

NEDBANK GROUP

2026 Interim Results

for the 6 months ended
30 June 2026

see money differently



Jason Quinn

Chief Executive

Overview

Operating environment

Strategic progress

Financial overview

Outlook & guidance

H1 2026 overview – focused execution & growth



Operating environment

- **SA investment case** – positive prospects for SA remain structurally & broadly intact, despite global uncertainties & the ongoing Middle East conflict
- **Corporate SA** – healthy balance sheets with the fixed investment cycle still ahead of us
- **SA consumer** – credit growth gradually improving. The health of the consumer was negatively impacted by higher levels of inflation in Q2 26



Strategic progress

- **Growth & momentum** – PPOP growth of **+8%** (excl. ETI **+15%**) highlights the outcomes of a strong underlying operational performance & growing momentum across all our business clusters
- **NCBA** – offer accepted, resulting in Nedbank securing a 66% shareholding in NCBA. The transaction is on track for completion in Q3/early Q4



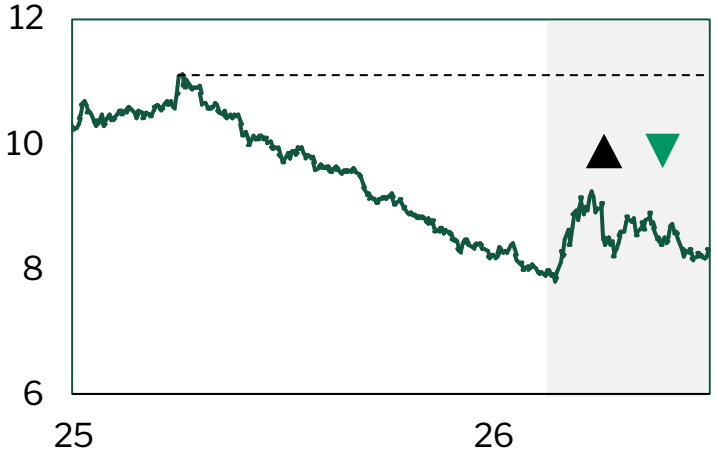
Financial performance

- **Earnings**
  - DHEPS growth of **+2%**, excl ETI **+15%**
  - ROE of **15.0%**
- **Strong balance sheet**
  - Declared an interim dividend of **1 052** cents per share
  - CET1 ratio of **12.6%**, above the top end of our TTC range

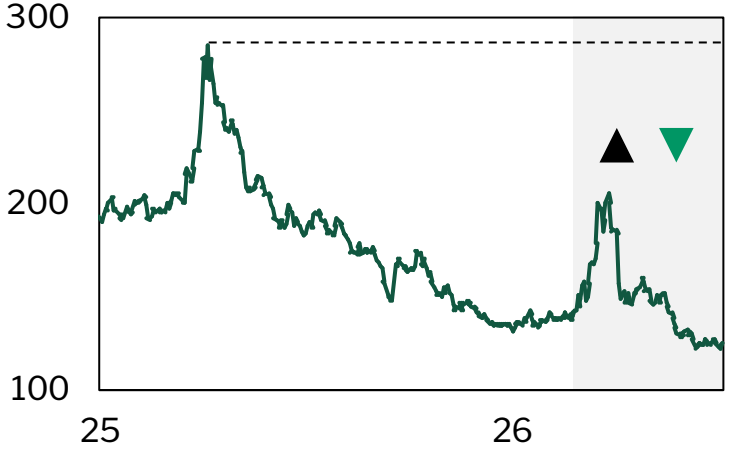
Operating environment

SA investment case – positive prospects remain structurally & broadly intact, despite global uncertainties & the ongoing Middle East conflict

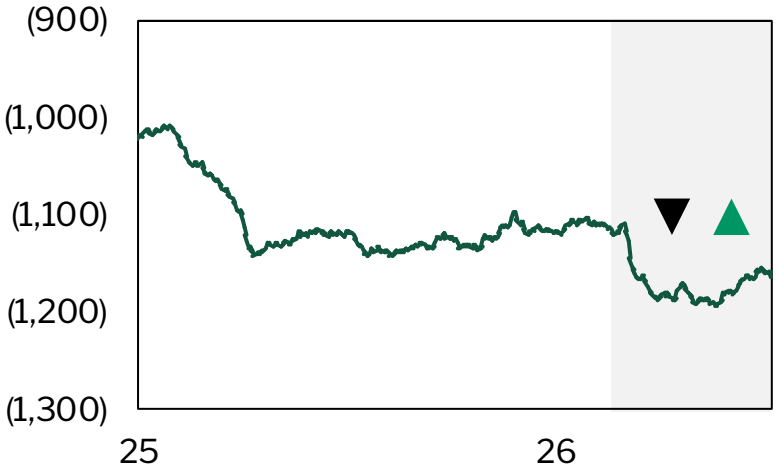
SA government bond yields (%)



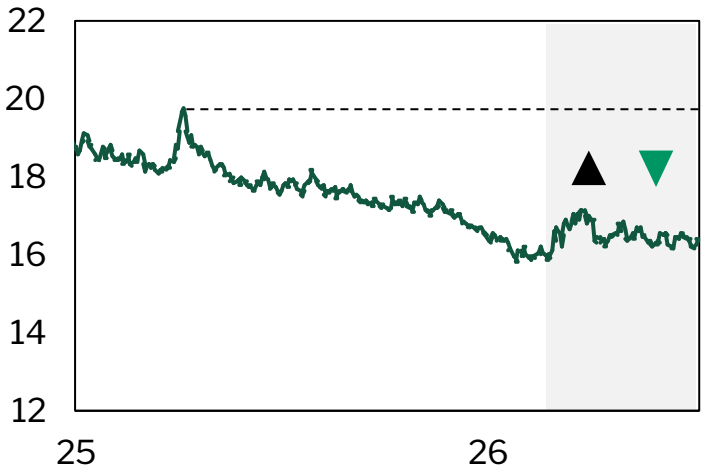
SA CDS spreads (bps)



Cumulative SA foreign bond sales (Rbn)



Rand vs US$



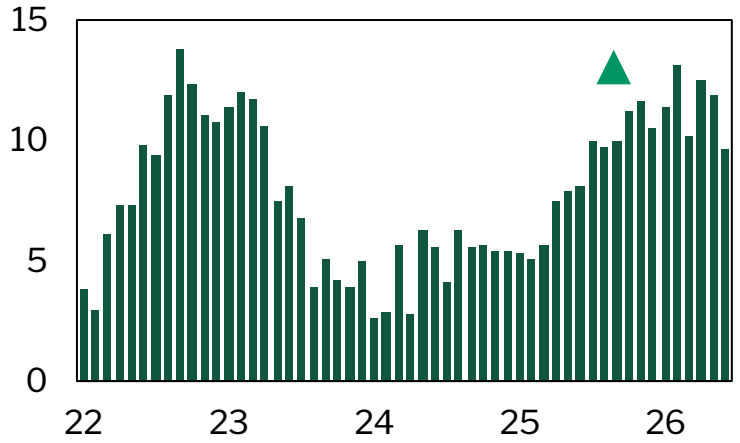
- **Solid progress on structural reforms**
  - Eskom EAF[1] up to **66%** (2023: 55%)
  - Port processing of bulk commodities up by **+17%** (vs 2023)
  - Rail volumes up by **+11%** (vs 2023)
- Stronger collaboration on **public-private partnership initiatives**
- **Continued fiscal discipline** – evident in a primary budget surplus & declining debt
- **Sovereign credit rating upgrades**
  - S&P upgraded SA to **BB** (outlook **+**)
  - Moody's affirmed SA at **Ba2** rating (revised outlook to **+**)
  - Fitch upgraded SA's rating to **BB** (outlook **stable**)

[1] *Electricity Availability Factor.*

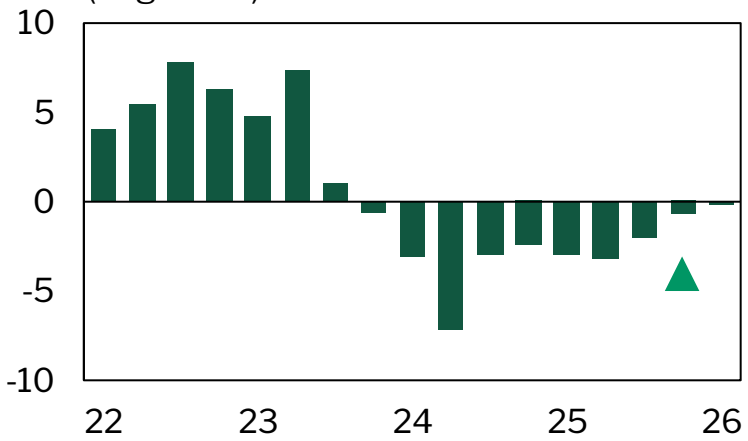
Operating environment

Corporates & businesses – healthy balance sheets with the fixed investment cycle still ahead of us

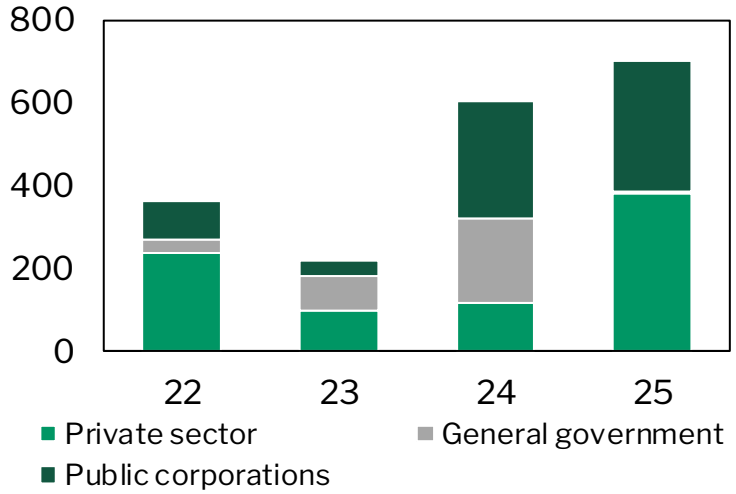
Corporate credit growth
(%, BA900)



Gross fixed capital formation
(% growth)



NGEU Capital Investment Schedule
(Rbn, constant 2025 prices)



SA public sector infrastructure investment[1] needs

R1.1 trillion

by 2030, including:

- Energy R214bn
- Water/Sanitation R185bn
- Transport/Logistics R418bn

[1] *National Treasury: Medium Term Expenditure Framework.*

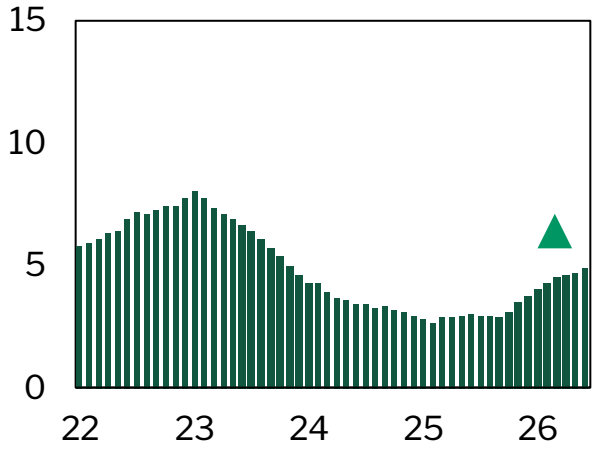
Healthy balance sheets – SA corporates remain conservative

Credit demand – benefits from fixed capital investment still ahead of us, although corporate credit growth is expected to normalise downwards from current levels

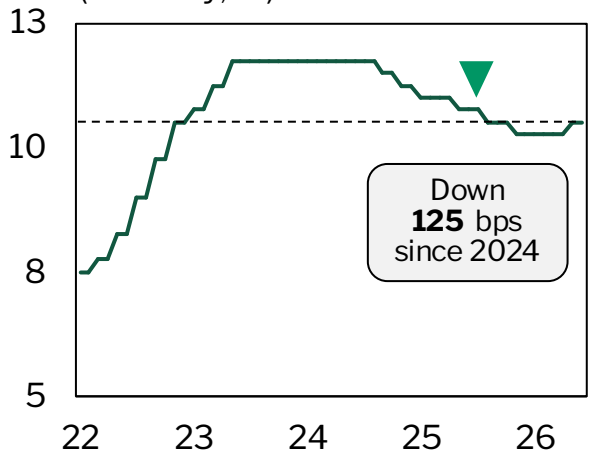
Operating environment

Consumers – household credit growth gradually improving off a low base. Although personal disposable income continues to grow, the health of the consumer was negatively impacted by higher levels of inflation in Q2 2026

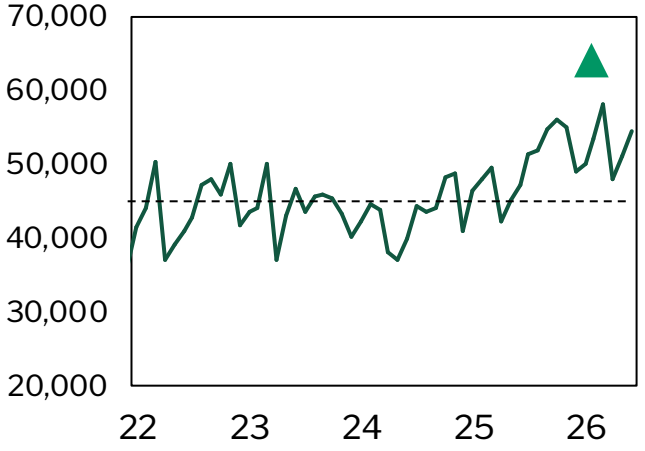
Household credit growth
(%, BA900)



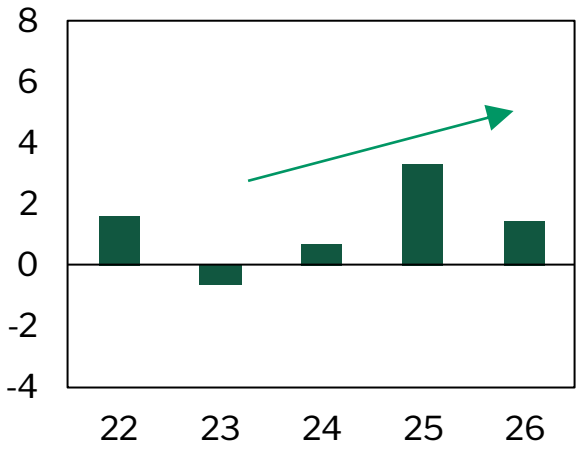
SA prime interest rate
(monthly, %)



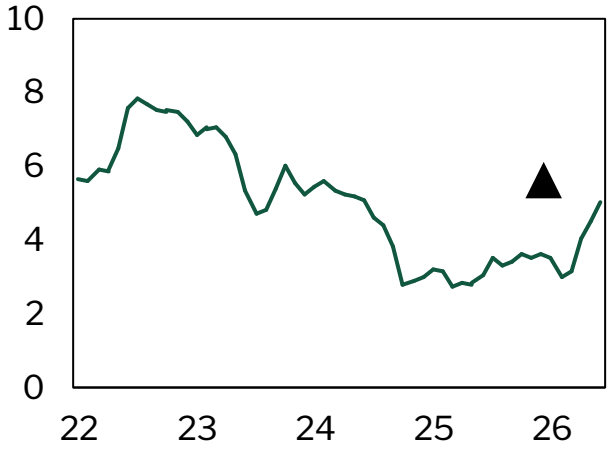
Vehicle sales
(monthly, 000k)



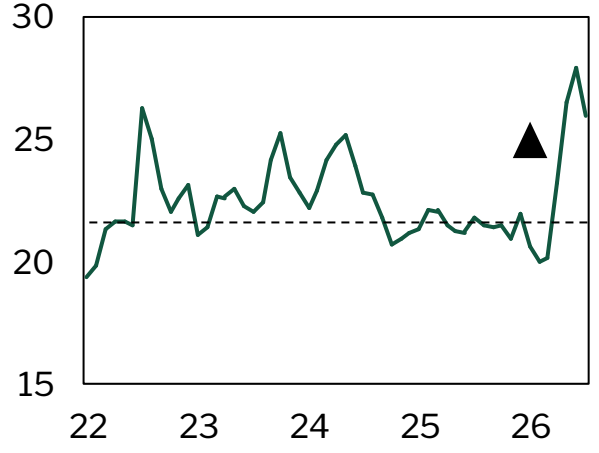
Personal disposable income
(nominal growth %)



SA inflation
(monthly, %)



Fuel prices
Rand/litre



Credit growth – gradually improving, but still relatively weak given affordability constraints. Secured lending benefiting from lower interest rates, but unsecured lagging

Consumer health – negatively impacted by higher levels of inflation, mainly from fuel prices

From bold strategic decisions to focused execution & growth

Growth & momentum continued in H1 2026: PPOP up by +8% & when excluding ETI up by +15%

Strategic decisions

1. Completed the **organisational restructure** – become more client-centred, drive enhanced execution & unlock transformational growth
2. Acquired 100% of **iKhokha** to expand in the SME market & progressed the integration of **Eqstra** to lead in fleet management
3. Sold our 21% **ETI investment**
4. Made an offer to acquire c66% of **NCBA** to expand into East Africa

