105 551
17	Performing loans and securities: (sum of rows 18, 19, 20, 22 and 24)	-	35 246 627	22 281 567	47 580 261	63 432 346
18	Performing loans to financial institutions secured by level 1 HQLA	-	9 121 998	-	-	912 200
19	Performing loans to financial institutions secured by non-level 1 HQLA and unsecured performing loans to financial institutions	-	5 343 057	9 166 823	3 749 280	7 984 967
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSE's, of which:	-	20 723 837	13 054 404	40 290 183	52 174 623
21	<i>With a risk weight of less than or equal to 35% under the Basel III standardised approach for credit risk</i>	-	-	-	-	-
22	Performing residential mortgages of which:	-	57 735	60 340	3 540 798	2 360 556
23	<i>With a risk weight of less than or equal to 35% under the Basel III standardised approach for credit risk</i>	-	57 735	60 340	3 540 798	2 360 556
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 assets: (sum of rows 27 to 31)	-	-	-	21 665 024	21 665 024
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				5 895	5 895
30	NSFR derivative liabilities before deduction of variation margin posted					-
31	All other assets not included in the above categories	-	-	-	21 659 129	21 659 129
32	Off-balance sheet items		16 838 783			841 939
33	Total RSF (sum of rows 15, 16, 17, 25, 26 and 32)					89 996 421
34	Net stable funding ratio (%)					218.5

Capitec Bank Holdings Limited

LIQ2 – Net stable funding ratio (NSFR) continued

Line#	Feb 2024 Available stable funding (ASF) R'000	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	>= 1 year	
1	Capital: (sum of rows 2 and 3)	41 537 086	-	-	43 260	41 580 346
2	Regulatory capital	41 537 086	-	-	-	41 537 086
3	Other capital instruments	-	-	-	43 260	43 260
4	Retail deposits and deposits from small business customers (sum of rows 5 and 6)	-	118 294 931	11 055 783	19 402 234	135 817 877
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	-	118 294 931	11 055 783	19 402 234	135 817 877
7	Wholesale funding: (sum of rows 8 and 9)	-	4 401 705	826 964	1 953 248	4 014 004
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	4 401 705	826 964	1 953 248	4 014 004
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities: (sum of rows 12 and 13)	-	7 069 859	1 389 006	2 421 904	3 141 134
12	NSFR derivative liabilities	-	-	-	-	-
13	All other liabilities and equity not included in the above categories	-	7 069 859	1 389 006	2 421 904	3 141 134
14	Total ASF					184 553 361

Liquidity risk continued

Capitec Bank Holdings Limited

LIQ2 – Net stable funding ratio (NSFR) continued

Line#	Feb 2024 R'000	Unweighted value by residual maturity			Weighted value	
		No maturity	< 6 months	6 months to < 1 year		>= 1 year
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)				3 593 549	
16	Deposits held at other financial institutions for operational purposes	-	118 754	-	-	59 377
17	Performing loans and securities: (sum of rows 18, 19, 20, 22 and 24)	-	40 145 196	17 112 824	49 383 753	60 708 811
18	Performing loans to financial institutions secured by level 1 HQLA	-	20 014 131	-	-	2 001 413
19	Performing loans to financial institutions secured by non-level 1 HQLA and unsecured performing loans to financial institutions	-	1 453 830	6 633 240	1 418 320	3 779 019
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSE's, of which:	-	18 615 809	10 419 195	44 381 551	52 537 948
21	<i>With a risk weight of less than or equal to 35% under the Basel III standardised approach for credit risk</i>	-	-	-	-	-
22	Performing residential mortgages of which:	-	61 426	60 389	3 583 882	2 390 431
23	<i>With a risk weight of less than or equal to 35% under the Basel III standardised approach for credit risk</i>	-	61 426	60 389	3 583 882	2 390 431
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 assets: (sum of rows 27 to 31)	-	-	-	20 098 870	20 098 870
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				13 002	13 002
30	NSFR derivative liabilities before deduction of variation margin posted					-
31	All other assets not included in the above categories	-	-	-	20 085 868	20 085 868
32	Off-balance sheet items		17 015 954			850 798
33	Total RSF (sum of rows 15, 16, 17, 25, 26 and 32)					85 311 405
34	Net stable funding ratio (%)					216.3

