



results

presentation

for the six months ended 31 December 2023



FirstRand

operating environment

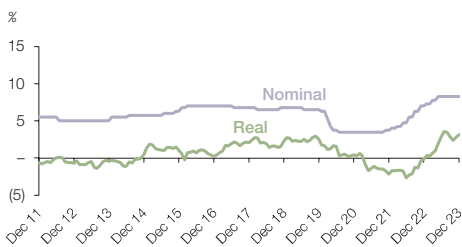
for the six months ended 31 December 2023

SA: High interest rates and low confidence weighed on credit growth, fixed capital formation growth stabilised

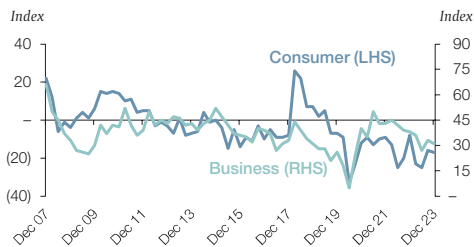


2

Nominal and real repo rate



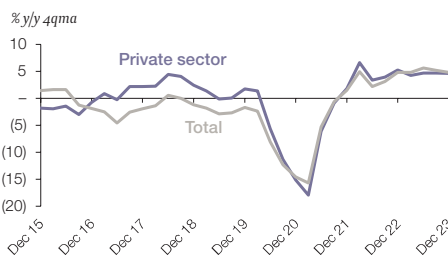
Consumer and business confidence



Household and corporate credit extended



Gross fixed capital formation

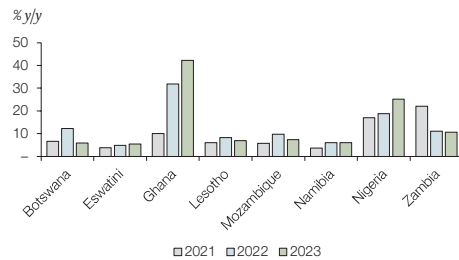


Sources: Stats SA, Bloomberg, SARB, FirstRand.

Note: 4Q 23 values are estimates.

Broader Africa: Inflation eased in SACU countries, reforms/restructurings in Nigeria, Ghana and Zambia

Average inflation rates – broader Africa portfolio

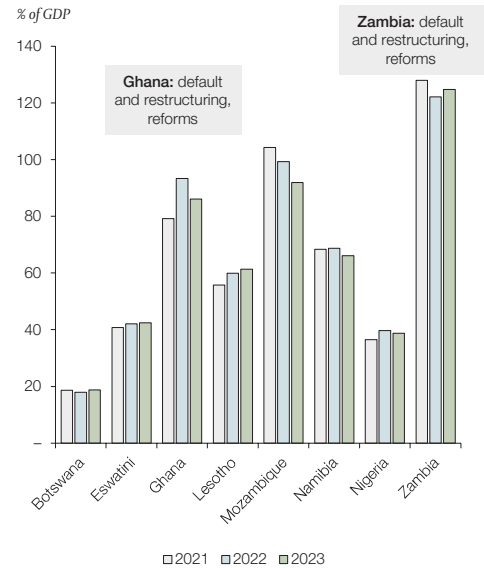


Nigerian inflation rate



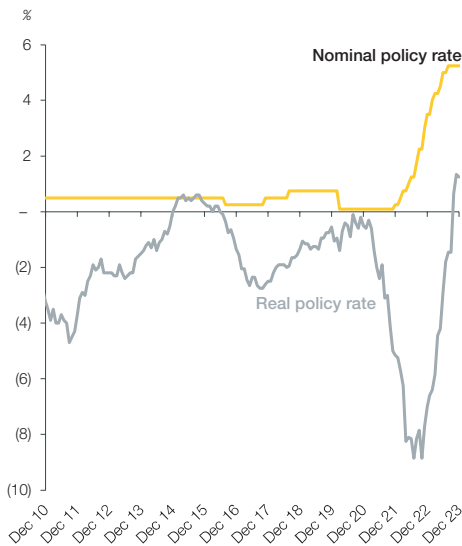
Sources: IMF, Bloomberg, FirstRand.

Government debt



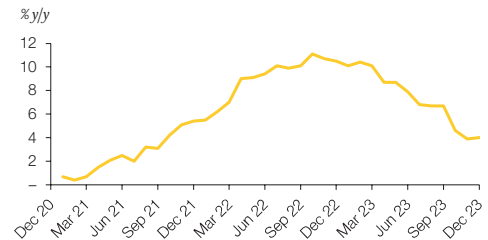
UK: Nominal interest rates peaked, inflation moderated and house prices recovered from recent weakness

Bank of England (BoE) nominal and real policy rate

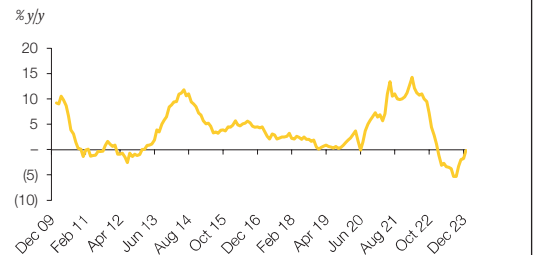


Sources: Bloomberg, FirstRand.

Inflation rate



UK Nationwide house price index





FirstRand

unpacking

performance

for the six months ended 31 December 2023

Performance driven by strong topline and excellent credit outcome – delivering superior returns



6

Normalised earnings

R19.1bn

(Dec 22: R18.0bn) **↑6%**

Deposit franchise

R1 510bn

(Dec 22: R1 355bn) **↑11%**

Ordinary dividend per share

200 cents

(Dec 22: 189 cents) **↑16%**

Return on assets

1.65%

(Dec 22: 1.74%) **↓9 bps**

Return on equity

20.6%

(Dec 22: 21.6%) **↓100 bps**

Normalised net asset value

R190bn

(Dec 22: R167.1bn) **↑14%**

Credit loss ratio*

0.83%

(Dec 22: 0.74%) **↑9 bps**

Cost-to-income ratio

49.9%

(Dec 22: 50.3%) **↓40 bps**

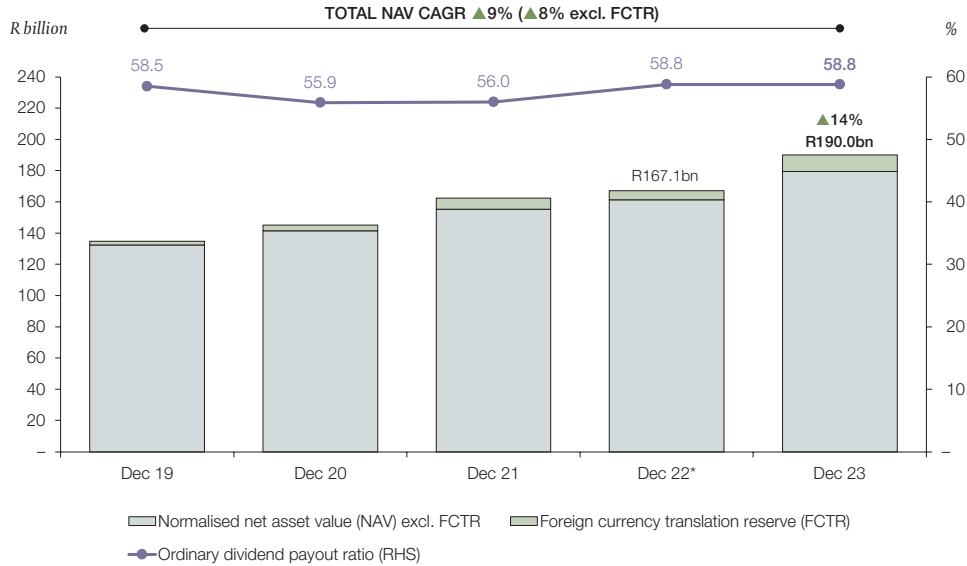
CET1 ratio

13.3%

(Dec 22: 13.2%) **↑10 bps**

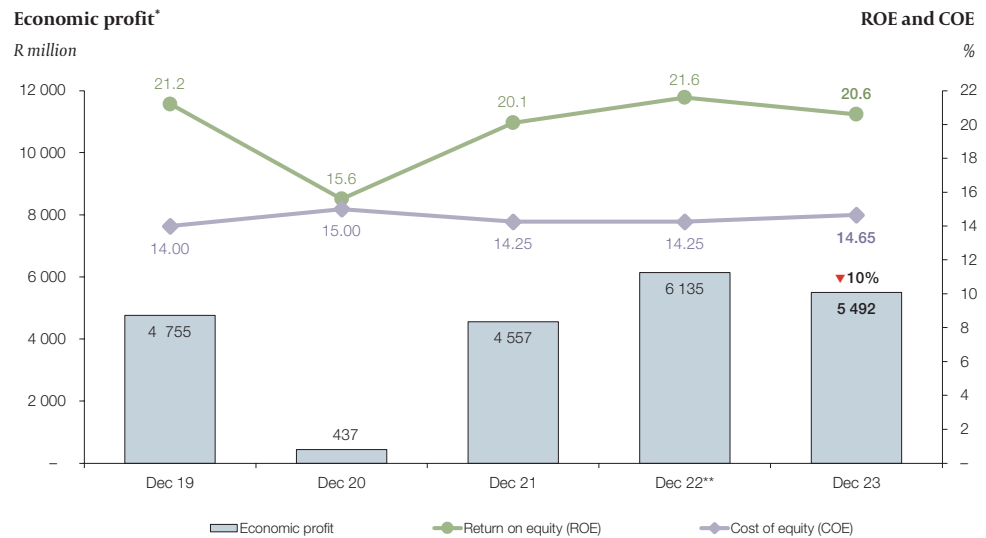
* As a percentage of core lending advances.