CIB

- **Advances**[1] ▲8% yoy
  - IB ▲7%
  - PF ▲5%
  - TS ▲22%
- **Net origination** – R49bn
- **Sector-focused execution** – improved client flows & increased participation in larger transactions
- **Deposits** ▲14%
- **Trade finance** revenue ▲18%
- **NIR** C&F ▲16% from strong deal flow
- **Productivity** CIR ▼3% to 47.5%

BCB

- **Advances**[1] ▲6% (vs ▼2% in H1 25). New loan payouts:
  - Mid-corporate ▲>30%
  - Commercial ▲>30%
- **Deposits** ▲7%
- **iKhokha synergies** – POS devices sold via branches, host-to-host live
- **Eqstra synergies** – all fleet clients now using Eqstra's Quest system; Fleet cards now fully issued by Nedbank
- **NIR** C&F ▲14%
- **Productivity** CIR up marginally to 69.1%, given investment in the cluster

PPB

- **Advances**[1] ▲6%. New loan payouts:
  - HL ▲16%
  - VAF ▲9%
  - Card ▲10%
- **Deposits** – retail market share ▲0.2% to 17.0%
- **Digital** – Money app users ▲13% | 76% of sales
- **NIR** C&F ▲7%, driven by VAS (▲28%), client gains (▲4%) & cross-sell (up)
- **Insurance** – total GEP ▲10% & insurance income ▲21%
- **Productivity** CIR ▼1% to 59.6%

NAR: SADC – **Advances**[1] ▲21% | **Deposits** ▲15% | **NIR** C&F ▲12%, # of clients ▲6%
Digital – Mobile app ▲17% | **Productivity** CIR ▼3% to 68.1% | **Capital optimisation**

[1] *Gross banking advances.*

From bold strategic decisions to focused execution & growth

Growth & momentum continued in H1 2026

Additional info

Corporate & Investment Banking
Corporates, financial institutions, governments & parastatals

- **Stronger advances growth** – up by +8% yoy & up by +5% ytd, driven by:
  - **Sector-focused execution** – pipeline conversion, driving origination & increased participation in transactions across leverage finance, structured commodities, renewables & agriculture
- **Trade finance revenue** up by +18% yoy, driven by firm flows in commodity trading & agriculture
- **NIR, including associate income, growth** – up by +15% from deal activity
- **Commission & fees** up by +16%, driven by Mining, Property Finance & Technology, Media & Telecoms
- **Markets' Africa expansion** – early traction with the first repo & credit-linked note transaction closed with an East African counterparty
- **Improved funding mix** – reflecting early progress in our focus on operational deposits

Business & Commercial Banking
Mid-corporate, commercial & SME clients

- **SME** – enhanced client experiences through relationship-led banking, digital solutions & tailored offerings
- **Commercial** – progressed strategic sector-focused solutions, including sustainability, Islamic banking & global trade
- **Mid-corporate** – merger & acquisition advisory capabilities in line with evolving client needs
- **iKhokha** – a key growth asset for Nedbank, expanded digital payment acceptance among SMEs & strengthened our position in SA's evolving payments market
- **Eqstra** – reverse integration of NedFleet into Eqstra finalised. 12k fleet cards now issued by Nedbank
- **Payments** – strong adoption of digital payment solutions supported revenue growth, underpinned by continued momentum in PayShap (+81% yoy)
- **Sustainability finance** – delivered R1.8bn in sustainable finance payouts while advancing strategic sustainability partnerships, EV financing solutions & carbon emissions initiatives

From bold strategic decisions to focused execution & growth

Growth & momentum continued in H1 2026

Additional info

Personal & Private Banking

Youth, entry-level, middle, affluent & high-net-worth clients

- **Primacy & funding advantage** – 7.6m clients (+4%), main-banked clients +2%, deposits +5% & cross-sell improved to 2.04, strengthening primacy & relationship depth
- **Wealth & advisory growth** – Private, Wealth & Stockbroking clients +8%, driving higher brokerage income, advice fees & participation across banking & wealth solutions
- **NIR diversification & ecosystem growth** – NIR +7%, VAS revenue +28%, insurance income +21%, supported by Greenbacks (2.2m members) & SimplyBiz (168k users)
- **Quality credit origination** – Card balances +10%, driven by +34% growth in new sales leading to market-share gains, while improved origination quality in Home Loans supported sustainable growth & portfolio quality
- **Client experience & loyalty** – Money app users +13% to 3.2m, 73% of clients digitally active & 76% of new sales digitally originated, reinforcing an app-first franchise
- **Cost optimisation & efficiency** – CIR down to 59.6%, driven by moderated expense growth of 4%, workforce optimisation, branch network redesign & digital enablement
- **Portfolio growth through innovation** – Quick Loans & revolving credit facility contributed 8% of unsecured lending production, supporting new growth opportunities & enhanced client value

Nedbank Africa Regions: SADC

Corporates, businesses & individuals

- **Improving returns** – ROE increased by 3% yoy, with performance on track to meet our medium-term target of above COE
- **Technology modernisation** – post the termination of the Harmonisation programme, a new technology solutions partner has been approved & implementation will commence shortly
- **Revenue diversification** – generated additional revenue outside of the 5 current markets we operate in – through partnerships
- **Improving efficiency** – action taken to align cost structures to revenue generation – rightsizing the business & improving efficiencies
- **Capital optimisation** – continued to optimise excess capital, across the regions
- **iKhokha** – advanced engagements underway to support the phased rollout of the offering across selected markets in the region

NCBA acquisition

Finalisation of the transaction – accepted by 79.9% of shareholders & key regulatory approvals received on track

NCBA

Offer to acquire c66% of NCBA

- Offer to acquire **effective control,** with the remaining 34% continuing to be traded on the NSE (Kenya)
- Offer **80%** in Nedbank shares (at R250) & **20%** in cash
- **Subject to regulatory approvals**

Strategic rationale

Aligns with Nedbank's strategy to grow & diversify in East Africa through a controlling stake in a tier 1 bank, with a scalable regional platform; complementary strengths & exciting growth prospects (in the region & through synergies, particularly CIB)

Transaction update

- Offer to NCBA shareholders closed on 10 July 2026
- Total acceptances: **79.9%** (NCBA ordinary shares), subject to confirmation once all conditions have been met
  - Number of new NED shares to be issued: **c43.6m**, amounting to **c8.4%** of Nedbank Group ordinary shares post transaction
  - Estimated cash settlement: **cR3.0bn**
- NCBA shareholding structure following settlement of the offer:
  - Nedbank Group **66%**
  - Other NCBA shareholders **34%**

Regulatory approvals

Regulatory approvals received from the Prudential Authority (SARB), Financial Surveillance (SARB) & other non-SA regulators, including CMA Kenya, COMESA Competition & Consumer Commission, East African Community Competition Authority, Tanzania Fair Competition Commission & Ecowas Regional Competition Authority. Balance of approvals tracking well.

Intention to make an offer submitted on **21 January 2026**

Expected finalisation by **Q3 /Q4 2026**

NCBA acquisition

Strategic rationale

Additional info

East Africa – a region of significant strategic importance

- Strong **macroeconomic** fundamentals
- **Size of the economies** & attractive **growth** prospects [>5% GDP growth]
- A large & growing **population**
- **Primary trade corridor** that links Africa with the Middle East, India & Asia
- A robust **regulatory environment**
- Relatively stable **operating environment**

NCBA – one of East Africa's most prominent financial institutions

- **Top tier 1 bank** in Kenya
  - Assets[1]: **KES 716bn** (6% of Nedbank)
  - Earnings[1]: **KES 23.3bn** (11% of Nedbank @ c66%)
  - ROE[1]: **19.7%** | CIR[1]: **52.3%**
  - Total CAR[1]: **21.2%**
- **Strong brand** presence
- **Strong & extensive regional presence** – operates across Kenya, Uganda, Tanzania & Rwanda, with a digital presence in Ivory Coast & Ghana
- **123** branches & over **70 million** clients
- **Established reputation** for innovation, advanced digital banking services & excellence in asset finance

Nedbank & NCBA – potential synergies

- **Nedbank to benefit** from NCBA's strong financial position & growth prospects, regional presence, client base & technology capabilities to diversify & grow earnings
- **NCBA to benefit** from Nedbank's established CIB expertise, cross-border structuring capabilities & strong balance sheet
- **NCBA will …**
  - retain its **brand**
  - retain its **local leadership** team
  - remain **independently governed**
  - retain its **NSE listing**

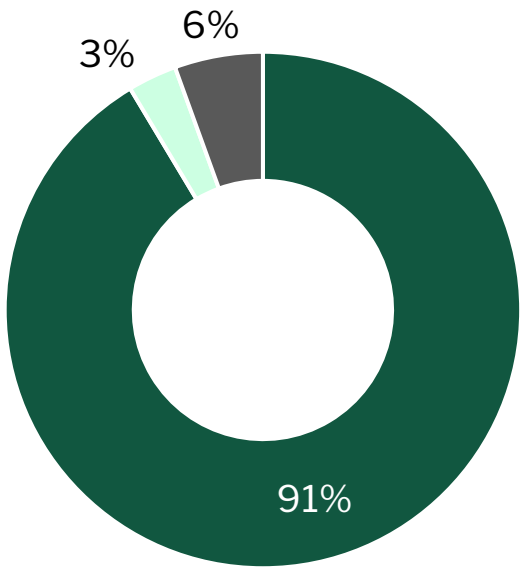
[1] *Based on NCBA & Nedbank's 12M results to 31 December 2025.*

NCBA acquisition

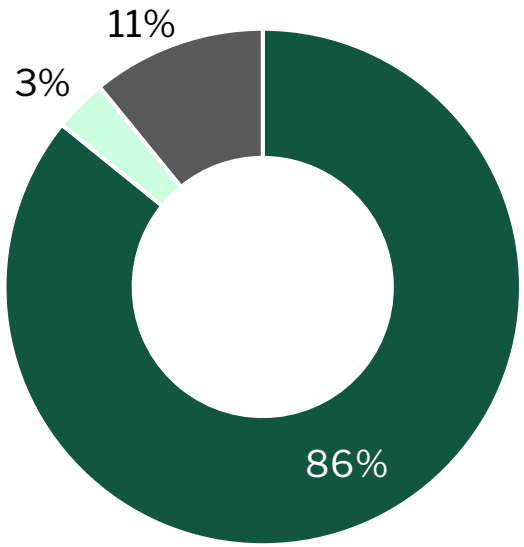
NCBA will diversify the group's assets & earnings beyond SA. Post transaction the impact of the transaction is currently estimated to be broadly neutral on ROE & DHEPS growth

Additional info

Assets[1]
(FY 2025, Rbn)



Headline earnings[1]
(FY 2025, Rbn)



Nedbank SA & other

Nedbank NAR, excl ETI

NCBA

Impact – post transaction

- Nedbank ROE – neutral
- Nedbank DHEPS growth – neutral

Impact – medium term to long term

- Leverage the investment to unlock synergies

Estimated Nedbank CET1 impact

- c40 bps, including the transitional Basel 2 to Basel 3 impact

[1] *Excluding ETI & NCBA funding costs.*



Strategic progress

Mfundo Nkuhlu

Chief Operating Officer

Our strategy

Leveraging our strong foundations to grow & enhance productivity

Additional info

Our purpose

To use our financial expertise to do good for individuals, families, businesses & society

Strategic value drivers

Growth

Productivity

Risk & Capital Management

Strategic value unlocks

Digital leadership & experiences (DX)

Market-leading client experiences (CX)

Focusing on areas that create value (SPT)

Growth vectors

Creating positive impacts (purpose delivery)

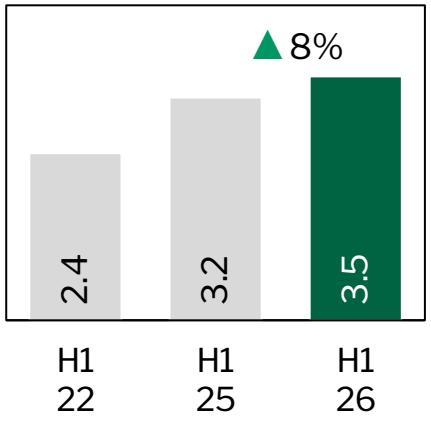
Our employees & differentiated corporate culture (EX)

Modern technology platform

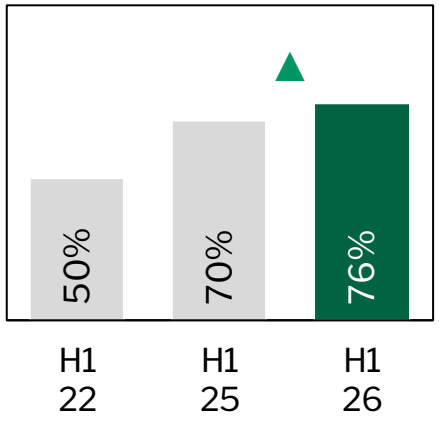
Digital experiences (DX) & client experiences (CX)

Ongoing strong growth in digital activity, clients and usage & sales – supporting enhanced client experiences

PPB digitally active clients (# m)



PPB retail digital sales (% of new sales)



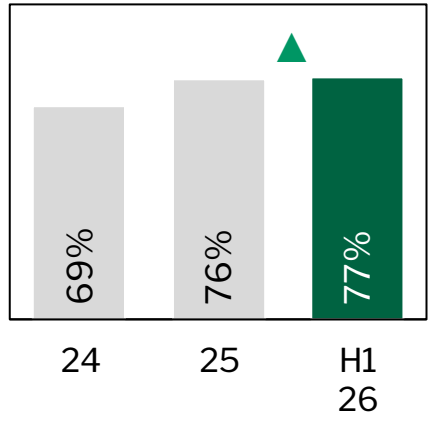
Nedbank brand value[2]

▲16%

R24bn

Ranked #8 among all SA companies

BCB NBH adoption rate (%, year)

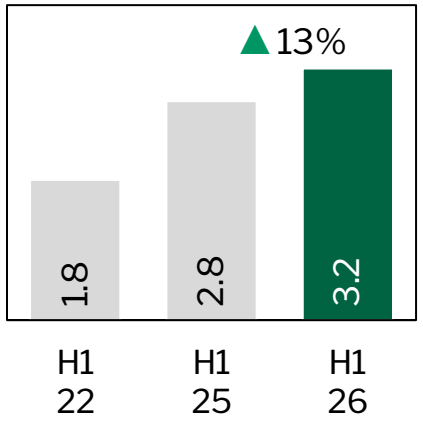


Mid-corporate client satisfaction score[4]

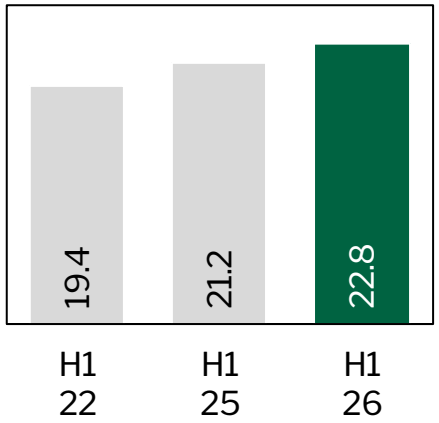
92

Ranked #1 in the peer group

PPB Money app active users (# m)



PPB App logins (ave logins per client/month)

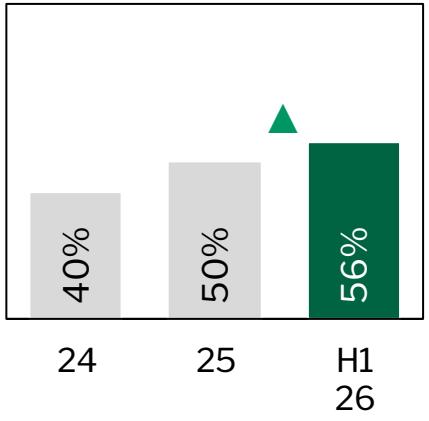


Consumer NPS[1]

77

#2 among main-banked clients of the large SA banks

CIB NBH adoption rate (%, year)



CIB client satisfaction[3]

82%

Above the global benchmark of 80% & up on 2025 (81%)

[1] *Kantar.* [2] *Brand Finance.* [3] *LF Media research.* [4] *Customer satisfaction study by KPI research.*

Digital experiences (DX) & client experiences (CX)

Leveraging AI, data & automation – early successes across revenue generation, enhanced client experiences, productivity improvements & fraud processes

Enhancing cross-sell

Integrated **AI-driven next-best-action capabilities** increased sales from 5% (pre-AI) to **13%** of total sales (excl. HL & MFC), reducing manual lead sourcing & offering personalised offers at the right moment to clients across digital & frontline channels. In H1 2026, this contributed to an improved **PPB cross-sell ratio ▲2.04** (H1 2025: 2.00)

Origination processes

Improved efficiency & consistency of CIB's **origination processes** through opportunity tracking, process visibility & standardisation. Improvements evident in **turnaround times**, **client servicing & effective origination,** providing foundations for agentic AI development

Juristic Advisory Solution

BCB's **AI-powered intelligence platform** (JAS) provides a 360° view of >25 000 juristic clients, helping bankers unlock growth opportunities, manage risk proactively & deepen client relationships. Outcomes include: **NPS ▲ by 3.5%** & **~37 minutes** saved per engagement through enhanced efficiency & actionable insights

Contact centre productivity

Enbi, our conversational **AI Digital assistant**, handles more than **370k chats** per month, fully resolving almost **80% of queries** & transferring to the contact centre consultants only where human assistance is required. This unlocks operational efficiencies & leads to enhanced client experiences

Fraud process automation

AI-assisted fraud case creation & registration:

- Time savings – **case creation** efforts **▼ by 95%** from 30–45 minutes to under 2 minutes
- Faster processing – **case registrations** **▼** from 3–5 days to under 2 minutes

Dedicated data, analytics & decisioning capability – enabling personalisation, credit decisioning, cross-sell, fraud analytics & risk management at scale

External recognition received in H1 2026

Across business excellence, technology & innovation and purpose & ESG

Additional info

Winner
2026 Global Banking & Finance Awards
Best Investment Bank in SA

Winner
2026 The Digital Banker Global SME Banking Innovation Awards
Best SME Beyond Banking Service Initiative – SimplyBiz

Winner
2026 Global Finance & Sustainable Finance Awards
Best Platform/ Technology Facilitating Sustainable Finance

Winner
Euromoney Awards for Excellence 2026
Africa's Best Bank for Sustainable Finance

Winner
2026 Global Finance Magazine Awards
Best SME Bank in SA

Winner
2026 The Digital Banker Global SME Banking Innovation Awards
Best SME Beyond Banking Service Initiative – SimplyBiz

Winner
2026 The Digital Banker: MEA Innovation Awards
Best AI Initiative in Africa

Winner
2026 Global Finance & Sustainable Finance Awards
Best Bank for Sustainability Transparency

Winner
2026 The Asian Banker
Best Retail Bank in Africa & SA

Winner
2026 Global Banking & Markets Africa Awards
Corporate Liability Management Deal of the Year

Winner
2026 The Digital Banker: MEA Innovation Awards
Best AI Powered Business Intelligence & Advisory Platform

Winner
2026 Global Banking & Markets Africa Awards
ESG Loan House of the Year

■ Business-impact- & expertise-related.

