



Absa Bank Limited

Registration number: 1986/004794/06, Incorporated in the Republic of South Africa

JSE share code: ABSP, ISIN: ZAE000079810

Bond Issuer Code: BIABS, ("Absa Bank" or the "Company")

Unaudited summary consolidated results

for the reporting period ended 30 June 2022 and preference share dividend declaration

We are an African bank, inspired by the people we serve and determined to be a globally respected organisation of which Africa can be proud. As a financial services provider, we play an integral role in the economic life of individuals, businesses, and nations. To this end, we offer a universal set of products and services across retail, business, corporate, investment and wealth banking.

4
countries⁽¹⁾

619
outlets⁽²⁾

6 297
ATMs

25 758
employees

2.2m
digitally active
customers

105 375
point-of-sale
devices

⁽¹⁾ Excludes security entities in the United Kingdom and United States.

⁽²⁾ Includes branches and sales centres.

We bring possibilities to life

Possibilities come to life when we meet every challenge with tenacity, ingenuity, positivity and creativity. We coined a new word for our purpose, which is the driving force behind everything we do, a way of doing things that is unique to our continent.

We call it Africanacity

- Absa Bank Group certified as 2022 Top Employer in Africa by the Top Employer Institute.
- Absa aims for R100 billion in sustainable finance by 2025.
- Absa received the award for Best Digital Bank South Africa at the Global Banking and Finance Awards 2022.
- Top Honours for CIB at the EMEA Finance Achievement Awards 2021 Best Equity House in Africa and Best Syndicated Loan House in Southern Africa.
- Overall top spot in an inaugural survey on how investment professionals rate local companies in investor relations.

- Launch of the Absa Small Business Friday campaign as a commitment to supporting Small and Medium Enterprises by building strong relationships with them and creating innovative solutions that meet their unique needs.

Normalised financial results as a consequence of Barclays PLC Separation

A normalised view of the 2022 interim results is provided which adjusts for the consequences of the separation from Barclays PLC. This view better reflects the Bank's underlying performance. International Financial Reporting Standards (IFRS) compliant financial results will continue to be presented as required by the Companies Act and the JSE Limited (JSE) Listings Requirements and include a reconciliation between the normalised and IFRS views. Normalised results will be presented for future periods to the extent that the financial impact of the Separation is considered material.

Performance overview for the period ended 30 June 2022

Total income

2022	Increased 8.7%	2021	2022	Increased 8.7%	2021
R31 300m	IFRS	R28 797m	R31 278m	Normalised	R28 774m

Headline earnings per ordinary share

2022	Increased 17.8%	2021	2022	Increased 15%	2021
1 371.4 cents	IFRS	1 163.7 cents	1 430.1 cents	Normalised	1 243.8 cents

Basic earnings per share

2022	Increased 15.5%	2021	2022	Increased 12.7%	2021
1 337.9 cents	IFRS	1 158.1 cents	1 396.8 cents	Normalised	1 238.9 cents

Net asset value per ordinary share

2022	Increased 5.2%	2021	2022	Increased 6.6%	2021
20 100 cents	IFRS	19 100 cents	19 336 cents	Normalised	18 133 cents

Return on equity

2022	Increased	2021	2022	Increased	2021
13.7%	IFRS	12.5%	14.9%	Normalised	14.2%

Performance overview for the period ended 30 June 2022 continued

Cost-to-income ratio

2022	Decreased	2021	2022	Decreased	2021
55.8%	IFRS	58.4%	54.6%	Normalised	56.5%

Net interest margin

2022	Increased	2021	2022	Increased	2021
3.70%	IFRS	3.62%	3.70%	Normalised	3.62%

Dividend per preference share

2022	Increased 16.7%	2021
2 883.42466 cents	IFRS	2 470.13699 cents

Loans and deposits growth

Gross loans and advances
(Increased **11%**)

R1 031.6bn
(2021: R930bn)

Deposits
(Increased **8%**)

R1 009.9bn
(2021: R939bn)

Risk profile

Stage 3 loans ratio to gross
loans and advances

4.95%
(2021: 5.45%)

Liquidity coverage ratio

122.6%
(2021: 131.1%)

Sound capital

Common Equity Tier
1 ratio

13.1%
(2021: 11.8%)

Short form statement

This short-form announcement is the responsibility of the directors of Absa Bank Limited. It is only a summary of the information in the full announcement.

