

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 23 of this Circular apply *mutatis mutandis* throughout this Circular, including to this front cover (unless the context indicates otherwise).

Action required

- This Circular is important and should be read in its entirety. Shareholders are specifically referred to the section titled “*Actions required by Preference Shareholders in respect of the Scheme*” commencing on page 6 of this Circular, and “*Actions required by Preference Shareholders in respect of the Standby Offer*” commencing on page 15 of this Circular, which set out the detailed actions required of them in respect of the matters dealt with in this Circular.
- If you are in any doubt as to what action you should take arising from this Circular, please consult your Broker, CSDP, banker, accountant, legal advisor or other professional advisor immediately.
- If you have disposed of all your Preference Shares, please forward this Circular (together with the Notice of the Scheme Meeting, Form of Proxy (*blue*) in respect of the Scheme Meeting, the Form of Surrender (*pink*) in respect of the Scheme and the Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer) to the purchaser of such Preference Shares or to the Broker, CSDP, banker, accountant, attorney or other agent through whom the disposal was effected.

Absa Bank, the Board and the Independent Board do not accept responsibility, and will not be held liable, for any action of, or omission by, any CSDP or Broker including, without limitation, any failures on the part of the CSDP or Broker or any registered holder of the Preference Shares to notify such Beneficial Owner of the details set out in this Circular.



ABSA BANK LIMITED

(Incorporated in the Republic of South Africa)
(Registration number: 1986/004794/06)
JSE share code: ABSP ISIN: ZAE000079810
("Absa Bank" or "Company")

CIRCULAR TO PREFERENCE SHAREHOLDERS AND NOTICE OF SCHEME MEETING

relating to:

Two separate but concurrent offers by Absa Bank to repurchase all, or alternatively a portion, of the Preference Shares in Absa Bank to be implemented by way of either (i) a scheme of arrangement or (ii) a standby offer:

The Scheme

- a scheme of arrangement proposed by the Board between Absa Bank and the Scheme Participants, in terms of sections 114(1)(c) and 114(1)(e), read with section 115(2)(a) of the Companies Act, in terms of which, if the Scheme becomes operative, Absa Bank will repurchase all the Scheme Shares (being 100% of the Preference Shares held by the Scheme Participants), through the Scheme, for a cash consideration of ZAR 930.00 per Scheme Share, being the Scheme Consideration, and which Scheme Shares will be Delisted and cancelled from the Main Board of the JSE and returned to the authorised preference share capital of Absa Bank; and

The Standby Offer

- a general offer by Absa Bank to the Eligible Preference Shareholders, subject to the Scheme not becoming operative, in terms of which Absa Bank will offer, in terms of section 48(2)(a) of the Companies Act, to repurchase all (or, if only some but not all of the Eligible Preference Shareholders' accept the Standby Offer, a portion) of the Preference Shares held by the Eligible Preference Shareholders for a cash consideration of ZAR 930.00 per Preference Share, being the Standby Offer Consideration, and the subsequent Delisting and cancellation of only those Preference Shares that are repurchased from the Main Board of the JSE;

and including:

- a notice convening the Scheme Meeting to be held entirely by way of electronic communication;
- the Independent Expert's Report in terms of section 114(3) of the Companies Act in respect of the Scheme and the Standby Offer;
- extracts of section 115 of the Companies Act dealing with the approval requirements for fundamental transactions, section 124 of the Companies Act dealing with the "squeeze out" provisions and section 164 of the Companies Act dealing with Dissenting Preference Shareholders' Appraisal Rights attached as **Annexure B** to this Circular;
- a Form of Proxy (*blue*) in respect of the Scheme Meeting (for use by Certificated Preference Shareholders and "own-name" Dematerialised Preference Shareholders only);
- a Form of Surrender (*pink*) in respect of the Scheme (for use by Certificated Preference Shareholders only); and
- a Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer (for use by Certificated Eligible Preference Shareholders only).

Corporate Advisor and Sponsor



Independent Expert



Legal Advisor

WHITE & CASE

Transfer Secretary



Independent Transaction Sponsor

J.P.Morgan

Date of issue: Friday, 2 May 2025

*This Circular is available in English only. Copies of this Circular may be obtained during normal business hours (09h00 to 17h00) from the Registered Offices of Absa Bank whose address is set out in the "Corporate Information and Advisors" section of this Circular from **Friday, 2 May 2025** until **Tuesday, 3 June 2025**, and on Absa Bank's website (<https://www.absa.africa/investor-relations/jse-regulatory-announcements/>) as from the date of distribution hereof until the date of the Scheme Meeting.*

IMPORTANT LEGAL NOTICES AND DISCLAIMERS

The definitions and interpretations commencing on page 23 of this Circular apply, *mutatis mutandis*, to this “Important Legal Notices and Disclaimers” section (unless the context indicates otherwise).

DISCLAIMERS

The release, publication or distribution of this Circular in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Circular is released, published or distributed should inform themselves about and observe such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws or other laws of any such jurisdiction. Absa Bank, the Group, the Board, the Independent Board and the Advisors shall not be responsible or liable for any failure to become informed of or to observe or for any violation of such requirements by any person.

To the extent that the release, publication or distribution of this Circular in certain jurisdictions outside South Africa may be restricted or prohibited by the laws of such foreign jurisdiction, then this Circular is deemed to have been provided for information purposes only and neither Absa Bank, the Group, the Board, the Independent Board, nor the Advisors accept any responsibility for any failure by the Preference Shareholders to inform themselves about, and to observe, any applicable legal requirements in any relevant foreign jurisdiction.

This Circular does not constitute the solicitation of an offer to sell or an invitation to purchase or subscribe for any securities of Absa Bank or a solicitation of any vote or approval in any jurisdiction in which such offer or solicitation would be unlawful.

Preference Shareholders are advised to read this Circular with care. Any decision to approve the Scheme or accept the Standby Offer and/or vote in favour of the resolutions proposed at the Scheme Meeting should be made with reference to the information in this Circular only.

Preference Shareholders must rely on their own representatives, including their own legal advisors, accountants and other professional advisors, and not those of Absa Bank, as to legal, tax, investment or any other related matters concerning Absa Bank.

APPLICABLE LAWS AND REGULATIONS

The Scheme and the Standby Offer are proposed solely in terms of this Circular, which includes the terms and conditions on which the Scheme is to be implemented and the terms and conditions on which the Standby Offer is to be implemented, if the Scheme does not become operative.

The Scheme and the Standby Offer relate to the securities of a South African company and are governed by, and must be construed in accordance with the laws and regulations of South Africa, including but not limited to, the Companies Act, the Listings Requirements, the Banks Act, the Exchange Control Regulations and, in relation only to the Scheme, the Takeover Regulations. Accordingly, both the Scheme and the Standby Offer are subject to South African procedural and disclosure requirements. It is proposed that (i) the Scheme be implemented as a scheme of arrangement under South African company law and (ii) the Standby Offer be implemented by way of a share repurchase offer under South African company law in respect of those Eligible Preference Shareholders who accept the Standby Offer.

This Circular has been prepared in accordance with applicable laws and regulations of South Africa, including the Companies Act, the Listings Requirements and, insofar as it relates to the Scheme, the Takeover Regulations. The information disclosed in this Circular may not be the same as that which would have been disclosed had this Circular been prepared in accordance with the laws and regulations of any jurisdictions outside of South Africa.

NON-RESIDENT PREFERENCE SHAREHOLDERS

The Scheme and the Standby Offer may be affected by the laws of the relevant jurisdictions of Non-resident Preference Shareholders. As such, Non-resident Preference Shareholders should inform themselves about and observe any applicable legal requirements of the relevant jurisdictions and satisfy themselves as to the full observation of the laws and regulatory requirements of the relevant jurisdiction in connection with the Scheme and the Standby Offer; including obtaining any governmental, exchange control or other consents or making any filings which may be required, complying with other necessary formalities and paying any transfer or other taxes or other requisite payments due in such jurisdiction.

Any Non-resident Preference Shareholder will be responsible for any transfer or other taxes or other requisite payments by whomsoever payable. **The Group and any other person acting on its behalf shall be fully indemnified and held harmless by Non-resident Preference Shareholders for any such transfer or other taxes as such person may be required to pay.**

If you are a Non-resident Preference Shareholder, you are urged to read the important information relating to Non-resident Preference Shareholders contained in paragraph 8.3 under the section of this Circular titled "*Non-resident Preference Shareholders and Exchange Control Regulations*" in this Circular and more fully detailed in **Annexure A** attached to this Circular: if you are in doubt as to your position in connection with the matters set out in this Circular; you should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

INDEPENDENT TRANSACTION SPONSOR

J.P. Morgan is acting as Independent Transaction Sponsor to Absa Bank and no one else in connection with the Scheme or the Standby Offer, and will be subject to the requirements imposed on such a transaction sponsor under the Listings Requirements.

J.P. Morgan assumes no responsibility whatsoever and makes no representations or warranties, express or implied, in relation to the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by Absa Bank, or on Absa Bank's behalf, or by J.P. Morgan, or on any of their behalf, and nothing contained in this document is, or shall be, relied on as a promise or representation in this respect, whether as to the past or the future, in connection with Absa Bank or the Scheme or the Standby Offer. J.P. Morgan disclaims, to the fullest extent permitted by law, all and any responsibility and liability whether arising in tort, delict, contract or otherwise which it might otherwise be found to have in respect of this document or any such statement.

DATE OF INFORMATION PROVIDED

Unless the context clearly indicates otherwise, all information provided in this Circular is provided as at the Last Practicable Date.

CORPORATE INFORMATION AND ADVISORS

Company Secretary and Registered Office

Ms Nadine Drutman
Absa Bank Limited
(Registration number 1986/004794/06)
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Johannesburg, Gauteng 2000

Financial Advisor & Joint Sponsor

Absa Bank
(Registration Number: 1986/004794/06)
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Sandton, 2196, South Africa
(Private Bag X1056, Sandton, 2146)

Independent Transaction Sponsor

J.P. Morgan Equities South Africa Proprietary Limited
(Registration Number: 1995/011815/07)
1 Fricker Road
Corner Hurlingham Road, Illovo
Johannesburg, 2196 South Africa
(Private Bag X9936, Sandton, 2146)

Date of incorporation of Absa Bank

26 November 1986

Place of incorporation of Absa Bank

South Africa

Website

www.absa.co.za

Legal Advisor to Absa Bank

White and Case Inc.
(Registration number 2013/220413/21)
1st Floor, Katherine Towers, 1 Park Lane, Wierda Valley
Sandton, Johannesburg, 2196
(PO Box 784440, Sandton, 2146)

Independent Expert

BDO Corporate Finance Proprietary Limited
(Registration number 1983/002903/07)
Wanderers Office Park, 52 Corlett Drive, Illovo,
Johannesburg, 2196

Transfer Secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
(Private Bag X3000, Saxonwold, 2132)

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ACTIONS REQUIRED BY PREFERENCE SHAREHOLDERS IN RESPECT OF THE SCHEME

The definitions and interpretations commencing on page 23 of this Circular apply, *mutatis mutandis*, to this “Actions required by Preference Shareholders in respect of the Scheme” section (unless the context indicates otherwise).

Please take careful note of the following provisions regarding the actions required of Preference Shareholders in respect of the Scheme.

1. If you are in any doubt as to the action you should take, please consult your Broker, CSDP, banker, accountant, legal advisor or other professional advisor immediately.
2. If you have disposed of all your Preference Shares, then this Circular (together with the Notice of the Scheme Meeting, Forms of Proxy, Form of Surrender and Form of Acceptance and Surrender) should be forwarded to the purchaser of such Preference Shares or to the CSDP, Broker or other agent through whom such disposal was effected.
3. This Circular contains information relating to the Scheme and related matters and the Scheme Resolution required to be approved by Preference Shareholders at the Scheme Meeting.
4. As a Preference Shareholder, you should carefully read through this Circular in its entirety and decide how you wish to vote on the Scheme Resolution (as set out in the Notice of Scheme Meeting attached hereto as Annexure F and commencing on page 74), to be proposed at the Scheme Meeting.
5. Absa Bank, the Board and the Independent Board do not accept responsibility and will not be held liable for any act of, or omission by, any CSDP or Broker, including, without limitation, any failure on the part of the CSDP or Broker or any registered holder of the securities of Absa Bank to notify any Beneficial Owner of the Scheme Meeting or any other matter set out in this Circular.

6. NOTICE OF SCHEME MEETING

Preference Shareholders recorded in the Register on the Meeting Record Date are invited to participate in and vote at the Scheme Meeting to be held entirely by way of electronic communication at **08h30 on Tuesday, 3 June 2025** (or any other adjourned or postponed date and time in accordance with the provisions of section 64 of the Companies Act and the MOI), convened in terms of the Notice of Scheme Meeting attached hereto as **Annexure F**, incorporated in this Circular, for purposes of considering and, if deemed fit, passing, with or without modification, the Scheme Resolution.

7. VOTING AND PARTICIPATION AT THE SCHEME MEETING

7.1 Dematerialised Preference Shareholders without “own-name” registration

7.1.1 If you **have** Dematerialised your Preference Shares **without** “own-name” registration, then the following actions are relevant to you in connection with the Scheme Meeting:

7.1.1.1 Voting instructions

- 7.1.1.1.1 Your CSDP or Broker should contact you to ascertain how you wish to cast your vote (or abstain from casting your vote) at the Scheme Meeting and thereafter cast your vote (or abstain from casting your vote) in accordance with your instructions.
- 7.1.1.1.2 If you have not been contacted by your CSDP or Broker, it would be advisable for you to contact your CSDP or Broker and furnish them with your voting instructions.
- 7.1.1.1.3 You **must** furnish your voting instructions to your CSDP or Broker by the cut-off time and date advised by the CSDP or Broker for instructions of this nature.
- 7.1.1.1.4 If your CSDP or Broker **does not** obtain voting instructions from you, they will be obliged to vote in accordance with the instructions contained in the Custody Agreement concluded between you and your CSDP or Broker.
- 7.1.1.1.5 You must **not** complete the attached Form of Proxy (*blue*).

7.1.1.2 Participation and representation at the Scheme Meeting

In accordance with the mandate between you and your CSDP or Broker, you must advise your CSDP or Broker if you wish to participate and/or vote in the Scheme Meeting in person, or if you wish a proxy to represent you at the Scheme Meeting. Your CSDP or Broker will issue the necessary letter of representation to you or your proxy to participate in the Scheme Meeting.

Absa Bank, the Board and the Independent Board do not accept responsibility, and will not be held liable, under any applicable law or regulation, for any action of, or omission by, the CSDP or Broker of a Dematerialised Preference Shareholder, including, without limitation, any failure on the part of the CSDP or Broker of any Beneficial Owner to notify such Beneficial Owner of the Scheme Meeting or of the matters set out in this Circular.

7.1.1.3 Dematerialised Preference Shareholders without “own-name” registration are strongly encouraged to ensure the timely receipt by the Transfer Secretaries of the aforementioned letter of representation. Due to the exigencies of the necessary verification exercise that must be completed to ensure that all attendees are lawful participants, it may not be possible to promptly verify a Dematerialised Preference Shareholder without “own-name” registration once the Scheme Meeting has commenced.

7.1.2 Dematerialised Preference Shareholders with “own-name” registration or if you hold Certificated Preference Shares

If you **have** Dematerialised your Preference Shares **with** “own-name” registration **or** if you hold **Certificated Preference Shares**, then the following actions are relevant to you in connection with the Scheme Meeting:

7.1.2.1 You may participate and vote at the Scheme Meeting (or be represented by proxy in compliance with section 58 of the Companies Act) or abstain from voting.

7.1.2.2 If you do not wish to or are unable to participate in the Scheme Meeting but wish to be represented thereat, you may appoint a proxy to participate and vote in your stead. A proxy need not be a Preference Shareholder and will be entitled to vote on a poll. If you wish to appoint a proxy you **must complete** the attached Form of Proxy (*blue*) in accordance with the instructions contained therein to be delivered to and received, subject always to 7.1.2.3 below, by the Transfer Secretaries by no later than **08h30 on Monday, 2 June 2025** as follows:

7.1.2.2.1 Hand delivery to: Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, South Africa;

7.1.2.2.2 By post to: Computershare Investor Services (Pty) Ltd, Private Bag X9000, Saxonwold, 2132; or

7.1.2.2.3 Electronically to: proxy@computershare.co.za.

7.1.2.3 If you do not lodge your Form of Proxy (*blue*) to reach the Transfer Secretaries by the relevant time, you will nevertheless be entitled to email the Form of Proxy (*blue*) to the Transfer Secretaries and the Company Secretary (who will provide same to the chairperson of the Scheme Meeting) at any time prior to the commencement of the Scheme Meeting, provided that such Form of Proxy (*blue*) and the identification must be verified and registered before the commencement of the Scheme Meeting.

7.2 Identification of Preference Shareholders and proxies

In terms of section 63(1) of the Companies Act, before any person may participate in the Scheme Meeting, that person must present reasonably satisfactory identification and the person presiding at the Scheme Meeting must be reasonably satisfied that the right of the person to participate and vote at the Scheme Meeting, either as a Preference Shareholder, or as a proxy for a Preference Shareholder, has been reasonably verified. Acceptable forms of identification include a valid green bar-coded or smart card identification document issued by the South African Department of Home Affairs, a valid South African driver's licence or a valid passport. Please refer to paragraph 7.3.7.2 under the section of this Circular titled “Voting and Participation at the Scheme Meeting” for details of how your (or your proxy's) identity will be verified in respect of the Scheme Meeting to be held by electronic communication.

7.3 Electronic participation

7.3.1 The Scheme Meeting will be conducted entirely through electronic communication. Absa Bank is permitted in terms of the Companies Act to hold a shareholders' meeting entirely by electronic communication and the MOI does not prohibit Absa Bank from holding its Preference Shareholders' meeting by electronic communication. The decision has been taken by the Board that it is appropriate to hold the Scheme Meeting entirely by electronic communication in accordance with the provisions of section 63(2) of the Companies Act.

7.3.2 The electronic meeting facilities will permit all Preference Shareholders to be able to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the Scheme Meeting. Voting via the electronic facility will be the only method available to Preference Shareholders to vote their Preference Shares at the Scheme Meeting. Absa Bank has retained the services of the Transfer Secretaries to host the Scheme Meeting on an interactive electronic platform to facilitate remote participation and voting by such shareholders by using either a smartphone, tablet or computer.

7.3.3 Registration

7.3.3.1 Should you wish to participate in the Scheme Meeting you will be required to pre-register your personal details to enable you to participate in the Scheme Meeting by taking the following action:

7.3.3.1.1 register online at <https://meetnow.global/za> by no later than **08h30 on Friday, 30 May 2025**. You may still register online to participate in and/or vote electronically at the Scheme Meeting after this date and time, provided, however, that for you to participate and/or vote electronically at the Scheme Meeting, you must be verified and registered before the commencement of the Scheme Meeting. Please note that you will be required to upload the documents listed in paragraph 7.3.3.1.2 under this section of the Circular in order to register and be verified for the Scheme Meeting; and

7.3.3.1.2 upload onto <https://meetnow.global/za> proof of identification (e.g. valid South African identity document, South African driver's license or passport), and provide the following details: your (i) name, (ii) surname, (iii) email address and (iv) contact number.

7.3.3.2 If you have Dematerialised Preference Shares without "own-name" registration then you must in addition to the actions listed above, request your CSDP or Broker to provide you or your proxy with the necessary authority (i.e. letter of representation) in terms of the Custody Agreement entered into between you and your CSDP or Broker and upload that letter of representation along with proof of your identification.

7.3.3.3 Following successful registration, the Transfer Secretaries will provide you, in a verification email, with a unique username and password to connect to <https://meetnow.global/za> and participate electronically in the Scheme Meeting. If you do not receive such verification email with the aforementioned information, please contact 011 370 5000 or proxy@computershare.co.za.

7.3.4 Participation

7.3.4.1 Preference Shareholders who wish to participate electronically in and/or vote at the Scheme Meeting are required to contact the Transfer Secretaries on proxy@computershare.co.za or alternatively contact their office on 011 370 5000 as soon as possible, but for administrative purposes no later than **08h30 on Friday, 30 May 2025**.

7.3.4.2 Notwithstanding the above, the Preference Shareholders are reminded that they are still able to vote through proxy submission, despite being permitted to vote by way of electronic communication at the Scheme Meeting. The Preference Shareholders are strongly encouraged to submit votes by form of proxy before the Scheme Meeting. If Preference Shareholders wish to attend the Scheme Meeting, they should instruct their CSDP or Broker to issue them with the necessary letter of representation to participate in the Scheme Meeting, in the manner stipulated in their Custody

Agreement. These instructions must be provided to the CSDP or Broker by the cut-off time and date advised by the CSDP or Broker for instructions of this nature.

- 7.3.4.3 The Transfer Secretaries will assist Preference Shareholders with the requirements for electronic participation in, and/or voting at, the Scheme Meeting. The Transfer Secretaries are further obliged to validate (in correspondence with Absa Bank and your CSDP) each such Preference Shareholder's entitlement to participate in and/or vote at the Scheme Meeting, before providing it with the necessary means to access the Scheme Meeting and/or the associated voting platform. Once validated, details of the electronic facility will be shared with the Preference Shareholder concerned. Such electronic facility will permit Preference Shareholders not only to participate at the Scheme Meeting but also to vote and the process of how to do so will also be explained to Preference Shareholders once they are validated.

7.3.5 *Voting*

- 7.3.5.1 Preference Shareholders connecting to the Scheme Meeting will be able to participate and vote in the Scheme Meeting.
- 7.3.5.2 In terms of clause 21.6.8.2 (as read with clause 9.1.5.6) of the MOI, voting at the Scheme Meeting will be conducted by way of a poll at the Scheme Meeting.
- 7.3.5.3 Once the chairperson has opened voting, voting can be performed at any time during the Scheme Meeting until the chairperson closes the voting.
- 7.3.5.4 Preference Shareholders or their proxies who participate via the electronic platform at the Scheme Meeting shall have 1 vote for every Preference Share held or represented.

7.3.6 *Assistance*

If you experience any difficulty with (i) the registration process contemplated above or (ii) logging into the Scheme Meeting, you should contact the Transfer Secretaries to assist you with such difficulty by emailing the following email address: proxy@computershare.co.za.

7.3.7 *Electronic Notice and Identification*

- 7.3.7.1 **IMPORTANT NOTE:** As required in terms of section 63(1) of the Companies Act, before any person may participate in the Scheme Meeting, that person must present reasonably satisfactory identification, and the presiding person at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a Preference Shareholder or as a proxy for a Preference Shareholder, has been reasonably verified. So as to comply with this verification procedure set out in section 63(1) of the Companies Act, if you wish to participate electronically in the Scheme Meeting and you have not registered at <https://meetnow.global/za>, you are strongly encouraged to email a written notice to the Transfer Secretaries at proxy@computershare.co.za by no later than **08h30 on Friday, 30 May 2025** confirming that you wish to participate via electronic communication at the Scheme Meeting (the "**Electronic Notice**"). The Electronic Notice must contain a valid email address for the person wishing to participate and must be accompanied by:

- 7.3.7.1.1 if you are an individual, a copy of your original South African identity document/identity card (if an identity card is used both the front and the back must be copied onto one page) and/or passport and/or South Africa driver's licence;
- 7.3.7.1.2 if you are not an individual, a copy of a resolution by the relevant entity and certified copies of the South African identity documents/identity cards (if an identity card is used both the front and the back must be copied and certified on one page) and/or passports of the persons who passed the relevant resolution, which resolution must set out who from the relevant entity is authorised to represent the relevant entity at the Scheme Meeting, via electronic communication; and

7.3.7.1.3 in all cases, a valid email address and/or mobile telephone number (the contact email address/number).

This is necessary in order to obtain a voting and unique username and password. Sufficient time is needed for the Transfer Secretaries to verify the participant and provide the Preference Shareholders with the necessary access credentials to access the Scheme Meeting at proxy@computershare.co.za.

7.3.7.2 If you do not send an Electronic Notice recording your intention to participate in the Scheme Meeting to the Transfer Secretaries by **08h30 on Friday, 30 May 2025**, you may still participate via electronic communication at the Scheme Meeting and may email the Electronic Notice to proxy@computershare.co.za at any time prior to the commencement of the Scheme Meeting. **However, for the purpose of effective administration, you (and your proxies and representatives (as the case may be) wishing to participate and vote in the Scheme Meeting) are strongly encouraged to send the Electronic Notice by 08h30 on Friday, 30 May 2025.**

7.3.8 You will be liable for your own network charges and expenses in relation to electronic participation in and/or voting at the Scheme Meeting. Any such charges will not be for the account of Absa Bank and/or the Transfer Secretaries.

7.3.9 Neither Absa Bank nor the Transfer Secretaries will be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevents you from participating in and/or voting at the Scheme Meeting.

The provisions of this paragraph 7.3, in particular the procedures and action to be taken in order to participate electronically in the Scheme Meeting, apply equally to your representative and/or proxy (if any).

8. ACTIONS REQUIRED BY PREFERENCE SHAREHOLDERS RELATING TO THE OPERATION OF THE SCHEME

8.1 Dematerialised Preference Shareholders with or without “own-name” registration

8.1.1 You do **not** have to surrender any Documents of Title. The transfer of your Scheme Shares and Scheme Consideration will be handled by your CSDP or Broker. Consequently, you must **not** complete the attached Form of Surrender (*pink*) in respect of the Scheme.

8.1.2 If the Scheme becomes unconditional and operative, you will have your account held at your CSDP or Broker credited with the Scheme Consideration and debited with the Preference Shares you are transferring to Absa Bank on the Scheme Operative Date, or, if applicable, if you are a Dissenting Preference Shareholder who subsequently becomes a Scheme Participant pursuant to paragraph 6.4 under the section of this Circular titled “*Dissenting Preference Shareholder Appraisal Rights*” you will have your account held at your CSDP or Broker credited with the Scheme Consideration and debited with the Preference Shares you are transferring to Absa Bank on the date set out in paragraph 6.6 under the section of this Circular titled “*Dissenting Preference Shareholder Appraisal Rights*”.

8.2 Certificated Preference Shareholders

If you are a Certificated Preference Shareholder, then you should **pay special attention** to the provisions of this paragraph 8.2 and paragraph 5.6 under the section of this Circular titled “*Surrender of Documents of Title*”. In order to receive the Scheme Consideration to which you are entitled if the Scheme becomes unconditional and operative, you will be required to have surrendered your Preference Shares (by way of delivery of your Documents of Title and completed Form of Surrender (*pink*) in respect of the Scheme). If you are in any doubt as to what action you should take, please consult your Broker CSDP, banker, attorney or other professional advisor or consult the Transfer Secretaries in terms of the process to be undertaken in surrendering your share certificates.

8.2.1 If the Scheme becomes unconditional and operative, you will have to surrender your Documents of Title in exchange for the Scheme Consideration, irrespective of whether you voted in favour of the Scheme or not in terms of the Companies Act.

- 8.2.2 If you wish to expedite receipt of the Scheme Consideration, you should surrender your Preference Shares prior to the Scheme becoming unconditional and operative by duly completing the attached Form of Surrender (*pink*) in respect of the Scheme and lodging it, together with your Documents of Title, in accordance with the instructions contained therein, with the Transfer Secretaries to be received by the Transfer Secretaries by not later than 12h00 on the Scheme Record Date (expected to be Friday, 4 July 2025).
- 8.2.3 If the Scheme becomes unconditional and operative and you **have** surrendered your Documents of Title and duly completed Form of Surrender (*pink*) in respect of the Scheme to the Transfer Secretaries by 12h00 on the Scheme Record Date (expected to be Friday, 4 July 2025), the Scheme Consideration will be paid to you on the Scheme Operative Date, by way of an EFT, into the South African bank account nominated by you in **Part C** of the Form of Surrender (*pink*) in respect of the Scheme.
- 8.2.4 If the Scheme becomes unconditional and operative and you **have not** surrendered your Documents of Title and duly completed Form of Surrender (*pink*) in respect of the Scheme by 12h00 on the Scheme Record Date (expected to be Friday, 4 July 2025), the Transfer Secretaries will only pay you the Scheme Consideration by way of an EFT within 5 Business Days of receipt of your Documents of Title and duly completed Form of Surrender (*pink*) in respect of the Scheme (including your South African bank account details in Part C), provided that should you:
- 8.2.4.1 be a Dissenting Preference Shareholder who subsequently becomes a Scheme Participant as envisaged in paragraph 6.4 under the section of this Circular titled "*Dissenting Preference Shareholder Appraisal Rights*", you will still need to submit your Documents of Title, together with a duly completed Form of Surrender (*pink*) in respect of the Scheme, to the Transfer Secretaries and payment of the Scheme Consideration will be paid to you by way of EFT on the date set out in paragraph 6.6 under the section of this Circular titled "*Dissenting Preference Shareholder Appraisal Rights*"; and
- 8.2.4.2 fail to submit your Documents of Title and duly completed Form of Surrender (*pink*) in respect of the Scheme to the Transfer Secretaries or in respect of a Dissenting Preference Shareholder who subsequently becomes a Scheme Participant pursuant to paragraph 6.4 under the section of this Circular titled "*Dissenting Preference Shareholder Appraisal Rights*" and which Scheme Participant subsequently fails to submit his/her/its Documents of Title and duly completed Form of Surrender (*pink*) in respect of the Scheme to the Transfer Secretaries, then the Scheme Consideration payable to such Scheme Participant will be held in trust by Absa Bank (or any third party nominated by it for this purpose), pending receipt of his/her/its Documents of Title and completed Form of Surrender (*pink*), for a period of up to three years after the Scheme Operative Date in accordance with the provisions of the MOI. If the Scheme Participant does not claim the Scheme Consideration due within the three-year period, the relevant Scheme Consideration amount will be paid to the benefit of the Guardian's Fund of the Master of the High Court. In this regard, such Scheme Participants irrevocably authorise and appoint the Transfer Secretaries (or its respective agents as appointed by each of them), in *rem suam* (that is, irrevocably for Transfer Secretaries advantage), with full power of substitution, to act as agent in the name, place and stead of such Scheme Participants to pay the Scheme Consideration to the benefit of the Guardian's Fund of the Master of the High Court in the aforesaid manner. No interest will accrue on any such funds held by Absa Bank (or its nominee).
- 8.2.5 If you wish to surrender your Documents of Title in anticipation of the Scheme becoming unconditional and operative:
- 8.2.5.1 you should complete the Form of Surrender (*pink*) in respect of the Scheme in accordance with its instructions and return it, together with your Documents of Title, to the Transfer Secretaries, as follows:
- 8.2.5.1.1 Hand delivery to: Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, South Africa; or
- 8.2.5.1.2 By post to: Computershare Investor Services (Pty) Ltd, Private Bag X3000, Saxonwold, 2132
- so as to be received by no later than **12h00** on the Scheme Record Date (**expected to be Friday, 4 July 2025**);

- 8.2.5.2 it should be noted that you will not be permitted to deliver your Documents of Title to the Transfer Secretaries electronically as the original Documents of Title are required; and
- 8.2.5.3 it should be noted that you will not be able to Dematerialise or deal in your Preference Shares between the date of surrender of your Documents of Title and the Scheme Operative Date or, if the Scheme does not become unconditional and operative, the date on which your Documents of Title are returned to you pursuant to paragraph 8.2.6 (below) of this section of the Circular.
- 8.2.6 Documents of Title surrendered prior to 12h00 on the Scheme Record Date, in anticipation of the Scheme becoming unconditional and operative or the Standby Offer becoming effective, will be held in trust by the Transfer Secretaries, at the risk of the Certificated Preference Shareholder, pending the Scheme becoming unconditional and operative (or should the Scheme Participant also have completed the Form of Acceptance and Surrender (*yellow*) in respect of some or all of its Preference Shares pending the Standby Offer becoming effective and surrendered corresponding Documents of Title, these Documents of Title will be held in trust by the Transfer Secretaries, at the risk of the Certificated Eligible Preference Shareholder, pending the Standby Offer becoming unconditional and operative). Should the Scheme not become unconditional and operative and the Standby Offer not become effective or should the Certificated Eligible Preference Shareholder not have completed a Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer, any Documents of Title surrendered and held by the Transfer Secretaries will be returned to the Certificated Preference Shareholder concerned by registered post in South Africa at the risk of the Certificated Preference Shareholder within 5 Business Days from (i) the date of receipt of the Documents of Title; or (ii) the date on which it becomes known that the Scheme will not become operative; or (iii) if the Certificated Preference Shareholder has completed a Form of Acceptance and Surrender (*yellow*), the date on which it becomes known that the Standby Offer will not become effective, whichever is later.
- 8.2.7 If you wish to Dematerialise your Preference Shares, please contact a CSDP or Broker. Please note that you are not required to Dematerialise your Preference Shares to participate in the Scheme or to receive the Scheme Consideration.