■ Technology- & innovation-related.

■ Purpose- & ESG-related.

Strategic portfolio tilt

Building stronger transactional franchises & enhancing client primacy

Total clients
8m ▲4%
(H1 25: 7.7m)

PPB active clients
7.6m ▲ 4%
(H1 25: 7.3m)

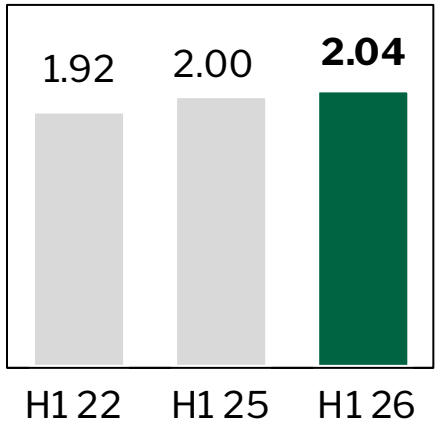
Personal	▲ 4%
Private	▲ 8%
Small Business	▲ 5%

BCB clients

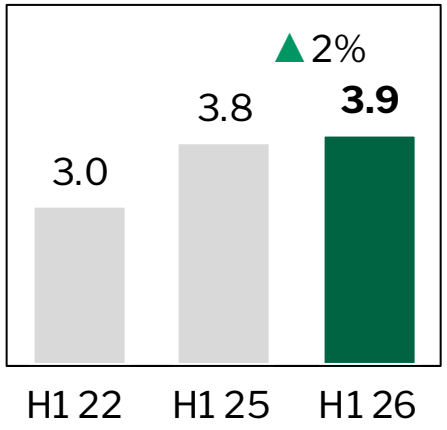
Commercial & Mid-corporate client groups	12k	▲ 2%
SME clients[2]	17k	▲ >10%

NAR: SADC clients
445k ▲6%
(H1 25: 419k)

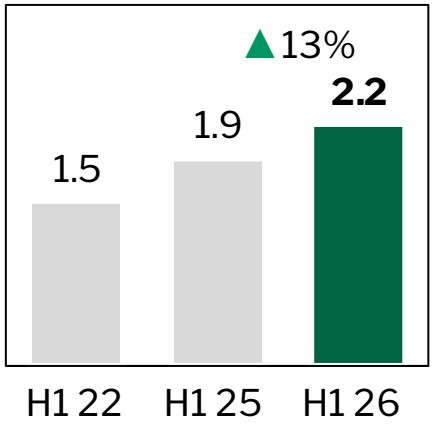
PPB cross-sell ratio
(# of retail products/client)



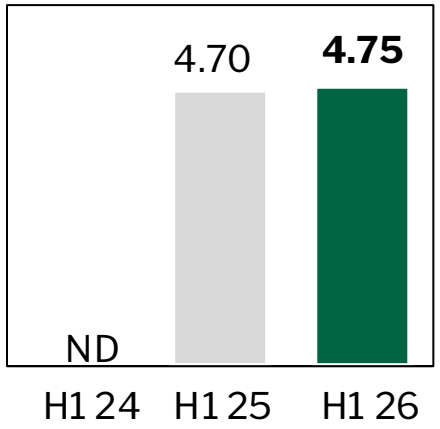
PPB main-banked clients
(# million)



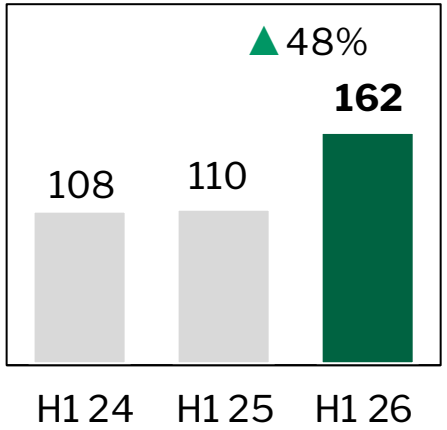
Greenbacks loyalty & reward clients (# million)



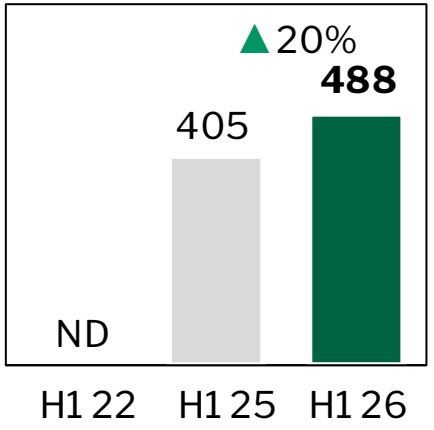
BCB cross-sell ratio[1]
(# of products/client)



POS devices[3]
(000)



Merchants accepting Amex on their POS (000)



[1] *Commercial & Mid-corporate.* [2] *Growth in SME clients includes the migration of clients from PPB.* [3] *Includes iKhokha from 1 Dec 2025.*

Strategic portfolio tilt

Good progress in growing in key areas

	BA900 market share (%)	Jun 25	Dec 25	May 26	Trend	Target
Wholesale lending	Core corporate loans	19.6	19.2	**19.4**	▲	
	Wholesale term loans	15.1	14.5	**15.3**	▲	> 18
	Commercial mortgages	35.6	34.7	**34.7**	▶	Lead
Retail lending	Home loans	14.9	15.1	**15.2**	▲	> 16
	Retail vehicle finance	36.2	36.1	**35.4**	▼	Lead
	Retail overdrafts	15.1	17.5	**16.6**	▼	> 17
	Personal loans	10.0	9.9	**9.8**	▼	> 12
	Credit card	9.5	9.6	**9.8**	▲	> 12
Deposits	Retail deposits	16.9	16.8	**17.0**	▲	> 17
	Commercial deposits	15.4	15.3	**14.9**	▼	> 16

Retail deposits, a common lens used in the industry, is the sum of BA900 lines 26, 27, 28 & 35.

- **CIB** – banking advances[1] +8% yoy, reflecting sustained pipeline conversion & larger-ticket participations
- **BCB** – banking advances[1] +6% yoy, with payout momentum supported by deep sector expertise, growth in SDG-linked finance, & the rollout of pre-approved overdraft & revolving credit facilities
- **PPB** – banking advances[1] +6% yoy, resulting in overall retail market share gain
  - **Secured lending** – differentiated strategies & JVs in home loans & vehicle finance
  - **Unsecured lending** – enhanced personal loans fulfilment processes & launched Quick Loans with Jumo & a new revolving credit facility
- **Deposits** – ongoing focus on transactional deposits

[1] *Gross banking advances.*

Creating positive impacts

Highlights & ESG ratings

Additional info

Sustainable development finance exposures

21%
of GLAA

Disclosed financed emissions
for heavy industries, transport & in BCB: commercial real estate & thermal coal



84.5%
ACI employee representation
(83% in 2024)



African senior & middle management representation
▲5%
(vs 2024)



CSIA Global Governance Award
Excellence in Governance
(listed companies)

R50bn
renewable energy exposures

> 2 100
unemployed youth (YES) intake for 2026 (total: > 19 000 since 2019)

Maintained
level 1 BBBEE
status for the **8th** year in a row

Cash taxation
payments[1] of
R9bn
in H1 2026

Independent ESG ratings of Nedbank

MSCI	AAA	Top 11% of global banks
SUSTAINALYTICS	11.2	Top 5% of global banks
S&P Global	63	Top 12% of global banks
ISS ESG	C+	Top 10% of global banks
FTSE Russell FTSE4Good	4.3	Top 24% of global banks

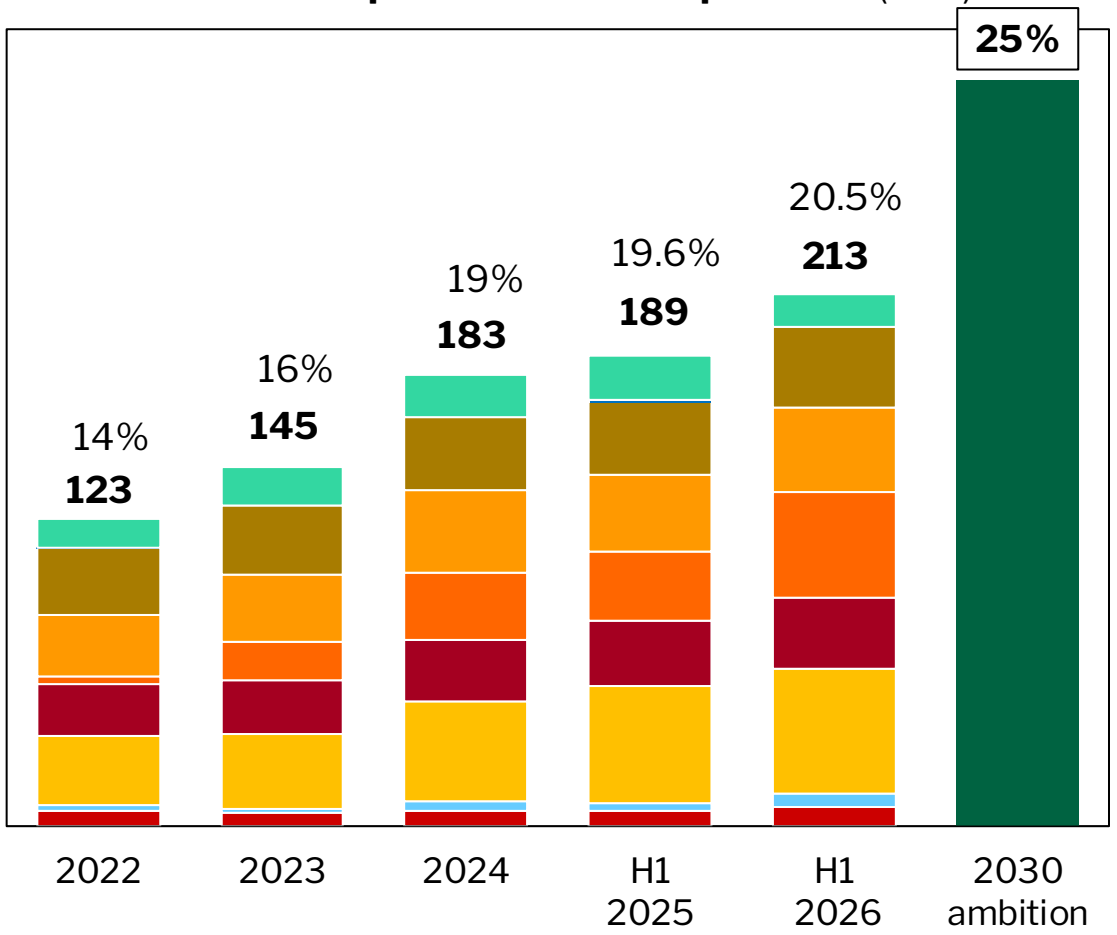
[1] *Tax payments relate to direct, indirect & employee taxes, as well as other taxation.*

Creating positive impacts

At 30 June 2026 we had R213bn sustainable development finance (SDF) exposures that represent 20.5% of GLAA. After achieving our 2025 target of 20%, a new ambition of 25% was set for 2030

Additional info

Sustainable development finance exposures[1] (Rbn)



Key highlights

- **R32bn** support for farmers & the agriculture sector
- **R34bn** for green-certified buildings & affordable home loans
- **R42bn** for industry, innovation & infrastructure, including R7bn for municipal infrastructure
- **R28bn** lending exposure to small businesses & their owners
- **R50bn** total renewable energy exposures[1]
- **R6bn** financing for clean water & sanitation, up by +80% yoy

[1] *Exposures include on-balance-sheet drawdowns of R50bn. Additionally, we have off-balance-sheet exposures of R6bn (contingent liabilities & hedges).*

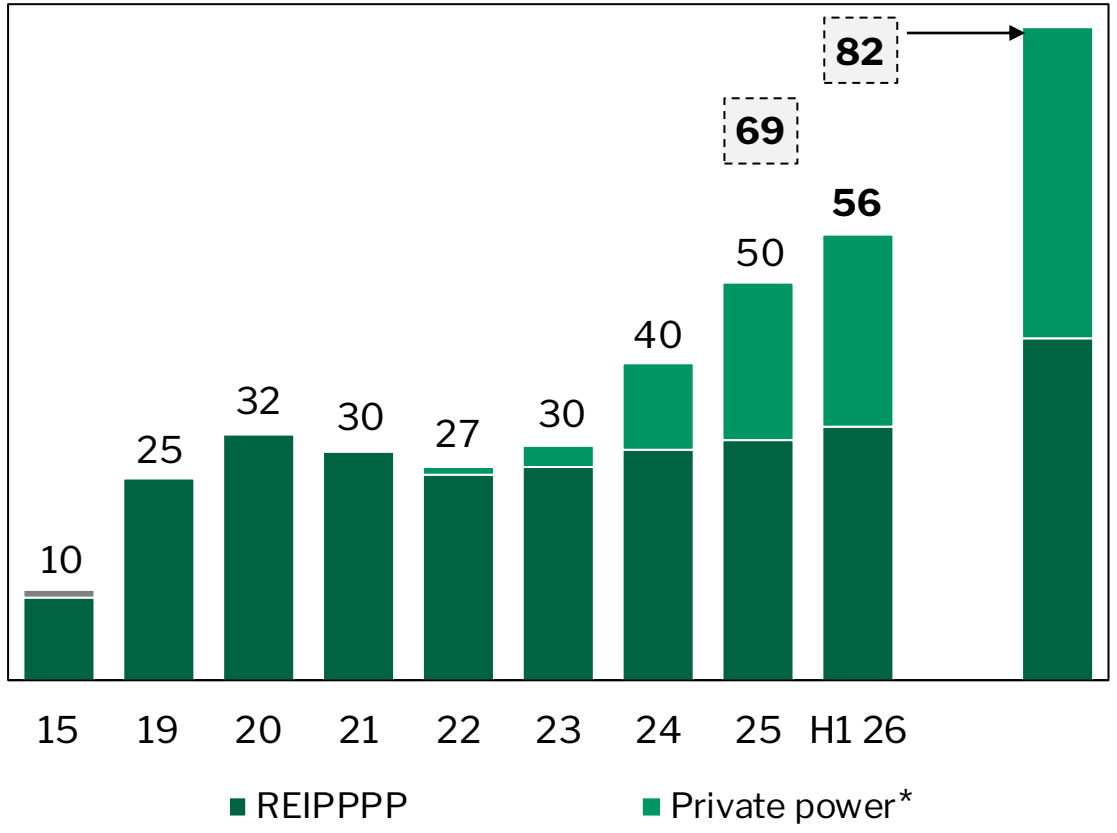
Creating positive impacts

Building on our leadership in renewable energy. Exposures increased to R56bn with strong pipelines in place

Additional info

Renewable energy financing

(■ drawn exposures[1], ▭ limits, Rbn)



Nedbank has supported **10 GW** of government & private power projects to date

> R26bn in the pipeline of deals for H2 2026

- **Closed 9 deals in 2026** (5 private power generation and 4 government power generation), supporting clients' energy requirements & contributing to SA's energy transition
- **Strong deal pipeline** expected to drive sustainable book growth over the medium term
- **36 deals worth at least R33bn** expected to close during H2 2026 & H1 2027
- **Uncertainty remains** around the project pipeline closing in 2026 due to final grid capacity allocations, grid commitment timelines, & delays in the issuance of budget quotes
- Supporting clients in the **transmission & gas programmes**

**Includes rooftop solar, which may be understated given use of access bonds.*

[1] Exposures include on-balance-sheet drawdowns of R50bn & off-balance-sheet exposures (contingent liabilities & hedges). [2] Some renewable energy financing could be distributed.



