

Nedbank Group Limited Annual results

for the year ended 31 December 2025



Non-financial highlights

Completed the
**Strategic
reorganisation**

Sold our
**ETI financial
investment**

Acquired
iKhokha

Made offer for a
**controlling
stake in NCBA**

**8 million
clients**
up by 7%

**Market
share gains**
in retail deposits, home
loans, vehicle finance
and overdrafts

**#2 ranked SA
company**
Forbes World's Best
Employers list

16%
growth in digital
transaction values

**21% SDF
exposures**
as % of loans and
advances
(2025 ambition: 20%)

AAA
MSCI ESG rating
(top 10% of global
banks)

Financial highlights

Headline earnings		DHEPS		HEPS	
R17.2bn <small>(2024: R16.9 bn)</small>	▲ 2%	3 628 cents <small>(2024: 3 538 cents)</small>	▲ 3%	3 706 cents <small>(2024: 3 631 cents)</small>	▲ 2%
Basic EPS		ROE		CET1	
1 681 cents <small>(2024: 3 610 cents)</small>	▼ 53%	15.4% <small>(2024: 15.8%)</small>	▼ 0.4%	12.9% <small>(2024: 13.3%)</small>	▼ 0.4%
Final dividend per share		NAV per share		CLR	
1 104 cents <small>(2024: 1 104 cents)</small>	–	24 956 cents <small>(2024: 24 039 cents)</small>	▲ 4%	68 bps <small>(2024: 87bps)</small>	▼ 19bps
Cost to income		Revenue			
57.8% <small>(2024: 55.6%)</small>	▲ 2.2%	R73 924m <small>(2024: R71 721m)</small>	▲ 3%		



'A transformative year'

The operating environment in 2025 remained volatile and uncertain, evident in geopolitical conflict, uncertainty around policies and US tariffs. Closer to home, SA made progress across several fronts, resulting in financial markets, corporates and individuals having a more optimistic outlook. The South African economy performed better than many anticipated, with real GDP growth more than doubling to 1.2% yoy during the first 3 quarters of 2025. Notwithstanding persistent infrastructure challenges, early progress in implementing structural reforms contributed to the stabilisation of energy and transport networks, leading to an improved operating environment particularly for private enterprises. Supported by the economic recovery, higher business confidence, and greater fixed investment, corporate credit increased strongly off a low prior-year base. A stronger rand, decreasing global oil prices, and moderating inflation expectations resulted in inflation falling to an average of 3.2% in 2025, marginally above the Reserve Bank's revised target of 3%. In response, the central bank enacted a further total 100 basis point reduction in interest rates, bringing the repo rate down to 6.75%, which reflects a cumulative decrease of 150 basis points since its peak in August 2024. As a result, household credit demand, although subdued for much of the year, showed signs of recovery in the final months.

Nedbank Group's diluted headline earnings per share (HEPS) increased by 3%, headline earnings (HE) increased by 2% to R17.2bn and return on equity (ROE), at 15.4% (2024: 15.8%), remained above the group's 2025 cost of equity (COE). The increase in HE was driven by an improvement in the impairment charge while revenue growth was slow, associate income declined in the second half of the year given the sale of our 21% shareholding in Ecobank Transnational Incorporated (ETI), and we reported a higher expense base given a once-off settlement

with Transnet. Balance sheet metrics remained strong, enabling the declaration of a final dividend of 1 104 cents per share.

2025 was a transformative year in which we made bold and swift strategic decisions. We successfully restructured our Retail and Business Banking (RBB) and Nedbank Wealth Clusters into a more focused, client-centred organisational design, and created the Personal and Private Banking (PPB) and Business and Commercial Banking (BCB) Clusters from 1 July 2025. These changes were well received by stakeholders, key leadership positions were filled, and momentum is building as is evident in strong underlying growth metrics. We also finalised the acquisition of 100% of fintech company iKhokha to enhance our strategy and fast-track our support for SMEs through digital innovation and inclusive financial services. In December 2025, we disposed of our shareholding in ETI as part of a reset of our strategy on the broader African continent with a clear focus on the SADC and East Africa regions. In this context, in Q1 2026 we announced our intention to acquire a controlling interest in NCBA Group plc, a leading financial services institution in East Africa, for an estimated total consideration of R13.9bn.