Capitec Bank Limited

LIQ2 – Net stable funding ratio (NSFR) continued

Line#	May 2024 Available stable funding (ASF) R'000	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	>= 1 year	
1	Capital: (sum of rows 2 and 3)	38 012 807	-	-	42 912	38 055 719
2	Regulatory capital	38 012 807	-	-	-	38 012 807
3	Other capital instruments	-	-	-	42 912	42 912
4	Retail deposits and deposits from small business customers (sum of rows 5 and 6)	-	121 751 356	12 287 673	19 724 443	144 145 111
5	Stable deposits	-	70 983 639	4 727 189	7 089 455	79 014 742
6	Less stable deposits	-	50 767 717	7 560 484	12 634 988	65 130 369
7	Wholesale funding: (sum of rows 8 and 9)	-	5 696 249	28 093	2 156 441	4 487 718
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	5 696 249	28 093	2 156 441	4 487 718
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities: (sum of rows 12 and 13)	-	5 426 781	1 255 932	2 929 573	3 557 539
12	NSFR derivative liabilities	-	-	-	-	-
13	All other liabilities and equity not included in the above categories	-	5 426 781	1 255 932	2 929 573	3 557 539
14	Total ASF					190 246 087

Liquidity risk continued

Capitec Bank Limited

LIQ2 – Net stable funding ratio (NSFR) continued

Line#	May 2024 R'000	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	>= 1 year	
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)					3 940 991
16	Deposits held at other financial institutions for operational purposes	-	211 103	-	-	105 551
17	Performing loans and securities: (sum of rows 18, 19, 20, 22 and 24)	-	32 792 056	22 281 567	47 580 261	61 857 696
18	Performing loans to financial institutions secured by level 1 HQLA	-	9 121 998	-	-	912 200
19	Performing loans to financial institutions secured by non-level 1 HQLA and unsecured performing loans to financial institutions	-	6 650 769	9 166 823	3 749 280	9 330 306
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSE's, of which:	-	16 961 554	13 054 404	40 290 183	49 254 634
21	<i>With a risk weight of less than or equal to 35% under the Basel III standardised approach for credit risk</i>	-	-	-	-	-
22	Performing residential mortgages of which:	-	57 735	60 340	3 540 798	2 360 556
23	<i>With a risk weight of less than or equal to 35% under the Basel III standardised approach for credit risk</i>	-	57 735	60 340	3 540 798	2 360 556
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 assets: (sum of rows 27 to 31)	-	-	-	18 467 913	18 467 913
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		-	-	5 895	5 895
30	NSFR derivative liabilities before deduction of variation margin posted		-	-	-	-
31	All other assets not included in the above categories	-	-	-	18 462 018	18 462 018
32	Off-balance sheet items		16 838 783			841 939
33	Total RSF (sum of rows 15, 16, 17, 25, 26 and 32)					85 214 090
34	Net stable funding ratio (%)					223.3

Capitec Bank Limited

LIQ2 – Net stable funding ratio (NSFR) continued

Line#	Feb 2024 Available stable funding (ASF) R'000	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	>= 1 year	
1	Capital: (sum of rows 2 and 3)	36 989 695	-	-	43 260	37 032 955
2	Regulatory capital	36 989 695	-	-	-	36 989 695
3	Other capital instruments	-	-	-	43 260	43 260
4	Retail deposits and deposits from small business customers (sum of rows 5 and 6)	-	118 299 189	11 055 783	19 402 234	135 821 709
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	-	118 299 189	11 055 783	19 402 234	135 821 709
7	Wholesale funding: (sum of rows 8 and 9)	-	4 705 419	826 964	1 953 248	4 165 859
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	4 705 419	826 964	1 953 248	4 165 859
10	Liabilities with matching interdependent assets	-	-	-	-	-
11	Other liabilities: (sum of rows 12 and 13)	-	7 513 953	1 389 006	2 421 904	3 116 407
12	NSFR derivative liabilities	-	-	-	-	-
13	All other liabilities and equity not included in the above categories	-	7 513 953	1 389 006	2 421 904	3 116 407
14	Total ASF					180 136 930