Financial overview

Mike Davis
Chief Financial Officer

Financial performance

Strong operational performance, partially offsetting the impact of ETI in the H1 2025 base

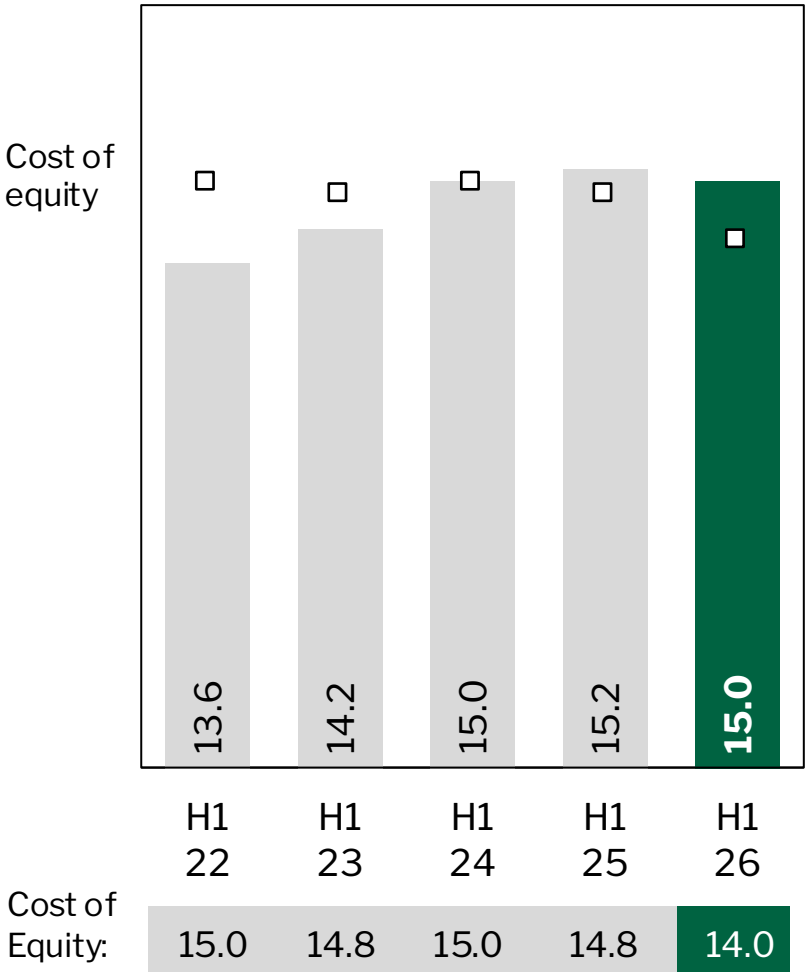
▲ 2% 1 803 cents DHEPS ▲ **15%** excl ETI	**15.0%** (H1 25: 15.2%) Return on equity **13.6%** excl ETI (H1 25)	▲ 8% R15.6bn PPOP ▲ **15%** excl ETI	▼ 56.2% (H1 25: 56.9%) Cost-to-income ratio **58.4%** excl ETI (H1 25)	**12.6%** (Dec 25: 12.9%) CET1 ratio	▲ 4% 25 486 cents NAV/share
0% R8.4bn Headline earnings ▲ **12%** excl ETI	▲ 16% 1 830 cents Basic EPS	▲ 95 bps (H1 25: 81 bps) Credit loss ratio	▲ 7% R1 250bn Banking deposits	▲ 7% R1 010bn Banking advances	▲ 2% 1 052 cents Interim dividend per share

Shareholder value creation

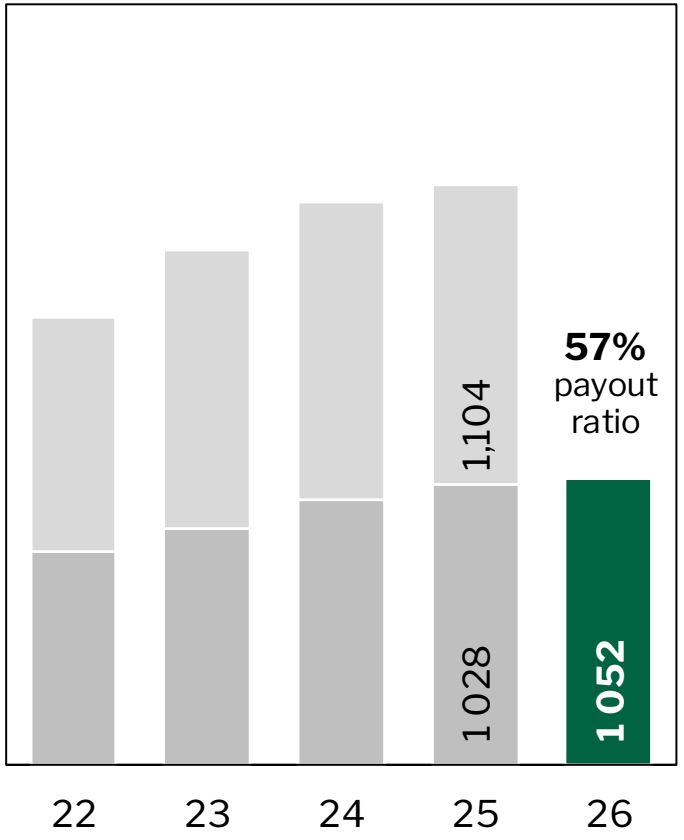
ROE ahead of COE, an interim dividend declared at a payout ratio of 57% & NAV growth of 4%

Additional info

ROE & cost of equity (%)

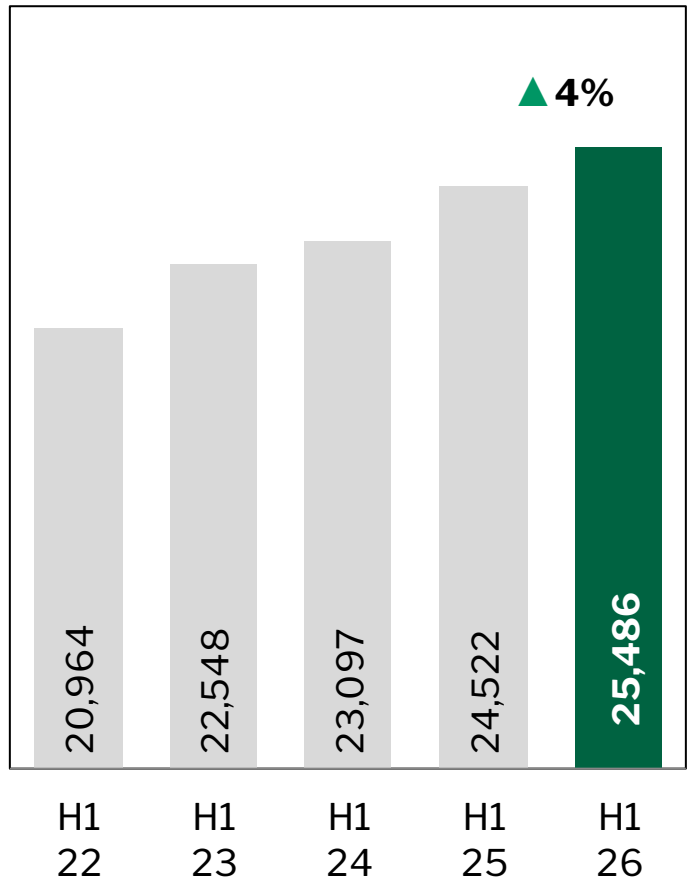


Dividend per share (cents)



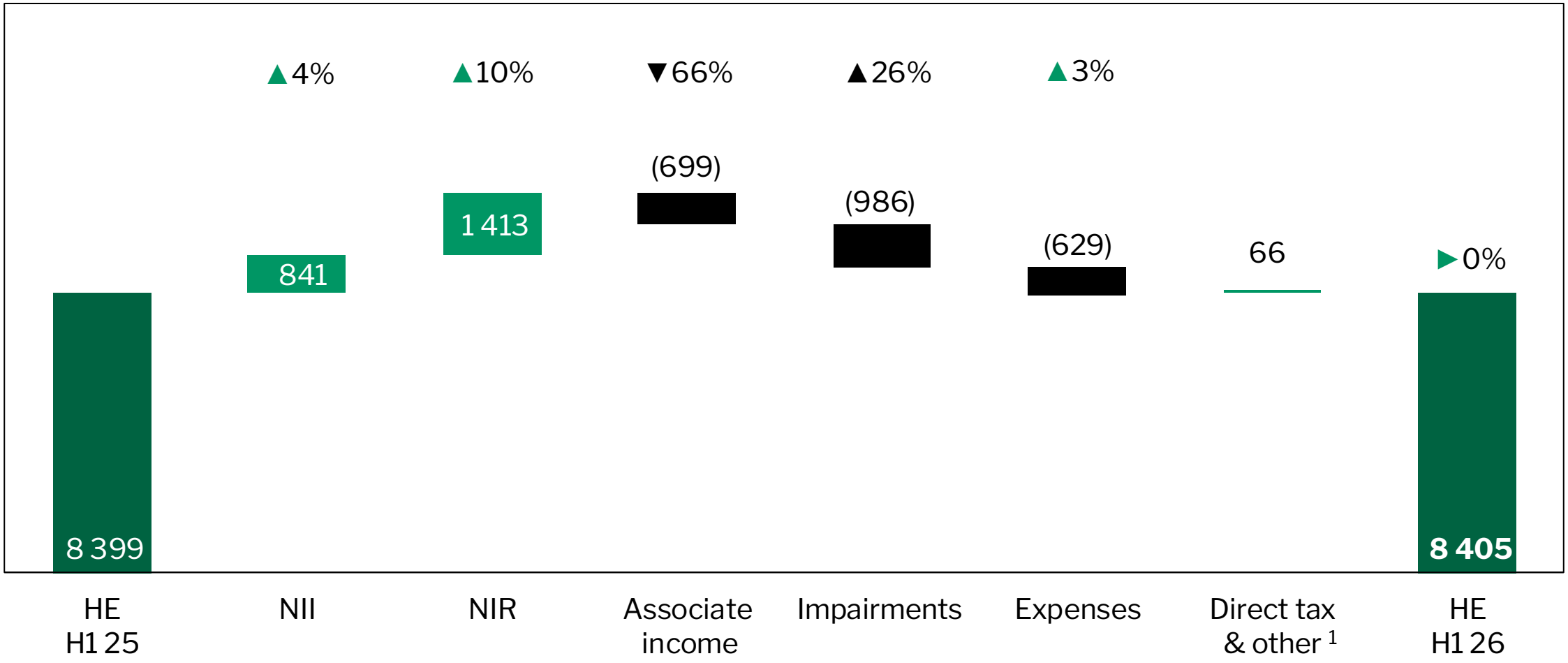
Interim: bottom bar | Final: top bar

NAV per share (cents)



Headline earnings flat, excluding ETI up by 12%

Headline earnings (Rm)

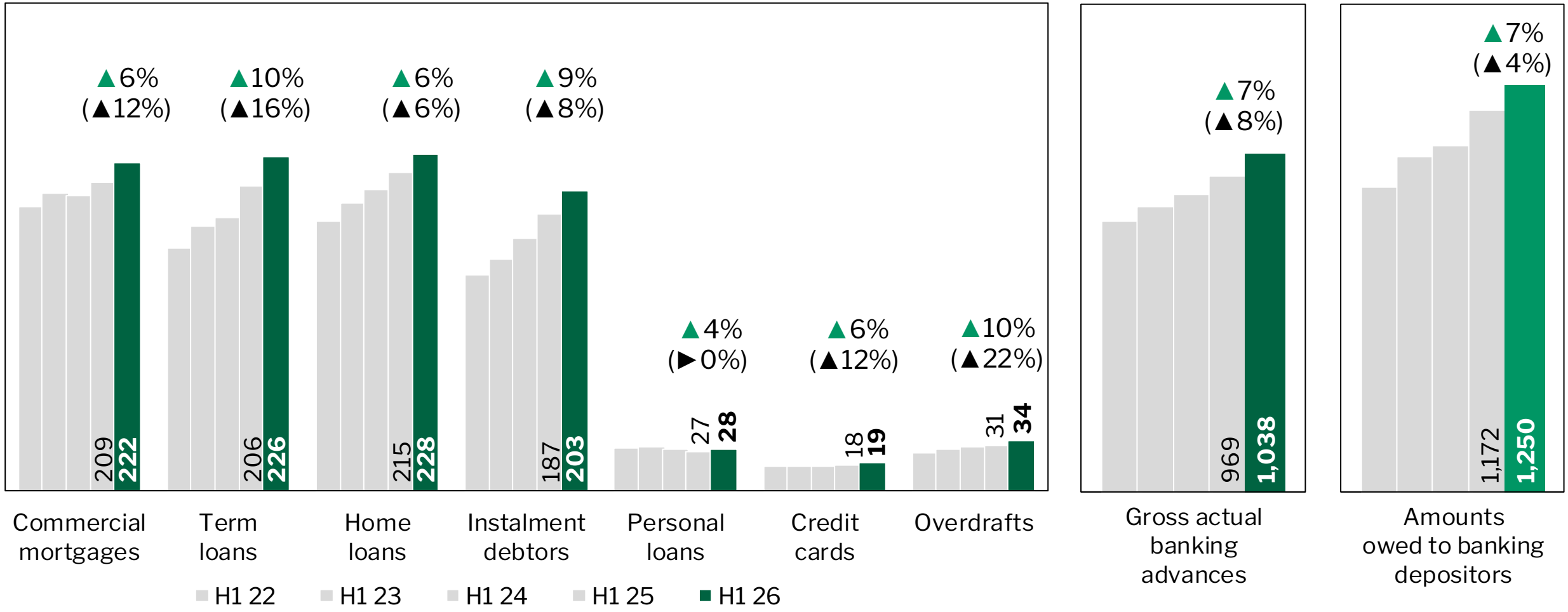


[1]*Other includes indirect tax and minority & preference shareholders.*

Gross actual banking advances up by 7% & banking deposits up by 7%

Good growth across all loan categories, with the exception of unsecured, which is still lagging

Gross banking advances (Rbn, ▲yoy growth)



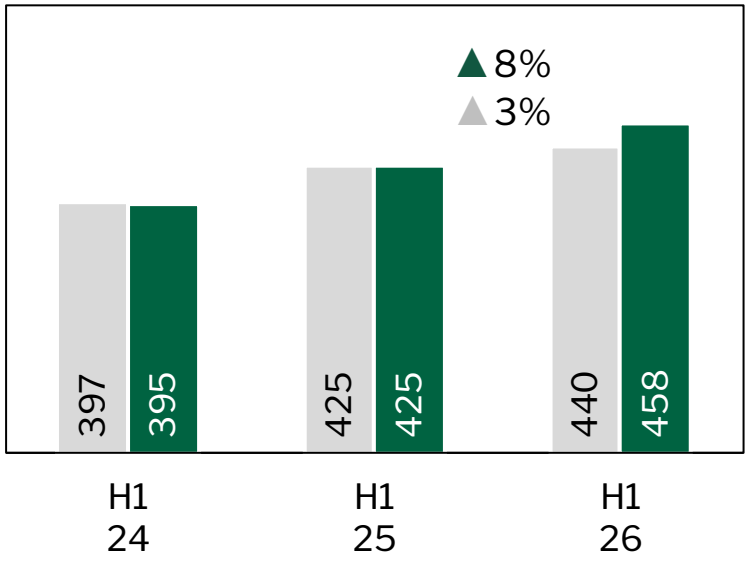
(▲x%) refers to ytd annualised growth since December 2025.

