NEDBANK GROUP

Nedbank Group Limited
Interim results
for the 6 months ended 30 June 2026

Financial highlights

Headline earnings	R8.4bn	(H1 25: 8.4bn)	–
DHEPS	1 803 cents	(H1 25: 1 762 cents)	▲ 2%
HEPS	1 841 cents	(H1 25: 1 800 cents)	▲ 2%
Basic EPS	1 830 cents	(H1 25: 1 571 cents)	▲ 16%
ROE	15.0%	(H1 25: 15.2%)	▼ 0.2%
CET1	12.6%	(H1 25: 13.1%)	▼ 0.5%
Cost to income	56.2%	(H1 25: 56.9%)	▼ 0.7%
Interim dividend per share	1 052 cents	(H1 25: 1 028 cents)	▲ 2%
NAV per share	25 486 cents	(H1 25: 24 522 cents)	▲ 4%
CLR	95 bps	(H1 25: 81 bps)	▲ 14bps
Revenue	R38 235m	(H1 25: R35 981m)	▲ 6%

Non-financial highlights

- Nedbank clients **8 million ▲4%**
- Nedbank brand value **R24bn ▲16%** (ranked #8 in SA)
- Money app users **3.2 million ▲13%**
- Digital sales **76% of new sales** (H1 2025: 70%)
- NBH adoption **BCB clients 77%** **CIB clients 56%**
- Market share gains in **wholesale term loans, home loans, credit card and retail deposits**
- SDF exposures **R213bn ▲13%** (21% of GLAA)
- YES participants **> 2 100** (> 19 000 since 2019)
- Maintained **level 1 BBBEE** for the 8th year in a row
- **iKhokha and Eqstra** synergies emerging
- Maintained **top-tier ESG ratings**

Focused execution and growth

The US–Iran war and the closure of the Strait of Hormuz weighed on the global economy in the second quarter of 2026. Higher energy prices pushed global inflation higher, prompting a more hawkish monetary policy stance in some markets.

The operating environment in SA during the first half of 2026 was mixed. Real GDP growth in the first quarter surprised on the upside, while higher fuel prices drove local consumer inflation up from a low of 3% in February. In response, the SARB Monetary Policy Committee increased interest rate by 25 bps in May, taking the prime lending rate to 10.5%. Industry credit growth strengthened modestly, with corporate credit growth accelerating off a low base, while household credit growth improved gradually but remained constrained by affordability pressures.

SA's economic outlook continues to show encouraging signs of improvement, underpinned by a more credible fiscal trajectory, progress on structural reforms, and recent credit rating upgrades. Many of the country's positive prospects as an attractive investment destination remain intact despite global uncertainties and the conflict in the Middle East.

Headline earnings (HE) for the 6 months to 30 June 2026 were flat yoy at R8.4bn, outperforming our expectations at the start of the year. HE benefited from improving net interest income growth, strong non-interest revenue growth and very disciplined expense management, offset by a higher impairment charge and no further recognition of associate income from Ecobank Transnational Incorporated (ETI) following the disposal of our investment in 2025. When excluding the ETI base effect, HE growth was strong at 12%, reflecting a strong underlying operational performance. Diluted HEPS increased by 2% to 1 803 cents and growth was ahead of HE growth due to the run rate impact of the well-timed share buybacks executed in 2025. Return on equity (ROE) of 15.0% (H1 2025: 15.2%) remained above the group's cost of equity of 14.0%. Balance sheet metrics remained strong, supporting the declaration of an interim dividend of 1 052 cents per share.

Following the bold strategic decisions we made in 2025 to become more client-centred, unlock growth and cross-sell opportunities, diversify earnings, and enhance productivity, benefits have become more evident across our business clusters in the first half of 2026. In CIB, growth momentum improved as stronger, more diversified, pipeline conversion and participation in larger transactions supported advances growth, while trade finance, and commission and fee income benefited from strong deal flow. In BCB, investments in the new cluster and recent acquisitions have started to deliver revenue benefits, with advances growth accelerating, commission and fees increasing strongly, and early synergies emerging from the iKhokha and Eqstra acquisitions. In PPB, growth and efficiency initiatives supported continued advances momentum, market share gains in advances and deposits, very strong growth in insurance and payments, and further productivity improvements. In NAR: SADC, strategic execution supported strong advances and NIR growth, improved operational efficiency, and an increase in ROE.

In Q1 2026 we announced our intention to acquire a controlling interest in NCBA Group plc, a leading East African financial services group, supporting our ambition to grow and diversify earnings in attractive markets. The offer closed on 10 July 2026 and was accepted by shareholders representing 79.9% of NCBA shares in issue, enabling us to achieve our target shareholding of 66%. Key regulatory approvals have been obtained, with the remaining approvals expected towards the end of Q3 or early in Q4 of 2026.

We continued to make good progress on our strategic value unlocks. Digital volumes and values increased strongly as more clients across all our businesses embraced the benefits and convenience of digital channels. Our AI and data capabilities are delivering tangible benefits across revenue generation, credit effectiveness, client experiences, productivity, cost optimisation, and fraud processes. Client satisfaction metrics remained at the top end of the peer group, while the value of the Nedbank brand increased by 16% to R24bn. Total clients increased by 4% to 8 million, supported by growth across individuals and SMEs. Under strategic portfolio tilt, we recorded market share gains in home loans, credit cards, wholesale term loans, and retail deposits. Our increased focus on insurance and payments saw strong growth, with MyCover insurance gross earned premiums increasing by 23% and digital payments NIR in PPB increasing by 15%. Lastly, sustainable development finance, which supports lending to clients that create positive impact, increased to R213bn, representing 21% of total gross loans.

Looking forward, SA GDP growth is expected to improve modestly to around 1.3% in 2026 and 1.4% in 2027, supported by resilient consumer spending but constrained by weak business confidence, subdued fixed investment and global energy price risks. Inflation is expected to average around 4.0% in 2026, remaining above SARB's 3% target but within its tolerance band, and the prime lending rate is expected to increase by a further 25 bps in September 2026 before declining in 2027. Banking conditions should improve gradually, with credit growth projected to remain positive and end the year at around 7%, although risks remain tilted to the downside.

We expect the underlying growth momentum across all our businesses to continue in H2 2026, supporting an improvement in HE growth from the flat outcome reported in the first half. ROE is expected to remain above 15% in 2026, heading towards 2025 levels. In the medium term, we remain focused on delivering an ROE of around 17% in 2028, underpinned by stronger revenue growth and continued operational efficiency gains.

I thank all our Nedbank colleagues for their contribution to the strong underlying momentum evident in the first half of the year. We deeply value the continued trust of our clients and the constructive engagements with investors, regulators and other stakeholders. As Nedbank, we remain committed to using our financial expertise to do good.

Jason Quinn
Chief Executive

** 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://senspdf.jse.co.za/documents/2026/jse/isse/NED/ie2026.pdf on Tuesday, 4 August 2026, and 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.

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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
GLAA	gross loans and advances
HEPS	headline earnings per share
NAV	net asset value
NBH	Nedbank Business Hub
ROE	return on equity
SDF	sustainable development finance
YES	Youth Employment Service

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