We also made good progress on our strategic value unlocks. Digital volumes and values increased strongly as more clients across all our businesses embrace the benefits and convenience of digital channels. Client satisfaction metrics remained at the top end of the peer group, although more can be done here, while the value of the Nedbank brand increased by 20% to R20bn. Total clients reached 8 million for the first time in the group's history, supported by growth across individuals, small and medium-sized businesses and corporates. Under strategic portfolio tilt we recorded solid market share gains in home loans, vehicle finance, overdrafts and retail deposits. Our

increased focus on payments and insurance saw good growth in product volumes. And lastly, lending to clients that create positive impacts and support sustainable development finance, in line with the United Nations Sustainable Development Goals, increased to R207bn and, at 21% of total gross loans and advances, exceeded the ambition of 20% we set back in 2021.

Looking forward, SA's growth prospects are more positive, with GDP growth estimated at 1.5% in 2026. Consumer spending will be a key driver as lower interest rates boost confidence and borrowing. Fixed investment is also predicted to recover steadily, benefitting our wholesale banking clusters. Inflation should remain around the Reserve Bank's target of 3% during the latter part of the year due to a stable rand, low global oil prices, lower inflation expectations, and fewer supply-side challenges. Interest rates could reduce by another 50 basis points, which would bring the repo rate down to 6.25% by the end of 2026, with a plausible scenario of interest rates remaining flat from then on for the foreseeable future. Credit growth is projected to be robust, ending the year around 7.7%.

In 2026 we expect that strong underlying growth momentum across all our businesses will be partially offset by the normalisation of wholesale impairments off a low 2025 base, endowment pressure from lower interest rates and associate income from ETI that will not repeat. As a result, ROE for 2026 is likely to be above 15%, heading towards 2025 levels, and above a lower COE of 14.0%. We expect ROE to build in the medium term to around 17%, supported by stronger revenue growth and a well-managed expense base.

Thank you to all Nedbank employees for your dedication and resilience, particularly during the organisational restructuring. We appreciate our clients' ongoing trust, as well as the engagement of investors, regulators, and other stakeholders. As Nedbank, we remain committed to using our financial expertise to do good.

Jason Quinn
Chief Executive

3 March 2026

* Our guidance and targets are not profit forecasts and the group's joint auditors have not reviewed or reported on them.

For further information: This short-form announcement is the responsibility of the directors. It is only a summary of the information contained in the full announcement and does not contain complete details. Any investment decision should be based on the full announcement made available on the JSE's cloudlink at <https://senspdfjse.co.za/documents/2026/jse/isse/NED/ye2025.pdf> on Tuesday, 3 March 2026, and also available at <https://group.nedbank.co.za/explore-investor-relations/results-and-reports.html>. These results and additional information are available at group.nedbank.co.za.

Registered office
Nedbank 135 Rivonia Campus, 135 Rivonia Road, Sandown, Sandton, 2196
PO Box 1144, Johannesburg, 2000
Company Secretary
J Katzin
Sponsor in SA
Nedbank Corporate and Investment Banking, a division of Nedbank Limited
Independent sponsor in SA
Tamela Holdings Proprietary Limited
Sponsor in Namibia
Old Mutual Investment Services (Namibia) Proprietary Limited 1966/010630/06

JSE share code
NED
ISIN
ZAE000004875
NSX share code
NBK
JSE alpha code
NEDI

Abbreviations
CET1 common-equity tier 1
CLR credit loss ratio
DHEPS diluted headline earnings per share
EPS earnings per share
ESG environmental, social and governance

HEPS headline earnings per share
MSCI Morgan Stanley Capital International
NAV net asset value
ROE return on equity
SDF sustainable development finance