Shareholder value creation through compounded growth in NAV and generous dividend payout



* Dec 22 NAV figures have been restated.

ROE and economic profit profile demonstrate continued track record of outperformance



Note: Dec 19 to Dec 21 figures are based on IFRS 4, Dec 22 and Dec 23 figures are based on IFRS 17.

* Defined as net income after cost of capital (NIACC).

** Restated Dec 22 economic profit and ROE.

Unpacking the cyclical impacts on ROE and NIACC



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▼ **100 bps** movement
in ROE to 20.6%
(Dec 22: 21.6%)

R5.5bn NIACC
(Dec 22: R6.1bn)
▼ **10%**

ROA ▼ 9 bps driven by slower earnings growth:

- Cyclically high retail credit impairments
- Unwind of Aldermore interest rate risk hedge
- Lower realisations period-on-period

Higher equity level (average normalised NAV) ▲ 12%

- Average NAV excluding FCTR ▲ 8%

Cost of equity ▲ 40 bps to 14.65%

- Resulted in 6% reduction in NIACC period-on-period

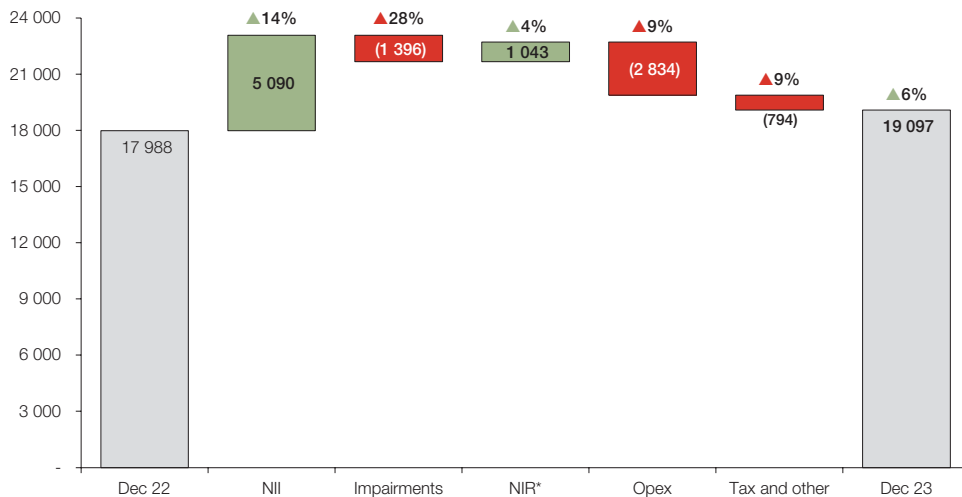
Net interest income – the standout feature in normalised earnings



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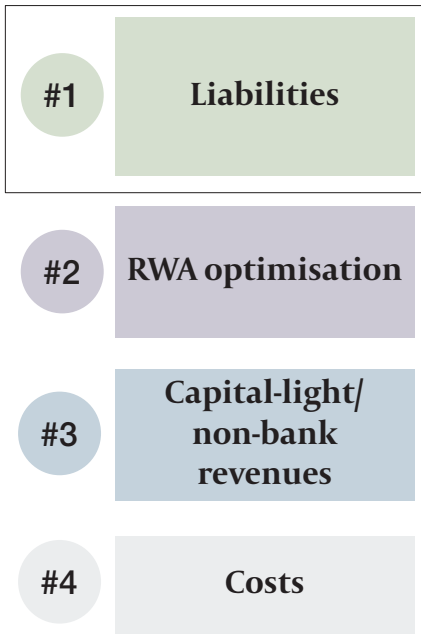
Normalised earnings

R million



* Includes share of profit of associates and joint ventures after tax.

Unpacking group performance against shareholder value creation thesis

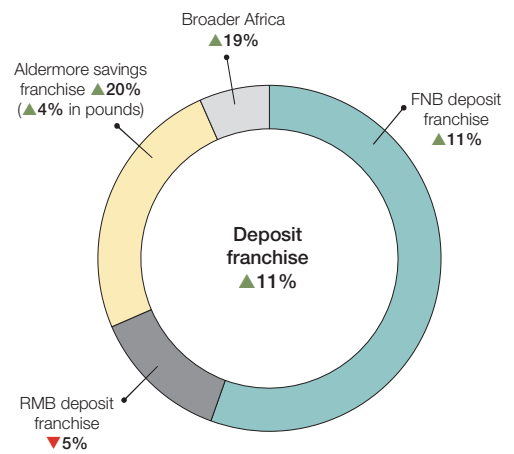
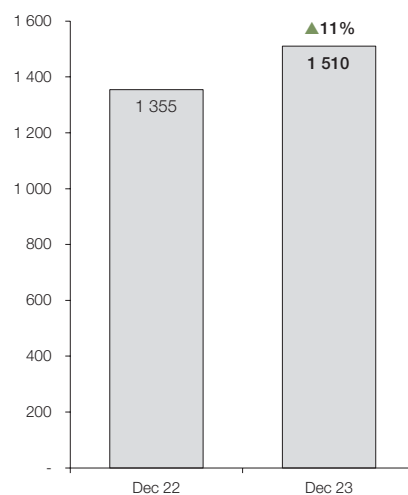


Excellent growth in deposit franchise off a high base



Deposit franchise

R billion

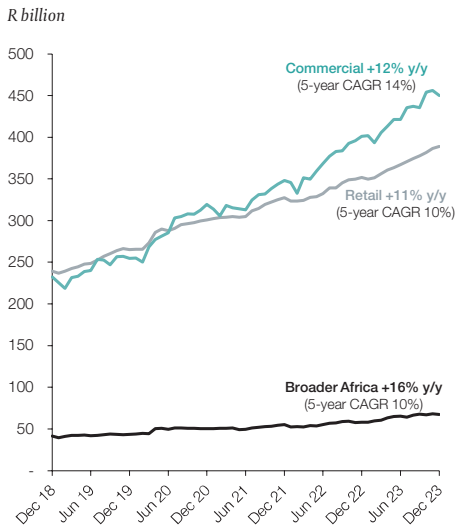


FNB deposit franchise – customer growth and enhanced product set



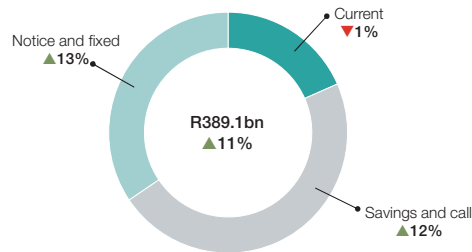
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FNB deposit franchise growth

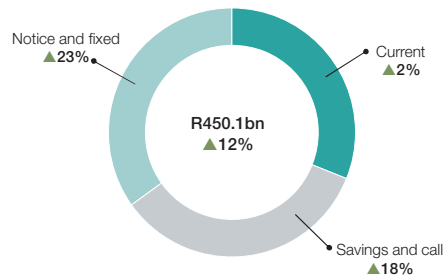


* Based on month-end averages (SA only).