9. **VALIDITY OF FORM OF SURRENDER (*PINK*) IN RESPECT OF THE SCHEME**

In respect of Certificated Preference Shareholders, Absa Bank reserves the right in its sole and absolute discretion to:

- 9.1 treat as invalid a Form of Surrender (*pink*) in respect of the Scheme not accompanied by (i) valid Documents of Title and/or (ii) proof of the authority of the person signing the Form of Surrender (*pink*) in respect of the Scheme where such proof has not yet been lodged with, or recorded by, the Transfer Secretaries; and/or
- 9.2 treat as invalid a Form of Surrender (*pink*) in respect of the Scheme which (i) has not been fully completed and/or (ii) has been incorrectly completed.

10. **CERTIFICATED TRANSFER**

Where Documents of Title have been surrendered, no receipts will be issued to Certificated Preference Shareholders for the Form of Surrender (*pink*) in respect of the Scheme and the Documents of Title lodged with the Transfer Secretaries, unless specifically requested by such Certificated Preference Shareholders in writing. Lodging agents who require special transaction receipts are requested to prepare such receipts and submit them to the Transfer Secretaries for stamping together with the Documents of Title lodged.

11. **LOST OR DESTROYED DOCUMENTS OF TITLE IN RESPECT OF CERTIFICATED PREFERENCE SHAREHOLDERS**

If Documents of Title have been lost or destroyed, Certificated Preference Shareholders should nevertheless (i) return the Form of Surrender (*pink*) in respect of the Scheme, duly signed and completed and (ii) inform the Transfer Secretaries that its Documents of Title have been lost or destroyed. The Transfer Secretaries shall issue a suitable indemnity form to such Certificated Preference Shareholder; such indemnity form to be in a form and substance acceptable to Absa Bank (in its sole and absolute discretion) and Absa Bank and the

Transfer Secretaries must be satisfied that the Documents of Title have been lost or destroyed. Only upon receipt by the Transfer Secretaries of such indemnity form duly completed and signed by such Certificated Preference Shareholder, to be received by no later than 12h00 on the Scheme Record Date, shall Absa Bank consider the action taken by such Certificated Preference Shareholder in terms of the Scheme.

12. GENERAL

12.1 Preference Shareholder approval of the Scheme

12.1.1 The Scheme must be approved by a special resolution, in accordance with section 114(1), as read with section 115(2)(a), of the Companies Act, at the Scheme Meeting, at which meeting (for quorum purposes) at least 3 Preference Shareholders must be present (in person or by proxy), and such Preference Shareholders present must be entitled to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised at the Scheme Meeting.

12.1.2 Implementation of the Scheme will be conditional on the fulfilment of the Scheme Conditions Precedent as more fully contemplated in paragraph 5.4 under the section of this Circular titled "*Scheme Conditions Precedent*".

12.2 Potential Court approval

12.2.1 Preference Shareholders are advised that, in accordance with section 115(3) of the Companies Act, Absa Bank may in certain circumstances not proceed to implement the Scheme without the approval of the Court, despite the fact that the Scheme Resolution will have been duly adopted at the Scheme Meeting.

12.2.2 In this regard, a copy of section 115 of the Companies Act which details the circumstances under which Court approval may be required for implementation of the Scheme, is set out in Annexure B to this Circular.

12.3 Non-resident Preference Shareholders

If you are a Non-resident Preference Shareholder, you are urged to read the important information for Non-resident Preference Shareholders relating to the Scheme in the section titled: "*Important Legal Notices and Disclaimers – Non-resident Preference Shareholders*" commencing on page 1 of this Circular, and the important information contained in paragraph 7.3 under the section of this Circular titled "*Non-Resident Preference Shareholders and Exchange Control Regulations*" and more fully detailed in **Annexure A** attached to this Circular.

12.4 TRP Approval

12.4.1 Preference Shareholders are advised that the Scheme constitutes an "*affected transaction*" as defined in section 117(1)(c)(iii) of the Companies Act, and as such, the Scheme is regulated by the Companies Act and the Takeover Regulations and therefore requires the approval of the TRP.

12.4.2 Preference Shareholders should take note that the TRP does not consider the commercial advantages or disadvantages of "*affected transactions*" when it approves such transactions.

12.5 Settlement of the Scheme Consideration

12.5.1 If the Scheme becomes unconditional and operative, Scheme Participants will be entitled to receive the Scheme Consideration in respect of their Preference Shares which will be acquired by Absa Bank.

12.5.2 Please refer to paragraph 5.3 under the section of this Circular titled "*Settlement of the Scheme Consideration*" for further information regarding the settlement of the Scheme Consideration in respect of the Scheme.

12.6 Other

- 12.6.1 Forms of Surrender (*pink*) in respect of the Scheme and Documents of Title that are sent through the post are sent at the risk of the Preference Shareholder concerned. Accordingly, Preference Shareholders should take note of postal delivery times so as to ensure that the forms and relevant Documents of Title are received timeously. **It is therefore recommended that such forms and Documents of Title rather be sent by registered post or delivered by hand to the Transfer Secretaries.**
- 12.6.2 The contents of this Circular do not purport to constitute legal advice or to comprehensively deal with the legal, regulatory, accounting, investment and tax implications of the Scheme for each Preference Shareholder. Preference Shareholders are accordingly advised to consult their professional advisors about their personal legal, regulatory, accounting, investment and tax positions regarding the Scheme and, in particular, the Scheme Consideration.

ACTIONS REQUIRED BY PREFERENCE SHAREHOLDERS IN RESPECT OF THE STANDBY OFFER

The definitions and interpretations commencing on page 23 of this Circular apply, *mutatis mutandis*, to this “Actions required by Preference Shareholders in respect of the Standby Offer” section (unless the context indicates otherwise).

Please take careful note of the following provisions regarding the actions required of Preference Shareholders in respect of the Standby Offer.

1. If you are in any doubt as to the action you should take, please consult your Broker, CSDP, banker, accountant, legal advisor or other professional advisor immediately.
2. If you have disposed of all your Preference Shares, then this Circular (together with the Notice of Scheme Meeting, Forms of Proxy, the Form of Surrender and Form of Acceptance and Surrender) should be forwarded to the purchaser of such Preference Shares or to the CSDP, Broker or other agent through whom such disposal was effected.
3. The Standby Offer is a separate offer that will run concurrently with the Scheme. However, implementation of the Standby Offer will be conditional on the Scheme not becoming unconditional and operative and therefore terminating.
4. This Circular contains information relating to the Standby Offer and associated matters.
5. Eligible Preference Shareholders should carefully read through this Circular in its entirety and decide whether they wish to either:
 - a. accept the Standby Offer in respect of all (or a portion) of their Standby Offer Shares; or
 - b. decline the Standby Offer.
6. The Standby Offer will be open for acceptances from Friday, 2 May 2025 (being the Standby Offer Opening Date).
7. As an Eligible Preference Shareholder, if you wish to accept the Standby Offer you must do so in the manner set out in section 10 below.
8. Should you wish to decline the Standby Offer and if:
 - a. you are a Certificated Eligible Preference Shareholder, you do not need to take any further action and will continue to hold your Preference Shares and will be deemed to be a Remaining Preference Shareholder, subject to the Scheme not becoming unconditional and operative; or
 - b. you are a Dematerialised Eligible Preference Shareholder with or without “own-name” registration you are advised to contact your CSDP or Broker with your instructions. If you fail to furnish your CSDP or Broker with your instructions, your CSDP or Broker will be required to vote in accordance with your Custody Agreement. Accordingly, you are advised to contact your CSDP or Broker if you wish to decline the Standby Offer. If the Standby Offer is declined you will continue to hold your Preference Shares and will be deemed to be a Remaining Preference Shareholder, subject to the Scheme not becoming unconditional and operative.
9. **Absa Bank, the Board and the Independent Board do not accept responsibility and will not be held liable for any act of, or omission by, any CSDP or Broker, including, without limitation, any failure on the part of the CSDP or Broker or any registered holder of the securities of Absa Bank to notify a Beneficial Owner of the matters set out in this Circular.**
10. **ACTIONS REQUIRED BY ELIGIBLE PREFERENCE SHAREHOLDERS WHO WISH TO ACCEPT THE STANDBY OFFER AND SURRENDER OF DOCUMENTS OF TITLE**
 - 10.1 **Dematerialised Eligible Preference Shareholders with or without “own-name” registration**

If you **have** Dematerialised your Preference Shares **with** or **without** “own-name” registration, then the following actions are relevant to you in connection with **accepting** the Standby Offer:

 - 10.1.1 Your CSDP or Broker should contact you to ascertain whether you wish to accept or reject the Standby Offer and the number of Preference Shares that you wish to tender in respect of the Standby Offer.

- 10.1.2 If you have not been contacted by your CSDP or Broker; it would be advisable for you to contact your CSDP or Broker and confirm:
 - 10.1.2.1 that you intend **accepting** the Standby Offer and the number of Preference Shares that you wish to tender in respect of the Standby Offer; or
 - 10.1.2.2 that you intend rejecting the Standby Offer.
- 10.1.3 You **must** furnish your instructions to your CSDP or Broker by the cut-off time and date advised by the CSDP or Broker for instructions of this nature and if no such instructions are tendered to your CSDP or Broker they will be obliged to respond to the Standby Offer in accordance with the instructions contained in the Custody Agreement concluded between you and your CSDP or Broker.
- 10.1.4 If your CSDP or Broker is required to reject the Standby Offer in terms of the Custody Agreement concluded between you and your CSDP or Broker, or if you have instructed your CSDP or Broker to reject the Standby Offer, your CSDP or Broker will not be required to take any further action and you will be considered a Remaining Preference Shareholder (subject to the Scheme not becoming unconditional and operative).
- 10.1.5 You do not have to surrender any Documents of Title and must **not** complete the attached Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer.
- 10.1.6 If you notify your Broker or CSDP of your acceptance of the Standby Offer, you will not be able to re-materialise and/or trade in those Standby Offer Shares from the date of acceptance of the Standby Offer in respect of such Standby Offer Shares.
- 10.1.7 Please note if you accept the Standby Offer and in the event that:
 - 10.1.7.1 the Scheme becomes unconditional and operative, you will be obliged to sell all your Preference Shares in terms of the Scheme and accordingly receive the Scheme Consideration in respect of such Preference Shares, as the Standby Offer will lapse; and
 - 10.1.7.2 the Scheme does not become operative and the Standby Offer becomes wholly unconditional and effective you will be entitled to receive the Standby Offer Consideration in respect of your Standby Offer Shares.

10.2 Certificated Eligible Preference Shareholders

- 10.2.1 If you **have** Certificated Preference Shares, then the following actions are relevant to you in connection with **accepting** the Standby Offer:
 - 10.2.1.1 You **must** complete the attached Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer in accordance with the instructions contained therein and deliver **it together** with the relevant Documents of Title to the Transfer Secretaries, as follows:
 - 10.2.1.1.1 Hand delivery to: Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, South Africa; or
 - 10.2.1.1.2 By post to: Computershare Investor Services (Pty) Ltd, Private Bag X3000, Saxonwold, 2132,

so as to be received **by no later than 12h00 on the Standby Offer Closing Date (expected to be Friday, 4 July 2025).**
 - 10.2.2 Please note that you will not be permitted to deliver your Documents of Title to the Transfer Secretaries electronically as the original Documents of Title are required.
 - 10.2.2.1 Please note that, if you complete the Form of Surrender (*pink*) in respect of the Scheme and return it, together with the relevant Documents of Title to the Transfer Secretaries in anticipation of the Scheme becoming unconditional and operative, you will still be required to complete the Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer, but **you will not** be required to surrender your Documents of Title (as you would have already surrendered your Documents of Title pursuant to the Scheme when submitting your Form of Surrender (*pink*) in respect of the Scheme).

- 10.2.2.2 If a duly completed Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer and the relevant Documents of Title (if applicable) are not received by the Transfer Secretaries by 12h00 on the Standby Offer Closing Date, you will be deemed to have declined the Standby Offer. **Any Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer received after this date and time will not be accepted and will accordingly be invalid.**
- 10.2.2.3 If you accept the Standby Offer, you will not be able to dematerialise and/or trade in those Standby Offer Shares from the date of acceptance of the Standby Offer in respect of such Standby Offer Shares.
- 10.2.2.4 Please note that, if you accept the Standby Offer and surrender your Documents of Title prior to the Scheme Meeting and in the event that:
 - 10.2.2.4.1 the Scheme becomes unconditional and operative, you will be obliged to sell all your Preference Shares in terms of the Scheme and accordingly receive the Scheme Consideration in respect of such Preference Shares, as the Standby Offer will lapse; and
 - 10.2.2.4.2 the Scheme does not become operative and the Standby Offer becomes wholly unconditional and effective, you will be entitled to receive the Standby Offer Consideration in respect of your Standby Offer Shares.
- 10.2.2.5 Documents of Title surrendered prior to 08h30 on the Scheme Record Date, in anticipation of the Scheme becoming unconditional and operative or the Standby Offer becoming effective, will be held in trust by the Transfer Secretaries, at the risk of the Certificated Eligible Preference Shareholder, pending the Scheme becoming unconditional and operative or the Scheme not becoming unconditional and operative but the Standby Offer becoming wholly unconditional and effective. Should neither the Scheme nor the Standby Offer become unconditional or effective, any Documents of Title held by the Transfer Secretaries will be returned to the Certificated Preference Shareholder concerned at the risk of the Certificated Preference Shareholder within 5 Business Days from (i) the date of receipt of the Documents of Title; or (ii) the date on which it becomes known that the Scheme will not become operative; or (iii) the date on which it becomes known that the Standby Offer will not become effective, whichever is later.
- 10.2.2.6 **If you wish to Dematerialise your Preference Shares, please contact a CSDP or Broker.** You are not required to Dematerialise your Preference Shares to accept the Standby Offer or to receive the Standby Offer Consideration.

11. VALIDITY OF FORM OF ACCEPTANCE AND SURRENDER (*YELLOW*) IN RESPECT OF THE STANDBY OFFER

- 11.1 In respect of Certificated Eligible Preference Shareholders, Absa Bank reserves the right in its sole and absolute discretion to:
 - 11.1.1 subject to paragraph 11.2 below of this Section of the Circular, treat as invalid a Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer not accompanied by (i) valid Documents of Title and/or (ii) proof of the authority of the person signing the Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer where such proof has not yet been lodged with, or recorded by, the Transfer Secretaries; and/or
 - 11.1.2 treat as invalid a Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer which (i) has not been fully completed and/or (ii) has been incorrectly completed.
- 11.2 Please note that if you complete the Form of Surrender (*pink*) in respect of the Scheme and return it, together with the relevant Documents of Title, to the Transfer Secretaries in anticipation of the Scheme becoming unconditional and operative, and if you wish to accept the Standby Offer in the event that the Scheme does not become unconditional and operative, you will still be required to complete the Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer but **you will not** be required to surrender your Documents of Title (as you would have already surrendered your Documents of Title pursuant to the Scheme when submitting your Form of Surrender (*pink*) in respect of the Scheme).

12. CERTIFICATED TRANSFER

Where Documents of Title have been surrendered, no receipts will be issued to Certificated Eligible Preference Shareholders for the Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer and the Documents of Title lodged with the Transfer Secretaries, unless specifically requested by such Certificated Eligible Preference Shareholders in writing. Lodging agents who require special transaction receipts are requested to prepare such receipts and submit them to the Transfer Secretaries for stamping together with the Documents of Title lodged.

13. LOST OR DESTROYED DOCUMENTS OF TITLE IN RESPECT OF CERTIFICATED ELIGIBLE PREFERENCE SHAREHOLDERS

If Documents of Title have been lost or destroyed, Certificated Eligible Preference Shareholders should nevertheless (i) return the Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer, duly signed and completed and (ii) inform the Transfer Secretaries that its Documents of Title have been lost or destroyed. The Transfer Secretaries shall issue a suitable indemnity form to such Certificated Eligible Preference Shareholder, such indemnity form to be in a form and substance acceptable to Absa Bank (in its sole and absolute discretion) and Absa Bank and the Transfer Secretaries must be satisfied that the Documents of Title have been lost or destroyed. Only upon receipt by the Transfer Secretaries of such indemnity form duly completed and signed by such Certificated Eligible Preference Shareholder to be received by no later than 12h00 on the Standby Offer Closing Date shall Absa Bank consider the action taken by such Certificated Eligible Preference Shareholder in terms of the Standby Offer.

14. GENERAL

14.1 Non-resident Preference Shareholders

If you are a Non-resident Preference Shareholder, you are urged to read the important information for Non-resident Preference Shareholders relating to the Standby Offer in the section titled: *"Important Legal Notices and Disclaimers – Non-resident Preference Shareholders"* commencing on page 1 of this Circular, and the important information contained in paragraph 7.3 under the section of this Circular titled *"Non-resident Preference Shareholder and Exchange Control Programme"* and more fully detailed in **Annexure A** attached to this Circular.

14.2 Settlement of the Standby Offer Consideration

14.2.1 If the Scheme does not become unconditional and operative and therefore terminates, and you have accepted the Standby Offer and the Standby Offer becomes wholly unconditional, effective and is implemented, the Standby Offer Participants will be entitled to receive the Standby Offer Consideration in respect of the Standby Offer Shares tendered by them.

14.2.2 Please refer to paragraph 5.9.9 under the section of this Circular titled *"Settlement of the Standby Offer Consideration"* for further information regarding the settlement of the Standby Offer Consideration in respect of the Standby Offer.

14.3 Other

14.3.1 Please note that, for the avoidance of doubt, you **may not**, after acceptance of the Standby Offer, instruct any Broker or CSDP to hold your Standby Offer Shares in respect of which the Standby Offer has been accepted as nominee on your behalf or, where such Standby Offer Shares are already held by the Broker or CSDP as nominee, request the Broker or CSDP to dispose of or otherwise transfer the Standby Offer Shares in respect of which the Standby Offer has been accepted. If you do so your acceptance of the Standby Offer may be treated as invalid.

14.3.2 Forms of Acceptance and Surrender (*yellow*) in respect of the Standby Offer and Documents of Title that are sent through the post are sent at the risk of the Certificated Eligible Preference Shareholder concerned. Accordingly, Certificated Eligible Preference Shareholders should take note of postal delivery times so as to ensure that the forms and relevant Documents of Title are received timeously. **It is therefore recommended that such forms and Documents of Title rather be delivered by hand to the Transfer Secretaries.**

14.3.3 The contents of this Circular do not purport to constitute legal advice or to comprehensively deal with the legal, regulatory, accounting, investment and tax implications of the Standby Offer for each Preference Shareholder. Preference Shareholders are accordingly advised to consult their professional advisors about their personal legal, regulatory, accounting, investment and tax positions regarding the Standby Offer and, in particular, the Standby Offer Consideration.

APPRAISAL RIGHTS

The definitions and interpretations commencing on page 23 of this Circular apply, *mutatis mutandis*, to this “Appraisal Rights” section (unless the context indicates otherwise).

In terms of section 164 of the Companies Act, Preference Shareholders are advised of the following rights which they have:

1. At any time before the Scheme Resolution is to be voted on at the Scheme Meeting, a Preference Shareholder may give Absa Bank written notice objecting to the Scheme Resolution;
2. Within 10 Business Days after the Scheme Resolution has been adopted, Absa Bank must send a notice confirming that the Scheme Resolution, as the case may be, has been adopted, to each Preference Shareholder who (i) gave Absa Bank written notice objecting to the Resolution and (ii) has neither withdrawn that notice nor voted in favour of the Scheme Resolution.
3. A Preference Shareholder, who has validly exercised its appraisal rights and given Absa Bank written notice in terms of section 164 of the Companies Act objecting to the Scheme Resolution and has complied with all of the procedural requirements set out in section 164 of the Companies Act, may, if the Scheme Resolution has been adopted, demand in writing:
 - 3.1 within 20 Business Days after receipt of the notice referred to in paragraph 2 above of this Section of the Circular; or
 - 3.2 if the Preference Shareholder does not receive the notice from Absa Bank referred to above, within 20 Business Days after learning that the Scheme Resolution has been adopted,that Absa Bank pay the objecting Preference Shareholder the fair value (in terms of and subject to the requirements set out in section 164 of the Companies Act) for all the Preference Shares held by that Preference Shareholder.
4. A more detailed explanation of the appraisal rights of a dissenting shareholder is contained in paragraph 6 under the section of this Circular titled “*Dissenting Preference Shareholder Appraisal Rights*”.
5. A copy of section 164 of the Companies Act is set out in **Annexure B** to this Circular.

IMPORTANT DATES AND TIMES

The definitions and interpretations commencing on page 23 of this Circular apply, *mutatis mutandis*, to this “Important Dates and Times” section (unless the context indicates otherwise).

2025

Last Practicable Date	Wednesday, 16 April
Posting Record Date to be eligible to receive the Circular and the Notice of the Scheme Meeting	Thursday, 17 April
Posting of the Circular and the Notice of the Scheme Meeting on	Friday, 2 May
Announcement confirming the publication of the Circular on Absa Bank’s website and the Notice of the Scheme Meeting, published on SENS on	Friday, 2 May
The Standby Offer Opening Date	Monday, 5 May
Last day to trade Preference Shares in order for Preference Shareholders to be recorded in the Register on the Meeting Record Date	Tuesday, 20 May
Meeting Record Date to be eligible to vote at the Scheme Meeting	Friday, 23 May
Reminder to be issued to Preference Shareholders to register for electronic participation	Tuesday, 27 May
For administrative purposes only , last day and time to lodge Forms of Proxy (blue) with the Transfer Secretaries by 08h30 on	Monday, 2 June
Last day for any Preference Shareholder to deliver written notice to Absa Bank objecting to the Scheme Resolution in accordance with section 164(3) of the Companies Act, which must be before the Scheme Resolution is to be voted on at the Scheme Meeting on	Tuesday, 3 June
Scheme Meeting to be held entirely by way of electronic communication at 08h30 on	Tuesday, 3 June
Results of the Scheme Meeting published on SENS on	Tuesday, 3 June
Last date for Preference Shareholders who voted against the Scheme Resolution to require Absa Bank to seek Court approval for the implementation of the Scheme Resolution in terms of section 115(3)(a) of the Companies Act, if the requisite special resolution in terms of section 115(2)(a) of the Companies Act was opposed by at least 15% of the voting rights that were exercised	Tuesday, 10 June
Last date for Preference Shareholders who voted against the Scheme Resolution to be granted leave by a Court to apply for a review of the Scheme Resolution in terms of section 115(3)(b) of the Companies Act	Wednesday, 18 June
Last date for Absa Bank to give notice of adoption of the Scheme Resolution in terms of section 164(4) of the Companies Act to the Preference Shareholders who delivered written notices to Absa Bank objecting to the Scheme Resolution in accordance with section 164 of the Companies Act and have neither withdrawn that notice nor voted in support of the Scheme Resolution.	Wednesday, 18 June
If the Scheme Resolution is duly approved by Preference Shareholders at the Scheme Meeting and all other Scheme Conditions Precedent are fulfilled (or waived, where such conditions are capable of waiver):	
TRP compliance certificate anticipated to be delivered in terms of section 121(b)(i) of the Companies Act	Thursday, 19 June
Scheme Finalisation Date announcement expected to be published on SENS on	Thursday, 19 June
Scheme Finalisation Date announcement published in the South African press on	Friday, 20 June

Expected Scheme last day to trade Preference Shares in order for Preference Shareholders to be recorded in the Register on the Scheme Record Date to receive the Scheme Consideration on	Tuesday, 1 July
Expected suspension of listing of Preference Shares from the Main Board of the JSE at commencement of trading on	Wednesday, 2 July
Last day to deliver Form of Surrender (<i>pink</i>) in respect of the Scheme and Documents of Title (in order to receive the Scheme Consideration on the Scheme Operative Date) to be received by the Transfer Secretaries, which is expected to be by 12h00 on	Friday, 4 July
Expected Scheme Record Date, being the date and time on which Preference Shareholders must be recorded in the Register to receive the Scheme Consideration, which is expected to be by 17h00 on	Friday, 4 July
Expected Scheme Operative Date on	Monday, 7 July
Dematerialised Scheme Participants expected to have their accounts (held at their CSDP or Broker) debited with the Scheme Shares and credited with the Scheme Consideration on	Monday, 7 July
Expected date of settlement of the Scheme Consideration to be paid electronically to Certificated Scheme Participants (if the Form of Surrender (<i>pink</i>) in respect of the Scheme and Documents of Title are received by the Transfer Secretaries by 12h00 on the Scheme Record Date) on	Monday, 7 July
Expected termination of listing of the Preference Shares on the Main Board of the JSE at the commencement of trade on	Tuesday, 8 July
If the Scheme Conditions Precedent are not fulfilled (or waived, where such conditions are capable of waiver) and the Scheme does not become operative, and the Standby Offer Condition Precedent is fulfilled:	
The Standby Offer is declared unconditional	Thursday, 19 June
The Standby Offer Finalisation Date announcement is expected to be published on SENS on	Thursday, 19 June
The Standby Offer Finalisation Date announcement expected to be published in the South African press on	Friday, 20 June
Expected Standby Offer last day to trade Preference Shares in order for Eligible Preference Shareholders to be recorded in the Register on the Standby Offer Record Date to accept the Standby Offer and thereby receive the Standby Offer Consideration	Tuesday, 1 July
Expected suspension of listing of those Preference Shares repurchased in terms of the Standby Offer at commencement of trading on	Wednesday, 2 July
Expected Standby Offer Record Date to determine who is eligible to participate in the Standby Offer and thereby receive the Standby Offer Consideration	Friday, 4 July
Expected Standby Offer Closing Date at 12h00 on	Friday, 4 July
Results of the Standby Offer published on SENS on	Monday, 7 July
Expected last date of settlement of the Standby Offer Consideration to be paid electronically to Certificated Standby Offer Participants who accepted the Standby Offer (if the Form of Acceptance and Surrender (<i>yellow</i>) in respect of the Standby Offer and Documents of Title are received by the Transfer Secretaries on or before 12h00 on the Standby Offer Closing Date)	Monday, 7 July
Expected last date on which Dematerialised Standby Offer Participants are expected to have their accounts held at their Broker or CSDP debited with the Standby Offer Shares and credited with the Standby Offer Consideration on	Monday, 7 July
Expected termination of listing of those Preference Shares repurchased in terms of the Standby Offer on the Main Board of the JSE at the commencement of trade on	Tuesday, 8 July

Notes:

1. All dates and times above and quoted generally in this circular are South African dates and times, unless otherwise stated.
2. These dates and times are subject to amendment by Absa Bank (and, to the extent necessary, with the approval of the JSE, the TRP and other regulatory authorities). The dates have been determined based on certain assumptions regarding the date by which shareholder and regulatory approvals will be obtained and that no court approval or review of the Scheme Resolution will be required. Any such amendment of the dates and times will be released on SENS and published in the South African press.
3. Preference Shareholders should note that as transactions in Preference Shares are settled in the electronic settlement system used by Strate, settlement of trades takes place 3 Business Days after such trade. Therefore, Preference Shareholders who acquire Preference Shares after close of trade on Tuesday, 20 May 2025 will not be eligible to participate and vote at the Scheme Meeting.
4. For the purpose of being eligible to participate in the Scheme, no dematerialisation or re-materialisation of Preference Shares may take place after the last day to trade Preference Shares for the Scheme. For the purpose of being eligible to participate in the Standby Offer, no dematerialisation or re-materialisation of Preference Shares may take place from the date the Preference Shares trade "ex" the right to participate in the Standby Offer to the Standby Offer Record Date, both days inclusive.
5. If the Scheme Meeting is adjourned or postponed, the above dates and times will change, but the applicable Form of Proxy (*blue*) submitted for the Scheme Meeting will remain valid in respect of any postponement prior to convening, adjournment or postponement of the Scheme Meeting.
6. Any Form of Proxy (*blue*) not delivered to the Transfer Secretaries by the date and time stipulated herein may be sent by email to the Transfer Secretaries before such shareholder's voting rights are exercised at the Scheme Meeting (or any adjournment or postponement thereof).
7. The date of payment of the Standby Offer Consideration will take place within six Business Days of the later of the Standby Offer being declared wholly unconditional and acceptance of the Standby Offer by the Preference Shareholder who validly accepts the Standby Offer.

