CAPITEC BANK HOLDINGS LIMITED

table of historical information

The group's consolidated historical capital position is set out below:

	4th Quarter 2021 28 February 2021 R'000	3rd Quarter 2021 30 November 2020 R'000	2nd Quarter 2021 31 August 2020 R'000	1st Quarter 2021 31 May 2020 R'000	4th Quarter 2020 29 February 2020 R'000	3rd Quarter 2020 30 November 2019 R'000	2nd Quarter 2020 31 August 2019 R'000	1st Quarter 2020 31 May 2019 R'000
Common Equity Tier 1 (CET1)	**27 872 626**	26 507 455	24 638 904	23 660 789	24 457 242	22 571 738	22 563 756	21 585 401
CET1 %	**35.8**	30.7	29.5	28.4	29.5	27.4	32.6	31.5
Additional Tier 1 capital (AT1) [1]	**25 897**	51 794	51 794	51 794	51 794	73 351	74 370	77 691
AT1 %	**0.1**	-	0.1	0.1	0.1	0.1	0.1	0.2
Total Tier 1 capital (T1)	**27 898 523**	**26 559 249**	**24 690 698**	**23 712 583**	**24 509 036**	**22 645 089**	**22 638 126**	**21 663 092**
Tier 1 %	**35.9**	30.7	29.6	28.5	29.6	27.5	32.7	31.7
Subordinated debt [1]	**-**	-	-	-	-	-	-	-
General allowance for credit impairment	**647 835**	774 832	721 072	752 664	756 767	751 469	647 418	642 200
Tier 2 capital (T2)	**647 835**	**774 832**	**721 072**	**752 664**	**756 767**	**751 469**	**647 418**	**642 200**
Tier 2 %	**0.8**	0.9	0.8	0.9	0.9	0.9	0.9	0.9
Total qualifying regulatory capital	**28 546 358**	**27 334 081**	**25 411 770**	**24 465 247**	**25 265 803**	**23 396 558**	**23 285 544**	**22 305 292**
Total capital adequacy ratio % [3]	**36.7**	**31.6**	**30.4**	**29.4**	**30.5**	**28.4**	**33.6**	**32.6**
Required regulatory capital [2]	**8 558 137**	**9 513 242**	**9 187 290**	**8 742 528**	**9 525 692**	**9 476 453**	**7 970 042**	**7 870 871**

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

(2) *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%, disclosable in terms of Directive 4 issued by the Prudential Authority on 27 August 2020. Directive 4 has replaced Directive 6 of 2016 and requires banks to publicly disclose their D-SIB capital add-on as part of their composition of regulatory capital disclosure. In terms of the regulations relating to banks the Individual Capital Requirement ("ICR") is excluded.*

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.

(3) *The new regulations relating to the capital requirements for banks' equity investments in funds became effective on 1 January 2021. In terms of the new regulations, banks are allowed to adopt a 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, which are included in this scope. MMUT investment funds typically invest their underlying asset portfolios 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. Capitec adopted the look-through approach as outlined in the new regulations to calculate the risk weighted exposures of each of these investments. The effective risk weight of these funds amounted to 55% for the month of February 2021.*