Retail deposit mix*



Commercial deposit mix*

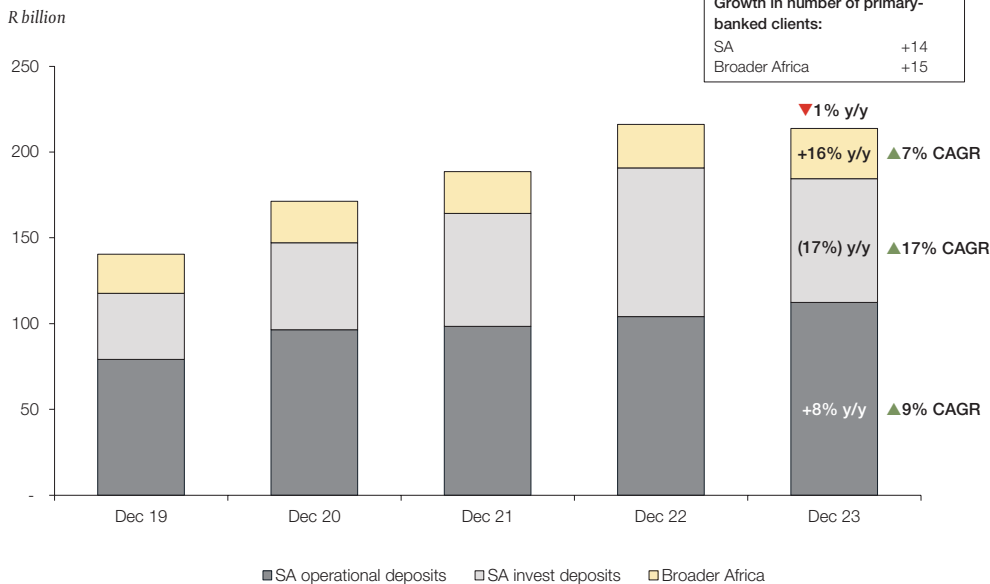


RMB's deposits continue to consistently scale – supporting group funding profile



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Average treasury and trade solutions deposits

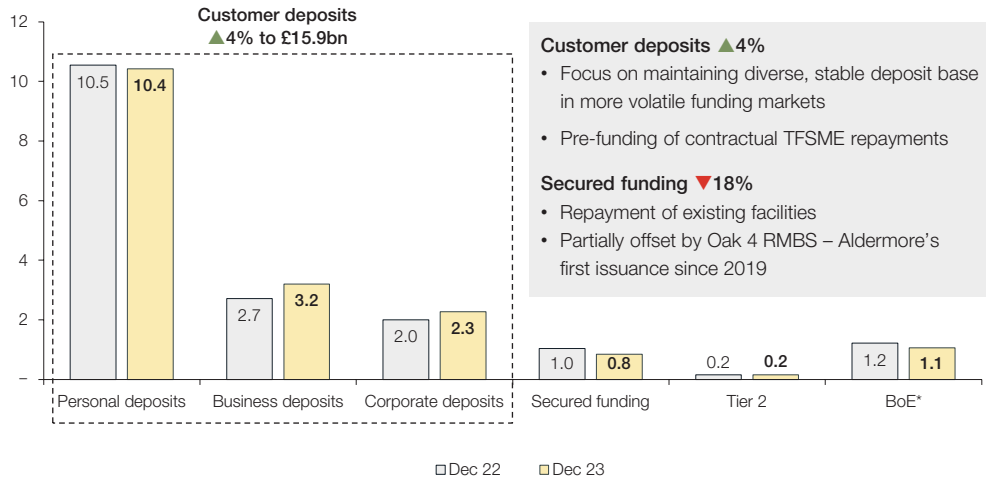


Aldermore building a diversified and sustainable savings franchise

A 15

Funding breakdown

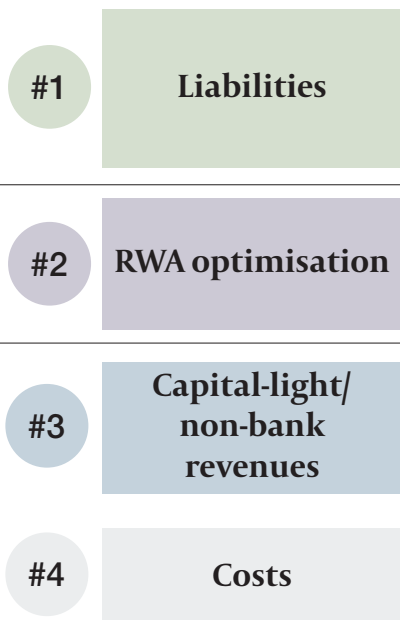
£ billion



* BoE balances include amounts related the BoE Term Funding Scheme for SMEs (TFSME) and Indexed Long-Term Repo (ILTR) facility.

Unpacking group performance against shareholder value creation thesis

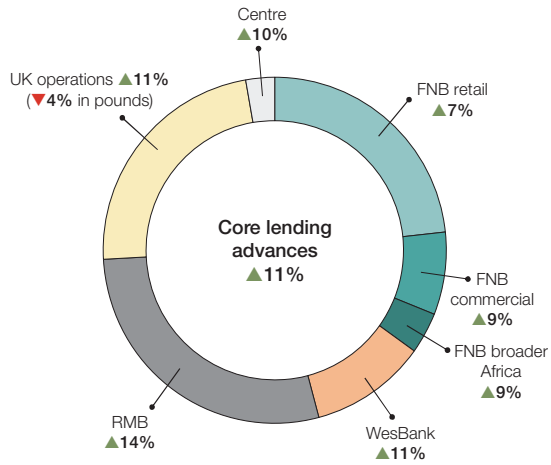
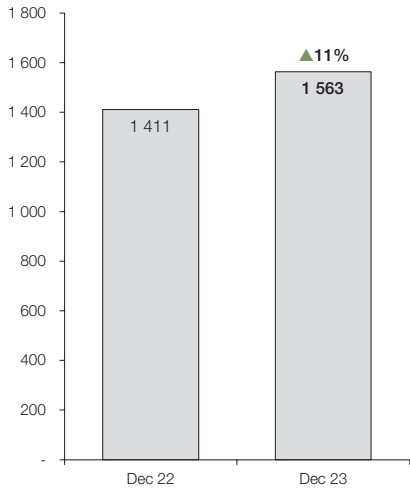
16



Growth in advances across all lending portfolios in line with expectations

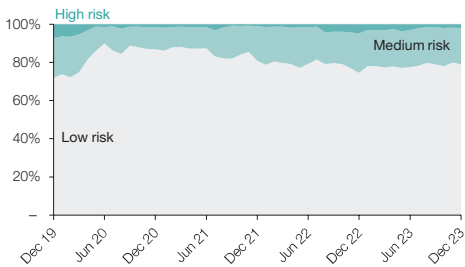
Core lending advances

R billion

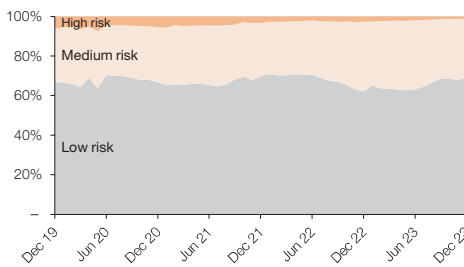


Retail lending stayed focused on better-rated customers

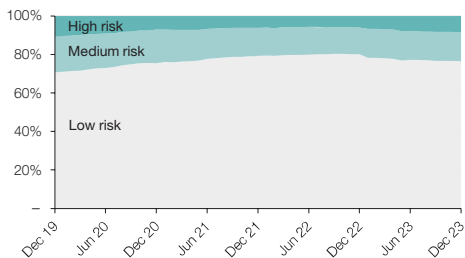
FNB retail new business risk distribution



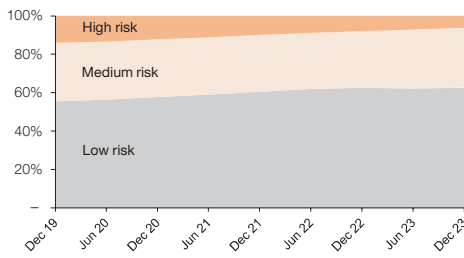
WesBank new business risk distribution



FNB retail total book risk distribution

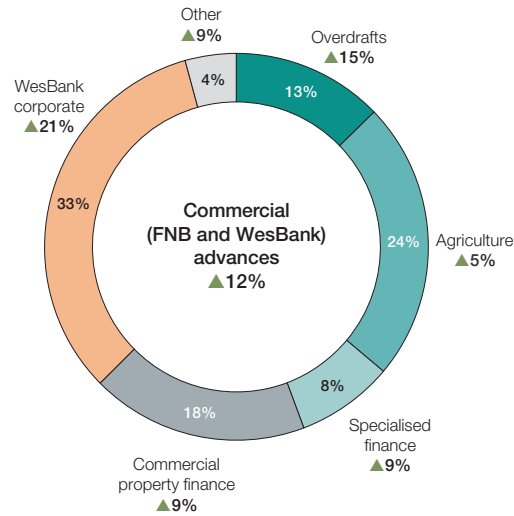


WesBank total book risk distribution

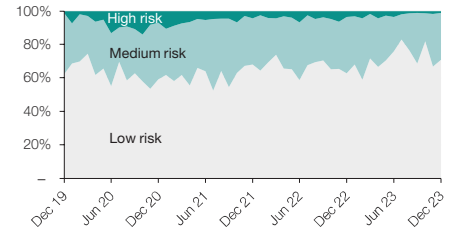


Sector-specific origination approach in FNB commercial = growth and quality of risk