DEFINITIONS AND INTERPRETATIONS

In this Circular and the documents attached hereto, unless otherwise stated or clearly indicated otherwise, the words in the first column have the meanings stated opposite them in the second column, words in the singular include the plural and *vice versa*, words importing one gender include the other genders, references to a natural person include references to a juristic person and *vice versa* and cognate expressions shall bear corresponding meanings.

"Absa Group "	Absa Group Limited (Registration number 1986/003934/06), a public limited company incorporated in accordance with the laws of South Africa, the ordinary shares of which are listed on the Main Board of the exchange operated by the JSE, and which is the sole holder of the Ordinary Shares;
"Advisors"	collectively those advisors whose details are set out in the <i>"Corporate Information and Advisors"</i> section of this Circular;
"Annexures"	the annexures to this Circular;
"Appraisal Rights"	the rights afforded to Preference Shareholders entitled to exercise appraisal rights in terms of section 164 of the Companies Act, as described in paragraph 6 under the section of this Circular titled <i>"Dissenting Preference Shareholder Appraisal Rights"</i> and set out in Annexure B to this Circular, where a copy of section 164 of the Companies Act is provided;
"Appraisal Rights Offer"	an offer made by Absa Bank to a Dissenting Preference Shareholder in terms of section 164(11) of the Companies Act;
"Authorised Dealer"	an authorised dealer of the South African Reserve Bank, established in terms of section 9 of the Currency and Banking Act, 31 of 1920 and currently governed by the South African Reserve Bank Act, 90 of 1989, designated as such in the Exchange Control Regulations;
"Banks Act"	the Banks Act, 1990, as amended and substituted from time to time;
"Beneficial Owner"	the holder of the beneficial interest in a Preference Share;
"Board" or "Directors"	means the board of directors of Absa Bank, as set out on page 30 of this Circular;
"Broker"	any person registered as a <i>"broker member equities"</i> in terms of the rules of the JSE in accordance with the provisions of the Financial Markets Act;
"Business Day"	any day other than a Saturday, Sunday or public holiday as gazetted by the government of South Africa from time to time;
"cents"	South African cents, a denomination of the official currency of South Africa;
"Certificated Eligible Preference Shareholders"	Eligible Preference Shareholders who hold Certificated Preference Shares;
"Certificated Preference Shareholders"	Preference Shareholders holding Certificated Preference Shares;
"Certificated Preference Shares"	Preference Shares that have not been Dematerialised, and title to which is represented by a share certificate or other Documents of Title;
"Certificated Scheme Participants"	Scheme Participants who hold Certificated Preference Shares;
"Certificated Standby Offer Participants"	Standby Offer Participants who are Certificated Eligible Preference Shareholders;

"Circular"	this bound document, dated Friday, 2 May 2025, including the Annexures hereto and incorporating the Notice of Scheme Meeting, Forms of Proxy, the Form of Surrender and the Form of Acceptance and Surrender attached hereto;
"Common Monetary Area"	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Eswatini;
"Companies Act"	the Companies Act, 2008, as amended and substituted from time to time;
"Companies Regulations"	the Companies Regulations, 2011, as amended and substituted from time to time and as promulgated in terms of section 223 of the Companies Act;
"Company Secretary"	the company secretary of Absa Bank, who as at the date of this Circular is as set out on page 3 under the section of this Circular titled <i>"Corporate Information and Advisors"</i> ;
"Company" or "Absa Bank"	Absa Bank Limited (Registration number 1986/004794/06), a public limited company incorporated in accordance with the laws of South Africa and the Preference Shares of which are listed on the Main Board of the exchange operated by the JSE;
"Court"	a South African Court having jurisdiction over the relevant matter;
"CSDP"	a Central Securities Depository Participant, being a <i>"participant"</i> as defined in section 1 of the Financial Markets Act;
"Custody Agreement"	a custody mandate agreement that may be concluded between a Preference Shareholder and a CSDP or Broker, regulating their relationship in respect of Dematerialised Preference Shares held on the respective sub-register of the applicable Preference Shareholders as administered by such CSDP or Broker on behalf of such Preference Shareholders;
"Delisting or Delisted"	the proposed termination of the listing of the Preference Shares on the Main Board of the JSE pursuant to the application by Absa Bank described in paragraph 5.4.5 under the section of this Circular titled <i>"Effects of the Scheme"</i> should the Scheme become wholly unconditional and be implemented;
"Dematerialised"	the process whereby physical share certificates or other Documents of Title are replaced with electronic records evidencing ownership of shares or securities in accordance with the rules of Strate and for trading on the JSE, as contemplated in the Financial Markets Act;
"Dematerialised Eligible Preference Shareholders"	Eligible Preference Shareholders who hold Dematerialised Preference Shares;
"Dematerialised Preference Shareholders"	Preference Shareholders holding Dematerialised Preference Shares;
"Dematerialised Preference Shares"	Preference Shares that have been Dematerialised;
"Dematerialised Scheme Participants"	Scheme Participants who hold Dematerialised Preference Shares;
"Dematerialised Standby Offer Participants"	Standby Offer Participants who are Dematerialised Eligible Preference Shareholders;
"Director"	means any director of Absa Bank as contemplated in terms of section 1 of the Companies Act;

"Dissenting Preference Shareholders"	any Preference Shareholders who validly exercise their Appraisal Rights by <i>inter alia</i> demanding, in terms of sections 164(5) and 164(8) of the Companies Act, that Absa Bank pays to them fair value for all of their Preference Shares;
"Documents of Title"	share certificates, certified transfer deeds, balance receipts and other documents evidencing title to Preference Shares that are acceptable to Absa Bank;
"EFT"	electronic funds transfer;
"Electronic Notice"	shall have the meaning ascribed to that term in paragraph 7.3.7.1 under the section of this Circular titled <i>"Actions Required by Preference Shareholders in Respect of the Scheme"</i> commencing on page 6 of this Circular;
"Eligible Preference Shareholders"	Preference Shareholders who are registered on the Register at any time during the Standby Offer Open Period and who remain on the Register as at the Standby Offer Record Date, and who accordingly are eligible to accept the Standby Offer;
"Emigrants"	former residents of the Common Monetary Area whose addresses are outside the Common Monetary Area;
"Exchange Control Regulations"	the Exchange Control Regulations, 1961, as amended and substituted from time to time, promulgated in terms of section 9 of the South African Currency and Exchanges Act, 9 of 1933, as amended and substituted from time to time;
"Financial Markets Act"	the Financial Markets Act, 19 of 2012, and the regulations thereunder, as amended or substituted from time to time;
"Firm Intention Announcement"	the firm intention announcement by Absa Bank, setting out the terms of the Scheme and the Standby Offer, as published on SENS on Thursday, 17 April 2025;
"Form of Acceptance and Surrender"	the form of acceptance and surrender (<i>yellow</i>) in respect of the Standby Offer attached to, and forming part of this Circular, for use by Certificated Eligible Preference Shareholders who wish to accept the Standby Offer and surrender their Certificated Preference Shares in terms of the Standby Offer;
"Form of Surrender"	the form of surrender (<i>pink</i>) in respect of the Scheme attached to, and forming part of, this Circular for use by Certificated Scheme Participants only, who wish to surrender their Certificated Preference Shares in terms of the Scheme;
"Form(s) of Proxy"	the form of proxy (<i>blue</i>) incorporated into this Circular for use by Certificated Preference Shareholders and Dematerialised Preference Shareholders with <i>"own-name"</i> registration only, for purposes of appointing a proxy to represent such Preference Shareholders at the Scheme Meeting;
"Group"	Absa Group Limited and its subsidiaries as at the Last Practicable Date;
"IFRS"	International Financial Reporting Standards issued by the International Accounting Standards Board from time to time;
"Income Tax Act"	the Income Tax Act, 58 of 1962, as amended and substituted from time to time;
"Independent Board"	those independent non-executive directors of Absa Bank, appointed in terms of the Takeover Regulations as the independent board of Absa Bank for purposes of the Scheme and the Standby Offer being S Moloko, R Keanly, P Mageza and N Mjoli-Mncube, I Rensburg, T Abdool-Samad and R van Wyk;

"Independent Expert"	the independent expert appointed to provide the appropriate independent advice to the Independent Board on the Scheme in terms of section 114(2) of the Companies Act and regulation 90 of the Takeover Regulations and, although not required in terms of the Companies Act or the Takeover Regulations, on the Standby Offer, being, BDO Corporate Finance Proprietary Limited (Registration number 1983/002903/07), a private company incorporated in accordance with the laws of South Africa;
"Independent Expert Report"	the report prepared and issued by the Independent Expert in accordance with section 114 of the Companies Act and regulation 90 of the Takeover Regulations in respect of the Scheme and the Standby Offer and attached as Annexure C to this Circular, which report sets out, <i>inter alia</i> , the Independent Expert's fair and reasonable opinion as regards the Scheme Consideration and the Standby Offer Consideration;
"JSE"	the JSE Limited (Registration number 2005/022939/06), a public limited company incorporated in accordance with the company laws of South Africa and licenced as an exchange under the Financial Markets Act;
"Last Practicable Date"	Wednesday, 16 April 2025, being the last practicable date prior to finalisation of this Circular;
"Listings Requirements"	the listings requirements of the JSE, as amended or substituted from time to time;
"Meeting Record Date"	the date determined by the Board in terms of section 59 of the Companies Act for Preference Shareholders to be recorded in the Register in order to be eligible to participate and vote at the Scheme Meeting;
"MOI"	the memorandum of incorporation of Absa Bank, as contemplated under the Companies Act and as amended from time to time;
"Non-resident"	a person not ordinarily resident in South Africa whose address is outside the Common Monetary Area and who is not an Emigrant;
"Notice" or "Notice of Scheme Meeting"	the notice to the Preference Shareholders registered as such on the Posting Record Date convening the Scheme Meeting to conduct the business described therein and to consider and, if deemed fit, pass with or without modification, the Scheme Resolution set out therein, and which notice is attached to, and forms part, of this Circular;
"Ordinary Shares"	means unlisted 'A' ordinary shares with a par value of 1 cent each in the issued ordinary share capital of Absa Bank and the unlisted ordinary shares having a par value of ZAR 1.00 each in the issued ordinary share capital of Absa Bank;
"Posting Record Date"	the date determined by the Board in terms of section 59 of the Companies Act for Preference Shareholders to be recorded in the Register in order to be eligible to receive the Circular, being Thursday, 17 April 2025;
"Preference Dividend"	the " <i>preference dividend</i> " per Preference Share as defined in clause 9.1.1 of the MOI;
"Preference Shareholders"	registered holders of the Preference Shares;
"Preference Shares"	non-redeemable, non-cumulative, non-participating preference shares in the issued capital of Absa Bank with a par value of 1 cent each, all of which are listed on the Main Board of the exchange operated by the JSE;
"Prescribed Officer"	any employee of Absa Bank who is a prescribed officer as contemplated in terms of section 1 (read with section 66(10)) of the Companies Act;

"Pro Rata Preference Dividend Amount"	an amount equal to the Preference Dividend calculated for the period from (i) 1 March 2025 up to but excluding the Scheme Operative Date in respect of the Scheme, or (ii) 1 March 2025 up to but excluding the first Standby Offer Payment Date in respect of the Standby Offer;
"Rand" or "R" or "ZAR"	the lawful currency of South Africa;
"Register"	the register of Certificated Preference Shareholders maintained by the Transfer Secretaries on behalf of Absa Bank and each of the sub-registers of Dematerialised Preference Shareholders maintained by the relevant CSDPs in terms of the Financial Markets Act;
"Registered Office"	the registered office of Absa Bank, Absa Towers West, 15 Troye Street, Johannesburg, Gauteng, 2000;
"Remaining Preference Shareholders"	in the event that the Scheme does not become operative but the Standby Offer becomes wholly unconditional and effective, those Eligible Preference Shareholders who elect to reject the Standby Offer in respect of all or some of their Preference Shares and/or do not complete a Form of Acceptance and Surrender (<i>yellow</i>) and continue to hold Preference Shares following the implementation of the Standby Offer;
"Scheme"	the scheme of arrangement in terms of sections 114(1)(c) and 114(1)(e) of the Companies Act, proposed by the Board between Absa Bank and the Scheme Participants, which scheme of arrangement is more fully described in paragraph 5 under the section of this Circular titled <i>"Actions Required By Preference Shareholders in respect of the Scheme"</i> of this Circular, in terms of which, subject to the Scheme Conditions Precedent becoming fulfilled (or waived, where such conditions are capable of waiver), Absa Bank will acquire all of the Scheme Shares held by Scheme Participants, and the Scheme Participants will be deemed to have disposed of and transferred all of the Scheme Shares to Absa Bank, in exchange for the Scheme Consideration;
"Scheme Conditions Precedent"	the conditions precedent to which the Scheme is subject, as set out and described in more detail in paragraph 5.4 under the section of this Circular titled <i>"Scheme Conditions Precedent"</i> , which are required to be fulfilled or waived, to the extent permissible, in order for the Scheme to become operative;
"Scheme Consideration"	ZAR 930.00, being the repurchase price offered by Absa Bank for each Scheme Share held by Scheme Participants on the Scheme Record Date which is payable in cash by Absa Bank;
"Scheme Finalisation Date"	the date on which all the Scheme Conditions Precedent shall have been fulfilled or waived, as the case may be;
"Scheme Meeting"	the meeting of Preference Shareholders convened in terms of the Notice of Scheme Meeting attached to, and forming part of, this Circular, to vote on the Scheme Resolution, which meeting is expected to take place at 08h30 on Tuesday, 3 June 2025;
"Scheme Operative Date"	the date on which the Scheme will become operative subject to the fulfilment (or waiver, where applicable) of the Scheme Conditions Precedent, expected to be Monday, 7 July 2025;
"Scheme Participants"	Preference Shareholders who are recorded in the Register at the close of business of the Scheme Record Date, which Preference Shareholders will receive the Scheme Consideration in exchange for Absa Bank repurchasing their Scheme Shares in terms of the Scheme;

"Scheme Record Date"	the date determined by the Board in terms of section 59 of the Companies Act for Preference Shareholders to be recorded in the Register in order to be eligible to receive the Scheme Consideration, expected to be Friday, 4 July 2025;
"Scheme Resolution"	the special resolution approving the Scheme to be considered at the Scheme Meeting, as more fully described in the section of this Circular titled <i>"Authority to implement the Scheme and the Standby Offer"</i> and in the Notice of Scheme Meeting;
"Scheme Shares"	the 4 944 839 Preference Shares that will be repurchased by Absa Bank in terms of the Scheme if the Scheme becomes operative, constituting 100% of the Preference Shares;
"SENS"	the Stock Exchange News Service of the JSE;
"Shareholders"	collectively, the Ordinary Shareholder and Preference Shareholders;
"South Africa"	the Republic of South Africa;
"Standby Offer"	the offer made by Absa Bank to the Eligible Preference Shareholders, in terms of which Absa Bank offers to repurchase all (or a portion) of the Standby Offer Shares from the Eligible Preference Shareholders, subject to the Standby Offer Condition Precedent becoming fulfilled, for an amount equal to the Standby Offer Consideration, as more fully described in paragraph 5.9 under the section of this Circular titled <i>"Terms and Conditions of the Standby Offer"</i> ;
"Standby Offer Closing Date"	the date on which the Standby Offer will close for acceptance by the Eligible Preference Shareholders, expected to be Friday, 4 July 2025, or such later date as determined by Absa Bank and communicated to the Eligible Preference Shareholders on SENS and in the South Africa press;
"Standby Offer Condition Precedent"	the condition precedent to which the Standby Offer is subject, as set out and described in more detail in paragraph 5.9.10 under the section of this Circular titled <i>"Standby Offer Condition Precedent"</i> , which are required to be fulfilled in order for the Standby Offer to become operative;
"Standby Offer Consideration"	ZAR 930.00, being the repurchase price offered by Absa Bank for each Preference Share held by Eligible Preference Shareholders, which repurchase price is payable in cash by Absa Bank;
"Standby Offer Finalisation Date"	the date on which the Standby Offer Condition Precedent shall have been fulfilled;
"Standby Offer Implementation Date"	the date on which the Standby Offer will be implemented after fulfilment of the Standby Offer Condition Precedent, which shall be the relevant Standby Offer Payment Date in respect of the Preference Shareholders who have validly accepted the Standby Offer;
"Standby Offer Opening Date"	the date on which the Standby Offer opens for acceptance by the Eligible Preference Shareholders;
"Standby Offer Open Period"	the period during which the Standby Offer remains open for acceptance by Eligible Preference Shareholders, being from the Standby Offer Opening Date until the Standby Offer Closing Date;
"Standby Offer Participants"	those Eligible Preference Shareholders who have accepted the Standby Offer on or before the Standby Offer Closing Date;
"Standby Offer Payment Date"	a date within a period of six Business Days after the later of the Standby Offer being declared unconditional in all respects as contemplated by regulation 102(12)(a) of the Takeover Regulations and acceptance of the Standby Offer by such Preference Shareholder;

“Standby Offer Record Date”	the date by which any Standby Offer Participant must be in the Register in order to participate in the Standby Offer and accordingly to receive the Standby Offer Consideration;
“Standby Offer Shares”	the Preference Shares that an Eligible Preference Shareholder has accepted to dispose of pursuant to the Standby Offer;
“Strate”	Strate Proprietary Limited (Registration number 1998/022242/07), a limited liability company incorporated in accordance with the laws of South Africa and registered as a central securities depository in terms of the Financial Markets Act and which is responsible for the electronic settlement system for transactions that take place on the JSE and off market trades;
“Takeover Regulations”	the regulations set out in Chapter 5 of the Companies Regulations;
“Transfer Secretaries” or “Computershare”	the transfer secretaries of Absa Bank, presently being Computershare Investor Services Proprietary Limited, a private company, whose details are set out on page 3 under the <i>“Corporate Information and Advisors”</i> section of this Circular;
“TRP” or “Panel”	the Takeover Regulation Panel established in terms of section 196 of the Companies Act; and
“VWAP”	the <i>“weighted average trading price”</i> , as such term is defined in the Listings Requirements.

Notes:

In this Circular unless the context indicates a contrary intention:

1. Any word or expression defined in the Companies Act and not expressly defined in this Circular shall have the meaning given in the Companies Act;
2. References to a paragraph or Annexure are to a paragraph of, or Annexure to, this Circular;
3. Any reference to a time of day is a reference to South Africa Standard Time (SAST), unless a contrary indication appears;
4. A reference to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified, replaced or re-enacted;
5. A reference to any other document referred to in this Circular is a reference to that other document as amended, revised, varied, novated or supplemented at any time;
6. Where any number of days is prescribed, those days shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a day which is not a Business Day, in which event the last day shall be the next succeeding Business Day; and
7. The use of the word including, include/s, in particular or any similar such word followed by a specific example/s shall not be construed as limiting the meaning of the general wording preceding it and the eiusdem generis rule shall not be applied in the interpretation of such general wording or such specific example/s.



ABSA BANK LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1986/004794/06)

JSE share code: ABSP ISIN: ZAE000079810

("Absa Bank" or "Company")

Absa Bank Directors

Executive

C Russon (Interim Chief Executive Officer)
D Raju (Financial Director)

Independent Non-Executive

S Moloko (Chairman)
T Abdool-Samad
R Keanly
P Mageza
N Mjoli-Mncube
I Rensburg
R van Wyk

Company Secretary

N Drutman

CIRCULAR TO SHAREHOLDERS

1. INTRODUCTION

- 1.1 Shareholders are referred to the Firm Intention Announcement published on SENS on Thursday, 17 April 2025 wherein Preference Shareholders were advised that the Board resolved to proceed with the steps required to repurchase all, or alternatively a portion, of the Preference Shares (held by Preference Shareholders), by way of two separate but concurrent offers comprising:
 - 1.1.1 an offer to all Scheme Participants to acquire all of their Preference Shares for a cash consideration of ZAR 930.00 per Scheme Share, in accordance with the provisions of section 114(1), read with section 115(2)(a), of the Companies Act, by way of a scheme of arrangement between Absa Bank and the Preference Shareholders, which, if successfully implemented will result in all the Preference Shares being repurchased and removed from the issued share capital of Absa Bank and subsequently Delisted from the Main Board of the JSE; and
 - 1.1.2 separate to the Scheme, but concurrently with it, a general offer by Absa Bank to the Eligible Preference Shareholders to repurchase all or, if only certain of the Eligible Preference Shareholders accept the Standby Offer, a portion of such accepting Eligible Preference Shareholders' Preference Shares for a cash consideration of ZAR 930.00 per Preference Share, which Standby Offer may be accepted or rejected by Eligible Preference Shareholders (in whole or in part) and which will be implemented only if the Scheme fails and, if successfully implemented, will result in those Preference Shares that have been voluntarily tendered being repurchased and removed from the issued share capital of Absa Bank, and the subsequent delisting of only those Preference Shares that are repurchased and cancelled from the Main Board of the JSE. If there are any Remaining Preference Shareholders after the implementation of the Standby Offer then the Standby Offer will not result in a delisting as contemplated in section I of the Listings Requirements in respect of those Preference Shares held by the Remaining Preference Shareholders.
- 1.2 The Scheme and the Standby Offer are proposed concurrently on the basis that implementation of the Standby Offer will be conditional on, *inter alia*, the Scheme not becoming unconditional and operative. **In this regard, where the Scheme becomes unconditional and operative, the Standby Offer will lapse. Alternatively, where the Scheme does not become unconditional and operative and the Standby Offer becomes wholly unconditional, the Standby Offer will become effective.**

- 1.3 The operation of the Scheme is subject to the fulfilment (or waiver; where such conditions are capable of waiver) of the Scheme Conditions Precedent (as detailed in paragraph 5.4 under the section of this Circular titled "*Scheme Conditions Precedent*"), which conditions include, *inter alia*, that the Scheme must be approved by the requisite majority of Preference Shareholders, as detailed in the Notice of Scheme Meeting.
- 1.4 In the event that the Scheme Conditions Precedent are fulfilled (or waived, where such conditions are capable of waiver), the Scheme will become unconditional and operative, and the consequence thereof is that by operation of law, the Scheme Participants will be deemed to have disposed of, and transferred, their Scheme Shares to Absa Bank and Absa Bank in turn, shall be deemed to have repurchased all the Scheme Shares, in exchange for the Scheme Consideration. For further details of the mechanics that will apply if the Scheme is duly approved and becomes unconditional and operative, please refer to paragraph 5 under the section of this Circular titled "*Terms and Conditions of the Scheme*" which details the operation of the Scheme more fully.
- 1.5 As a consequence of the Scheme, in terms of paragraph 1.17(b) of the Listings Requirements, Absa Bank will apply to the JSE for the Delisting of the Preference Shares from the Main Board of the JSE with effect from the first business day after the Scheme Operative Date, subject to the Scheme becoming unconditional and operative. Accordingly, upon the Scheme becoming unconditional and operative, the Scheme Shares will be repurchased, Delisted from the Main Board of the JSE (once approved by the JSE) and returned to the authorised preference share capital of Absa Bank.
- 1.6 The Scheme constitutes an "*affected transaction*" as defined in section 117(1)(c)(iii) of the Companies Act, and as such, the Scheme is regulated by the Companies Act and the Takeover Regulations and therefore requires the approval of the TRP.
- 1.7 In the event that the Scheme Conditions Precedent are not fulfilled (or waived, where such conditions are capable of waiver) and the Scheme accordingly does not become unconditional and operative, the Standby Offer will, subject to the fulfilment of the Standby Offer Condition Precedent set out in paragraph 5.9.10 under the section of this Circular titled "*Standby Offer Condition Precedent*", become effective.
- 1.8 If the Standby Offer becomes unconditional and effective, then on the relevant Standby Offer Implementation Date, the Standby Offer Participants will be deemed to have disposed of and transferred their Standby Offer Shares to Absa Bank and Absa Bank in turn, shall be deemed to have repurchased all the Standby Offer Shares disposed of by the Standby Offer Participants, in exchange for the Standby Offer Consideration.
- 1.9 Upon the Standby Offer Shares being repurchased by Absa Bank, the Standby Offer Shares will be cancelled, Delisted from the Main Board of the JSE (once approved by the JSE) and returned to the authorised but unissued preference share capital of Absa Bank.
- 1.10 As it is possible that not all the Eligible Preference Shareholders accept the Standby Offer, whether in whole or in part, the Remaining Preference Shareholders will continue to hold preference shares in Absa Bank and such preference shares shall continue to be listed on the Main Board of the JSE.
- 1.11 For a full understanding of the Scheme and the Standby Offer, this Circular should be read in its entirety.

2. PURPOSE OF THIS CIRCULAR

The purpose of this Circular is to:

- 2.1 set out the terms and conditions on which Absa Bank proposes the repurchase of the Preference Shares to be implemented, by way of either the Scheme or if the Scheme fails, the Standby Offer;
- 2.2 provide Preference Shareholders with all relevant information (including statutorily required information) in respect of the Scheme and Standby Offer, including *inter alia*, (i) the Independent Expert Report prepared in terms of section 114 of the Companies Act and regulation 90 of the Takeover Regulations and (ii) the Independent Board's and the Board's views, opinion and recommendation regarding the Scheme, the Scheme Consideration, the Standby Offer and the Standby Offer Consideration, so as to assist Preference Shareholders to make an informed decision as to whether or not they should vote in favour of the Scheme Resolution set out in the Notice of Scheme Meeting, and/or to accept the Standby Offer; and
- 2.3 give the required notice convening the Scheme Meeting in order for Preference Shareholders to consider and determine whether to pass the Scheme Resolution set out in the Notice of Scheme Meeting, which notice is attached hereto, and forms part of this Circular.

3. **BACKGROUND AND RATIONALE FOR THE REPURCHASE OF THE PREFERENCE SHARES TO BE IMPLEMENTED BY WAY OF EITHER THE SCHEME OR THE STANDBY OFFER**

3.1 **Background to the Preference Shares**

3.1.1 Absa Bank has issued 4 944 839 (four million nine hundred and forty four thousand eight hundred and thirty nine) Preference Shares which are held by the Preference Shareholders. The Preference Shares are currently listed on the Main Board of the JSE Limited under the abbreviated name Absa Bank – P.

3.1.1.1 The Preference Shares were issued in several tranches from 2006 to 2007 as part of regulatory capital under the then prevailing Basel II requirements incorporated into the then applicable Regulations Relating to Banks, 2012 (as amended) (the “**Regulations**”).

3.1.1.2 The Preference Shares’ contribution towards regulatory capital has been reducing over time as these instruments have been phased-out in terms of Basel III regulatory requirements, and accordingly, since 1 January 2022 Absa Bank has not derived any regulatory capital benefit associated with the Preference Shares. Furthermore, in terms of the Financial Sector Regulation Act, 2017 as amended by the Financial Sector Laws Amendment Act, the Preference Shares will also not qualify as “FLAC Instruments” (*as such term is defined therein*). Furthermore, in terms of the Directive D5/2024 issued by the Prudential Authority regarding the loss absorbency requirements for additional tier 1 and tier 2 capital instruments it was made clear that the Preference Shares no longer qualify as additional tier 1 and tier 2 capital. As a result thereof, Absa Bank has deemed it appropriate not to continue to have the Preference Shares in its issued share capital and the appropriate manner of achieving this is through the repurchase of the Preference Shares as contemplated in this Circular.

3.2 **Rationale for the repurchase of the Preference Shares by way of the Scheme or the Standby Offer**

The reasons and potential benefits for proposing the repurchase of the Preference Shares, to be implemented through the Scheme are as follows:

3.2.1 the Preference Shares are perpetual and accordingly, other than through a sale of the Preference Shares by the Preference Shareholders, there is no other practical way for a Preference Shareholder to dispose of its Preference Shares;

3.2.2 the repurchase of the Preference Shares provides the opportunity for a single liquidity event for all Preference Shareholders which would otherwise be difficult to achieve, due to the thin market for preference shares in general which results in low liquidity and trading volumes, and further, provides the opportunity to Preference Shareholders to monetise their Preference Shares at a premium to the ruling Preference Share price prior to the Firm Intention Announcement;

3.2.3 the Scheme Consideration and the Standby Offer Consideration each represent a premium of 14.9% to the 30-day VWAP of the Preference Shares of ZAR 809.11 per Preference Share as at the Last Practicable Date;

3.2.4 the Board has proposed that Absa Bank use funding sources accessed in the ordinary course of business to repurchase the Preference Shares, noting that the Preference Shares have effectively become funding instruments with no regulatory capital benefits as Basel III regulatory requirements have been phased-in. The proposed repurchase of the Preference Shares (which will cost Absa Bank a maximum of approximately ZAR 4 598 700 270 to fund the Scheme Consideration, being the maximum consideration required to implement the proposed repurchase of the Preference Shares, whether the repurchase is implemented by way of the Scheme or the Standby Offer) will provide Eligible Preference Shareholders with an opportunity to realise their investment in the Preference Shares through an exit/partial exit at a premium. The TRP has allowed Absa Bank to issue an irrevocable, unconditional cash confirmation in terms of Companies Regulations 114(4) which cash confirmation has been provided by Absa Bank and accepted by the TRP; and

- 3.2.5 the Board has considered that the Preference Shares no longer contribute to Absa Bank's regulatory capital and is of the view that the repurchase of the Preference Shares, whether by way of the Scheme or the Standby Offer, would be value accretive to the Absa Bank.

3.3 Preference dividends

Subject to the fulfilment (or waiver) of the Scheme Conditions Precedent, the Board intends to approve the distribution of the *Pro Rata* Preference Dividend Amount to Eligible Preference Shareholders who remain Preference Shareholders on the Scheme Operative Date or the first Standby Offer Payment Date (as applicable), to be paid on or as soon as possible after the relevant date. Absa Bank will publish an announcement on SENS when the *Pro Rata* Preference Dividend is declared, containing the details of the *Pro Rata* Preference Dividend Amount and such other information as may be required in terms of the Listings Requirements.

