

AFRICAN BANK LIMITED  
(Incorporated in the Republic of South Africa)  
(Registered Bank)  
(Registration No. 2014/176899/06)  
LEI: 2549008X8SL1B1J86F98  
Company code: ABKI  
(the “Bank” or “African Bank”)

AFRICAN BANK HOLDINGS LIMITED  
(Incorporated in the Republic of South Africa)  
(Registration No.: 2014/176855/06)  
Company code: ABLI  
LEI: 254900UUEMIK0XL5A056  
(“ABHL” or the “Group”)

## **AFRICAN BANK HOLDINGS LTD UNAUDITED INTERIM FINANCIAL RESULTS FOR THE SIX-MONTH PERIOD ENDED 31 MARCH 2026**

### **A DELIBERATE SHIFT FROM ACQUISITIVE DIVERSIFICATION TO FOCUSED CONSOLIDATION, EMBEDDING CAPABILITIES AND CREATING SYNERGIES TO UNLOCK VALUE**

The interim financial results for the six-month period ended 31 March 2026 reflect the challenges associated with acquiring and effectively integrating three diverse banks over a four-year period. These acquisitions are fully aligned with our ‘Excelerate’ Strategy and remain central to building a fully-fledged, diversified, retail and commercial bank. However, the investment required, as well as the time needed to complete the integration, the build-out of new systems, and an organisational redesign, have weighed on our net results for the period.

The Board and management remain committed to fully integrating and embedding these new capabilities, creating synergies, and unlocking sustainable value. This next phase has necessitated changes in management to ensure African Bank delivers on its strategy. Our strategic journey has demanded resilience, patience, and disciplined execution. We are now at an inflection point where the foundations we have cemented position us to consolidate our business, return to the basics of running a bank for the people, and deliver them well.

We have been deliberate in our approach. We recognised that building a bank for the future would require more than incremental change; it would require structural

transformation. As we transitioned from a monoline retail lender to a diversified commercial bank with personal and business banking capabilities, we have had to absorb the short-term pressures associated with investment, integration, and capability-building, which are reflected in these interim results.

Our focus now is to translate these assets and capabilities into sustainable returns through a consolidation phase designed to extract value and support long-term delivery.

### **FINANCIAL INDICATORS FOR THE INTERIM PERIOD**

- Total net income from operations before impairments of R3 272 million (1H25: R3 779 million)
- Credit impairments increased to R1 787 million (1H25: R1 222 million)
- Credit loss ratio at 7.7% (1H25: 5.3%)
- Total income before expenses down to R1 485 million (1H25: R2 557 million)
- Total assets up by 14% to R58 142 million (1H25: R50 975 million)
- Net advances up 5% to R41 166 million (1H25: R39 145 million)
- Cost to income ratio 70% (1H25: 62%)

### **Overview of the groups operating performance**

The Group delivered total net income from operations before impairments and costs of

R3.2 billion, is lower than the prior period of 2025, driven largely by:

- Interest income on advances of R3.7 billion remained in line with 1H2025 impacted by surplus funds from term deposits not deployed to future projects that were held at a higher cost, growth was driven mainly by the Business & Commercial advances book,
- Non-interest income contracted by 39% to R550 million (1H25: R909 million) mainly from fair-value gains and unclaimed balances recognised in income which did not reoccur in this period. Although Personal Banking had higher transactional fees from increased customer activity.
- Net insurance income of R343 million grew by 11% (1H25: R308 million) slightly impacted by the knock-on effect of lower advances in Personal Banking but

benefitted from lower claims, improving market conditions and enhanced credit and insurance risk management,

- The Groups credit impairment charges increased to R1.8 billion (1H25: R1.2 billion) resulting in a worsening in the group credit loss ratio to 7.7% (1H25: 5.3%), and
- Operating expenses of R2.3 billion remained in line with the prior period (1H25: R2.3 billion) following cost initiatives, however due to lower revenue for the group the cost-to-income ratio of 70% (1H25: 62%) remained elevated.

### **Capital and Liquidity**

During this period, we looked to preserve capital:

- Net advances of R41.1 billion (1H25: R39.1 billion) grew by 5%, with the main contributor being Business and Commercial, up by 10%;
- Group funding grew by 23% to R44.7 billion (1H25: R36.2 billion), with customer deposits representing growth of 18% to R38.7 billion (1H25: R32.7 billion), including a successful issuance in the capital debt markets of R700 million at improved pricing;
- Adequate liquidity with cash reserves, totaling R6.6 billion (1H25: R3.7 billion), excluding statutory asset requirements combined with targeted activities to attract new funding opportunities; and
- The capital adequacy ratio remains above the minimum regulatory requirements at 25.8%, compared to the March 2025 position of 28.0%.

### **Moving from strategic expansion to operational consolidation**

Our expansion strategy, anchored in our 'Excelerate' Strategy, was designed to build a more sustainable and diversified bank. This included targeted acquisitions to establish our Business and Commercial banking capability, alongside scaling our insurance offering and Alliance partnerships to strengthen our Personal Banking franchise. Collectively, these initiatives were intended to transform African Bank into a fully-fledged, diversified financial services institution able to serve customers across the key financial needs in their lives.

However, the expected earnings uplift has taken longer to realise than initially anticipated, as evidenced in the performance for the current period. In response, we have deliberately shifted our focus towards operational consolidation. This includes integrating operations, aligning systems, and embedding a unified operating model across the Group. This next phase is focused on streamlining processes, eliminating duplication, strengthening governance across the newly acquired entities, and driving greater operational efficiency at scale. Our objective is to translate the strategic investments we have made into a more stable, efficient, and sustainable platform for future growth.

### **Looking ahead**

The 2026 period is expected to remain challenging as we effect changes and deliver on the consolidation plan that will create a sound platform for the future. We are entering a phase where execution and delivery will be paramount in order to scale our business, preserve our capital, drive higher transactional activity, and continue prudently managing our costs. We will remain agile and responsive to changes in the external environment, ensuring that we can navigate uncertainty.

### **Bank consolidated results**

The Bank's consolidated Interim Financial Statements represent the financial position and financial results of African Bank, and its wholly owned subsidiaries. The Bank delivered a net after tax loss of R936 million compared to a loss of R279 million for the same period in 2025. See the results publication material below for more details.

The above disclosures have been prepared in accordance with IAS 34 and not been audited by the Group's external auditors.

### **Results publication material**

The following published documents are accessible on African Bank's website at [www.africanbank.co.za](http://www.africanbank.co.za) under the "Investors/Financial Reporting" section:

1. African Bank Holdings Limited investor presentation;
2. African Bank Holdings Limited consolidated unaudited interim financial statements for the period ended 31 March 2026;
3. African Bank Limited consolidated unaudited annual financial statements for the period ended 31 March 2026; and
4. African Bank Limited and African Bank Holdings Limited Basel Pillar III Disclosure report as at 31 March 2026.

### **Presentation material and playback facility**

Interested parties are invited to register for a webcast during which Mr. Zweli Manyathi, ABHL Group interim CEO, and Mr. Anbann Chetti, Group CFO, will detail the ABHL consolidated interim results.

### **Details of the Microsoft teams link are:**

Date: Thursday, 25 June 2026

Time: 10h00 SAST/CAT

To access the presentation, click here: [African Bank Holdings Limited Interim Financial Results presentation](#)

25 June 2026

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