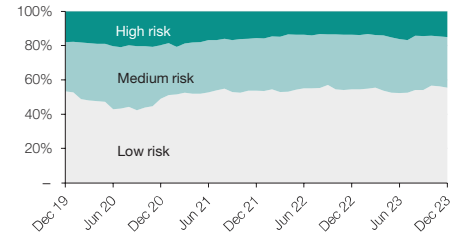
Commercial advances split



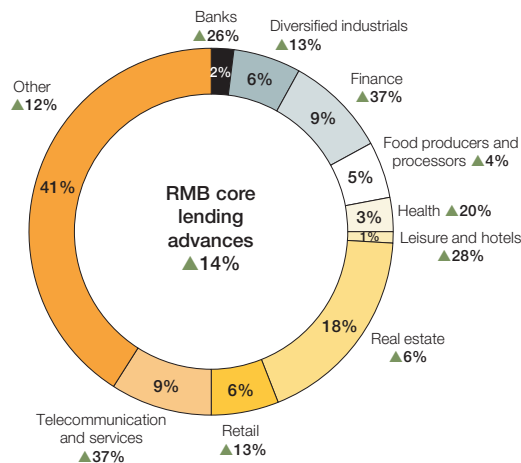
FNB commercial new business risk distribution



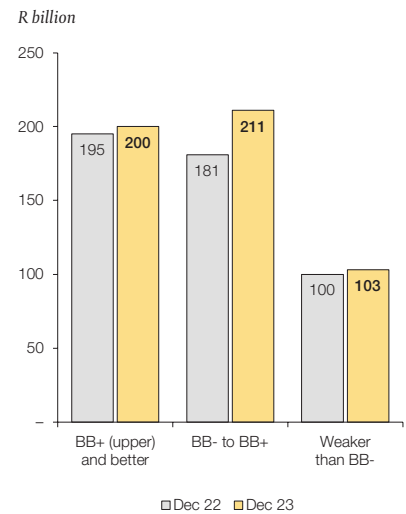
FNB commercial total book risk distribution



RMB advances growth remains tilted towards better-rated counters



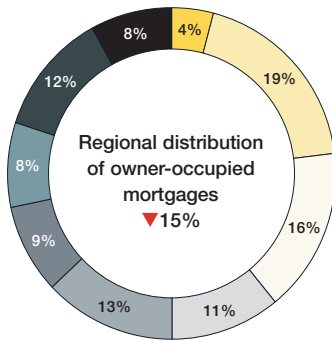
EAD by rating distribution



UK operations: owner-occupied portfolio contracted on risk cutbacks

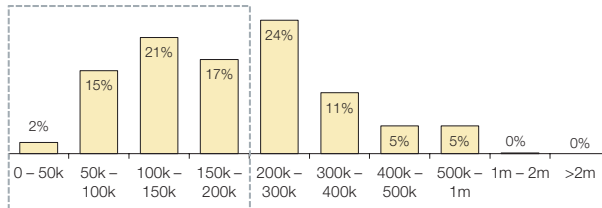
A 21

Book size >£2 billion

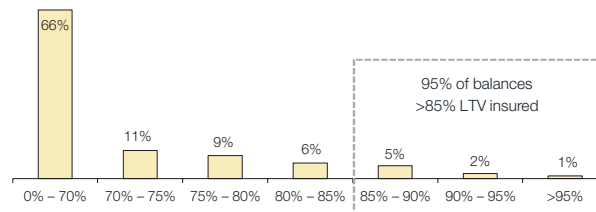


- Greater London
- Midlands
- North West
- Yorkshire
- Other
- South East
- East Anglia
- South West
- Scotland

55% of the portfolio has a balance <£200k



Average LTV* of non-guarantee book is 54%

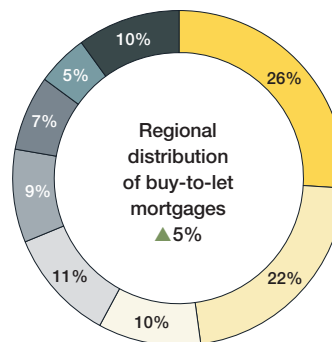


* Indexed loan to value (LTV).

UK operations: buy-to-let portfolio performed better than expected

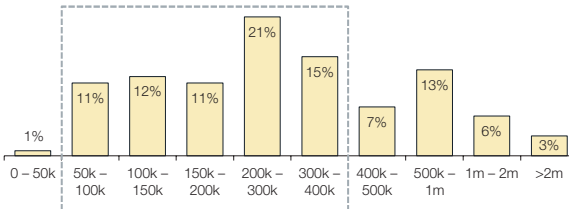
A 22

Book size >£5 billion

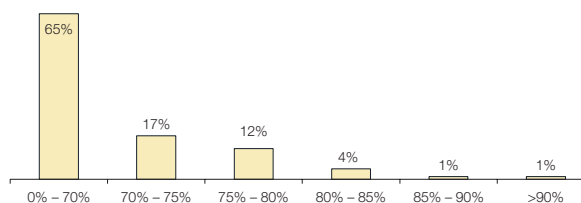


- Greater London
- Midlands
- North West
- Yorkshire
- Other
- South East
- East Anglia
- South West
- Scotland

70% of loans at £50k - £400k, with 9% above £1 million



Average LTV* of 64%, with only 6% of balances >80% LTV



* Indexed LTV.

Unpacking the objectives and outcomes of the ALM strategies



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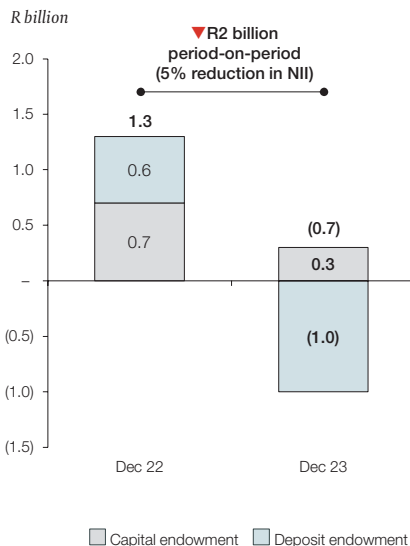
- Overarching objectives of group ALM strategies:
 - Actively manage the profile to protect and enhance earnings through the cycle
 - Earn the structural term premium for shareholders by investing along the yield curve
- Group balances its approach to investing the endowment
- Absolute period-on-period return on group's endowment for six months to Dec 23 therefore does not reflect the full extent of the rise in interest rates
- However, converse was true in previous periods when rates were lower, as the endowment was protected and optimised by the ALM strategy

Through-the-cycle ALM NII outperformance



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NII outcomes from ALM strategies relative to overnight (repo) profile



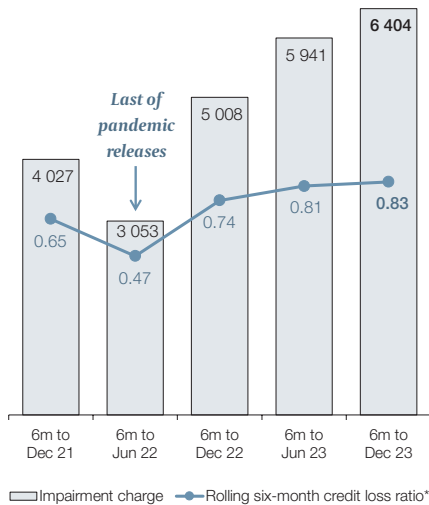
- With low rates in FY21 and FY22, ALM strategies delivered **R12.3 billion outperformance**
- ALM strategies have delivered **R16.8 billion cumulative additional NII** since FY18 to date
- Effective **opportunity cost of R0.7 billion** in current period (Dec 22: R1.3 billion benefit)

Group expects cumulative outperformance to offset lower trend in endowment NII growth in current period characterised by higher rates

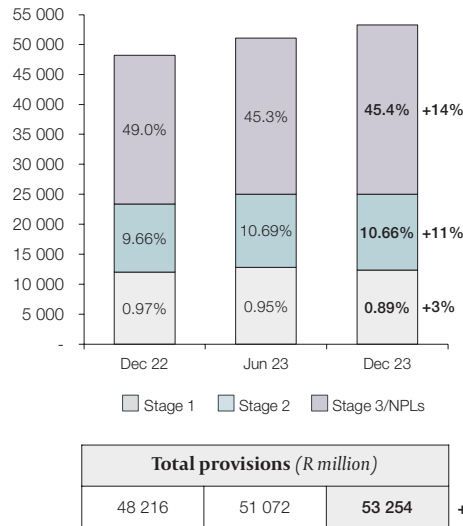
Credit performance continues to outperform initial expectations

25

Impairment charge (R million) and credit loss ratio (%)



Total provisions (R million) and coverage (% of core lending advances)



Unpacking group performance against shareholder value creation thesis

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#1

Liabilities

#2

RWA optimisation

#3

Capital-light/
non-bank
revenues

#4

Costs

Base effects period-on-period shaped NIR growth in the first half



27

- Partial unwind of UK operations' interest rate risk hedge:
 - £10.8 million loss in current period (Dec 22: £6.7 million profit)
 - R392 million negative impact on group NIR period-on-period
- Non-repeat of:
 - Ghana sovereign debt provision
 - Outsized Studio 88 realisation
- Targeted fee reductions in FNB
- Total group NIR increased 4%

Growth in customers and volumes at FNB partly offset by targeted fee reductions



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- Active customers +5% to 11.81 million
- SA VSI at 2.99 (Dec 22: 2.94)
- Transactional volumes +7%
- Sub-inflation fee increases
- Reviewed pricing structures for low-value real-time payments and reduced all related fees
 - Resulted in R477 million reduction in fee and commission income in the period
 - The c. 30% uptick in real-time payment volumes in the six months since this change demonstrates that it is the right outcome for customers
- Despite this, FNB NIR increased 5%

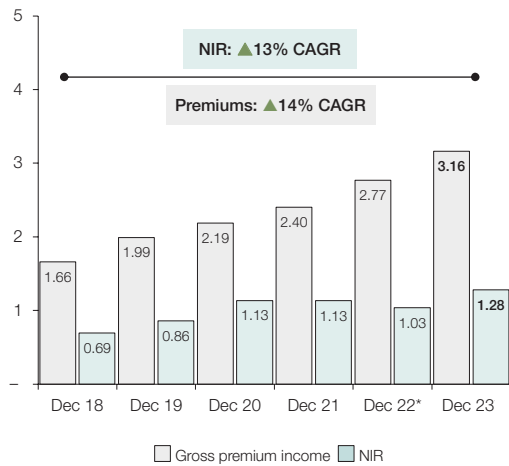
FNB Life – successful NIR diversification



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Premium income and NIR – FNB Life

R billion



* Restated for IFRS 17.

