

Absa Group Limited

Unaudited consolidated financial results for the interim reporting period ended 30 June 2025

Your story matters



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Financial director statement

These unaudited consolidated financial results for the interim reporting period ended 30 June 2025 were prepared by Absa Group Financial Control under the direction and supervision of the Group Financial Director, D Raju CA (SA) CFA. The Group Financial Director, who leads finance, reports directly to the Group Chief Executive Officer, K Fihla.

The Group Financial Director has regular unrestricted access to the Board of Directors and to the Group Audit and Compliance Committee (GACC). Finance is responsible for establishing a strong control environment over the Group's financial reporting processes and serves as an independent control function advising business management, escalating identified risks, and establishing policies or processes to manage risk.

Board approval

The Board of Directors oversees the Group's activities and holds management accountable to the risk governance framework. They review reports, exercise independent judgement, and challenge management decisions.

The Board, along with the GACC, has reviewed and approved the unaudited consolidated interim financial results (hereafter referred to as 'financial results') contained in the announcement released on the Stock Exchange News Service (SENS) on 18 August 2025. The GACC and the Board are satisfied that the details disclosed in the SENS are a fair presentation of the financial results and comply, in all material respects, with the relevant provisions of the South African Companies Act, JSE Listings Requirements, IFRS® Accounting Standards, IAS 34 Interim Financial Reporting (IAS 34), the Financial Pronouncements as issued by the Financial Reporting Standards Council and SAICA Financial Reporting Guides as issued by the Accounting Practices Committee.

Absa Group Limited

Unaudited consolidated financial results for the interim reporting period ended 30 June 2025

Authorised financial services and registered credit provider (NCRCP7)

Registration number: 1986/003934/06

Incorporated in the Republic of South Africa

JSE share code: ABG

ISIN: ZAE000255915

(Absa, Absa Group, the Group, or the Company)

The full announcement is available on the Company's website: <https://www.absa.africa/investor-relations/financial-results/>. Copies of the full announcement can also be requested by sending an email to groupsec@absa.africa.

Profit and dividend announcement

for the interim reporting period ended 30 June 2025

Profit commentary

The following commentary reflects the year-on-year (YoY) change in the Group's financial results for the six months ended 30 June 2025 versus the six months ended 30 June 2024. Any forward-looking financial information included is the sole responsibility of the Board and has not been reviewed or reported on by the Group's external auditors.

Salient features

- Diluted headline earnings per share (DHEPS) increased 16% to 1 422.9 cents.
- Declared a 15% higher ordinary dividend per share (DPS) of 785 cents.
- In terms of divisional headline earnings, Personal and Private Banking (PPB) increased 23% to R3 168m, Business Banking (BB) declined 12% to R1 712m, while Absa Regional Operations – Retail and Business Banking (ARO RBB) grew 35% to R1 092m and Corporate and Investment Banking (CIB) rose 10% to R6 440m. The loss in Head Office, Treasury and other operations decreased 47% to R538m.
- Return on equity (RoE) improved to 14.8% from 14.0%.
- Revenue grew 5% to R56.5bn and operating expenses rose 6% to R30.0bn, producing a slightly higher cost-to-income ratio of 53.2%.
- Pre-provision profit increased 4% to R26.4bn.
- Credit impairment charges declined 14% to R7.2bn, resulting in a 1.00% credit loss ratio from 1.23%.
- The Group's common equity tier 1 (CET 1) capital ratio decreased to 12.5% from 12.7%, remaining well above regulatory requirements and at the top end of the Board's target range of 11.0% to 12.5%.
- The Group's net asset value (NAV) per share grew 11% to 20 048 cents.

Basis of preparation of constant currency financial information

The constant currency (CCY) financial information presented in this section is considered pro forma financial information in terms of the JSE Limited Listings Requirements.

Constant currency pro forma financial information is presented to illustrate the impact of changes in the Group's major foreign currencies. The CCY pro forma financial information has been prepared for illustrative purposes only and, because of its nature, may not fairly present the Group's financial position, changes in equity, results of operations or cash flows. In determining the CCY pro forma financial information, amounts denoted in foreign currencies for the current period and prior period have been converted to Rand using the appropriate exchange rates as at 31 December 2024. The CCY pro forma financial information is the responsibility of the directors. This information has not been reviewed or reported on by the Group's external auditors.

Operating environment

The global economy entered 2025 on an uncertain footing, as the new US administration heralded an unprecedented flurry of highly consequential US domestic and global policy announcements, including dramatic increases in tariffs on goods entering the US. Though tariff discussions remain ongoing between the US and many countries, including South Africa, early fears of much higher US inflation and unemployment or much lower US or global growth have been largely absent in the first half economic data. Risks remain evident, however, particularly as the impact of the frequent, arbitrary, and often temporary changes in tariff rates on inflation, economic activity and investment may only reveal themselves later in the year. The US Federal Reserve left policy rates on hold through end-July, whereas policymakers in the UK, the EU and in many other western countries cut rates, while China introduced several measures to support economic growth. In addition, geopolitical tensions remained significant, as the conflicts in Ukraine and the Middle East continued.

In South Africa, economic data has generally disappointed, as a weak finish to 2024 left real GDP growth at 0.5% and first quarter GDP grew just 0.1%. Business and consumer confidence slipped early in the year, given significant tension within the government of national unity, with two failed attempts to agree a national budget, and as trade tensions with the US ratcheted higher. On a positive note, consumer inflation remained very low through the first half of the year, often below 3%, and this provided space for the Reserve Bank to continue reducing rates, which declined to 7.0% at the July MPC meeting. The Reserve Bank announced in late July that it will target inflation of 3%.

Economic growth was mixed across our other African markets so far this year. Ghana's economy has strengthened further, with strong gold export revenues supporting the sharp rally in the Cedi, which resulted in rapidly decelerating inflation and a large policy rate cut. Zambia's economy is also rebounding from last year's devastating drought, while East African markets continued to perform strongly even as fiscal concerns remain for Kenya on the back of lingering social tensions and the inability to raise tax revenues. Meanwhile, the crisis in the global diamond industry has further impacted Botswana's economy, deepening the country's fiscal challenges. Moreover, the fiscal crisis in Mozambique also continues to weigh on the economy, although authorities are in talks with the IMF on a new funded program.

Profit and dividend announcement

for the interim reporting period ended 30 June 2025

Overview of results

The Group's headline earnings grew 17% to R11 874m and DHEPS increased 16% to 1 422.9 cents. The ordinary DPS rose 15% to 785 cents, a payout ratio of 55%. The Group's RoE improved to 14.8% from 14.0% and its return on average assets rose to 1.14% from 1.04%.

Revenue grew 5% to R56 487m, as net interest income rose 3% to R36 307m and non-interest income increased 10% to R20 180m. The Group's net interest margin on average interest-bearing assets reduced to 4.58% from 4.69%, largely due to a decline in deposit margin. Net loans and advances grew 8% to R1 412bn, while deposits rose 13% to R1 578bn. Operating expenses increased 6% to R30 044m resulting in a slightly higher cost-to-income ratio of 53.2% from 52.7%. Pre-provision profit grew 4% to R26 443m. Credit impairment charges fell 14% to R7 173m, producing a 1.00% credit loss ratio from 1.23%.

PPB headline earnings increased 23% to R3 168m, while BB declined 12% to R1 712m. ARO RBB's headline earnings grew 35% to R1 092m and CIB increased 10% to R6 440m. The loss in Head Office, Treasury and other operations decreased 47% to R538m.

On a geographic basis, South African headline earnings increased 19% to R7 828m, while Africa regions increased 13% to R4 046m. Africa regions contributed 32% of total revenue and 34% of Group earnings.

Group performance

Statement of financial position

Total assets rose 11% to R2 160bn, driven by 8% growth in net loans and advances, a 13% increase in cash, cash balances and balances with central banks, and 20% higher trading portfolio assets.

Loans and advances

Total net loans and advances grew 8%, to R1 412bn, reflecting 7% higher net loans and advances to customers to R1 319bn, while net loans and advances to banks increased 27% to R93bn. Excluding 75% higher reverse repurchase agreements, total net loans grew 4% to R1 290bn. PPB net loans and advances to customers rose 3% to R517bn, as Home Loans grew 2% to R313bn and Vehicle and Asset Finance increased 5% to R122bn. BB net loans and advances to customers grew 5% to R154bn, driven by growth in commercial property finance and working capital. ARO RBB net loans and advances to customers grew 9% to R91bn or 8% in CCY, with strong growth in mortgages, card and mobile lending. CIB net loans and advances to customers increased 12% to R553bn. CIB SA net loans and advances to customers grew 12% to R462bn, given 59% higher reverse repurchase agreements, excluding which it rose 6%. CIB ARO net loans and advances to customers grew 9% to R91bn, also up 9% in CCY.

Funding

Total deposits rose 13% to R1 578bn, with deposits due to customers up 11% and the same in CCY to R1 402bn. Total deposits from banks grew 32% to R176bn. Excluding 63% higher reverse repurchase agreements, total deposits increased 10% to R1 442bn. Total deposits constituted 89% of Group funding. PPB customer deposits grew 7% to R363bn, with fixed deposits up 3% to R93bn and savings and transmission deposits 10% higher to R197bn, while cheque account deposits grew 6% to R41bn. BB customer deposits rose 8% to R235bn, as savings and transmission deposits grew 16% to R98bn, fixed deposits decreased 6% to R34bn and cheque account deposits rose 9% to R79bn. ARO RBB customer deposits grew 17%, or 15% in CCY, to R150bn. Total CIB deposits rose 18%, to R659bn, with customer deposits up 15% to R539bn, while bank deposits grew 36% to R120bn. Average CIB customer deposits rose 14%. CIB SA deposits due to customers grew 17% to R420bn, with cheque deposits increasing 10%. CIB ARO deposits due to customers rose 8% to R119bn, or 7% in CCY.

Net asset value

The Group's NAV increased 11% to R166bn and NAV per share grew 11% to 20 048 cents. Other reserves contributed to the growth, more than doubling to R9.9bn, given substantial positive YoY swings in the cash flow hedging reserve and foreign currency translation reserve. During the first half of 2025 the group generated R11.2bn of attributable profit and paid dividends of R6.4bn.

Capital to risk-weighted assets (RWA)

Group RWA grew 14% to R1 222bn, given 11% higher credit risk RWA, while market risk and operational risk rose 48% and 22% respectively. The Group remains well capitalised, comfortably above minimum regulatory capital requirements. The Group CET 1 ratio decreased slightly to 12.5% from 12.7% although it remains at the top end of the Board target range of 11.0% to 12.5%. The Group Tier 1 ratio declined to 14.0% from 14.6%, while the total capital adequacy ratio decreased to 15.2% from 15.9%.

Statement of comprehensive income

Net interest income

Net interest income increased 3% to R36 307m, with average interest-bearing assets up 5%. The Group's net interest margin decreased to 4.58% from 4.69%, largely due to deposit margin compression. South Africa's net interest margin reduced to 3.77% from 3.93% and Africa regions narrowed to 7.80% from 7.85%. Customer loans and advances had a 6bps negative impact on the Group margin, mostly from tighter pricing plus higher suspended interest in Business Banking. Loan mix had a 1bp negative impact given faster loan growth in CIB than Unsecured Lending in PPB.

Profit and dividend announcement

for the interim reporting period ended 30 June 2025

Group performance

Statement of comprehensive income *continued*

Customer deposits reduced the overall margin by 17bps, reflecting pricing pressure, particularly in Corporate Banking SA and ARO RBB on lower policy rates across most markets. Deposit composition improved the NIM by 4bps, on lower wholesale funding and faster growth in higher margin deposits in ARO RBB, while PPB high-margin deposits decreased and lower margin deposits grew faster in BB and CIB. Lower policy rates reduced the deposit endowment by 6bps. South Africa's equity endowment reduced the margin by 3bps, given lower rates. ARO's equity endowment added 6bps due to growth in equity.

In South Africa, the structural hedge released a R313m charge to the income statement, 8bps less than the R923m charge in 1H24. The average structural rate earned on the programme increased 14bps to 7.25%. The after-tax cash flow hedging reserve relating to the programme reflected a credit balance of R1.2bn as at 30 June 2025, from a debit of R1.1bn at 30 June 2024. The total YoY endowment impact after hedging in South Africa added 5bps to the Group margin.

Non-interest income

Non-interest income increased 10%, or 9% in CCY, to R20 180m and accounted for 36% of Group revenue from 34%. Net fee and commission income grew 5% to represent 65% of total non-interest income. Fee and commission income rose 7%, as transactional fees and commissions increased 4% on increased customer numbers. Fee and commission expense increased by 18%, driven by new fund management agreements entered into in June 2024, as well as higher transactional volumes and price increases. Merchant income grew 27% to R1 788m on 7% turnover growth.

Net trading income excluding the impact of hedge accounting increased 36% to R5 108m. Global Markets income rose 29%, or 28% in CCY, to R5 438m, with Markets SA increasing 54% to R2 699m and Markets ARO growing 12% to R2 739m. In aggregate, the net insurance income grew 5% to R1 539m, with the insurance service result up 4%. Insurance SA rose 3%, due to 16% higher Non-Life Insurance, as Life Insurance decreased 2% because of lower unsecured loan production. ARO Insurance total non-interest income declined 17% reflecting the sale of three entities. Other operating income fell 55% to R213m mainly due to lower income from unallocated funds and losses on disposal of assets and liabilities held for sale under IFRS 5.

Credit impairment charges

Credit impairment charges declined 14%, or 13% in CCY, to R7 173m, as lower credit charges in PPB and CIB outweighed increases in BB and ARO RBB. The credit loss ratio improved to 100bps, at the top end of the through-the-cycle target range of 75bps to 100bps, from 123bps.

PPB credit impairments fell 16% to R5 307m, improving its credit loss ratio to 1.93% from 2.34%. Within this, Home Loans fell 3% to R747m, resulting in a credit loss ratio of 0.47%. The improvement reflects improved trends in the pre-legal book. Vehicle and Asset Finance credit impairments fell 26% to R1 044m, due to revised

credit policies, exiting specific higher risk segments and collections actions. Its credit loss ratio improved to 1.66% from 2.32%. Unsecured Lending credit impairments declined 11% to R3 289m, resulting in a 7.66% credit loss ratio, driven by proactive risk management, enhanced collections and late stage portfolio sales.

BB credit impairments grew 23% to R494m, resulting in a 0.64% credit loss ratio, slightly above its through-the-cycle range, from 0.54%. The increase is primarily due to provisions for single names.

ARO RBB credit impairments increased 15%, or 14% in CCY, to R818m, largely due to higher retail charges, partially offset by improved macros in some markets and collections in Business Banking. Its credit loss ratio rose to 1.69% from 1.61%, which remains below its through-the-cycle range.

CIB credit impairments fell 44% to R516m, driven by lower single name charges. Its credit loss ratio improved to 0.18%, slightly below its through-the-cycle range, from 0.33%. CIB SA credit impairments fell 58% to R358m, resulting in a 0.15% credit loss ratio from 0.37%. CIB ARO credit impairments increased to R158m charge from R62m, producing a credit loss ratio of 0.32%.

Non-performing loans (NPLs) decreased to 5.90% of gross loans and advances from 6.14% (and 6.12% as at 31 December 2024), given lower BB and flat PPB NPLs.

Total Group coverage declined to 3.99% from 4.21%, and 4.13% as at 31 December 2024. Stage 1 coverage reduced slightly to 0.59% from 0.64%, mostly due to improved new business performance in PPB. Stage 2 coverage decreased to 5.74% from 6.66%, driven by PPB (across all portfolios), while CIB, ARO RBB and BB all increased. Stage 3 coverage declined to 46.9% from 47.1% because of single name write-offs with high coverage in CIB and BB, which offset higher PPB coverage due to pressure on late stage NPLs in the secured books.

Operating expenses

Operating expenses grew 6% to R30 044m, increasing the cost-to-income ratio to 53.2%. Staff costs rose 7% to R17 294m to account for 58% of total operating expenses, largely reflecting inflationary salary increases. Deferred cash and share-based payments grew 3%, while bonuses rose 9%.

Non-staff costs grew 5% to R12 750m. Within this, IT costs increased 7% to R3 581m, given continued investment in new digital capabilities and increased cybersecurity spend. Amortisation of intangible assets grew 3% to R1 429m, although excluding the impact of separation from Barclays PLC, the increase was 29% due to further investment in digital, automation and data capabilities that increased goodwill and intangible assets to R16bn. Total IT spend, including staff, amortisation, and depreciation, increased 5% to R8 190m, or 27% of Group expenses. Marketing costs rose 6% to R1 169m with higher brand, campaigns and sponsorship spend. Professional fees grew 6% to R1 435m given spend on strategic projects.

Profit and dividend announcement

for the interim reporting period ended 30 June 2025

Group performance

Statement of comprehensive income *continued*

Property costs increased 1% to R981m and depreciation rose 2% to R1 583m as continued optimisation of the Group's property portfolio offset investment into retail branch upgrades. Equipment costs grew 25%, largely due to investment in merchant devices. Cash transportation costs reduced 18% to R506m, due to lower charges in part supported by cash optimisation projects.

Other expenses

Other expenses declined 5% to R1 961m, driven by no longer applying hyperinflationary accounting to the results of Absa Bank Ghana and 4% lower indirect taxation.

Taxation

The taxation expense increased 26% to R4 530m, higher than profit before tax that grew 16%, as capital losses on the sale of three Africa regions insurance entities were not deductible and 5% lower exempt dividend income. The resulting effective tax rate rose to 25.9% from 23.8%.

Segment performance

The Group's operating segments changed during the period, with Product Solutions Cluster, Everyday Banking and Private Wealth Banking (previously part of Relationship Banking) combined into Personal and Private Banking. Relationship Banking was renamed Business Banking. Moreover, central costs were allocated to the business units, including the Group's Broad-Based Black Economic Empowerment and staff incentivisation transaction, as well as depositor insurance costs. These costs were previously reported in Head Office, Treasury and other operations. In addition, business unit and geographic return on regulatory capital (RoRC) calculations now use a 12% capitalisation rate versus 11% previously. Consequently, the interim and prior year segmental financial results have been restated.

Corporate and Investment Banking

Headline earnings grew 10%, or 9% in CCY, to R6 440m, driven by 5% pre-provision profit growth and lower credit impairments. Revenue increased 7% to R17 578m. Net interest income grew 3%, with customer loans and advances and deposits up 12% and 15% respectively, partially offset by 20bps net interest margin compression. Non-interest income rose 14%, with Global Markets revenue up 29% outweighing favourable non-recurring private equity revaluations in the base. Net fee and commission income was flat due to volume and pricing pressure in Corporate. Operating expenses grew 9% to R7 819m, resulting in a cost-to-income ratio of 44.5% from 43.5%. The cost growth reflected higher amortisation, inflationary pressure across key markets and continued investment in people and technology. Credit impairments fell 44% to R516m, reducing the credit loss ratio to 0.18% from 0.33%, due to lower single name charges. CIB's RoRC was unchanged at 21.8%. It contributed 52% of Group headline earnings, excluding Head Office, Treasury and other operations.

Within CIB, Corporate Bank headline earnings fell 7% to R2 128m, as pre-provision profit decreased 9%, partially offset by credit impairments declining 85%. Investment Bank headline earnings grew 20% to R4 312m, as pre-provision profit grew 15% on 13% revenue growth and credit impairments decreased 30%.

CIB SA headline earnings grew 16% to R3 606m, as 4% pre-provision profit growth combined with 58% lower credit impairments. CIB ARO headline earnings rose 3%, or 2% in CCY, to R2 834m, reflecting 7% growth in pre-provision profit while credit impairments rose significantly off a low base.

Personal and Private Banking

Headline earnings increased 23% to R3 168m, due to credit impairments decreasing 16% to R5 307m. Pre-provision profit declined 3% to R10 109m. Revenue rose 1% to R21 784m, driven by 4% higher non-interest income, with net fee and commission income up 5%. Net interest income decreased 1% due to modest 3% growth in net customer loans and margin compression. Operating expenses grew 5% to R11 675m on continued investment in digital capabilities and technology, increasing the cost-to-income ratio to 53.6% from 51.7%. PPB generated a RoRC of 14.8% from 12.7% and contributed 26% of Group headline earnings excluding Head Office, Treasury and other operations.

Within PPB, Transactions and Deposits headline earnings declined 2% to R1 492m, as 46% lower credit impairments partially offset 8% lower pre-provision profits. Home Loans headline earnings grew 8% to R775m, as credit impairments fell 3% and pre-provision profit increased 2% due to 3% revenue growth and 6% higher operating expenses. Vehicle and Asset Finance headline earnings grew significantly to R332m from R39m, driven by 26% lower credit impairments, while pre-provision profit declined 2% on 8% higher costs exceeding 2% revenue growth. Unsecured Lending headline earnings more than doubled to R269m, because of 11% lower credit impairments, while pre-provision profit decreased 6% due to 1% lower revenue and 8% higher costs. Within Unsecured Lending, Card headline earnings grew 93% to R316m, while Personal Loans decreased 1% to R41m. Insurance SA headline earnings rose 12% to R614m, improving its RoE to 21.4%. Life profits increased 5% to R440m, while Non-Life profits grew 25% to R179m mostly due to improved claims.

Business Banking

Headline earnings decreased 12% to R1 712m, due to 23% higher credit impairments and 7% lower pre-provision profit at R3 048m. Revenue was flat at R7 528m. Net interest income grew 1% on the back of 5% growth in customer loans and 8% higher customer deposits, mostly offset by margin compression. Non-interest income decreased 3%, due to the classification of processing costs. Excluding this, it grew 2% reflecting 9% growth in acquiring, partially offset by lower cash volumes and transactional revenue. Operating expenses grew 5% to R4 480m, resulting in a 59.5% cost-to-income ratio from 56.7%. Excluding the change in cash processing costs, costs increased 5%, due to several once-off items. Credit impairments rose 23% to R494m, producing a 0.64% credit loss ratio, given single name provisions. BB generated a RoRC of 19.1% from 22.1% and contributed 14% of Group headline earnings excluding Head Office, Treasury and other operations.

