



Nedbank Group Limited
(Incorporated in the Republic of South Africa)
Registration number: 1966/010630/06
JSE share code: NED
NSX share code: NBK
A2X share code: NED
ISIN: ZAE000004875
JSE alpha code: NEDI
(‘Nedbank Group’)
(collectively the ‘group’)

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

UPDATE ON THE TRANSNET SOC LIMITED DISPUTE REGARDING INTEREST RATE SWAP TRANSACTIONS

Shareholders are referred to the disclosures contained in the Nedbank Group 2023 Integrated Report published on 18 April 2024 (available online on the group’s website at nedbankgroup.co.za) regarding Nedbank’s ongoing engagements with Transnet SOC Limited (‘Transnet’) concerning interest rate swap transactions that took place between December 2015 and March 2016 (‘swaps’), on which Regiments Capital (Pty) Ltd had acted as Transnet’s appointed financial advisers. Shareholders are also referred to the group’s media release dated 28 May 2024 and the Nedbank Group Voluntary trading update for the four months ended 30 April 2024 on SENS dated 31 May 2024, noting the termination of the mediation process with Transnet and Nedbank’s position on possible litigation.

In this context, Nedbank confirms that review proceedings have been served on it by Transnet and the Special Investigating Unit (‘SIU’) in respect of the swaps. Considering internal and independent external reviews commissioned by them, the Nedbank Board and management remain satisfied that Nedbank internal governance procedures were followed in respect of these swaps and that there is no evidence of any Nedbank staff dishonesty, corruption or collusion. The joint media statement by Transnet and the SIU of 26 July 2024 which states that Nedbank profited in excess of R2,736,094,704.82 in respect of the swaps is incorrect. The sales margin earned by Nedbank in respect of the swaps was market related and amounted to less than R43million. The swaps were commercially sound and the return on equity earned by Nedbank was fair, reasonable and appropriate at 15,5% over the life of the transactions.

Nedbank will strongly defend the litigation against it and will pursue its counterclaims against Transnet and others.

Sandton
26 July 2024

Enquiries

Nedbank Group Investor Relations:
Email: NedgroupIR@nedbank.co.za

Alfred Visagie (Head: Investor Relations)

Email: Alfredv@nedbank.co.za

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Sponsors to Nedbank Group in South Africa:

Nedbank Corporate and investment Banking, a division of Nedbank Limited

Merrill Lynch SA Proprietary Limited t/a BofA Securities

Sponsor to Nedbank Group in Namibia:

Old Mutual Investment Services (Namibia) (Pty) Ltd

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