Gross actual banking advances up by 7% & average up by 5%

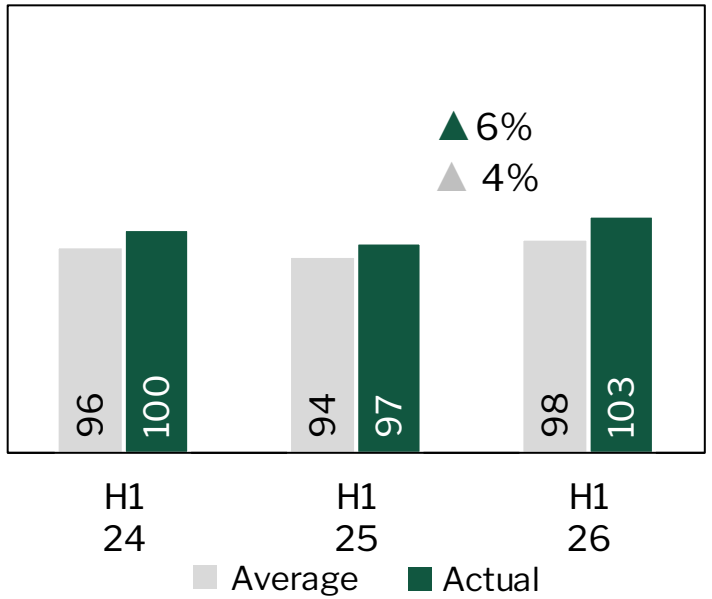
Actual advances growth ahead of average advances growth, highlighting solid momentum

Additional info

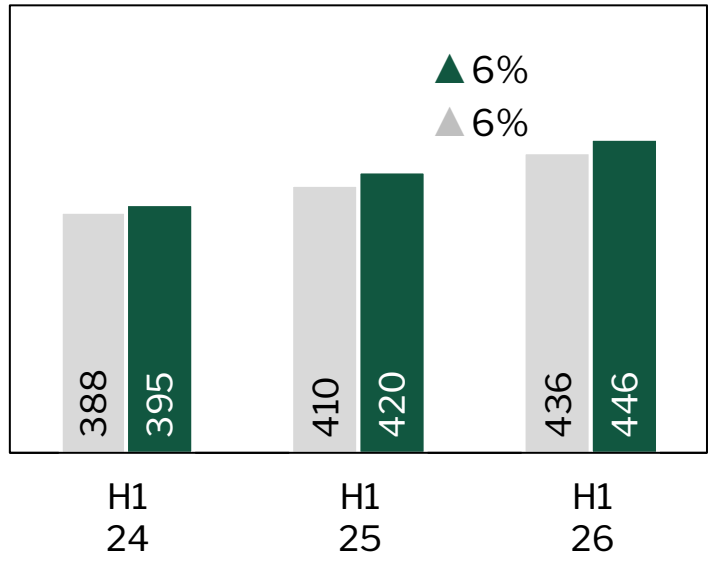
CIB gross banking advances (Rbn)



BCB gross banking advances (Rbn)



PPB gross banking advances (Rbn)



IB advances +7% – driven by growth across diversified industrials, structured commodities, renewables & agriculture

PF advances +5% – good growth in the SA portfolio

Markets – driven by leveraged loans

TS advances +22% – supported by improved client utilisation

New BCB loan disbursements +>30%

Commercial – new payouts +>30%

Mid-Corporate – new payouts +>30%

SME – new payouts +4%

New PPB loan disbursements +6%

HL – new payouts +16%

MFC – new payouts +9%

PL – new payouts -5%

Card – new payouts +10%

Private & Wealth – new payouts +5%

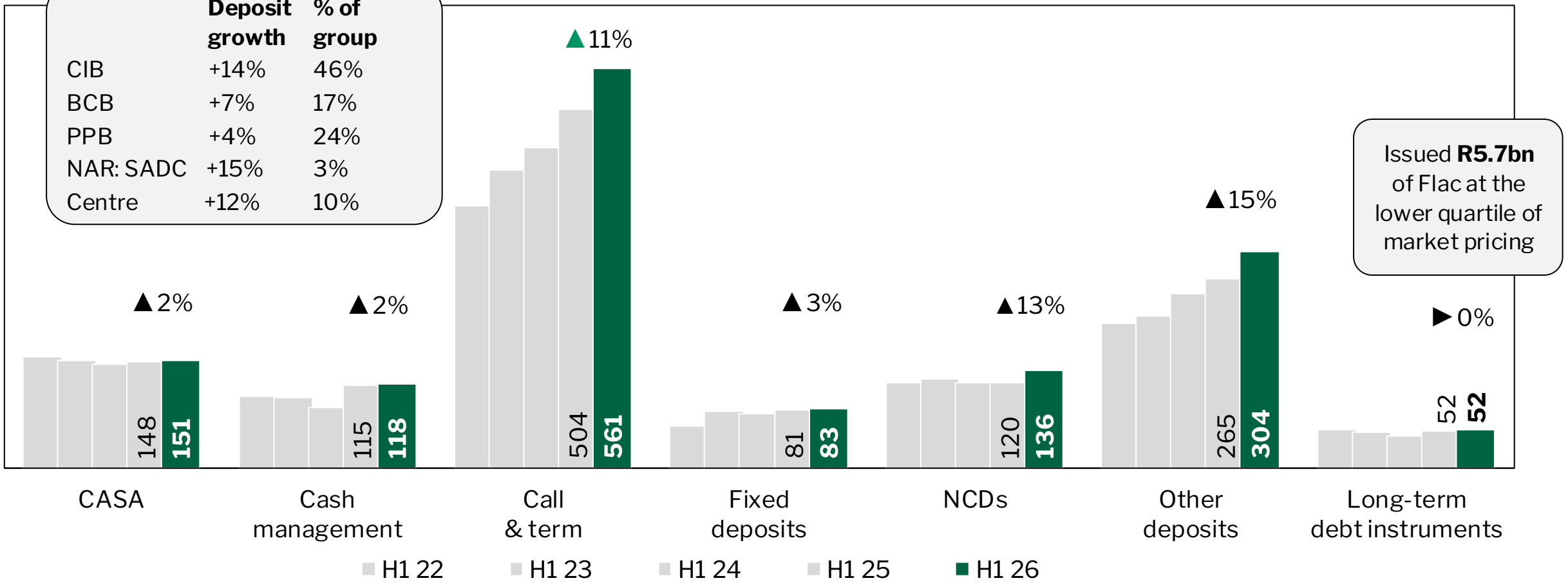
Total deposits up by 10%

Driven by franchise call & term deposits and other deposits as clients extend tenure, leveraging Nedbank's competitive term offerings. First-time Flac issuances – oversubscribed & attractive pricing

Additional info

Deposits & long-term debt (Rbn)

	Deposit growth	% of group
CIB	+14%	46%
BCB	+7%	17%
PPB	+4%	24%
NAR: SADC	+15%	3%
Centre	+12%	10%



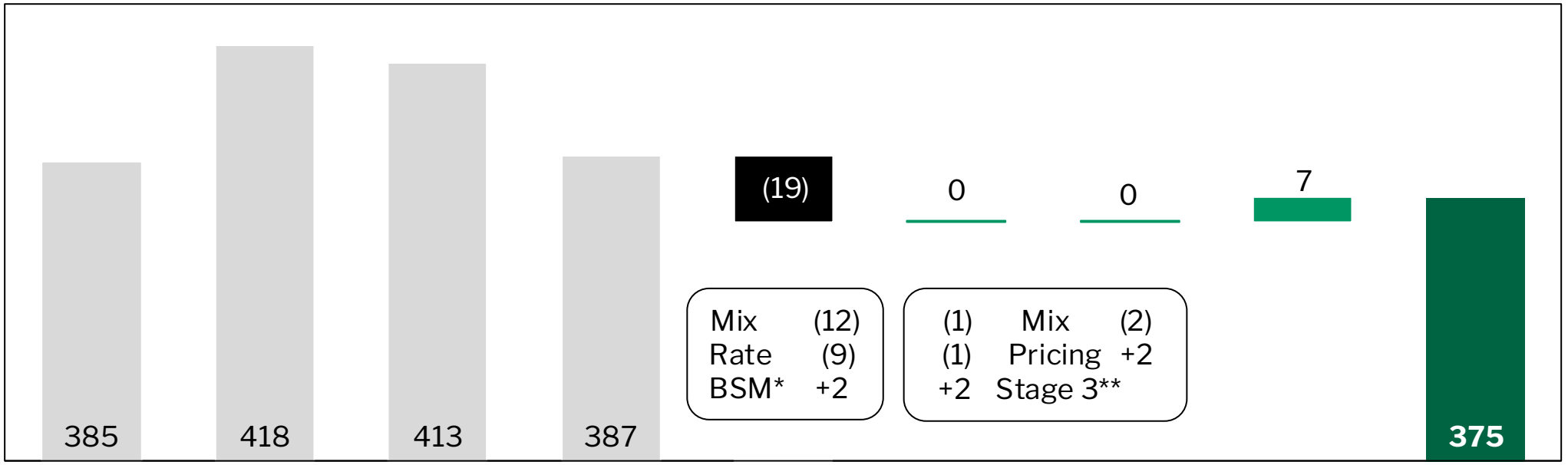
Issued **R5.7bn** of Flac at the lower quartile of market pricing

Call & term deposits driven by growth in Retail & Commercial Banking deposits due to targeted campaigns, as well as CIB Transactional Services.

NII up by 4%

AIEBA growth of +7%, offset by 12 bps NIM compression

Net interest margin (bps)



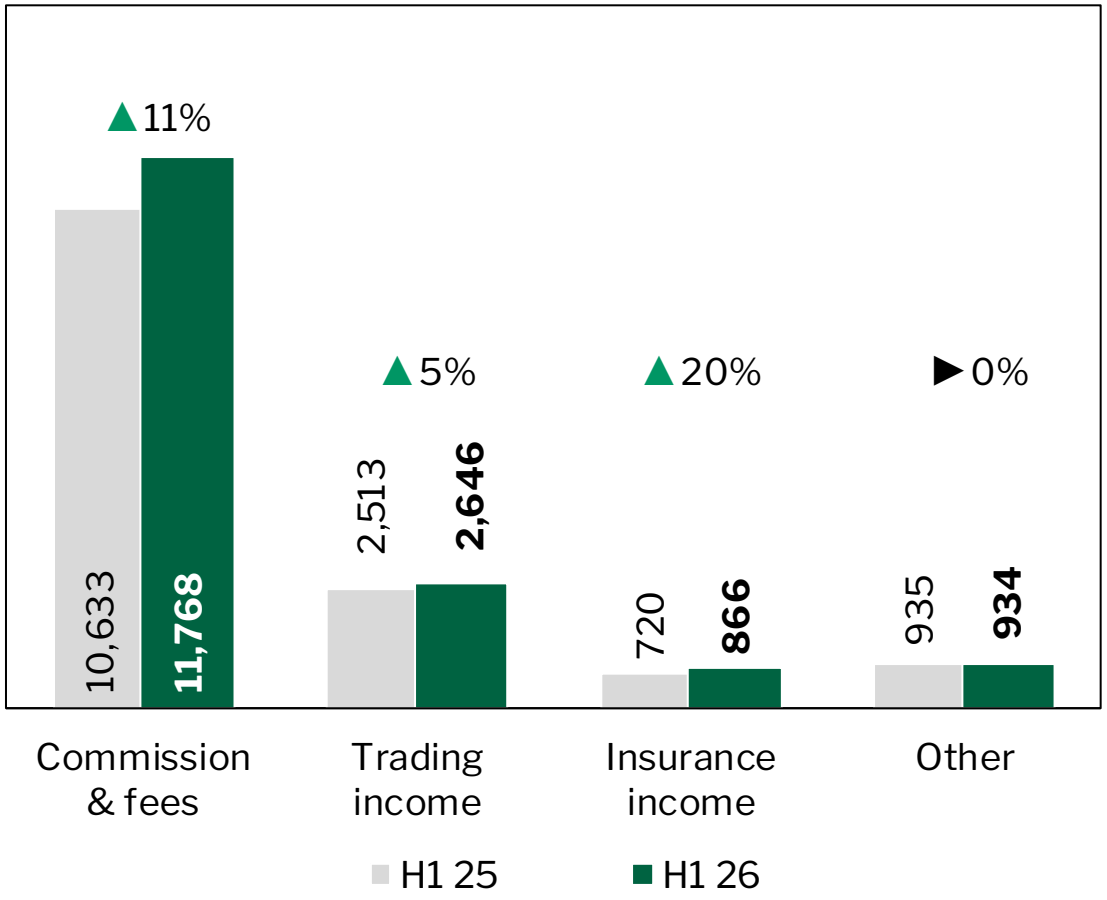
Average SA prime rate:	7.7%	11.1%	11.8%	11.0%	**10.3%**
	NII sensitivity for 1% change in interest rates: **R1.3bn.** Endowment hedging implemented to date: 40%****				
NII sensitivity /AIEBA:	17 bps	18 bps	13 bps	10 bps	**11 bps**

**Active BSM management: HQLA NII optimisation & endowment hedge. | **Stage 3 interest reversal. | ***Other includes basis risk & NAR: SADC | ****Percentage of designated portfolios.*

NIR up by 10%

Strong growth supported by insurance income and commission & fees

Non-interest revenue & income (Rm)



Key drivers

- **Commission & fees**
  - **CIB** +16% – improved client activity & strong fee generation
  - **BCB** +14% – good growth in the client segments & card + benefit from the iKhokha acquisition
  - **PPB** +7% – strong growth in VAS (+28%), client gains & higher levels of cross-sell, partially offset by lower ATM cash volumes (-5%)
  - **NAR: SADC** +13% – strong client activity
- **Trading income** +5% – supported by strong performance in equities
- **Insurance** – improved claims experience in non-life portfolio & strong premium growth in the MyCover suite (+23%)

PPB NIR growth

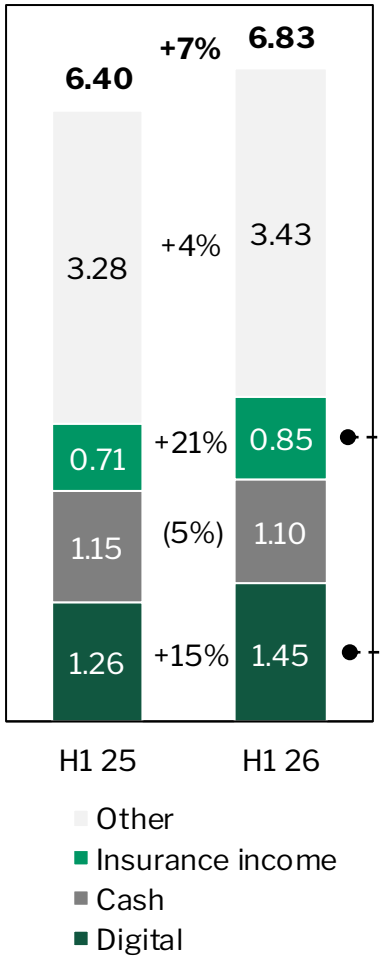
NIR increased by +7% underpinned by good progress on insurance & digital payments, & supported by client gains, high-levels of cross-sell & an enhanced loyalty & rewards programme

Additional info

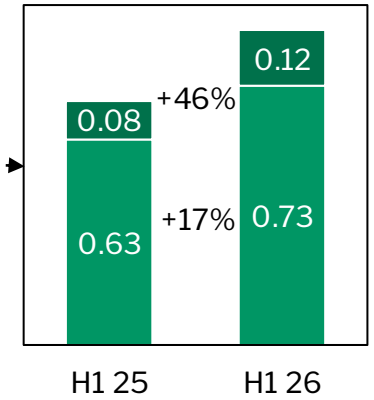
Client growth & cross-sell

- Total active clients ▲4% **7.6m**
- Digitally active clients ▲8% **3.5m**
- Cross-sell ratio ▲**2.04** (H1 25: 2.00)
- Greenbacks members ▲13% **2.2m**

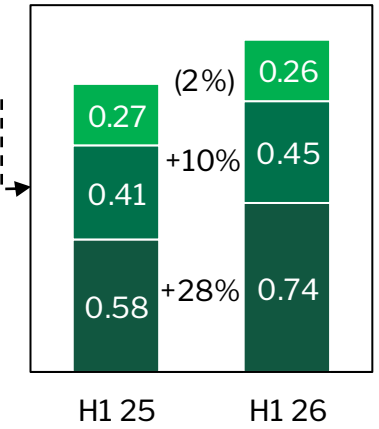
PPB NIR (Rbn)



Insurance income (Rbn)



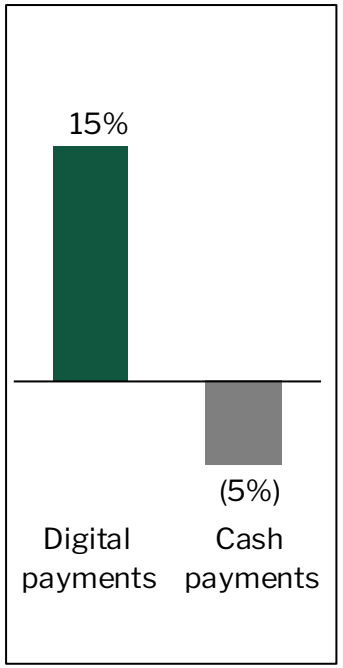
Digital payments (Rbn)