Profit and dividend announcement

for the interim reporting period ended 30 June 2025

Segment performance

Absa Regional Operations– Retail and Business Banking

Headline earnings grew 35% to R1 092m, up 28% in CCY. Within this, Banking operation headline earnings rose 42% or 36% in CCY to R1 108m, given 22% higher pre-provision profit. Banking revenue grew 14%, or 13% in CCY, with net interest income up 15%, reflecting balance sheet growth and margin expansion. Non-interest income increased 11%, driven by 15% growth in transactionally active customers. Operating expenses grew 9% and 9% in CCY, resulting in a cost-to-income ratio of 63.4%. Credit impairments increased 15%, due to a higher retail charge, but remains below its through-the-cycle target. ARO Insurance headline earnings fell materially to a R16m loss, reflecting the sale of three entities. ARO RBB generated a RoRC of 14.5% from 12.2% and contributed 9% of Group headline earnings excluding Head Office, Treasury and other operations.

Head office, Treasury and other operations

The headline earnings loss fell 47% to R538m, largely reflecting two items. Firstly, higher earnings in Treasury South Africa due to asset and liability management and prime-jibar remarks. Secondly, discontinuing hyperinflationary accounting in Ghana this year versus a R253m loss in the base.

Geographic split

South Africa

Headline earnings increased 19% to R7 828m, although pre-provision profit was flat at R17 377m. Revenue grew 3% to R38 269m, constituting 68% of Group revenue. Net interest income was flat as margin compression offset customer loan and deposit growth of 7% and 10% respectively. Non-interest revenue increased 9%, mostly due to significant growth in Markets SA. Operating expenses rose 6% to R20 892m, resulting in a 54.6% cost-to-income ratio from 53.3%. Credit impairments fell 18% to R6 157m, producing a credit loss ratio of 1.03% from 1.31%, as reductions in PPB and CIB outweighed BB’s higher charge. South Africa contributed 66% of Group earnings and its RoRC improved to 14.3% from 12.6%.

Africa regions

Headline earnings increased 13% to R4 046m, including a 4% uplift from the weaker Rand. Pre-provision profit grew 12% to R9 066m, as revenue increased 9% and the same in CCY, to R18 218m. Net interest income grew 9% in line with 9% customer loan growth. The net interest margin reduced slightly as CIB’s decline offset ARO RBB’s increase. Non-interest income rose 10%, driven by 11% growth in ARO RBB Banking operations. Expenses grew 7% and the same in CCY, to R9 152m, producing a 50.2% cost-to-income ratio from 51.5%. Credit impairments grew 33% to R1 016m, increasing its credit loss ratio to 0.86% from 0.77%. Africa regions contributed 34% of Group earnings and its RoRC declined to 16.9% from 18.2%.

Prospects

The global economic environment is likely to remain very uncertain, largely due to the sweeping and volatile changes being announced by the US administration. That said, as of early August global forecasters have cautiously upgraded their world GDP forecasts

compared to forecasts just after the first tariff announcements were made in the first quarter. The IMF forecasts global GDP growth of 3.0% for 2025, rising to 3.1% in 2026. Compared to 2024 outcomes, it forecasts significantly slower growth for the US, for China’s slowdown to be larger in 2026 than in 2025, and for EU growth to be largely unaffected by trade tensions. Financial markets expect the US Federal Reserve to recommence a cutting cycle before the end of 2025 and to reduce the policy rate further into 2026, while monetary policy conditions across other major economies that reduced rates earlier in the year are likely at or near their trough.

For South Africa, we have reduced our 2025 GDP growth forecast somewhat. Given the weak start to the year and the negative impact of the US trade tariffs, we expect the economy to grow just 0.9% in 2025. Continued focus on structural reform and the lagged impact of lower rates are expected to enable GDP growth to improve to 1.4% in 2026. Although inflation is likely to increase during the second half of 2025, the rise is not expected to place undue further pressure on consumers, or cause the Reserve Bank to raise rates, even as the MPC seeks to gain credibility for its push to a 3% preference rate for inflation. Prime is likely to remain unchanged well into 2026, while financial markets are pricing in an even chance for a further 25bp reduction over the coming months.

Our baseline forecast for our Africa region countries is that GDP will rise slightly to 4.8% in 2025 and 5.1% in 2026. Botswana is an outlier, where we expect a second year of contraction. Although heightened global uncertainties have increased downside risks for all our markets, lower inflation and policy rates, ongoing infrastructure investment, favourable weather conditions, multilateral support and a strong focus on reform across the region continue to support the longer-term outlook.

Based on these assumptions, and excluding further major unforeseen political, macroeconomic, or regulatory developments, our guidance for 2025 is largely unchanged and as follows:

We expect mid-single digit revenue growth, with stronger growth in non-interest income than net interest income. We expect mid- to high single digit customer loan growth and mid-single digit customer deposit growth.

The Group’s credit loss ratio is expected to improve to the top end of our through-the-cycle target range of 75 to 100bps.

We expect mid-single digit growth in operating expenses, producing a slightly higher cost-to-income ratio from the 53.2% in 2024 and low to mid-single digit growth in pre-provision profit.

Consequently, we expect an RoE of around 15%, from 14.8% in 2024. Other reserves have increased our equity more than we expected, reducing our RoE while supporting our NAV.

We expect the Group CET 1 ratio to finish 2025 at the top end of our Board target range of 11.0% to 12.5%. We expect to maintain a dividend payout ratio of around 55% for 2025.

We expect a weaker Rand to underpin earnings slightly in 2025, and Africa regions earnings growth should be noticeably stronger than South Africa.

Finally, we reiterate our RoE target of 16% for 2026.

Profit and dividend announcement

for the interim reporting period ended 30 June 2025

Declaration of interim ordinary dividend number 76

Shareholders are advised that an ordinary dividend of 785 cents per ordinary share was declared on 18 August 2025, for the interim reporting period ended 30 June 2025. The ordinary dividend is payable to shareholders recorded in the register of members of the Company at the close of business on Friday, 12 September 2025. The directors of Absa Group Limited confirm that the Group will satisfy the solvency and liquidity test immediately after completion of the dividend distribution, and for the next 12 months.

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

- The dividend has been declared out of income reserves.
- The local dividend tax rate is 20%.
- The gross local dividend amount is 785 cents per ordinary share for shareholders exempt from the dividend tax.
- The net local dividend amount is 628 cents per ordinary share for shareholders liable to pay the dividend tax.
- Absa Group Limited currently has 894 376 907 ordinary shares in issue (includes 65 074 525 treasury shares).
- Absa Group Limited’s income tax reference number is 9150116714.

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

Last day to trade cum dividend	Tuesday, 09 September 2025
Shares commence trading ex-dividend 2025	Wednesday, 10 September 2025
Record date	Friday, 12 September 2025
Payment date	Monday, 15 September 2025

Share certificates may not be dematerialised or rematerialised between Wednesday, 10 September 2025 and Friday, 12 September 2025, both dates inclusive. On Monday, 15 September 2025, the dividend will be electronically transferred to the bank accounts of certificated shareholders. The accounts of those shareholders who have dematerialised their shares (which are held at their participant or broker) will also be credited on Monday, 15 September 2025.

On behalf of the Board

N R Drutman
Company Secretary

Johannesburg
18 August 2025

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

Basis of presentation

for the interim reporting period ended 30 June 2025

The Group's consolidated financial results for the interim reporting periods ended 30 June 2025 and 30 June 2024 are unaudited and have not been independently reviewed by the Group's external auditors. These financial results have been prepared in accordance with IFRS® Accounting Standards, the Financial Pronouncements as issued by the Financial Reporting Standards Council and SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the JSE Listings Requirements, the presentation requirements of IAS 34 Interim Financial Reporting (IAS 34), and the provisions of the South African Companies Act, 71 of 2008.

During the reporting period ended 30 June 2025, the Ghanaian economy ceased to be considered hyperinflationary in terms of the requirements of IAS 29 Financial Reporting in Hyperinflationary Economies (IAS 29). As a result, the Group discontinued accounting for the effects of hyperinflation from 1 January 2025. No loss on net monetary position has therefore been recognised in the statement of comprehensive income during the current period.

The directors assess the Group's future performance and financial position on an ongoing basis and have no reason to believe that the Group will not be a going concern in the foreseeable future. For this reason, the information in this report has been prepared on a going concern basis.

Accounting policies

The accounting policies applied in preparing the unaudited consolidated interim financial results are consistent with those in place for the Group's annual consolidated financial statements for the reporting period ended 31 December 2024.

Standards, amendments to standards and circulars adopted for the first time in the current reporting period

No new standards, amendments or circulars were effective in the current reporting period.

New standards and interpretations not yet adopted

A number of new standards and amendments to existing standards, applicable to Absa Group Limited, have been issued but not yet effective for the reporting period. These have not been applied in preparing the unaudited consolidated interim financial results. Unless specifically noted to the contrary, these amendments are not expected to have a material impact on the Group.

- **Amendments resulting from annual improvements for the following standards**
 - Initial measurement of trade receivables – The amendment removes the conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers (IFRS 15) over the amount at which a trade receivable is initially measured. Under IFRS 15, a trade receivable may be recognised at an amount that differs from the transaction price, for example, when the transaction price is variable. Conversely, IFRS 9 requires that entities initially measure trade receivables without a significant financing component at the transaction price. IFRS 9 has been amended to require entities to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.
 - Accounting for the derecognition of a lease liability by a lessee – The amendment states that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. The amendment applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied. The amendment is effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.
 - Minor amendments to IFRS 1, IFRS 10 and IAS 7. These amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.
- **Settlement of financial liabilities by electronic payments – IFRS 9**

The amendments clarify when a financial asset or financial liability is recognised and derecognised and provide an exception for certain financial liabilities settled using an electronic payment system. The exception allows entities to derecognise their financial liabilities before the settlement date when it uses an electronic payment system that meets specific criteria. The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.
- **Classification of financial assets with a contingent feature – IFRS 9 and IFRS 7**

Following the post-implementation review of the classification and measurement requirements, IFRS 9 includes guidance on the classification of financial assets, including those with contingent features. Additional disclosures in terms of IFRS 7 will also need to be provided on financial assets and financial liabilities that have certain contingent features. The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

Basis of presentation

for the interim reporting period ended 30 June 2025

- **Equity instruments designated at fair value through other comprehensive income – IFRS 7**

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI). The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.
- **Non-recourse assets and contractually linked instruments – IFRS 9**

The amendments clarify the treatment of non-recourse assets and contractually linked instruments. The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.
- **Contracts Referencing Nature-dependent Electricity – IFRS 9 and IFRS 7**

To allow companies to better reflect the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs), amendments have been made to IFRS 9 and IFRS 7. These amendments provide guidance on the 'own-use' exemption for purchasers of electricity under PPAs, hedge accounting requirements for companies that hedge their purchases or sales of electricity using PPAs and new disclosure requirements to enable investors to better understand the effects of PPAs. The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.
- **Presentation and disclosure in financial statements – IFRS 18**

IFRS 18 promotes a more structured income statement and introduces a newly defined "operating profit" subtotal and a requirement for all income and expenses to be classified into three new distinct categories based on an entity's business activities. The new standard requires an entity to analyse their operating expenses directly on the face of the income statement – either by nature, by function or on a mixed basis. In addition, the standard defines "management-defined performance measures" (MPMs) and requires that an entity provide disclosures regarding its MPMs in order to enhance transparency. The standard further provides enhanced guidance on aggregation and disaggregation of information, which will apply to both the primary financial statements and the notes. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and applies retrospectively with early adoption permitted. The impact of this standard on the Group is currently being assessed.

Events after the reporting period

On 3 June 2025, at a Scheme Meeting of Absa Bank preference shareholders, a special resolution was passed to implement a scheme of arrangement in which all outstanding preference shares would be acquired by Absa Bank Limited. As a result, all non-redeemable, non-cumulative, non-participating preference shares were repurchased on 21 July 2025, returned to Absa Bank Limited's authorised but unissued share capital, and delisted from the JSE Main Board. This transaction resulted in the derecognition in July 2025 of the Group's non-controlling interest relating to preference shares, with a gain of R31m being recognised directly in equity.

Sello Moloko, Chairman of Absa Group Limited, has stepped down from his role as Chairman and an Independent Non-Executive Director, effective 15 July 2025. René van Wyk, an Independent Non-Executive Director of Absa Group Limited, assumed the position of Chairman of the Board, with effect from 15 July 2025.

Other than the aforementioned, the directors are not aware of any events (as defined per IAS 10 Events after the Reporting Period) after the reporting date of 30 June 2025 and the date of authorisation of these interim financial results.

On behalf of the Board

René van Wyk
Group Chairman

K Fihla
Group Chief Executive Officer

D Raju
Group Financial Director

Johannesburg
18 August 2025

Consolidated salient features

for the interim reporting period ended

		30 June	31 December	
	Note	2025 Rm	2024 Rm	2024 Rm
Statement of comprehensive income (Rm)				
Income		56 487	53 708	109 949
Operating expenses		(30 044)	(28 326)	(58 508)
Pre-provision profit		26 443	25 382	51 441
Credit impairment charges		(7 173)	(8 309)	(14 304)
Profit attributable to ordinary equity holders		11 231	9 845	21 537
Headline earnings	6	11 874	10 180	22 059
Statement of financial position				
Net asset value (NAV) (Rm)		166 282	149 298	160 174
Gross loans and advances (Rm)	2	1 464 828	1 358 983	1 402 568
Total assets (Rm)		2 159 759	1 953 354	2 068 695
Deposits (Rm)		1 578 217	1 395 345	1 506 927
Gross loans to deposits and debt securities ratio (%)		82.5	83.9	81.6
Average loans to deposits and debt securities ratio (%)		79.3	81.9	80.9
Financial performance (%)				
Return on equity (RoE)		14.8	14.0	14.8
Return on average assets (RoA)		1.14	1.04	1.11
Return on risk-weighted assets (RoRWA)		2.03	1.91	2.02
Stage 3 loans ratio on gross loans and advances		5.90	6.14	6.12
Operating performance (%)				
Net interest margin on average interest-bearing assets		4.58	4.69	4.63
Credit loss ratio on loans and advances		1.00	1.23	1.03
Non-interest as a percentage of total income		35.7	34.3	35.3
Cost-to-income ratio		53.2	52.7	53.2
Jaws		(1)	(5)	0
Effective tax rate		25.9	23.8	25.0
Share statistics (million)				
Number of ordinary shares in issue		894.4	894.4	894.4
Number of shares in issue (excluding treasury shares)		829.4	828.8	829.5
Weighted average number of ordinary shares in issue		829.4	828.7	828.6
Diluted weighted average number of ordinary shares in issue		834.5	829.2	830.0
Share statistics (cents)				
Basic earnings per ordinary share (EPS)		1 354.1	1 188.0	2 599.2
Diluted basic earnings per ordinary share (DEPS)		1 345.8	1 187.3	2 594.8
Headline earnings per ordinary share (HEPS)	6	1 431.6	1 228.4	2 662.2
Diluted headline earnings per ordinary share (DHEPS)	6	1 422.9	1 227.7	2 657.7
NAV per ordinary share		20 048	18 014	19 310
Tangible NAV per ordinary share		18 122	16 206	17 380
Dividend per ordinary share		785	685	1 460
Dividend payout ratio (%)		55	56	55
Capital adequacy (%)				
Absa Group Limited		15.2	15.9	15.8
Absa Bank Limited		16.0	16.0	17.1
Common Equity Tier 1 (%)				
Absa Group Limited		12.5	12.7	12.6
Absa Bank Limited		12.2	11.8	12.6

Headline earnings is presented after allowing for **R195m** (30 June 2024: R203m; 31 December 2024: R408m) profit attributable to preference equity holders and **R536m** (30 June 2024: R506m; 31 December 2024: R1 100m) profit attributable to Additional Tier 1 capital holders.

Consolidated statement of financial position

as at

		30 June	31 December	
	Note	2025 Rm	2024 Rm	2024 Rm
Assets				
Cash, cash balances and balances with central banks		102 857	91 259	124 557
Investment securities		268 592	241 613	270 444
Trading portfolio assets		251 412	209 452	226 182
Hedging portfolio assets		2 720	5 176	4 055
Other assets		48 881	30 812	23 195
Current tax assets		1 646	1 429	689
Non-current assets held for sale	1	3 684	3 202	2 111
Loans and advances	2	1 412 147	1 306 110	1 349 588
Insurance contract assets		1 016	665	793
Reinsurance contract assets		485	686	1 003
Investments linked to investment contracts		24 964	21 850	23 370
Investments in associates and joint ventures		3 092	2 691	2 990
Investment property		315	224	225
Property and equipment		15 786	15 635	16 250
Goodwill and intangible assets		15 982	14 990	16 010
Deferred tax assets		6 180	7 560	7 233
Total assets		2 159 759	1 953 354	2 068 695
Liabilities				
Trading portfolio liabilities		68 029	58 519	66 020
Hedging portfolio liabilities		1 253	1 454	1 258
Other liabilities		71 777	50 758	40 291
Provisions		4 657	3 689	5 807
Current tax liabilities		670	619	706
Non-current liabilities held for sale	1	3 275	2 083	1 064
Deposits		1 578 217	1 395 345	1 506 927
Debt securities in issue		196 479	224 429	211 291
Liabilities under investment contracts		25 219	22 236	23 547
Insurance contract liabilities		4 071	5 704	6 630
Reinsurance contract liabilities		150	110	312
Borrowed funds	3	18 006	16 699	21 188
Deferred tax liabilities		263	352	378
Total liabilities		1 972 066	1 781 997	1 885 419
Equity				
Capital and reserves				
Attributable to ordinary equity holders:				
Share capital		1 658	1 657	1 658
Share premium		10 492	10 461	10 562
Retained earnings		144 281	134 009	139 199
Other reserves		9 851	3 171	8 755
		166 282	149 298	160 174
Non-controlling interest – ordinary shares		8 471	7 642	8 784
Non-controlling interest – preference shares		4 642	4 644	4 644
Other equity: Additional Tier 1 capital		8 298	9 773	9 674
Total equity		187 693	171 357	183 276
Total liabilities and equity		2 159 759	1 953 354	2 068 695

Consolidated statement of comprehensive income

for the interim reporting period ended

		30 June	31 December	
	Note	2025 Rm	2024 Rm	2024 Rm
Net interest income		36 307	35 310	71 105
Interest and similar income		81 007	84 419	167 856
Effective interest income		79 630	82 908	164 957
Other interest income		1 377	1 511	2 899
Interest expense and similar charges		(44 700)	(49 109)	(96 751)
Non-interest income	4	20 180	18 398	38 844
Net fee and commission income		13 189	12 536	25 901
Fee and commission income		15 229	14 269	29 659
Fee and commission expense		(2 040)	(1 733)	(3 758)
Insurance service result		956	921	2 131
Insurance revenue		6 063	5 921	11 852
Insurance service expenses		(4 673)	(4 610)	(9 242)
Net expense from reinsurance contracts		(434)	(390)	(479)
Net finance expense from insurance contracts		(173)	(81)	(220)
Net finance expense from reinsurance contracts		(3)	(1)	–
Changes in investment contract liabilities		(788)	(465)	(1 083)
Gains and losses from banking and trading activities		5 221	3 899	8 719
Gains and losses from investment activities		1 565	1 113	2 527
Other operating income		213	476	869
Total income		56 487	53 708	109 949
Credit impairment charges		(7 173)	(8 309)	(14 304)
Operating income before operating expenditure		49 314	45 399	95 645
Operating expenditure		(30 044)	(28 326)	(58 508)
Other expenses		(1 961)	(2 072)	(4 196)
Other impairments	5	(769)	(577)	(914)
Indirect taxation		(1 192)	(1 240)	(2 592)
Loss on net monetary position		–	(255)	(690)
Share of post-tax results of associates and joint ventures		164	113	282
Operating profit before income tax		17 473	15 114	33 223
Taxation expense		(4 530)	(3 600)	(8 320)
Profit for the reporting period		12 943	11 514	24 903
Profit attributable to:				
Ordinary equity holders		11 231	9 845	21 537
Non-controlling interest – ordinary shares		981	960	1 858
Non-controlling interest – preference shares		195	203	408
Other equity: Additional Tier 1 capital		536	506	1 100
		12 943	11 514	24 903
Earnings per share:				
Basic earnings per share (cents)		1 354.1	1 188.0	2 599.2
Diluted earnings per share (cents)		1 345.8	1 187.3	2 594.8

Consolidated statement of comprehensive income

for the interim reporting period ended

	30 June	31 December	
	2025 Rm	2024 Rm	2024 Rm
Profit for the reporting period	12 943	11 514	24 903
Other comprehensive income			
Items that will not be reclassified to profit or loss	(174)	(10)	(219)
Movement on equity instruments designated at fair value through other comprehensive income (FVOCI)	21	1	(36)
Fair value movements	27	1	(36)
Deferred tax	(6)	–	–
Movement on liabilities designated at FVTPL due to changes in own credit risk	(139)	(59)	(200)
Fair value movements	(190)	(81)	(274)
Deferred tax	51	22	74
Movement in retirement benefit fund assets and liabilities	(56)	48	17
Decrease in retirement benefit surplus	(36)	(37)	(42)
(Increase)/Decrease in retirement benefit deficit	(29)	109	56
Deferred tax	9	(24)	3
Items that are or may be subsequently reclassified to profit or loss	1 263	839	5 968
Movement in foreign currency translation reserve	9	(92)	1 774
Differences in translation of foreign operations	9	(92)	1 774
Movement in cash flow hedging reserve	898	223	1 795
Fair value movements	965	(640)	827
Amounts transferred within other comprehensive income	(80)	49	11
Amount released from other comprehensive income and recognised in profit or loss	346	897	1 621
Deferred tax	(333)	(83)	(664)
Movement in fair value of debt instruments measured at FVOCI	258	564	2 223
Fair value movements	229	568	2 508
Release to profit or loss	15	–	(2)
Deferred tax	14	(4)	(283)
Movement in Insurance finance reserve	98	144	176
Finance income from insurance contracts	230	185	283
Finance (expense) from reinsurance contracts	(22)	(5)	(47)
Deferred tax	(15)	(9)	5
Current tax	(95)	(27)	(65)
Total comprehensive income for the reporting period	14 032	12 343	30 652
Total comprehensive income attributable to:			
Ordinary equity holders	12 854	10 217	26 395
Non-controlling interest – ordinary shares	447	1 417	2 749
Non-controlling interest – preference shares	195	203	408
Other equity: Additional Tier 1 capital	536	506	1 100
	14 032	12 343	30 652

