
APPLICABLE PRICING SUPPLEMENT OF THE ADDITIONAL TIER 1 NOTES



Absa Group Limited

(Incorporated with limited liability in South Africa under registration number 1986/003934/06)

Issue of ZAR1,376,000,000 Additional Tier 1 Notes with Stock Code AGT03

Under its ZAR50,000,000,000 Domestic Medium Term Note Programme

This document constitutes the Applicable Pricing Supplement relating to the issue of the Tranche of Notes described in this Applicable Pricing Supplement.

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum issued by Absa Group Limited dated 15 November 2019, as amended. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the Additional Tier 1 Terms and Conditions. References in this Applicable Pricing Supplement to the Additional Tier 1 Terms and Conditions are to the section of the Programme Memorandum "*Terms and Conditions of the Additional Tier 1 Notes*". References to any Condition in this Applicable Pricing Supplement are to that Condition of the Additional Tier 1 Terms and Conditions.

DESCRIPTION OF THE NOTES

1.	Issuer	Absa Group Limited
2.	Status of Notes	Subordinated Notes: Additional Tier 1 Notes
3.	(a) Tranche Number	1
	(b) Series Number	25
4.	Aggregate Principal Amount	ZAR1,376,000,000
5.	Interest/Payment Basis	Floating Rate
6.	Form of Notes	Registered Notes
7.	Security	Unsecured
8.	Automatic/Optional Conversion from one Interest/Payment Basis to another	Not Applicable
9.	Issue Date	5 December 2019
10.	Business Centre	Johannesburg
11.	Additional Business Centre	Not Applicable
12.	Principal Amount per Note	ZAR1,000,000

13.	Specified Denomination	Notes are subject to a minimum denomination of ZAR1,000,000
14.	Issue Price	100%
15.	Interest Commencement Date	5 December 2019
16.	Specified Currency	ZAR
17.	Applicable Business Day Convention	Modified Following Business Day
18.	Calculation Agent	Absa Bank Limited, acting through its Corporate and Investment Banking division
19.	Specified Office of the Calculation Agent	15 Alice Lane, Sandown, Sandton, 2196
20.	Paying Agent	Absa Bank Limited, acting through its Corporate and Investment Banking division
21.	Specified Office of the Paying Agent	15 Alice Lane, Sandown, Sandton, 2196
22.	Transfer Agent	Absa Bank Limited, acting through its Corporate and Investment Banking division
23.	Specified Office of the Transfer Agent	15 Alice Lane, Sandown, Sandton, 2196
24.	Settlement Agent	Standard Chartered Bank, Johannesburg Branch
25.	Specified Office of the Settlement Agent	5 th Floor, No. 4 Sandown Valley Crescent, Sandton, 2196
26.	Redemption Amount	Redemption Amount as per definition of “Redemption Amount” in Condition 1 (<i>Interpretation</i>)

FIXED RATE NOTES

Not Applicable

FLOATING RATE NOTES

27.	Floating Rate Note Provisions:	Applicable
	(a) Interest Payment Date(s)	5 March, 5 June, 5 September and 5 December, in each year, commencing on 5 March 2020 or, if such day is not a Business Day, the Business Day on which the interest will be paid, as determined in accordance with the applicable Business Day Convention (as specified in this Applicable Pricing Supplement)
	(b) Interest Period(s)	Each period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on (and include) the Interest Commencement Date and end on (but exclude) the following Interest Payment Date (each Interest Payment Date as adjusted

		in accordance with the applicable Business Day Convention)
(c)	Definitions of Business Day (if different from that set out in Condition 1 (<i>Interpretation</i>) of the Terms and Conditions)	Not Applicable
(d)	Minimum Interest Rate	Not Applicable
(e)	Maximum Interest Rate	Not Applicable
(f)	Other terms relating to the method of calculating interest (e.g., Day Count Fraction, rounding up provision, if different from Condition 7 (Interest) of the Terms and Conditions)	Not Applicable
28.	Manner in which the Interest Rate is to be determined	Screen Rate Determination
29.	Margin	425bps per annum to be added to the Reference Rate
30.	If ISDA Determination	Not Applicable
31.	If Screen Determination	
(a)	Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated)	3 (three) month ZAR-JIBAR-SAFEX
(b)	Interest Rate Determination Date(s)	5 March, 5 June, 5 September and 5 December, in each year, with the first Interest Determination Date being 2 December 2019
(c)	Relevant Screen Page and Reference Code	Reuters Screen SAFEX page under caption "Yield" (or on the SAFEX nominated successor screen for JIBAR)
32.	If Interest Rate to be calculated otherwise than by reference to the previous 2 sub-paragraphs, insert basis for determining Interest Rate/Margin/Fall back provisions	Not Applicable
33.	If different from the Calculation Agent, agent responsible for calculating amount of principal and interest	Not Applicable
	INDEXED NOTES	Not Applicable