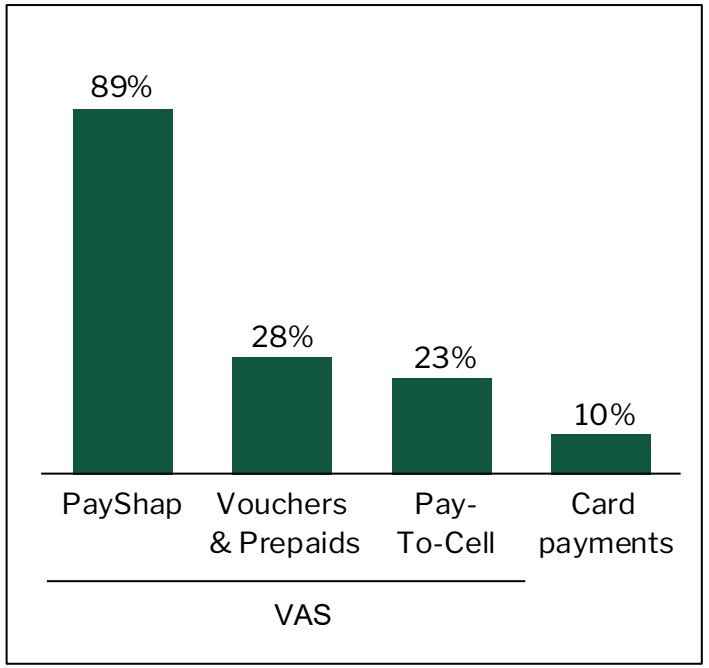
Modernising payments

NIR from digital payments is growing in double-digit, while cash is declining in line with client behaviours. Digital payments are driven by strong growth in PayShap, including VAS & card payments

Payments NIR (PPB) (growth %, yoy)



Digital payments (PPB) (growth %, yoy)



Insurance

Good progress continues across the MyCover range

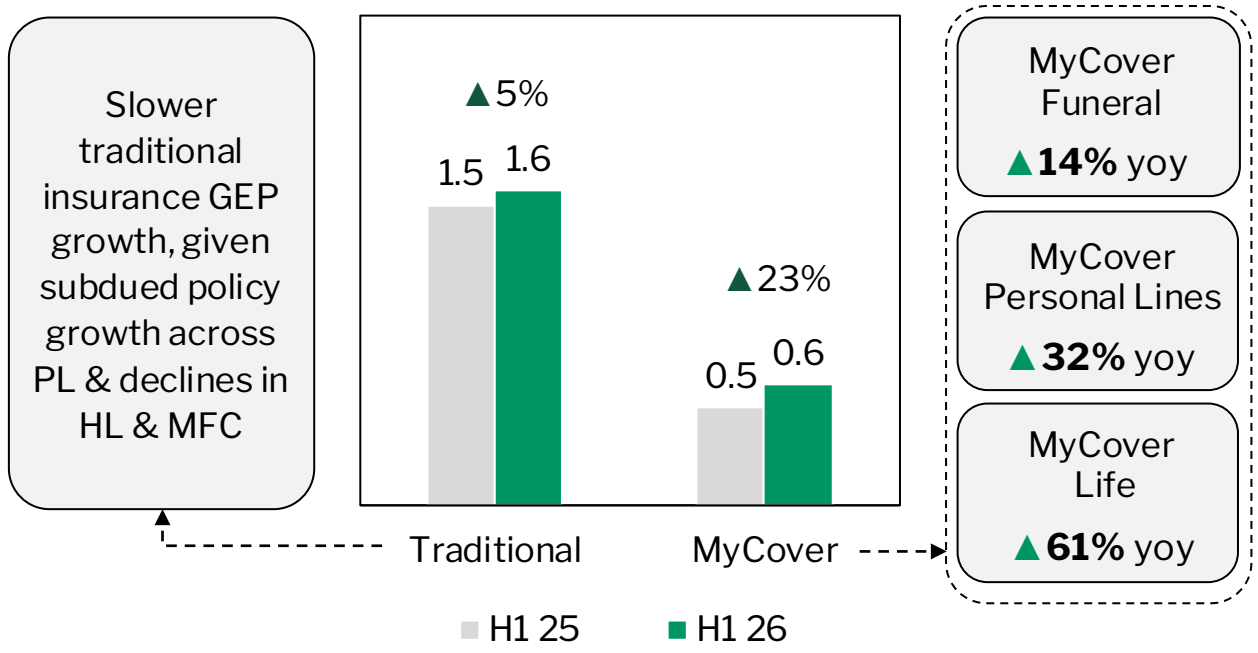
Additional info

Grow & enhance insurance cross-sell

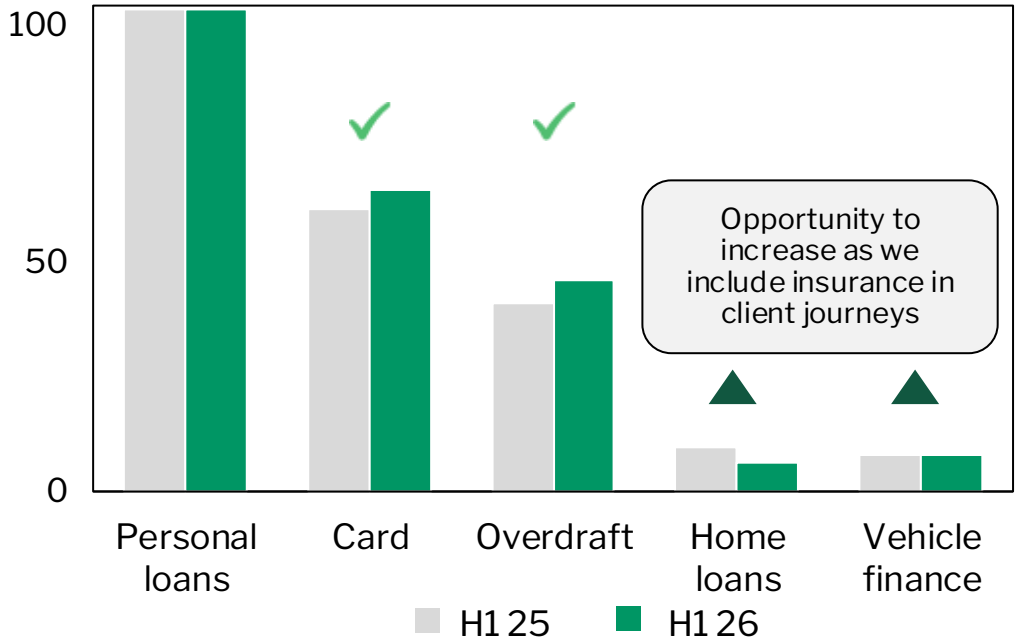
Grow & cross-sell traditional bancassurance & the MyCover suite to Nedbank clients

- Target – improve product penetration through integrated client journeys & data-driven targeted offers
- Target – grow gross earned premiums (GEP) by >**50%** (medium term) from the R4.3bn reported in 2025. GEP for H1 2026 increased by **+23%** to R2.3bn (H1 2025: R2.1bn)

Gross earned premiums (Rbn)



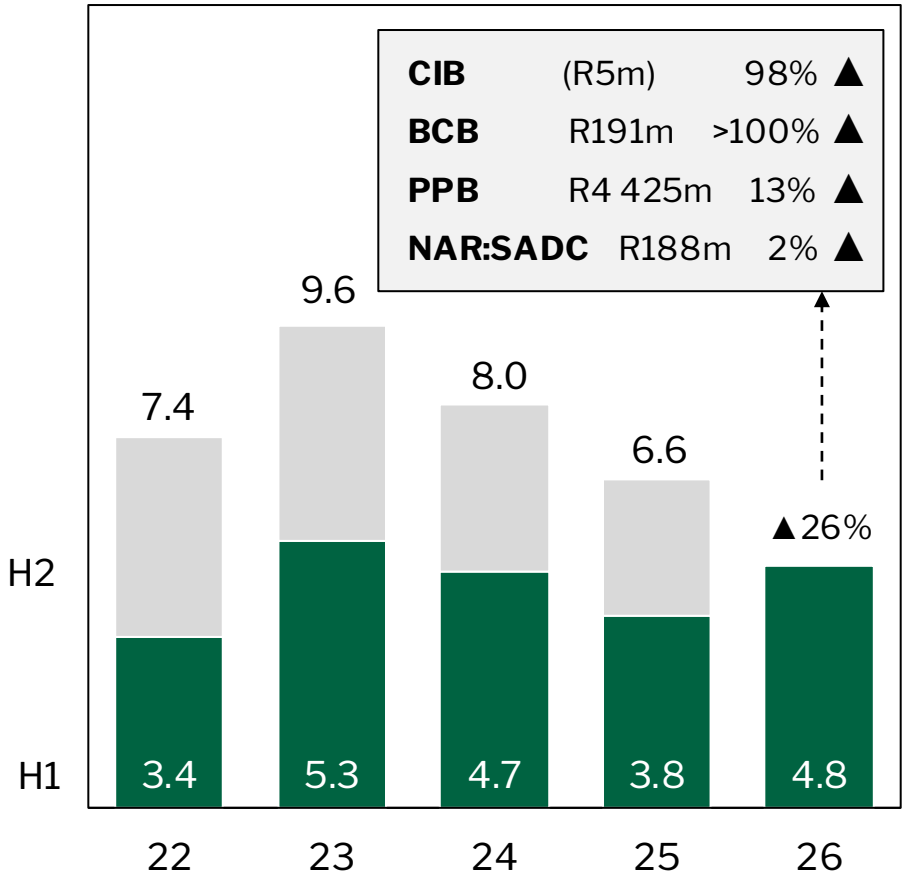
Credit product penetration (%)



Impairment charge up by 26% to R4.8bn

Higher impairments driven by a 13% increase in PPB, with CIB & BCB increasing off low H1 2025 bases

Impairment charge (Rbn)



Credit loss ratio

▲95 bps
(H1 25: 81 bps)

Group CLR

CIB	0 bps ▲
BCB	40 bps ▲
PPB	205 bps ▲
NAR:SADC	67 bps ▼

Cluster CLR

Loans & advances

▲7% yoy
R1 038bn

Gross loans & advances

Stage 1	12% ▲
Stage 2	(10%) ▼
Stage 3	(6%) ▼

Gross loans & advances

Coverage

▼2.93%
(H1 25: 3.21%)

Total coverage ratio

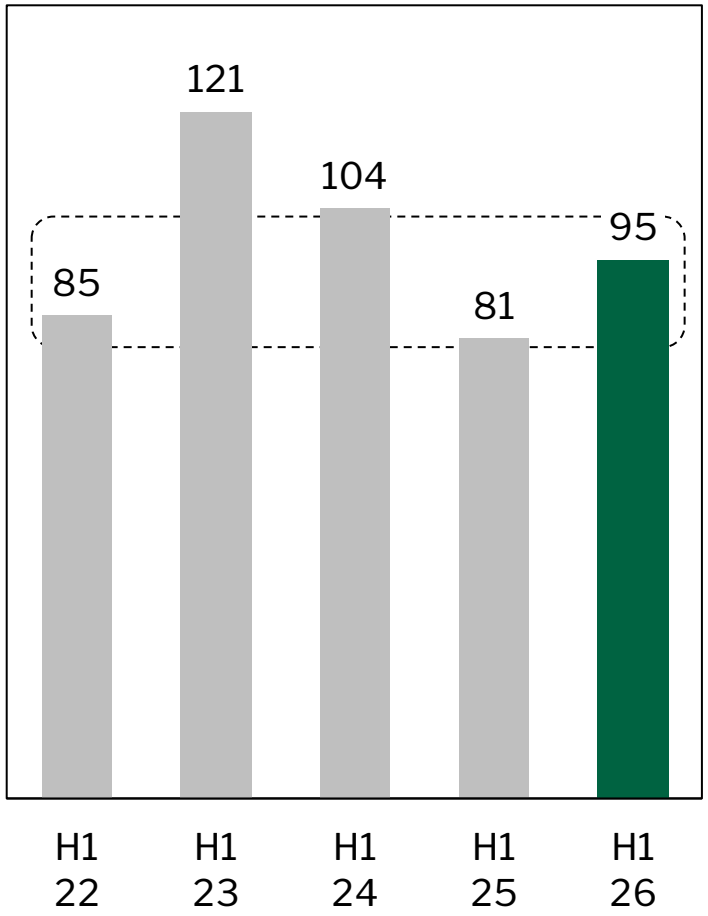
Stage 1	0.50% ▼
Stage 2	7.9% ▲
Stage 3	41.8% ▲

Coverage ratios

Group CLR up to 95 bps

Good outcomes across wholesale & NAR: SADC portfolios, with PPB above its TTC range

Credit loss ratios (bps)



		H1 26	H1 25	TTC
CIB	▲	**0**	**(15)**	**15–45**
CIB excl CPF	▲	(5)	(26)	
CPF	▲	6	(2)	
BCB	▲	**40**	**11**	**40–70***
PPB	▲	**205**	**192**	**130–190**
Home loans	▲	57	39	
VAF	▼	211	231	
Unsecured lending	▼	926	945	
Card	▲	810	554	
NAR: SADC	▼	**67**	**154**	**85–120**
Group	▲	**95**	**81**	**60–100**

**BCB's TTC target range has been revised from 50–70 bps to 40–70 bps.*

CIB – below its TTC target range

BCB – at the bottom of its TTC target range

PPB – above its TTC target range.
Higher CLRs in HL & Card; & still elevated in PL. Quality of front-book origination improved since 2023. Negative impacts from updated forward looking macro assumptions & marginally higher arrears & defaults.

PPB impairments

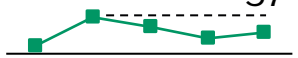
Proactively improved front-book origination quality since 2023. H1 2026 negatively impacted by macroeconomic changes & higher defaults

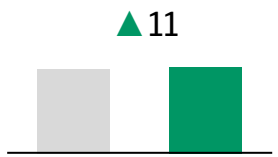
Additional info

Credit loss ratio (bps)

Front-book quality (ave. origination bureau score)

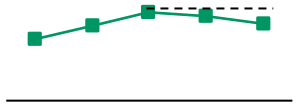
Home loans

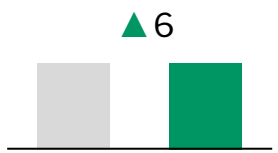




▲ CLR up off a low H1 2025 base
▲ Updated forward-looking macro parameters
▲ Pressure in early-stage arrears stabilising
► Asset prices stable

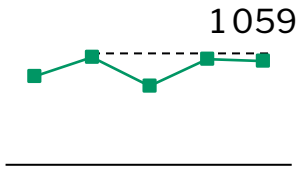
MFC (vehicle finance)

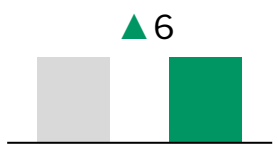




▼ CLR improving
▲ Updated forward-looking macro parameters
▲ Asset prices marginally down

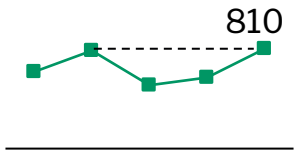
Personal loans

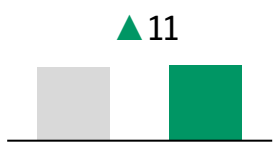




▼ CLR improved slightly, but remains sticky
▲ Updated forward-looking macro parameters
▼ Early-stage inflows improving
▲ Late-stage remains challenging

Credit card

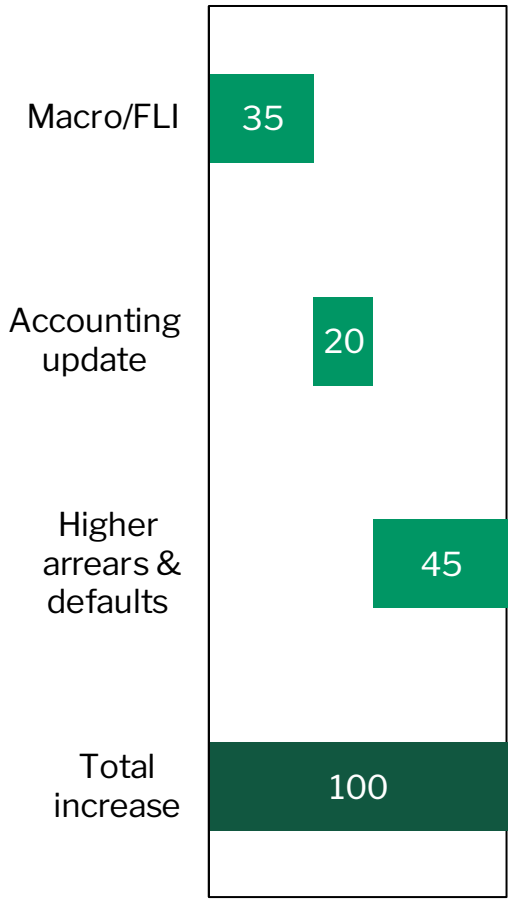




▲ CLR up off a low H1 25 base
▲ New business charge due to higher growth
▲ Deterioration in late-stage

H1 22 H1 26 2023 H1 26

Drivers of higher PPB CLR (% contribution)



