

Investec Bank Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1969/004763/06)
LEI No: 549300RH5FFHO48FXT69
JSE Interest rate issuer code: BIINLP
JSE Structured product issuer code: INV P
JSE ETN issuer code: INVS N
CTSE stock code: INV

Interim condensed consolidated financial results for the period ended 30 September 2023

The interim condensed consolidated financial results for the period ended 30 September 2023 are available for inspection at the registered office of the Issuer, as well as on Investec's website at www.investec.com.

Pursuant to paragraph 6.17(c) of the JSE Debt Listings Requirements, Investec advises of the following restatements:

1. Derivative financial instruments

Certain derivative financial assets and liabilities that are managed by trading desks were previously presented on a gross basis. Due to an upgrade of the internal reporting processes, it became clear that the derivative financial assets and liabilities with a value of R824 million as at 30 September 2022 should have been reported on a net settlement basis in accordance with IAS32. The comparative balance sheet has been restated for the reclassification. This change has no impact on the comparative income statement or cash flow statement.

2. Non-sovereign and non-bank cash placements and loans and advances to customers

- Change in classification from non-sovereign and non-bank cash placements to loans and advances to customers

Following a revision of management's internal policies, management concluded that R4 538 million as at September 2023 (March 2023: R4 428 million, September 2022: R4 671 million) previously classified in non-sovereign and non-bank cash placements should be disclosed within loans and advances to customers. The change in classification is considered more relevant on the basis that certain short term facilities to small and medium enterprises are better reflected as loans and advances to customers as it forms part of the funding strategy of these clients. This change has no impact on the comparative income statements.

- Restatement of non-sovereign and non-bank cash placements in the cash flow statement

R9 113 million (net of ECL of R17 million) as at September 2023 [March 2023: R14 133 million (net of ECL of R50 million), September 2022: R13 237 million (net of ECL of R65 million)] of non-sovereign and non-bank cash placements were previously classified as cash and cash equivalents for the purposes of the cash flow statement. Management concluded that whilst these balances are available on demand, the nature of these products and the underlying credit risk more closely aligns with operating cash flow rather than cash and cash equivalents. The comparative cash flow statements have been restated to more appropriately reflect the nature of these balances. This change has no impact on the comparative income statements or balance sheets.

3. Cash flow hedge reserve

Management identified that that the fair value of instruments designated as fair value hedges were incorrectly booked in equity to the cash flow hedge reserve. Accordingly, the cash flow hedging reserve was reclassified to the underlying hedged items that are disclosed in bank debt securities and other debt securities on the balance sheet. The adjustment was made to the hedged item line item as the hedged item was accounted for at amortised cost. The associated deferred taxation was reversed. The hedges were effective and accordingly did not have any impact on the income statement. This change has no impact on the cash flow statement. It was further identified that amounts previously recognised within the cash flow hedging reserve were not correctly released to the income statement within the respective periods in which the hedged risk impacted earnings. These amounts have been restated retrospectively against retained earnings.

4. Fee and commission expense and operating costs

Management identified that R89 million as at 30 September 2023 (September 2022: R51 million; March 2023: R146 million) of costs relating to fee and commission income would be more appropriately disclosed within fee and commission expense, due to the nature of these costs. As a result, fee and commission expense and operating costs for the prior periods have been voluntarily restated. The restatement has no impact on operating profit in the income statement, headline earnings, the cash flow statement and balance sheet.

The impact of the above restatements is disclosed in the financial results on Investec's website at www.investec.com.

By order of the board

Niki van Wyk
Company Secretary
15 November 2023

For further information
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Transfer secretaries
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Company Secretary
Niki van Wyk

JSE Debt Sponsor and CTSE External Debt Issuer Agent
Investec Bank Limited