Consolidated statement of changes in equity

for the interim reporting period ended

	30 June 2025					30 June 2025												
	Number of ordinary shares '000	Share capital Rm	Share premium Rm	Retained earnings Rm	Total other reserves Rm	General credit risk reserve Rm	Fair value through other compre- hensive income reserve Rm	Cash flow hedging reserve Rm	Foreign currency translation reserve Rm	Foreign insurance subsidiary regulatory reserve Rm	Insurance finance reserve Rm	Share- based payment reserve Rm	Associates and joint ventures reserve Rm	Capital and reserves attributable to ordinary equity holders Rm	Non- controlling interest – ordinary shares Rm	Non- controlling interest – preference shares Rm	Other equity: Additional Tier 1 Capital Rm	Total equity Rm
Balance at the beginning of the reporting period	829 457	1 658	10 562	139 199	8 755	1 538	874	516	1 496	44	64	2 002	2 221	160 174	8 784	4 644	9 674	183 276
Total comprehensive income	–	–	–	11 057	1 797	–	190	898	568	–	141	–	–	12 854	447	195	536	14 032
Profit for the period	–	–	–	11 231	–	–	–	–	–	–	–	–	–	11 231	981	195	536	12 943
Other comprehensive income	–	–	–	(174)	1 797	–	190	898	568	–	141	–	–	1 623	(534)	–	–	1 089
Dividends paid during the reporting period	–	–	–	(6 444)	–	–	–	–	–	–	–	–	–	(6 444)	(760)	(195)	–	(7 399)
Distributions paid during the reporting period	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(536)	(536)
Transaction cost incurred in anticipation of redemption of preference shares	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(2)	–	(2)
Redemption of Additional Tier 1 capital	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(1 376)	(1 376)
Purchase of Group shares in respect of equity-settled share-based payment arrangements	–	–	(776)	(49)	–	–	–	–	–	–	–	–	–	(825)	–	–	–	(825)
Elimination of the movement in treasury shares held by Group entities	(155)	–	(70)	–	–	–	–	–	–	–	–	–	–	(70)	–	–	–	(70)
Movement in share-based payment reserve	–	–	776	–	(183)	–	–	–	–	–	–	(183)	–	593	–	–	–	593
Transfer from share-based payment reserve	–	–	776	–	(776)	–	–	–	–	–	–	(776)	–	–	–	–	–	–
Value of employee services	–	–	–	–	609	–	–	–	–	–	–	609	–	609	–	–	–	609
Deferred tax	–	–	–	–	(16)	–	–	–	–	–	–	(16)	–	(16)	–	–	–	(16)
Movement in general credit risk reserve	–	–	–	25	(25)	(25)	–	–	–	–	–	–	–	–	–	–	–	–
Share of post-tax results of associates and joint ventures	–	–	–	(164)	164	–	–	–	–	–	–	–	164	–	–	–	–	–
Transfers between reserves	–	–	–	657	(657)	–	(615)	–	–	–	–	(42)	–	–	–	–	–	–
Balance at the end of the reporting period	829 302	1 658	10 492	144 281	9 851	1 513	449	1 414	2 064	44	205	1 777	2 385	166 282	8 471	4 642	8 298	187 693

Consolidated statement of changes in equity
for the interim reporting period ended

30 June 2024

	Number of ordinary shares '000	Share capital Rm	Share premium Rm	Retained earnings Rm	Total other reserves Rm	General credit risk reserve Rm	Fair value through other compre- hensive income reserve Rm	Cash flow hedging reserve Rm	Foreign currency translation reserve Rm	Foreign insurance subsidiary regulatory reserve Rm	Insurance finance reserve Rm	Share- based payment reserve Rm	Associates and joint ventures reserve Rm	Capital and reserves attributable to ordinary equity holders Rm	Non- controlling interest – ordinary shares Rm	Non- controlling interest – preference shares Rm	Other equity: Additional Tier 1 Capital Rm	Total equity Rm
Balance at the beginning of the reporting period	829 055	1 657	10 464	130 308	2 157	895	(1 200)	(1 279)	501	44	(140)	1 399	1 939	144 586	6 905	4 644	8 262	164 397
Total comprehensive income	–	–	–	9 838	379	–	521	223	(541)	–	176	–	–	10 217	1 417	203	506	12 343
Profit for the period	–	–	–	9 845	–	–	–	–	–	–	–	–	–	9 845	960	203	506	11 514
Other comprehensive income	–	–	–	(7)	379	–	521	223	(541)	–	176	–	–	372	457	–	–	829
Dividends paid during the reporting period	–	–	–	(5 685)	–	–	–	–	–	–	–	–	–	(5 685)	(680)	(203)	–	(6 568)
Distributions paid during the reporting period	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	(506)	(506)
Issuance of Additional Tier 1 capital	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1 511	1 511
Purchase of Group shares in respect of equity-settled share-based payment arrangements	–	–	(395)	(8)	–	–	–	–	–	–	–	–	–	(403)	–	–	–	(403)
Elimination of the movement in treasury shares held by Group entities	(281)	–	(3)	–	–	–	–	–	–	–	–	–	–	(3)	–	–	–	(3)
Movement in share-based payment reserve	–	–	395	–	189	–	–	–	–	–	–	189	–	584	–	–	–	584
Transfer from share-based payment reserve	–	–	395	–	(395)	–	–	–	–	–	–	(395)	–	–	–	–	–	–
Value of employee services	–	–	–	–	612	–	–	–	–	–	–	612	–	612	–	–	–	612
Deferred tax	–	–	–	–	(28)	–	–	–	–	–	–	(28)	–	(28)	–	–	–	(28)
Transfer to retained earnings- non-vested shares	–	–	–	17	(17)	–	–	–	–	–	–	(17)	–	–	–	–	–	–
Movement in general credit risk reserve	–	–	–	(348)	348	348	–	–	–	–	–	–	–	–	–	–	–	–
Share of post-tax results of associates and joint ventures	–	–	–	(113)	113	–	–	–	–	–	–	–	113	–	–	–	–	–
Balance at the end of the reporting period	828 774	1 657	10 461	134 009	3 171	1 243	(679)	(1 056)	(40)	44	36	1 571	2 052	149 298	7 642	4 644	9 773	171 357

Consolidated statement of changes in equity
for the interim reporting period ended

30 June 2024

Consolidated statement of changes in equity
for the interim reporting period ended

31 December 2024

	Number of ordinary shares '000	Share capital Rm	Share premium Rm	Retained earnings Rm	Total other reserves Rm	General credit risk reserve Rm	Fair value through other compre- hensive income reserve Rm	Cash flow hedging reserve Rm	Foreign currency translation reserve Rm	Foreign insurance subsidiary regulatory reserve Rm	Insurance finance reserve Rm	Share- based payment reserve Rm	Associates and joint ventures reserve Rm	Capital and reserves attributable to ordinary equity holders Rm	Non- controlling interest – ordinary shares Rm	Non- controlling interest – preference shares Rm	Other equity: Additional Tier 1 Capital Rm	Total equity Rm
Balance at the beginning of the reporting period	829 054	1 657	10 464	130 308	2 157	895	(1 200)	(1 279)	501	44	(140)	1 399	1 939	144 586	6 905	4 644	8 262	164 397
Total comprehensive income	–	–	–	21 327	5 068	–	2 074	1 795	995	–	204	–	–	26 395	2 749	408	1 100	30 652
Profit for the period	–	–	–	21 537	–	–	–	–	–	–	–	–	–	21 537	1 858	408	1 100	24 903
Other comprehensive income	–	–	–	(210)	5 068	–	2 074	1 795	995	–	204	–	–	4 858	891	–	–	5 749
Dividends paid during the reporting period	–	–	–	(11 366)	–	–	–	–	–	–	–	–	–	(11 366)	(870)	(408)	–	(12 644)
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)
Purchase of Group shares in respect of equity-settled share-based payment arrangements	–	–	(755)	(145)	–	–	–	–	–	–	–	–	–	(900)	–	–	–	(900)
Elimination of the movement in treasury shares held by Group entities	404	1	98	–	–	–	–	–	–	–	–	–	–	99	–	–	–	99
Movement in share-based payment reserve	–	–	755	–	559	–	–	–	–	–	–	559	–	1 314	–	–	–	1 314
Transfer from share-based payment reserve	–	–	755	–	(755)	–	–	–	–	–	–	(755)	–	–	–	–	–	–
Value of employee services	–	–	–	–	1 289	–	–	–	–	–	–	1 289	–	1 289	–	–	–	1 289
Deferred tax	–	–	–	–	25	–	–	–	–	–	–	25	–	25	–	–	–	25
Non-vested shares due to market condition	–	–	–	–	44	–	–	–	–	–	–	44	–	44	–	–	–	44
Movement in general credit risk reserve	–	–	–	(643)	643	643	–	–	–	–	–	–	–	–	–	–	–	–
Share of post-tax results of associates and joint ventures	–	–	–	(282)	282	–	–	–	–	–	–	–	282	–	–	–	–	–
Balance at the end of the reporting period	829 458	1 658	10 562	139 199	8 755	1 538	874	516	1 496	44	64	2 002	2 221	160 174	8 784	4 644	9 674	183 276

Consolidated statement of changes in equity
for the interim reporting period ended

31 December 2024

Consolidated statement of cash flows

for the interim reporting period ended

		Restated	
		30 June	31 December
	Note	2025 Rm	2024 Rm
Cash flow from operating activities			
Profit before tax		17 473	15 114
Adjustment of non-cash items			33 223
Depreciation and amortisation		3 012	2 950
Other impairments	5	769	577
Share of post-tax results of associates and joint ventures		(164)	(113)
Loss on net monetary position		–	255
Other non-cash items included in profit before tax		799	496
Dividends received from investing activities		(65)	–
Cash flow from operating activities before changes in operating assets and liabilities		21 824	19 279
Net increase in operating assets		(133 990)	(78 229)
Net increase in operating liabilities		117 231	88 471
Income taxes paid		(4 706)	(3 499)
Net cash generated from operating activities		359	26 022
Cash flow from investing activities			
Proceeds from disposal of non-current assets held for sale		1 851	–
Dividends received from investment activities		156	278
Purchase of property and equipment		(1 243)	(1 516)
Purchase of investment properties		(93)	–
Proceeds from disposal of properties and equipment		251	287
Purchase of intangible assets		(1 559)	(1 942)
Proceeds from disposal of business	8.2	237	–
Proceeds on the acquisition of business	8.3	–	–
Proceeds from disposal of intangible assets		20	–
Investments in associates and joint ventures		–	–
Net cash (utilised in) investing activities		(380)	(2 893)
Cash flow from financing activities			
(Purchase)/Sale of own shares		(70)	(3)
Purchase of Group shares in respect of equity settled share-based payment schemes		(901)	(403)
Transaction costs in anticipation of preference shares redemption		(2)	–
Issue of Additional Tier 1 capital		–	1 511
Redemption of Additional Tier 1 capital		(1 376)	–
Proceeds from borrowed funds	3	–	–
Repayment of borrowed funds	3	(2 761)	(1 690)
Repayment of lease liabilities		(649)	(599)
Distributions paid to Tier 1 Capital holders		(536)	(506)
Dividends paid		(7 399)	(6 567)
Net cash (utilised in) financing activities		(13 694)	(8 257)
Net (decrease)/increase in cash and cash equivalents		(13 715)	14 872
Cash and cash equivalents at the beginning of the reporting period		137 797	90 347
Effect of exchange rate movement/hyperinflation on cash and cash equivalents		(72)	(225)
Cash and cash equivalents at the end of the reporting period		124 010	104 994

The Statement of cash flows presentation has been expanded and cash and cash equivalents has been restated for the interim reporting period ended 30 June 2024. Refer to reporting changes overview for further information on these restatements.

Consolidated statement of cash flows

for the interim reporting period ended

Notes to the consolidated statement of cash flows

1. Net increase in operating assets

	30 June	31 December
	2025 Rm	2024 Rm
Trading and hedging portfolio assets	(22 566)	(17 172)
Loans and advances	(72 623)	(33 126)
Other assets	(39 811)	(20 641)
Investment securities	2 590	(6 384)
Insurance and reinsurance contract assets	14	(95)
Investments linked to investment contracts	(1 594)	(811)
	(133 990)	(78 229)

Certain working capital movements on the Statement of cash flows, including loans and advances, other assets and investment securities have been restated for the interim reporting period ended 30 June 2024. Refer to reporting changes overview.

2. Net increase in operating liabilities

	30 June	31 December
	2025 Rm	2024 Rm
Trading and hedging portfolio liabilities	1 859	(4 216)
Liabilities under investment contracts	1 671	989
Insurance and reinsurance contract liabilities	318	310
Other liabilities	28 745	31 996
Deposits	84 638	59 392
	117 231	88 471

3. Cash and cash equivalents

	30 June	31 December
	2025 Rm	2024 Rm
Mandatory reserve and other balances with the SARB and other central banks	70 547	59 386
Coins and bank notes	10 804	10 144
Loans and advances to banks	29 240	26 213
Money market assets	3 327	2 268
Mobile money balances	2 036	1 517
Investment securities	8 056	5 466
	124 010	104 994

‘Mandatory reserve and other balances with the SARB and other central banks’, ‘Loans and advances to banks’ and ‘Investment securities’ have been restated for the interim reporting period ended 30 June 2024. Refer to reporting changes overview.

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Notes to the unaudited consolidated financial results

for the interim reporting period ended 30 June 2025

1. Non-current assets and non-current liabilities held for sale

The following movements in non-current assets and non-current liabilities held for sale occurred during the current reporting period:

- Head Office, Treasury and other operations disposed of property with a carrying amount of **R7m** and a **R6m** impairment was recognised on assets classified as held for sale.
- Personal and Private Banking has disposed of property with a carrying amount of **R46m** and a **R3m** impairment was recognised on remaining assets previously classified as held for sale.
- In line with the Group's strategic intent, the Group continues to hold certain ARO Insurance businesses sitting in the Absa Regional Operations – Retail and Business Banking segment for sale. The transaction is expected to be concluded in March 2026. The total carrying amount of the assets transferred and the associated liabilities is **R3 482m** and **R3 275m**, respectively.

The following movements in non-current assets and non-current liabilities held for sale were affected during the interim reporting period ended on 30 June 2024:

- Head Office, Treasury and other operations disposed of property with a carrying amount of R32m.
- Personal and Private Banking has disposed of property with a carrying amount of R1m.
- Head Office, Treasury and other operations transferred property and equipment with a carrying amount of R13m to non-current assets held for sale.
- A Bancassurance distribution model with key partners in ARO is seen as a more sustainable model to generate non-interest revenue. As at 30 June 2024, the assets and liabilities of R3 025m and R2 083m respectively, relating to certain ARO Insurance subsidiaries were reclassified into non-current assets and liabilities held for sale in accordance with IFRS 5 requirements.

The following movements in non-current assets and non-current liabilities held for sale were affected during the previous reporting period ended on 31 December 2024:

- Head Office, Treasury and other operations disposed of property with a carrying amount of R82m.
- Personal and Private Banking disposed of property with a carrying amount of R7m.
- Head Office, Treasury and other operations transferred property and equipment with a carrying amount of R23m to non-current assets held for sale and a R10m impairment was recognised on remaining assets previously classified as held for sale.
- Absa Regional Operations – Retail and Business Banking segment transferred investment property with a carrying amount of R143m to non-current assets held for sale.
- In line with the Group's strategic intent, the expected disposal of certain ARO Insurance businesses sitting in the Absa Regional Operations – Retail and Business Banking segment, are at an advanced stage and consequently have been reclassified into non-current assets held for sale and non-current liabilities held for sale. The transaction is expected to be concluded in March 2025. The total carrying amount for the assets transferred is R1 847m and the total carrying amount for the liabilities transferred is R1 064m. The non-current asset held for sale was not impaired at 31 December 2024.

2. Loans and advances

2. Loans and advances

2.1 ECL analysis by market segment and class of credit exposure *continued*

2.1 ECL analysis by market segment and class of credit exposure

30 June 2025											
	Carrying amount of financial assets measured at fair value through profit or loss Rm	Stage 1			Stage 2			Stage 3			Net carrying amount Rm
		Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage %	Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage %	Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage %	
Personal and Private Banking	–	452 040	4 042	0.89	43 277	3 399	7.85	55 417	26 603	48.01	516 690
Transactions and Deposits	–	9 178	291	3.17	1 277	141	11.04	1 353	735	54.32	10 641
Unsecured Lending	–	63 296	2 206	3.49	7 990	1 593	19.94	13 742	10 306	75.00	70 923
Personal Loans	–	16 927	681	4.02	2 916	355	12.17	5 041	3 888	77.13	19 960
Card	–	46 369	1 525	3.29	5 074	1 238	24.40	8 701	6 418	73.76	50 963
Home Loans	–	272 896	647	0.24	20 385	563	2.76	30 579	9 992	32.68	312 658
Vehicle and Asset Finance	–	106 670	898	0.84	13 625	1 102	8.09	9 691	5 518	56.94	122 468
Retail Other	–	–	–	–	–	–	–	52	52	100.00	–
Business Banking	–	139 598	538	0.39	9 631	588	6.11	8 507	2 982	35.05	153 628
Absa Regional Operations – Retail and Business Banking	–	84 309	1 117	1.32	5 973	837	14.01	7 878	5 303	67.31	90 903
Corporate and Investment Banking	121 520	392 821	1 112	0.28	31 316	658	2.10	14 610	5 644	38.63	552 853
Corporate and Investment Banking SA	121 520	317 229	639	0.20	17 327	212	1.22	9 752	2 949	30.24	462 028
Corporate and Investment Banking ARO	–	75 592	473	0.63	13 989	446	3.19	4 858	2 695	55.48	90 825
Head Office, Treasury and other operations	–	4 878	(118)	–	2	(57)	–	–	(16)	–	5 071
Loans and advances to customers	–	4 878	–	–	2	–	–	–	–	–	4 880
Reclassification to provisions	–	–	(118)	–	–	(57)	–	–	(16)	–	191
Loans and advances to customers	121 520	1 073 646	6 691	0.62	90 199	5 425	6.01	86 412	40 516	46.89	1 319 145
Loans and advances to banks	24 026	64 705	44	0.07	4 320	5	0.12	–	–	–	93 002
Total loans and advances	145 546	1 138 351	6 735	0.59	94 519	5 430	5.74	86 412	40 516	46.89	1 412 147

2. Loans and advances

2.1 ECL analysis by market segment and class of credit exposure *continued*

30 June 2024											
	Carrying amount of financial assets measured at fair value through profit or loss Rm	Stage 1			Stage 2			Stage 3			Net carrying amount Rm
		Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage %	Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage %	Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage %	
Personal and Private Banking	–	431 435	3 987	0.92	51 103	4 782	9.36	55 492	25 413	45.80	503 848
Transactions and Deposits	–	8 140	240	2.95	2 240	337	15.04	1 198	761	63.52	10 240
Unsecured Lending	–	61 327	2 232	3.64	9 605	2 324	24.20	14 595	10 851	74.35	70 120
Personal Loans	–	17 247	767	4.45	3 792	718	18.93	5 796	4 492	77.50	20 858
Card	–	44 080	1 465	3.32	5 813	1 606	27.63	8 799	6 359	72.27	49 262
Home Loans	–	262 157	527	0.20	25 876	748	2.89	29 331	8 833	30.11	307 256
Vehicle and Asset Finance	–	99 811	988	0.99	13 382	1 373	10.26	10 316	4 916	47.65	116 232
Retail Other	–	–	–	–	–	–	–	52	52	100.00	–
Business Banking	–	130 905	666	0.51	10 952	632	5.77	9 296	3 413	36.71	146 442
Absa Regional Operations – Retail and Business Banking	–	75 873	1 277	1.69	7 019	769	10.96	7 496	4 796	63.98	83 546
Corporate and Investment Banking	87 033	373 086	1 047	0.28	30 747	623	2.03	11 146	5 675	50.92	494 667
Corporate and Investment Banking SA	87 033	301 586	584	0.19	20 140	386	1.92	7 069	3 384	47.87	411 474
Corporate and Investment Banking ARO	–	71 500	463	0.65	10 607	237	2.23	4 077	2 291	56.19	83 193
Head Office, Treasury and other operations	–	4 203	(185)	–	18	(79)	–	–	(17)	–	4 502
Loans and advances to customers	–	4 203	–	–	18	–	–	–	–	–	4 221
Reclassification to provisions	–	–	(185)	–	–	(79)	–	–	(17)	–	281
Loans and advances to customers	87 033	1 015 502	6 792	0.67	99 839	6 727	6.74	83 430	39 280	47.08	1 233 005
Loans and advances to banks	15 327	56 203	39	0.07	1 649	35	2.12	–	–	–	73 105
Total loans and advances	102 360	1 071 705	6 831	0.64	101 488	6 762	6.66	83 430	39 280	47.08	1 306 110

The segment split numbers have been restated, refer to reporting changes overview.