Model impacts:
- Fuel inflation in Q2
- Prime +25 bps vs expected 50 bps cuts

Increased coverage on overdrawn transactional accounts

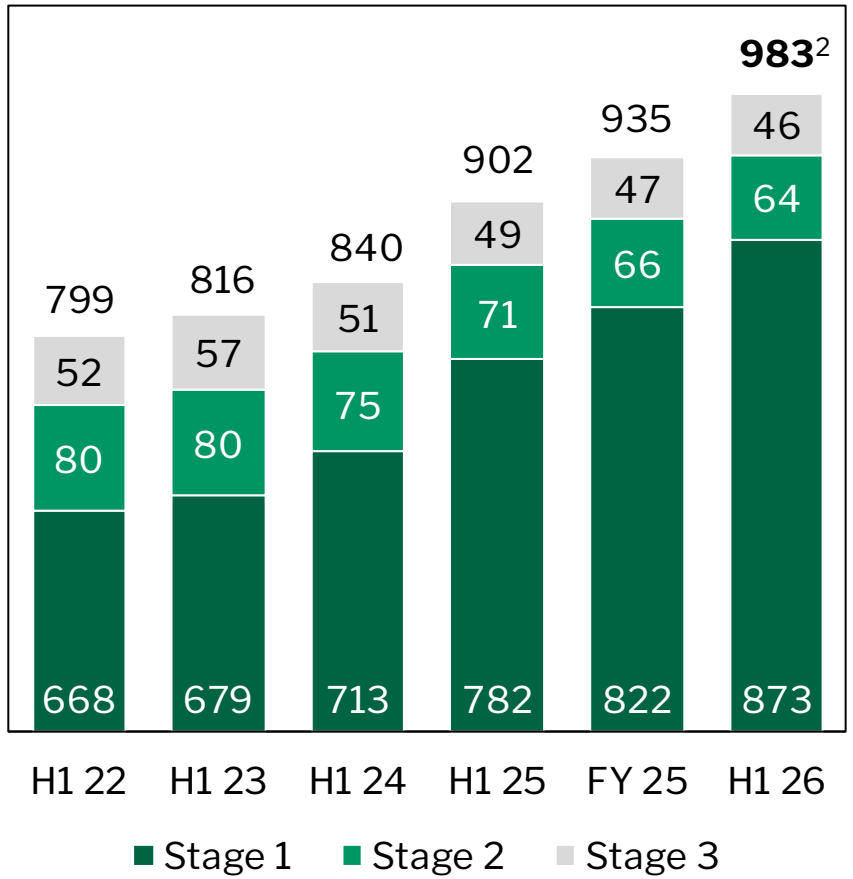
Collection efforts:
- Enhancing collection processes
- Investments in technology & AI

Gross loans & advances and coverage

Strong growth in stage 1 loans & reductions in stage 2 & 3 loans. Stage 2 & 3 coverage increased

Additional info

Gross loans & advances (Rbn)



Coverage (%)[1]

	H1 25	FY 25	H1 26
Stage 3	3.21	2.96	**2.93**
Stage 2	39.5	39.4	41.8
Stage 1	6.8	7.1	7.9
Total	0.61	0.53	0.50

Key drivers

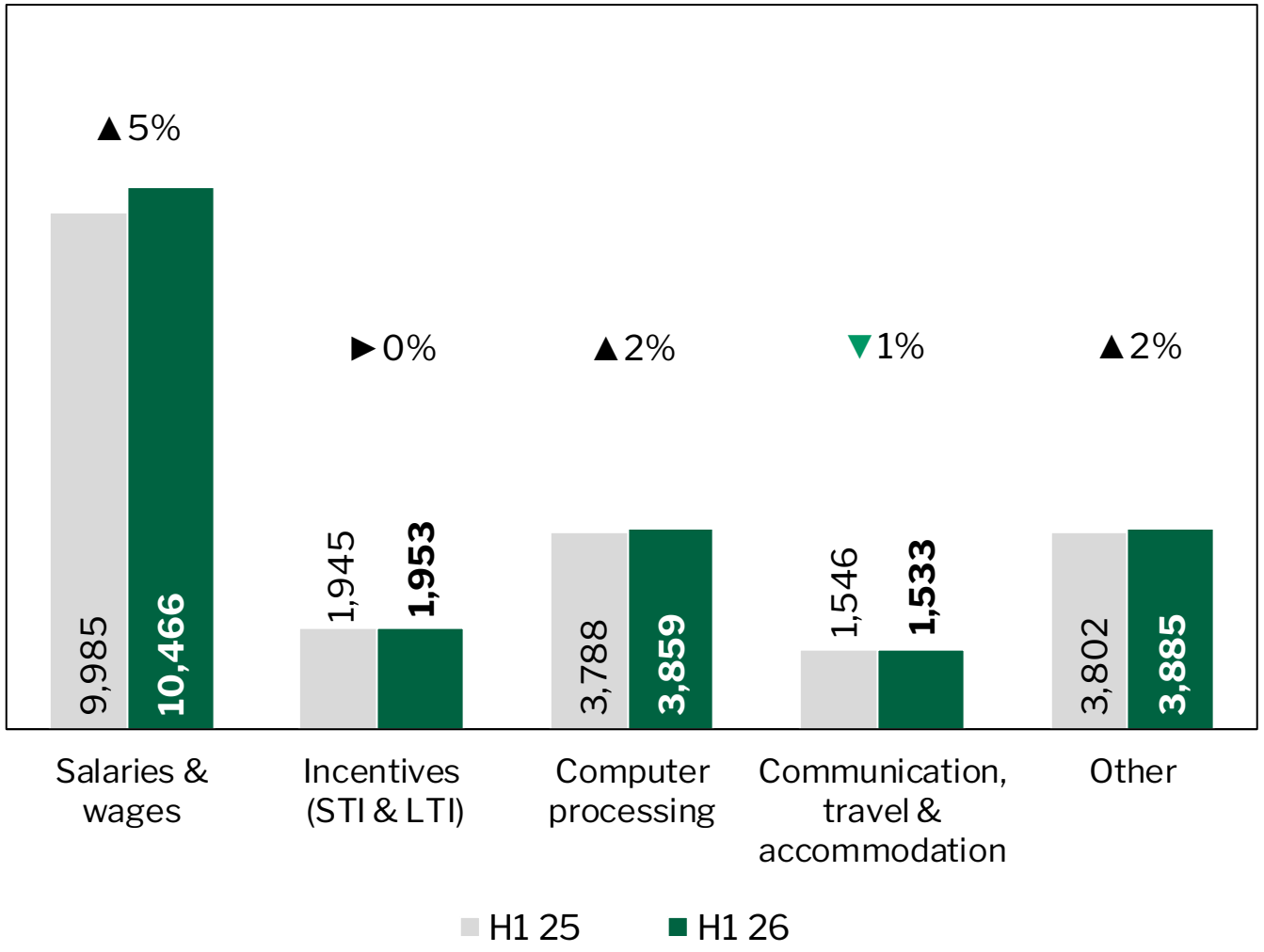
- **Stage 1 loans**
  - Front-book growth across all clusters & loan migrations from stage 2 & 3
- **Stage 2 loans**
  - Benefit of stage migrations
- **Stage 3 loans**
  - CIB stage 3 loans ▼
  - BCB stage 3 loans ▼
  - PPB stage 3 loans ▼ yoy, ▲ ytd
  - Stage 3 coverage increase driven by mix change
- **Total overlays of R2.0bn** (Jun 2025: R0.9bn, Dec 2025: R1.6bn) to cater for known risks not yet reflected in models

[1] Total balance sheet ECL includes FVOCI & off-balance-sheet ECL, while ECL coverage excludes FVOCI & off-balance-sheet ECL. I [2] R983bn includes amortised cost of instruments as part of the coverage & excludes R73bn of FVOCI loans and hedge adjustments from the total GLAA.

Expenses up by 3%

Well managed across all key drivers

Expenses (Rm)



Key drivers

- **Employee-related costs**
  - Salaries & wages: annual average salary increase (+4%)
  - Variable-pay incentives aligned to flat HE growth
- **Computer processing** – well managed despite ongoing technology investment & higher digital volumes
- **Other**
  - Optimisation benefits across communication, travel & accommodation
  - Various productivity initiatives
- **Cluster expenses**
  - CIB +3%
  - BCB +11% (+6.5% excl iKhokha)
  - PPB +3%
  - NAR: SADC +3%

Productivity

More than R1.5bn productivity enhancements planned over the medium term

Additional info

Key group-wide initiatives (examples)

- **PPB** – reorganisation benefits, including headcount rightsizing, distribution optimisation etc
- **NAR: SADC** – headcount rightsizing, branch optimisation & productivity initiatives
- **Shared services optimisation**
  - Group Technology – enhance engineering effectiveness & operating model efficiencies
  - Human Resources – system & operating model changes leading to greater FTE productivity
  - Other shared services initiatives
  - Organisation review & optimisation
- **AI-related & productivity initiatives** across all businesses

Progress in H1 2026

Headcount[1]

PPB	▼1%
NAR: SADC	▼9%
Group Technology	▼>3%

Operations

PPB outlets | ATMs	▼7 | ▼112
NAR: SADC outlets | ATMs	▼2 | ▲51
PPB outlets – floor space	▼9k sqr metres yoy
Cash recycling	44% of ATM cash recycled

Branch productivity

Channel cost/active client	▼5%
Contact centre cost/sale	▼2%

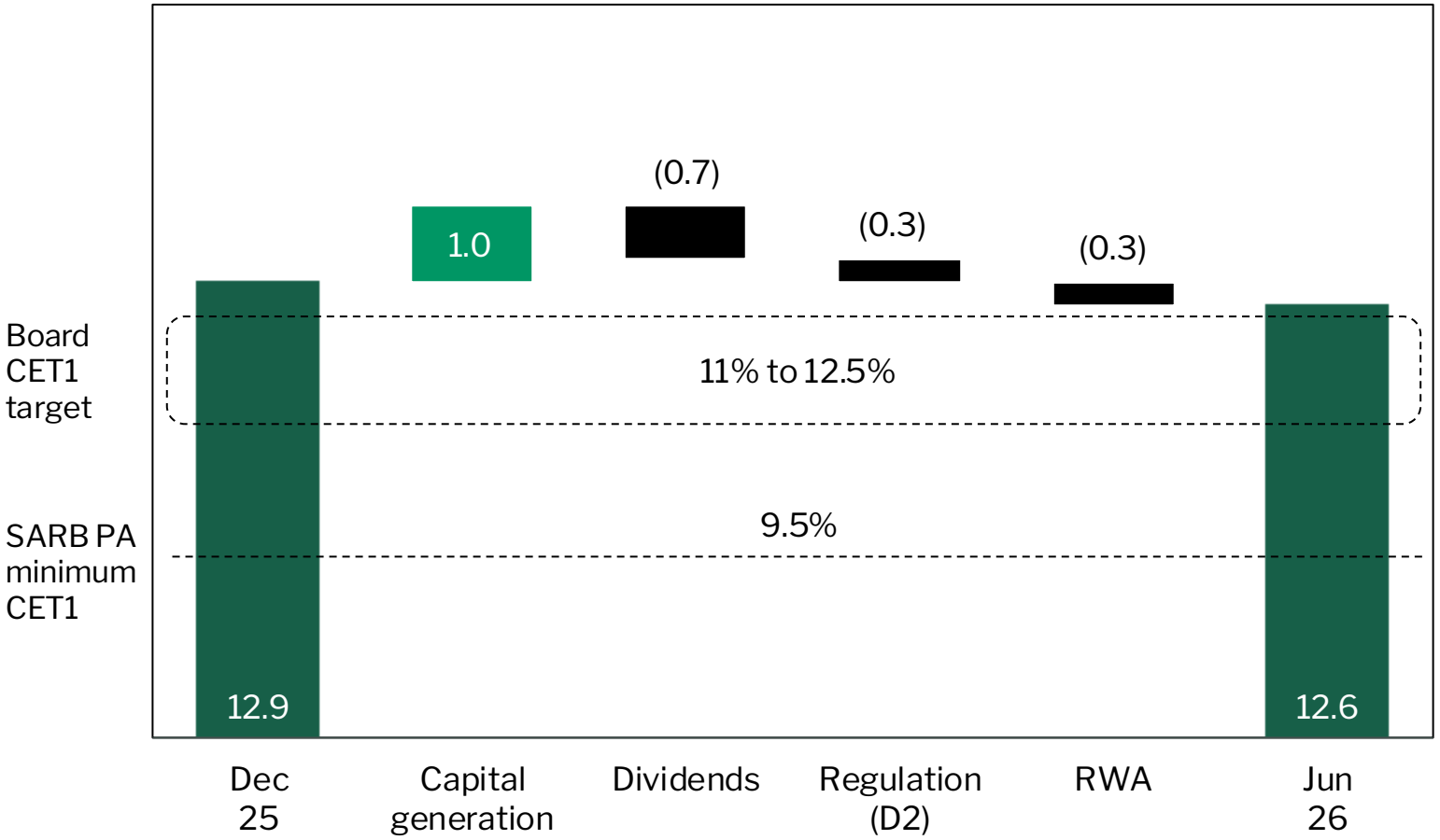
AI-related productivity – more than R375m annualised benefits to date

[1] *Optimisation & right-sizing of workforce.*

Common equity tier 1 ratio at 12.6%

CET1 ratio above the top end of our target range – absorbed regulatory changes & appropriately capitalised to support growth & the NCBA acquisition

CET1 ratio (%)



Capital management

- **CET1 ratio** – above the top end of our 11.0–12.5% target range
- **Growth** – appropriately capitalised to support wholesale lending opportunities & targeted SPT growth
- **Dividends** – we remain comfortable with our board-approved payout range & retain flexibility in the management of our capital
- **Absorb regulatory impacts** – Directive 2 of 2025 requires the exclusion of post-acquisition insurance entity reserves from qualifying capital
- **NCBA acquisition** – expected to close in Q3/Q4 2026 (c40 bps impact)

Cluster financial performance

Good GOI growth & expenses well managed across all clusters

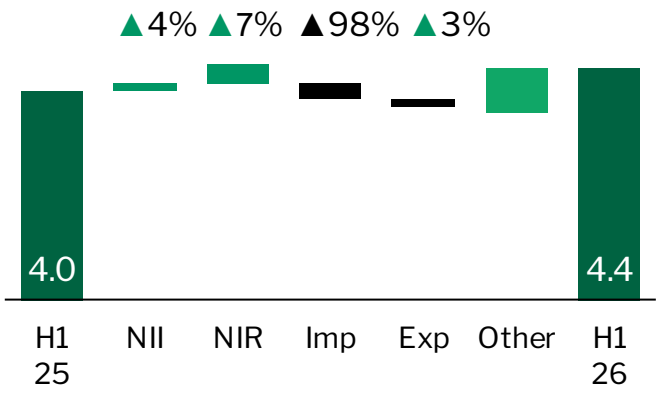
R4.4bn
▲11%
headline earnings

23.7%
ROE
(H1 25 : 21.6%)

0 bps
credit loss ratio
(H1 25 : (15) bps)

47.5%
cost-to-income ratio
(H1 25 : 50.3%)

Corporate & Investment Banking



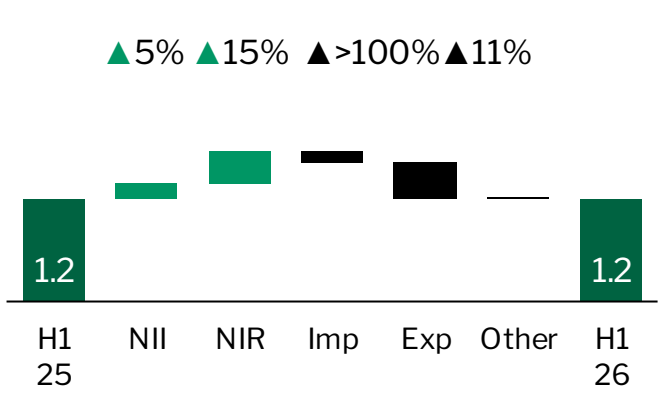
R1.2bn
▲0%
headline earnings

18.8%
ROE
(H1 25 : 21.4%)

40 bps
credit loss ratio
(H1 25 : 11 bps)

69.1%
cost-to-income ratio
(H1 25 : 68.5%)

Business & Commercial Banking



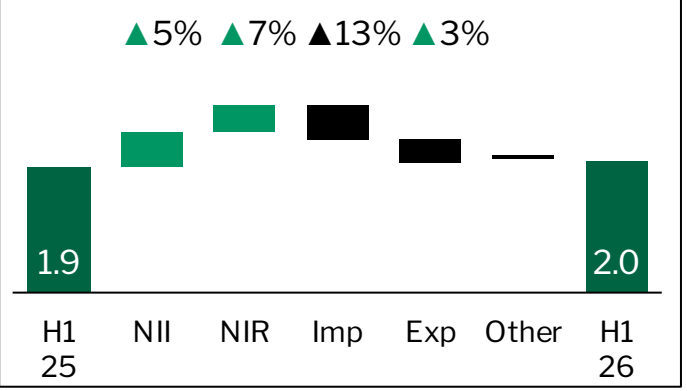
R2.0bn
▲5%
headline earnings

11.8%
ROE
(H1 25 : 11.8%)

205 bps
credit loss ratio
(H1 25 : 192 bps)

59.6%
cost-to-income ratio
(H1 25: 60.7%)