Performance highlights

- Consistent growth in APE in credit life (CAGR 9%) and non-credit life (CAGR 18%)
- Persistency improvements, with better-than-expected claims and good cost management
- Simplified life product reached 100k policies, customised life product APE up 21% period-on-period
- Digital servicing – 75% of all customer interactions on app

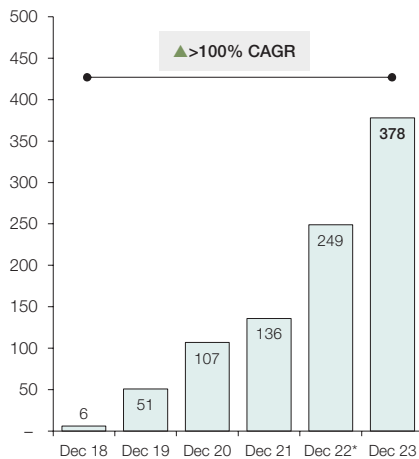
Other insurance activities also scaling and present growth opportunity



30

Premium income – FNB Short Term

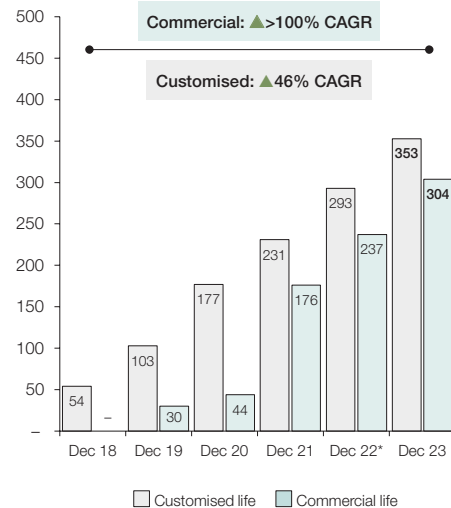
R million



* Restated for IFRS 17.

In-force APE

R million



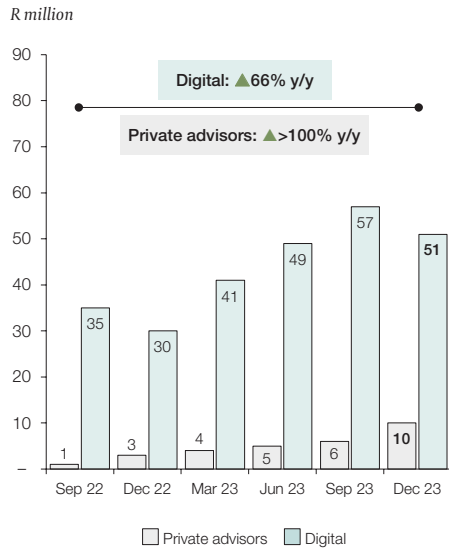
□ Customised life □ Commercial life

Growth in private advisors supporting insurance/investment sales

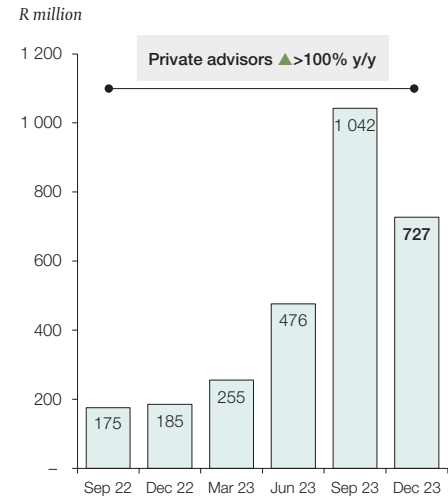


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Life insurance sales APE – digital and private advisors



Invest advisor flows



RMB NIR growth of 9% reflects mixed performance



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- + Investment banking knowledge-based fee income grew on the back of origination and advisory mandates
- + Principal investments – solid annuity income and a realisation of R508 million
- + Good volumes from the corporate transactional franchise
- + 15% growth in private equity annuity income plus small realisation
- Mixed performance from markets business, particularly in SA
- Broader Africa NIR impacted by macros, dollar liquidity constraints and currency devaluation

Unpacking group performance against shareholder value creation thesis

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#1

Liabilities

#2

RWA optimisation

#3

Capital-light/
non-bank
revenues

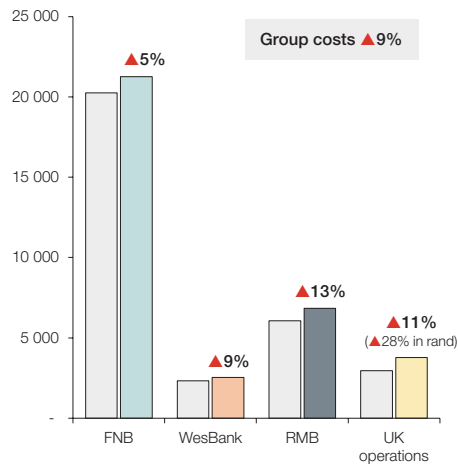
#4

Costs

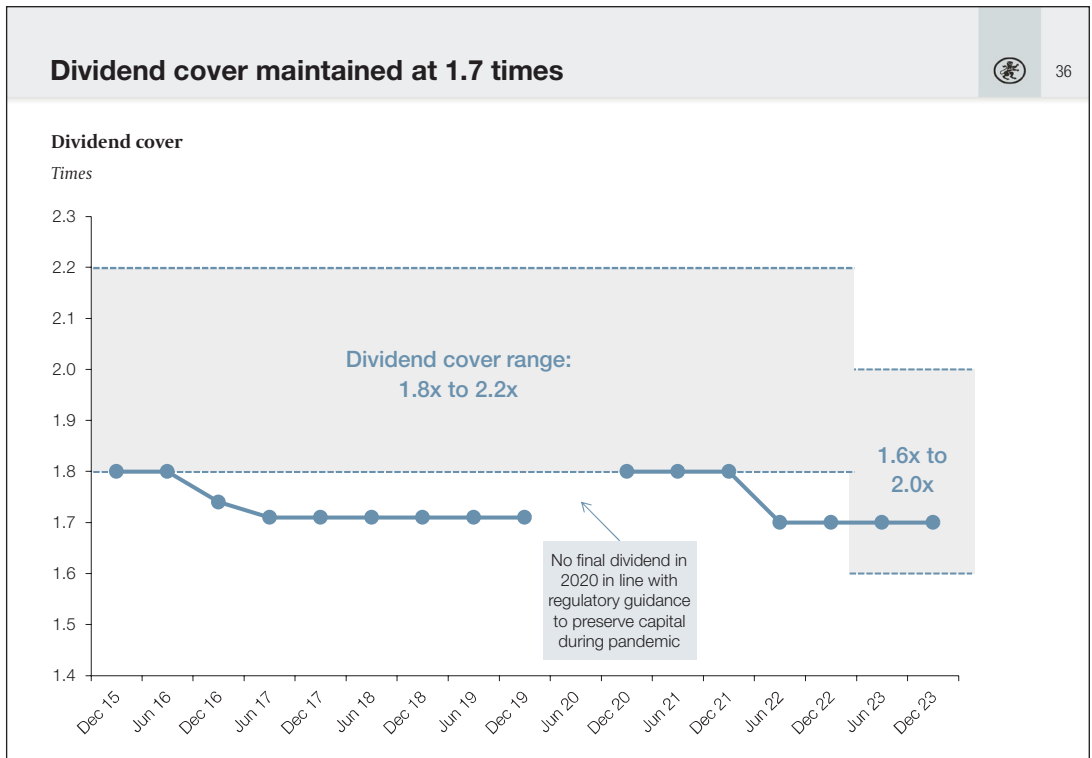
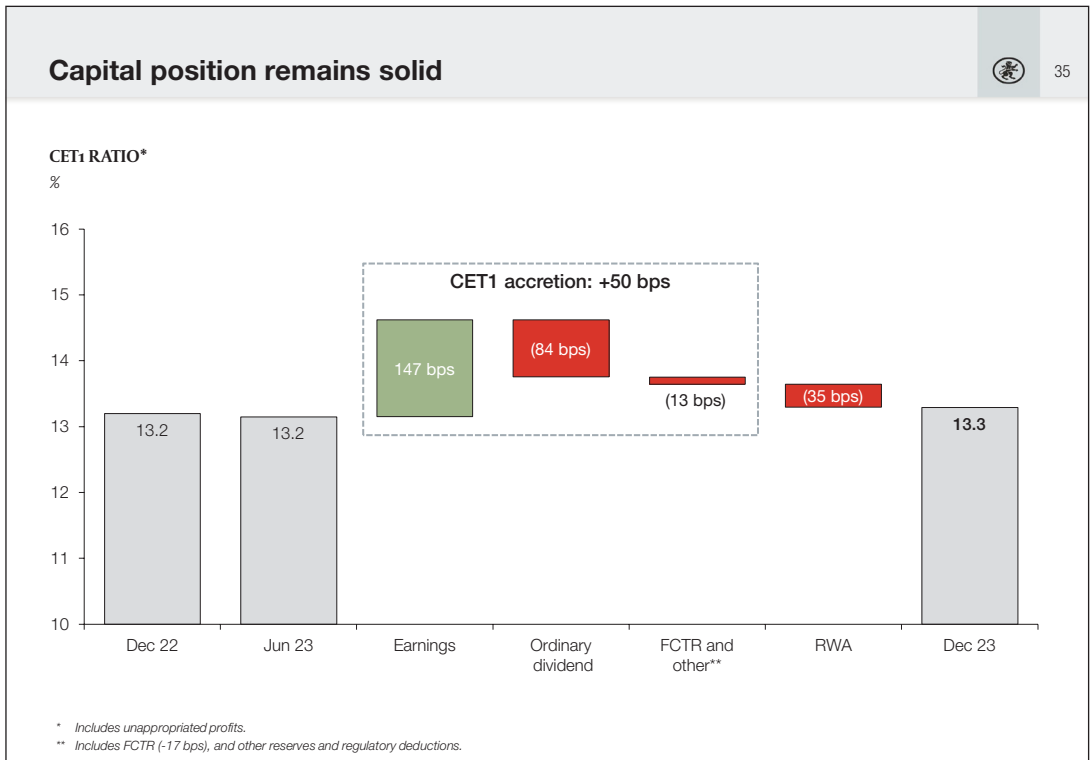
Group's cost-to-income ratio improved to 49.9%