2. Loans and advances

2.1 ECL analysis by market segment and class of credit exposure *continued*

30 June 2024											
	Carrying amount of financial assets measured at fair value through profit or loss Rm	Stage 1			Stage 2			Stage 3			Net carrying amount Rm
		Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage %	Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage %	Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage %	
Personal and Private Banking	–	431 435	3 987	0.92	51 103	4 782	9.36	55 492	25 413	45.80	503 848
Transactions and Deposits	–	8 140	240	2.95	2 240	337	15.04	1 198	761	63.52	10 240
Unsecured Lending	–	61 327	2 232	3.64	9 605	2 324	24.20	14 595	10 851	74.35	70 120
Personal Loans	–	17 247	767	4.45	3 792	718	18.93	5 796	4 492	77.50	20 858
Card	–	44 080	1 465	3.32	5 813	1 606	27.63	8 799	6 359	72.27	49 262
Home Loans	–	262 157	527	0.20	25 876	748	2.89	29 331	8 833	30.11	307 256
Vehicle and Asset Finance	–	99 811	988	0.99	13 382	1 373	10.26	10 316	4 916	47.65	116 232
Retail Other	–	–	–	–	–	–	–	52	52	100.00	–
Business Banking	–	130 905	666	0.51	10 952	632	5.77	9 296	3 413	36.71	146 442
Absa Regional Operations – Retail and Business Banking	–	75 873	1 277	1.69	7 019	769	10.96	7 496	4 796	63.98	83 546
Corporate and Investment Banking	87 033	373 086	1 047	0.28	30 747	623	2.03	11 146	5 675	50.92	494 667
Corporate and Investment Banking SA	87 033	301 586	584	0.19	20 140	386	1.92	7 069	3 384	47.87	411 474
Corporate and Investment Banking ARO	–	71 500	463	0.65	10 607	237	2.23	4 077	2 291	56.19	83 193
Head Office, Treasury and other operations	–	4 203	(185)	–	18	(79)	–	–	(17)	–	4 502
Loans and advances to customers	–	4 203	–	–	18	–	–	–	–	–	4 221
Reclassification to provisions	–	–	(185)	–	–	(79)	–	–	(17)	–	281
Loans and advances to customers	87 033	1 015 502	6 792	0.67	99 839	6 727	6.74	83 430	39 280	47.08	1 233 005
Loans and advances to banks	15 327	56 203	39	0.07	1 649	35	2.12	–	–	–	73 105
Total loans and advances	102 360	1 071 705	6 831	0.64	101 488	6 762	6.66	83 430	39 280	47.08	1 306 110

2. Loans and advances

2.1 ECL analysis by market segment and class of credit exposure *continued*

31 December 2024											
	Carrying amount of financial assets measured at fair value through profit or loss Rm	Stage 1			Stage 2			Stage 3			Net carrying amount Rm
		Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage Rm	Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage Rm	Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage Rm	
Personal and Private Banking	–	445 611	4 049	0.91	42 760	3 640	8.51	55 106	26 584	48.24	509 204
Transactions and Deposits	–	9 312	321	3.45	1 110	177	15.95	1 399	829	59.26	10 494
Unsecured Lending	–	62 179	2 125	3.42	8 178	1 720	21.03	15 301	11 540	75.42	70 273
Personal Loans	–	16 754	627	3.74	3 202	479	14.96	5 730	4 414	77.03	20 166
Card	–	45 425	1 498	3.30	4 976	1 241	24.94	9 571	7 126	74.45	50 107
Home Loans	–	271 464	634	0.23	20 244	618	3.05	28 859	9 199	31.88	310 116
Vehicle and Asset Finance	–	102 656	969	0.94	13 228	1 125	8.50	9 495	4 964	52.28	118 321
Retail Other	–	–	–	–	–	–	–	52	52	100.00	–
Business Banking		135 206	632	0.47	8 487	490	5.77	8 710	2 880	33.07	148 401
Absa Regional Operations – Retail and Business Banking	–	84 383	1 105	1.31	5 911	871	14.74	7 897	5 155	65.28	91 060
Corporate and Investment Banking	103 374	383 815	1 119	0.29	30 705	580	1.89	14 054	6 023	42.86	524 226
Corporate and Investment Banking SA	103 374	304 876	583	0.19	18 093	256	1.41	8 945	3 411	38.13	431 038
Corporate and Investment Banking ARO	–	78 939	536	0.68	12 612	324	2.57	5 109	2 612	51.13	93 188
Head Office, Treasury and other operations	–	4 038	(117)	–	4	(47)	–	–	(18)	–	4 224
Loans and advances to customers	–	4 038	–	–	4	–	–	–	–	–	4 042
Reclassification to provisions	–	–	(117)	–	–	(47)	–	–	(18)	–	182
Loans and advances to customers	103 374	1 053 053	6 788	0.64	87 867	5 534	6.30	85 767	40 624	47.37	1 277 115
Loans and advances to banks	15 434	52 180	24	0.05	4 893	10	0.20	–	–	–	72 473
Total loans and advances	118 808	1 105 233	6 812	0.62	92 760	5 544	5.98	85 767	40 624	47.37	1 349 588

The segment split numbers have been restated, refer to reporting changes overview.

2. Loans and advances

2.1 ECL analysis by market segment and class of credit exposure *continued*

31 December 2024											
	Carrying amount of financial assets measured at fair value through profit or loss Rm	Stage 1			Stage 2			Stage 3			Net carrying amount Rm
		Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage Rm	Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage Rm	Gross carrying amount Rm	ECL Allowance Rm	ECL Coverage Rm	
Personal and Private Banking	–	445 611	4 049	0.91	42 760	3 640	8.51	55 106	26 584	48.24	509 204
Transactions and Deposits	–	9 312	321	3.45	1 110	177	15.95	1 399	829	59.26	10 494
Unsecured Lending	–	62 179	2 125	3.42	8 178	1 720	21.03	15 301	11 540	75.42	70 273
Personal Loans	–	16 754	627	3.74	3 202	479	14.96	5 730	4 414	77.03	20 166
Card	–	45 425	1 498	3.30	4 976	1 241	24.94	9 571	7 126	74.45	50 107
Home Loans	–	271 464	634	0.23	20 244	618	3.05	28 859	9 199	31.88	310 116
Vehicle and Asset Finance	–	102 656	969	0.94	13 228	1 125	8.50	9 495	4 964	52.28	118 321
Retail Other	–	–	–	–	–	–	–	52	52	100.00	–
Business Banking		135 206	632	0.47	8 487	490	5.77	8 710	2 880	33.07	148 401
Absa Regional Operations – Retail and Business Banking	–	84 383	1 105	1.31	5 911	871	14.74	7 897	5 155	65.28	91 060
Corporate and Investment Banking	103 374	383 815	1 119	0.29	30 705	580	1.89	14 054	6 023	42.86	524 226
Corporate and Investment Banking SA	103 374	304 876	583	0.19	18 093	256	1.41	8 945	3 411	38.13	431 038
Corporate and Investment Banking ARO	–	78 939	536	0.68	12 612	324	2.57	5 109	2 612	51.13	93 188
Head Office, Treasury and other operations	–	4 038	(117)	–	4	(47)	–	–	(18)	–	4 224
Loans and advances to customers	–	4 038	–	–	4	–	–	–	–	–	4 042
Reclassification to provisions	–	–	(117)	–	–	(47)	–	–	(18)	–	182
Loans and advances to customers	103 374	1 053 053	6 788	0.64	87 867	5 534	6.30	85 767	40 624	47.37	1 277 115
Loans and advances to banks	15 434	52 180	24	0.05	4 893	10	0.20	–	–	–	72 473
Total loans and advances	118 808	1 105 233	6 812	0.62	92 760	5 544	5.98	85 767	40 624	47.37	1 349 588

2. Loans and advances

2.2 Reconciliation of ECL allowance

The following tables set out the breakdown of the ECL for loans and advances and undrawn facilities, by market segment:

30 June 2025							
	Personal and Private Banking Rm	Business Banking Rm	Absa Regional Operations – Retail and Business Banking Rm	Corporate and Investment Banking SA Rm	Corporate and Investment Banking ARO Rm	Head Office, Treasury and other operations Rm	Total expected credit losses Rm
Loans and advances	34 044	4 108	7 257	3 840	3 614	(182)	52 681
Stage 1	4 042	538	1 117	677	473	(112)	6 735
Stage 2	3 399	588	837	214	446	(54)	5 430
Stage 3	26 603	2 982	5 303	2 949	2 695	(16)	40 516
Undrawn facilities	–	–	36	–	72	186	294
Stage 1	–	–	23	–	65	113	201
Stage 2	–	–	13	–	7	57	77
Stage 3	–	–	–	–	–	16	16
Total loans and advances and undrawn facilities	34 044	4 108	7 293	3 840	3 686	4	52 975

30 June 2024							
	Personal and Private Banking Rm	Business Banking Rm	Absa Regional Operations – Retail and Business Banking Rm	Corporate and Investment Banking SA Rm	Corporate and Investment Banking ARO Rm	Head Office, Treasury and other operations Rm	Total expected credit losses Rm
Loans and advances	34 182	4 711	6 842	4 390	3 004	(256)	52 873
Stage 1	3 987	666	1 277	619	476	(195)	6 830
Stage 2	4 782	632	769	387	237	(44)	6 763
Stage 3	25 413	3 413	4 796	3 384	2 291	(17)	39 280
Undrawn facilities	–	–	33	–	83	280	396
Stage 1	–	–	18	–	51	184	253
Stage 2	–	–	15	–	12	79	106
Stage 3	–	–	–	–	20	17	37
Total loans and advances and undrawn facilities	34 182	4 711	6 875	4 390	3 087	24	53 269

The segment split numbers have been restated, refer to reporting changes overview.

2. Loans and advances

2.2 Reconciliation of ECL allowance *continued*

31 December 2024							
	Personal and Private Banking Rm	Business Banking Rm	Absa Regional Operations – Retail and Business Banking Rm	Corporate and Investment Banking SA Rm	Corporate and Investment Banking ARO Rm	Head Office, Treasury and other operations Rm	Total expected credit losses Rm
Loans and advances	34 273	4 002	7 131	4 282	3 473	(181)	52 980
Stage 1	4 049	632	1 105	605	537	(116)	6 812
Stage 2	3 640	490	871	266	324	(47)	5 544
Stage 3	26 584	2 880	5 155	3 411	2 612	(18)	40 624
Undrawn facilities	–	–	43	–	79	183	305
Stage 1	–	–	20	–	54	118	192
Stage 2	–	–	23	–	25	47	95
Stage 3	–	–	–	–	–	18	18
Total loans and advances and undrawn facilities	34 273	4 002	7 174	4 282	3 552	2	53 285

The segment split numbers have been restated, refer to reporting changes overview.

2. Loans and advances

2.2 Reconciliation of ECL allowance *continued*

The following tables set out a reconciliation of the opening and closing IFRS 9 ECL allowances for loans and advances, by market segment.

30 June 2025												
Loans and advances at amortised cost and undrawn facilities	Personal and Private Banking						Business Banking	Absa Regional Operations – Retail and Business Banking	Corporate and Investment Banking SA	Corporate and Investment Banking ARO	Head Office, Treasury and other operations	Total expected credit losses
	Transactions and Deposits	Unsecured Lending		Home Loans	Vehicle and Asset Finance	Retail Other						
		Personal Loans	Card									
	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
Balances at the beginning of the reporting period	1 327	5 520	9 865	10 451	7 058	52	4 002	7 174	4 282	3 552	2	53 285
Stage 1	321	627	1 498	634	969	–	632	1 125	605	591	2	7 004
Stage 2	177	479	1 241	618	1 125	–	490	894	266	349	–	5 639
Stage 3	829	4 414	7 126	9 199	4 964	52	2 880	5 155	3 411	2 612	–	40 642
Transfers between stages	–	–	–	–	–	–	–	–	–	–	–	–
Stage 1 net transfers	(8)	24	74	222	7	–	152	195	32	(75)	–	623
Transfers to stage 1	44	139	508	315	172	–	210	238	36	(5)	–	1 657
Transfers (to) stage 2	(18)	(59)	(350)	(63)	(118)	–	(43)	(27)	(3)	(71)	–	(752)
Transfers (to) stage 3	(34)	(56)	(84)	(30)	(47)	–	(15)	(16)	(1)	1	–	(282)
Stage 2 net transfers	(69)	(183)	(774)	60	(71)	–	(163)	(355)	(57)	82	–	(1 530)
Transfers (to) stage 1	(40)	(125)	(466)	(149)	(142)	–	(192)	(217)	(37)	6	–	(1 362)
Transfers to stage 2	29	153	538	451	327	–	74	51	3	69	–	1 695
Transfers (to) stage 3	(58)	(211)	(846)	(242)	(256)	–	(45)	(189)	(23)	7	–	(1 863)
Stage 3 net transfers	77	159	700	(282)	64	–	11	160	25	(7)	–	907
Transfers (to) stage 1	(5)	(14)	(42)	(166)	(31)	–	(17)	(21)	–	–	–	(296)
Transfers (to) stage 2	(10)	(94)	(188)	(388)	(209)	–	(32)	(24)	–	1	–	(944)
Transfers to stage 3	92	267	930	272	304	–	60	205	25	(8)	–	2 147
Credit impairment charges raised	241	1 000	2 144	794	1 072	–	584	956	370	173	2	7 336
Amounts written off	(442)	(2 030)	(3 033)	(609)	(990)	–	(729)	(1 150)	(984)	(53)	–	(10 020)
Net change in interest	41	434	205	566	378	–	251	298	172	30	–	2 375
Foreign exchange movements	–	–	–	–	–	–	–	15	–	(16)	–	(1)
Balances at the end of the reporting period	1 167	4 924	9 181	11 202	7 518	52	4 108	7 293	3 840	3 686	4	52 975
Stage 1	291	681	1 525	647	898	–	538	1 140	677	538	1	6 936
Stage 2	141	355	1 238	563	1 102	–	588	850	214	453	3	5 507
Stage 3	735	3 888	6 418	9 992	5 518	52	2 982	5 303	2 949	2 695	–	40 532

The credit impairment charges raised in the current year arise as a result of, inter alia, increase in the exposures, changes in forward looking information and refinements to various factors that are incorporated in the ECL model.

2. Loans and advances

2.2 Reconciliation of ECL allowance *continued*

2. Loans and advances

2.2 Reconciliation of ECL allowance *continued*

30 June 2024												
Loans and advances at amortised cost and undrawn facilities	Personal and Private Banking						Business Banking	Absa Regional Operations – Retail and Business Banking	Corporate and Investment Banking SA	Corporate and Investment Banking ARO	Head Office, Treasury and other operations	Total expected credit losses
	Transactions and Deposits	Unsecured Lending		Home Loans	Vehicle and Asset Finance	Retail Other						
	Rm	Personal Loan	Card	Rm	Rm	Rm						
Balances at the beginning of the reporting period	1 269	6 232	9 093	9 260	7 160	52	4 465	6 076	3 540	2 792	22	49 961
Stage 1	316	806	1 407	505	1 025	–	554	1 103	735	562	17	7 030
Stage 2	298	923	1 484	822	1 118	–	748	923	438	173	5	6 932
Stage 3	655	4 503	6 202	7 933	5 017	52	3 163	4 050	2 367	2 057	–	35 999
Transfers between stages	–	–	–	–	–	–	–	–	–	–	–	–
Stage 1 net transfers	(20)	10	130	186	25	–	399	54	7	(4)	6	793
Transfers to stage 1	40	210	597	243	159	–	449	114	38	1	6	1 857
Transfers (to) stage 2	(28)	(111)	(394)	(43)	(102)	–	(35)	(45)	(31)	(5)	–	(794)
Transfers (to) stage 3	(32)	(89)	(73)	(14)	(32)	–	(15)	(15)	–	–	–	(270)
Stage 2 net transfers	(82)	(405)	(976)	160	(111)	–	(405)	(294)	(165)	3	(6)	(2 281)
Transfers (to) stage 1	(39)	(197)	(558)	(194)	(147)	–	(407)	(100)	(38)	(1)	(6)	(1 687)
Transfers to stage 2	37	207	564	576	215	–	45	49	31	5	–	1 729
Transfers (to) stage 3	(80)	(415)	(982)	(222)	(179)	–	(43)	(243)	(158)	(1)	–	(2 323)
Stage 3 net transfers	102	395	846	(346)	86	–	6	240	158	1	–	1 488
Transfers (to) stage 1	(2)	(12)	(40)	(49)	(12)	–	(42)	(13)	–	–	–	(170)
Transfers (to) stage 2	(9)	(96)	(170)	(533)	(113)	–	(10)	(5)	–	–	–	(936)
Transfers to stage 3	113	503	1 056	236	211	–	58	258	158	1	–	2 594
Credit impairment charges raised	430	1 260	2 237	785	1 321	–	509	821	834	86	2	8 285
Amounts written off	(394)	(2 070)	(2 159)	(399)	(1 672)	–	(416)	(574)	(149)	–	–	(7 833)
Net change in interest	33	555	259	462	468	–	153	214	165	145	–	2 454
Foreign exchange and hyperinflation movements	–	–	–	–	–	–	–	338	–	64	–	402
Balances at the end of the reporting period	1 338	5 977	9 430	10 108	7 277	52	4 711	6 875	4 390	3 087	24	53 269
Stage 1	240	767	1 465	527	988	–	666	1 295	619	527	(11)	7 083
Stage 2	337	718	1 606	748	1 373	–	632	784	387	249	35	6 869
Stage 3	761	4 492	6 359	8 833	4 916	52	3 413	4 796	3 384	2 311	–	39 317

To enhance disclosure, the information provided in the table above for the Personal and Private Banking business unit has been expanded to a more granular level. In addition, the segment split numbers have been restated, refer to reporting changes overview.

2. Loans and advances

2.2 Reconciliation of ECL allowance *continued*

2. Loans and advances

2.2 Reconciliation of ECL allowance *continued*

31 December 2024												
Loans and advances at amortised cost and undrawn facilities	Personal and Private Banking						Business Banking	Absa Regional Operations – Retail and Business Banking	Corporate and Investment Banking SA	Corporate and Investment Banking ARO	Head Office, Treasury and other operations	Total expected credit losses
	Transactions and Deposits	Unsecured Lending		Home Loans	Vehicle and Asset Finance	Retail Other						
	Rm	Personal Loans	Card	Rm	Rm	Rm						
Balances at the beginning of the reporting period	1 269	6 232	9 093	9 260	7 160	52	4 465	6 076	3 540	2 792	22	49 961
Stage 1	316	806	1 407	505	1 025	–	554	1 103	735	562	17	7 030
Stage 2	298	923	1 484	822	1 118	–	748	923	438	173	5	6 932
Stage 3	655	4 503	6 202	7 933	5 017	52	3 163	4 050	2 367	2 057	–	35 999
Transfers between stages	–	–	–	–	–	–	–	–	168	–	–	168
Stage 1 net transfers	6	(8)	267	573	132	–	317	152	(1)	26	–	1 464
Transfers to stage 1	72	208	985	626	344	–	412	270	50	33	–	3 000
Transfers (to) stage 2	(23)	(80)	(552)	(27)	(121)	–	(64)	(68)	(22)	(6)	–	(963)
Transfers (to) stage 3	(43)	(136)	(166)	(26)	(91)	–	(31)	(50)	(29)	(1)	–	(573)
Stage 2 net transfers	(82)	(284)	(1 375)	127	183	–	(381)	(540)	(172)	(28)	–	(2 552)
Transfers (to) stage 1	(65)	(174)	(885)	(296)	(230)	–	(387)	(223)	(50)	(33)	–	(2 343)
Transfers to stage 2	47	323	962	723	717	–	84	77	23	6	–	2 962
Transfers (to) stage 3	(64)	(433)	(1 452)	(300)	(304)	–	(78)	(394)	(145)	(1)	–	(3 171)
Stage 3 net transfers	76	292	1 108	(700)	(315)	–	64	388	341	2	–	1 256
Transfers (to) stage 1	(7)	(34)	(100)	(330)	(114)	–	(25)	(47)	–	–	–	(657)
Transfers (to) stage 2	(23)	(243)	(410)	(696)	(596)	–	(21)	(9)	–	–	–	(1 998)
Transfers to stage 3	106	569	1 618	326	395	–	110	444	341	2	–	3 911
Credit impairment charges raised	763	1 924	4 037	1 278	1 901	–	903	1 945	1 223	389	(19)	14 344
Amounts written off	(783)	(3 708)	(3 763)	(989)	(2 839)	–	(1 737)	(1 607)	(1 034)	(20)	–	(16 480)
Net change in interest	78	1 072	498	902	836	–	371	132	385	307	–	4 581
Foreign exchange and hyperinflation movements	–	–	–	–	–	–	–	628	–	84	(1)	711
Balances at the end of the reporting period	1 327	5 520	9 865	10 451	7 058	52	4 002	7 174	4 282	3 552	2	53 285
Stage 1	321	627	1 498	634	969	–	632	1 125	605	591	2	7 004
Stage 2	177	479	1 241	618	1 125	–	490	894	266	349	–	5 639
Stage 3	829	4 414	7 126	9 199	4 964	52	2 880	5 155	3 411	2 612	–	40 642

The segment split numbers have been restated, refer to reporting changes overview.

2. Loans and advances

2.2 Reconciliation of ECL allowance *continued*

Notes to the unaudited consolidated financial results

for the interim reporting period ended 30 June 2025

2. Loans and advances

2.3 Forward-looking assumptions

Macroeconomic scenarios

ECL estimation must reflect an unbiased and probability-weighted estimate of future losses. This is determined by evaluating a range of possible macroeconomic outcomes.

A range of factors are taken into account when developing macroeconomic scenarios, including trends in economic growth or contraction, geopolitical uncertainties (such as anticipated tariffs), projected inflation rates, sector-specific impacts, business confidence levels, property market dynamics, household consumption patterns, currency fluctuations, unemployment rates, and significant monetary and fiscal policy responses by governments and regulatory authorities. Careful consideration is also given to ongoing political and economic instability across the ARO jurisdictions.

Despite the current market conditions being marked by global shocks and high uncertainty, the Group has maintained its probability-weightings of 40%, 30%, and 30% for the baseline, upside, and downside scenarios respectively. However, to address the unprecedented environment, the ranges between the baseline, mild upside, and downside macroeconomic scenarios have been adjusted to cater for the prevailing uncertainty.

