



TymeBank

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Disclosure As At 30 September 2024



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Scope

In terms of Regulation 43(1) of the Regulations relating to Banks, the Bank is required to disclose to the public, reliable, relevant and timely qualitative and quantitative information to enable users to assess the group's capital position and financial condition. In this regard the Basel Committee on Banking Supervision (BCBS) issued a revised Pillar III framework in January 2015, a consolidated and enhanced framework in March 2017 as well as the updated framework on Pillar III disclosure requirements in December 2018. The Prudential Authority (the PA) consolidated the Basel Pillar III disclosure requirements through Directive 1/2019 (the Directive) to ensure that the internationally agreed framework is fully implemented in South Africa. This document has been prepared in accordance with the BCBS Pillar III framework and the Pillar III disclosure related directives as issued by the PA.

All Tyme Bank entities are reported under the Basel III Standardised Approach and fully consolidated in line with regulatory and International Financial Reporting Standards (IFRS) requirements. There is no difference between the balance sheet and the balance sheet under the scope of regulatory consolidation, as the Group does not contain any subsidiaries or other

entities which are to be excluded from the regulatory consolidation in terms of regulations 36(7)(a)(iii) and 36(10)(c)(ii) of the Regulations relating to Banks.

The Group's consolidated requirements are also reported in line with Section 42 of the Banks Act and the minimum standards in respect of consolidated supervision prescribed by Regulation 36 and in compliance with all directives, instructions and requirements relating to the Bank.

For the period under review, the Bank has not undertaken any securitisation transactions and does not have counterparty credit risk exposures relating to derivatives. For this reason, disclosures relating to these activities are not applicable and have been excluded from this report.

For the period under review, the Group continues to maintain a robust capital, liquidity, and funding position. Throughout the period, the Common Equity Tier 1 capital (CET1) ratio was consistently above the regulatory minimum capital adequacy requirements.

The Pillar III disclosures are published on Tyme Bank's website in line with the required frequency of disclosures per the Directive issued by the Prudential Authority of the South African Reserve Bank. These disclosures are also supplemented by further disclosures on the financial results included in the Annual Financial Statements that are available at www.tyembank.co.za.

Assurance

This document is prepared in accordance with Tyme Bank's Public Disclosure Policy and has been reviewed by Senior Management, Risk, Internal Audit and members of the Executive Committee (EXCO). For the reporting period, management is satisfied that this document provides an accurate view of the Bank's capital position and that the Bank is capitalised above the prescribed regulatory required capital limits as well as the Board of Directors (the Board) approved Risk Appetite Statement (RAS) limit.

1. Key metrics (at consolidated level)

The table below provides an overview of the key regulatory metrics relating to the Group's capital adequacy ratios, risk-weighted assets, leverage ratio, liquidity coverage ratio (LCR), and net stable funding ratio (NSFR).

KM1 (Group): Key metrics (at consolidated group level)

