



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, ETN Issuer Code: ABSN1 and Hybrid Issuer Code: ABSH
 ("Absa Bank" or the "Company" or "Bank")

Unaudited interim consolidated results

for the reporting period ended 30 June 2023 and preference share dividend declaration

Empowering Africa's tomorrow, together ...one story at a time

We are a pan-African financial services provider, united in a clear purpose. We live our purpose through our operations in our presence countries. We believe in Africa's potential and are invested in creating, nurturing and protecting wealth and growth in our continent. We play an integral role in the economic lives of individuals, businesses and nations, while leading the way to a sustainable future.

We are listed on the Johannesburg Stock Exchange (JSE) and have representative offices in Namibia and Nigeria, as well as securities entities in the United Kingdom, along with technology support in the Czech Republic.

4 countries ¹	619 outlets ²	5 376 ATMs	27 082 employees	2.8 million digitally active customers	9.6 million active customers
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¹ Excludes securities entity in the United Kingdom.

² Outlets include branches and sales centres.

Normalised financial results as a consequence of Barclays PLC Separation

A normalised view of the 2023 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. The Bank intends to stop issuing normalised financial results from 2024 as the impact is expected to be immaterial.

Performance overview for the period ended 30 June

Total income					
2023	Increased 4.0%	2022	2023	Increased 3.9%	2022
R32 550m	IFRS	R31 300m	R32 493m	Normalised	R31 278m

Headline earnings per ordinary share					
2023	Decreased 36.3%	2022	2023	Decreased 33.2%	2022
873.7 cents	IFRS	1 371.4 cents	955.4 cents	Normalised	1 430.1 cents

Basic earnings per share					
2023	Decreased 35.7%	2022	2023	Decreased 32.6%	2022
859.7 cents	IFRS	1 337.9 cents	942.0 cents	Normalised	1 396.8 cents

Net asset value per ordinary share					
2023	Increased 0.8%	2022	2023	Increased 1.4%	2022
20 254 cents	IFRS	20 100 cents	19 610 cents	Normalised	19 336 cents

Return on equity					
2023	Decreased 36.5%	2022	2023	Decreased 34.2%	2022
8.7%	IFRS	13.7%	9.8%	Normalised	14.9%

Performance overview for the period ended 30 June continued

Cost-to-income ratio

2023	Increased 5.7%	2022	2023	Increased 5.3%	2022
59.0%	IFRS	55.8%	57.5%	Normalised	54.6%

Net interest margin

2023	Decreased 2.7%	2022	2023	Decreased 2.7%	2022
3.60%	IFRS	3.70%	3.60%	Normalised	3.70%

Dividend per preference share

2023	Increased 39.9%	2022
4 035.06849 cents	IFRS	2 883.42466 cents

Loans and deposits growth		Risk profile	Liquidity coverage ratio	Sound capital
Gross loans and advances (Increased 5.8%)	Deposits (Increased 6.09%)	Stage 3 loans ratio to gross loans and advances	147.1% (2022: 122.6%)	Common Equity Tier 1 ratio
R1 091.2bn (2022 R1 031.6bn)	R1 071.4bn (2022: R1 009.9bn)	5.45% (2022: 4.95%)		13.0% (2022: 13.1%)

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 published on <https://www.absa.africa/absaafrica/investor-relations/financial-results/> and on the following JSE links: <https://senspdf.jse.co.za/documents/2023/jse/iss/ABSH/HY23Result.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. 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

Bank independent non-executive directors

M S Moloko (Chairman), N S Mjoli-Mncube (Lead Independent Director)
T Abdool-Samad, A B Darko⁽¹⁾, R A Keanly, F Okomo-Okello⁽²⁾, R van Wyk

Bank executive directors

A Rautenbach (Chief Executive Officer)
J P Quinn (Financial Director)

⁽¹⁾ British ⁽²⁾ Kenyan ⁽³⁾ Ghanaian

Declaration of a interim preference share dividend number 35

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 11.75%.

Notice is hereby given that preference dividend number 35, equal to 70% of the average prime rate for 1 March 2023 to 31 August 2023 per Absa Bank preference share has been declared, for the period 1 March 2023 to 31 August 2023.

The dividend is payable on Monday, 18 September 2023, to shareholders of the Absa Bank preference shares recorded in the register of members of the Company at the close of business on Friday, 15 September 2023.

The Board of Absa Bank confirm that the Bank will satisfy the solvency and liquidity test immediately after completion of the dividend distribution and for the next 12 months.

Based on the average prime rate, the preference dividend payable for the period 1 March 2023 to 31 August 2023 would indicatively be 4 035.06849 cents per Absa Bank preference share on assumption that there will be no further changes in the prime rate between the declaration date and 31 August 2023.

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 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 4 035.06849 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 3 228.05479 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 the JSE Limited, the following salient dates for the payment of the dividend are applicable:

Last day to trade cum dividend	Tuesday, 12 September 2023
Shares commence trading ex-dividend	Wednesday, 13 September 2023
Record date	Friday, 15 September 2023
Payment date	Monday, 18 September 2023

Share certificates may not be dematerialised or rematerialised between Wednesday, 13 September 2023 and Friday, 15 September 2023, both dates inclusive. On Monday, 18 September 2023, the dividend will be electronically transferred to the bank accounts of shareholders. The accounts of those shareholders who have dematerialised their shares (which are held at their participant or broker) will also be credited on Monday, 18 September 2023.

On behalf of the Board

N R Drutman

Company Secretary

Johannesburg

14 August 2023

Absa Bank 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 (Corporate and Investment Bank)