Liquidity risk continued

Capitec Bank Limited

LIQ2 – Net stable funding ratio (NSFR) continued

Line#	Feb 2024 R'000	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1 year	>= 1 year	
Required stable funding (RSF) item						
15	Total NSFR high-quality liquid assets (HQLA)					3 583 210
16	Deposits held at other financial institutions for operational purposes	-	118 754	-	-	59 377
17	Performing loans and securities: (sum of rows 18, 19, 20, 22 and 24)	-	39 862 865	17 112 824	49 383 753	60 976 572
18	Performing loans to financial institutions secured by level 1 HQLA	-	20 014 131	-	-	2 001 413
19	Performing loans to financial institutions secured by non-level 1 HQLA and unsecured performing loans to financial institutions	-	2 793 660	6 633 240	1 418 320	5 153 988
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSE's, of which:	-	16 993 648	10 419 195	44 381 551	51 430 740
21	<i>With a risk weight of less than or equal to 35% under the Basel III standardised approach for credit risk</i>	-	-	-	-	-
22	Performing residential mortgages of which:	-	61 426	60 389	3 583 882	2 390 431
23	<i>With a risk weight of less than or equal to 35% under the Basel III standardised approach for credit risk</i>	-	61 426	60 389	3 583 882	2 390 431
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 assets: (sum of rows 27-31)	-	-	-	16 792 634	16 792 634
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		-	-	3 796	3 796
30	NSFR derivative liabilities before deduction of variation margin posted		-	-	-	-
31	All other assets not included in the above categories	-	-	-	16 788 838	16 788 838
32	Off-balance sheet items		17 015 954			850 798
33	Total RSF (sum of rows 15, 16, 17, 25, 26 and 32)					82 262 591
34	Net stable funding ratio (%)					219.0

Annexures

May 2024

Capitec Bank Holdings Limited CCA – Main features of capital instruments

Line#	Disclosure template for main features of regulatory capital instruments	Listed ordinary shares	Listed preference shares
1	Issuer	Capitec Bank Holdings Limited	Capitec Bank Holdings Limited
2	Unique identifier	CPI	CPIP
3	Governing law(s) of the instrument	Laws of South Africa ⁽¹⁾	Laws of South Africa ⁽¹⁾
Regulatory treatment			
4	Transitional Basel III rules	Common equity tier 1	Additional tier 1
5	Post-transitional Basel III rules	Common equity tier 1	Ineligible
6	Eligible at solo/group/group and solo	Solo and Group	Solo and Group
7	Instrument type	Ordinary shares	Preference shares
8	Amount recognised in regulatory capital (R'm)	R5 485.9	R0.0
9	Par value of instrument	R0.01 per share	R0.01 per share
10	Accounting classification	Shareholders' equity	Shareholders' equity
11	Original date of issuance	18 February 2002	31 August 2006
12	Perpetual or dated	Perpetual	Perpetual
13	Original maturity date	N/A	N/A
14	Issuer call subject to prior supervisory approval	No	No
15	Optional call date, contingent call dates and redemption amount	N/A	N/A
16	Subsequent call dates, if applicable	N/A	N/A
Coupons/dividends			
17	Fixed or floating dividend/coupon	Discretionary dividend	Floating
18	Coupon rate and any related index	Distributable profits declared as dividends	83.33% of the prime overdraft rate on a face value of R100 per share
19	Existence of a dividend stopper	No	Yes
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A
25	If convertible, fully or partially	N/A	N/A
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A
30	Write-down feature	N/A	N/A
31	If write-down, write-down trigger(s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Preference shares ⁽²⁾	Subordinated debt
36	Non-compliant transitioned features	No	Yes
37	If yes, specify non-compliant features	N/A	⁽³⁾

⁽¹⁾ The main Acts are the Banks Act of 1990, Financial Markets Act of 2012, Companies Act of 2008 and the Insolvency Act of 1936.

⁽²⁾ The ordinary shares shall on the return of capital in a winding-up, entitle the holders thereof rights of participation in any surplus profits or assets of the company after all prior obligations have been satisfied.

⁽³⁾ Has no loss absorbency at the point of non-viability.

Statutory and contact information

Capitec Bank Holdings Limited

Registration number: 1999/025903/06
Registered bank controlling company
Incorporated in the Republic of South Africa
JSE ordinary share code: CPI
ISIN code: ZAE000035861
JSE preference share code: CPIP
ISIN code: ZAE000083838

Capitec Bank Limited

Registration number: 1980/003695/06
Incorporated in the Republic of South Africa
Company code: BICAP
Stock code: CBL29
ISIN code: ZAG000158874
Stock code: CBL30
ISIN code: ZAG000180977
Stock code: CBL31
ISIN code: ZAG000191933

Directors

SL Botha (*chairman*)
GM Fourie (*CEO*)⁽¹⁾
NF Bhattay
SA du Plessis
CH Fernandez
N Ford-Hoon
GR Hardy (*CFO*)⁽¹⁾
MS du Pré le Roux
V Mahlangu
PJ Mouton
CA Otto
JP Verster (resigned effective 31 May 2024)

(1) *Executive*

Company secretary and registered office

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Sponsor

PSG Capital Proprietary Limited
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