3.4 Intentions regarding continuation of the business of Absa Bank

The proposed repurchase contemplated in this Circular is only in respect of the Preference Shares. Accordingly, there will be no change regarding the continuation of the business of Absa Bank, nor will there be a change in the continuation in the office of the Directors of Absa Bank as a result of the implementation of the repurchase of the Preference Shares, by way of either the Scheme or if the Scheme fails, the Standby Offer.

4. AUTHORITY TO IMPLEMENT THE SCHEME AND THE STANDBY OFFER

The Scheme Resolution will be proposed at the Scheme Meeting to the Preference Shareholders registered in the Register at the Meeting Record Date.

5. TERMS AND CONDITIONS OF THE SCHEME

The Scheme is proposed by the Board, on the terms and conditions as set out in this paragraph 5 of this section of the Circular, between Absa Bank and the Scheme Participants, for Absa Bank to repurchase all of the Scheme Shares held by Scheme Participants for the Scheme Consideration by way of a scheme of arrangement in terms of sections 114(1)(c) and 114(1)(e) of the Companies Act.

5.1 The Scheme

- 5.1.1 In terms of the Scheme proposed by the Board between Absa Bank and the Scheme Participants, Absa Bank will, if the Scheme Conditions Precedent are fulfilled (or waived, where such conditions are capable of waiver), repurchase all of the Scheme Shares from Scheme Participants for the Scheme Consideration in terms of a scheme of arrangement in terms of sections 114(1)(c) and 114(1)(e) of the Companies Act.
- 5.1.2 The operation of the Scheme is subject to the fulfilment or waiver (as the case may be), of the Scheme Conditions Precedent as described in paragraph 5.4 of this section of the Circular.
- 5.1.3 If the Scheme becomes unconditional and operative, it shall be binding on all the Scheme Participants (irrespective of whether a Scheme Participant voted in favour of the Scheme or not) and each Scheme Participant will be deemed, with effect from the Scheme Operative Date, to:
- 5.1.3.1 have disposed and transferred all of their Scheme Shares, free and clear of encumbrances, to Absa Bank, and Absa Bank shall be deemed to have repurchased all the Scheme Shares, without any further act or instrument being required, in exchange for the Scheme Consideration;
- 5.1.3.2 have irrevocably and *in rem suam* authorised Absa Bank and/or the Transfer Secretaries, as agent, with full power of substitution, to cause the Scheme Shares disposed of by the Scheme Participants in terms of the Scheme to be transferred to Absa Bank on the Scheme Operative Date, and to do all such things and take all such steps (including the signing of any transfer form) as may be necessary or expedient in order to effect the transfer; and
- 5.1.3.3 have instructed Absa Bank as principal, but with power to appoint agents, to procure that the Scheme Consideration is paid to the Scheme Participants entitled to it, in accordance with the terms and conditions of the Scheme, as set out in this Circular.

- 5.1.4 Should the Scheme become unconditional and operative, the Scheme Participants will:
 - 5.1.4.1 if they are Certificated Scheme Participants, against surrender by them of the Documents of Title in respect of their Scheme Shares and duly completed Form of Surrender (*pink*) in respect of the Scheme, receive the Scheme Consideration; and
 - 5.1.4.2 if they are Dematerialised Scheme Participants, have their Scheme Shares transferred to Absa Bank and the Scheme Consideration transferred to their CSDP or Broker who should credit them with the Scheme Consideration, in terms of their Custody Agreement.
- 5.1.5 The rights of the Scheme Participants to receive the Scheme Consideration in respect of the Scheme Shares held by them will be rights enforceable by Scheme Participants against Absa Bank only, subject to the terms and conditions of the Scheme as set out in this Circular.
- 5.1.6 As a consequence of implementation of the Scheme, in terms of paragraph 1.17(b) of the Listings Requirements, the Delisting will be implemented automatically by virtue of no Preference Shares remaining in issue.
- 5.1.7 The effect of the Scheme will be, *inter alia*, that Absa Bank will, with effect from the Scheme Operative Date, repurchase all the Scheme Shares, which Scheme Shares shall then be Delisted from the Main Board of the JSE and shall thereafter be cancelled and revert to the authorised but unissued share capital of the Company. Accordingly, none of the Scheme Shares can be transferred to any other person after the Delisting.
- 5.1.8 Absa Bank undertakes that, upon the Scheme becoming unconditional and operative, it will give effect to the terms and conditions of the Scheme and will take all actions and sign all documents necessary to give effect to the Scheme.

5.2 Scheme Consideration

- 5.2.1 In terms of the Scheme, Absa Bank will repurchase the Scheme Shares from the Scheme Participants at a repurchase price of ZAR 930.00 per Scheme Share, to be settled in cash.
- 5.2.2 The Scheme Consideration represents a premium of 13.4% to the closing price of ZAR 820.00 of the Preference Shares as at the Last Practicable Date, and a 14.9% premium to the VWAP of ZAR 809.11 of the Preference Shares traded on the JSE during the 30 trading days up to (and including) the Last Practicable Date.
- 5.2.3 The Board has determined, by way of a resolution, that the distribution to Scheme Participants (in an amount equal to the Scheme Consideration) pursuant to the repurchase in terms of the Scheme comprises a return of capital that will reduce the "Contributed Tax Capital" or "CTC" (as defined in section 1 of the Income Tax Act).
- 5.2.4 The Board and the Independent Board are of the opinion that the Scheme Consideration reflects a fair and reasonable value for the Preference Shares and that it is therefore, fair and reasonable insofar as the Preference Shareholders are concerned. In this regard, the Preference Shareholders are referred to paragraph 4 of this section of the Circular and the Independent Expert Report attached to this Circular as Annexure C.
- 5.2.5 *Pro Rata* Preference Dividend Amount
 Since the Scheme contemplates a repurchase of all, and not only some, Preference Shares, subject to the fulfilment (or waiver) of the Scheme Conditions Precedent, the Board shall approve the distribution of the *Pro Rata* Preference Dividend Amount (which is an amount equal to the Preference Dividend that will accrue in respect of the Preference Shares for the period from 1 March 2025 up to but excluding the Scheme Operative Date) to Eligible Preference Shareholders who remain Preference Shareholders on the Scheme Operative Date, to be paid on or as soon as possible after the Scheme Operative Date.

5.3 Settlement of the Scheme Consideration

- 5.3.1 Subject to what is set out below and to the Scheme becoming unconditional and operative, the Scheme Participants will be entitled to receive the Scheme Consideration.
- 5.3.2 The Scheme Consideration will be settled by Absa Bank through funding sources accessed in the ordinary course of business and will not be subject to any lien, right of set-off, counterclaim

or other analogous right. In addition, settlement of the Scheme Consideration to Scheme Participants who are Non-resident Preference Shareholders will be subject to the Exchange Control Regulations, the salient provisions of which are set out in **Annexure A** to this Circular.

5.3.3 Absa Bank and its agents will administer and effect payments of the Scheme Consideration to Scheme Participants.

5.3.4 The Scheme Consideration will only be payable in cash and in Rands.

5.3.5 If the Scheme becomes unconditional and operative:

5.3.5.1 **Dematerialised Preference Shareholders** who become Dematerialised Scheme Participants will have their account at their CSDP or Broker credited with the Scheme Consideration and debited with the Scheme Shares on the Scheme Operative Date, or in the case of Dissenting Preference Shareholders who subsequently become Scheme Participants as envisaged in paragraph 6.4 under the section of this Circular titled "*Dissenting Preference Shareholder Appraisal Rights*" below, on the date contemplated in paragraph 6.6 under the same section of this Circular; and

5.3.5.2 **Certificated Preference Shareholders** who become Certificated Scheme Participants and who:

5.3.5.2.1 have submitted their Documents of Title and duly completed Form of Surrender (*pink*) in respect of the Scheme to the Transfer Secretaries by 12h00 on the Scheme Record Date (expected to be Friday, 4 July 2025), will have the Scheme Consideration paid to them by way of an EFT into the South African bank account nominated by such Certificated Scheme Participant in the relevant section of the Form of Surrender (*pink*) in respect of the Scheme;

5.3.5.2.2 submit their Documents of Title and duly completed Form of Surrender (*pink*) in respect of the Scheme after 12h00 on the Scheme Record Date (expected to be Friday, 4 July 2025), will have the Scheme Consideration paid to them by way of EFT, within 5 Business Days of the Transfer Secretaries receiving their Documents of Title and duly completed Form of Surrender (*pink*) in respect of the Scheme, unless such Scheme Participants were Dissenting Preference Shareholders who have subsequently become Scheme Participants as envisaged in paragraph 6.4 under the section of this Circular titled "*Dissenting Preference Shareholder Appraisal Rights*" below, in which case such Scheme Participants will still need to submit their Documents of Title, together with their duly completed Forms of Surrender (*pink*), in respect of the Scheme to the Transfer Secretaries and payment of the Scheme Consideration will only be paid to them by way of EFT, on the date set out in paragraph 6.6 under the same section of this Circular below; or

5.3.5.2.3 have failed to submit their Documents of Title and duly completed Form of Surrender (*pink*) in respect of the Scheme to the Transfer Secretaries or in respect of a Dissenting Preference Shareholder who subsequently becomes a Scheme Participant as envisaged in paragraph 6.4 under the section of this Circular titled "*Dissenting Preference Shareholder Appraisal Rights*" below and which Scheme Participant subsequently fails to submit his/her/its Documents of Title and duly completed Form of Surrender (*pink*) in respect of the Scheme to the Transfer Secretaries, then the Scheme Consideration payable to such Scheme Participant will be held in trust by Absa Bank (or any third party nominated by Absa Bank for this purpose) in accordance with the provisions of the MOI for the benefit of the Scheme Participants concerned until lawfully claimed by such Scheme Participants, provided that any Scheme Consideration remaining unclaimed for a period of not less than 3 (three) years from the Scheme Operative Date will be paid to the benefit of the Guardian's Fund of the Master of the High Court. In this regard, such Scheme Participants irrevocably authorise and appoint the Transfer Secretaries

(or its respective agents as appointed by each of them), in *rem suam* (that is, irrevocably for Transfer Secretaries advantage), with full power of substitution, to act as agent in the name, place and stead of such Scheme Participants to pay the Scheme Consideration to the benefit of the Guardian's Fund of the Master of the High Court in the aforesaid manner. No interest will accrue on any such funds held by Absa Bank (or its nominee) For the avoidance of doubt, no interest will accrue on any such funds held by Absa Bank (or its nominee).

- 5.3.5.3 Where, on or subsequent to the Scheme Operative Date, a person, who was not a registered holder of Scheme Shares on the Scheme Record Date, tenders to the Transfer Secretaries Documents of Title together with a duly executed Form of Surrender (*pink*) in respect of the Scheme, and, provided that the Scheme Consideration attaching to such Scheme Shares has not already been paid out or discharged in some other manner, then such Documents of Title together with a duly executed Form of Surrender (*pink*) in respect of the Scheme may be accepted by Absa Bank as if it were a valid transfer to such person of the Scheme Shares concerned, provided that Absa Bank has been, if Absa Bank so requires, provided with an indemnity on terms acceptable to Absa Bank in respect of such Scheme Consideration.
- 5.3.5.4 The Scheme Consideration will be transferred to Scheme Participants, in accordance with the terms of the Scheme without regard to any lien, right of setoff, counterclaim or other analogous right to which Absa Bank may otherwise be, or claim to be, entitled.

5.4 Scheme Conditions Precedent

- 5.4.1 The implementation of the Scheme is subject to the fulfilment or waiver, as the case may be and to the extent permitted, of the following conditions precedent, that by no later than 17h00 on Monday, 30 June 2025 or such later time and date as Absa Bank may in its sole discretion determine (and subject to approval from the TRP):
 - 5.4.1.1 the adoption of the Scheme Resolution by the requisite majority of voting rights exercised by Preference Shareholders;
 - 5.4.1.2 in the circumstances where a Preference Shareholder duly requires the Company to seek court approval in terms of section 115(3)(a), the Company not having elected to treat the Scheme Resolution as a nullity pursuant to section 115(5)(b) of the Companies Act;
 - 5.4.1.3 in the circumstances where a Preference Shareholder duly required the Company to seek court approval in terms of section 115(3)(a) and the Company has not elected to treat the Scheme Resolution as a nullity pursuant to section 115(5)(b) of the Companies Act, a court has granted its approval pursuant to section 115(3) of the Companies Act;
 - 5.4.1.4 no Preference Shareholder who voted against the Scheme Resolution applying to court within ten Business Days after the passing of the Scheme Resolution for leave to apply to the court for a review of the Scheme Resolution as contemplated in sections 115(3)(b) and 115(6) of the Companies Act;
 - 5.4.1.5 in the circumstances where the Company waived the Scheme Condition Precedent in paragraph 5.4.1.4 above, the court not granting leave to any Preference Shareholder to apply to court for a review of the Scheme Resolution as contemplated in sections 115(3)(b), 115(6) and 115(7) of the Companies Act;
 - 5.4.1.6 in the circumstance where the Company waived the Scheme Condition Precedent in paragraph 5.4.1.4 and 5.4.1.5, the court approving the Scheme Resolution pursuant to section 115(7) of the Companies Act; and
 - 5.4.1.7 no Preference Shareholder (i) giving notice objecting to the Scheme Resolution; (ii) voting against the Scheme Resolution; and (iii) exercising its Appraisal Rights in terms of section 164 of the Companies Act by delivering valid demands in terms of sections 164(5) to 164(8) of the Companies Act.

- 5.4.2 The Scheme Conditions Precedent stipulated in paragraphs 5.4.1.4 and 5.4.1.5 of this section of the Circular above may be waived (in whole or in part) at the sole and absolute discretion of Absa Bank at any time. The remaining Scheme Conditions Precedent stipulated above are not capable of waiver.
- 5.4.3 An announcement will be released on SENS as soon as possible after the fulfilment, waiver or non-fulfilment, as the case may be, of the Scheme Conditions Precedent.
- 5.4.4 For the avoidance of doubt, if the Scheme Conditions Precedent are not fulfilled by 17h00 on Monday, 30 June 2025 or such later time and date as Absa Bank may in its sole discretion determine (and subject to the required approval from the TRP), or are waived (if applicable), then the Scheme shall not become unconditional and operative.
- 5.4.5 The implementation of the Scheme is subject to a compliance certificate being issued by the TRP in respect of the Scheme in terms of section 119(4)(b) of the Companies Act, which compliance certificate will only be issued by the TRP once the Scheme is unconditional but before it is implemented, provided that the requirements for such issuance have been fulfilled.

5.5 **Effects of the Scheme**

If all the Scheme Conditions Precedent, as set out in paragraph 5.4 of this section of the Circular above, are fulfilled or waived, as the case may be, the Scheme will become operative. The effect of the Scheme will be that Absa Bank will, with effect from the Scheme Operative Date, repurchase all the Scheme Shares, which Scheme Shares shall be Delisted from the Main Board of the JSE, cancelled and shall thereafter revert to the authorised but unissued preference share capital.

5.6 **Surrender of Documents of Title**

5.6.1 **Certificated Scheme Participants**

- 5.6.1.1 Certificated Scheme Participants shall, subject to the Scheme becoming unconditional and operative, only be entitled to receive the Scheme Consideration in respect of their Scheme Shares once they complete the attached Form of Surrender (*pink*) in respect of the Scheme and have surrendered their Documents of Title in respect thereof.
- 5.6.1.2 Certificated Preference Shareholders who wish to surrender their Documents of Title in anticipation of the Scheme becoming unconditional and operative are referred to the instructions set out in paragraph 8 under the section of this Circular titled “*Actions Required by Preference Shareholders relating to the Operation of the Scheme*” (above) entitled under the section entitled “*Actions Required by Preference Shareholders in respect of the Scheme*” commencing on page 6 of this Circular.

5.6.2 **Dematerialised Preference Shareholders**

Dematerialised Preference Shareholders must **not** complete the attached Form of Surrender (*pink*) in respect of the Scheme and are not required to surrender any Documents of Title. On the Scheme Operative Date, they shall automatically become entitled to receive the Scheme Consideration.

5.7 **Potential Court approval**

- 5.7.1 Preference Shareholders are advised that, in accordance with section 115(3) of the Companies Act, Absa Bank may in certain circumstances not proceed to implement the Scheme and the associated repurchase of the Preference Shares in terms of the Scheme without the approval of the Court, despite the fact that the Scheme Resolution will have been duly adopted at the Scheme Meeting.
- 5.7.2 In this regard, a copy of section 115 of the Companies Act which details the circumstances under which Court approval may be required in terms of section 115(3) for implementation of the Scheme, is set out in Annexure B to this Circular.

5.8 **Amendments, Variations and Modifications to the Scheme**

- 5.8.1 Subject to paragraph 5.8.2 of this section of the Circular, Absa Bank may:

- 5.8.1.1 before or at the Scheme Meeting, but prior to the Preference Shareholders casting their votes, agree to any amendment, variation or modification of the Scheme; and
- 5.8.1.2 after the Scheme Meeting, agree to any amendment, variation or modification of the Scheme, provided that no amendment, variation or modification made after the Scheme Meeting may have the effect of negatively affecting the rights which will accrue to a Scheme Participant in terms of the Scheme.
- 5.8.2 Preference Shareholders will be notified of any such amendment, variation or modification on SENS and in the South African press, on the basis that any such amendment, variation or modification shall be subject to approval from the TRP and the JSE, to the extent necessary.
- 5.8.3 All dates and times referred to in this Circular in respect of the Scheme are subject to change. Any such change shall be published on SENS and in the South African press.

5.9 TERMS AND CONDITIONS OF THE STANDBY OFFER

- 5.9.1 The Standby Offer is proposed by the Board, on the terms and conditions as set out in this paragraph 5.9, between Absa Bank and the Eligible Preference Shareholders, for Absa Bank to repurchase all (or a portion) of the Preference Shares held by Eligible Preference Shareholders who accept the Standby Offer and become Standby Offer Participants.

5.9.2 The Standby Offer

- 5.9.2.1 Simultaneously with the Scheme, Absa Bank hereby makes a separate but concurrent offer to the Eligible Preference Shareholders to repurchase all, or a portion, of the Preference Shares from the Eligible Preference Shareholders, subject to the Standby Offer Condition Precedent being fulfilled.
- 5.9.2.2 Implementation of the Standby Offer will be conditional on the Scheme not becoming unconditional and operative. If the Scheme does become unconditional and operative, the Standby Offer will lapse and be of no force and effect (as described in paragraph 5.9.10 of this section of the Circular).
- 5.9.2.3 If the Standby Offer becomes unconditional and operative, it shall be binding on all the Eligible Preference Shareholders who elected to accept the Standby Offer whether in whole or in part (thereby becoming Standby Offer Participants) and each Standby Offer Participant shall be deemed, with effect from the relevant Standby Offer Implementation Date, to:
 - (i) have disposed and transferred all of their Standby Offer Shares, free and clear of encumbrances, to Absa Bank, and Absa Bank shall be deemed to have repurchased all the Standby Offer Shares, without any further act or instrument being required, in exchange for the Standby Offer Consideration;
 - (ii) have irrevocably and *in rem suam* authorised Absa Bank and/or the Transfer Secretaries, as agent, with full power of substitution, to cause the Standby Offer Shares disposed of by the Standby Offer Participant to be transferred to Absa Bank on the relevant Standby Offer Implementation Date, and to do all such things and take all such steps (including the signing of any transfer form) as may be necessary or expedient in order to effect the transfer; and
 - (iii) have instructed Absa Bank as principal, but with power to appoint agents, to procure that the Standby Offer Consideration is paid to the Standby Offer Participants entitled thereto, in accordance with the terms and conditions of the Standby Offer as set out in this Circular.
- 5.9.2.4 Should the Standby Offer become unconditional and effective, the Standby Offer Participants will:
 - (i) if they are Certificated Eligible Preference Shareholders, against completion of the Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer and the surrender by them of the Documents of Title in respect of their Standby Offer Shares, receive the Standby Offer Consideration; and

- (ii) if they are Dematerialised Eligible Preference Shareholders, have their Standby Offer Shares transferred to Absa Bank and the Standby Offer Consideration transferred to their CSDP or Broker who should credit them with the Standby Offer Consideration, in terms of the Custody Agreement.

- 5.9.2.5 The rights of the Standby Offer Participants to receive the Standby Offer Consideration in respect of the Standby Offer Shares which they elected to dispose of pursuant to the Standby Offer will be rights enforceable by Standby Offer Participants against Absa Bank only, subject to the terms and conditions of the Standby Offer as set out in this Circular.
- 5.9.2.6 The effect of the Standby Offer will be, *inter alia*, that Absa Bank will, with effect from the relevant Standby Offer Payment Date, repurchase all of the Standby Offer Shares (which may not be all of the Preference Shares) which Standby Offer Shares will be delisted from the Main Board of the JSE and returned to the authorised but unissued preference share capital of Absa Bank.
- 5.9.2.7 Absa Bank undertakes that, upon the Standby Offer becoming effective, it will give effect to the terms and conditions of the Standby Offer and will take all actions and sign all documents necessary to implement the Standby Offer.

5.9.3 **Standby Offer Consideration**

- 5.9.3.1 If the Scheme does not become unconditional and operative and the Standby Offer becomes effective, Absa Bank will repurchase the Standby Offer Shares from the Standby Offer Participants at a price of ZAR 930.00 per Standby Offer Share (the Standby Offer Consideration), to be settled in cash.
- 5.9.3.2 The Standby Offer Consideration represents a premium of 13.4% to the closing price of ZAR 820.00 of the Preference Shares as at the Last Practicable Date, and a 14.9% premium to the VWAP of ZAR 809.11 of the Preference Shares traded on the JSE during the 30 trading days up to (and including) the Last Practicable Date.
- 5.9.3.3 The Board has determined, by way of resolution, that the distribution to the Standby Offer Participants (in an amount equal to the Standby Offer Consideration) pursuant to the repurchase in terms of the Standby Offer comprises a return of capital that will reduce the "Contributed Tax Capital" or "CTC" (as defined in section 1 of the Income Tax Act).
- 5.9.3.4 The Independent Board and the Board are of the opinion that the Standby Offer Consideration reflects a fair and reasonable value for the Preference Shares and is therefore fair and reasonable insofar as the Preference Shareholders are concerned. In this regard, the Preference Shareholders are referred to paragraph 18 under the section of this Circular titled "Independent Board Opinion and Recommendation" of this Circular and the Independent Expert Report attached to this Circular as Annexure C.

5.9.4 **Pro Rata Preference Dividend Amount**

Subject to the fulfilment of the Standby Offer Condition Precedent, the Board intends to approve the distribution of the *Pro Rata* Preference Dividend Amount (which is an amount equal to the Preference Dividend that will accrue in respect of the Preference Shares for the period from 1 March 2025 up to but excluding the first Standby Offer Payment Date) to Eligible Preference Shareholders who remain Preference Shareholders on the first Standby Offer Payment Date, to be paid on or as soon as possible after the first Standby Offer Payment Date.

5.9.5 **Standby Offer Period**

- 5.9.5.1 The Standby Offer is irrevocable and will open for acceptance from Friday, 2 May 2025 on the Standby Offer Opening Date and will in the event that the Scheme does not become unconditional and operative and therefore terminates, close at 12h00 on Friday, 4 July 2025, being the anticipated Standby Offer Closing Date, provided that Absa Bank shall be entitled to extend such date, subject to the approval of the TRP, if required.

- 5.9.5.2 Accordingly, the Standby Offer will remain open for acceptance by Eligible Preference Shareholders, subject to the Scheme not becoming unconditional and operative.

5.9.6 **Procedure for acceptance of the Standby Offer**

- 5.9.6.1 If an Eligible Preference Shareholder does not wish to accept the Standby Offer in respect of any of the Preference Shares held by it and:
- (i) if such Eligible Preference Shareholder is a Certificated Eligible Preference Shareholder, then it **does not** need to take any further action and will continue to hold its Preference Shares and will be considered to be a Remaining Preference Shareholder, subject to the Scheme not becoming unconditional and operative; or
 - (ii) if such Eligible Preference Shareholder is a Dematerialised Eligible Preference Shareholder with or without “own-name” registration, then it is advised to **instruct its CSDP or Broker to reject the Standby Offer**, as if it does not furnish instructions to its CSDP or Broker, the CSDP or Broker will be obliged to act in accordance with the Custody Agreement entered into between such Eligible Preference Shareholder and its CSDP or Broker. If the Standby Offer is declined, such Eligible Preference Shareholder will continue to hold its Preference Shares and will be deemed to be a Remaining Preference Shareholder, subject to the Scheme not becoming unconditional and operative.
- 5.9.6.2 Eligible Preference Shareholders will be entitled to accept the Standby Offer from 12h00 on the Standby Offer Opening Date. However, any Standby Offer Shares tendered will not be repurchased until such time as the Standby Offer becomes effective and is implemented, which is conditional on the Scheme not becoming unconditional and operative (being the Standby Offer Condition Precedent).
- 5.9.6.3 The attention of Dematerialised Eligible Preference Shareholders is drawn to the fact that, if they accept the Standby Offer, they will not be entitled to trade or otherwise deal in their Preference Shares that have been tendered between the date of acceptance and the Standby Offer Payment Date, or if the Standby Offer is not implemented, between the date of acceptance and the date on which the Standby Offer lapses.

5.9.7 **Dematerialised Eligible Preference Shareholders**

- 5.9.7.1 Eligible Preference Shareholders who are Dematerialised Eligible Preference Shareholders and who wish to accept the Standby Offer in respect of all or a portion of their Preference Shares are required to accept the Standby Offer in accordance with the instructions set out in the paragraphs titled “*Dematerialised Eligible Preference Shareholders with or without “own-name” registration*” under the section titled under the section titled “*Actions required by Preference Shareholders in respect of the Standby Offer*” commencing on page 15 of this Circular.
- 5.9.7.2 If an acceptance is not communicated to the Transfer Secretaries, through a Broker or CSDP, by 12h00 on the Standby Offer Closing Date, Eligible Preference Shareholders who hold Dematerialised Preference Shares will be **deemed to have declined** the Standby Offer and will continue to hold their Preference Shares and will be a Remaining Preference Shareholder, subject to the Scheme not becoming unconditional and operative.
- 5.9.7.3 Dematerialised Eligible Preference Shareholders must **not** complete the attached Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer.

5.9.8 **Certificated Eligible Preference Shareholders**

- 5.9.8.1 Eligible Preference Shareholders who hold Certificated Preference Shares and who wish to accept the Standby Offer in respect of all or a portion of their Preference Shares are required to accept the Standby Offer by completing the Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer and delivering it, together with the Documents of Title in respect of the Standby Offer Shares tendered by them, in accordance with the instructions set out in the paragraphs

titled “*Certificated Eligible Preference Shareholders*” under the section titled “*Actions required by Preference Shareholders in respect of the Standby Offer*” commencing on page 15 of this Circular; to the Transfer Secretaries by not later than 12h00 on the Standby Offer Closing Date.

5.9.8.2 If the Standby Offer is not validly accepted by 12h00 on the Standby Offer Closing Date, the Standby Offer will be deemed to have been declined.

5.9.8.3 If the Standby Offer lapses because of the non-fulfilment of the Standby Offer Condition Precedent, any Documents of Title surrendered and held by the Transfer Secretaries will be returned to Eligible Preference Shareholders by the Transfer Secretaries, at its own risk, by registered post within 5 Business Days from (i) the date the Documents of Title are received by the Transfer Secretaries or (ii) the date on which the Standby Offer lapses or (iii) the Scheme fails, whichever is the later.

5.9.9 **Settlement of the Standby Offer Consideration**

5.9.9.1 Subject to what is set out below and to the Standby Offer becoming unconditional and being implemented, the Standby Offer Participants will be entitled to receive the Standby Offer Consideration.

5.9.9.2 The Standby Offer Consideration will be settled by Absa Bank through funding resources accessed in the ordinary course of business of Absa Bank and will not be subject to any lien, right of set-off, counterclaim or other analogous right. In addition, settlement of the Standby Offer Consideration to Standby Offer Participants who are Non-resident Preference Shareholders will be subject to the Exchange Control Regulations, the salient provisions of which are set out in **Annexure A** to this Circular.

5.9.9.3 Absa Bank and its agents will administer and effect payments of the Standby Offer Consideration to Standby Offer Participants on the relevant Standby Offer Payment Dates.

5.9.9.4 The Standby Offer Consideration will only be payable in cash and in Rands.

5.9.9.5 If the Standby Offer becomes unconditional and effective:

(i) **Dematerialised Eligible Preference Shareholders** who become Dematerialised Standby Offer Participants will have their accounts at their CSDP or Broker credited with the Standby Offer Consideration and debited with the Standby Offer Shares on the relevant Standby Offer Payment Date; and

(ii) **Certificated Eligible Preference Shareholders** who become Certificated Standby Offer Participants by submitting their Documents of Title and duly completed Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer to the Transfer Secretaries **by 12h00** on the Standby Offer Closing Date (**expected to be Friday, 4 July 2025**), will have the Standby Offer Consideration paid to them by way of an EFT into the South African bank account nominated by such Certificated Standby Offer Participant in the relevant sections of the Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer, within three business days after the relevant Standby Offer Payment Date.

5.9.9.6 If an Eligible Preference Shareholder has not validly accepted the Standby Offer on or before the Standby Offer Closing Date, such Eligible Preference Shareholder will not be entitled to receive the Standby Offer Consideration.

5.9.9.7 If an Eligible Preference Shareholder has validly accepted the Standby Offer but does not remain on the Register on the relevant Standby Offer Payment Date, such Preference Shareholder will not, despite that acceptance during the Standby Offer Open Period, be entitled to receive the Standby Offer Consideration.

5.9.9.8 The Standby Offer Consideration will be transferred to Standby Offer Participants, in accordance with the terms of the Standby Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which Absa Bank may otherwise be, or claim to be, entitled.