34

Operating expenses
R million



- Excellent performance from FNB growing costs below inflation – promising signs of emerging efficiencies
- Offset by heavy investment cycles at RMB and Aldermore:
 - RMB – platform, people and geographic expansion
 - Aldermore – platform, people and processes
- Cost-to-income ratio also benefited from adoption of IFRS 17





FirstRand

financial

review

for the six months ended 31 December 2023

Key performance metrics (normalised)



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	Dec 23	Dec 22*	% change
Earnings per share (cents)	340.4	320.7	6 ▲
Dividend per share (cents)	200	189	6 ▲
Earnings (R million)	19 097	17 988	6 ▲
NIACC (R million)	5 492	6 135	10 ▼
Net asset value per share (cents)	3 387.4	2 978.5	14 ▲
Net interest margin (%)	4.47	4.38	▲
Credit loss ratio (%) – core lending advances	0.83	0.74	▲
Cost-to-income ratio (%)	49.9	50.3	▼
Return on equity (%)	20.6	21.6	▼
Return on assets (%)	1.65	1.74	▼
CET1 ratio** (%)	13.3	13.2	▲
Stage 3/NPLs as a % of core lending advances	3.98	3.59	▲
Gross advances – core lending advances (R billion)	1 563	1 411	11 ▲
Deposits (R billion)	1 978	1 793	10 ▲
Number of employees (excluding FirstJobs)	49 276	49 354	– ▼
FirstJob employees	902	1 305	(13) ▼

* Restated for impact of IFRS 17.

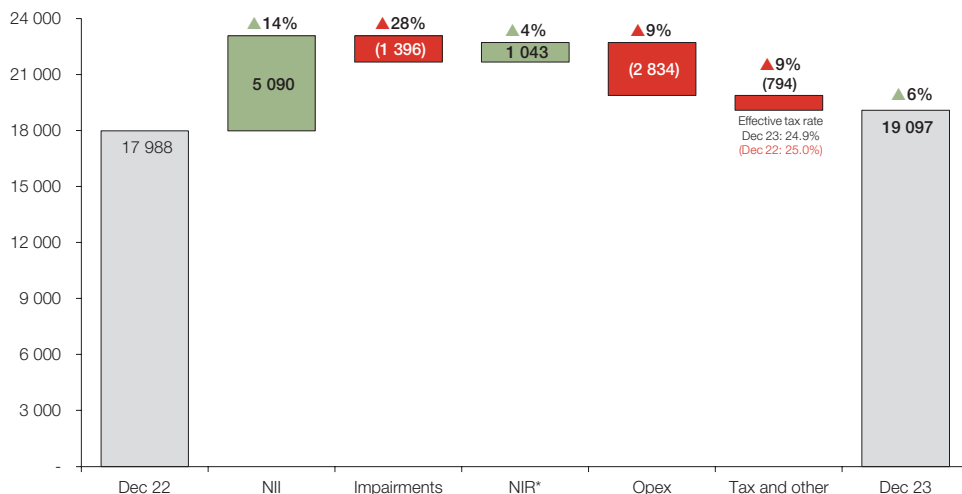
** On an IFRS basis and includes unappropriated profits.

Topline growth continued to support earnings performance, despite above inflation cost uptick and higher impairments



Normalised earnings

R million



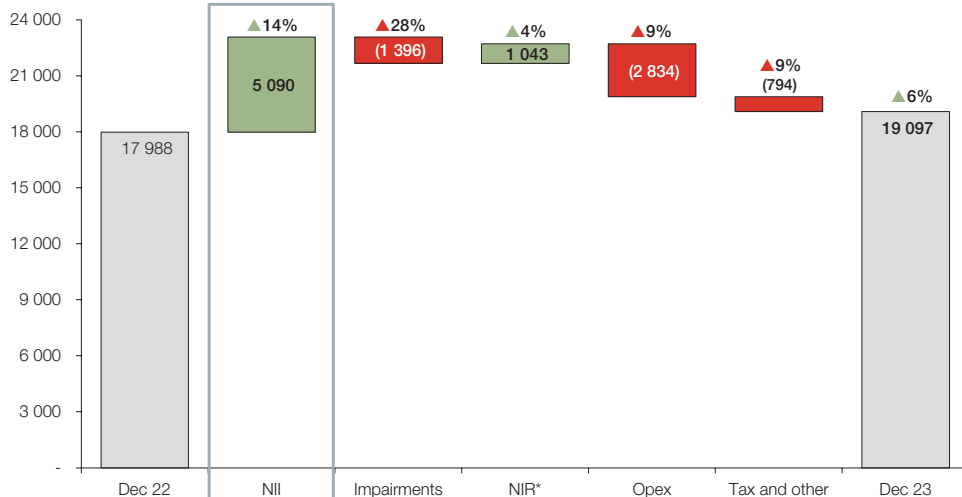
* Includes share of profit of associates and joint ventures after tax.

Deposit franchise, lending strategies and endowment drove strong NII



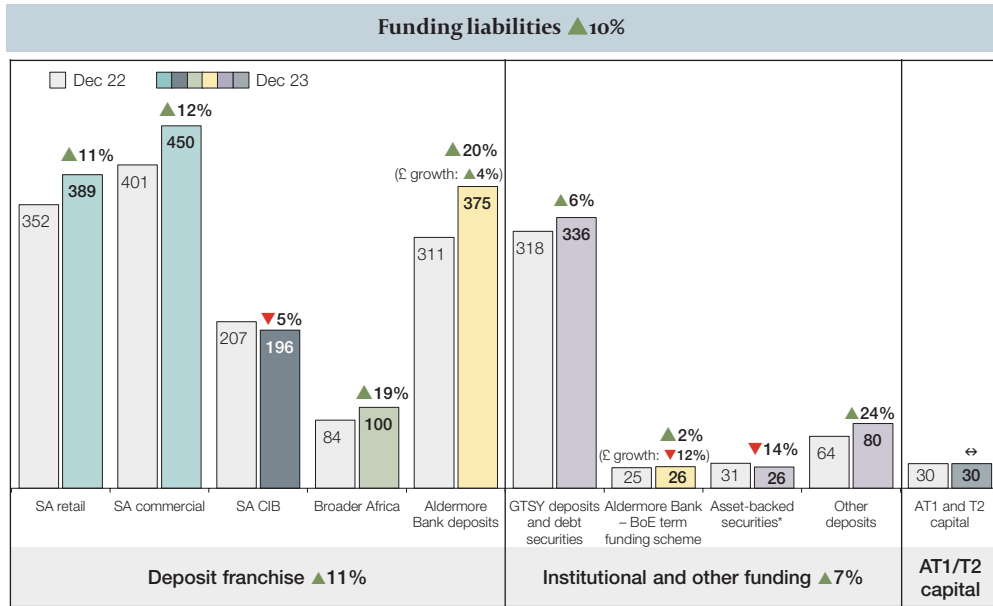
Normalised earnings

R million



* Includes share of profit of associates and joint ventures after tax.