At 30 September 2024 R'000	Group				
	a	b	c	d	e
	30-Sep-24 T	30-Jun-24 T-1	31-Mar-24 T-2	31-Dec-23 T-3	30-Sep-23 T-4
Available capital (amounts)					
1 Common Equity Tier 1 (CET1)	887,882	806,985	720,766	694,967	657,345
1a Fully loaded ECL accounting model	887,882	806,985	720,766	694,967	657,345
2 Tier 1	887,882	806,985	720,766	694,967	657,345
2a Fully loaded accounting model Tier 1	887,882	806,985	720,766	694,967	657,345
3 Total capital	909,377	826,498	740,747	714,417	676,004
Risk-weighted assets (amounts)					
4 Total risk-weighted assets (RWA)	3,908,173	3,666,239	3,274,301	3,188,551	2,774,379
Risk-based capital ratios as a percentage of RWA					
5 Common Equity Tier 1 ratio (%)	22.72	22.01	22.01	21.80	23.69
5a Fully loaded ECL accounting model CET1 (%)	22.72	22.01	22.01	21.80	23.69
6 Tier 1 ratio (%)	22.72	22.01	22.01	21.80	23.69
6a Fully loaded ECL accounting model Tier 1 ratio (%)	22.72	22.01	22.01	21.80	23.69
7 Total capital ratio (%)	23.27	22.54	22.62	22.41	24.37
7a Fully loaded ECL accounting model total capital ratio (%)	23.27	22.54	22.62	22.41	24.37
Additional CET1 buffer requirements as a percentage of RWA					
8 Capital conservation buffer requirement (2.5% from 2019) (%)	2.50	2.50	2.50	2.50	2.50
9 Countercyclical buffer requirement (%)	-	-	-	-	-
10 Bank D-SIB additional requirements (%)	-	-	-	-	-
11 Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	2.50	2.50	2.50	2.50	2.50
12 CET1 available after meeting the bank's minimum capital requirements (%) ¹	15.22	14.51	14.51	14.30	16.19
Basel III Leverage Ratio					
13 Total Basel III leverage ratio measure	8,906,254	7,943,207	7,949,427	6,638,527	5,796,542
14 Basel III leverage ratio (%) (row 2/row 13)	9.97	10.16	9.07	10.47	11.34
14a Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2A/row 13)	9.97	10.16	9.07	10.47	11.34
Liquidity Coverage Ratio					
15 Total HQLA	5,250,432	4,456,866	3,620,704	3,610,808	3,534,062
16 Total net cash outflow	334,577	275,044	205,672	210,935	193,297
17 LCR ratio (%) ²	1,569	1,620	1,760	1,712	1,828
Net Stable Funding Ratio					
18 Total available stable funding	16,034,418	15,115,580	14,034,672	13,272,677	13,023,820
19 Total required stable funding	10,573,948	10,371,518	9,839,741	9,658,456	9,559,864
20 NSFR ratio (%) ³	152	146	143	137	136

Note: Total Capital include Tier 2 capital and unimpaired reserve funds

- 1 The minimum capital requirements disclosed excludes any D-SIB or Pillar 2B requirements
- 2 Refer to LIQ1: Liquidity Coverage Ratio template and commentary.
- 3 Refer to LIQ2: Net Stable Funding Ratio template and commentary.

Key metrics are monitored daily and incorporated as part of the Bank's additional early warning indicators (EWIs) to ensure the continuous monitoring and evaluation of the Bank's liquidity and capital adequacy positions. This supports the Bank's going-concern planning through the Contingency Funding Plan (CFP), the Business Continuity Plan (BCP), as well as the Bank's Recovery Plan strategies and processes.

2. Composition of Risk Weighted Assets (RWA)

The following OV1 templates reflect the composition of the RWA and related minimum capital requirements.

Credit RWA exclude counterparty credit risk but include a combination of credit and other risk-weighted exposures.

OV1 (Group): Overview of Risk Weighted Assets (RWA)

At 30 September 2024

R'000

		Group		
		a	b	c
		Risk-weighted assets		* MCR
		30-Sept-24	30-Jun-24	30-Sept-24
		T	T-1	T
1	Credit risk (excluding counterparty credit risk) 1	2,157,200	1,915,266	248,078
2	Of which: standardised approach (SA)	2,157,200	1,915,266	248,078
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)	-	-	-
7	Of which: standardised approach for counterparty credit risk	-	-	-
8	Of which: Internal Model Method (IMM)	-	-	-
9	Of which: other CCR	-	-	-
10	Credit valuation adjustment (CVA)	-	-	-
11	Equity positions under the simple risk weight approach	-	-	-
12	Equity investments in funds - look-through approach	-	-	-
13	Equity investments in funds - mandate-based approach	-	-	-
14	Equity investments in funds - fall-back approach	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in the 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	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-
20	Market risk	-	-	-
21	Of which: standardised approach (SA)	-	-	-
22	Of which: internal model approaches (IMA)	-	-	-
23	Capital charge for switch between trading book and banking book	-	-	-
24	Operational risk 2	1,750,973	1,750,973	201,362
25	Amounts below thresholds for deduction (subject to 250% risk weight)	-	-	-
26	Floor adjustment	-	-	-
27	Total (1+6+10+11+12+13+14+15+16+20+23+24+25+26)	3,908,173	3,666,239	449,440

* Minimum capital requirements (MCR) based on Base requirement (8%); (1%) Pillar 2A add-on reinstated 01 January'22, D2_2020 & Conservation buffer (2.5%)

1. Bank does not have derivative instruments on balance sheet

2. Operational risk is recalculated semi-annually (December & June)

OV1 (Bank): Overview of Risk Weighted Assets (RWA)