5.9.10 Standby Offer Condition Precedent

- 5.9.10.1 The implementation of the Standby Offer is subject to the fulfilment of the following condition precedent, that by no later than **17h00 on Thursday, 31 July 2025** or such later time and date as Absa Bank may in its sole discretion determine, or their waiver (as the case may be) the Scheme does not become unconditional and operative (meaning that a Scheme Condition Precedent has not been fulfilled or waived by no later than **17h00 on Thursday, 31 July 2025** or such later time and date as Absa Bank may in its sole discretion determine).
- 5.9.10.2 The Standby Offer Condition Precedent stipulated above is not capable of waiver.
- 5.9.10.3 An announcement will be released on SENS and will be published in the South African press as soon as possible after the Standby Offer Condition Precedent has been fulfilled, or if the Standby Condition Precedent is not fulfilled timeously or if the time and/or date for fulfilment of the Standby Offer Condition is extended.
- 5.9.10.4 For the avoidance of doubt, if the Standby Offer Condition Precedent is not fulfilled by **17h00 on Thursday, 31 July 2025** or such later time and date as Absa Bank in its sole discretion determines, then the Standby Offer will not become unconditional and be implemented and the Standby Offer Participants will continue in their present position as preference shareholders in Absa Bank.
- 5.9.10.5 The implementation of the Standby Offer is subject to a compliance certificate being issued by the TRP in respect of the Standby Offer in terms of section 119(4)(b) of the Companies Act, which compliance certificate will only be issued by the TRP once the Standby Offer is unconditional but before it is implemented, provided that the requirements for such issuance have been fulfilled.

5.10 Amendments, Variations and Modifications to the Standby Offer

- 5.10.1 Subject to paragraph 5.10.2 of this section of the Circular, Absa Bank may agree to any amendment, variation or modification of the Standby Offer, provided that no amendment, variation or modification may have the effect of negatively affecting the rights that will accrue to a Standby Offer Participant in terms of the Standby Offer.
- 5.10.2 Preference Shareholders will be notified of any such amendment, variation or modification on SENS and in the South African press.
- 5.10.3 All dates and times referred to in this Circular in respect of the Standby Offer are subject to change. Any such change shall be published on SENS and in the South African press.

5.11 Section 124 of the Companies Act

- 5.11.1 If (i) the Standby Offer Condition Precedent is fulfilled and (ii) the Standby Offer is accepted by Preference Shareholders such that, following implementation of the Standby Offer, Absa Bank has acquired at least 90% of all Preference Shares, then Absa Bank will be entitled to acquire the remaining Preference Shares by invoking the provisions of section 124(1) of the Companies Act (the "**Squeeze Out**") and all of the Preference Shares will be Delisted without the need for shareholder approval as contemplated in terms of paragraph 1.17(a) of the Listings Requirements, following application to the JSE.
- 5.11.2 A copy of section 124 of the Companies Act (which sets forth the Squeeze Out provisions) is included in Annexure B to this Circular.

6. DISSENTING PREFERENCE SHAREHOLDER APPRAISAL RIGHTS

- 6.1 In terms of section 164(2)(b) of the Companies Act, Preference Shareholders are hereby notified of their Appraisal Rights. Any Preference Shareholder who wishes to exercise its rights in terms of section 164 of the Companies Act is required, before the Scheme Resolution to approve the Scheme is voted on at the Scheme Meeting, to:
 - 6.1.1 give notice to Absa Bank in writing objecting to the aforesaid Scheme Resolution/s in terms of section 164(3) of the Companies Act; and
 - 6.1.2 vote against the Scheme Resolution at the Scheme Meeting.

- 6.2 A copy of section 164 of the Companies Act (which sets forth the Appraisal Rights) is included in **Annexure B** to this Circular.
- 6.3 If the Board waives the Scheme Condition Precedent, then any Dissenting Preference Shareholder that, pursuant to the exercise of its Appraisal Rights, has accepted an Appraisal Rights Offer and/or transferred Preference Shares to Absa Bank pursuant to section 164(13) or section 164(15)(v) of the Companies Act, will not participate in the Scheme.
- 6.4 As regards the Scheme, in the event that any Dissenting Preference Shareholder withdraws a valid demand in the circumstances contemplated in section 164(9)(a) or 164(9)(b) of the Companies Act and a Dissenting Preference Shareholder has not exercised its rights in terms of section 164(14) of the Companies Act to apply to Court to determine a fair value in respect of the Scheme Shares that were the subject of the demand, such that such Preference Shareholder ceases to be a Dissenting Preference Shareholder:
 - 6.4.1 on or prior to the Scheme Record Date, then such Preference Shareholder who was, up until that time, a Dissenting Preference Shareholder will be deemed a Scheme Participant and be subject to the terms and conditions of the Scheme; and
 - 6.4.2 after the Scheme Record Date, then such Preference Shareholder who was, up until that time, a Dissenting Preference Shareholder will be deemed to have been a Scheme Participant as at the Scheme Operative Date and be deemed to have transferred its Scheme Shares to Absa Bank, provided that settlement of the Scheme Consideration shall take place on the later of: (i) the Scheme Operative Date; (ii) the date which is 5 Business Days after the date upon which that Dissenting Preference Shareholder so withdrew its demand or allowed Absa Bank's offer to lapse, as the case may be, without exercising its rights in terms of section 164(14) and (iii) if that Dissenting Preference Shareholder is a Preference Shareholder with Certificated Preference Shares, the date which is 5 Business Days after the date upon which that Dissenting Preference Shareholder submitted its Documents of Title and duly completed Form of Surrender (*pink*) in respect of the Scheme to the Transfer Secretaries.
- 6.5 Before exercising their rights under section 164 of the Companies Act, Preference Shareholders should have regard to the following factors relating to the Scheme Resolution:
 - 6.5.1 the Independent Expert Report set out in Annexure C to this Circular, which concludes that the terms of the repurchase of the Preference Shares (to be implemented either by way of the Scheme or the Standby Offer) are fair and reasonable to the Preference Shareholders; and
 - 6.5.2 the Court is empowered to grant a costs order in favour of, or against, a Dissenting Preference Shareholder, as may be applicable.

7. GENERAL PROVISIONS RELATING TO THE SCHEME AND THE STANDBY OFFER

7.1 Governing law and jurisdiction

- 7.1.1 The Scheme and the Standby Offer shall be governed by, and construed in accordance with, the laws of South Africa.
- 7.1.2 Each Shareholder will be deemed to have irrevocably submitted to the exclusive jurisdiction of the Courts of South Africa in relation to matters arising out of or in connection with the Scheme and the Standby Offer.

7.2 Tax Implications for Eligible Preference Shareholders

Notwithstanding the provisions of paragraph 5.2.3 under the section of this Circular titled "*Scheme Consideration*" and paragraph 5.9.3.2 under the section of this Circular titled "*Standby Offer Consideration*", the tax implications of the Scheme and the Standby Offer on Preference Shareholders will depend on the individual circumstances of each Preference Shareholder. Accordingly, Preference Shareholders are advised to obtain independent tax advice in relation to the tax implications of the Scheme and the Standby Offer.

7.3 Non-resident Preference Shareholders and Exchange Control Regulations

Annexure A to this Circular contains a summary of certain important information for Non-resident Preference Shareholders, including a summary of the Exchange Control Regulations as they apply to Scheme Participants (and Standby Offer Participants) who are Non-resident Preference Shareholders. Scheme Participants (and Standby Offer Participants) who are Non-resident Preference Shareholders must satisfy themselves as to the full observance of the laws of any relevant jurisdiction concerning the receipt of the Scheme Consideration (or the Standby Offer Consideration), including (without limitation) obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such jurisdiction. If in doubt, Scheme Participants (and Standby Offer Participants) should consult their professional advisors immediately.

8. THE SOLVENCY AND LIQUIDITY TEST

8.1 It is recorded, in respect of the repurchase of the Preference Shares, that:

- 8.1.1 in terms of section 46(1)(a)(ii) of the Companies Act, the Board has by way of resolution authorised the repurchase of the Preference Shares in terms of either the Scheme or the Standby Offer;
- 8.1.2 in terms of section 46(1)(b) of the Companies Act, the Board is satisfied that it reasonably appears that Absa Bank will satisfy the solvency and liquidity test as set out in section 4 of the Companies Act, immediately after completing the repurchase of the Preference Shares (whether by way of the Scheme or the Standby Offer) and, in this regard, the considerations offered under each of the Scheme and the Standby Offer have been taken into account;
- 8.1.3 in terms of section 46(1)(c) of the Companies Act, the Board has, by resolution, acknowledged that it has applied the solvency and liquidity test, as set out in section 4 of the Companies Act, and reasonably concluded that Absa Bank will satisfy the solvency and liquidity test immediately after completing the repurchase of the Preference Shares (whether implemented in terms of the Scheme or the Standby Offer); and
- 8.1.4 since the solvency and liquidity test was performed, there have been no material changes to the financial position of Absa Bank.

9. SHARE CAPITAL OF ABSA BANK

The authorised and issued share capital of Absa Bank **before** and **after** the repurchase of the Preference Shares (whether implemented in terms of the Scheme or the Standby Offer and on the assumption that if implemented in terms of the Standby Offer it is accepted in full by all the Eligible Preference Shareholders) is set out in the tables below:

Before the repurchase of the Preference Shares

Authorised Share Capital

320 000 000 ordinary shares of R1.00 each
250 000 000 'A' ordinary shares of 1 cents each
30 000 000 non-redeemable, non-cumulative, non-participating preference shares of 1 cent each (Preference Shares).

Issued Share Capital	ZAR (million)
302 609 369 ordinary shares of R1.00 each	303
145 691 959 'A' ordinary shares of 1 cent each	2
4 944 839 non-redeemable, non-cumulative, non-participating preference shares of 1 cent each	1
Ordinary Share premium account as at the Last Practicable Date	36 880
Preference Share premium account as at the Last Practicable Date	4 643
Total issued share capital:	41 828

Notes:

- * There are no Preference Shares held as treasury shares by any subsidiary of Absa Bank.

After the repurchase of the Preference Shares**

Authorised Share Capital	ZAR
320 000 000 ordinary shares of R1.00 each	
250 000 000 'A' ordinary shares of 1 cents each	
30 000 000 non-redeemable, non-cumulative, non-participating preference shares of one cent each (Preference Shares)	
Issued Share Capital	ZAR
302 609 369 ordinary shares of R1.00 each	303
145 691 959 'A' ordinary shares of R0.01 each	2
0 non-redeemable, non-cumulative, non-participating preference shares of 1 cent each	0
Ordinary Share premium account as at the Last Practicable Date	36 880
Preference Share premium account as at the Last Practicable Date	0
Total issued share capital:	37 184

Notes:

* There are no Preference Shares held as treasury shares by any subsidiary of Absa Bank.

** This table reflects the position on the assumption that all the Preference Shares are repurchased (either through the implementation of the Scheme or the Standby Offer).

As at the Last Practicable Date, the Preference Shares are listed on the Main Board of the exchange operated by the JSE.

10. PREFERENCE SHARE TRADING HISTORY

Annexure F: to this Circular sets out the aggregate volumes, dates and prices of Preference Shares traded on the JSE (i) for each trading day during the 30-day period ended on the Last Practicable Date and (ii) for each month over the previous 12 months prior to the Last Practicable Date of issue of this Circular.

10.1 MAJOR PREFERENCE SHAREHOLDERS OF ABSA BANK

10.1.1 As at the Last Practicable Date, Absa Group is the sole holder of the Ordinary Shares.

10.1.2 As at the Last Practicable Date, to the knowledge of Absa Bank, the following Preference Shareholders, are directly or indirectly beneficially interested in 5% or more of the issued preference share capital of Absa Bank:

Name of Preference Shareholder	Number of Preference Shares	% of the issued Preference Share Capital
Prescient Inc Provider Fund	420 883	8.51%
Nedgroup Investments Flexible Income Fund	275 011	5.56%

11. IRREVOCABLE UNDERTAKINGS

- 11.1 As at the Last Practicable Date, Absa Bank has received irrevocable undertakings from the following Preference Shareholders who collectively hold 26.93% Preference Shares to vote the following number of Preference Shares, which are either held by them as principal or on behalf of clients (as further set out below), that they may hold at the time of the Scheme Meeting in favour of all the resolutions required to implement the Scheme, including the Scheme Resolution.

Name of Preference Shareholder	Number of Preference Shares	% of the issued Preference Share Capital
Prescient Investment Management Proprietary Limited*	631 683	12.77%
Prescient Inc Provider Fund	420 883	8.51%
SBN ITF Prescient IJG Income	53 800	1.09%
PIM Flexible Fixed Interest	29 276	0.59%
Unilever SA Pen Fund Inc Prov	24 692	0.50%
SBSA ITF Momentum Diversified	15 909	0.32%
University of Cape Town – No 2	13 292	0.27%
Post Office Retirement Fund IP	10 100	0.20%
Hollard BCI Dyn Inc Fund – PIM	8 978	0.18%
SCB ATF PPS FLEX INC FUND PIM	8 900	0.18%
PIM Specialist Income Fund	8 244	0.17%
Personal Trust Income Fund	7 392	0.15%
TRF Wealth Guarantor 2	6 320	0.13%
Masakhane Provident Fund – PIM	5 630	0.11%
Sanlam Trust Beneficiary Fund	3 780	0.08%
SCB ATF FNB Multi Man Income	3 413	0.07%
Engen Retirement Fund	2 228	0.05%
Medipos Medical Scheme Income	1 950	0.04%
Stan Insurance Ltd – Abs Inc	1 860	0.04%
Predikante Fund NGKSA c/o PIM	1 750	0.04%
Graviton SCI Flexible Income	1 697	0.03%
PIM SA Income Provider	1 589	0.03%
ABAX Investments Proprietary Limited**	277 508	5.61%
Nedgroup Investments Flexible Income Fund	275 011	5.56%
Abax Diversified Income Fund	2 497	0.05%
Investec Markets Proprietary Limited	206 419	4.17%
Sanlam Prefco Proprietary Limited***	121 292	2.45%
Sanlam PrefCo	90 000	1.82%
URD Beleggings (EDMS) BPK	31 292	0.63%
Outsurance Insurance Company Limited	94 533	1.91%
TOTAL	1 331 435	26.93%

Notes:

* Comprising the shares and/or funds controlled and/or managed by Prescient Investment Management Proprietary Limited, as listed in the table.

** Comprising the shares and/or funds controlled and/or managed by ABAX Investments Proprietary Limited, as listed in the table.

*** Comprising the shares and/or funds controlled and/or managed by Sanlam Prefco Proprietary Limited, as listed in the table.

- 11.2 At the Last Practicable Date, Absa Bank has received a letter of support from the following Preference Shareholder who holds 1.57% Preference Shares to indicate its support to vote the following number of Preference Shares, which are either beneficially held by it as principal or on behalf of clients (as further set out below), in favour of all the resolutions required to implement the Scheme, including the Scheme Resolution.

Name of Preference Shareholder	Number of Preference Shares	% of the issued Preference Share Capital
Coronation Asset Management Proprietary Limited	77 559	1.57%
SCB ATF Coronation Multi-Strategy	77 559	1.57%

12. MATERIAL CHANGE

There have been no material changes in the financial or trading position of Absa Bank and its subsidiaries that have occurred since the end of the last financial period, being 31 December 2024 and the Last Practicable Date.

13. DIRECTORS' INFORMATION

Directors' Interest in Securities

As at the Last Practicable Date, none of the Prescribed Officers, persons who were directors of Absa Bank within the preceding 18 (eighteen) months and any associate of such persons have any direct or indirect beneficial interests in the Preference Shares.

14. SERVICE CONTRACTS

The service contracts in place between the Company's executive directors and the Company contain terms and conditions that are usual for contracts of this nature. No service contracts of Directors were entered into or amended in the six months preceding the Last Practicable Date, save for the employment contract entered into with Charles Russon dated 17 October 2024 which contains terms standard for this type of contract. A copy of the aforementioned employment contract is available for inspection as contemplated in paragraph 24 below under the section of this Circular titled "*Documents Available for Inspection*".

15. DISCLOSURE IN TERMS OF THE TAKEOVER REGULATIONS

- 15.1 In terms of regulation 106(4)(d) of the Takeover Regulations, the remuneration of the Directors will not be affected by the implementation of the Scheme or the Standby Offer.

- 15.2 The following exemptions have been obtained from the TRP, namely:

15.2.1 exemptions dated 10 February 2025 and 9 April 2025, granted by the TRP in respect of Guideline 1/2013: Approaching Shareholders Prior to Making a Firm Intention Announcement, issued by the TRP, which exemption permitted Absa Bank to approach Preference Shareholders, which save for two Preference Shareholders, each hold less than 5% of the Preference Shares and not more than 10 in number of such Preference Shareholders, to provide irrevocable undertakings to vote in favour of the Scheme Resolutions, on the basis that Absa Bank must conclude non-disclosure agreements with the Preference Shareholders, and the Circular must disclose all the names and details of, including the number of Preference Shares held by, such Preference Shareholders that Absa Bank has approached and who have agreed to provide irrevocable undertakings;

15.2.2 exemption dated 10 February 2025 granted by the TRP in respect of regulation 106(7)(c)(i) of the Takeover Regulations, which exemptions permitted Absa Bank not to incorporate its last three years of financial statements in this Circular, on the basis that Absa Bank:

15.2.2.1 includes extracts of its financial statements for the past three years in this Circular;

15.2.2.2 makes the full and complete copies of the financial information available to Preference Shareholders on request by such Preference Shareholders;

- 15.2.2.3 posts on its website and allows full and unrestricted access of financial statements for the last three financial years to the Preference Shareholders; and
- 15.2.2.4 includes the full and complete financial information (being its financial statements for the last three financial years) to the documents made available for inspection by the Preference Shareholders as contemplated in paragraph 23 under the section of this Circular titled *"Documents Available for Inspection"*;
- 15.2.3 exemption dated 10 February 2025 granted by the TRP in respect of regulation 111(4) of the Takeover Regulations, which exemption permitted Absa Bank not to provide an irrevocable unconditional confirmation from a third party, on the basis that Absa Bank will be permitted to issue its own irrevocable cash confirmation to ensure that Absa Bank will comply with its payment obligations under the Scheme; and
- 15.2.4 exemption dated 9 April 2025 granted by the TRP in respect of regulation 102(12) of the Takeover Regulations, in terms of which exemption, the period within which the Scheme Consideration must be paid to the Scheme Participants in terms of regulation 102(12) of the Takeover Regulations was extended from 6 Business Days to 13 Business Days following the Scheme Finalisation Date announcement.
- 15.3 The aforementioned exemption applications and responses thereto are available for inspection as contemplated in paragraph 24 below under the section of this Circular titled *"Documents Available for Inspection"*.

16. CONFIRMATION OF CASH SET ASIDE FOR SETTLING THE SCHEME CONSIDERATION OR THE STANDBY OFFER CONSIDERATION

Absa Bank will use available resources within Absa Bank to fund the Scheme Consideration or the Standby Offer Consideration, as applicable. The funds to settle the Scheme Consideration or the Standby Offer Consideration are available and are currently held in an account with Absa Bank. In accordance with regulation 111(4) and 111(5) of the Takeover Regulations, Absa Bank has delivered to the TRP written confirmation of the cash set aside in respect of the total Scheme Consideration or the Standby Offer Consideration, being the maximum possible consideration in respect of the repurchase in terms of the Scheme or the Standby Offer.

17. INDEPENDENT EXPERT REPORT

- 17.1 The Independent Expert Report prepared in accordance with section 114(3) of the Companies Act and regulation 90 of the Takeover Regulations is provided in Annexure C to this Circular.
- 17.2 Having considered the terms and conditions of the repurchase of the Preference Shares (whether implemented in terms of the Scheme or the Standby Offer) and based upon and subject to the terms and conditions set out in the Independent Expert Report, the Independent Expert is of the opinion that the repurchase of the Preference Shares (whether implemented in terms of the Scheme or the Standby Offer) is fair and reasonable to the Preference Shareholders.

18. INDEPENDENT BOARD OPINION AND RECOMMENDATION

- 18.1 The Independent Board has been tasked to consider whether the Scheme Consideration, and the Standby Offer Consideration, are fair and reasonable to Preference Shareholders. In discharging its obligations, the Independent Board undertook an independent assessment of the Scheme Consideration, and the Standby Offer Consideration (and the repurchase of the Preference Shares (whether implemented in terms of the Scheme or the Standby Offer)) and engaged the Independent Expert to provide the Independent Expert Report.
- 18.2 In forming its view, the Independent Board has determined that, after due consideration of the Independent Expert Report, it will place reliance on the valuation performed by the Independent Expert Report for the purposes of reaching its own opinion regarding the Scheme, the Scheme Consideration, the Standby Offer and the Standby Offer Consideration, as contemplated in regulation 110(2) and regulation 110(3)(b) of the Takeover Regulations. As such, the Independent Board is satisfied that it is justified in placing reliance on the Independent Expert Report and its opinion on the Scheme, Scheme Consideration, the Standby Offer and the Standby Offer Consideration has been formed in reliance on the finding of the Independent Expert Report.

- 18.3 In forming its opinion, the Independent Board considered the factors which are difficult to quantify or are unquantifiable (as contemplated in regulation 110(6) of the Takeover Regulations) as identified in the Independent Expert Report.
- 18.4 The Independent Board is of the opinion that, after taking into consideration the opinion of the Independent Expert –
- 18.4.1 the Scheme Consideration of ZAR 930.00 per Preference Share, is fair and reasonable to the Preference Shareholders; and
- 18.4.2 the Standby Offer Consideration of ZAR 930.00 per Preference Share, is fair and reasonable to the Preference Shareholders.
- 18.5 Accordingly, the Independent Board recommends to Preference Shareholders to vote in favour of the Scheme Resolution, and to accept the Standby Offer.
- 18.6 No Directors or Prescribed Officers own Preference Shares.

19. DIRECTORS' RESPONSIBILITY STATEMENT

19.1 Board

The Directors, whose names and details are provided on page 30 of this Circular; collectively and individually, accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law.

19.2 Independent Board

The members of the Independent Board, collectively and individually, accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Circular contains all information required by law.

20. LITIGATION STATEMENT

Absa Bank is not aware of any legal or arbitration proceedings (including any such proceedings which are pending or threatened), which may have or may have had, in the last 12 months, a material effect on the Company's financial position.

21. CONSENTS

All the parties listed in the section entitled "*Corporate Information and Advisors*" have consented in writing to act in the capacities stated and to their names being stated in this Circular and, where applicable, to the inclusion of their reports in the form and context in which they have been reproduced in this Circular and have not withdrawn their consents prior to publication of this Circular. The consent letters are available for inspection as contemplated in paragraph 24 below under the section of this Circular titled "*Documents Available for Inspection*".

22. NOTICE OF THE SCHEME MEETING

The Scheme Meeting, convened in terms of the Notice of Scheme Meeting incorporated in this Circular, will be entirely held by way of electronic participation at **08h30 on Tuesday, 3 June 2025** or any other adjourned or postponed date and time determined in accordance with the provisions of section 64 of the Companies Act and the MOI to consider and, if deemed fit, pass the Scheme Resolutions set out therein. A notice convening the Scheme Meeting is attached to, and forms part of, this Circular.

23. ACTION TO BE TAKEN BY PREFERENCE SHAREHOLDERS

Please refer to pages 6 and 15 of this Circular, which sets forth in detail the actions required to be taken by Preference Shareholders in connection with the Scheme Meeting.

24. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection at Absa Bank's registered office at Absa Towers West, 15 Troye Street, Johannesburg, South Africa, 2000, during normal business hours (**09h00 to 17h00**) (alternatively, electronic copies are available on written request to the Company Secretary, at Nadine.drutman@absa.africa) from the date of posting of this Circular until the Standby Offer Closing Date (being **Friday, 2 May 2025** up to and including **Friday, 4 July 2025**):

24.1 this Circular;

24.2 the MOI;

24.3 the audited annual financial information of Absa Bank for the 3 years ended 31 December 2022, 31 December 2023 and 31 December 2024;

24.4 the Independent Expert Report;

24.5 the exemptions referred to in paragraph 15.2 granted by TRP to Absa Bank in respect of the Circular;

24.6 the letter received from the authorised dealer of Absa Bank approving the content of **Annexure A**;

24.7 a copy of the employment agreement referred to in paragraph 14 under the section of this Circular titled "*Service Contracts*";

24.8 signed copy of the cash confirmation referred to in paragraph 16 above under the section of this Circular titled "*Confirmation of Cash set aside for settling the Scheme Consideration or the Standby Offer Consideration*"; and

24.9 each of the consent letters referred to in paragraph 21 above under the section of this Circular titled "*Consents*".

By order of the Board, by way of resolution.

Nadine Drutman (**Company Secretary**)
2 May 2025

By order of the Independent Board, by way of resolution.

Nadine Drutman (**Company Secretary**)
2 May 2025

Registered Office

Absa Towers West, 15 Troye Street, Johannesburg, Gauteng, South Africa, 2000

NON-RESIDENT PREFERENCE SHAREHOLDER INFORMATION AND EXCHANGE CONTROL REGULATIONS

All the terms defined in the Circular, to which this **Annexure A** is attached, shall bear the same meaning when used in this **Annexure A**.

The following summary is provided for information purposes only. It is therefore not comprehensive and should not be construed as advice.

1. RESIDENTS OF THE COMMON MONETARY AREA

- 1.1 Scheme Participants (and Standby Offer Participants) holding Dematerialised Preference Shares whose registered addresses in the Register are within the Common Monetary Area and whose accounts with their CSDP or Broker have not been restrictively designated in terms of the Exchange Control Regulations will have their accounts with their CSDP or Broker credited with the relevant Scheme Consideration (and Standby Offer Consideration) in accordance with paragraph 5.3.5.1 under the section of this Circular titled "*Dematerialised Preference Shareholders*" and paragraph (i) under the section of this Circular titled "*Dematerialised Eligible Preference Shareholders*"; or
- 1.2 Scheme Participants (and Standby Offer Participants) holding Certificated Preference Shares whose registered addresses in the Register are within the Common Monetary Area and whose Documents of Title are not restrictively endorsed in terms of the Exchange Control Regulations will have their relevant Scheme Consideration (and Standby Offer Consideration) dealt with in accordance with paragraph 5.3.5.2 under the section of this Circular titled "*Certificated Preference Shareholders*" and paragraph (ii) under the section of this Circular titled "*Certificated Preference Shareholders*".

2. EMIGRANTS FROM THE COMMON MONETARY AREA

- 2.1 The Scheme Consideration (and Standby Offer Consideration) accruing to a Scheme Participant (and Standby Offer Participants) holding Dematerialised Preference Shares who is an Emigrant from the Common Monetary Area and has not been restrictively designated in terms of the Exchange Control Regulations will be issued and transferred to their CSDP or Broker, which shall arrange for the same to be credited directly to the Emigrant capital account of the Preference Shareholder concerned with their Authorised Dealer in foreign exchange in South Africa.
- 2.2 The Scheme Consideration (and Standby Offer Consideration) accruing to a Scheme Participant (and Standby Offer Participants) holding Certificated Preference Shares who is an Emigrant from the Common Monetary Area and whose Documents of Title have been restrictively endorsed under the Exchange Control Regulations will be forwarded to the Authorised Dealer in foreign exchange in South Africa controlling the Preference Shareholder's blocked assets in accordance with the Exchange Control Regulations. The attached Form of Surrender (*pink*) in respect of the Scheme and the attached Form of Acceptance and Surrender (*yellow*) in respect of the Standby Offer make provision for details of the Authorised Dealer concerned to be given.

3. ALL OTHER NON-RESIDENTS OF THE COMMON MONETARY AREA

- 3.1 The Scheme Consideration (or Standby Offer Consideration) accruing to a Scheme Participant (or Standby Offer Participant) holding Dematerialised Preference Shares, who is a non-resident of South Africa and who has never resided in the Common Monetary Area, whose registered address is outside the Common Monetary Area will be credited to its CSDP or Broker and be restrictively endorsed as "Non-Resident".
- 3.2 The Scheme Consideration (or Standby Offer Consideration) accruing to a Scheme Participant (or Standby Offer Participant) holding Certificated Preference Shares who is a non-resident of South Africa and who has never resided in the Common Monetary Area, whose registered address is outside the Common Monetary Area and whose Documents of Title have been restrictively endorsed under the Exchange Control Regulations, will be deposited with the Authorised Dealer in foreign exchange in South Africa nominated by such Scheme Participant (or Standby Offer Participant).

4. **INFORMATION NOT PROVIDED**

If the information regarding Authorised Dealers is not given, or the instructions are not given and no bank account or address details for the Preference Shareholder in question appears in the Register, the Scheme Consideration (or, where applicable the Standby Offer Consideration) will be held in trust by Absa Bank (or any third party nominated by it for this purpose) in accordance with the provisions of the MOI for the benefit of the Scheme Participant concerned, provided that any Scheme Consideration or Standby Offer Consideration (as applicable), remaining unclaimed for a period of not less than 3 (three) years from the Scheme Operative Date or the relevant Standby Offer Implementation Date, as the case may be, will be paid to the benefit of the Guardian's Fund of the Master of the High Court. For the avoidance of doubt, no interest will accrue on any such funds held by Absa Bank (or its nominee).

