

Nedbank Group Limited  
(Incorporated in the Republic of South Africa)  
Registration number: 1966/010630/06  
JSE share code: NED  
NSX share code: NBK  
ISIN: ZAE000004875  
JSE alpha code: NEDI  
(‘Nedbank Group’ or ‘the group’)

Nedbank Limited  
(Incorporated in the Republic of South Africa)  
Registration No. 1951/000009/06  
JSE share code: NBKP  
ISIN: ZAE000043667  
JSE alpha code: BINBK

## **UNBUNDLING BY OLD MUTUAL LIMITED OF THE MAJORITY OF ITS SHAREHOLDING IN NEDBANK GROUP**

Nedbank Group shareholders are referred to the announcement released by Old Mutual Limited (‘Old Mutual’) on Wednesday 23 June 2021 (‘Old Mutual Announcement’), advising that following an internal review of its c.19,4% shareholding in Nedbank Group, the board of directors of Old Mutual has decided to exit the majority (12,2%) of this shareholding, subject to the receipt of all the requisite regulatory approvals, through an unbundling to Old Mutual shareholders (‘Old Mutual Unbundling’). The Old Mutual announcement can be found at <https://www.oldmutual.com/investor-relations/news/stock-exchange-announcements>.

Following conclusion of Old Mutual’s managed separation process in 2018, Old Mutual retained a c.19,4% strategic minority shareholding in Nedbank Group, which Old Mutual could dispose of in accordance with the protocols outlined in the relationship agreement concluded between Nedbank Group and Old Mutual on 19 April 2018. As contemplated in the relationship agreement and as far as is appropriate, Nedbank Group management is working with Old Mutual management to conclude the Old Mutual Unbundling.

Old Mutual will, subject to obtaining all requisite regulatory approvals, including Prudential Authority approval, unbundle 62,131,692 Nedbank Group shares (comprising 12,2% of the issued ordinary share capital of Nedbank Group) to Old Mutual shareholders by way of a distribution *in specie* in terms of section 46(1)(a)(ii) of the Companies Act No. 71 of 2008. The Old Mutual Unbundling is anticipated to take effect in accordance with the timetable contained in the Old Mutual Announcement.

The Old Mutual Unbundling does not impact the strategy, day-to-day management or operations of Nedbank Group, its staff or clients and Nedbank Group continues to be an independent entity. Any existing commercial relationships with Old Mutual will continue to be underpinned by arms-length commercial agreements. The Old Mutual Unbundling will result in a number of benefits to Nedbank Group and its stakeholders, including its shareholders, which include, amongst others an increased free-float of Nedbank Group shares, with the effect of increased liquidity along with a more favourable position in relevant indices. Post the Old Mutual Unbundling, Old Mutual will retain 36 781 960 Nedbank Group shares, comprising c.7.2% of the issued ordinary share capital of Nedbank Group (which will be held in its shareholder funds).

On 23 June 2021, Nedbank Group advised in a trading statement that HEPS and basic EPS for the six-month period ending 30 June 2021 are expected to increase by more than 100% (HEPS greater than 876 cents and basic EPS greater than 540 cents) when compared with those in the six-month period to 30 June 2020 (HEPS: 438 cents and basic EPS: 270 cents). This strong earnings recovery, along with progress towards the group’s medium-term targets is supportive of value creation for shareholders. By end 2023, the group aims to exceed the 2019 diluted HEPS level of 2 565 cents, achieve an ROE greater than the 2019 ROE level of 15%, reduce its cost-to-income ratio to below 54%, and rank number one on the NPS among SA banks (currently number 2).

Sandton  
23 June 2021

Corporate Advisor to Nedbank Group:

Nedbank Corporate and Investment Banking, a division of Nedbank Limited

Sponsors to Nedbank Group in South Africa:

Nedbank Corporate and Investment Banking, a division of Nedbank Limited  
Merrill Lynch South Africa (Pty) Limited

Sponsor to Nedbank Group in Namibia:

Old Mutual Investment Services (Namibia) (Pty) Ltd

Sponsors to Nedbank Limited in South Africa:

Nedbank Corporate and Investment Banking, a division of Nedbank Limited  
Investec Bank Limited