Capitec Bank Holdings Limited

August 2021 (2nd quarter)

KM1 - Key Metrics

Line#	Available capital (amounts in R'000)	31 Aug 2021	31 May 2021	28 Feb 2021	30 Nov 2020	31 Aug 2020
1	Common Equity Tier 1 (CET1)	**29 547 542**	28 132 461	27 872 626	26 507 455	24 638 904
1a	Fully loaded ECL accounting model[(1)]	***29 547 542***	28 132 461	27 710 616	26 345 445	24 476 893
2	Tier 1	**29 573 439**	28 158 358	27 898 523	26 559 249	24 690 698
2a	Fully loaded ECL accounting model Tier 1[(1)]	***29 573 439***	28 158 358	27 736 513	26 397 239	24 528 687
3	Total Capital	**30 248 941**	28 806 653	28 546 358	27 334 081	25 411 770
3a	Fully loaded ECL accounting model total capital[(1)]	***30 248 941***	28 806 653	28 384 348	27 172 071	25 249 759
	Risk-weighted assets (amounts)					
4	Total risk-weighted assets (RWA)	**80 920 225**	77 273 426	77 801 232 [(4)]	86 484 016	83 520 815
	Risk-based capital ratios as a percentage of RWA					
5	Common Equity Tier 1 ratio (%)	**36.5%**	36.4%	35.8%	30.7%	29.5%
5a	Fully loaded ECL accounting model Common Equity Tier 1 (%)	***36.5%***	36.4%	35.1%	30.1%	28.9%
6	Tier 1 ratio (%)	**36.5%**	36.4%	35.9%	30.7%	29.6%
6a	Fully loaded ECL accounting model Tier 1 ratio (%)	***36.5%***	36.4%	35.1%	30.1%	29.0%
7	Total capital ratio (%)	**37.4%**	37.3%	36.7%	31.6%	30.4%
7a	Fully loaded ECL accounting model total capital ratio (%)	***37.4%***	37.3%	36.0%	31.0%	29.8%
	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 (%)	**0.0%**	0.0%	0.0%	0.0%	0.0%
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 (%)	**29.3%**	29.2%	28.6%	23.4%	22.3%
	Basel 3 leverage ratio					
13	Total Basel 3 leverage ratio exposure measure	**167 100 306**	159 606 340	158 134 375	153 456 051	144 709 567
14	Basel 3 leverage ratio (%) (row 2 / row 13)	**17.7%**	17.6%	17.6%	17.3%	17.1%
14a	Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2a / row 13)	***17.7%***	17.6%	17.5%	17.2%	17.0%
	Liquidity Coverage Ratio					
15	Total High Quality Liquid Assets (HQLA)	**71 657 162**	64 560 155	57 601 979	49 670 375	37 955 609
16	Total net cash outflow[(2)]	**2 464 399**	2 596 583	2 342 837	2 254 621	2 051 309
17	LCR ratio (%)	**2 908%**	2 486%	2 459%	2 203%	1 850%
	Net Stable Funding Ratio					
18	Total available stable funding	**151 029 190**	138 830 197	136 500 427	136 206 928	130 457 121
19	Total required stable funding	**62 742 405**	61 294 638	61 746 242	59 944 901	59 504 018
20	NSFR ratio	**240.7%**	226.5%	221.1%	227.2%	219.2%

(1) Capitec Bank Holdings Limited ("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) The Prudential Authority issued Directive 4 of 2020 on 27 August 2020. Directive 4 of 2020 has replaced Directive 6 of 2016 and requires banks to publicly disclose their Domestic Systemically Important Bank ("D-SIB") capital add-on as part of the composition of regulatory capital disclosure.

(4) The regulations relating to the capital requirements for banks' equity investments in funds changed on 1 January 2021, which allows the adoption of the look-through approach to calculate the risk weighted asset exposures for equity investments in funds. Capitec invests in money market unit trust ("MMUT") investment funds. The underlying assets of these investment funds are typically invested into a composition of Government Bonds, Treasury Bills and interest bearing deposits with banks. Up until 31 December 2020, the investments in these MMUT's were classified as corporate investments and included under credit risk, which were risk weighted at a 100% risk weight. From 1 January 2021, these investments were classified as equity investments in funds and included under investment risk. The look-through approach as outlined in the regulations was adopted on 1 January 2021 to calculate the risk weighted exposures of these investments.