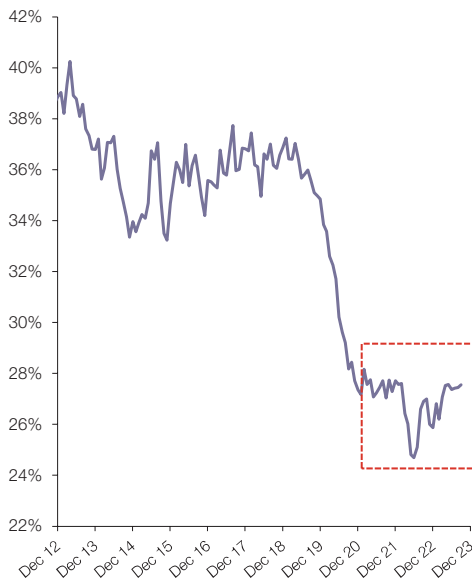
Deposit franchise continued its growth momentum



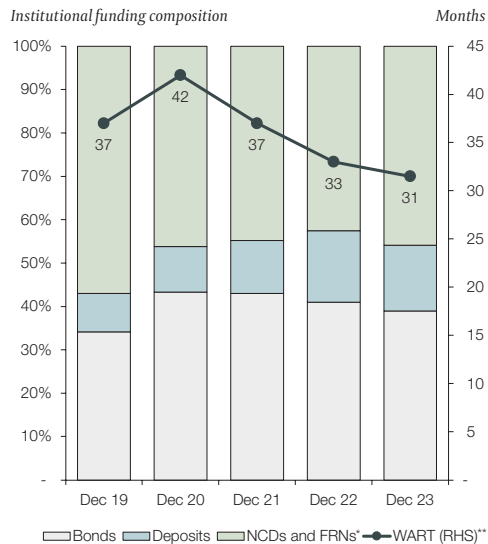
* Include Aldermore securitisations.
 Note: Percentage growth is based on actual rather than rounded numbers shown in the bar graphs.

Despite uptick in institutional funding, overall relative composition still low

Institutional funding as % of total funding



Diversified institutional funding mix and term profile



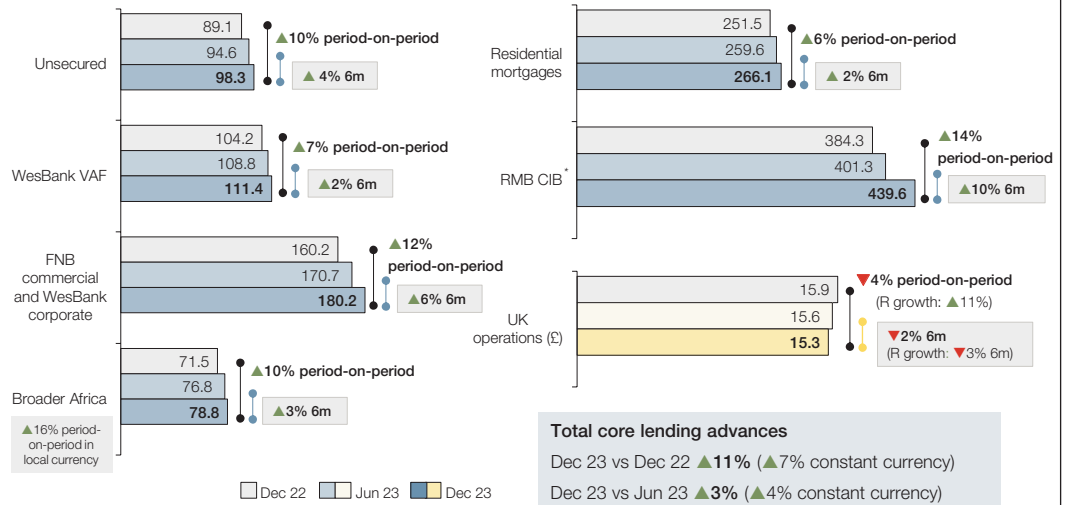
* Negotiable certificates of deposit (NCDs) and floating-rate notes (FRNs).
 ** Weighted average remaining term (WART) is for institutional funding in SA.

Growth achieved across most lending portfolios, but momentum slowing as expected given macros

Core lending advances up 11% to R1 563bn

Core lending advances

R billion

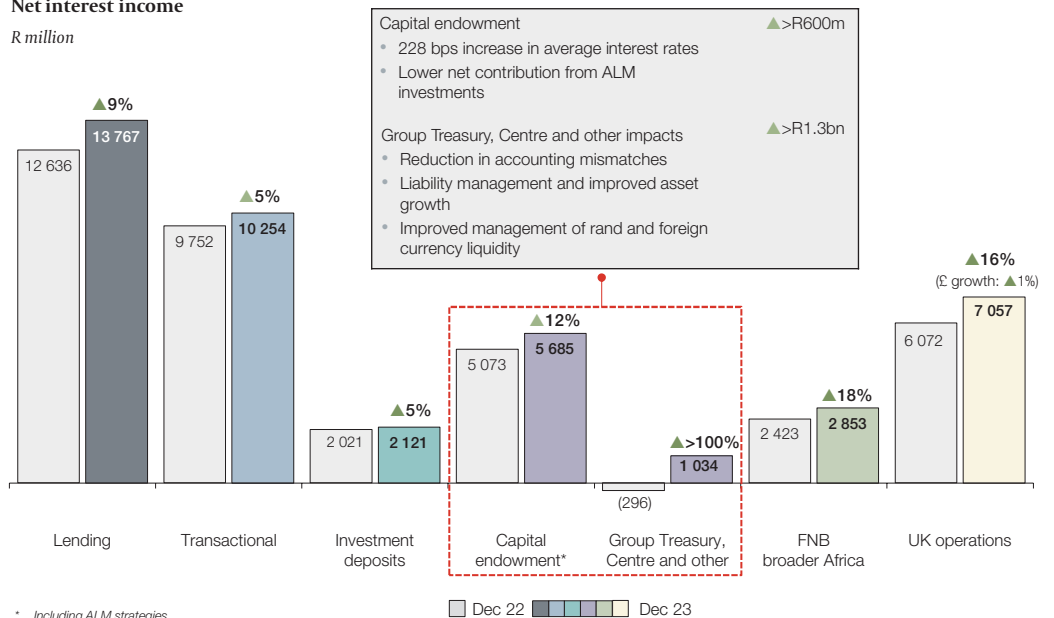


* Excluding broader Africa.