At 30 September 2024

R'000

		Bank		
		a	b	c
		Risk-weighted assets		* MCR
		30-Sept-24	30-Jun-24	30-Sept-24
		T	T-1	T
1	Credit risk (excluding counterparty credit risk) 1	2,139,461	1,895,095	246,038
2	Of which: standardised approach (SA)	2,139,461	1,895,095	246,038
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)	-	-	-
7	Of which: standardised approach for counterparty credit risk	-	-	-
8	Of which: Internal Model Method (IMM)	-	-	-
9	Of which: other CCR	-	-	-
10	Credit valuation adjustment (CVA)	-	-	-
11	Equity positions under the simple risk weight approach	-	-	-
12	Equity investments in funds - look-through approach	-	-	-
13	Equity investments in funds - mandate-based approach	-	-	-
14	Equity investments in funds - fall-back approach	-	-	-
15	Settlement risk	-	-	-
16	Securitisation exposures in the 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	-	-	-
19	Of which: securitisation standardised approach (SEC-SA)	-	-	-
20	Market risk	-	-	-
21	Of which: standardised approach (SA)	-	-	-
22	Of which: internal model approaches (IMA)	-	-	-
23	Capital charge for switch between trading book and banking book	-	-	-
24	Operational risk 2	1,750,006	1,750,006	201,251
25	Amounts below thresholds for deduction (subject to 250% risk weight)	-	-	-
26	Floor adjustment	-	-	-
27	Total (1+6+10+11+12+13+14+15+16+20+23+24+25+26)	3,889,467	3,645,101	447,289

* Minimum capital requirements (MCR) based on Base requirement (8%); (1%) Pillar 2A add-on reinstated 01 January'22, D2_2020 & Conservation buffer (2.5%)

1. Bank does not have derivative instruments on balance sheet

2. Operational risk is recalculated semi-annually (December & June)

3. Leverage ratio.

The leverage ratio is defined as total exposures expressed as percentage of Tier 1 capital. The total exposures used in the calculation does not contain any securities financing transactions (SFTs) or adjustments for derivatives. The leverage ratio has remained above the regulatory minimum requirement due to the current correlation of the qualifying regulatory capital (QCR) in relation to the on-balance sheet exposures.

LR1 (Group & Bank): Summary comparison of accounting assets vs leverage ratio exposure

At 30 September 2024 R'000	Group	Bank
	30-Sept-24	
1 Total consolidated assets as per published financial statements	10,276,451	10,257,376
2 Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-	-
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	-	-
5 Adjustment for securities financing transactions (ie repos and similar secured lending)	-	-
6 Adjustments for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	103,306	103,306
7 Other adjustments	1,473,503	1,473,502
8 Leverage ratio exposure measure	8,906,254	8,887,181

LR2 (Group & Bank): Leverage ratio common disclosure template

At 30 September 2024 R'000	Group		Bank	
	a	b	a	b
	30 September 2024	30 June 2024	30 September 2024	30 June 2024
On-balance sheet exposures				
1 On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	10,276,449	9,194,480	10,257,375	9,175,533
2 (Asset amounts deducted in determining Basel III Tier 1 capital)	1,473,503	1,353,216	1,473,502	1,353,216
3 Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of row 1 and 2)	8,802,946	7,841,264	8,783,873	7,822,317
Derivative exposures				
4 Replacement cost associated with all derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	-	-	-	-
5 Add-on amounts for PFE associated with all derivatives transactions	-	-	-	-
6 Gross-up for derivatives collateral provide where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-	-	-
7 (Deductions of receivable assets for cash variation margin provided in derivatives transactions)	-	-	-	-
8 (Exempted CCP leg of client-cleared trade exposures)	-	-	-	-
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 rows 4 to 10)	-	-	-	-
Securities financing transactions				
12 Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-	-	-	-
13 (Netted amounts of cash payables and cash receivables of gross SFT)	-	-	-	-
14 CCR exposure for SFT assets	-	-	-	-
15 Agent transaction exposures	-	-	-	-
16 Total securities financing transaction exposures (sum of rows 12 to 15)	-	-	-	-
Other off-balance sheet exposures				
17 Off-balance sheet exposure at gross notional amount	1,033,060	1,019,440	1,033,064	1,019,440
18 (Adjustments for conversion to credit equivalent amounts)	(929,754)	(917,496)	(929,758)	(917,496)
19 Off-balance sheet items (sum of rows 17 and 18)	103,306	101,944	103,306	101,944
Capital and total exposures				
20 Tier 1 capital	887,882	806,985	869,679	788,648
21 Total exposures (sum of rows 3, 11, 16 and 19)	8,906,252	7,943,208	8,887,180	7,924,261
Leverage ratio				
22 Basel III leverage ratio	9.97	10.16	9.79	9.95