Personal & Private Banking



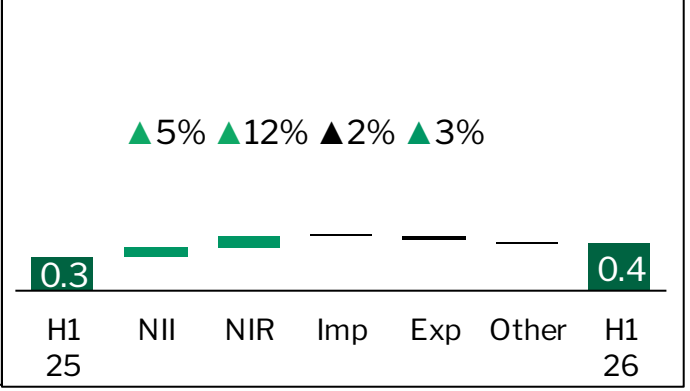
R0.4bn
▲39%
headline earnings

9.9%
ROE
(H1 25: 6.7%)

67 bps
credit loss ratio
(H1 25 : 154 bps)

68.1%
cost-to-income ratio
(H1 25: 70.9%)

NAR: SADC



CIB financial performance & outlook

ROE of 23.7%, supported by solid underlying franchise activity, strong NIR growth & continued credit & cost discipline

Additional info

R4.4bn
▲11% headline earnings

23.7%
▲ROE (H1 25 : 21.6%)

0 bps
▲credit loss ratio (H1 25 : -15 bps)

47.5%
▼cost-to-income ratio (H1 25 : 50.3%)

- **NII up by 4%**
  - Ave banking advances growth of +3% & strong deposit growth of +15%
  - NIM compression (-4 bps) – improving credit margins offset by lower endowment & liability spreads
- **NIR up by 7%**, incl associate income up by 15%
  - C&F income up by 16% – improved origination & client activity
  - Markets NIR up 5%; trading income up by 5% with strong performance in equities, offset by weaker performances in foreign exchange & fixed income
- **CLR at 0 bps**
  - Below the CIB TTC range of 15bps to 45 bps, reflecting a quality portfolio
- **Operating expenses up by 3%**
- **Equity investment portfolio income[1]** (NIR & associate income) up by 51%

2026 outlook

NII growth
Low-to-mid single digits

NIR growth
High single digits

CIR
Improve yoy (expense growth of low single digits)

CLR
Below the CIB target range

MT outlook

ROE
>21%

CIR
<45%

Loan growth
(CAGR)
Double digits in IB, high single digits overall

CLR
In the bottom half of the CIB target range

[1] *Equity investment portfolio income includes revaluations, dividends & associate income.*

BCB financial performance & outlook

HE up 0.4% at an ROE of 18.8%, with strong GOI growth of +10%, despite lower endowment income & higher impairments

Additional info

R1.2bn
▲ 0.4% headline earnings

18.8%
▼ ROE (H1 25 : 21.4%)

40 bps
▲credit loss ratio (H1 25 : 11 bps)

69.1%
▲cost-to-income ratio (H1 25 : 68.5%)

- **NII up by 5%**
  - Solid balance sheet growth & higher product volumes with NIM stable at 2.77%, despite lower endowment income
- **NIR up by 15%** (+9% excl iKhokha)
  - Benefiting from the acquisition of iKhokha as well as good growth in Commercial, Mid-corporate & Card
- **CLR increased to 40 bps**
  - Primarily due to a once-off impairment on a large single client exposure. CLR at the bottom end of the TTC target range of 40 bps to 70 bps
  - Excluding the single client ECL, the core performance of the book remained healthy
- **Expenses up by 11%** (+6.5% excl iKhokha)
  - Driven by the inclusion of iKhokha, continued investment in digital capabilities & costs associated with the organisational restructure, including those required for running a stand-alone cluster
- **iKhokha** consolidated from 1 December 2025

2026 outlook

NII growth
Improve from H1 26

NIR growth
Early double digits

CIR
To be maintained despite higher costs in setting up a new cluster

CLR
At the bottom end of the BCB target range

MT outlook

ROE
>20%
(>25% LT)

CIR
<65%
(<55% LT)

Loan growth
(CAGR)
Double digits

CLR
At the bottom half of the BCB target range

PPB financial performance & outlook

HE increased on the back of solid advances, transactional NIR & insurance growth & good expense management, partially offset by higher impairments & lower endowment

Additional info

R2.0bn
▲5% headline earnings

11.8%
►ROE (H1 25 : 11.8%)

205 bps
▲credit loss ratio (H1 25 : 192 bps)

59.6%
▼cost-to-income ratio (H1 25: 60.7%)

- **NII up by 5%**
  - Ave banking advances growth of +7%, underpinned by double-digit growth in payouts, ave deposit growth of +5%
  - NIM impacted by lower endowment income
- **NIR up by 7%**
  - Strong VAS growth (+28%) & higher maintenance fees (+6%), offset by lower cash volumes to alternative cash access channels
  - Insurance NIR growth of +6% largely due to improved claims experience in non-life portfolio
- **Impairments up by 13%**
  - CLR increased to 205 bps (TTC range 130 bps to 190 bps), driven by loan growth, updated forward looking macro assumptions & marginally higher arrears & defaults
- **Expense growth of 3%**
  - Strong focus on expense management & digitisation benefits

2026 outlook

NII growth
Around mid-single digits

NIR growth
Mid-to-upper single digits

CIR
Improve yoy (expense growth of low single digits)

CLR
Around the top end of the PPB target range

MT outlook

ROE
>18% (>20% LT)

CIR
<56% (<55% LT)

Loan growth (CAGR)
Upper single digits

CLR
Within the top half of the PPB target range

NAR: SADC financial performance & outlook

HE up strongly, driven largely by growth in GOI & costs that were well managed

Additional info

R356m
▲39% headline earnings

9.9%
▲ROE (H1 25: 6.7%)

67 bps
▼credit loss ratio (H1 25 : 154 bps)

68.1%
▼cost-to-income ratio (H1 25: 70.9%)

- **NII up by 5%**
  - Ave banking advances growth of +21%, underpinned by increased activity across key strategic sectors
  - NIM impacted by lower endowment income
- **NIR up by 12%**
  - Increased transactional activity resulting in higher commission & fee income, mainly in Lesotho & Mozambique
  - Client growth +6%, offset by dormant-account closures
- **Impairments increased by 2%**
  - Higher charges on sovereign exposures in Mozambique
  - CLR improved to 67 bps & is below the TTC target range of 85 bps to 120 bps
- **Expense growth of 3%**
  - Strong focus on expense management & synergies

2026 outlook

NII growth
Improve from H1 26

NIR growth
Low double digit growth

CIR
Improve yoy (expense growth of low single digits)

CLR
Within the target range

MT outlook

ROE
>COE (LT >18%)

CIR
<60%

Loan growth
(CAGR)
Double digits

CLR
Within the target range

Dividends
Optimise excess capital



Outlook

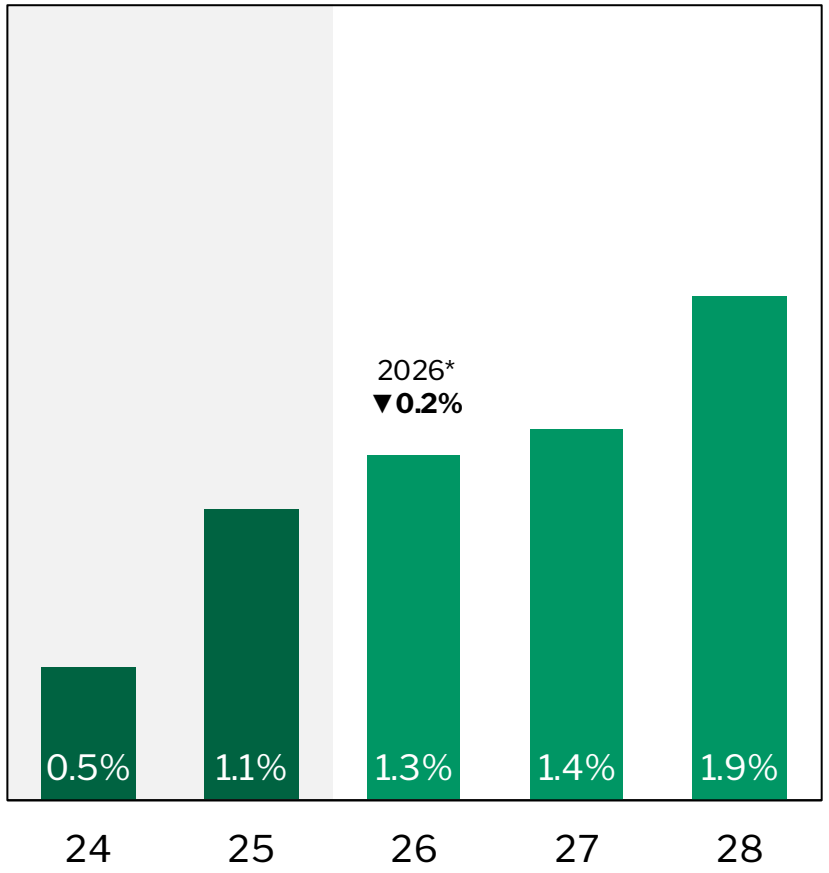
Jason Quinn

Chief Executive

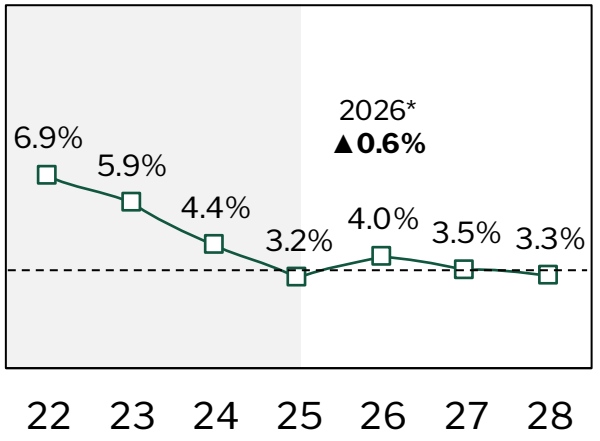
Macroeconomic forecasts

GDP slightly lower; inflation & interest rates higher in 2026 than we anticipated at the start of the year

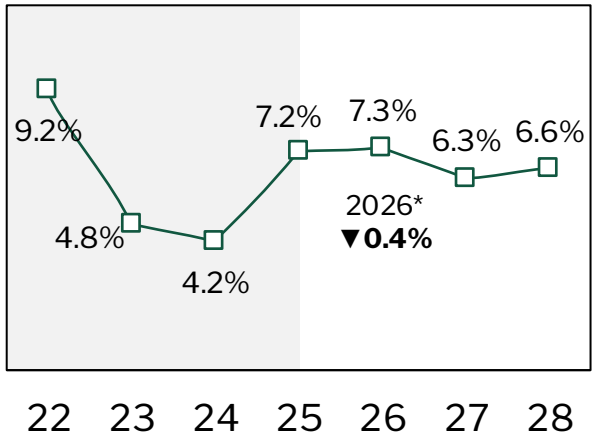
SA GDP growth (%)



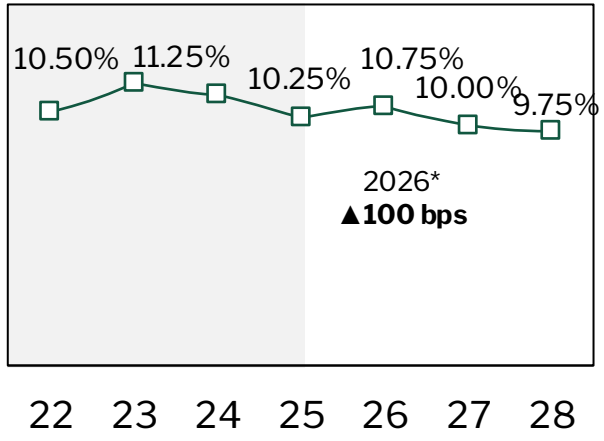
Inflation (average, %)



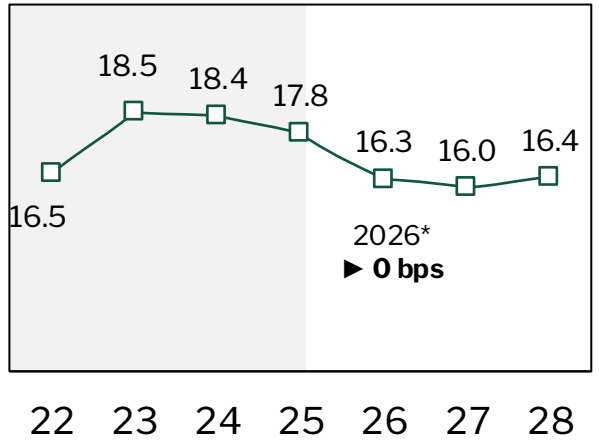
Total overall credit growth (YE, %)



Prime interest rate (YE, %)



Rand/US$ (average)



*Source: Nedbank Group Economic Unit. | * When compared to February 2026 forecast.*

Short-term guidance (2026)

NII & CLR guidance revised slightly higher, with faster DHEPS growth expected in H2 2026

	H1 2026	2026 guidance (March 2026)	2026 guidance (August 2026)	
NII growth	**+4%**	**Around mid-single digits**	**Slightly above mid-single digits**	▲
NIR growth	**+10%**	**Upper single digits**		Unchanged
CLR	**95 bps**	**Around mid-70 bps** (below the mid point of our 60 bps to 100 bps TTC target range)	**Around mid-80 bps** (above the mid point of our 60 bps to 100 bps TTC target range)	▲
ETI associate income	**R0m**	**No further contribution** in 2026 & beyond		Unchanged
Expense growth	**+3%**	**Below mid-single digits**		Unchanged
CET1 ratio	**12.6%**	**Operating within our revised target range** (TTC 11.0% to 12.5%)		Unchanged
Dividend per share	**1.75x**	**Within our board-approved target range** (TTC 1.75 to 2.25 times cover)		Unchanged

This guidance is not a profit forecast, has not been reviewed or reported on by the group's joint auditors & is based on the group's economic forecasts at the time.

Financial targets

Strong foundations in place as we commit to our medium- & long-term targets

Additional info

	H1 2026	2026	Medium term	Long term (5+ years)
DHEPS growth[1]	**+2%**	**Faster DHEPS growth in H2 2026**	**> CPI + GDP + 3%** (CAGR)	**> CPI + GDP + 3%** (CAGR TTC)
Return on equity[1]	**15.0%**	**Above 15%***	**17%**	**>18%**
CIB	23.7%		> 21%	> 21%
BCB	18.8%		> 20%	> 25%
PPB	11.8%		18%	> 20%
NAR: SADC	9.9%		COE	> 18%
Cost to income ratio[1]	**56.2%**	**Improve yoy**	**54%**	**50%**
CIB	47.5%		< 45%	< 45%
BCB	69.1%		< 65%	< 55%
PPB	59.6%		< 56%	< 55%
NAR: SADC	68.1%		< 60%	< 60%

[1] *This guidance is not a profit forecast, has not been reviewed or reported on by the group's joint auditors & is based on the group's economic forecasts at the time. | * Heading towards 2025 level.*

Conclusion

In H1 2026 we delivered on our commitments to accelerate growth & unlock value as we progress towards our medium-term targets

2026

Tailwinds

- Organisational restructure – complete
- Underlying business momentum – strong
- Productivity gains – ongoing

Headwinds

- Wholesale impairments – normalising off a low base
- PPB impairments – higher than expected
- ETI base effect – negative

ROE	**Above 15%***	✓
CIR	**Improve**	✓

Medium term

- **A more constructive macroeconomic environment**
  - Energy & infrastructure finance opportunities – intact
  - Retail credit growth & consumer financial health – to improve
  - Lower interest rates & lower inflation – from 2027
- **Transform initiatives** – starting to scale
  - Growing contributions from insurance, payments, strategic portfolio tilt-related market share gains (lending & deposits), portfolio diversification, etc
  - Synergies from the Eqstra & iKhokha acquisitions – emerging
  - NCBA – contribution benefits (transaction expected to be finalised in H2 2026, subject to regulatory approvals)
- **Capital** – flexible capital management; remain good stewards of capital

ROE	**17%**
CIR	**54%**

** Heading towards 2025 level.*



Thank you

Disclaimer

Nedbank Group has acted in good faith and has made every reasonable effort to ensure the accuracy and completeness of the information contained in this document, including all information that may be defined as 'forward-looking statements' within the meaning of United States securities legislation.

Forward-looking statements may be identified by words such as ‘believe’, 'anticipate', 'expect', 'plan', 'estimate', 'intend', 'project', 'target', 'predict' and 'hope'.

Forward-looking statements are not statements of fact, but statements by the management of Nedbank Group based on its current estimates, projections, expectations, beliefs and assumptions regarding the group's future performance.

No assurance can be given that forward-looking statements are correct and undue reliance should not be placed on such statements.

The risks and uncertainties inherent in the forward-looking statements contained in this document include, but are not limited to: changes to IFRS and the interpretations, applications and practices subject thereto as they apply to past, present and future periods; domestic and international business and market conditions, such as exchange rate and interest rate movements; changes in the domestic and international regulatory and legislative environments; changes to domestic and international operational, social, economic and political risks; and the effects of both current and future litigation.

Nedbank Group does not undertake to update any forward-looking statements contained in this document and does not assume responsibility for any loss or damage arising as a result of the reliance by any party thereon, including, but not limited to, loss of earnings or profits, or consequential loss or damage.