The following table shows the key forecast assumptions used for South Africa to calculate the Group’s credit impairment charge for the reporting period ended:

	30 June 2025											
	Baseline				Mild Upside				Mild Downside			
	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028
Real GDP (%)	1.0	1.4	1.7	1.8	1.5	1.9	2.2	2.3	(1.5)	0.2	0.8	0.8
CPI (%)	3.3	4.4	4.6	4.6	3.0	3.6	4.1	4.1	4.1	5.8	5.4	5.3
Average repo rate (%)	7.2	7.0	7.0	7.0	7.1	6.3	6.3	6.3	7.8	8.4	8.3	8.3

	30 June 2024											
	Baseline				Mild Upside				Mild Downside			
	2024	2025	2026	2027	2024	2025	2026	2027	2024	2025	2026	2027
Real GDP (%)	0.9	1.7	1.7	1.8	1.5	2.2	2.3	2.3	(1.1)	0.3	0.8	0.9
CPI (%)	5.3	4.7	4.5	4.5	4.9	4.0	3.9	3.9	6.3	6.9	5.5	5.6
Average repo rate (%)	8.2	7.5	7.5	7.5	8.0	6.8	6.5	6.5	8.8	10.4	9.5	9.5

	31 December 2024											
	Baseline				Mild Upside				Mild Downside			
	2024	2025	2026	2027	2024	2025	2026	2027	2024	2025	2026	2027
Real GDP (%)	1.0	2.2	2.2	2.3	1.6	2.8	2.8	2.9	(0.5)	(0.2)	1.1	1.2
CPI (%)	4.5	3.8	4.2	4.5	4.4	3.3	3.6	3.9	4.7	5.6	5.7	5.8
Average repo rate (%)	8.1	7.1	7.0	7.0	8.1	6.5	6.0	6.0	8.2	8.6	8.5	8.5

Notes to the unaudited consolidated financial results

for the interim reporting period ended 30 June 2025

2. Loans and advances

2.3 Forward-looking assumptions *continued*

The following table shows the key forecast assumptions for the three economic scenarios for four of our largest ARO markets at:

	30 June 2025											
	Baseline				Mild Upside				Mild Downside			
	2025	2026	2027	2028	2025	2026	2027	2028	2025	2026	2027	2028
Botswana												
Real GDP (%)	(0.2)	3.0	3.3	3.7	2.4	3.9	4.3	4.6	(2.1)	1.4	2.0	2.5
CPI (%)	2.6	4.3	4.1	4.0	1.9	2.6	2.8	2.7	5.8	6.6	5.3	5.0
Average policy rate (%)	1.9	2.1	2.2	2.2	1.7	1.7	1.9	1.9	2.5	4.2	4.2	3.9
Ghana												
Real GDP (%)	4.4	5.1	5.3	5.4	5.0	5.8	6.1	6.3	3.5	3.6	4.4	4.5
CPI (%)	16.5	10.8	11.2	13.5	14.8	9.0	9.6	11.2	19.8	14.5	13.4	16.5
Average policy rate (%)	26.8	18.9	15.3	15.0	26.0	16.4	13.0	13.0	27.8	25.0	20.3	21.4
Kenya												
Real GDP (%)	4.7	4.9	5.1	5.0	5.5	5.9	6.1	6.0	3.4	4.0	4.2	4.1
CPI (%)	4.2	5.1	5.3	5.6	3.4	3.6	4.0	4.4	5.3	6.9	7.2	8.3
Average policy rate (%)	9.9	9.0	9.0	9.3	9.6	8.3	8.0	8.0	10.4	10.7	10.8	11.0
Mauritius												
Real GDP (%)	3.7	3.9	4.2	4.3	4.5	5.0	5.4	5.6	3.3	3.4	3.5	3.7
CPI (%)	3.6	4.3	4.3	4.2	2.2	2.7	3.0	3.1	4.7	5.9	6.0	6.0
Average policy rate (%)	4.5	4.5	4.5	4.5	4.2	3.5	3.5	3.5	4.7	5.9	6.0	6.0

	30 June 2024											
	Baseline				Mild Upside				Mild Downside			
	2024	2025	2026	2027	2024	2025	2026	2027	2024	2025	2026	2027
Botswana												
Real GDP (%)	3.5	3.8	4.0	4.0	4.5	5.0	5.2	5.2	2.5	2.7	2.9	2.9
CPI (%)	3.0	4.4	4.2	4.1	2.4	2.8	3.1	3.1	4.8	5.2	5.5	5.5
Average policy rate (%)	2.4	2.4	2.4	2.4	2.2	2.2	2.2	2.2	3.2	4.9	5.0	5.0
Ghana												
Real GDP (%)	3.6	4.1	4.5	4.8	4.6	5.6	6.0	6.0	2.6	3.2	3.7	3.9
CPI (%)	20.5	16.5	10.6	10.5	16.0	11.0	9.0	9.0	26.5	21.5	15.0	15.0
Average policy rate (%)	27.5	19.4	17.0	16.1	26.6	15.4	14.0	14.0	29.0	25.8	23.1	20.4
Kenya												
Real GDP (%)	5.5	5.6	5.6	5.7	6.9	7.0	7.2	7.3	4.0	4.0	4.1	4.1
CPI (%)	4.7	5.6	5.5	5.5	4.0	4.6	4.5	4.5	6.0	7.0	7.2	7.2
Average policy rate (%)	12.5	10.1	10.0	10.0	12.2	9.1	9.0	9.0	13.4	13.6	12.1	12.0
Mauritius												
Real GDP (%)	4.5	4.0	3.8	3.8	5.2	5.0	4.8	4.8	2.5	2.2	2.0	2.0
CPI (%)	4.0	4.1	4.3	4.2	3.0	2.4	2.2	2.2	6.3	6.5	6.7	6.5
Average policy rate (%)	4.5	4.5	4.5	4.5	4.3	3.5	3.5	3.5	5.1	6.4	6.5	6.1

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for the interim reporting period ended 30 June 2025

2. Loans and advances

2.3 Forward-looking assumptions *continued*

	Baseline				Mild Upside				Mild Downside			
	2024	2025	2026	2027	2024	2025	2026	2027	2024	2025	2026	2027
Botswana												
Real GDP (%)	(0.5)	3.6	3.8	3.9	1.5	6.7	5.0	5.0	(1.8)	2.3	3.0	2.9
CPI (%)	2.9	3.0	3.7	3.6	2.8	2.5	2.8	3.1	3.1	5.4	5.3	5.1
Average policy rate (%)	2.2	1.9	1.9	2.1	2.2	1.5	1.6	1.7	2.2	3.0	4.3	4.3
Ghana												
Real GDP (%)	5.0	4.9	5.1	5.3	6.0	5.8	6.3	6.5	3.7	3.5	4.0	4.1
CPI (%)	22.9	20.9	14.1	10.3	22.0	15.0	9.0	8.5	23.7	25.0	22.0	16.0
Average policy rate (%)	28.4	23.5	18.8	15.1	28.3	16.9	13.1	13.0	28.6	27.0	23.6	21.1
Kenya												
Real GDP (%)	4.9	5.1	5.0	4.9	5.1	6.0	5.9	5.8	4.6	4.1	4.2	4.2
CPI (%)	4.6	5.0	5.2	5.3	4.5	3.3	4.0	4.5	4.7	8.1	10.3	9.6
Average policy rate (%)	12.7	9.9	9.0	9.0	12.7	9.0	7.0	7.0	12.7	11.0	12.5	13.5
Mauritius												
Real GDP (%)	6.4	4.7	4.0	4.0	7.5	6.0	4.8	4.8	5.0	3.6	3.0	2.8
CPI (%)	3.7	4.1	4.2	4.2	3.3	2.0	2.5	2.6	4.1	6.0	6.4	6.5
Average policy rate (%)	4.4	4.0	4.0	4.0	4.3	3.1	3.0	3.0	4.4	5.7	6.5	6.1

Sensitivity of expected credit losses

For the purposes of the Group’s actual weighting of its economic scenarios, a 40% probability weighting is applied to the baseline scenario; with a 30% probability weighting applied to both the upside and downside scenarios. However, given the level of uncertainty required in the determination of ECL, the Group has conducted a sensitivity analysis in order to indicate the impact on the ECL when assigning a probability weighting of 100% to each macroeconomic variable scenario.

The table below reflects the impact of changing the probability assigned to each scenario to 100% and does not include management adjustments required to provide a more appropriate assessment of risk.

	30 June 2025	
	Rm	% Change
ECL allowance on stage 1 and stage 2 loans and advances	12 165	–
Baseline	11 789	(3)
Upside	10 800	(11)
Downside	14 078	16
30 June 2024		
	Rm	% Change
ECL allowance on stage 1 and stage 2 loans and advances	13 593	–
Baseline	12 963	(5)
Upside	11 981	(12)
Downside	16 086	18
31 December 2024		
	Rm	% Change
ECL allowance on stage 1 and stage 2 loans and advances	12 356	–
Baseline	12 027	(3)
Upside	11 050	(11)
Downside	14 248	15

Notes to the unaudited consolidated financial results

for the interim reporting period ended 30 June 2025

2. Loans and advances

2.3 Forward-looking assumptions *continued*

In addition, as at 30 June 2025, the Group assessed what the impact on expected credit losses would be, if 5% of the gross carrying amount of loans and advances to customers in stage 1 experience a SICR and move to stage 2. The ECL changes below include the effect on undrawn committed facilities and guarantees which are reflected as ‘provisions’ in the statement of financial position. This impact has been presented below:

	30 June 2025	
	Stage 2 Increase in gross carrying amount Rm	Increase in expected credit loss Rm
Personal and Private Banking	22 602	1 573
Business Banking	6 980	399
Absa Regional Operations – Retail and Business Banking	4 215	535
Corporate and Investment Banking SA	15 861	162
Corporate and Investment Banking ARO	3 780	97
30 June 2024		
	Stage 2 Increase in gross carrying amount Rm	Increase in expected credit loss Rm
Personal and Private Banking	21 572	1 821
Business Banking	6 546	344
Absa Regional Operations – Retail and Business Banking	3 794	352
Corporate and Investment Banking SA	15 079	261
Corporate and Investment Banking ARO	3 575	56

The segment split numbers have been restated, refer to reporting changes overview.

	31 December 2024	
	Stage 2 Increase in gross carrying amount Rm	Increase in expected credit loss Rm
Personal and Private Banking	22 275	1 693
Business Banking	6 760	358
Absa Regional Operations – Retail and Business Banking	4 197	527
Corporate and Investment Banking SA	15 244	186
Corporate and Investment Banking ARO	3 947	75

The segment split numbers have been restated, refer to reporting changes overview.

3. Borrowed funds

During the reporting period, the significant movements in borrowed funds included a redemption of subordinated notes of **R2 761m** (30 June 2024: R1 722m; 31 December 2024: R3 120m), with issuances being **nil** for the current period (30 June 2024: Nil; 31 December 2024: R5 304m).

4. Disaggregation of non-interest income

The following table disaggregates non-interest income splitting it into income received from contracts with customers by major service line and per reportable segment, and other items making up non-interest income:

	30 June 2025					
	Personal and Private Banking Rm	Business Banking Rm	Absa Regional Operations – Retail and Business Banking Rm	Corporate and Investment Banking Rm	Head Office, Treasury and other operations Rm	Total Rm
Fee and commission income from contracts with customers	8 328	2 850	2 243	2 533	(725)	15 229
Consulting and administration fees	108	58	–	116	–	282
Transactional fees and commissions	6 226	1 706	1 807	2 026	(9)	11 756
Cheque accounts	1 717	790	23	84	–	2 614
Credit cards	1 285	106	378	(3)	–	1 766
Electronic banking	1 911	495	131	700	–	3 237
Service charges	627	237	1 199	706	16	2 785
Other (includes exchange commission and guarantees)	154	30	65	539	(25)	763
Savings accounts	532	48	11	–	–	591
Merchant income	612	989	187	–	–	1 788
Trust and other fiduciary services fees	353	24	2	3	(1)	381
Other fees and commissions	102	73	62	228	(131)	334
Insurance commissions received	914	–	185	1	(584)	516
Investment banking fees	13	–	–	159	–	172
Other non-interest income, net of expenses	624	(598)	420	4 120	385	4 951
Total non-interest income	8 952	2 252	2 663	6 653	(340)	20 180

Other non-interest income, net of expenses consists of other sources of income not accounted for under IFRS 15. This amount has been included to reconcile to the total non-interest income amount presented in the Statement of comprehensive income.

Other notable non-interest income items include gains and losses from banking and trading activities of **R5 221m** (30 June 2024: R3 899m; 31 December 2024: R8 719m), offset by expenses within CIB. For Personal and Private Banking this includes insurance revenue of **R4 599m** (30 June 2024: R4 427m; 31 December 2024: R9 074m), partially offset by insurance service expenses of **R3 589m** (30 June 2024: R3 614m; 31 December 2024: R7 114m).

4. Disaggregation of non-interest income

	30 June 2024					
	Personal and Private Banking Rm	Business Banking Rm	Absa Regional Operations – Retail and Business Banking Rm	Corporate and Investment Banking Rm	Head Office, Treasury and other operations Rm	Total Rm
Fee and commission income from contracts with customers	7 963	2 617	1 886	2 456	(653)	14 269
Consulting and administration fees	119	52	–	70	–	241
Transactional fees and commissions	6 202	1 703	1 440	1 945	(12)	11 278
Cheque accounts	1 777	784	20	89	–	2 670
Credit cards	1 298	105	210	(3)	1	1 611
Electronic banking	1 963	497	153	793	–	3 406
Service charges	520	236	989	642	(8)	2 379
Other (includes exchange commission and guarantees)	153	30	58	426	(5)	662
Savings accounts	491	51	10	(2)	–	550
Merchant income	404	842	156	2	–	1 404
Trust and other fiduciary services fees	277	14	2	12	1	306
Other fees and commissions	75	6	102	217	(106)	294
Insurance commissions received	872	–	186	1	(536)	523
Investment banking fees	14	–	–	209	–	223
Other non-interest income, net of expenses	675	(302)	568	3 390	(202)	4 129
Total non-interest income	8 638	2 315	2 454	5 846	(855)	18 398

The segment split numbers have been restated, refer to reporting changes overview.

	31 December 2024					
	Personal and Private Banking Rm	Business Banking Rm	Absa Regional Operations – Retail and Business Banking Rm	Corporate and Investment Banking Rm	Head Office, Treasury and other operations Rm	Total Rm
Fee and commission income from contracts with customers	16 535	5 507	4 005	5 027	(1 415)	29 659
Consulting and administration fees	238	108	–	154	1	501
Transactional fees and commissions	12 539	3 504	3 225	3 913	(8)	23 173
Cheque accounts	3 447	1 585	42	172	–	5 246
Credit cards	2 533	193	617	(7)	–	3 336
Electronic banking	4 033	1 015	283	1 595	–	6 926
Service charges	1 213	509	2 157	1 281	5	5 165
Other (includes exchange commissions and guarantees)	310	104	105	872	(13)	1 378
Savings accounts	1 003	98	21	–	–	1 122
Merchant income	1 069	1 842	346	5	–	3 262
Trust and other fiduciary services fees	623	21	5	21	1	671
Other fees and commissions	162	32	151	432	(219)	558
Insurance commissions received	1 860	–	278	4	(1 190)	952
Investment banking fees	44	–	–	498	–	542
Other non-interest income, net of expenses	1 520	(690)	978	7 058	319	9 185
Total non-interest income	18 055	4 817	4 983	12 085	(1 096)	38 844

The segment split numbers have been restated, refer to reporting changes overview.

5. Other impairments

	30 June		31 December	
	2025 Rm	2024 Rm	2024 Rm	
Goodwill	36	–	68	
Intangible assets	74	1	187	
Non-current assets held for sale (refer to note 1)	9	–	10	
Property and equipment	556	576	633	
Other non-financial assets	94	–	16	
	769	577	914	

The Group has impaired certain software assets of **R74m** (30 June 2024: R1m; 31 December 2024: R179m) for which the value in use is determined to be zero.

An impairment of **R556m** (30 June 2024: R576m; 31 December 2024: R633m) was recognised for property and equipment. Included in this balance is the impairment of furniture and other equipment of **R53m** (30 June 2024: R257m; 31 December 2024: R275m), impairment of a right-of-use asset of **R42m** (30 June 2024: R35m; 31 December 2024: R37m), both of which were impaired to an insignificant value in use/fair value less cost to sell, impairment of Motor Vehicles of **R3m** (30 June 2024: Rnil; 31 December 2024: Rnil) and an impairment of freehold property of **R458m** (30 June 2024: R284m; 31 December 2024: R300m) based on a recoverable amount of **R773m** (30 June 2024: R426m; 31 December 2024: R435m) which was determined to be fair value less cost to sell. The impairments are in line with the Group’s property consolidation plan.

As at 31 December 2024, the recoverable amount for one of the Non-life Insurance businesses in the Absa Regional Operations Retail and Business Banking segment was below the net asset value of the business, indicating an impairment of goodwill and other assets relating to the business. Goodwill of R8m relating to this business was impaired in full at this date. These entities have subsequently been sold as at 30 June 2025 without any further impairments.

6. Headline earnings

	30 June		2024		31 December	
	2025 Gross Rm	Net Rm	Gross Rm	Net Rm	Gross Rm	Net Rm
Headline earnings is determined as follows:						
Profit attributable to ordinary equity holders of the Group	11 231		9 845		21 537	
Total headline earnings adjustment:	643		335		–	522
IFRS 3 – Goodwill impairment	36	36	–	–	–	–
IFRS 3 – Gain on bargain purchase	–	–			(69)	(69)
IFRS 5 – Profit on disposal of non-current assets held for sale	(5)	(4)	(25)	(25)	(46)	(35)
IFRS 5 – Loss on disposal of non-current assets held for sale	60	60	–	–	–	–
IFRS 5 – Re–measurement of non-current assets held for sale	9	9	–	–	10	10
IFRS 10 – Profit on disposal of Subsidiary	–	–	–	–	(25)	(25)
IAS 16 – Profit on disposal of property and equipment	2	1	(168)	(115)	(150)	(102)
IAS 36 – Impairment of property and equipment	556	391	576	473	631	511
IAS 36 – Impairment of other non-financial assets	94	94	–	–	10	10
IAS 36 – Impairment of intangible assets	74	55	2	2	185	153
IAS 36 – Impairment of goodwill	–	–	–	–	68	68
IAS 38 – Loss on disposal of intangible assets	1	1	–	–	2	1
Headline earnings/diluted headline earnings	11 874		10 180		22 059	

The net headline earnings amounts reflected above are after the effects of taxation and non-controlling interest.

7. Dividends per share

	30 June		31 December	
	2025 Rm	2024 Rm	2024 Rm	
Dividends declared to ordinary equity holders				
Interim dividend (18 August 2025: 785 Cents per share (cps)) (19 August 2024: 685 cps)	7 021	6 126	6 126	
Final dividend (11 March 2025: 775 cps)	–	–	6 931	
	7 021	6 126	13 057	
Dividends declared to ordinary equity holders (net of treasury shares)				
Interim dividend (18 August 2025: 785 cps) (19 August 2024: 685 cps)	6 510	5 677	5 687	
Final dividend (11 March 2025: 775 cps)	–	–	6 428	
	6 510	5 677	12 115	
Dividends declared to non-controlling preference equity holders				
Interim dividend (19 August 2024: 4 146.30136 cps)	–	205	205	
Final dividend (11 March 2025: 3 939.65753 cps)	–	–	195	
	–	205	400	
Distributions declared and paid to additional Tier 1 capital note holders				
Distribution				
27 January 2025: 31 331.42 Rands per note (rpn); 29 January 2024: 33 242.52 Rands per note (rpn)	38	40	40	
31 January 2025: 27 617.64 rpn; 31 January 2024: 28 766.30 rpn	55	58	58	
14 February 2025: 27 305.10 rpn; 16 February 2024: 30 090.30 rpn	57	60	60	
17 February 2025: 28 703.64 rpn; 28 February 2024: 32 431.89 rpn	41	54	55	
28 February 2025: 26 546.41 rpn; 5 March 2024: 31 476.03 rpn	42	43	43	
05 March 2025: 29 692.60 rpn; 29 April 2024: 32 266.36 rpn	41	39	39	
29 April 2025: 30 770.85 rpn; 30 April 2024: 27 941.92 rpn	37	56	56	
30 April 2025: 25 597.86 rpn; 16 May 2024: 29 458.36 rpn	51	59	59	
14 May 2025: 25 500.33 rpn; 28 May 2024: 31 726.85 rpn	39	53	53	
16 May 2025: 26 853.26 rpn; 5 June 2024: 31 801.75 rpn	54	44	44	
29 May 2025: 25 392.33 rpn	40	–	–	
05 June 2025: 29 762.63 rpn	41	–	–	
27 July 2024: 32 161.64 rpn	–	–	39	
31 July 2024: 28 456.99 rpn	–	–	57	
14 August 2024: 28 664.38 rpn	–	–	43	
16 August 2024: 30 070.14 rpn	–	–	60	
28 August 2024: 32 368.88 rpn	–	–	54	
5 September 2024: 31 738.74 rpn	–	–	44	
28 October 2024: 31 994.60 rpn	–	–	39	
31 October 2024: 28 288.11 rpn	–	–	57	
14 November 2024: 28 104.11 rpn	–	–	42	
18 November 2024: 30 466.30 rpn	–	–	61	
28 November 2024: 32 094.14 rpn	–	–	54	
05 December 2024: 31 122.00 rpn	–	–	43	
	536	506	1 100	
Dividends paid to ordinary equity holders (net of treasury shares)				
Final dividend (22 April 2025: 775 cps); (22 April 2024: 685 cps)	6 444	5 685	5 679	
Interim dividend (13 September 2024: 685 cps)	–	–	5 687	
	6 444	5 685	11 366	
Dividends paid to non-controlling preference equity holders				
Final dividend (22 April 2025: 3 939.65753 cps) (22 April 2024: 4 101.23286 cps)	195	203	203	
Interim dividend (13 September 2024: 4 146.30137 cps)	–	–	205	
	195	203	408	

8. Acquisitions and disposals of business and similar transactions

8.1 Acquisitions of businesses and other similar transactions during the current reporting period

There were no acquisitions and other similar transactions in the current reporting period.

8.2 Disposals of businesses and other similar transactions during the current reporting period

During 2025 the Group concluded the disposal of three insurance entities to Hollard, within its Absa Regional Operations – Retail and Business Banking segment.

On 1 April 2025, the Group disposed of its interest in Global Alliance Seguros, S.A. (Mozambique). The total consideration received amounted to R475m, comprising R20m in cash, a receivable of R412m, and a deferred consideration of R43m. The Group’s share of net assets disposed was R515m, and transaction costs incurred amounted to R6m. This transaction resulted in a gross loss of R46m.

Subsequently, on 1 May 2025, the Group disposed of Absa Life Botswana Proprietary Limited. The transaction yielded a cash consideration of R180m. The Group’s share of net assets disposed was R164m, and transaction costs amounted to R13m. The disposal resulted in a profit of R3m.

Lastly, on 1 June 2025, the Group completed the disposal of Absa Life Zambia Limited for a cash consideration of R37m. The Group’s share of net assets disposed was R40m, and transaction costs incurred were R14m. This transaction resulted in a gross loss of R17m.

	31 December 2024 Rm
Consideration at date of acquisition:	
Cash	–
Total Consideration	–
Recognised fair values of identifiable assets acquired and liabilities assumed	
Cash, cash balances and balances with central banks	4 472
Other assets	7
Loans and advances	2 454
Property and equipment	8
Goodwill and intangible assets	44
Other liabilities	(56)
Deposits	(6 860)
Total identifiable net assets acquired	69
Gain on bargain purchase	(69)

8.3 Acquisitions of businesses and other similar transactions during the previous reporting period

Absa Bank Limited increased it’s shareholding in South African Bankers Services Company Proprietary Limited by 0.685%. This increased the carrying value of the investment by R106m.

Absa Group Limited increased its shareholding in Sanlam Investment Holdings Proprietary Limited. This increased the carrying value of the investment by R24m.

On 6 July 2024, Absa Bank Mauritius Limited met the conditions for acquiring 100% of the assets and liabilities of HSBC’s domestic Wealth, and Personal and Banking business in Mauritius. The acquisition became effective on this date. Included in the identifiable assets and liabilities acquired on the effective date are inputs (loans and advances, a portfolio of customer deposits, a branch and customer relationships), certain processes and an organized workforce. The Group has determined that together the acquired inputs and processes significantly contribute to the ability to create interest and non-interest income. The acquired set is hence a business and has been accounted for as a business combination within the scope of IFRS 3.