EXTRACTS OF SECTIONS 115, 124 AND 164 OF THE COMPANIES ACT

“115: Required approval for transactions contemplated in Part A

1. Despite section 65, and any provision of a company’s Memorandum of Incorporation, or any resolution adopted by its board or holders of its securities to the contrary, a company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a scheme of arrangement, unless:
 - (a) the disposal, amalgamation or merger, or scheme of arrangement –
 - (i) has been approved in terms of this section; or
 - (ii) is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6; and
 - (b) to the extent that Parts B and C of this Chapter and the Takeover Regulations apply to a company that proposes to –
 - (i) dispose of all or the greater part of its assets or undertaking;
 - (ii) amalgamate or merge with another company; or
 - (iii) implement a scheme of arrangement,

the Panel has issued a compliance certificate in respect of the transaction, in terms of section 119 (4) (b), or exempted the transaction in terms of section 119(6).
2. A proposed transaction contemplated in subsection (1) must be approved –
 - (a) by a special resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter, or any higher percentage as may be required by the company’s Memorandum of Incorporation, as contemplated in section 64(2); and
 - (b) by a special resolution, also adopted in the manner required by paragraph (a) of this section of the Circular, by the shareholders of the company’s holding company, if any, if:
 - (i) the holding company is a company or an external company;
 - (ii) the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the subsidiary; and
 - (iii) having regard to the consolidated financial statements of the holding company, the disposal by the subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding company; and
 - (c) by the court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).
3. Despite a resolution having been adopted as contemplated in subsections (2)(a) and (b), a company may not proceed to implement that resolution without the approval of a court if –
 - (a) the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution and, within five business days after the vote, any person who voted against the resolution requires the company to seek court approval; or
 - (b) the court, on an application within 10 business days after the vote by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a court for a review of the transaction in accordance with subsection (7).
4. For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights –

- (a) required to be present or actually present, in determining whether the applicable quorum requirements are satisfied; or
 - (b) required to be voted in support of a resolution, or actually voted in support of the resolution.
- 4A. In subsection (4), “act in concert” has the meaning set out in section 117(1)(b).
5. If a resolution requires approval by a court as contemplated in terms of subsection (3)(a), the company must either:
- (a) within 10 business days after the vote, apply to the court for approval, and bear the costs of that application; or
 - (b) treat the resolution as a nullity.
6. On an application contemplated in subsection (3)(b), the court may grant leave only if it is satisfied that the applicant –
- (a) is acting in good faith;
 - (b) appears prepared and able to sustain the proceedings; and
 - (c) has alleged facts which, if proved, would support an order in terms of subsection (7).
7. On reviewing a resolution that is the subject of an application in terms of subsection (5)(a), or after granting leave in terms of subsection (6), the court may set aside the resolution only if –
- (a) the resolution is manifestly unfair to any class of holders of the company’s securities; or
 - (b) the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the Memorandum of Incorporation or any applicable rules of the company, or other significant and material procedural irregularity.
8. The holder of any voting rights in a company is entitled to seek relief in terms of section 164 if that person:
- (a) notified the company in advance of the intention to oppose a special resolution contemplated in this section; and
 - (b) was present at the meeting and voted against that special resolution.
9. If a transaction contemplated in this Part has been approved, any person to whom assets are, or an undertaking is, to be transferred, may apply to a court for an order to effect –
- (a) the transfer of the whole or any part of the undertaking, assets and liabilities of a company contemplated in that transaction;
 - (b) the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the transaction;
 - (c) the transfer of shares from one person to another;
 - (d) the dissolution, without winding-up, of a company, as contemplated in the transaction;
 - (e) incidental, consequential and supplemental matters that are necessary for the effectiveness and completion of the transaction; or
 - (f) any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger”.

“124. Compulsory acquisitions and squeeze out

1. If, within four months after the date of an offer for the acquisition of any class of securities of a regulated company, that offer has been accepted by the holders of at least 90 percent of that class of securities, other than any such securities held before the offer by the offeror, a related or inter-related person, or persons acting in concert, or a nominee or subsidiary of any such person or persons –
- (a) within two further months, the offeror may notify the holders of the remaining securities of the class, in the prescribed manner and form –
 - (i) that the offer has been accepted to that extent; and
 - (ii) that the offeror desires to acquire all remaining securities of that class; and
 - (b) subject to subsection (2), after giving notice in terms of paragraph (a), the offeror is entitled, and bound, to acquire the securities concerned on the same terms that applied to securities whose holders accepted the original offer.

2. Within 30 business days after receiving a notice in terms of subsection (1)(a), a person may apply to a court for an order –
 - (a) that the offeror is not entitled to acquire the applicant's securities of that class; or
 - (b) imposing conditions of acquisition different from those of the original offer.
3. If an offer to acquire the securities of a particular class has not been accepted to the extent contemplated in subsection (1) –
 - (a) the offeror may apply to a court for an order authorising the offeror to give a notice contemplated in subsection (1)(a); and
 - (b) the court may make the order applied for, if –
 - (i) after making reasonable enquiries, the offeror has been unable to trace one or more of the persons holding securities to which the offer relates;
 - (ii) by virtue of acceptances of the original offer, the securities that are the subject of the application, together with the securities held by the person or persons referred to in subparagraph (i), amount to not less than the minimum specified in subsection (1);
 - (iii) the consideration offered is fair and reasonable; and
 - (iv) the court is satisfied that it is just and equitable to make the order, having regard, in particular, to the number of holders of securities who have been traced but who have not accepted the offer.
4. If an offer for the acquisition of any class of securities of a regulated company has resulted in the acquisition by the offeror or a nominee or subsidiary of the offeror, or a related or inter-related person of any of them, individually or in aggregate, of sufficient securities of that class such that, together with any other securities of that class already held by that person, or those persons in aggregate, they then hold at least 90 percent of the securities of that class –
 - (a) the offeror must notify the holders of the remaining securities of the class that the offer has been accepted to that extent;
 - (b) within three months after receiving a notice in terms of paragraph (a), a person may demand that the offeror acquire all of the person's securities of the class concerned; and
 - (c) after receiving a demand in terms of paragraph (b), the offeror is entitled, and bound, to acquire the securities concerned on the same terms that applied to securities whose holders accepted the original offer.
5. If an offeror has given notice in terms of subsection (1), and no order has been made in terms of subsection (3), or if the offeror has received a demand in terms of subsection (4)(b) –
 - (a) six weeks after the date on which the notice was given or, if an application to a court is then pending, after the application has been disposed of, or after the date on which the demand was received, as the case may be, the offeror must –
 - (i) transmit a copy of the notice to the regulated company whose securities are the subject of the offer, together with an instrument of transfer, executed on behalf of the holder of the those securities by any person appointed by the offeror; and
 - (ii) pay or transfer to that company the consideration representing the price payable by the offeror for the securities concerned,
 - (b) subject to the payment of prescribed fees or duties, the company must thereupon register the offeror as the holder of those securities.
6. An instrument of transfer contemplated in subsection (5) is not required for any securities for which a share warrant is for the time being outstanding.
7. A regulated company must deposit any consideration received under this section into a separate interest-bearing bank account with a banking institution registered under the Banks Act and, subject to subsection (8), those deposits must be –
 - (a) held in trust by the company for the person entitled to the securities in respect of which the consideration was received; and
 - (b) paid on demand to the person contemplated in paragraph (a), with interest to the date of payment.

8. If a person contemplated in subsection (7)(a) fails for more than three years to demand payment of an amount held in terms of that paragraph, the amount, together with any accumulated interest, must be paid to the benefit of the Guardian's Fund of the Master of the High Court, to be held and dealt with in accordance with the rules of that Fund.
9. In this section any reference to a "holder of securities who has not accepted the offer" includes any holder who has failed or refused to transfer their securities to the offeror in accordance with the offer."

"164: Dissenting shareholders appraisal rights

1. This section does not apply in any circumstances relating to a transaction, agreement or offer pursuant to a business rescue plan that was approved by shareholders of a company, in terms of section 152.
2. If a company has given notice to shareholders of a meeting to consider adopting a resolution to:
 - (a) amend its Memorandum of Incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37(8); or
 - (b) enter into a transaction contemplated in section 112, 113, or 114, that notice must include a statement informing shareholders of their rights under this section.
3. At any time before a resolution referred to in subsection (2) is to be voted on, a dissenting shareholder may give the company a written notice objecting to the resolution.
4. Within 10 business days after a company has adopted a resolution contemplated in this section, the company must send a notice that the resolution has been adopted to each shareholder who –
 - (a) gave the company a written notice of objection in terms of subsection (3); and
 - (b) has neither:
 - (i) withdrawn that notice; or
 - (ii) voted in support of the resolution.
5. A shareholder may demand that the company pay the shareholder the fair value for all of the shares of the company held by that person if –
 - (a) the shareholder:
 - (i) sent the company a notice of objection, subject to subsection (6); and
 - (ii) in the case of an amendment to the company's Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;
 - (b) the company has adopted the resolution contemplated in subsection (2); and
 - (c) the shareholder –
 - (i) voted against that resolution; and
 - (ii) has complied with all of the procedural requirements of this section.
6. The requirement of subsection (5)(a)(i) does not apply if the company failed to give notice of the meeting or failed to include in that notice a statement of the shareholders rights under this section.
7. A shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the company within –
 - (a) 20 business days after receiving a notice under subsection (4); or
 - (b) if the shareholder does not receive a notice under subsection (4), within 20 business days after learning that the resolution has been adopted.
8. A demand delivered in terms of subsections (5) to (7) must also be delivered to the Panel, and must state:
 - (a) the shareholder's name and address;
 - (b) the number and class of shares in respect of which the shareholder seeks payment; and
 - (c) a demand for payment of the fair value of those shares.

9. A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless:
 - (a) the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12)(b);
 - (b) the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand; or
 - (c) the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.
10. If any of the events contemplated in subsection (9) occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.
11. Within 5 business days after the later of –
 - (a) the day on which the action approved by the resolution is effective;
 - (b) the last day for the receipt of demands in terms of subsection (7)(a); or
 - (c) the day the company received a demand as contemplated in subsection (7)(b), if applicable, the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.
12. Every offer made under subsection (11) –
 - (a) in respect of shares of the same class or series must be on the same terms; and
 - (b) lapses if it has not been accepted within 30 business days after it was made.
13. If a shareholder accepts an offer made under subsection (12) –
 - (a) the shareholder must either in the case of:
 - (i) shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or
 - (ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and
 - (b) the company must pay that shareholder the agreed amount within 10 business days after the shareholder accepted the offer and –
 - (i) tendered the share certificates; or
 - (ii) directed the transfer to the company of uncertificated shares.
14. A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a Court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has –
 - (a) failed to make an offer under subsection (11); or
 - (b) made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.
15. On an application to the court under subsection (14) –
 - (a) all dissenting shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the court;
 - (b) the company must notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to participate in the court proceedings; and
 - (c) the court –
 - (i) may determine whether any other person is a dissenting shareholder who should be joined as a party;
 - (ii) must determine a fair value in respect of the shares of all dissenting shareholders, subject to subsection (16);

- (iii) in its discretion may –
 - (A) (aa) appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or
 - (bb) allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective, until the date of payment;
 - (iv) may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the court; and
 - (v) must make an order requiring –
 - (aa) the dissenting shareholders to either withdraw their respective demands or to comply with subsection (13)(a); and
 - (bb) the company to pay the fair value in respect of their shares to each dissenting shareholder who complies with subsection (13)(a), subject to any conditions the court considers necessary to ensure that the company fulfils its obligations under this section.
- 15A. At any time until the court has made an order contemplated in subsection (15)(c)(v), a dissenting shareholder may accept the offer made by the company in terms of subsection (11), in which case:
- (a) that shareholder must comply with the requirements of subsection 13(a); and
 - (b) the company must comply with the requirements of subsection 13(b).
16. The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.
17. If there are reasonable grounds to believe that compliance by a company with subsection (13)(b), or with a court order in terms of subsection (15)(c)(v)(bb), would result in the company being unable to pay its debts as they fall due and payable for the ensuing 12 months:
- (a) the company may apply to a court for an order varying the company's obligations in terms of the relevant subsection; and
 - (b) the court may make an order that:
 - (i) is just and equitable, having regard to the financial circumstances of the company; and
 - (ii) ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.
18. If the resolution that gave rise to a shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.
19. For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to –
- (a) the provisions of that section; or
 - (b) the application by the company of the solvency and liquidity test set out in section 4.
20. Except to the extent –
- (a) expressly provided in this section; or
 - (b) that the Panel rules otherwise in a particular case,
- a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person.



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The Independent Board
Absa Bank Limited
7th Floor, Absa Towers West
15 Troye Street
Johannesburg
2001

25 April 2025

Dear Sirs/Mesdames

REPORT OF THE INDEPENDENT PROFESSIONAL EXPERT TO ABSA BANK LIMITED REGARDING THE PROPOSED ACQUISITION BY ABSA BANK LIMITED OF ALL OR ALTERNATIVELY A PORTION ITS ISSUED NON-REDEEMABLE, NON-CUMULATIVE, NON-PARTICIPATING PREFERENCE SHARES BY WAY OF (I) A SCHEME OF ARRANGEMENT OR (II) A STANDBY OFFER

Introduction

In terms of the Firm Intention Announcement published by Absa Bank Limited ("Absa Bank" or the "Company") on the Stock Exchange News Service ("SENS") of the JSE Limited ("JSE") on 17 April 2025 ("FIA"), holders of non-redeemable, non-cumulative, non-participating preference shares in the issued capital of Absa Bank with a par value of 1 cent each ("Preference Shares") ("Preference Shareholders") were advised that the board of directors of Absa Bank ("Board" or "Directors") resolved to proceed with the steps required to repurchase all, or alternatively a portion, of the Preference Shares (held by Preference Shareholders), by way of two separate but concurrent offers comprising:

- an offer to all Preference Shareholders ("Scheme Participants") to acquire all of their Preference Shares for a cash consideration of ZAR 930.00 per Preference Share ("Scheme Consideration"), in accordance with the provisions of section 114(1), read with section 115(2)(a), of the Companies Act, 2008, as amended and substituted from time to time ("Companies Act"), by way of a scheme of arrangement between Absa Bank and the Preference Shareholders ("Scheme"), which, if successfully implemented will result in all the Preference Shares being repurchased and reverting to the authorised but unissued share capital of Absa Bank and subsequently delisted from the main board of the JSE; and
- separate to the Scheme, but concurrently with it, a general offer by Absa Bank to Preference Shareholders, in terms of section 48(2)(a) of the Companies Act, to repurchase all of their Preference Shares for a cash consideration of ZAR 930.00 per Preference Share ("Standby Offer Consideration") ("Standby Offer"), which Standby Offer may be accepted or rejected by Preference Shareholders (in whole or in part) and which will be implemented only if the Scheme fails and, if successfully implemented, will result in only those Preference Shares which have been voluntarily tendered being repurchased and reverting to the authorised but unissued share capital of Absa Bank, and the subsequent delisting of only those Preference Shares that are repurchased from the main board of the exchange operated by the JSE.

The Scheme and the Standby Offer are proposed concurrently on the basis that implementation of the Standby Offer will be conditional on, *inter alia*, the Scheme not becoming unconditional and operative. In this regard, where the Scheme becomes unconditional and operative, the Standby Offer will lapse. Alternatively, where the Scheme does not become unconditional and operative and the Standby Offer becomes wholly unconditional, the Standby Offer will become effective.

BDO Corporate Finance (Pty) Ltd
Registration number: 1983/002903/07
VAT number: 4250218718

BDO Corporate Finance (Pty) Ltd, a South African company, is an affiliated company of BDO South Africa Inc, a South African company, which in turn is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is an international network of independent public accounting, tax and advisory firms ("the BDO network"), which perform professional services under the name of BDO (BDO is the brand name for the BDO International network and for each of the BDO Member Firms).

The authorised and issued share capital of Absa Bank as at Wednesday, 16 April 2025, being the last practicable date prior to finalisation of the circular to Shareholders in respect of the Scheme and Standby Offer dated Friday, 2 May 2025 ("Circular") ("Last Practicable Date") is set out in the tables below:

Authorised share capital

320 000 000 ordinary shares of R1.00 each
 250 000 000 'A' ordinary shares of 1 cent each
 30 000 000 non-redeemable, non-cumulative, non-participating preference shares of 1 cent each

Issued share capital	ZAR (million)
302 609 369 ordinary shares of R1.00 each	303
145 691 959 'A' ordinary shares of 1 cent each	2
4 944 839 non-redeemable, non-cumulative, non-participating preference shares of 1 cent each	1
Ordinary Share premium account as at the Last Practicable Date	36 880
Preference Share premium account as at the Last Practicable Date	4 643
Total issued share capital:	41 828

Notes:

* There are no Preference Shares held as treasury shares by any subsidiary of Absa Bank.

Full details of the Scheme and Standby Offer are contained in the Circular, which will include a copy of this letter.

The interests of the Directors are set out in paragraph 13 of the Circular. In accordance with section 114(3)(e) and (f) of the Companies Act, we confirm that the Directors held no interests in Preference Shares and hence no opinion was expressed in terms of section 114(3)(f) of the Companies Act on the effect of the proposed Scheme and Standby Offer on such Directors.

Extracts of sections 115 and 164 of the Companies Act are set out in Annexure B of the Circular and are incorporated herein by reference for purposes of section 114(3)(g) of the Companies Act.

Independent expert report required in terms of the Companies Act and Companies Regulations

The independent non-executive directors of Absa Bank, appointed in terms of the regulations set out in Chapter 5 of the Companies Regulations, 2011, as amended and substituted from time to time and as promulgated in terms of section 223 of the Companies Act (the "Companies Regulations") (the "Takeover Regulations") as the independent board of Absa Bank for purposes of the Scheme and Standby Offer ("Independent Board") are required to retain an independent expert, who meets the requirements of section 114(2) of the Companies Act, to express an opinion dealing with the matters set out in section 114(3) of the Companies Act and regulations 90 and 110(1) of the Companies Regulations, on whether each of, the Scheme Consideration in relation to the Scheme and the Standby Offer Consideration in relation to the Standby Offer, are fair and reasonable to Preference Shareholders (the "Fair and Reasonable Opinion").

BDO Corporate Finance Proprietary Limited ("BDO Corporate Finance") has been appointed as the independent expert by the Independent Board to assess the Scheme and the Scheme Consideration and the Standby Offer and Standby Offer Consideration, respectively, as required in terms of section 114 of the Companies Act and Regulation 90 and 110 of the Companies Regulations, for the sole purpose of assisting the Independent Board in forming and expressing an opinion on the Scheme and Scheme Consideration and the Standby Offer and Standby Offer Consideration for the benefit of Preference Shareholders.

Responsibility

Compliance with the Companies Act and Companies Regulations is the responsibility of the Board and Independent Board. Our responsibility is to report to the Independent Board and Preference Shareholders on whether the terms and conditions of the Scheme and Scheme Consideration and the Standby Offer and Standby Offer Consideration, respectively, are fair and reasonable to Preference Shareholders.

Explanation as to how the terms "fair" and "reasonable" apply in the context of the Scheme and Standby Offer

The assessment of the "fairness" of a transaction is primarily based on quantitative considerations. A transaction will generally be considered fair to a company's shareholders if the benefits received by a shareholder, as a result of corporate action, are equal to or greater than the value surrendered by a shareholder.

The Scheme will be considered fair if the Scheme Consideration is equal to or more than the fair value per Preference Share and unfair if the Scheme Consideration is less than the fair value per Preference Share.

The Standby Offer will be considered fair if the Standby Offer Consideration is equal to or more than the fair value per Preference Share and unfair if the Standby Offer Consideration is less than the fair value per Preference Share.

The assessment of reasonableness of a transaction is generally based on qualitative considerations surrounding an offer. Hence, even though the consideration to be paid in respect of an offer may be lower than the fair value, the offer may be considered reasonable after considering other significant qualitative factors. The Scheme and the Standby Offer may be said to be reasonable if the Scheme Consideration and Standby Offer Consideration, are greater than the trading price of a Preference Share as at the time of announcement of the Scheme and Standby Offer, or at some other more appropriate identifiable time.

Details and sources of information

In arriving at our opinion, we have relied upon the following principal sources of information:

- The terms and conditions of the Scheme and Standby Offer;
- Discussions with Absa Bank management regarding the rationale for the Scheme and Standby Offer;
- The pre-listing statement dated 18 April 2006 relating to the proposed listing of the Preference Shares on the JSE;
- The Memorandum of Incorporation of the Company;
- Dividend history in respect of the Preference Shares;
- Published share price and transaction volume data in respect of the Preference Shares at 25 April 2006, being the initial date of listing of the Preference Shares, until the Last Practicable Date and assessment of the liquidity of the Preference Shares;
- Annual consolidated and separate financial statements of Absa Bank for the year ended 31 December 2024;
- The Johannesburg Interbank Average Rate (JIBAR) curve as at the Last Practicable Date; Absa Bank's credit rating and our assessment of market related borrowing costs applicable to Absa Bank;
- Discussions with Absa Bank management on prevailing market, economic, legal and other conditions which may affect underlying value of the Preference Shares;
- Preference Share price information of comparable preference share instruments in the market;
- Publicly available information relating to Financial Services sector in general; and
- Publicly available information relating to the Financial Services sector that we deemed to be relevant, including company announcements and media articles.

The information above was secured from:

- Management of Absa Bank; and
- Third party sources, including information related to publicly available economic, market and other data which we considered applicable to, or potentially influencing, Absa Bank.

Procedures

In arriving at our opinion, we have undertaken the following procedures and taken into account the following factors in evaluating the fairness and reasonableness of the Scheme and Standby Offer:

- Reviewed the terms and conditions of the Scheme and Standby Offer;
- Reviewed the financial information related to Absa Bank, as detailed above;
- Performed a valuation of the Preference Shares based on the net present value of forecast dividend cash flows discounted at an appropriate market-related rate of return;
- Considered the terms of the Preference Shares and corresponding terms for comparable instruments;
- Performed a sensitivity analysis on key assumptions included in the Preference Share valuations, specifically related to fair market yields;
- Assessed the long-term potential of Absa Bank;
- Evaluated the relative risks associated with Absa Bank and the Financial Services industry;

- Reviewed certain publicly available information relating to Absa Bank and the Financial Services sector that we deemed to be relevant, including company announcements and media articles;
- Where relevant, representations made by management of Absa Bank were corroborated to source documents or independent analytical procedures were performed by us, to examine and understand the industry in which Absa Bank operates, and to analyse external factors that could influence the business of Absa Bank; and
- Held discussions with the management of Absa Bank as to the strategy and the rationale for the Scheme and Standby Offer and considered such other matters as we considered necessary, including assessing the prevailing economic and market conditions and trends in the Financial Services sector.

Other considerations

In arriving at our opinion, we have considered, in addition to the procedures referred to above, other key qualitative factors as set out below:

- Rationale for the Scheme and Standby Offer as set out in the Circular.

Assumptions

We arrived at our opinion based on the following assumptions:

- That the Scheme and Standby Offer will have the legal, accounting and taxation consequences described in discussions with, and materials furnished to us by representatives of Absa Bank; and
- That reliance can be placed on the audited and unaudited financial information of Absa Bank.

Appropriateness and reasonableness of underlying information and assumptions

We satisfied ourselves as to the appropriateness and reasonableness of the information and assumptions employed in arriving at our opinion by:

- Reliance on the financial statements of Absa Bank;
- Determining the extent to which representations from management of Absa Bank were confirmed by documentary evidence as well as our understanding of Absa Bank and the economic environment in which the Company operates.

Limiting conditions

This opinion is provided in connection with and for the purposes of the Scheme and Standby Offer. The opinion does not purport to cater for each individual Preference Shareholder's perspective, but rather that of the general body of Preference Shareholders.

Individual Preference Shareholder's decisions regarding the Scheme and Standby Offer may be influenced by such Preference Shareholder's particular circumstances and accordingly individual Preference Shareholders should consult an independent advisor if in any doubt as to the merits or otherwise of the Scheme and Standby Offer.

We have relied upon and assumed the accuracy of the information provided to us in deriving our opinion. Where practical, we have corroborated the reasonableness of the information provided to us for the purpose of our opinion, whether in writing or obtained in discussion with management of Absa Bank, by reference to publicly available or independently obtained information. While our work has involved an analysis of, *inter alia*, the annual financial statements, and other information provided to us, our engagement does not constitute an audit conducted in accordance with generally accepted auditing standards.

Where relevant, forward-looking information of Absa Bank relates to future events and is based on assumptions that may or may not remain valid for the whole of the forecast period. Consequently, such information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods.

We have also assumed that the Scheme and Standby Offer will have the legal consequences described in discussions with, and materials furnished to us by representatives of Absa Bank and we express no opinion on such consequences.

Our opinion is based on current economic, regulatory and market as well as other conditions. Subsequent developments may affect the opinion, and we are under no obligation to update, review or re-affirm our opinion based on such developments.

Independence, competence and fees

We confirm that we have no direct or indirect interest in Ordinary Shares, Preference Shares or the Scheme and Standby Offer or any relationship as contemplated in section 114(2)(b) of the Companies Act, and specifically declare, as required by Regulation 90(6)(i) and Regulation 90(3)(a) of the Companies Regulations, that we are independent in relation to the Scheme and Standby Offer and will reasonably be perceived to be independent taking into account other existing relationships and appointments. We also confirm that we have the necessary competence to provide the Fair and Reasonable Report on the Scheme and Standby Offer and meet the criteria set out in section 114(2)(a) of the Companies Act.

Furthermore, we confirm that our professional fees of ZAR 299 500 (excluding VAT) are payable in cash and are not contingent upon the success of the Scheme and Standby Offer.

Valuation approach

The Preference shares are listed under the “Specialist Securities – Preference Shares” sector of the exchange operated by the JSE. Dividends are paid semi-annually at a rate of 70.0% of the average prime rate.

The fair value of the Preference Shares is yield-based, with the key value drivers and assumptions being:

- the current and forecast prime rate of interest;
- an appropriate market-related borrowing rate for Absa Bank, affected by:
 - prevailing risk-free rate: the JIBAR curve as at the Last Practicable Date as published was used to determine the risk-free rate;
 - A credit spread range over the risk-free rate to derive an expected borrowing rate; and
- The expected dividend payment dates and whether dividends will be paid in the future.

The Preference Shares were valued on a clean basis by discounting the expected cash flows (i.e. the expected dividends), at a market related borrowing rate. We assumed an appropriate credit spread range over the JIBAR curve (“Credit Spread”) to derive an expected borrowing rate applicable to Absa Bank.

The valuation was performed taking cognisance of risk and other market and industry factors affecting Absa Bank.

Key internal value drivers to the valuation of the Preference Shares are the credit rating applicable to Absa Bank which informs the Credit Spread, being BB- per Standard and Poor (“S&P”).

External value drivers are the JIBAR curve and the forecast prime lending rate.

In addition, a sensitivity analysis was performed in respect of the Credit Spread by increasing and decreasing the Credit Spread range by a maximum of 50 basis points.

The sensitivity analysis was applied to derive the value range, and in all instances, the fair value per Preference Share is below the Scheme Consideration and Standby Offer Consideration and as such did not have a sufficient effect on the valuation to alter our opinion in respect of the Scheme and Standby Offer.

Valuation results

In undertaking the valuation exercise above, we determined a valuation range for the Preference Shares of ZAR 838.10 to ZAR 900.11 per Preference Share with a most likely value of ZAR 866.02 per Preference Share, on a clean basis.

The valuation range above is provided solely in respect of this fair and reasonable opinion and should not be used for any other purposes.

Reasonableness of scheme consideration

The Scheme Consideration and Standby Offer Consideration are at a premium of 14.9%, to the 30-day volume weighted average price (“VWAP”) of the Preference Shares traded on the JSE up to (and including) the Last Practicable Date of ZAR 809.11. We note that preference dividend number 38, equal to 70% of the average prime rate for 1 September 2024 to 28 February 2025, per Preference Share was declared on 11 March 2025. Based on the average prime rate, the preference dividend payable for the period 1 September 2024 to 28 February 2025 amounts to 3 939.65753 cents per Preference Share. The last day to trade cum dividend was Tuesday, 22 April 2025.

Since the Scheme contemplates a repurchase of all, and not only some, Preference Shares, subject to the fulfilment (or waiver) of the Scheme Conditions Precedent, the Board intends to approve the distribution of a preference dividend equal to the preference dividend that will accrue in respect of the Preference Shares for the period from 1 March 2025 up to but excluding the date on which the Scheme becomes operative ("Scheme Operative Date") to Preference Shareholders who remain Preference Shareholders on the Scheme Operative Date, to be paid on or as soon as possible after the Scheme Operative Date. The VWAP referenced above includes the accrued preference dividend which will be paid separately to Preference Shareholders who are registered shareholders as at 22 April 2025 and at the Scheme Operative Date.

The Scheme Consideration and Standby Offer Consideration are above the higher end of the valuation range set out above.

The Scheme and Standby Offer will have a beneficial effect on the capital adequacy ratio of the Company.

Opinion

The Scheme Consideration and Standby Offer Consideration represent a premium of 14.9%, to the 30-day VWAP of the Preference Shares traded on the JSE up to (and including) the Last Practicable Date of ZAR 809.11 and are above the higher end of the range calculated from our valuation. The rationale for the Scheme and Standby Offer is set out in paragraph 3.2 of the Circular. In accordance with section 114(3)(d), we are not aware of any material adverse effects of the Scheme and Standby Offer.

BDO Corporate Finance has considered the proposed terms and conditions of the Scheme and Standby Offer in respect of the Scheme Consideration and Standby Offer Consideration.

Based upon and subject to the conditions set out herein, BDO Corporate Finance is of the opinion that Scheme Consideration in respect of the Scheme and Standby Offer Consideration in respect of the Standby Offer are fair and reasonable to Preference Shareholders.

Based on qualitative factors, we are of the opinion that the terms and conditions of the Scheme and Standby Offer are reasonable from the perspective of Preference Shareholders.

Our opinion is necessarily based upon the information available to us up to the Last Practicable Date, including in respect of the financial information as well as other conditions and circumstances existing and disclosed to us. We have assumed that all conditions precedent, including any material regulatory and other approvals or consents required in connection with the Scheme and Standby Offer have been or will be fulfilled or obtained.

Accordingly, it should be understood that subsequent developments may affect this opinion, which we are under no obligation to update, revise or re-affirm.

Consent

We consent to the inclusion of this letter and the reference to our opinion to be issued to Preference Shareholders in the form and context in which it appears.

Yours faithfully

BDO CORPORATE FINANCE PROPRIETARY LIMITED

Nick Lazanakis
Director
Wanderers Office Park
52 Corlett Drive
Illovo
2196

EXTRACTS OF THE CONSOLIDATED AUDITED HISTORICAL FINANCIAL STATEMENTS OF ABSA BANK FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2022; 2023 AND 2024

The historical financial information has been correctly extracted from the audited financial information for the years ended 31 December 2022; 2023; and 2024. The historical financial information is available on Absa Bank's website at <https://www.absa.africa/investor-relations/financial-results/>.

