

CAPITEC BANK HOLDINGS LIMITED
Incorporated in the Republic of South Africa
Registration number 1999/025903/06
Ordinary Share Code: CPI ISIN Number: ZAE000035861
Preference Share Code: CPIP ISIN Number: ZAE000083838
("Capitec" or "the group")

TRADING STATEMENT

In terms of the Listings Requirements of JSE Limited, a listed company is required to publish a trading statement as soon as it is satisfied that a reasonable degree of certainty exists that the financial results for the financial period to be reported on next will differ by 20% or more from those of the previous comparable period.

The board advises that a reasonable degree of certainty exists that for the 6 months to 31 August 2024:

- group headline earnings per share will be between 5 090 cents and 5 497 cents per share, representing an increase of between 25% and 35% compared to the 4 072 cents per share for the comparative 6 months ended 31 August 2023; and
- group earnings per share will be between 5 085 cents and 5 492 cents per share, representing an increase of between 25% and 35% compared to the 4 068 cents per share for the comparative 6 months ended 31 August 2023.

The 6 months ended 31 August 2023 were characterised by high credit impairment charges due to the impact of high inflation, high interest rates, load shedding and a tough economic climate. This was a driver of the subdued single digit year-on-year growth in earnings and headline earnings for the 6 months ended 31 August 2023.

During the 6 months ended 29 February 2024 there was an improvement in both the credit impairment charge and credit loss ratios (CLRs). This contributed to the 22% year-on-year growth in earnings and headline earnings for the second half of the 2024 financial year. Earnings and headline earnings during the second half of the 2025 financial year will therefore be compared against a higher base.

The lower CLRs have persisted into the 2025 financial year and the net transaction and commission income including value-added services has continued to contribute to strong growth in non-lending income.

Furthermore, effective 1 May 2024, Capitec acquired an additional shareholding in Avafin Holding Limited (Avafin), an international online consumer lending group. As a result, from this date Avafin was treated as a subsidiary and 97.075% of its profit for the period was included in the group's income statement. Prior to 1 May 2024, 40.66% of Avafin's profit for the period was included as Capitec's share of income from an associate.

The financial information on which this trading statement is based has not been reviewed or reported on by Capitec's auditors. The financial results for the 6 months to 31 August 2024 are expected to be published on SENS on or about 1 October 2024.

Stellenbosch
12 July 2024

Sponsor
PSG Capital