The fair value of the acquired loans and advances is R2 454m. The gross contractual amount for the loans and advances is R2 491m, with a loss allowance of R37m recognised on acquisition.

The acquisition date fair value of the consideration transferred was allocated to the fair values of the acquired assets of R6 985m and liabilities assumed of R6 916m. The gain on bargain purchase recognised in the consolidated statement of comprehensive income due to the acquisition of the business was R69m. The acquired business contributed revenues of R69m and profit of R65m to the group for the period ended 31 December 2024.

8. Acquisitions and disposals of business and similar transactions

8.4 Disposals of businesses and other similar transactions during the previous reporting period

Devco Holdings, a division in the Relationship Banking segment, divested its entire shareholding in Absa Property Development (Pty) Ltd. The assets held at the time of the divestment were valued at R203m, while the liabilities amounted to R228m. The sale was finalised on 28 June 2024 and resulted in a profit of R25m.

9. Related parties

Absa Group Limited has announced the appointment of Kenny Fihla as Group Chief Executive Officer and Executive Director, effective 17 June 2025.

Charles Russon has stepped down as Interim Group Chief Executive Officer, effective 16 June 2025.

René van Wyk, an Independent Non-Executive Director of Absa Group Limited, assumed the position of Chairman of the Board, effective 15 July 2025.

Sello Moloko has stepped down from his role as Chairman of Absa Group Limited and as Independent Non-Executive Director, effective 15 July 2025.

Christine Wu and Geoffrey Lee have been appointed as interim co-Chief Executives of Personal and Private Banking, effective 30 May 2025.

9.1 Prior period related party events and transactions

Deon Raju (former Group Chief Risk Officer and Group Treasurer) was appointed by the Board as the Group Financial Director for Absa Group Limited with effect from 26 April 2024, taking over from Christopher Snyman who stepped down as an Interim Financial Director on the same date.

Charles Russon was appointed as Interim Group Executive Officer on 15 October 2024. Prior to his appointment, he was Chief Executive of Absa’s Corporate and Investment Bank (CIB).

Christine Wu was appointed as Chief Executive: Everyday Banking, while Rajal Vaidya was appointed as Interim Group Chief Risk Officer, both with effect from 26 April 2024.

Swithin J. Munyantwali announced his resignation as an Independent Director of Absa Group Limited, effective 12 March 2024.

Daisy Naidoo announced her retirement as an Independent Director of Absa Group Limited, effective, 4 June 2024.

10. Contingencies, commitments and similar items

	30 June	31 December	
	2025 Rm	2024 Rm	2024 Rm
Guarantees	60 255	54 955	55 716
Irrevocable debt facilities	155 988	149 132	150 802
Letters of credit	13 797	20 489	19 863
	230 040	224 576	226 381
Authorised capital expenditure			
Contracted but not provided for	970	1 168	857

Guarantees include performance guarantee contracts and financial guarantee contracts. This amount represents the maximum off-statement of financial position exposure.

Financial guarantee contracts represent contracts where the Group undertakes to make specified payments to a counterparty, should the counterparty suffer a loss as a result of a specified debtor failing to make payment when due in accordance with the terms of a debt instrument. This amount represents the maximum off-statement of financial position exposure.

Irrevocable facilities are commitments to extend credit where the Group does not have the right to terminate the facilities by written notice.

Irrevocable debt facilities do not include other lending facilities which are revocable but for which an impairment provision has been raised (i.e. revolving products). The above table presents only those gross loan commitments that are contractually committed and are legally irrevocable.

Commitments (Authorised capital expenditure) generally have fixed expiry dates. Since commitments may expire without being drawn upon, the total contract amounts do not necessarily represent future cash requirements.

The Group has capital commitments in respect of intangible assets, property and equipment. Management is confident that future net revenues and funding will be sufficient to cover these commitments.

10. Contingencies, commitments and similar items

Legal proceedings

Legal matters

The Group is engaged in various legal, competition and regulatory matters both in South Africa and a number of other jurisdictions. It is involved in legal proceedings which arise in the ordinary course of business from time to time, including (but not limited to) disputes in relation to contracts, securities, debt collection, consumer credit, fraud, trusts, client assets, competition, data protection, money laundering, employment, environmental and other statutory and common law issues.

The Group is also subject to enquiries and examinations, requests for information, audits, investigations and legal and other proceedings by regulators, governmental and other public bodies in connection with (but not limited to) consumer protection measures, compliance with legislation and regulation, wholesale trading activity and other areas of banking and business activities in which the Group is or has been engaged.

At the present time, the Group does not expect the ultimate resolution of any of these other matters to have a material adverse effect on its financial position. However, in light of the uncertainties involved in such matters and the matters specifically described in this note, there can be no assurance that the outcome of a particular matter or matters will not be material to the Group's results of operations or cash flow for a particular period, depending on, amongst other things, the amount of the loss resulting from the matter(s) and the amount of income otherwise reported for the reporting period.

The Group has not disclosed the contingent liabilities associated with these matters either because they cannot reasonably be estimated or because such disclosure could be prejudicial to the outcome of the matter. Provision is made for all liabilities which are expected to materialise.

Regulatory developments

The scale of regulatory change remains challenging post the reforms introduced in response to the global financial crisis. These reforms resulted in significant tightening of regulation and changes to regulatory structures globally and locally, especially for companies that are deemed to be of systemic importance. Concurrently, there is continuing political and regulatory scrutiny in the operation of the banking and consumer credit industries globally and locally which, in some cases, is leading to increased regulation.

The nature and impact of future changes in the legal framework, policies and regulatory action, especially in the areas of financial crime, banking and insurance regulation, cannot currently be fully predicted and are beyond the Group's control. We are also awaiting policy positions to be taken by Regulators. Some of these are likely to have an impact on the Group's customers, business lines, systems and earnings.

The Group is continuously evaluating its programmes and controls in general relating to compliance with regulation and responding to the same. The Group undertakes monitoring, review and assurance activities, and has also adopted appropriate remedial and/or mitigating steps, where necessary or advisable, and has made disclosures on material findings as and when appropriate. The Group regards the relationship with Regulators as very important and manages such engagements on a continuous basis.

Income taxes disclosed as contingencies

The Group is subject to income taxes in numerous jurisdictions and the calculation of the Group's tax charge and provisions for income taxes necessarily involves a degree of estimation and judgement. As with many large organisations, there are transactions and calculations for which the ultimate tax treatment may be uncertain and accordingly the final tax charge cannot be determined until resolution has been reached with the relevant tax authority.

The Group recognises provisions for anticipated tax audit issues based on estimates of whether additional taxes will be due after considering external advice where appropriate. The carrying amount of any resulting provisions will be sensitive to the manner in which tax legal matters are expected to be resolved, and the stage of negotiations or discussion with the relevant tax authorities. There may be uncertainty around the final outcome of tax proceedings, which in many instances, will only be concluded after several years.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the reporting period in which such determination is made. We manage risks in accordance with the Group's Tax Risk Policy.

11. Segment reporting

The identified reportable segments in the following table are disclosed based on how the Group's businesses have been managed and reported at the reporting date to the Group Executive Committee which is seen as the Chief Operating Decision Maker.

The Group announced the integration of Product Solutions Cluster, Everyday Banking, and Private Wealth Banking (previously part of Relationship Banking) into a single business unit - Personal and Private Banking (PPB) – to improve the Group's ability to deliver client value, particularly distribution of value-added services and insurance product across a large customer base. At the same time, Relationship Banking has been repositioned and is now known as Business Banking, with a sharpened focus on serving SME and Commercial clients in targeted sectors.

	Personal and Private Banking			Business Banking		
	30 June	31 December		30 June	31 December	
	2025	2024	2024	2025	2024	2024
Total income	21 784	21 615	44 021	7 528	7 533	15 364
Profit for the reporting period	3 440	2 903	7 668	1 851	2 101	4 388
Headline earnings	3 168	2 578	6 978	1 712	1 936	4 067
Total assets	984 185	940 115	971 668	314 798	291 908	315 927
Total liabilities	972 123	929 392	956 707	311 915	288 836	310 676
Internal income	(6 044)	(7 442)	(14 219)	3 778	3 421	7 533

	Absa Regional Operations – Retail Business Banking			Corporate and Investment Banking		
	30 June	31 December		30 June	31 December	
	2025	2024	2024	2025	2024	2024
Total income	9 642	8 530	17 447	17 578	16 437	33 266
Profit for the reporting period	1 501	1 242	2 343	7 127	6 617	13 070
Headline earnings	1 092	810	1 615	6 440	5 863	11 680
Total assets	170 412	149 059	169 754	1 355 090	1 175 074	1 253 746
Total liabilities	170 396	146 683	166 990	1 336 935	1 163 262	1 234 579
Internal income	2 046	1 263	3 039	(1 276)	(4 051)	(3 549)

	Head office, Treasury and other operations			Group Performance		
	30 June	31 December		30 June	31 December	
	2025	2024	2024	2025	2024	2024
Total income	(45)	(407)	(149)	56 487	53 708	109 949
Profit for the reporting period	(976)	(1 349)	(2 566)	12 943	11 514	24 903
Headline earnings	(538)	(1 007)	(2 281)	11 874	10 180	22 059
Total assets	(664 726)	(602 802)	(642 400)	2 159 759	1 953 354	2 068 695
Total liabilities	(819 303)	(746 176)	(783 533)	1 972 066	1 781 997	1 885 419
Internal income	1 496	6 809	7 196	–	–	–

The segment split numbers have been restated for the reporting periods ended 30 June 2024 and 31 December 2024, refer to reporting changes overview.

12. Financial assets and financial liabilities not held at fair value

The following table summarises the carrying amounts and fair value of assets and liabilities not held at fair value and for which the fair value is not considered to approximate the carrying amount.

	30 June			
	2025 Carrying amount Rm	Fair value Rm	2024 Carrying amount Rm	Fair value Rm
Financial assets				
Investment securities	61 740	63 466	51 451	51 316
Personal and Private Banking	465 728	473 631	454 586	460 224
Transactions and deposits	10 641	10 835	10 240	10 336
Unsecured Lending	19 961	19 298	20 858	20 303
Personal Loans	19 961	19 298	20 858	20 303
Home Loans	312 658	318 400	307 257	310 801
Vehicle and Asset Finance	122 468	125 098	116 231	118 784
Business Banking	153 628	158 026	146 442	148 679
Absa Regional Operations – Retail Business Banking	90 903	90 229	83 546	84 014
Corporate and Investment Banking	431 334	434 936	407 634	404 663
Corporate and Investment Banking SA	340 509	341 880	324 441	325 210
Corporate and Investment Banking ARO	90 825	93 056	83 193	79 453
Loans and advances to customers	1 141 593	1 156 822	1 092 208	1 097 580
Loans and advances to banks	68 976	68 796	57 778	57 869
Loans and advances	1 210 569	1 225 618	1 149 986	1 155 449
Total	1 272 309	1 289 084	1 201 437	1 206 765
Financial liabilities				
Fixed deposits	240 929	241 077	232 493	232 722
Deposits due to customers	240 929	241 077	232 493	232 722
Deposits from banks	89 582	89 466	95 892	96 139
Deposits	330 511	330 543	328 385	328 861
Debt securities in issue	151 709	152 019	153 089	153 276
Borrowed funds	18 006	18 052	16 699	16 710
Total	500 226	500 614	498 173	498 847

The above table excludes where the fair value approximated the carrying amount. The fair value amounts approximate the carrying amount due to the short-term nature and/or frequent repricing of interest rates on such instruments.

The segment split numbers have been restated, refer to reporting changes overview.

12. Financial assets and financial liabilities not held at fair value

	31 December 2024	
	Carrying amount Rm	Fair value Rm
Financial assets		
Investment securities	59 747	60 804
Personal and Private Banking	459 097	465 376
Transactions and deposits	10 494	10 599
Unsecured Lending	20 166	19 704
Personal Loans	20 166	19 704
Home Loans	310 116	314 524
Vehicle and Asset Finance	118 321	120 549
Business Banking	148 400	150 766
Absa Regional Operations – Retail Business Banking	91 060	90 963
Corporate and Investment Banking	420 849	421 612
Corporate and Investment Banking SA	327 662	327 789
Corporate and Investment Banking ARO	93 187	93 823
Loans and advances to customers	1 119 406	1 128 717
Loans and advances to banks	57 039	56 968
Loans and advances	1 176 445	1 185 685
Total	1 236 192	1 246 489
Financial liabilities		
Fixed deposits	259 498	259 605
Deposits due to customers	259 498	259 605
Deposits from banks	93 457	93 256
Deposits	352 955	352 861
Debt securities in issue	151 587	151 903
Borrowed funds	21 188	21 241
Total	525 730	526 005

The segment split numbers have been restated, refer to reporting changes overview.

13. Assets and liabilities held at fair value

13.1 Fair value measurement and valuation processes

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values should be first calculated with reference to observable inputs where these are available in the market. Only where these are unavailable should fair value techniques be applied which employ less observable inputs. Unobservable inputs may only be used where observable inputs or less observable inputs are unavailable. IFRS 13 Fair Value Measurement (IFRS 13) does not mandate the use of a particular valuation technique but rather sets out a principle requiring an entity to determine a valuation technique that is appropriate in the circumstances for which sufficient data is available and for which the use of relevant observable inputs can be maximised. Where management is required to place greater reliance on unobservable inputs, the fair values may be more sensitive to assumption changes and different valuation methodologies that may be applied. For this reason, there is a direct correlation between the extent of disclosures required by IFRS 13 and the degree to which data applied in the valuation is unobservable.

Valuation inputs

IFRS 13 requires an entity to classify fair values according to a hierarchy that reflects the significance of observable market inputs. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities, and the lowest priority to unobservable inputs. In some cases, the inputs used to measure the fair value of an asset or a liability might be categorised within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input which is considered to be significant to the entire measurement. The three levels of the fair value hierarchy are specifically defined as follows:

- **Quoted market prices – Level 1**
Fair values are classified as Level 1 if they have been determined using unadjusted quoted prices in active markets for identical assets and liabilities that the entity can access at the measurement date. The quoted prices are required to represent actual and regularly occurring market transactions on an arm's length basis. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an ongoing basis.
- **Valuation technique using observable inputs – Level 2**
Inputs classified as Level 2 are observable for the asset or liability, either directly (i.e. as prices), or indirectly (i.e. derived from prices), but do not constitute quoted prices that are included within Level 1. A valuation input is considered observable if it can be directly observed from transactions in an active market, or if there is compelling external evidence demonstrating an executable exit price.

- **Valuation technique using significant unobservable inputs – Level 3**
Fair values are classified as Level 3 if their determination incorporates significant inputs that are not based on observable market data (that is, they are unobservable inputs). Unobservable input levels are generally determined based on observable inputs of a similar nature, historical observations as well through employing other analytical techniques.

Financial assets and financial liabilities

The Group has an established control framework with respect to the measurement of fair values. The framework includes a Traded Risk and Valuation Committee and an Independent Valuation Control team (IVC), which is independent from the front office. The Traded Risk and Valuation Committee, which comprises representatives from senior management, will formally approve valuation policies and any changes to valuation methodologies. Significant valuation issues are reported to the GACC. The Traded Risk and Valuation Committee is responsible for overseeing the valuation control process and will therefore consider the appropriateness of valuation techniques and inputs for fair value measurement.

The IVC team independently verifies the results of trading and investment operations and all significant fair value measurements. They source independent data from independent external parties as well as internal risk areas when performing independent price verification for all financial instruments held at fair value. They also assess and document the inputs obtained from independent external sources to measure the fair value which supports conclusions that valuations are performed in accordance with IFRS and internal valuation policies.

Investment properties

The fair value of investment properties is determined based on the most appropriate methodology applicable to the specific property. Methodologies include the market comparable approach that reflects recent transaction prices for similar properties, discounted cash flows and income capitalisation methodologies. In estimating the fair value of the properties, the highest and best use of the properties is taken into account. Where possible, the fair value of the Group's investment properties is determined through valuations performed by qualified independent external valuers.

When the Group's internal valuations are different to that of the independent external valuers, detailed procedures are performed to substantiate the differences, whereby the IVC verifies the procedures performed by front office and considers the appropriateness of any differences to independent external valuations.

13. Assets and liabilities held at fair value

13.1 Fair value measurement and valuation processes *continued*

Commodities

The determination of the fair value of commodities uses external data, which includes quoted prices on an active market.

Judgemental inputs on valuation of principal instruments

The following summary sets out the principal instruments whose valuation may involve judgemental inputs:

- **Debt securities and treasury and other eligible bills**
These instruments are valued based on quoted market prices from an exchange, dealer, broker, industry group or pricing service, where available. Where unavailable, fair value is determined with reference to quoted market prices for similar instruments or, in the case of certain instruments, valuation techniques using inputs derived from observable market data, and, where relevant, assumptions in respect of unobservable inputs.
- **Equity instruments**
Equity instruments are valued based on quoted market prices from an exchange, dealer, broker, industry group or pricing service, where available. Where unavailable, fair value is determined with reference to quoted market prices for similar instruments or by using valuation techniques using inputs derived from observable market data, and, where relevant, assumptions in respect of unobservable inputs. Also included in equity instruments are non-public investments, which include investments in venture capital organisations. The fair value of these investments is determined using appropriate valuation methodologies which, depending on the nature of the investment, may include discounted cash flow analysis, enterprise value comparisons with similar companies and price to earnings comparisons. The relevant methodology for each investment is applied consistently over time.
- **Derivatives**
Derivative contracts can be exchange-traded or traded Over The Counter (OTC). OTC derivative contracts include forward, swap and option contracts related to interest rates, bonds, foreign currencies, credit spreads, equity prices and commodity prices or indices on these instruments. Fair values of derivatives are obtained from quoted market prices, dealer price quotations, discounted cash flow and pricing models.
- **Loans and advances**
The fair value of loans and advances is determined by discounting contractual cash flows. Discount factors are determined using the relevant forward base rates (as at valuation date) plus the originally priced spread. Where a significant change in credit risk has occurred, an updated spread is used to reflect valuation date pricing. Behavioural cash flow profiles, instead of contractual cash flow profiles, are used to determine expected cash flows where contractual cash flow profiles would provide an inaccurate fair value.

- **Deposits, debt securities in issue and borrowed funds**

Deposits, debt securities in issue and borrowed funds are valued using discounted cash flow models, applying rates currently offered for issuances with similar characteristics. Where these instruments include embedded derivatives, the embedded derivative component is valued using the methodology for derivatives.

The fair value of amortised cost deposits repayable on demand is considered to be equal to their carrying value. For other financial liabilities at amortised cost, the disclosed fair value approximates the carrying value because the instruments are short-term in nature or have interest rates that reprice frequently.

The main valuation adjustments required to arrive at a fair value are described as follows:

- **Bid-offer valuation adjustments**
For assets and liabilities where the Group is not a market maker, mid-prices are adjusted to bid and offer prices respectively unless the relevant mid-prices are reflective of the appropriate exit price as a practical expedient given the nature of the underlying instruments. Bid-offer adjustments reflect expected close out strategy and, for derivatives, the fact that they are managed on a portfolio basis. The methodology for determining the bid-offer adjustment for a derivative portfolio will generally involve netting between long and short positions and the bucketing of risk by strike and term in accordance with the hedging strategy. Bid-offer levels are derived from market sources, such as broker data. For those assets and liabilities where the Group is a market maker and has the ability to transact at, or better than, mid-price (which is the case for certain equity, bond and vanilla derivative markets), the mid-price is used.
- **Uncollateralised derivative adjustments**
A fair value adjustment is incorporated into uncollateralised derivative valuations to reflect the impact on fair value of counterparty credit risk, as well as the cost of funding across all asset classes.
- **Model valuation adjustments**
Valuation models are reviewed under the Group's model governance framework. This process identifies the assumptions used and any model limitations (for example, if the model does not incorporate volatility skew). Where necessary, fair value adjustments will be applied to take these factors into account. Model valuation adjustments are dependent on the size of the portfolio, complexity of the model, whether the model is market standard and to what extent it incorporates all known risk factors. All models and model valuation adjustments are subject to review at least annually.

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13. Assets and liabilities held at fair value

13.2 Fair value hierarchy *continued*

The following table shows the Group's assets and liabilities that are recognised and subsequently measured at fair value and are analysed by valuation techniques. The classification of assets and liabilities is based on the lowest level input that is significant to the fair value measurement in its entirety.

	30 June				2024			
	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
Financial assets								
Cash, cash balances and balances with central banks	–	3 640	–	3 640	–	3 744	–	3 744
Investment securities	103 209	97 533	6 110	206 852	99 515	78 559	12 088	190 162
Trading and hedging portfolio assets	140 125	99 387	12 048	251 560	119 014	78 616	15 101	212 731
Debt instruments	86 237	10 152	1 350	97 739	73 490	8 367	1 261	83 118
Derivative assets	–	58 275	2 093	60 368	–	51 564	2 054	53 618
Commodity derivatives	–	1 065	20	1 085	–	1 275	18	1 293
Credit derivatives	–	–	404	404	–	–	226	226
Equity derivatives	–	4 406	1 056	5 462	–	5 197	1 544	6 741
Foreign exchange derivatives	–	16 833	580	17 413	–	15 123	266	15 389
Interest rate derivatives	–	35 971	33	36 004	–	29 969	–	29 969
Equity instruments	52 815	–	–	52 815	43 434	–	–	43 434
Money market assets	1 073	30 960	8 605	40 638	2 090	18 685	11 786	32 561
Other assets	–	218	–	218	–	2	–	2
Loans and advances	–	138 733	6 813	145 546	–	93 287	9 072	102 359
Investments linked to investment contracts	21 009	3 955	–	24 964	18 957	2 893	–	21 850
Total financial assets	264 343	343 466	24 971	632 780	237 486	257 101	36 261	530 848
Financial liabilities								
Trading and hedging portfolio liabilities	16 291	50 672	2 319	69 282	12 420	46 582	971	59 973
Derivative liabilities	–	50 672	2 319	52 991	–	46 582	971	47 553
Commodity derivatives	–	1 278	18	1 296	–	793	17	810
Credit derivatives	–	–	144	144	–	–	136	136
Equity derivatives	–	2 922	1 577	4 499	–	2 043	552	2 595
Foreign exchange derivatives	–	18 817	580	19 397	–	17 145	266	17 411
Interest rate derivatives	–	27 655	–	27 655	–	26 601	–	26 601
Short positions	16 291	–	–	16 291	12 420	–	–	12 420
Other liabilities	–	40	–	40	–	54	–	54
Deposits	72	174 238	1 898	176 208	538	116 224	2 042	118 804
Debt securities in issue	687	44 083	–	44 770	–	71 267	73	71 340
Liabilities under investment contracts	–	25 219	–	25 219	–	22 236	–	22 236
Total financial liabilities	17 050	294 252	4 217	315 519	12 958	256 363	3 086	272 407
Non-financial assets								
Commodities	2 572	–	–	2 572	1 899	–	–	1 899
Investment properties	–	–	315	315	–	–	224	224
Non-recurring fair value measurements								
Non-current assets held for sale	–	–	471	471	–	–	1 534	1 534
Non-current liabilities held for sale	–	–	354	354	–	–	2 083	2 083

As a result of the uncertainties inherent in measuring the fair value of financial instruments at level 3, its measurement is estimated based on valuation assumptions and inputs derived from market expectations. Estimation involves judgements based on the latest available, reliable information. Resultantly, any changes in key assumptions relating to their valuation is treated as a change in accounting estimate and has been accounted for prospectively in the financial statements.