	2024	2023	Restated 2022
	Rm	Rm	Rm
Consolidated statement of financial position			
Assets			
Cash, cash balances and balances with central banks	83 581	41 510	37 344
Investment securities	173 104	151 777	128 439
Trading portfolio assets	168 664	144 427	156 071
Hedging portfolio assets	4 055	5 441	4 972
Other assets	14 494	17 264	17 263
Current tax assets	90	12	45
Non-current assets held for sale	115	191	90
Loans and advances	1 125 363	1 078 487	1 032 520
Loans to Group Companies	67 261	61 448	73 203
Investments in associates and joint ventures	2 142	1 839	1 725
Subsidiaries	–	–	–
Property and equipment	11 646	11 747	11 686
Goodwill and intangible assets	13 418	12 299	11 255
Deferred tax assets	3 876	4 360	4 695
Total assets	1 667 809	1 530 802	1 479 308
Liabilities			
Trading portfolio liabilities	63 624	58 493	91 397
Hedging portfolio liabilities	1 258	1 688	2 237
Other liabilities	25 650	30 370	23 817
Provisions	4 065	4 131	4 051
Current tax liabilities	131	219	381
Deposits	1 217 946	1 089 483	1 015 623
Debt securities in issue	207 341	209 895	203 275
Loans from Group Companies	10 500	12 831	9 152
Insurance contract liabilities	4	13	12
Borrowed funds	21 086	18 358	26 282
Deferred tax liabilities	154	12	23
Total liabilities	1 551 759	1 425 493	1 376 249
Equity			
Capital and reserves			
Ordinary share capital	304	304	304
Ordinary share premium	36 880	36 880	36 880
Preference share capital	1	1	1
Preference share premium	4 643	4 643	4 643
Additional Tier 1 capital	9 674	8 262	7 503
Retained earnings	58 412	52 142	52 752
Other reserves	6 136	3 077	975
Total equity	116 050	105 309	103 058
Total liabilities and equity	1 667 809	1 530 802	1 479 308

Absa Bank Limited	2024	2023	Restated 2022
Consolidated statement of comprehensive income	Rm	Rm	Rm
Net interest income	45 502	44 355	42 387
Interest and similar income	131 908	118 377	89 169
Effective interest income	129 009	115 608	87 254
Other interest income	2 899	2 769	1 915
Interest expense and similar charges	(86 406)	(74 022)	(46 782)
Non-interest income	24 121	21 180	21 687
Net fee and commission income	20 521	19 786	19 332
Fee and commission income	22 678	21 935	21 350
Fee and commission expense	(2 157)	(2 149)	(2 018)
Insurance service result	28	68	50
Insurance revenue	88	197	118
Insurance service expenses	(60)	(129)	(68)
Gains and losses from banking and trading activities	2 906	901	1 586
Gains and losses from investment activities	5	–	3
Other operating income	661	425	716
Total income	69 623	65 535	64 074
Credit impairment charges	(11 112)	(12 591)	(8 687)
Operating income before operating expenditure	58 511	52 944	55 387
Operating expenditure	(42 293)	(40 461)	(37 122)
Other expenses	(2 464)	(2 058)	(1 916)
Other impairments	(749)	(449)	(591)
Indirect taxation	(1 715)	(1 609)	(1 325)
Share of post-tax results of associates and joint ventures	196	114	132
Operating profit before income tax	13 950	10 539	16 481
Taxation expense	(2 492)	(2 170)	(4 292)
Profit for the reporting period	11 458	8 369	12 189
Profit attributable to:			
Ordinary equity holders	9 950	7 097	11 314
Preference equity holders	408	373	266
Other equity: Additional Tier 1 capital	1 100	899	609
	11 458	8 369	12 189
Earnings per share:			
Basic earnings per share (cents)	2 219.5	1 583.1	2 523.8
Diluted earnings per share (cents)	2 219.5	1 583.1	2 523.8
Profit for the reporting period	11 458	8 369	12 189
Other comprehensive income			
Items that will not be reclassified to profit or loss	(223)	(275)	(152)

Absa Bank Limited	2024	2023	Restated 2022
Consolidated statement of comprehensive income	Rm	Rm	Rm
Movement on equity instruments designated at fair value through other comprehensive income (FVOCI)	3	(5)	(1)
Fair value movements	4	(6)	(1)
Deferred tax	(1)	1	–
Movement of liabilities designated at fair value through profit or loss (FVTPL) due to changes in own credit risk	(200)	(241)	(151)
Fair value movements	(274)	(330)	(202)
Deferred tax	74	89	51
Movement in retirement benefit fund assets and liabilities	(26)	(29)	0
(Decrease)/Increase in retirement benefit surplus	(36)	25	(626)
Increase in retirement benefit deficit	–	(65)	590
Deferred tax	10	11	36
Items that are or may be subsequently reclassified to profit or loss	2 346	1 771	(3 567)
Movement in foreign currency translation reserve	(17)	(8)	2
Differences in translation of foreign operations	(17)	(8)	2
Movement in cash flow hedging reserve	1 766	1 963	(4 477)
Fair value movements	830	1 421	(3 439)
Amount released from other comprehensive income and recognised in profit or loss	1 590	1 268	(2 718)
Deferred tax	(654)	(726)	1 680
Movement in fair value of debt instruments measured at FVOCI	597	(184)	908
Fair value movements	820	(186)	1 291
Release to profit or loss	(2)	(66)	(7)
Deferred tax	(221)	68	(376)
Total comprehensive income for the reporting period	13 581	9 865	8 470
Total comprehensive income attributable to:			
Ordinary equity holders	12 073	8 593	7 595
Preference equity holders	408	373	266
Additional Tier 1 capital	1 100	899	609
	13 581	9 865	8 470

Absa Bank Limited	2024	2023	Restated 2022
Consolidated statement of cash flows	Rm	Rm	Rm
Cash flow from operating activities			
Profit before tax	13 950	10 539	16 481
Adjustment of non-cash items			
Depreciation and amortisation	4 711	4 909	4 924
Other impairments	749	449	591
Share of post-tax results of associates and joint ventures	(196)	(114)	(132)
Other non – cash items included in profit and before tax	1 196	880	(22)
Dividends received from investing activities	(85)	(55)	(58)
Cash flow from operating activities before changes in operating assets and liabilities	20 325	16 608	21 784
Net (increase) in operating assets	(94 874)	(43 335)	(125 939)
Net increase in operating liabilities	123 900	56 840	128 186
Income taxes paid	(2 008)	(2 335)	(3 967)
Net cash generated from operating activities	47 343	27 778	20 064
Cash flow from investing activities			
Proceeds from disposal of non-current assets held sale	136	–	54
Purchase of property and equipment	(2 107)	(1 779)	(1 612)
Proceeds from disposal of properties and equipment	27	158	64
Purchase of intangible assets	(3 688)	(3 823)	(3 246)
Dividends received from investing activities	17	–	31
Net cash utilised in investing activities	(5 615)	(5 444)	(4 709)
Cash flow from financing activities			
Distribution to the Group in respect of equity-settled share-based payments	(889)	(2 692)	(1 069)
Issue of Additional Tier 1 capital	3 090	2 000	1 999
Redemption of Additional Tier 1 capital	(1 678)	(1 241)	(1 500)
Proceeds of borrowed funds	5 219	2 158	1 916
Repayment of borrowed funds	(2 984)	(10 482)	(2 204)
Repayment of lease liabilities	(975)	(963)	(984)
Distribution to Tier 1 capital holders	(1 100)	(899)	(609)
Dividends paid	(3 609)	(5 623)	(6 766)
Net cash utilised in financing activities	(2 926)	(17 742)	(9 217)
Net increase in cash and cash equivalents	38 802	4 592	6 138
Cash and cash equivalents at the beginning of the reporting period	41 055	36 463	30 325
Cash and cash equivalents at the end of the reporting period	79 857	41 055	36 463

Absa Bank Limited																2024									
Consolidated statement of changes in equity	Number of ordinary shares '000	Share capital Rm	Share premium Rm	Pre-ference share capital Rm	Pre-ference share premium Rm	Additional Tier 1 Capital Rm	Retained earnings Rm	Total other reserves Rm	Fair value through other comprehensive income Rm	Cash flow hedging reserve Rm	Foreign currency trans-lation reserve Rm	Capital reserve Rm	Share-based payment reserve Rm	Associates and joint ventures reserve Rm	Total equity Rm										
Balance at the beginning of the reporting period	448 301	304	36 880	1	4 643	8 262	52 142	3 077	(142)	(1 250)	(7)	1 422	1 194	1 860	105 308										
Total comprehensive income	-	-	-	-	408	1 100	9 727	2 346	597	1 766	(17)	-	-	-	13 581										
Profit for the period	-	-	-	-	408	1 100	9 950	-	-	-	-	-	-	-	11 458										
Other comprehensive income	-	-	-	-	-	-	(223)	2 346	597	1 766	(17)	-	-	-	2 123										
Dividends paid during the reporting period	-	-	-	-	(408)	-	(3 201)	-	-	-	-	-	-	-	(3 609)										
Distributions paid during the reporting period	-	-	-	-	-	(1 100)	-	-	-	-	-	-	-	-	(1 100)										
Issuance of Additional Tier 1 capital	-	-	-	-	-	3 090	-	-	-	-	-	-	-	-	3 090										
Redemption of Additional Tier 1 capital	-	-	-	-	-	(1 678)	-	-	-	-	-	-	-	-	(1 678)										
Equity contribution from parent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-										
Net contribution to/distribution from the Group in respect of equity-settled share-based payment arrangements	-	-	-	-	-	-	(60)	-	-	-	-	-	-	-	(60)										
Movement in share-based payment reserve	-	-	-	-	-	-	-	475	-	-	-	-	475	-	475										
Transfer from share-based payment reserve	-	-	-	-	-	-	-	(655)	-	-	-	-	(655)	-	(655)										
Value of employee services	-	-	-	-	-	-	-	1 106	-	-	-	-	1 106	-	1 106										
Deferred tax	-	-	-	-	-	-	-	24	-	-	-	-	24	-	24										
Non-vested shares due to market condition	-	-	-	-	-	-	-	40	-	-	-	-	40	-	40										
Share of post-tax results of associates and joint ventures	-	-	-	-	-	-	(196)	196	-	-	-	-	-	196	-										
Balance at the end of the reporting period	448 301	304	36 880	1	4 643	9 674	58 412	6 136	455	516	(22)	1 422	1 709	2 056	116 050										

Absa Bank Limited															
2023															
	Number of ordinary shares '000	Share capital Rm	Share premium Rm	Pre-ference share capital Rm	Pre-ference share premium Rm	Additional Tier 1 Capital Rm	Retained earnings Rm	Total other reserves Rm	Fair value through other comprehensive income reserve Rm	Cash flow hedging reserve Rm	Foreign currency trans-lation reserve Rm	Capital reserve Rm	Share-based payment reserve Rm	Associates and joint ventures reserve Rm	Total equity Rm
Consolidated statement of changes in equity	448 301	304	36 880	1	4 643	7 503	52 752	975	42	(3 213)	1	1 422	977	1 746	103 057
Balance at the beginning of the reporting period	-	-	-	-	373	899	6 822	1 771	(184)	1 963	(8)	-	-	-	9 865
Total comprehensive income	-	-	-	-	373	899	7 097	-	-	-	-	-	-	-	8 369
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	(275)	1 771	(184)	1 963	(8)	-	-	-	1 496
Dividends paid during the reporting period	-	-	-	-	(373)	-	(5 250)	-	-	-	-	-	-	-	(5 623)
Distributions paid during the reporting period	-	-	-	-	-	(899)	-	-	-	-	-	-	-	-	(899)
Issuance of Additional Tier 1 capital	-	-	-	-	-	2 000	-	-	-	-	-	-	-	-	2 000
Redemption of Additional Tier 1 capital	-	-	-	-	-	(1 241)	-	-	-	-	-	-	-	-	(1 241)
Equity contribution from parent	-	-	-	-	-	-	100	-	-	-	-	-	-	-	100
Net contribution to/distribution from the Group in respect of equity-settled share-based payment arrangements	-	-	-	-	-	-	(2 168)	-	-	-	-	-	-	-	(2 168)
Movement in share-based payment reserve	-	-	-	-	-	-	-	217	-	-	-	-	217	-	217
Transfer from share-based payment reserve	-	-	-	-	-	-	-	(496)	-	-	-	-	(496)	-	(496)
Value of employee services	-	-	-	-	-	-	-	909	-	-	-	-	909	-	909
Deferred tax	-	-	-	-	-	-	-	(196)	-	-	-	-	(196)	-	(196)
Share of post-tax results of associates and joint ventures	-	-	-	-	-	-	(114)	114	-	-	-	-	-	114	-
Balance at the end of the reporting period	448 301	304	36 880	1	4 643	8 262	52 142	3 077	(142)	(1 250)	(7)	1 422	1 194	1 860	105 308

Absa Bank Limited		Restated 2022														
		Number of ordinary shares '000	Share capital Rm	Share premium Rm	Pre-ference share capital Rm	Pre-ference share premium Rm	Additional Tier 1 Capital Rm	Retained earnings Rm	Total other reserves Rm	Fair value through other comprehensive income reserve Rm	Cash flow hedging reserve Rm	Foreign currency translation reserve Rm	Capital reserve Rm	Share-based payment reserve Rm	Associates and joint ventures reserve Rm	Total equity Rm
Consolidated statement of changes in equity		448 301	304	36 880	1	4 643	7 004	48 841	4 046	(866)	1 264	(1)	1 422	613	1614	10 1719
Restated balance at the beginning of the reporting period																
Impact of adopting IFRS 17 at 1 January 2022		-	-	-	-	-	-	120	-	-	-	-	-	-	-	120
Restated balance at the beginning of the reporting period		448 301	304	36 880	1	4 643	7 004	48 961	4 046	(866)	1 264	(1)	1 422	613	1614	101 839
Total comprehensive income		-	-	-	-	266	609	11 162	(3 567)	908	(4 477)	2	-	-	-	8 470
Profit for the period		-	-	-	-	266	609	11 314	-	-	-	-	-	-	-	12 189
Other comprehensive income		-	-	-	-	-	-	(152)	(3567)	908	(4 477)	2	-	-	-	(3719)
Dividends paid during the reporting period		-	-	-	-	(266)	-	(6 500)	-	-	-	-	-	-	-	(6766)
Distributions paid during the reporting period		-	-	-	-	-	(609)	-	-	-	-	-	-	-	-	(609)
Issuance of Additional Tier 1 capital		-	-	-	-	-	1 999	-	-	-	-	-	-	-	-	1 999
Redemption of Tier 1 capital		-	-	-	-	-	(1 500)	-	-	-	-	-	-	-	-	(1 500)
Net contribution/distribution from/to the Group in respect of equity settled share-based payment arrangements		-	-	-	-	-	-	(739)	-	-	-	-	-	-	-	(739)
Movement in share-based payment reserve		-	-	-	-	-	-	-	364	-	-	-	-	364	-	364
Transfer from share-based payment reserve		-	-	-	-	-	-	-	(318)	-	-	-	-	(318)	-	(318)
Value of employee services		-	-	-	-	-	-	-	555	-	-	-	-	555	-	555
Deferred tax		-	-	-	-	-	-	-	126	-	-	-	-	126	-	126
Share of post-tax results of associates and joint ventures		-	-	-	-	-	-	(132)	132	-	-	-	-	-	132	-
Balance at the end of the reporting period		448 301	304	36 880	1	4 643	7 503	52 752	975	42	(3 213)	1	1 422	977	1 746	103 058

PREFERENCE SHARE TRADING HISTORY

Set out below is a table showing the average prices traded and the aggregate volumes and values traded in the Preference Shares for:

1. Each trading day during the 30-day period ended on the Last Practicable Date; and
2. Each month over the previous 12 months prior to the date of issue of this Circular.

	Close	High (Rands per preference share)	Low (Rands per preference share)	Volume (Preference shares)	Value (R'000)
Daily					
05/03/2025	82 890	85 479	82 200	4 764	397 249 984
06/03/2025	81 100	82 891	81 003	3 092	251 426 096
07/03/2025	81 800	82 000	81 800	2 025	165 777 792
10/03/2025	81 999	82 499	81 500	2 929	239 547 504
11/03/2025	81 700	82 000	81 700	3 487	285 528 512
12/03/2025	83 099	83 100	81 700	2 580	212 389 408
13/03/2025	83 457	84 000	82 213	1 067	89 144 288
14/03/2025	83 300	83 500	82 650	1 416	117 736 896
17/03/2025	81 501	83 200	81 501	2 306	189 608 304
18/03/2025	81 502	82 844	81 200	10 997	898 511 808
19/03/2025	83 257	83 257	82 000	245	20 190 580
20/03/2025	83 256	83 256	82 201	90	7 438 456
24/03/2025	82 899	83 249	82 000	1 936	159 143 504
25/03/2025	81 800	82 889	81 500	3 270	267 941 600
26/03/2025	81 999	82 000	81 600	3 266	267 397 200
27/03/2025	81 900	82 000	81 400	2 228	181 613 408
28/03/2025	82 200	83 192	81 900	2 137	175 420 304
31/03/2025	81 800	82 499	81 200	588	47 935 408
01/04/2025	81 800	81 821	81 350	1 072	87 658 656
02/04/2025	81 200	81 873	80 510	1 783	145 193 904
03/04/2025	81 000	81 999	81 000	4 341	352 258 912
04/04/2025	80 500	81 999	79 500	1 537	123 357 400
07/04/2025	79 500	80 199	78 850	8 180	650 390 976
08/04/2025	79 399	79 499	79 001	1 427	113 401 696
09/04/2025	78 480	79 199	72 251	8 248	631 943 424
10/04/2025	80 000	80 900	78 600	4 636	371 204 000
11/04/2025	79 999	81 000	79 000	3 851	307 978 112
14/04/2025	80 850	81 500	79 999	9 257	743 833 728
15/04/2025	82 000	82 000	80 502	6 225	504 124 288
16/04/2025	82 000	82 996	81 650	3 103	254 245 504

	Close	High (Rands per preference share)	Low (Rands per preference share)	Volume (Preference shares)	Value (R'000)
Monthly					
29/02/2024	76 100	76 750	74 311	41 838	3 175 823 616
29/03/2024	76 800	78 000	76 054	59 426	4 587 816 448
30/04/2024	72 199	77 100	70 800	113 554	8 430 886 400
31/05/2024	73 900	74 597	71 801	49 514	3 617 763 072
28/06/2024	74 245	76 498	72 401	50 247	3 713 524 992
31/07/2024	78 200	79 900	73 435	54 922	4 198 471 680
30/08/2024	81 601	84 999	78 500	48 708	3 911 307 776
30/09/2024	83 699	84 099	79 250	49 333	4 034 642 432
31/10/2024	85 000	87 600	82 500	55 490	4 629 611 008
29/11/2024	86 800	89 200	84 001	41 887	3 612 839 168
31/12/2024	87 199	88 999	85 000	36 021	3 124 999 936
31/01/2025	85 000	87 492	84 000	38 749	3 313 240 064
28/02/2025	83 975	85 480	79 101	49 374	4 097 147 648
31/03/2025	81 800	85 479	81 003	54 539	4 479 561 216



ABSA BANK LIMITED

(Incorporated in the Republic of South Africa)
(Registration number: 1986/004794/06)
JSE share code: ABSP ISIN: ZAE000079810
("Absa Bank" or "Company")

NOTICE OF SCHEME MEETING

If you are in any doubt as to what action you should take in respect of the Scheme Meeting and/or the following resolutions, please consult your Central Securities Depository Participant ("CSDP"), Broker, banker, legal advisor, accountant or other professional advisor immediately.

In addition to the definitions contained in this Notice of Scheme Meeting ("Notice"), the definitions and interpretations commencing on page 23 of the Circular to which this Notice is attached apply, mutatis mutandis, to this Notice and the resolutions proposed hereunder. Terms defined in one resolution, and used in another proposed resolution, shall bear the same meanings in this Notice, and, in particular, in the resolutions set out below.

Preference Shareholders are advised that:

- **a Preference Shareholder is entitled to attend and vote at the Scheme Meeting, is entitled to appoint one or more proxies to attend, speak and vote in its stead at the Scheme Meeting in the place of that Preference Shareholder, and Preference Shareholders are referred to the attached Form of Proxy (blue) in this regard;**
- **a proxy need not also be a Preference Shareholder; and**
- **in terms of section 63(1) of the Companies Act, any person attending or participating in a meeting of shareholders must present reasonably satisfactory identification to the chairperson, and the chairperson must be reasonably satisfied that the right of any person to participate in and vote (whether as a Preference Shareholder or as a proxy for a Preference Shareholder) has been reasonably verified.**

A. NOTICE OF MEETING OF PREFERENCE SHAREHOLDERS

Notice is hereby given of a meeting of Preference Shareholders to be held at **08h30 on Tuesday, 3 June 2025** (South African Standard Time) entirely by way of electronic communication as contemplated in section 63(2) (a) of the Companies Act or any other adjourned or postponed date and time in accordance with the provisions of section 64 of the Companies Act and the MOI, for Preference Shareholders to consider and, if deemed fit, to pass with or without modification, the special resolution set out below.

B. PURPOSE

The purpose of the meeting is to consider, and, if deemed fit, pass, without modification, the resolutions set out hereunder in the manner required by the Companies Act, the MOI and the Listing Requirements.

C. THE RECORD DATE

The Board has determined, in terms of section 62(3)(a), read with section 59 of the Companies Act, the record date for the purpose of determining which Preference Shareholders are entitled to (i) receive notice of the Scheme Meeting, is Thursday, 17 April 2025; and (ii) participate in and vote at the Scheme Meeting, is Friday, 30 May 2025. The last day to trade Preference Shares in order to be recorded in the Register on the Meetings Record Date, is Tuesday, 20 May 2025.

D. **CONDITIONS OF THE RESOLUTIONS**

Each of the proposed resolutions set out herein are concurrent but two separate offers by Absa Bank to repurchase all, or alternatively a portion, of the Preference Shares in from the Preference Shareholders to be implemented by way of either the (i) Scheme or (ii) Standby Offer:

RESOLUTIONS FOR CONSIDERATION AND ADOPTION

1. **SPECIAL RESOLUTION NUMBER 1: APPROVAL OF THE SCHEME IN TERMS OF SECTIONS 114(1)(C) AND 114(1)(E)(AS READ WITH SECTION 115(2)(A)) OF THE COMPANIES ACT**

“RESOLVED THAT, subject to the fulfilment or waiver (as the case may be) of the remaining Scheme Conditions Precedent set out in paragraph 5.4 of the Circular (other than any Scheme Condition Precedent referring to this Special Resolution Number 1), the Scheme (being a scheme of arrangement in terms of sections 114(1)(c) and 114(1)(e) of the Companies Act, the terms and conditions of which are set out more fully in the Circular), proposed by the Board between Absa Bank and the Scheme Participants, in terms of which Absa Bank will acquire (and the Scheme Participants will be deemed to have transferred and disposed to Absa Bank) all of the Scheme Shares for the Scheme Consideration, be and is hereby approved in terms of sections 114(1)(c) and 114(1)(e) (as read with section 115(2)(a)) of the Companies Act.”

Percentage of support required for Special Resolution Number 1

In order for this Special Resolution Number 1 to be adopted, it requires at least 75% of the voting rights entitled to be exercised by Preference Shareholders, present in person or by proxy, to vote in favour of the resolution in terms of section 115 of the Companies Act as read with the MOI, excluding any voting rights held by any person related to the offeror and/or acting in concert with the offeror. As at the Last Practicable Date, Absa Capital Securities Proprietary Limited is the only person who holds a beneficial interest in Preference Shares who shall be excluded from voting by virtue of it being related to the Company.

Explanatory note

The **reason** for this Special Resolution Number 1 is to obtain the required Preference Shareholder approval necessary in order for Absa Bank to implement the Scheme in terms of sections 114(1)(c) and 114(1)(e)(as read with section 115(2) (a)) of the Companies Act.

The **effect** of this Special Resolution Number 1 is that the Scheme will be approved by the Preference Shareholders and, if the Scheme becomes operative, Absa Bank will acquire all of the Scheme Shares from the Scheme Participants, and Scheme Participants will be deemed to have transferred and disposed all of their Scheme Shares to Absa Bank, in exchange for the Scheme Consideration.

IMPORTANT MEETING INFORMATION

Date: Tuesday, 3 June 2025

Time: The Scheme Meeting will start at 08:30

Admission: The Scheme Meeting will be conducted entirely electronic and the Preference Shareholders who wish to participate in the Scheme Meeting see prescribed procedures set forth in this Notice. Preference Shareholders wishing to participate in the Scheme Meeting electronically may register for participation on <https://meetnow.global/za> or contact the Transfer Secretaries at proxy@computershare.co.za or the Group Company Secretary, Nadine Drutman, at groupsec@absa.africa or nadine.drutman@absa.africa, by not later than **08h30 on Friday, 30 May 2025**. Proof of identification, as set out in this Circular must be provided. Preference Shareholders will have the opportunity to ask live/verbal questions and will also have the option to submit questions via text. See prescribed procedures set forth in the Circular under the title: "Electronic Participation at the Scheme Meeting".

PROXY AND VOTING PROCEDURE

GENERAL

Preference Shareholders entitled to attend and vote at the Scheme may appoint one or more persons as his/her proxy to attend, speak and vote on his/her behalf. Preference Shareholders wishing to register for electronic participation of the Scheme must confirm with the Transfer Secretaries that their Preference Shares are in fact registered in their own-name.

Should the Preference Shares be registered in any other name or in the name of a nominee company, it is the Preference Shareholder's responsibility to make the necessary arrangements with that party in whose name the Preference Shares are registered to be able to attend and vote in their personal capacity. The Form of Proxy (*blue*) contains detailed instructions in this regard.

ELECTRONIC PARTICIPATION AT THE SCHEME MEETING

The Scheme Meeting ("**Meeting**" or "**Meeting of Preference Shareholders**") will be conducted entirely by way of electronic communication (including voting) as contemplated by section 63(2)(a) of the Companies Act. Preference Shareholders wishing to participate electronically in the Scheme Meeting are required to follow the prescribed procedures set forth in the Circular under the title "*Electronic Participation*" in the section titled "*Actions required by Preference Shareholders in respect of the Scheme*".

VOTING REQUIREMENTS

As the Meeting will be conducted entirely by way of electronic participation, it will not be desirable nor practical for voting to take place by way of a show of hands. Accordingly, the chairperson has already determined that all voting will be by way of a poll through the facility provided by the electronic online facilities. See prescribed procedures set forth in the Circular under the title "*Electronic Participation*" in the section titled "*Actions required by Preference Shareholders in respect of the Scheme*". Since voting will be by way of a poll, the Preference Shareholders will be entitled to that proportion of the total votes in Absa Bank which the aggregate amount of the nominal value of all Preference Shares held by them bears to the aggregate amount of the nominal value of all Preference Shares issued by Absa Bank. That is, effectively the Preference Shareholders will be entitled at the Scheme Meeting, to exercise one vote for every Preference Share held by them and no other Shareholders other than the Preference Shareholders will be entitled to vote at the Scheme Meeting.

IDENTIFICATION

Section 63(1) of the Companies Act requires meeting participants (including proxies) to provide satisfactory identification to the person presiding the meeting. Accordingly, Absa Bank will regard the presentation of a valid *green* bar-coded or smart card identification document issued by the South African Department of Home Affairs, a valid South African driving licence or a valid passport to be satisfactory "documentation".

A Preference Shareholder or its representative or proxy, as the case may be, must deliver the necessary proof of their identification electronically to the Transfer Secretaries to be received by the Transfer Secretaries preferably by no later than **08h30 on Friday, 30 May 2025** for administrative purposes. Failure to do so may mean that the participant is unable to participate in the Scheme Meeting either at all, or promptly. Absa Bank and the Transfer Secretaries will not be liable for any failure by any Preference Shareholder or its representative or proxy, as the case may be, to timeously deliver the requisite identification as aforesaid.

DELIVERY OF COMPLETED PROXY

CERTIFICATED PREFERENCE SHAREHOLDERS AND DEMATERIALISED PREFERENCE SHAREHOLDERS WITH 'OWN-NAME' REGISTRATION

Certificated Preference Shareholders and "own-name" Dematerialised Preference Shareholders who are unable to participate in the Scheme Meeting but who wish to be represented thereat, are required to complete and return the attached Form of Proxy (*blue*) in respect of the Scheme Meeting, to the Transfer Secretaries, Computershare Investor Services Proprietary Limited at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132), post same to Computershare Investor Services (Pty) Ltd, Private Bag X9000, Saxonwold, 2132 or email same to proxy@computershare.co.za preferably by no later than **08h30 on Friday, 30 May 2025**.

Forms of Proxy not lodged with the Transfer Secretaries by **08h30 on Friday 30 May 2025**, may still be lodged by such Form of Proxy (*blue*) being emailed to the Transfer Secretaries and the Company Secretary at any time during the Scheme Meeting before voting occurs.

DEMATERIALISED SHAREHOLDERS WITHOUT 'OWN-NAME' REGISTRATION

Dematerialised Preference Shareholders, other than with "own-name" registration, who have not been contacted by their CSDP or Broker with regard to how they wish to cast their votes should contact their CSDP or Broker and instruct their CSDP or Broker as to how they wish to cast their votes at the Scheme Meeting in order for their CSDP or Broker to vote in accordance with such instructions. If the Dematerialised Preference Shareholder's CSDP or Broker does not obtain voting instructions from it by the cut-off time stipulated in the Custody Agreement, the CSDP or Broker will vote in accordance with instructions contained in such agreement. In accordance with the mandate between the Dematerialised Preference Shareholder and its CSDP or Broker, the Dematerialised Preference Shareholder must advise its CSDP or Broker if it wishes to participate in the Scheme Meeting in person, or if such Dematerialised Preference Shareholder wishes to send a proxy to represent it at the Scheme Meeting. The Dematerialised Preference Shareholder's CSDP or Broker will issue the necessary letter of representation to it or its proxy to participate in the Scheme Meeting. The necessary letter of representation (and supporting identification documents and, if applicable, Forms of Proxy) of Dematerialised Preference Shareholders without "own-name" registration must be delivered so as to reach the Transfer Secretaries in South Africa by no later than **08h30 on Monday, 2 June 2025**, to enable Absa Bank to timeously verify the identity of such Preference Shareholders and their proxies who wish to participate by way of electronic communication in the Scheme Meeting.

Although Dematerialised Preference Shareholders without "own-name" registration may be entitled to lodge their Forms of Proxy immediately before the Scheme Meeting, they are strongly encouraged to ensure the timeous receipt by the Transfer Secretaries of the above documents as well as the necessary identification documents. Due to the exigencies of the necessary verification exercise that must be completed to ensure that all attendees are lawful participants, it may not be possible to verify a Dematerialised Preference Shareholder promptly without "own-name" registration once the Scheme Meeting has commenced.

