



Nedbank Group Limited
(Incorporated in the Republic of South Africa)
Registration number: 1966/010630/06
JSE share code: NED
NSX share code: NBK
A2X share code: NED
ISIN: ZAE000004875
JSE alpha code: NEDI
(‘Nedbank Group’)
(collectively the ‘group’)

Nedbank Limited
(Incorporated in the Republic of South Africa)
Registration No. 1951/000009/06
JSE alpha code: BINBK

NEDBANK GROUP VOLUNTARY TRADING AND PRE-CLOSE INVESTOR UPDATE

Operating environment

The operating environment in South Africa (SA) remained difficult into the second half of 2025. Modest economic growth and geopolitical uncertainty, including uncertainty around the impact of US tariffs led to muted transactional activity and further delays in capital investment by corporations and businesses.

However, prospects have improved lately on several fronts. Subdued underlying inflation created space for further declines in interest rates, which will support a more convincing recovery in household credit demand. In addition, the overarching investment environment has improved through progress on structural reforms, better governance which led to SA’s removal from the Financial Action Task Force (FATF) grey-list, continued fiscal discipline as evident in the SA Medium Term Budget Policy Statement and Standard & Poor’s upgrading of SA’s long-term foreign currency credit rating from BB- to BB, with a positive outlook.

By successfully hosting the 2025 G20 Johannesburg Summit, the first such gathering on African soil, together with the B20 Summit that brought together global business leaders, SA not only showcased its strong diplomatic and organisational capability but also advanced meaningful outcomes on climate action, sustainable development, debt relief and inclusive global growth.

Pre-close update

The Nedbank Group’s financial performance in the 10 months to 31 October 2025 (‘the period’ or ‘10M 2025’) compared to the 10 months to 31 October 2024 (‘prior period’) reflects headline earnings growth in line with management expectations, driven by higher levels of net interest income (NII) and non-interest revenue (NIR), a lower impairment charge and an expense base that was well managed. Guidance provided in this update excludes the impact of the commercial settlement with Transnet (once-off R600m expense in Corporate and Investment Banking (CIB)), announced in Nedbank’s voluntary SENS on 25 November 2025.

NII growth of low-to-mid single digits for 10M 2025 when compared to the prior period, was slightly higher than the 2% growth achieved in the 6 months to 30 June 2025 ('H1 2025'). Gross banking advances growth in CIB was above mid-single digits when compared to the prior period. CIB continues to have strong pipelines in place, with drawdowns increasingly being pushed into 2026. Pleasingly, actual banking advances in Business and Commercial Banking (BCB) have picked up over the past 3 months, after the negative yoy growth reported at 30 June 2025. Growth momentum in Personal and Private Banking (PPB) advances continued at mid-to-upper single digits, supported by strong front-book growth across the secured lending portfolios. In line with our strategy, deposit growth remained ahead of loan growth, supported by ongoing retail deposit market share gains. The group's net interest margin (NIM) declined slightly when compared to the 3,87% reported in H1 2025, driven primarily by the negative endowment impact from interest rate decreases. **We expect NII growth for FY 2025 to be in line with the guidance provided as part of the group's 2025 interim results of low-to-mid single digits.**

The group's impairment charge continued to improve, ahead of management expectations, and the annualised credit loss ratio (CLR) improved period on period to below the middle of the group's through the cycle (TTC) target range of 60 bps to 100 bps. CIB and BCB CLRs remained below their respective TTC target ranges, while PPB's CLR improved further and was within the top half of its TTC target range. **Our guidance is for the group's CLR to be below the midpoint of the group's TTC target range for FY 2025.**

NIR growth was below mid-single digits in 10M 2025 when compared to the prior period, driven by, amongst others, solid trading and good underlying insurance growth; partially offset by the negative impacts from fair value adjustments and delayed dealflow in CIB. Commission and fee growth in PPB was robust at mid-to-upper single digits, reflecting ongoing strong growth in value added services, solid client gains and higher levels of cross-sell following the successful implementation of our organisational restructure. **NIR growth for FY 2025 is expected to be below mid-single digits.**

Expense growth was mid-to-upper single digits in 10M 2025, when compared to the prior period, reflecting an improvement from the upper single digit growth reported in H1 2025. This improvement was driven by slower growth in staff-related expenses, and well-managed computer processing and accommodation costs. **Expense growth is expected to be in line with our guidance of above mid-single digits for FY 2025, when excluding the once-off R600m commercial settlement with Transnet.**

Following the classification of Nedbank's financial investment in Ecobank Transnational Incorporated (ETI) as a non-current asset held for sale and the signing of a sale and purchase agreement with Bosquet Investments ('Bosquet') on 13 August 2025, **no further associate income relating to ETI will be forthcoming in H2 2025, as previously communicated.**

Excluding the impact of the once-off commercial settlement with Transnet, the group is on track to deliver underlying DHEPS growth of flat to low single digits and an ROE of 15% or higher for FY 2025.

Share repurchases

The Nedbank Group CET1 capital adequacy ratio remained above the upper end of the group's board-approved target range of 11% to 12%, and liquidity metrics similarly remained very strong. Year to date in 2025, the group repurchased and consequently cancelled 10.54 million Nedbank shares to the value of R2.4bn, at an average share price of R229.53 per share (a discount to the R245.22 book value per share reported at 30 June 2025, and below current share price levels).

Strategic update

- The strategic organisational restructure announced in March 2025 was completed and effective from 1 July 2025, as previously communicated. In the period, Andiswa Bata was appointed as Managing Executive: BCB.
- Following receipt of approval from the Competition Commission of South Africa, the group's acquisition of fintech innovator iKhokha Proprietary Limited has been completed, effective 1 December 2025.
- The disposal of the group's financial investment in ETI to Bosquet is awaiting the final requisite regulatory approvals in the relevant jurisdictions.

Investor call

Nedbank Group CFO, Mike Davis, will host a pre-close investor call based on this release at 15:30 (SA standard time) on Wednesday, 3 December 2025. Please contact NedgroupIR@nedbank.co.za for the details of this meeting.

Nedbank Group's results for the year ending 31 December 2025 are currently expected to be released on SENS on or about Tuesday, 3 March 2026.

Shareholders are advised that the financial information contained in this pre-close update has not been reviewed or reported on by the Nedbank Group's joint auditors.

Sandton

3 December 2025

Investor Relations contact

Alfred Visagie (Head: Investor Relations)

Alfredv@nedbank.co.za

NedgroupIR@nedbank.co.za

Sponsor to Nedbank Group in South Africa:

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

Sponsor to Nedbank Group in Namibia:

Old Mutual Investment Services (Namibia) (Pty) Ltd

Debt Sponsor to Nedbank Limited:

Nedbank Corporate and Investment Banking, a division of Nedbank Limited