Any investment decisions by stakeholders should be based on consideration of the full announcement available on the Company's website at <https://www.absa.africa/absaafrica/investor-relations/financial-results/> and on the following JSE link: <https://senspdf.jse.co.za/documents/2022/jse/isse/ABSP/Interim22.pdf>

The full interim report is available on the Company's website, copies of the full announcement may also be requested at the Company's registered office, at no charge, during office hours on normal business days, subject to COVID-19 office protocols. The full interim report is also available at the sponsor's office.

Registered office

7th Floor, Absa Towers West, 15 Troye Street, Johannesburg, 2001

Board of directors

Independent non-executive directors

M S Moloko (Independent Chairman), N S Mjoli-Mncube (Lead independent director), T Abdool-Samad, F Okomo-Okello⁽²⁾, A B Darko^{(1) (3)}, R A Kearnly, R van Wyk

Executive directors

A Rautenbach (Group Chief Executive), J P Quinn (Group Financial Director)

⁽¹⁾ British ⁽²⁾ Kenyan ⁽³⁾ Ghanaian

Declaration of interim preference share dividend number 33

The Absa Bank preference shares have an effective coupon rate of 70% of Absa Bank's prevailing prime overdraft lending rate (prime rate). Absa Bank's current prime rate is 9%.

Notice is hereby given of preference dividend number 33, equal to 70% of the average prime rate for 1 March 2022 to 31 August 2022 per Absa Bank preference share has been declared, for the period 1 March 2022 to 31 August 2022.

The dividend is payable on Monday, 19 September 2022, to shareholders of the Absa Bank preference shares recorded in the Register of Members of the Company at the close of business on Friday, 16 September 2022.

The Board of Absa Bank confirms that the Bank will satisfy the solvency and liquidity test immediately after completion of the dividend distribution.

Based on the average prime rate, the preference dividend payable for the period 1 March 2022 to 31 August 2022 would indicatively be 2 883.42466 cents per Absa Bank preference share, on the assumption that there will be no further changes in the prime rate between the declaration date and 31 August 2022.

The dividend will be subject to dividends withholding tax at a rate of 20%. In accordance with paragraphs 11.17(a)(i) to (ix) and 11.17(c) of the JSE Limited Listings Requirements, the following additional information is disclosed:

- > The dividend has been declared out of income reserves.
- > The local dividend tax rate is twenty per cent (20%).
- > The gross local dividend amount is 2 883.42466 cents per preference share for shareholders exempt from the dividend tax.
- > The net local dividend for shareholders subject to withholding tax at a rate of 20% amounts to 2 306.73973 cents per preference share.
- > Absa Bank currently has 4 944 839 preference shares in issue.
- > Absa Bank's income tax reference number is 9575117719.

In compliance with the requirements of Strate, the electronic settlement and custody system used by JSE Limited, the following salient dates for the payment of the dividend are applicable:

Last day to trade cum dividend	Tuesday, 13 September 2022
Shares commence trading ex-dividend	Wednesday, 14 September 2022
Record date	Friday, 16 September 2022
Payment date	Monday, 19 September 2022

Share certificates may not be dematerialised or rematerialised between Wednesday, 14 September 2022 and Friday, 16 September 2022, both dates inclusive. On Monday, 19 September 2022, the dividend will be electronically transferred to the bank accounts of shareholders.

On behalf of the Board

N R Drutman Johannesburg
Company Secretary 15 August 2022

Absa Bank Limited is a company domiciled in South Africa. Its registered office is 7th Floor, Absa Towers West, 15 Troye Street, Johannesburg, 2001.

Sponsors

Lead independent sponsor

J. P. Morgan Equities South Africa Proprietary Limited

Joint sponsor

Absa Bank Limited (Corporate and Investment Bank)