The table above provides a reconciliation of the total assets as reported in the Regulatory Returns to calculate the leverage ratio exposure measure, for the period under review.

4. Liquidity Coverage Ratio

The Liquidity Coverage Ratio (LCR) requires institutions to hold sufficient high-quality liquid assets (HQLA) to meet their 30-day net cash outflows projected under the Prudential Authority's prescribed stress scenario.

LIQ1 (Group & Bank): Liquidity Coverage Ratio (LCR)

At 30 September 2024	Group		Bank	
	a	b	a	b
R'000	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
High-quality liquid assets				
1 Total HQLA	5,250,432	5,250,432	5,250,432	5,250,432
Cash outflows				
2 Retail deposits and deposits from small business customers, of which:	6,320,524	501,259	6,320,524	501,259
3 Stable deposits	1,896,440	58,851	1,896,440	58,851
4 Less stable deposits	4,424,084	442,408	4,424,084	442,408
5 Unsecured wholesale funding, of which:	205,683	21,035	205,683	21,035
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-
7 Non-operational deposits (all counterparties)	205,683	21,035	205,683	21,035
8 Unsecured debt	-	-	-	-
9 Secured wholesale funding	11,413	-	11,413	-
10 Additional requirements, of which:	-	-	-	-
11 Outflows related to derivative exposures and other collateral requirements	-	-	-	-
12 Outflows related to loss of funding of debt products	-	-	-	-
13 Credit and liquidity facilities	-	-	-	-
14 Other contractual funding obligations	-	-	-	-
15 Other contingent funding obligations	1,015,367	25,384	1,015,367	25,384
16 TOTAL CASH OUTFLOWS	7,552,987	547,679	7,552,987	547,679
Cash inflows				
17 Secured lending (eg reverse repo)	-	-	-	-
18 Inflows from fully performing exposures	333,555	166,777	333,555	166,777
19 Other cash inflows	46,325	46,325	43,888	43,888
20 TOTAL CASH INFLOWS	379,879	213,102	377,442	210,665
		Total adjusted value		Total adjusted value
21 Total HQLA		5,250,432		5,250,432
22 Total net cash outflows		334,577		337,014
23 Liquidity coverage ratio (%)		1,569		1,558

- The daily average utilised to calculate the above percentage consisted of 92 data points, representative of the number of days during the 3-month period from 01 July 2024 to 30 September 2024.
- The weighted value represents the cashflow amount as a prescribed percentage of the unweighted value.
- Other contingent funding obligations relates to the inclusion of revocable undrawn credit facilities emanating from the Bank's lending products.

5. Net Stable Funding Ratio

The Net Stable Funding Ratio (NSFR) requires banks to maintain a stable funding profile in relation to the composition of their assets, liabilities, and off-balance sheet activities. It is intended to limit overreliance on short-term funding and promote long-dated funding stability. Whilst the Liquidity Coverage Ratio (LCR) aims to promote the short-term resilience of a bank's liquidity risk profile under stressed conditions, the NSFR seeks to mitigate funding risk over a longer, more normalised time frame.

The current balance sheet and proposed phasing in of product offerings, and the proposed liquid assets to be held, place the Bank in a position to be fully compliant with the prescribed limits.

The following table reflects a summary of the NSFRs for the Group and Bank, respectively.

