

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")

QUARTERLY DISCLOSURE IN TERMS OF REGULATION 43 OF THE REGULATIONS RELATING TO BANKS

Capitec and its subsidiaries ("the group") have complied with Regulation 43 of the Regulations relating to banks, which incorporates the requirements of Basel.

In terms of Pillar 3 of the Basel rules, the consolidated group is required to disclose quantitative information on its capital adequacy, leverage and liquidity ratios on a quarterly basis.

The group's consolidated capital and liquidity positions at the end of the third quarter of the 28 February 2022 financial year end are set out below:

	3rd Quarter 2022 30 November 2021		2nd Quarter 2022 31 August 2021	
	R'000	Capital Adequacy Ratio %	R'000	Capital Adequacy Ratio %
COMMON EQUITY TIER 1 CAPITAL (CET1)	30 557 063	36.5	29 547 542	36.5
Additional Tier 1 capital (AT1) <sup>(1)</sup>	25 897	0.0	25 897	0.0
TIER 1 CAPITAL (T1)	30 582 960	36.5	29 573 439	36.5
General allowance for credit impairment	715 172		675 502	
TIER 2 CAPITAL (T2)	715 172	0.9	675 502	0.9
TOTAL QUALIFYING REGULATORY CAPITAL	31 298 132	37.4	30 248 941	37.4
REQUIRED REGULATORY CAPITAL <sup>(2)</sup>	9 214 280		8 901 223	

<sup>(1)</sup> Starting 2013, the non-loss absorbent AT1 and T2 capital is subject to a 10% per annum phase-out in terms of Basel 3.

<sup>(2)</sup> This value is currently 11% of risk-weighted assets, being the Basel global minimum requirement of 8%, the Capital Conservation Buffer of 2.5% and the Domestic Systemically Important Bank ("D-SIB") capital add-on of 0.5%.

The Prudential Authority issued Directive 2 on 6 April 2020 and temporarily relaxed the Pillar 2A South African country-specific buffer of 1% to provide temporary capital relief to banks during this time of financial stress following the outbreak of the Covid-19 pandemic, in a manner that ensures South Africa's continued compliance with the relevant internationally agreed capital framework. Directive 5 of 2021 issued on 20 May 2021 stated that the 1% Pillar 2A requirement will be reinstated on 1 January 2022.

	3rd Quarter 2022 30 November 2021 R'000	2nd Quarter 2022 31 August 2021 R'000
LIQUIDITY COVERAGE RATIO (LCR)		
High-Quality Liquid Assets	78 034 323	71 657 162
Net Cash Outflows <sup>(1)</sup>	2 714 334	2 464 399
Actual LCR	2 875%	2 908%
Required LCR <sup>(2)</sup>	80%	80%

<sup>(1)</sup> 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.

<sup>(2)</sup> The Prudential Authority issued Directive 1 of 2020 on 31 March 2020 and temporarily relaxed the minimum LCR requirement on 1 April 2020 from 100% to 80%. The reason for the decrease is attributable to the financial market turmoil due to Covid-19 where market liquidity has decreased, and banks expected to be under increased pressure to comply with the prescribed LCR requirements. Directive 8 of 2021 issued on 29 October 2021 stated that the minimum LCR requirement will be increased to 90% with effect from 1 January 2022, and to 100% with effect from 1 April 2022.

	3rd Quarter 2022 30 November 2021 R'000	2nd Quarter 2022 31 August 2021 R'000
NET STABLE FUNDING RATIO ("NSFR")		
Total Available Stable Funding	159 534 561	151 029 190
Total Required Stable Funding	66 759 227	62 742 405
Actual NSFR	239.0%	240.7%
Required NSFR	100%	100%

	3rd Quarter 2022 30 November 2021 R'000	2nd Quarter 2022 31 August 2021 R'000
LEVERAGE RATIO		
Tier 1 Capital	30 582 960	29 573 439
Total Exposures	178 471 628	167 100 306
Leverage Ratio	17.1%	17.7%

For the detailed LCR, NSFR and leverage ratio calculations refer to the  
"Banks Act Public Disclosure" section on our website at  
[www.capitecbank.co.za/investor-relations](http://www.capitecbank.co.za/investor-relations)

By order of the Board  
Stellenbosch  
15 December 2021  
Sponsor - PSG Capital