MIXED RATE NOTES Not Applicable

OTHER ADDITIONAL TIER 1 NOTES Not Applicable

PROVISIONS REGARDING REDEMPTION

34. Prior consent of Prudential Authority required for any redemption Yes
35. Redemption at the option of the Issuer (Call Option): if yes: Yes
- (a) First Optional Redemption Date (Call) 5 June 2025
 - (b) Optional Redemption Date(s) (Call) The First Optional Redemption Date or any Interest Payment Date after the First Optional Redemption Date
 - (c) Optional Redemption Amount(s) (Call) and method, if any, of calculation of such amount(s) Principal Amount plus accrued interest (if any) to the date fixed for redemption
 - (d) Minimum period of notice (if different to Condition 11.4 (Redemption at the option of the Issuer (Issuer Call) of the Terms and Conditions) Not Applicable
 - (e) If redeemable in part: Not Applicable
 - (f) Approval(s) of Prudential Authority Applicable
 - (g) Other terms applicable on Redemption Not Applicable
36. Early Redemption Amount(s) Yes
- (a) Early Redemption Amount (Regulatory) Principal Amount plus accrued interest (if any) to the date fixed for redemption
 - (b) Early Redemption Amount (Tax) Principal Amount plus accrued interest (if any) to the date fixed for redemption
 - (c) Early Termination Amount Principal Amount plus accrued interest (if any) to the date fixed for redemption
37. Do the Additional Tier 1 Terms and Conditions or the provisions of this Applicable Pricing Supplement provide for automatic redemption of the Notes upon the occurrence of a trigger event(s)? No

NON-VIABILITY LOSS ABSORPTION

38. Conversion upon the occurrence of a Non-Viability Trigger Event Not Applicable
39. Write-off upon the occurrence of a Non-Viability Trigger Event Yes, Condition 9.3 (*Write-off of Additional Tier 1 Notes upon a Non-Viability Trigger Event*) applies

40. Option to dis-apply Non-Viability Loss Absorption Condition pursuant to Condition 9.4 (*Disapplication of Non-Viability Loss Absorption Condition*) Applicable

GENERAL

41. Additional selling restrictions Not Applicable
42. Additional terms or special conditions Not Applicable
43. (a) International Securities Identification Number (ISIN) ZAG000164906
- (b) Stock Code AGT03
44. Financial Exchange JSE Limited
45. Clearing System Strate Proprietary Limited
46. Method of distribution Dutch Auction
47. If syndicated, names of managers Not Applicable
48. Credit Rating assigned to the Issuer (if any), date of such rating and date for review of such rating Moody's National Long Term: Aa3.za affirmed on 6 November 2019, and reviews are expected annually
49. Issuer rating and date of issue As per paragraph 48 above
50. Governing law (if the laws of South Africa are not applicable) Not Applicable
51. Other Banking Jurisdiction Not Applicable
52. Last Day to Register, which shall mean that the "Books Closed Period" (during which the Register will be closed) will be from each Last Day to Register to the applicable Payment Day until the date of redemption By 17h00 on 22 February, 25 May, 25 August and 24 November or if such day is not a Business Day, the Business Day before each Books Closed Period, in each year
53. Books Closed Period The Register will be closed from 23 February to 4 March, 26 May to 4 June, 26 August to 4 September and from 25 November to 4 December (all dates inclusive) in each year
54. Debt Sponsor Absa Bank Limited, acting through its Corporate and Investment Banking division
55. Stabilisation Manager (if any) Not Applicable
56. Pricing Methodology Auction
57. Authorised amount of the Programme ZAR50,000,000,000
58. Aggregate Outstanding Principal Amount of all Notes in issue on the Issue Date (excluding the current issue and any other Note(s) issued on the Issue Date) ZAR17,221,000,000

- | | | |
|-----|-----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 59. | Set out the relevant description of any additional/other Terms and Conditions relating to the Notes (including covenants, if any) | Not Applicable |
| 60. | Material Changes | The Issuer confirms that as at the date of this Applicable Pricing Supplement, there has been no material change in the financial or trading position of the Issuer and its subsidiaries since the date of the Issuer's latest unaudited interim financial statements for the reporting period ended 30 June 2019, dated 13 August 2019. As at the date of this Applicable Pricing Supplement, there has been no involvement by Ernst & Young, the auditor of the Issuer, in making the aforementioned statement |
| 61. | Shareholders' approval | The Issuer will not issue and list a Tranche of Additional Tier 1 Notes to which Conversion is applicable unless the Issuer shall have obtained the required shareholders' approval in accordance with the JSE Listings Requirements applicable to the Main Board of the JSE |
| 62. | Exchange control approval | Not Applicable |

RESPONSIBILITY

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from this Programme Memorandum and this Applicable Pricing Supplement which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this Applicable Pricing Supplement contains all information required by Applicable Law and, in relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Programme Memorandum, this Applicable Pricing Supplement, the annual financial statements and the annual financial report of the Issuer and any amendments or supplements to the aforementioned documents from time to time, except as otherwise stated therein.

The JSE takes no responsibility for the contents of this Programme Memorandum, any Applicable Pricing Supplements, the annual financial statements and/or the annual report of the Issuer (and any amendments or supplements to the aforementioned documents from time to time). The JSE makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of this Programme Memorandum, any Applicable Pricing Supplements, the annual financial statements and/or the annual report of the Issuer (any amendments or supplements to the aforementioned documents from time to time).

The JSE's approval of the registration of this Programme Memorandum and listing of the Notes is not to be taken in any way as an indication of the merits of the Issuer or of the Notes and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

As at the date of this Applicable Pricing Supplement, the Issuer confirms that the aggregate Principal Amount of all Notes Outstanding under this Programme does not exceed ZAR50,000,000,000, being the maximum aggregate Principal Amount of the Notes that may be issued under the Programme.

Application is hereby made to list this issue of Notes on 5 December 2019 pursuant to the Absa Group Limited Domestic Medium Term Note Programme. The Programme was registered with the JSE on 15 November 2019.

ABSA GROUP LIMITED

By: _____

Name:

Capacity: Authorised Signatory

Date: _____

By: _____

Name:

Capacity: Authorised Signatory

Date: _____