LIQ2 (Group): Net Stable Funding Ratio

At 30 September 2024 R'000	Group				
	No maturity*	Unweighted value by residual maturity			Weighted value
		<6 months	6 months to <1 year	≥1 year	
Available stable funding (ASF) item					
1 Capital:	9,439,825	-	-	-	9,439,825
2 Regulatory capital	9,439,825	-	-	-	9,439,825
3 Other capital instruments	-	-	-	-	-
4 Retail deposits and deposits from small business customers:	-	6,578,974	639,859	-	6,594,593
5 Stable deposits	-	1,313,011	639,859	-	1,855,227
6 Less stable deposits	-	5,265,963	-	-	4,739,367
7 Wholesale funding:	-	-	-	-	-
8 Operational deposits	-	-	-	-	-
9 Other wholesale funding	-	-	-	-	-
10 Liabilities with matching interdependent assets	-	-	-	-	-
11 Other liabilities:	-	696,232	-	-	-
12 NSFR derivative liabilities	-	-	-	-	-
13 All other liabilities and equity not included in the above categories	-	696,232	-	-	-
14 Total ASF					16,034,418
Required stable funding (RSF) item					
15 Total NSFR high-quality liquid assets (HQLA)	-	4,143,171	1,715,784	300,300	258,172
16 Deposits held at other financial institutions for operational purposes	-	-	-	154,938	154,938
17 Performing loans and securities:	-	1,618,247	580,964	66,870	1,141,464
18 Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	42,803	15,000	-	13,920
20 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	1,575,444	565,964	66,870	1,127,544
21 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	-	-
22 Performing residential mortgages, of which:	-	-	-	-	-
23 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	-	-
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:	-	-	-	8,967,721	8,967,721
27 Physical traded commodities, including gold	-	-	-	-	-
28 Assets posted as initial margin for derivative contracts and contributions to default funds of	-	-	-	-	-
29 NSFR derivative assets	-	-	-	-	-
30 NSFR derivative liabilities before deduction of variation margin posted	-	-	-	-	-
31 All other assets not included in the above categories	-	-	-	8,967,721	8,967,721
32 Off-balance sheet items	1,033,064	-	-	-	51,653
33 Total RSF					10,573,948
34 Net Stable Funding Ratio (%)					152

LIQ2 (Bank): Net Stable Funding Ratio

During the period under review, the Bank's NSFR remained relatively stable and above the minimum regulatory requirement of 100%.

At 30 September 2024
R'000

	Bank				
	Unweighted value by residual maturity				Weighted value
	No maturity*	<6 months	6 months to <1 year	≥1 year	
Available stable funding (ASF) item					
1 Capital:	8,993,980	-	-	-	8,993,980
2 Regulatory capital	8,993,980	-	-	-	8,993,980
3 Other capital instruments	-	-	-	-	-
4 Retail deposits and deposits from small business customers:	-	6,578,974	639,859	-	6,594,593
5 Stable deposits	-	1,313,011	639,859	-	1,855,227
6 Less stable deposits	-	5,265,963	-	-	4,739,367
7 Wholesale funding:	-	-	-	-	-
8 Operational deposits	-	-	-	-	-
9 Other wholesale funding	-	-	-	-	-
10 Liabilities with matching interdependent assets	-	-	-	-	-
11 Other liabilities:	-	695,361	-	-	-
12 NSFR derivative liabilities	-	-	-	-	-
13 All other liabilities and equity not included in the above categories	-	695,361	-	-	-
14 Total ASF					15,588,573
Required stable funding (RSF) item					
15 Total NSFR high-quality liquid assets (HQLA)	-	4,143,171	1,715,784	300,300	258,172
16 Deposits held at other financial institutions for operational purposes	-	-	-	154,938	154,938
17 Performing loans and securities:	-	1,616,577	580,964	66,870	1,141,213
18 Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	41,133	15,000	-	13,670
20 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	1,575,444	565,964	66,870	1,127,544
21 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	-	-
22 Performing residential mortgages, of which:	-	-	-	-	-
23 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	-	-
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:	-	-	-	8,522,674	8,522,674
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	-	-	-	-	-
30 NSFR derivative liabilities before deduction of variation margin posted	-	-	-	-	-
31 All other assets not included in the above categories	-	-	-	8,522,674	8,522,674
32 Off-balance sheet items	1,033,064	-	-	-	51,653
33 Total RSF					10,128,651
34 Net Stable Funding Ratio (%)					154

6. Appendix A - Terms

Key Terms

Term	Description
Bank	Tyme Bank Limited
Board	The Board of Directors of the Bank
Executives	Key management personnel (excluding the CEO) who are members of the Bank Executive committee
Group	Tyme Bank Holdings Limited and all its majority-owned subsidiaries