Non-current assets and liabilities includes certain items classified in terms of the requirements of IFRS 5 which are measured at fair value in terms of their respective standard.

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13. Assets and liabilities held at fair value

13.2 Fair value hierarchy *continued*

	31 December 2024			
	Level 1 Rm	Level 2 Rm	Level 3 Rm	Total Rm
Financial assets				
Cash, cash balances and balances with central banks	–	3 528	–	3 528
Investment securities	102 046	104 257	4 394	210 697
Trading and hedging portfolio assets	122 487	96 996	9 037	228 520
Debt instruments	76 025	11 479	1 204	88 708
Derivative assets	–	59 710	1 905	61 615
Commodity derivatives	–	1 032	17	1 049
Credit derivatives	–	–	427	427
Equity derivatives	–	5 288	1 032	6 320
Foreign exchange derivatives	–	18 568	402	18 970
Interest rate derivatives	–	34 822	27	34 849
Equity instruments	45 023	–	–	45 023
Money market assets	1 439	25 807	5 928	33 174
Other assets	–	216	–	216
Loans and advances	–	112 143	6 666	118 809
Investments linked to investment contracts	20 051	3 319	–	23 370
Total financial assets	244 584	320 459	20 097	585 140
Financial liabilities				
Trading and hedging portfolio liabilities	13 309	52 164	1 805	67 278
Derivative liabilities	42	52 164	1 805	54 011
Commodity derivatives	–	1 120	16	1 136
Credit derivatives	–	–	107	107
Equity derivatives	–	1 284	1 316	2 600
Foreign exchange derivatives	42	18 509	366	18 917
Interest rate derivatives	–	31 251	–	31 251
Short positions	13 267	–	–	13 267
Other liabilities	–	87	–	87
Deposits	60	136 298	1 687	138 045
Debt securities in issue	–	59 704	–	59 704
Liabilities under investment contracts	–	23 547	–	23 547
Total financial liabilities	13 369	271 800	3 492	288 661
Non-financial assets				
Commodities	1 717	–	–	1 717
Investment properties	–	–	225	225
Non-recurring fair value measurements				
Non-current assets held for sale	–	–	972	972
Non-current liabilities held for sale	–	–	1 064	1 064

13. Assets and liabilities held at fair value

13.3 Measurement of assets and liabilities at Level 2

The following table presents information about the valuation techniques and significant observable inputs used in measuring assets and liabilities categorised as Level 2 in the fair value hierarchy:

Category of asset/liability	Valuation techniques applied	Significant observable inputs
Cash, cash balances and balances with central banks	Discounted cash flow models	Underlying price of market traded instruments and/or interest rates
Trading and hedging portfolio assets and liabilities		
Debt instruments	Discounted cash flow models	Underlying price of market instruments and/or interest rates
Derivative assets and liabilities		
Commodity derivatives	Discounted cash flow techniques, option pricing models such as the Black Scholes model, futures pricing models and/or Exchange Traded Fund (ETF) models	Spot price of physical or futures, market interest rates and/or volatilities
Equity derivatives	Discounted cash flow models, option pricing models and/or futures pricing models	Spot share prices, market interest rates, volatility and/or dividend stream
Foreign exchange derivatives	Discounted cash flow techniques and/or option pricing models, such as the Black Scholes model	Spot price, interest rate curves, repurchase agreements, money market curves and/or volatilities
Interest rate derivatives	Discounted cash flow and/or option pricing models	Interest rate curves, repurchase agreement curves, money market curves and/or volatility
Money market assets	Discounted cash flow models	Money market curves and/or interest rates
Loans and advances	Discounted cash flow models	Interest rates and/or money market curves
Investment securities, Investments assets and liabilities linked under investment contracts	Listed equities: market bid price	Underlying price of market traded instruments and/or interest rate curves
Deposits	Discounted cash flow models	Interest rates and/or money market curves
Debt securities in issue and other liabilities	Discounted cash flow models	Underlying price of market traded instruments and/or interest rate curves

13.4 Reconciliation of Level 3 assets and liabilities

A reconciliation of the opening balances to closing balances for all movements on Level 3 assets is set out below:

30 June 2025					
	Trading and hedging portfolio assets	Loans and advances	Investment securities	Investment properties	Total assets
	Rm	Rm	Rm	Rm	Rm
Opening balance at the beginning of the reporting period	9 037	6 666	4 394	225	20 322
Interest income	–	25	36	–	61
Gains and losses from banking and trading activities	(4)	5	76	–	77
Gains and losses from investment activities	–	–	(2)	–	(2)
Purchases	4 361	415	238	–	5 014
Sales	(1 463)	(228)	(253)	–	(1 944)
Movement in other comprehensive income	–	–	116	–	116
Transfer to/(from) other items in the statement of financial position	–	–	(81)	90	9
Transfer to Level 3	–	–	1 485	–	1 485
Transfer out of Level 3	(147)	(70)	–	–	(217)
Foreign currency conversion on assets	264	–	101	–	365
Closing balance at the end of the reporting period	12 048	6 813	6 110	315	25 286

13. Assets and liabilities held at fair value

13.4 Reconciliation of Level 3 assets and liabilities continued

30 June 2024					
	Trading and hedging portfolio assets	Loans and advances	Investment securities	Investment properties	Total assets
	Rm	Rm	Rm	Rm	Rm
Opening balance at the beginning of the reporting period	18 228	6 771	12 311	378	37 688
Interest income	–	38	54	–	92
Gains and losses from banking and trading activities	535	(62)	202	–	675
Purchases	4 258	2 367	182	–	6 807
Sales	(6 218)	(207)	(460)	(177)	(7 062)
Movement in other comprehensive income	–	–	(95)	–	(95)
Transfers to Level 3	–	174	–	–	174
Transfer out of Level 3	(1 465)	–	(17)	–	(1 482)
Foreign currency conversion on assets	(237)	(9)	(89)	23	(312)
Closing balance at the end of the reporting period	15 101	9 072	12 088	224	36 485
31 December 2024					
	Trading and hedging portfolio assets	Loans and advances	Investment securities	Investment properties	Total assets
	Rm	Rm	Rm	Rm	Rm
Opening balance at the beginning of the reporting period	18 228	6 771	12 311	378	37 688
Interest income	–	31	103	–	134
Gains and losses from banking and trading activities	199	45	194	–	438
Gains and losses from investment activities	–	–	(12)	–	(12)
Purchases	4 205	689	1 333	1	6 228
Sales	(12 231)	(812)	(2 694)	–	(15 737)
Movement in other comprehensive income	–	–	(79)	–	(79)
Transfers to non-current assets held for sale	–	–	–	(182)	(182)
Transfer to Level 3	–	170	254	–	424
Transfer out of Level 3	(1 171)	(219)	(6 946)	–	(8 336)
Foreign currency conversion on assets	(193)	(9)	(70)	28	(244)
Closing balance at the end of the reporting period	9 037	6 666	4 394	225	20 322

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13. Assets and liabilities held at fair value

13.4 Reconciliation of Level 3 assets and liabilities *continued*

A reconciliation of the opening balances to closing balances for all movements on Level 3 liabilities is set out below:

30 June 2025				
	Trading and hedging portfolio liabilities Rm	Deposits Rm	Debt securities in issue Rm	Total liabilities Rm
Opening balance at the beginning of the reporting period	1 805	1 687	–	3 492
Gains and losses from banking and trading activities	429	89	–	518
Issues	199	315	–	514
Settlements	(33)	(146)	–	(179)
Transfer out of Level 3	(81)	(47)	–	(128)
Closing balance at the end of the reporting period	2 319	1 898	–	4 217

30 June 2024				
	Trading and hedging portfolio liabilities Rm	Deposits Rm	Debt securities in issue Rm	Total liabilities Rm
Opening balance at the beginning of the reporting period	3 851	2 264	73	6 188
Gains and losses from banking and trading activities	(63)	21	–	(42)
Issues	186	400	–	586
Settlements	(2 397)	(194)	–	(2 591)
Transfer out of Level 3	(606)	(449)	–	(1 055)
Closing balance at the end of the reporting period	971	2 042	73	3 086

31 December 2024				
	Trading and hedging portfolio liabilities Rm	Deposits Rm	Debt securities in issue Rm	Total liabilities Rm
Opening balance at the beginning of the reporting period	3 851	2 264	73	6 188
Gains and losses from banking and trading activities	789	96	–	885
Issues	212	331	–	543
Settlements	(3 010)	(3)	–	(3 013)
Transfer out of Level 3	(37)	(1 001)	(73)	(1 111)
Closing balance at the end of the reporting period	1 805	1 687	–	3 492

13.5 Significant transfers between levels

During the 2025 and 2024 reporting periods, transfers between levels occurred because of changes in the observability of valuation inputs, in some instances owing to changes in the level of market activity. Transfers between level 1 and level 2 are not considered significant for disclosure. Transfers have been reflected as if they had taken place at the beginning of the year.

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13. Assets and liabilities held at fair value

13.6 Unrealised gains and losses on Level 3 assets and liabilities

The total unrealised gains and losses for the reporting period on Level 3 positions held at the reporting date are set out below:

30 June 2025				
	Trading and hedging portfolio assets Rm	Loans and advances Rm	Investment securities Rm	Total assets at fair value Rm
Aggregate unrealised gains and (losses) since inception	416	53	33	502
Unrealised gains and (losses) recognised	142	30	75	247

30 June 2024				
	Trading and hedging portfolio assets Rm	Loans and advances Rm	Investment securities Rm	Total assets at fair value Rm
Aggregate unrealised gains and (losses) since inception	1 284	(69)	431	1 646
Unrealised gains and (losses) recognised	273	(22)	193	444

The above table disclosure has been restated to include the aggregate unrealised gains and losses on level 3 position.

31 December 2024				
	Trading and hedging portfolio assets Rm	Loans and advances Rm	Investment securities Rm	Total assets at fair value Rm
Aggregate unrealised gains and (losses) since inception	345	43	114	502
Unrealised gains and (losses) recognised	199	60	31	290

30 June 2025			
	Trading and hedging portfolio liabilities Rm	Deposits due to customers Rm	Total liabilities at fair value Rm
Aggregate unrealised gains and (losses) since inception	(1 961)	(221)	(2 182)
Unrealised Gains and (losses) recognised	(577)	(89)	(666)

30 June 2024			
	Trading and hedging portfolio liabilities Rm	Deposits due to customers Rm	Total liabilities at fair value Rm
Aggregate unrealised gains and (losses) since inception	(730)	(9)	(739)
Unrealised gains and (losses) recognised	(736)	(9)	(745)

The above table disclosure has been restated to include the aggregate unrealised gains and losses on level 3 position.

13. Assets and liabilities held at fair value

13.6 Unrealised gains and losses on Level 3 assets and liabilities *continued*

	31 December 2024		
	Trading and hedging portfolio liabilities Rm	Deposits due to customers Rm	Total liabilities at fair value Rm
Aggregate unrealised gains and (losses) since inception	(1 478)	(149)	(1 627)
Unrealised gains and (losses) recognised	(761)	(169)	(930)

13.7 Sensitivity analysis of valuations using unobservable inputs

As part of the Group’s risk management processes, we perform a sensitivity analysis on the significant unobservable parameters, in order to determine the impact of reasonably possible alternative assumptions on the valuation of level 3 financial assets and liabilities. The assets and liabilities that mostly impact this sensitivity analysis are those with more illiquid and/or structured portfolios. The alternatives assumptions are applied independently and do not take account of any cross correlation between assumptions that would reduce the overall effect on the valuations.

A significant parameter has been deemed to be one which may result in a charge to profit or loss, or a change in the fair value of the asset or liability by more than 10% of the underlying value of the affected item.

This is demonstrated by the following sensitivity analysis which includes reasonable range of possible outcomes:

	30 June 2025					
	Significant unobservable parameters	Change in significant unobservable input	Level 3 balance Rm	Weighted average discount rate	Potential favourable/ (unfavourable) profit or loss impact Rm	Potential favourable/ (unfavourable) equity impact Rm
Financial assets						
Investment securities	Credit spreads	100/(100) bps	3 860	9.86%		(81)/84
Trading and hedging portfolio assets						
Debt instruments and money market assets	Credit spreads	100/(100) bps	9 955	9.60%	(493)/530	
Derivative assets	Volatility, African basis curves, yield curves and credit spreads on credit default swaps	Volatility: 10% Other: 100/(100) bps	2 093	Not applicable	269/(269)	
Loans and advances	Credit spreads	100/(100) bps	6 813	7.35%	(460)/506	
Financial liabilities						
Trading and hedging portfolio liabilities						
Derivative liabilities	Volatility, African basis curves, yield curves and credit spreads on credit default swaps	Volatility: 10% Other: 100/(100) bps	2 319	Not applicable	(320)/320	
Deposits	Absa Group Limited's funding spreads	100/(100) bps	1 898	10.06%	91/(97)	

The sensitivity analysis excludes unlisted equity investments with a carrying amount of **R2 250m** (June 2024: R3 281m and December 2024: R2 553m) as any reasonably possible changes in the valuation inputs would not have a material impact on profit or loss or equity.

13. Assets and liabilities held at fair value

13.7 Sensitivity analysis of valuations using unobservable inputs *continued*

			30 June 2024			
	Significant unobservable parameters	Change in significant unobservable input	Level 3 balance Rm	Weighted average discount rate	Potential favourable/ (unfavourable) profit or loss impact Rm	Potential favourable/ (unfavourable) equity impact Rm
Financial assets						
Investment securities	Credit spreads	100/(100) bps	8 807	11.11%		(206)/215
Trading and hedging portfolio assets						
Debt instruments and money market assets	Credit spreads	100/(100) bps	13 047	10.17%	(370)/386	
Derivative assets	Volatility, African basis curves, yield curves, credit spreads on credit default swaps and NGN spot rate.	Volatility: 10% Other: 100/(100) bps	2 054	Not applicable	304/(304)	
Loans and advances	Credit spreads	100/(100) bps	7 124	7.94%	(488)/538	
Financial liabilities						
Trading and hedging portfolio liabilities						
Derivative liabilities	Volatility, African basis curves, yield curves, credit spreads on credit default swaps and NGN spot rate.	Volatility: 10% Other: 100/(100)bps	971	Not applicable	(218)/218	
Deposits	Absa Group Limited's funding spreads	100/(100) bps	2 042	10.20%	109/(117)	

The note disclosure has been enhanced to provide more detailed information on the input variables used in the sensitivity analysis.

In June 2024, the Trading and hedging portfolio assets were presented as a single line item of (260)/273. The disclosure has now been enhanced to disaggregate these assets into Debt instruments, Money market instruments, and Derivative assets, linking the Level 3 balance to each asset class on which the sensitivity analysis is performed, as stipulated in the table above.

In addition, the Group had erroneously excluded foreign exchange derivatives from the sensitivity calculation for Trading and hedging portfolio assets. This correction has resulted in the aggregate value being restated from (260)/273 to (66)/82.

Similarly, Trading and hedging portfolio liabilities were previously disclosed as a single line item. The disclosure has now been enhanced to show that the sensitivity analysis relates only to Derivative liabilities. Furthermore, the exclusion of foreign exchange derivatives from the sensitivity calculation for Derivative liabilities has been corrected, resulting in a restatement from (24)/24 to (218)/218.

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13. Assets and liabilities held at fair value

13.7 Sensitivity analysis of valuations using unobservable inputs *continued*

31 December 2024					
	Significant unobservable parameters	Change in significant unobservable input	level 3 balance Rm	Weighted average discount rate	Potential favourable/ (unfavourable) profit or loss impact Rm
Potential favourable/ (unfavourable) equity impact Rm					
Financial assets					
Investment securities	Credit spreads	100/(100) bps	1 841	9.31%	(39)/41
Trading and hedging portfolio assets					
Debt instruments and money market assets	Credit spreads	100/(100) bps	7 131	10.10%	(327)/355
Derivative assets	Volatility, African basis curves, yield curves, credit spreads on credit default swaps and NGN spot rate.	Volatility: 10% Other: 100/(100) bps	1 905	Not applicable	264/(264)
Loans and advances	Credit spreads	100/(100) bps	6 661	7.45%	(452)/497
Financial liabilities					
Trading and hedging portfolio liabilities					
Derivative liabilities	Volatility, African basis curves, yield curves, credit spreads on credit default swaps and NGN spot rate.	Volatility: 10% Other: 100/(100)bps	1 805	Not applicable	(444)/444
Deposits	Absa Group Limited's funding spreads	100/(100) bps	1 687	10.88%	82/(88)

Notes to the unaudited consolidated financial results

for the interim reporting period ended 30 June 2025

13. Assets and liabilities held at fair value

13.8 Measurement of assets and liabilities at Level 3

The following table presents information about the valuation techniques and significant unobservable inputs used in measuring assets and liabilities categorised as Level 3 in the fair value hierarchy:

			30 June 2025	31 December 2024	31 December 2024
Category of asset/liability	Valuation techniques applied	Significant unobservable inputs	Range of unobservable inputs applied		
Loans and advances	Discounted cash flow and/or yield for debt instruments	Credit spreads	0.73% to 3.71%	0.15% to 6.58%	1.28% to 6.54%
Investment securities	Discounted cash flow models, third-party valuations, earnings multiples and/or income capitalisation valuations	Future earnings, credit spreads	Discount rate of 8% to 8.5%, 0.1% to 3.95%	Discount rate of 8% to 8.5%, 0.1% to 3.95%	Discount rate of 8.5%, 0.505% to 3.95%
Trading and hedging portfolio assets and liabilities					
Debt instruments	Discounted cash flow models	Credit spreads	0.1% to 4%	0.1% to 3.95%	0.505% to 3.95%
Derivative assets and liabilities					
Credit derivatives	Discounted cash flow and/or credit default swap (hazard rate) models	Credit spreads, recovery rates and/or quanto ratio	0.01% to 6.42% 25% to 90% 49.43% to 100%	0.035% to 4.85% 15% to 82.3% 54.01% to 88.57%	0.035% to 7.35% 15% to 90% 49.42% to 100%
Equity derivatives	Discounted cash flow, option pricing and/or futures pricing models	Volatility and/or dividend streams (greater than 3 years)	22.58% to 34.71%	16.93% to 34.27%	17.04% to 32.33%
Foreign exchange derivatives	Discounted cash flow and/or option pricing models	African basis curves (greater than 1 year)	8.78% to 15.00%	1.61% to 34.18%	0.01% to 13.94%
Interest rate derivatives	Discounted cash flow and/or option pricing models	Real yield curves (greater than 1 year), repurchase agreement curves (greater than 1 year), funding spreads	0.01% to 13.73%	0.05% to 13.73%	0.06% to 10.71%
Money market	Discounted cash flow models	Credit spreads	0.1% to 4%	0.1% to 3.95%	0.505% to 3.95%
Deposits	Discounted cash flow models	Absa Group Limited's funding spreads (greater than 5 years)	1.03% to 1.25%	1.175% to 1.375%	1.125% to 1.325%
Debt securities in issue	Discounted cash flow models	Funding curves (greater than 5 years)	1.03% to 1.25%	1.175% to 1.375%	1.125% to 1.325%
Investment properties	Discounted cash flow models	Estimates of the periods in which rental units will be disposed	1 to 6 years	1 to 6 years	1 to 6 years
		Annual selling price escalations	6% to 8%	6% to 8%	6% to 8%
		Income capitalisation rates	8% to 8.5%	8% to 8.5%	8% to 8.5%
		Risk adjusted discount rates	10% to 15%	10% to 15%	10% to 15%

Notes to the unaudited consolidated financial results

for the interim reporting period ended 30 June 2025

13. Assets and liabilities held at fair value

13.8 Measurement of assets and liabilities at Level 3 continued

The sensitivity of the fair value measure is dependent on the unobservable inputs. Significant changes to the unobservable inputs in isolation will have either a positive or negative impact on fair values.

A majority of the items included in the non-current assets held for sale balance consists of financial instruments which are measured in terms of their respective standards (IFRS 9).

The quantitative ranges of these inputs are wide due to the varied nature of financial instruments, prevailing market conditions, and the differing credit risk profiles of counterparties to which the Group is exposed. Refer to note 13.7 – Sensitivity Analysis of Valuations Using Unobservable Inputs for further details on the input parameters applied, including weighted average discount rates (which incorporate unobservable credit spreads) in determining the fair value of level 3 financial instruments, in accordance with IFRS 13.

13.9 Unrecognised losses/(gains) as a result of the use of valuation models using unobservable inputs

The amount that is to be recognised in the statement of comprehensive income that relates to the difference between the transaction price and the amount that would have arisen had valuation models using observable inputs been used on initial recognition, less amounts subsequently recognised, is as follows:

	30 June	31 December	
	2025 Rm	2024 Rm	2024 Rm
Opening balance at the beginning of the reporting period	(406)	(379)	(379)
New transactions	(222)	(180)	(297)
Amounts recognised in profit or loss during the reporting period	97	153	270
Closing balance at the end of the reporting period	(531)	(406)	(406)

13.10 Third-party credit enhancements

There were no significant liabilities measured at fair value and issued with inseparable third-party credit enhancements.