APPRAISAL RIGHTS OF DISSENTING PREFERENCE SHAREHOLDERS

Preference Shareholders are hereby advised of their Appraisal Rights in terms of section 164 of the Companies Act. A copy of section 164 of the Companies Act is set out in Annexure B to the Circular to which this Notice of Scheme Meeting is attached.

In terms of section 164 of the Companies Act, at any time before the Special Resolution Number 1 as set out in this Notice of Scheme Meeting is to be voted on, a Preference Shareholder may give Absa Bank a written notice objecting to the Scheme Resolution.

Within 10 (ten) Business Days after Absa Bank has adopted the Special Resolution Number 1 as set out in this Notice of Scheme Meeting, Absa Bank must send a notice that the Scheme Resolution has been adopted to each Preference Shareholder who is also a Dissenting Preference Shareholder who:

- gave Absa Bank a written notice of objection as contemplated above; and
- has neither withdrawn that notice nor voted in support of the Scheme Resolution.

A Dissenting Preference Shareholder may demand that Absa Bank pay the Dissenting Preference Shareholder the fair value for all of the Preference Shares held by such Dissenting Preference Shareholder if:

- the Dissenting Preference Shareholder has sent Absa Bank a notice of objection as contemplated above;
- Absa Bank has adopted the Scheme Resolution; and
- the Dissenting Preference Shareholder voted against the Scheme Resolution and has strictly complied with all of the procedural requirements of section 164 of the Companies Act.

Before exercising their rights under section 164 of the Companies Act, Preference Shareholders should have regard to the following factors relating to the Scheme:

- the Independent Expert Report set out in Annexure C to the Circular, which concludes that the terms of the Scheme are fair and reasonable to the Preference Shareholders; and
- the Court is empowered to grant a costs order in favour of, or against, a Dissenting Preference Shareholder, as may be applicable.

ENQUIRIES

Any shareholder having queries regarding the EGM or the above may contact the Group Company Secretary, Nadine Drutman, on +27 (0)11 350 5347 or groupsec@absa.africa.

By order of the Board

Nadine Drutman
Company Secretary

2 May 2025

Registered Office

Absa Towers West
15 Troye Street
Johannesburg
Gauteng
2000

Transfer secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
(Private Bag X9000, Saxonwold, 2132)

**FORM OF PROXY (BLUE) IN RESPECT OF THE SCHEME MEETING
(FOR USE BY CERTIFICATED PREFERENCE SHAREHOLDERS AND OWN-NAME
DEMATERIALISED PREFERENCE SHAREHOLDERS ONLY)**



ABSA BANK LIMITED

(Incorporated in the Republic of South Africa)
(Registration number: 1986/004794/06)
JSE share code: ABSP ISIN: ZAE000079810
("Absa Bank" or "Company")

FORM OF PROXY

Absa Group Limited
Registration number: 1986/003934/06
JSE share code: ABG
ISIN code: ZAE000255915
(Absa or the Company)

Record date to participate and vote: Friday, 23 May 2025

Shareholders participating via electronic communication must still submit completed proxy forms as provided for in the Notice of Annual General Meeting (AGM) for their votes to be counted.

To be completed by the Preference Shareholders to exercise their voting rights in respect of their Preference Shares

I/We

(name(s) in block letters)

of (address)

(address in block letters)

Email address:

Mobile contact number:

being the holder(s) of

Preference Shares, do hereby appoint (see note 1)

1. or failing them

2. or failing them

the chairperson of the Scheme Meeting as my/our proxy to act for me/us and on my/our behalf at the Scheme Meeting that will be held entirely by way of electronic communication, on **Tuesday, 3 June 2025**, at 08h30, for the purpose of considering and, if deemed fit, passing with or without modification the special resolution to be proposed at the Scheme Meeting and at any adjournment thereof, and to vote for and/or against the special resolution and/or to abstain from voting in respect of the Preference Shares registered in my/our name(s), in accordance with the following instructions:

	Number of votes (one vote per Preference Share)		
Special Resolution	In favour	Against	Abstain
Special Resolution Number 1 – Approval of the Scheme in terms of sections 114(1)(c) and 114(1)(e), read with section 115(2)(a), of the Companies Act			

Please indicate with an "X" in the appropriate spaces provided above how you wish your vote to be cast. If no indication is given, the proxy will be entitled to vote or abstain as he/she deems fit. A member of the Company entitled to attend and vote at the abovementioned meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the Company. Meeting participants will be required to provide satisfactory identification before being allowed to participate in the meeting.

On a poll, a person entitled to vote at the Scheme Meeting, present in person or by proxy, is entitled to that proportion of the total votes in the Company that the aggregate amount of the nominal value of the Preference Shares held or represented by them bears to the aggregate amount of the nominal value of all the Preference Shares issued by the Company and carrying the right to vote at the Scheme Meeting. That is, effectively the Preference Shareholders will be entitled at the Scheme Meeting, to one vote for every Preference Share held by them.

Proxies may delegate their authority in terms of this proxy to another person. Unless it is revoked earlier this proxy will lapse and cease to be of force and effect immediately after the Scheme Meeting to be held on Tuesday, 3 June 2025, at 08h30, or at any adjournment of the meeting, unless it is revoked earlier:

Signed at (place)	on (date)	2025
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Signature	
-----------	--

Assisted by me	
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(where applicable)

Please read the notes on the back.

Notes to Form of Proxy

Summary of the rights of a Certificated Preference Shareholder and/or "own-name" Dematerialised Preference Shareholder to be represented by proxy as contained in section 58 of the Companies Act, and notes to the Form of Proxy.

1. If two or more proxies attend the Scheme Meeting, then that person attending the Scheme Meeting whose name appears first on the proxy form and whose name is not deleted shall be regarded as the validly appointed proxy.
2. The chairman of the Scheme Meeting may reject or accept a form of proxy which is completed and/or received other than in accordance with these notes.
3. Any alteration to this proxy form, other than a deletion of alternatives, must be initialled by the signatories.
4. A minor must be assisted by his/her parent or legal guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Transfer Secretaries.
5. Each Preference Shareholder entitled to attend and vote at the Scheme Meeting is entitled to appoint one or more individuals (who need not be Preference Shareholders) as proxy/proxies to participate in, and speak and vote at the Scheme Meeting on behalf of that Preference Shareholder or to abstain from voting in the place of that Preference Shareholder.
6. The proxy/proxies may delegate their authority received from the Preference Shareholder to another person, subject to any restriction set out in this Form of Proxy.
7. A proxy appointment must be in writing, dated and signed by the Preference Shareholder appointing the proxy/proxies.
8. A Preference Shareholder may insert the name of a proxy or the names of two alternative proxies of the Preference Shareholder's choice in the space provided, with or without deleting "the chairperson of the Scheme Meeting". The person whose name stands first on this Form of Proxy and who is present at the Scheme Meeting will be entitled to act as proxy to the exclusion of the persons whose names follow. Further, a Preference Shareholder may appoint more than one proxy to exercise voting rights attached to different securities held by that Preference Shareholder.
9. A Preference Shareholder's instructions to the proxy/proxies must be indicated by the insertion of the relevant number of votes exercisable by that Preference Shareholder in the appropriate box provided. Failure to comply with this will be deemed to authorise the chairperson of the Scheme Meeting, if the chairperson is an authorised proxy, to vote in favour of the special resolution at the Scheme Meeting, or the appointed

proxy/proxies to vote or abstain from voting at the Scheme Meeting, without direction as they deem fit, in respect of all the Preference Shareholders' votes exercisable at the meeting.

10. A Preference Shareholder or their proxy/proxies is/are not obliged to vote in respect of all the Preference Shares held by the Preference Shareholder or represented by the proxy/proxies, but the total number of votes for or against the special and ordinary resolutions and in respect of which any abstention is recorded may not exceed the total number of votes to which the Preference Shareholder or their proxy/proxies is/are entitled.
11. Documentary evidence establishing the authority of a person signing this Form of Proxy in a representative capacity must be attached to this form. Examples of satisfactory identification include a valid identity card or document, driving licence or passport issued by the South African Department of Home Affairs.
12. Any alterations or corrections to this Form of Proxy must be initialled by the signatory/signatories.
13. The completion and lodging of this Form of Proxy will not preclude the relevant Preference Shareholder from attending the Scheme Meeting and speaking and voting in person at the Scheme Meeting to the exclusion of any proxy appointed in terms hereof, should such Preference Shareholder wish to do so, in which case this proxy will be suspended accordingly.
14. For a proxy/proxies to exercise any voting rights of a Preference Shareholder at the Scheme Meeting Forms of Proxy have to be lodged with or posted to the Transfer Secretaries, Computershare Investor Services Proprietary Limited at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X3000, Saxonwold, 2132), or email same to for administrative purposes preferably by no later than **08h30 on Monday, 2 June 2025**. Thereafter Forms of Proxy can be delivered by email to Computershare (proxy@computershare.co.za) no later **08h30 on Tuesday, 3 June 2025**, subject to the proxy instructions meeting all other criteria.
15. This Form of Proxy may be completed by Certificated Preference Shareholders and/or "own-name" Dematerialised Preference Shareholders who are unable to participate in the Scheme Meeting but who wish to be represented thereat.
16. Holders of Preference Shares (whether in the form of certificates or dematerialised) through a nominee, participant or broker should timeously make the necessary arrangements with that nominee or participant or broker on how they wish their votes to be cast on their behalf at the Scheme Meeting, guided by the terms of the agreement entered into between shareholders and that nominee, participant or broker.
17. If this Form of Proxy has been delivered to the Company in accordance with paragraph 13, and as long as that appointment remains in effect, any notice that is required by the Companies Act or the MOI to be delivered by the Company to a Preference Shareholder must be delivered by the Company to the Preference Shareholder; or to the Preference Shareholder's proxy/proxies if the Preference Shareholder has directed the Company to do so in writing and has paid any reasonable fees charged by the Company for doing so.
18. Except if a Preference Shareholder provides in this Form of Proxy that a proxy appointment is irrevocable, a Preference Shareholder may revoke the proxy appointment by:
19. Cancelling it in writing, or making a later inconsistent appointment of a proxy/proxies; and
20. Delivering a copy of the revocation instrument to the proxy/proxies and to the Transfer Secretaries, Computershare Investor Services Proprietary Limited at Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, (Private Bag X3000, Saxonwold, 2132), or email same to, to be received before the replacement proxy/proxies exercise(s) any rights of the Preference Shareholder at the Scheme Meeting or any adjournment of the meeting.
21. The revocation of a proxy appointment constitutes a complete and final cancellation of the authority of the proxy/proxies to act on behalf of the Preference Shareholder as of the later of:
 - 21.1 the date stated in the revocation instrument, if any; or
 - 21.2 the date on which the revocation instrument was delivered, as required in paragraph 18 above.
22. The Completed proxy forms should be delivered by email at proxy@computershare.co.za or by post to the transfer secretaries, Computershare Investor Services Proprietary Limited, at Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, (Private Bag X9000, Saxonwold, 2132) before the person(s) so empowered seeks to exercise any right granted to it under such instrument. To facilitate administration of the meeting, shareholders are encouraged to deliver proxy forms as soon as possible but not later than 24 hours to the start of the meeting, i.e. by 08h30 on Monday, 2 June 2025.

23. Proxy forms delivered on the day of the meeting must be delivered by email to the Transfer Office of the Company at proxy@computershare.co.za with a copy thereof to the Company Secretary of the Company at groupsec@absa.africa to be received by both of them before the person so empowered seeks to exercise any right granted to it under such instrument.
24. Where there are joint holders of shares:
- 24.1 any one holder may sign the form of proxy; and
- 24.2 the vote of the senior shareholder (for that purpose seniority will be determined by the order in which the names of the shareholders appear in the Company's register) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint shareholders.
25. Shareholders holding dematerialised shares (without "own name" registration) who wish to attend the Scheme Meeting must contact their participant or stockbroker, who will furnish them with the necessary letter of representation to attend the Scheme Meeting. Alternatively, such shareholders must instruct their participant or stockbroker as to how they wish to vote in this regard. This has to be done in terms of the custody agreement entered into between such shareholders and their participant or stockbroker.
26. **Summary of shareholders' rights**
- Set out below is a summary of a shareholder's rights in terms of section 58 of the Companies Act No. 71 of 2008:
- 26.1 At any time, a shareholder may appoint any individual, including an individual who is not a shareholder of that company, to participate in, speak and vote at a shareholders' meeting on behalf of the shareholder.
- 26.2 A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by such shareholder.
- 26.3 A proxy appointment must be in writing, dated and signed by the shareholder, and, subject to the rights of a shareholder to revoke such appointment (as set out below), remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment.
- 26.4 A proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.
- 26.5 The appointment of a proxy is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder.
- 26.6 The appointment of a proxy is revocable by the shareholder by cancelling it in writing or making a later inconsistent appointment of a proxy and delivering a copy of the revocation instrument to the proxy and to the company.
- 26.7 The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of (a) the date stated in the revocation instrument, if any, and (b) the date on which the revocation instrument is delivered to the company. If the instrument appointing a proxy or proxies has been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the Memorandum of Incorporation to be delivered by the company to the shareholder, must be delivered by the company to (a) the shareholder or (b) the proxy, if the shareholder has (i) directed the company to do so in writing and (ii) paid any reasonable fee charged by the company for doing so.

**FORM OF SURRENDER (PINK) IN RESPECT OF THE SCHEME
(FOR USE BY CERTIFICATED PREFERENCE SHAREHOLDERS ONLY)**



ABSA BANK LIMITED

(Incorporated in the Republic of South Africa)
(Registration number: 1986/004794/06)
JSE share code: ABSP ISIN: ZAE000079810
("Absa Bank" or "Company")

FORM OF SURRENDER

THIS FORM IS FOR USE BY CERTIFICATED SCHEME PARTICIPANTS ONLY

Important notes

The definitions and interpretations on pages 23 to 29 of the document to which this form is attached apply to this form. This form must be completed by all Certificated Scheme Participants.

If you are in any doubt as to the action you should take, please consult your banker, broker, attorney, accountant or other professional adviser immediately.

Instructions for completion:

A separate form is required for each Certificated Scheme Participant.

Part A must be completed by all Certificated Scheme Participants.

Part B must be completed by all Certificated Scheme Participants and who are emigrants from the Common Monetary Area and whose Preference Shares have not been released.

Part C must be completed by all Certificated Scheme Participants and who are non-residents of the Common Monetary Area or who are emigrants whose Preference Shares have been released and who wish to have the Scheme Consideration paid to an Authorised Dealer.

Part D must be completed by all Certificated Scheme Participants who wish to receive the Scheme Consideration by EFT.

To: Computershare Investor Services Proprietary Limited

If delivered by hand	If sent by mail
Computershare Investor Services Proprietary Limited (Registration number: 2004/003647/07) Rosebank Towers Biermann Avenue Rosebank 2196 South Africa	Private Bag X3000 Saxonwold 2132 South Africa

Dear Sirs

PART A – TO BE COMPLETED BY ALL CERTIFICATED SCHEME PARTICIPANTS WHO RETURN THIS FORM OF SURRENDER

I/We wish to surrender and enclose the under mentioned Documents of Title to such Preference Shares and authorise the Transfer Secretaries to transfer these Preference Shares to Absa Bank and cancel these Preference Shares.

Document(s) of Title

Certificate number(s)	Number of Preference Shares covered by each certificate
Total	

Surname or Name of corporate body

First names (in full)

Title (Mr. Mrs., Miss, Ms., etc.)

Address to which the Scheme Consideration should be sent (if different from the registered address) (preferably a PO Box)

Postal code

Country

Telephone ()

Telefax ()

Signature of Certificated Scheme Participant	Stamp and address of agent lodging this Form of Surrender (if any)
Date of signature	

PART B – TO BE COMPLETED BY ALL CERTIFICATED SCHEME PARTICIPANTS WHO ARE EMIGRANTS FROM THE COMMON MONETARY AREA AND WHOSE PREFERENCE SHARES HAVE NOT BEEN RELEASED

The Scheme Consideration due to Certificated Scheme Participants who are emigrants from the Common Monetary Area and whose Preference Shares have not been released will be forwarded to the Authorised Dealer controlling his/her blocked assets and credited to the emigrant's blocked account. Accordingly, a non-resident who is an emigrant from the Common Monetary Area must provide the following information:

Name of Authorised Dealer in South Africa

Address

Account number

If no nomination is made above, the payment of the Scheme Consideration will be held by the Transfer Secretaries until a written instruction is received as to the disposal of such amount.

PART C – TO BE COMPLETED BY CERTIFICATED SCHEME PARTICIPANTS WHO ARE NON-RESIDENTS OF THE COMMON MONETARY AREA OR WHO ARE EMIGRANTS WHOSE PREFERENCE SHARES HAVE BEEN RELEASED AND WHO WISH TO HAVE THE SCHEME CONSIDERATION PAID TO AN AUTHORISED DEALER

The Scheme Consideration due to Certificated Scheme Participants who have registered addresses outside South Africa (other than Scheme Participants who are emigrants from the Common Monetary Area and whose Preference Shares have not been released) and whose share certificates are endorsed non-resident will be posted to the relevant Scheme Participant, unless that Certificated Scheme Participant nominates an Authorised Dealer to which such Scheme Consideration should be paid.

Name of Authorised Dealer in South Africa or alternative instruction

Address

Account number

PART D – TO BE COMPLETED IN BLOCK CAPITALS BY CERTIFICATED SCHEME PARTICIPANTS WISHING TO RECEIVE PAYMENT OF THE SCHEME CONSIDERATION BY MEANS OF EFT

I/We, being a holder/s of Preference Shares, hereby request that the Scheme Consideration be electronically deposited into my/our bank account, the details of which are as follows:

Name of account holder (no third party accounts)

Bank name

Branch name

Branch code

Account number

Swift Number

IBAN Number

Signature of Preference Shareholder

Assisted by me (if applicable)

(State full name and capacity)

Date

Tel (Home) ()

Tel (Work) ()

Cell phone

Notes:

Any alteration to this Form of Surrender (*pink*) must be signed in full and not merely initialled.

1. Emigrants from the Common Monetary Area must complete Part B. If Part B is not properly completed, the Scheme Consideration will be held in trust by the Transfer Secretaries pending receipt of the necessary nomination or instruction. No interest will accrue or be paid on any Scheme Consideration so held in trust.
2. All other non-residents of the Common Monetary Area must complete Part C if they wish the Scheme Consideration to be paid to an Authorised Dealer in South Africa.
3. No receipt will be issued for documents lodged, unless specifically requested. Persons requiring receipts must prepare a receipt and forward it together with their Documents of Title surrendered.
4. If this Form of Surrender is signed under a power of attorney, then such power of attorney, or a notarially certified copy thereof, must be sent with this Form of Surrender for noting (unless it has already been noted by Absa Bank or its Transfer Secretaries).
5. Where the Certificated Scheme Participant is a company or a close corporation or other juristic person, unless it has already been registered with Absa Bank or its Transfer Secretaries, a certified copy of the directors' or members' or other resolution authorising the signing of this Form of Surrender must be submitted with this Form of Surrender, unless waived by Absa Bank.
6. A minor must be assisted by his or her parent or guardian unless the relevant documents establishing his or her legal capacity are produced or have been registered by the Transfer Secretaries.

7. Where there are joint holders of any Preference Shares, only that holder whose name stands first in the Register in respect of those shares need sign this Form of Surrender.
8. Persons who have acquired Preference Shares after the date of issue of the Circular can obtain copies of the Circular (including this Form of Surrender) from the Transfer Secretaries.
9. Notwithstanding transfer of ownership, the Scheme Consideration will not be sent to Certificated Scheme Participants unless and until Document(s) of Title in respect of the relevant Preference Shares have been surrendered to the Transfer Secretaries.

**FORM OF ACCEPTANCE AND SURRENDER (YELLOW) IN RESPECT OF THE STANDBY OFFER
(FOR USE BY CERTIFICATED ELIGIBLE PREFERENCE SHAREHOLDERS ONLY)**



ABSA BANK LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1986/004794/06)

JSE share code: ABSP ISIN: ZAE000079810

("Absa Bank" or "Company")

FORM OF ACCEPTANCE AND SURRENDER

THIS FORM IS FOR USE BY CERTIFICATED ELIGIBLE PREFERENCE SHAREHOLDERS ONLY

Important notes

The definitions and interpretations on pages 23 to 29 of the document to which this form is attached apply to this form. This form must be completed by all Certificated Eligible Preference Shareholders who wish to accept the Standby Offer.

If you are in any doubt as to the action you should take, please consult your banker, broker, attorney, accountant or other professional adviser immediately.

Instructions for completion:

A separate form is required for each Certificated Eligible Preference Shareholder.

- Part A** must be completed by all Certificated Eligible Preference Shareholders who wish to accept the Standby Offer.
- Part B** must be completed by all Certificated Eligible Preference Shareholders who wish to accept the Standby Offer and who are emigrants from the Common Monetary Area and whose Preference Shares have not been released.
- Part C** must be completed by all Certificated Eligible Preference Shareholders who wish to accept the Standby Offer and who are non-residents of the Common Monetary Area or who are emigrants whose Preference Shares have been released and who wish to have the Standby Offer Consideration paid to an Authorised Dealer.
- Part D** must be completed by all Certificated Eligible Preference Shareholders who wish to receive the Standby Offer Consideration by EFT

To: Computershare Investor Services Proprietary Limited

If delivered by hand	If sent by mail
Computershare Investor Services Proprietary Limited (Registration number: 2004/003647/07) Rosebank Towers Biermann Avenue Rosebank 2196 South Africa	Private Bag X3000 Saxonwold 2132 South Africa

Dear Sirs

PART A – TO BE COMPLETED BY ALL CERTIFICATED ELIGIBLE PREFERENCE SHAREHOLDERS WHO RETURN THIS FORM OF ACCEPTANCE AND SURRENDER

I/We wish to accept the Standby Offer in respect of Preference Shares held by me/us and I/we enclose the under mentioned Documents of Title to such Preference Shares and authorise the Transfer Secretaries to transfer these Preference Shares to Absa Bank and cancel these Preference Shares.

Document(s) of Title

Certificate number(s)	Number of Preference Shares covered by each certificate
Total	

Surname or Name of corporate body

First names (in full)

Title (Mr. Mrs., Miss, Ms., etc.)

Address to which the Scheme Consideration should be sent (if different from the registered address) (preferably a PO Box)

Postal code

Country

Telephone ()

Telefax ()

Signature of Certificated Eligible Preference Shareholder	Stamp and address of agent lodging this Form of Surrender (if any)
Date of signature	

PART B – TO BE COMPLETED BY ALL CERTIFICATED ELIGIBLE PREFERENCE SHAREHOLDERS WHO ARE EMIGRANTS FROM THE COMMON MONETARY AREA AND WHOSE PREFERENCE SHARES HAVE NOT BEEN RELEASED

The Standby Offer Consideration due to Certificated Eligible Preference Shareholders who are emigrants from the Common Monetary Area and whose Preference Shares have not been released will be forwarded to the Authorised Dealer controlling his/her blocked assets and credited to the emigrant's blocked account. Accordingly, a non-resident who is an emigrant from the Common Monetary Area must provide the following information:

Name of Authorised Dealer in South Africa

Address

Account number

If no nomination is made above, the payment of the Standby Offer Consideration will be held by the Transfer Secretaries until a written instruction is received as to the disposal of such amount.

PART C – TO BE COMPLETED BY CERTIFICATED ELIGIBLE PREFERENCE SHAREHOLDERS WHO ARE NON-RESIDENTS OF THE COMMON MONETARY AREA OR WHO ARE EMIGRANTS WHOSE PREFERENCE SHARES HAVE BEEN RELEASED AND WHO WISH TO HAVE THE STANDBY OFFER CONSIDERATION PAID TO AN AUTHORISED DEALER

The Standby Offer Consideration due to Certificated Eligible Preference Shareholders who have registered addresses outside South Africa (other than Certificated Eligible Preference Shareholders who are emigrants from the Common Monetary Area and whose Preference Shares have not been released) and whose share certificates are endorsed non-resident will be posted to the relevant Eligible Preference Shareholder, unless that Certificated Eligible Preference Shareholder nominates an Authorised Dealer to which such Standby Offer Consideration should be paid.

Name of Authorised Dealer in South Africa or alternative instructions

Address

Account number

PART D – TO BE COMPLETED IN BLOCK CAPITALS BY CERTIFICATED ELIGIBLE PREFERENCE SHAREHOLDERS WISHING TO RECEIVE PAYMENT OF THE STANDBY OFFER CONSIDERATION BY MEANS OF EFT

I/We, being a holder/s of Preference Shares, hereby request that the Standby Offer Consideration be electronically deposited into my/our bank account, the details of which are as follows:

Name of account holder (no third party accounts):

Bank name

Branch name

Branch code

Account number

Swift Number

IBAN Number

Signature of Shareholder

Assisted by me (if applicable)

(State full name and capacity)

Date:

Tel (Home) ()

Tel (Work) ()

Cell phone

Notes:

Any alteration to this Form of Acceptance and Surrender (*yellow*) must be signed in full and not merely initialed.

1. Emigrants from the Common Monetary Area must complete Part B. If Part B is not properly completed, the Standby Offer Consideration will be held in trust by the Transfer Secretaries pending receipt of the necessary nomination or instruction. No interest will accrue or be paid on any Standby Offer Consideration so held in trust.
2. All other non-residents of the Common Monetary Area must complete Part C if they wish the Standby Offer Consideration to be paid to an Authorised Dealer in South Africa.
3. No receipt will be issued for documents lodged, unless specifically requested. Persons requiring receipts must prepare a receipt and forward it together with their Documents of Title surrendered.
4. If this Form of Acceptance and Surrender is signed under a power of attorney, then such power of attorney, or a notarially certified copy thereof, must be sent with this Form of Acceptance and Surrender for noting (unless it has already been noted by Absa Bank or its Transfer Secretaries).
5. Where the Certificated Eligible Preference Shareholder is a company or a close corporation or other juristic person, unless it has already been registered with Absa Bank or its Transfer Secretaries, a certified copy of the directors' or members' or other resolution authorising the signing of this Form of Acceptance and Surrender must be submitted with this Form of Acceptance and Surrender, unless waived by Absa Bank.

6. A minor must be assisted by his or her parent or guardian unless the relevant documents establishing his or her legal capacity are produced or have been registered by the Transfer Secretaries.
7. Where there are joint holders of any Preference Shares, only that holder whose name stands first in the Register in respect of those shares need sign this Form of Acceptance and Surrender.
8. Persons who have acquired Preference Shares after the date of issue of the Circular can obtain copies of the Circular (including this Form of Acceptance and Surrender) from the Transfer Secretaries.
9. Notwithstanding transfer of ownership, the Standby Offer Consideration will not be sent to Certificated Eligible Preference Shareholders unless and until Document(s) of Title in respect of the relevant Preference Shares have been surrendered to the Transfer Secretaries.

ELECTRONIC PARTICIPATION IN THE SCHEME MEETING

- Where appropriate and applicable, the terms defined in the Circular to which this Notice of Scheme Meeting is attached and forms part, bear the same meanings in this Notice, and, in particular, in the resolutions set out below.
- Preference Shareholders or their proxies who wish to participate in the Scheme Meeting via electronic communication ("**Electronic Participants**"), must apply to Absa Bank's Transfer Secretaries and Company Secretary by no later than **08:30 on Friday, 30 May 2025**.
- Preference Shareholders or their proxies may submit their requests to Computershare via email to proxy@computershare.co.za.
- Preference Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own name" registration, should contact their CSDP, broker or custodian in the manner and time stipulated in their agreement with their CSDP, broker or custodian:
 - to furnish them with their voting instructions; and
 - in the event that they wish to attend the meeting, to obtain the necessary authority to do so.
- Electronic Participants will be able to vote during the Scheme Meeting through an electronic participation platform. Such Electronic Participants, should they wish to have their vote(s) counted at the Scheme Meeting, must provide Computershare Investor Services (Pty) Ltd with the information requested below.
- Each Preference Shareholder, who has complied with the requirements below, will be contacted via email with a unique username and password to allow them to participate in the virtual Scheme Meeting.
- The cost of the Electronic Participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her own telephone service provider.
- The cut-off time, for administrative purposes, to apply to participate in the Scheme Meeting will be **08h30 on Friday, 30 May 2025**.
- The Electronic Participant's unique access credentials will be forwarded to the email provided below.

APPLICATION FORM
Name and surname of Preference Shareholder
Name and surname of Preference Shareholder representative (If applicable)
Identity number/passport of Preference Shareholder or representative
Email address
Mobile number
Telephone number
Name of CSDP, Broker or Custodian
(If shares are held in dematerialised format)
SCA number/Broker account number/
Own name account number or Custodian Account number
Number of Preference Shares
Signature
Date

By signing this form, I agree and consent to the processing of my personal information above for the purpose of participation in the Scheme General.

Important: You are required to attach a copy of your identity/passport document when submitting the application.

TERMS AND CONDITIONS FOR PARTICIPATION AT THE SCHEME MEETING VIA ELECTRONIC COMMUNICATION

- The Electronic Participant acknowledges that the telecommunication lines/webcast/web-streaming are provided by a third party and indemnifies Absa Bank Limited, the Transfer Secretaries and/or its third party service providers against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/webcast/web-streaming, whether or not the problem is caused by any act or omission on the part of the Electronic Participant or anyone else. In particular, but not exclusively, the Electronic Participant acknowledges that he/she will have no claim against Absa Bank Limited, the Transfer Secretaries and/or its third party service providers, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web-streaming or any defect in it or from total or partial failure of the telecommunication lines/webcast/web-streaming and connections linking the telecommunication lines/webcast/web-streaming to the Scheme Meeting.
- Electronic Participants will be able to vote during the Scheme Meeting through an electronic participation platform. Such Electronic Participants, should they wish to have their vote(s) counted at the Scheme Meeting, must act in accordance with the requirements set out above.
- Once the Electronic Participant has received the meeting access credentials, the onus to safeguard this information remains with the Electronic Participant.
- The application will only be deemed successful if this application form has been fully completed and signed by the Electronic Participant and delivered or e-mailed to Computershare at proxy@computershare.co.za.

Preference Shareholder Name

Signature

Date