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for the interim reporting period ended 30 June 2025

14. Interest rate benchmark reform

As disclosed in the Group’s annual consolidated and separate financial statements for the year ended 31 December 2024, the South African Reserve Bank (SARB) has confirmed that the Johannesburg Interbank Average Rate (JIBAR) will cease to exist, and is to be replaced by the South African Overnight Index Average (ZARONIA) in line with the global trend to transition away from Interbank Offered Rates (IBORs). The JIBAR transition timeline provided by the SARB Market Practitioners Group (MPG) indicates that a formal announcement of the cessation of JIBAR is expected to be made in December 2025.

In the current year, the SARB has advanced its benchmark rate reform by launching the ZARONIA First initiative for instruments in the linear derivatives markets. This approach encourages market participants to adopt ZARONIA as the primary reference rate, gradually reducing reliance on JIBAR. The initiative marks a key milestone in the transition, promoting consistency and transparency in rate-setting practices.

This initiative has been supported by the publication of the MPG’s endorsement of the methodology for determining credit adjustment spreads (CAS) to be used in JIBAR fallback rates and the inclusion of JIBAR fallback provisions in the International Swaps and Derivatives Association’s (ISDA) Interest Rate Definitions and the ISDA Protocol.

The fallback methodology aims to support continuity and fairness in existing JIBAR-linked financial contracts that transition to ZARONIA following the anticipated discontinuation of JIBAR.

Developments made towards implementing alternative benchmark interest rates

The Group’s JIBAR transition steering committee, comprising business and function workstreams (with oversight and coordination provided by a central project team), has been managing the programme in line with a Board approved transition plan.

The Group has taken steps to ensure that its processes and systems for trading in ZARONIA are in place. The Group has also systematically started to include fallback language in new contracts. For legacy contracts referencing JIBAR, the Bank has begun the process to incorporate fallback language into contractual documentation in preparation for the anticipated cessation of JIBAR. This fallback language outlines the mechanism by which contracts will transition to ZARONIA. The inclusion of this language is intended to ensure contractual continuity and mitigate legal and financial risks associated with the benchmark transition. With regards to derivative contracts traded by the Group under ISDA, the relevant fallback provisions have been introduced through the “ISDA 2021 Fallbacks Protocol April 2025 Benchmark Module”, published on 25 April 2025. Absa intends to adopt this protocol.

The Group will continue to apply the Phase 1 amendments to IFRS 9 and IAS 39 until the uncertainty surrounding the timing and amount of cash flows arising from interest rate benchmark reform is resolved. This uncertainty is expected to persist until the Group’s contracts referencing JIBAR are amended to specify both the effective date of the benchmark replacement and the methodology for determining cash flows under the new benchmark, including any applicable fixed spread. The Group has chosen to apply the Phase 2 amendments prospectively from the effective date, without restating comparative figures.

The table below provides information on financial instruments that have yet to transition to an alternative benchmark rate as at the end of the reporting period:

	30 June 2025
	Carrying values of financial instruments impacted by benchmark reform and yet to transition
	ZAR JIBAR Rm
Non-derivative assets	300 802
Non-derivative liabilities	252 530
Derivative notionals	11 093 690

15. Reporting changes overview

15.1 Change in presentation

15.1.1 Expansion of previously condensed consolidated statement of cash flows

In the prior interim reporting period, the Group presented a condensed consolidated Statement of cash flows (SOCF), as permitted by IAS 34, which requires at a minimum the inclusion of headings and subtotals from the most recent annual financial statements. However, following a review, the Statement of cash flows has been revised in the current period to present a more detailed classification of cash flows from operating, investing and financing activities, with the objective being to enhance the usefulness and transparency of the information provided to users. This change reflects a revision in the presentation format, which does not affect the Group’s previously reported ‘Net increase/ (decrease) in cash and cash equivalents’.

As required by IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (IAS 8), this restatement has been applied retrospectively to all prior periods affected within the SOCF. This change in presentation has no impact on the Group’s Statement of comprehensive income, Statement of financial position, Statement of changes in equity, or Earnings per share of the Group.

15.2 Correction of prior period errors

The Group conducted a comprehensive review of the Statement of cash flows which identified the following misstatements:

15.2.1. Mandatory reserve balances with central banks

A review of the regulatory requirements governing mandatory reserve balances with central banks in various ARO regions revealed that the incorrect percentage was applied in certain jurisdictions to calculate the portion of these balances accessible to the Group in prior years. As a result, for certain ARO regions, the accessible portion of the reserve balances included in cash and cash equivalents was understated whereas for others, it was overstated. The correction of this error has therefore led to a restatement of ‘Cash and cash equivalents at the beginning of the reporting period’ and ‘Cash and cash equivalents at the end of the reporting period’ for 30 June 2024.

15.2.2. Loans and advances to banks

It was identified that certain ‘Loans and advances to banks’ included in the calculation of cash and cash equivalents within the Group’s ARO regions comprised items that had an original tenor of longer than 3 months, which hence do not meet the definition of cash and cash equivalents, per IAS 7, Statement of Cash Flows (IAS 7). The correction of this error has led to a restatement of ‘Cash and cash equivalents at the beginning of the reporting period’ for 30 June 2024.

15.2.3. Treasury bills

Included in ‘Investment securities’ are highly liquid treasury bills with a maturity date of three months or less from date of acquisition, which are readily convertible to known amounts of cash, not subject to significant risk of changes in value and are held for short term cash management purposes. These treasury bills meet the definition of a cash equivalent. Previously these treasury bills were erroneously excluded from cash and cash equivalents. The correction of this error has resulted in a restatement of ‘Cash and cash equivalents at the beginning of the reporting period’ and ‘Cash and cash equivalents at the end of the reporting period’ for 30 June 2024.

As required by IAS 8 Accounting policies, Changes in Accounting Estimates and Errors (IAS 8), the afore-mentioned have been applied retrospectively to all prior periods affected within the SOCF. These errors have no impact on the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity or Earnings per share of the Group.

15. Reporting changes overview

The impact of these changes on the prior period SOCF is as follows:

Statement of cash flows

	30 June 2024					
	Change in presentation		Correction of prior period errors			Restated Rm
	Condensed view previously published Rm	Disaggre- gated view Rm	Mandatory reserves Rm	Loans and advances to banks Rm	Treasury bills Rm	
Profit before tax	–	15 114	–	–	–	
Adjustment of non-cash items						
Depreciation and amortisation	–	2 950	–	–	–	2 950
Other impairments	–	577	–	–	–	577
Share of post-tax results of associates and joint ventures	–	(113)	–	–	–	(113)
Loss on net monetary position	–	255	–	–	–	255
Other non-cash items included in profit before tax	–	496	–	–	–	496
Cash flow from operating activities before changes in operating assets and liabilities	–	19 279	–	–	–	19 279
Net (increase) in operating assets	–	(78 755)	(368)	955	(61)	(78 229)
Net increase in operating liabilities	–	88 471	–	–	–	88 471
Income taxes paid	–	(3 499)	–	–	–	(3 499)
Net cash generated from operating activities	25 496	–	(368)	955	(61)	26 022
Dividends received from investment activities	–	278	–	–	–	278
Purchase of property and equipment	–	(1 516)	–	–	–	(1 516)
Proceeds from disposal of properties and equipment	–	287	–	–	–	287
Purchase of intangible assets	–	(1 942)	–	–	–	(1 942)
Net cash utilised in investing activities	(2 893)	–	–	–	–	(2 893)
Sale/(Purchase) of own shares	–	(3)	–	–	–	(3)
Purchase of Group shares in respect of equity settled share-based payment schemes	–	(403)	–	–	–	(403)
Issue of Additional Tier 1 capital	–	1 511	–	–	–	1 511
Repayment of borrowed funds	–	(1 690)	–	–	–	(1 690)
Repayment of lease liabilities	–	(599)	–	–	–	(599)
Distributions paid to Tier 1 Capital holders	–	(506)	–	–	–	(506)
Dividends paid	–	(6 567)	–	–	–	(6 567)
Net cash utilised in financing activities	(8 257)	–	–	–	–	(8 257)
Net increase/(decrease) in cash and cash equivalents	14 346	–	(368)	955	(61)	14 872
Cash and cash equivalents at the beginning of the reporting period	88 454	–	(2 679)	(955)	5 527	90 347
Cash and cash equivalents at the end of the reporting period	102 575	–	(3 047)	–	5 466	104 994

15. Reporting changes overview

15.3 Reportable segment changes and business portfolio changes

On 5 December 2024, the Group announced the integration of Product Solutions Cluster, Everyday Banking, and Private Wealth Banking (previously part of Relationship Banking) into a single business unit – Personal and Private Banking (PPB). This restructuring has been implemented in order to enhance the Group’s ability to deliver client value, particularly the distribution of value-added services and insurance products across a large customer base. In addition to the above, Relationship Banking has been renamed Business Banking. The impact of this restructuring on the individual business units has been depicted in the **‘reportable segment change’** column in the tables below.

Income and expense line items have been re-allocated from Head office to the business units to more accurately represent the commercial reality for those units and mainly pertains to depositor insurance and eKhaya-related costs (employee share scheme). These reallocations resulted in adjustments to the related intergroup asset and liability balances, specifically loans to and from Group companies, which eliminate on consolidation of the Group, but have an impact on the Segment report. These balances are included in ‘Total assets’ and ‘Total liabilities’, and are depicted in the **‘business portfolio changes’** column in the tables below.

The afore-mentioned changes resulted in the restatement of the business units’ financial results for the comparative periods without an impact on the overall financial position or net earnings of the Group. The below tables summarises the reportable segment changes and business portfolio changes noted above in the Statement of comprehensive income and Statement of financial position for the periods ended 30 June 2024 and 31 December 2024, respectively.

Statement of comprehensive income

	30 June 2024			
	As previously reported Rm	Reportable segment change Rm	Business portfolio changes Rm	Restated Rm
Total income				
Product Solutions Cluster	7 027	(7 027)	–	–
Everyday Banking	14 292	(14 292)	–	–
Personal and Private Banking	–	21 667	(52)	21 615
Business Banking (previously Relationship Banking)	7 856	(348)	25	7 533
Absa Regional Operations – Retail and Business Banking	8 601	–	(71)	8 530
Corporate and Investment Banking	16 426	–	11	16 437
Head Office, Treasury and other operations	(494)	–	87	(407)
Profit for the reporting period				
Product Solutions Cluster	1 316	(1 316)	–	–
Everyday Banking	1 738	(1 738)	–	–
Personal and Private Banking	–	3 097	(194)	2 903
Business Banking (previously Relationship Banking)	2 179	(43)	(35)	2 101
Absa Regional Operations – Retail and Business Banking	1 312	–	(70)	1 242
Corporate and Investment Banking	6 646	–	(29)	6 617
Head Office, Treasury and other operations	(1 677)	–	328	(1 349)
Headline earnings				
Product Solutions Cluster	1 173	(1 173)	–	–
Everyday Banking	1 565	(1 565)	–	–
Personal and Private Banking	–	2 772	(194)	2 578
Business Banking (previously Relationship Banking)	2 005	(34)	(35)	1 936
Absa Regional Operations – Retail and Business Banking	875	–	(65)	810
Corporate and Investment Banking	5 892	–	(29)	5 863
Head Office, Treasury and other operations	(1 330)	–	323	(1 007)
Internal income				
Product Solutions Cluster	(19 329)	19 329	–	–
Everyday Banking	11 280	(11 280)	–	–
Personal and Private Banking	–	(7 328)	(114)	(7 442)
Business Banking (previously Relationship Banking)	4 018	(721)	124	3 421
Absa Regional Operations – Retail and Business Banking	1 334	–	(71)	1 263
Corporate and Investment Banking	(4 063)	–	12	(4 051)
Head Office, Treasury and other operations	6 760	–	49	6 809

15. Reporting changes overview

15.3 Reportable segment changes and business portfolio changes *continued*

Statement of financial position

	30 June 2024			
	As previously reported Rm	Reportable segment change Rm	Business portfolio changes Rm	Restated Rm
Total assets				
Product Solutions Cluster	515 150	(515 150)	–	–
Everyday Banking	423 118	(423 118)	–	–
Personal and Private Banking	–	956 496	(16 381)	940 115
Business Banking (previously Relationship Banking)	305 808	(18 228)	4 328	291 908
Absa Regional Operations – Retail and Business Banking	149 028	–	31	149 059
Corporate and Investment Banking	1 175 029	–	45	1 175 074
Head Office, Treasury and other operations	(614 779)	–	11 977	(602 802)
Total liabilities				
Product Solutions Cluster	507 936	(507 936)	–	–
Everyday Banking	419 590	(419 590)	–	–
Personal and Private Banking	–	945 712	(16 320)	929 392
Business Banking (previously Relationship Banking)	302 685	(18 186)	4 337	288 836
Absa Regional Operations – Retail and Business Banking	146 586	–	97	146 683
Corporate and Investment Banking	1 163 215	–	47	1 163 262
Head Office, Treasury and other operations	(758 015)	–	11 839	(746 176)

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for the interim reporting period ended 30 June 2025

15. Reporting changes overview

15.3 Reportable segment changes and business portfolio changes *continued*

Statement of comprehensive income

	31 December 2024			
	As previously reported Rm	Reportable segment change Rm	Business portfolio changes Rm	Restated Rm
Total income				
Product Solutions Cluster	14 375	(14 375)	–	–
Everyday Banking	29 049	(29 049)	–	–
Personal and Private Banking	–	44 155	(134)	44 021
Business Banking (previously Relationship Banking)	16 058	(731)	37	15 364
Absa Regional Operations – Retail and Business Banking	17 587	–	(140)	17 447
Corporate and Investment Banking	33 241	–	25	33 266
Head Office, Treasury and other operations	(361)	–	212	(149)
Profit for the reporting period				
Product Solutions Cluster	3 553	(3 553)	–	–
Everyday Banking	4 400	(4 400)	–	–
Personal and Private Banking	–	8 036	(368)	7 668
Business Banking (previously Relationship Banking)	4 631	(83)	(160)	4 388
Absa Regional Operations – Retail and Business Banking	2 523	–	(180)	2 343
Corporate and Investment Banking	13 132	–	(62)	13 070
Head Office, Treasury and other operations	(3 336)	–	770	(2 566)
Headline earnings				
Product Solutions Cluster	3 276	(3 276)	–	–
Everyday Banking	4 004	(4 004)	–	–
Personal and Private Banking	–	7 346	(368)	6 978
Business Banking (previously Relationship Banking)	4 292	(66)	(159)	4 067
Absa Regional Operations – Retail and Business Banking	1 780	–	(165)	1 615
Corporate and Investment Banking	11 740	–	(60)	11 680
Head Office, Treasury and other operations	(3 033)	–	752	(2 281)
Internal income				
Product Solutions Cluster	(38 758)	38 758	–	–
Everyday Banking	23 121	(23 121)	–	–
Personal and Private Banking	–	(14 095)	(124)	(14 219)
Business Banking (previously Relationship Banking)	8 920	(1 542)	155	7 533
Absa Regional Operations – Retail and Business Banking	3 177	–	(138)	3 039
Corporate and Investment Banking	(3 579)	–	30	(3 549)
Head Office, Treasury and other operations	7 119	–	77	7 196

Notes to the unaudited consolidated financial results

for the interim reporting period ended 30 June 2025

15. Reporting changes overview

15.3 Reportable segment changes and business portfolio changes *continued*

Statement of financial position

	31 December 2024			
	As previously reported Rm	Reportable segment change Rm	Business portfolio changes Rm	Restated Rm
Total assets				
Product Solutions Cluster	529 412	(529 412)	–	–
Everyday Banking	443 746	(443 746)	–	–
Personal and Private Banking	–	994 192	(22 524)	971 668
Business Banking (previously Relationship Banking)	332 335	(21 034)	4 626	315 927
Absa Regional Operations – Retail and Business Banking	169 753	–	1	169 754
Corporate and Investment Banking	1 253 768	–	(22)	1 253 746
Head Office, Treasury and other operations	(660 319)	–	17 919	(642 400)
Total liabilities				
Product Solutions Cluster	520 360	(520 360)	–	–
Everyday Banking	437 773	(437 773)	–	–
Personal and Private Banking	–	979 098	(22 391)	956 707
Business Banking (previously Relationship Banking)	326 903	(20 965)	4 738	310 676
Absa Regional Operations – Retail and Business Banking	166 814	–	176	166 990
Corporate and Investment Banking	1 234 587	–	(8)	1 234 579
Head Office, Treasury and other operations	(801 018)	–	17 485	(783 533)

Glossary

Average loans to deposits and debt securities ratio
Loans and advances to customers and loans and advances to banks as a percentage of deposits due to customers, deposits to banks and debt securities in issue (calculated on daily weighted averages).

Capital adequacy ratio
The capital adequacy of South African banks is measured in terms of the requirements of the SARB. The ratio is calculated by the aggregate amount of qualifying capital and reserve funds dividend by RWA. The base minimum South African total capital adequacy ratio for banks is 10% of RWA. Non-South African banks in the Group have similar capital adequacy methodology requirements.

Capital – Common Equity Tier 1 capital adequacy ratio
A measurement of a bank’s core equity capital compared with its total risk-weighted assets. This is the measure of a bank’s financial strength. The Common Equity Tier 1 excludes any preference shares or non-controlling interests when determining the calculation.

Constant currency
The current reporting period’s results are translated at the current reporting period’s average rates for the Statement of comprehensive income, while the closing rate is used for the Statement of financial position.

The percentage change based on constant currency has been presented to provide information on the impact of foreign currency movements on the local currency earnings. This is calculated for the Statement of comprehensive income and Statement of financial position, by translating the previous and current reporting periods’ results at the exchange rate as at the prior reporting date and comparing the two outcomes.

The percentage change based on constant currency is provided for illustrative purposes only and may not fairly present the Group’s financial position and/or the results of its operations. The directors are responsible for the preparation of the constant currency information.

Cost-to-income ratio
“Operating expenses” as a percentage of income. Income consists of net interest income and non-interest income, net of reinsurance, unearned premiums, net insurance claims and benefits paid, changes in investment and insurance contract liabilities and acquisition costs.

Coverage ratio
Impairment losses on loans and advances as a proportion of gross loans and advances.

Credit loss ratio
Impairment losses on loans and advances for the reporting period, divided by total average advances (calculated on a daily weighted average basis).

Dividend payout ratio
The total amount of dividends paid out to shareholders per ordinary share divided by the headline earnings per share.

Dividend per ordinary share relating to income for the reporting period
Dividend per ordinary share for the reporting period is the actual interim dividends paid and the final dividends declared for the reporting period under consideration, expressed as cents per share.

Special dividend per ordinary share is a payment made by the Group that is considered separate from the typical recurring dividend cycle, expressed as cents per share.

Earnings per share
Basic earnings per share
This constitutes the net profit for the reporting period, less earnings attributable to non-controlling interest, divided by the weighted average number of ordinary shares in issue during the reporting period.

Diluted basic earnings per share
The amount of profit for the reporting period that is attributable to ordinary equity holders, divided by the weighted average number of ordinary shares in issue during the reporting period, both adjusted for the effects of all potential dilutive ordinary shares, assuming they had been in issue for the reporting period.

Headline earnings
Headline earnings reflects the operating performance separated from remeasurements (an amount recognised in the statement of comprehensive income relating to any change (realised or unrealised) in the carrying amount of an asset/liability that arose after the initial recognition of such asset or liability) as well as non-controlling interest of preference shares or ordinary shares, where relevant.

Glossary

Headline earnings per share
Headline earnings per share
Profit attributable to ordinary equity holders after adjusting for separately identifiable remeasurements, net of tax and non-controlling interest, divided by the weighted average number of ordinary shares in issue. A remeasurement is an amount recognised in profit or loss relating to any change in the carrying amount of an asset or liability that arose after the initial recognition of such asset or liability.

Diluted headline earnings per share
Diluted headline earnings per share is calculated by adjusting both the headline earnings and the weighted average number of ordinary shares outstanding for the effects of all potential dilutive ordinary shares, assuming they had been in issue for the reporting period.

JAWS
A measure used to demonstrate the extent to which the Group’s income from operations growth rate exceeds operating expenses growth rate. Income from operations consists of net interest income and non-interest income.

Gross loans-to-deposits and debt securities ratio
Gross loans and advances as a percentage of deposits and debt securities in issue.

Net asset value per share
Total equity attributable to ordinary equity holders divided by the number of shares in issue excluding treasury shares. The net asset value per share figure excludes the non-cumulative, non-redeemable preference shares issued.

Net interest margin on average interest-bearing assets
Net interest income for the reporting period, divided by average interest-bearing assets (calculated on a daily weighted average basis), expressed as a percentage of average interest-bearing assets.

Non-interest income as a percentage of income
Non-interest income as a percentage of income from operations. Income consists of net interest income and non-interest income.

Pre-provision profits
Total income less operating expenses.

Return on average assets
Annualised headline earnings as a proportion of total average assets.

Return on average equity
Average equity attributable to ordinary shareholders.

Return on average regulatory capital
Measure of efficient use, by segment, of regulatory capital.

Return on average risk-weighted assets
Annualised headline earnings as a proportion of average risk-weighted assets.

Stage 3 loans ratio on gross loans and advances
Stage 3 loans and advances as a percentage of gross loans and advances.

Tangible net asset value per share
Total equity attributable to ordinary equity holders less goodwill and intangible assets, divided by the number of shares in issue excluding treasury shares. The tangible net asset value per share figure excludes the non-cumulative, non-redeemable preference shares issued.

Value of new business
The discounted value, at the date of sale, of the projected after-tax shareholder profits from new covered business, net of the opportunity cost of the required capital for new business. New covered business is defined as long-term insurance contracts written by the Group during the reporting period and for which at least one premium has been recognised in the financial statements. The value of new business is calculated using closing assumptions for all basis items.

Weighted average number of shares
The number of shares in issue at the beginning of the reporting period increased by shares issued during the reporting period, weighted on a time basis for the period during which they participated in the income, less treasury shares held by entities, weighted on a time basis for the period during which the entities held these shares.

Contact information

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web.questions@computershare.co.za

Please direct general queries regarding the Group to

absa@absa.co.za

Sponsors

Lead independent sponsor

J.P. Morgan Equities South Africa (Pty) Ltd

Telephone: +27 11 507 0300

jpm_sponsor@jpmorgan.com

Joint sponsor and debt sponsor

Absa Bank Limited (Corporate and Investment Bank)

Telephone: +27 11 895 6000

IBDJSESponsor@absa.africa

Auditors

KPMG Inc.

Telephone: +27 11 647 7111

home.kpmg/za/en/home.html

PricewaterhouseCoopers Inc.

Telephone: +27 11 797 4000

<https://www.pwc.co.za/>

Your story matters