Composition of NII growth in line with strategies

Net interest income

R million

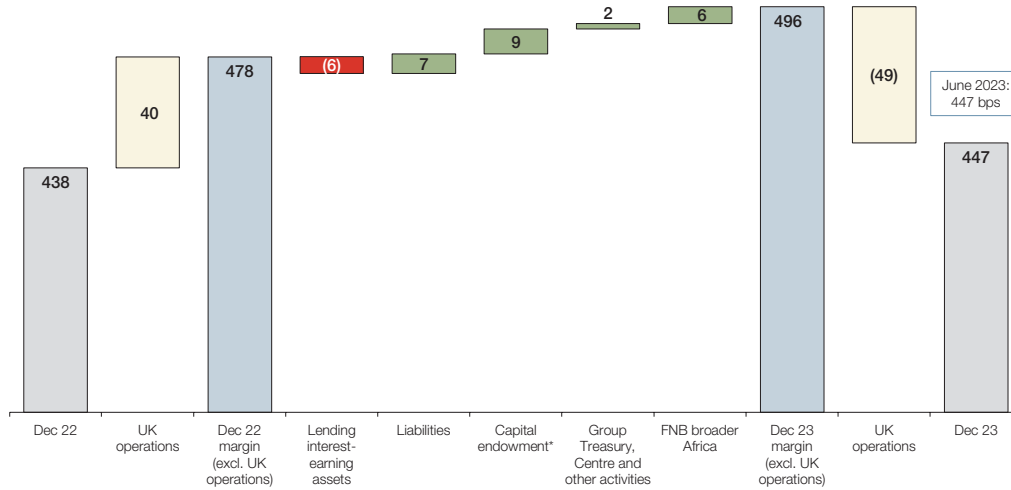


Composition of margin shows management of offsets across the portfolio

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Normalised margin

Basis points



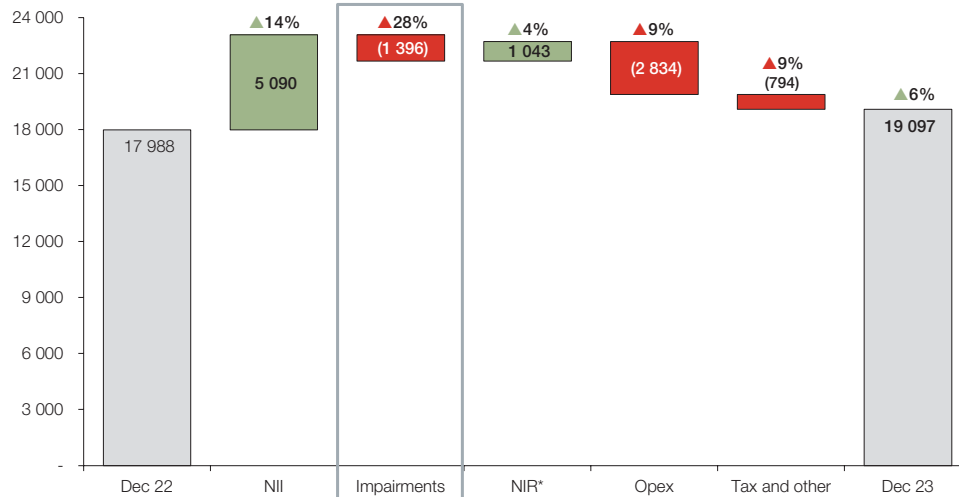
* Including ALM strategies.

Impairment charge growth predominantly driven by book growth, higher NPLs in retail

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Normalised earnings

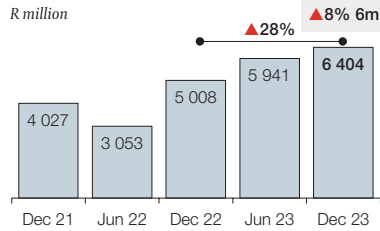
R million



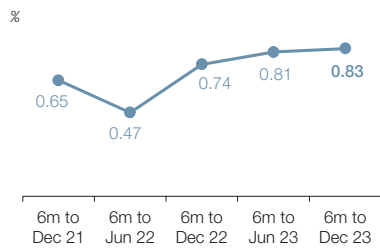
* Includes share of profit of associates and joint ventures after tax.

Credit performance better than initial expectations despite current macro pressure

Credit impairment charge*

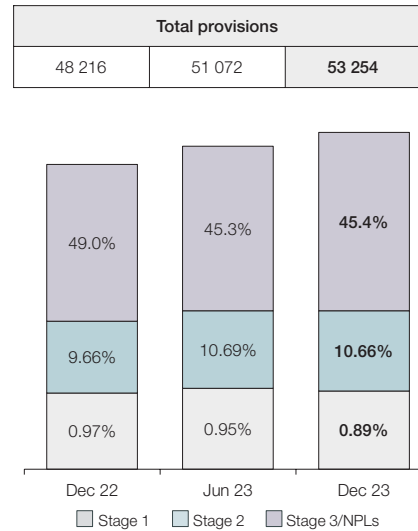


Credit loss ratio**



* Rolling six-month view.
 ** Rolling six-month credit loss ratio (annualised).

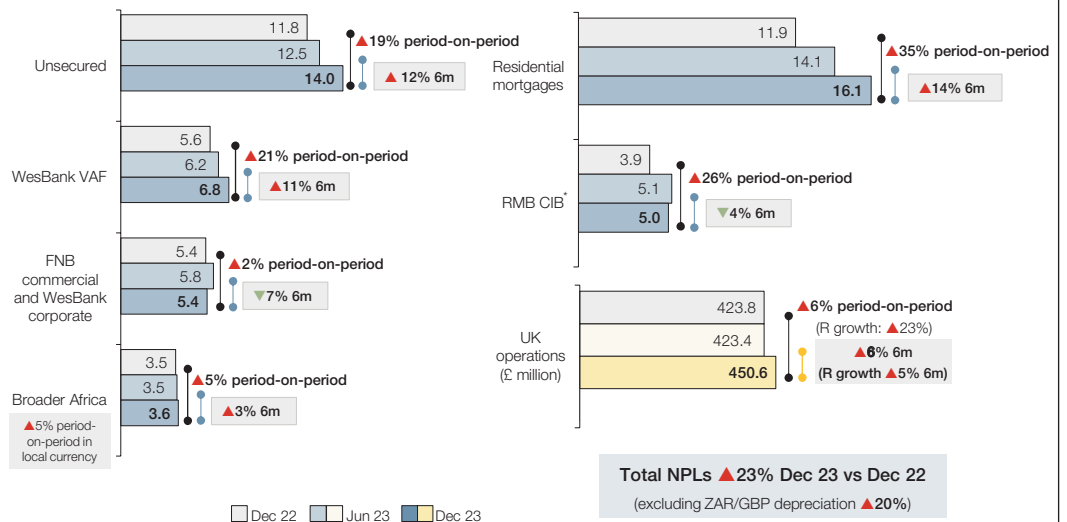
Total provisions (R million) and coverage (% of core lending advances)



NPL formation tracking in line with expectations given origination strategies

NPLs

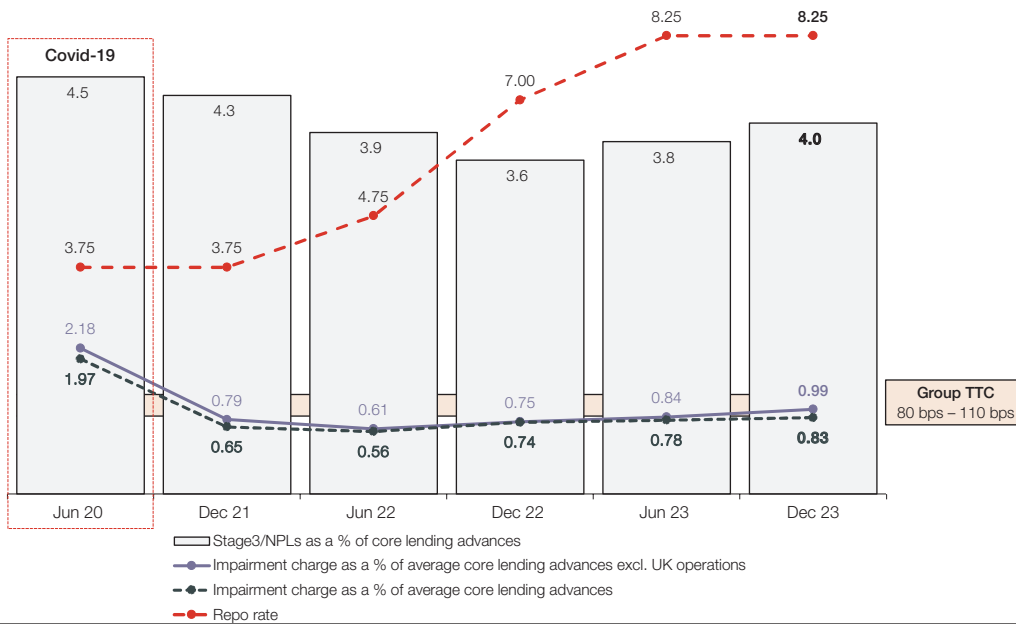
R billion



* Excluding broader Africa.

Credit loss ratio below mid point of the range

49

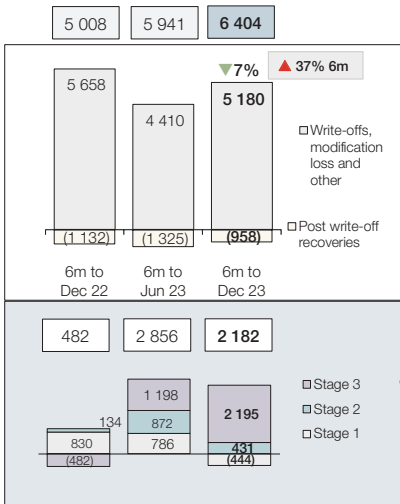


Composition of charge demonstrates similar run rate in last six months to June 2023

50

Impairment charge decomposition

R million

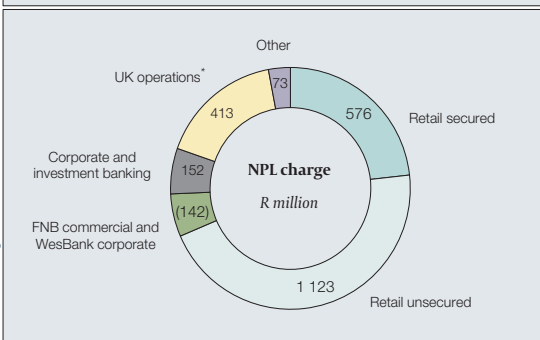


Total charge ▲R1.4 billion (period-on-period)

Write-offs and post write-off recoveries and other

▼R304 million (period-on-period)
(excl. UK operations: ▼ R772 million)

NPL charge R2.2bn (▲R2.68 billion period-on-period)



Performing charge ▼R977 million (period-on-period)

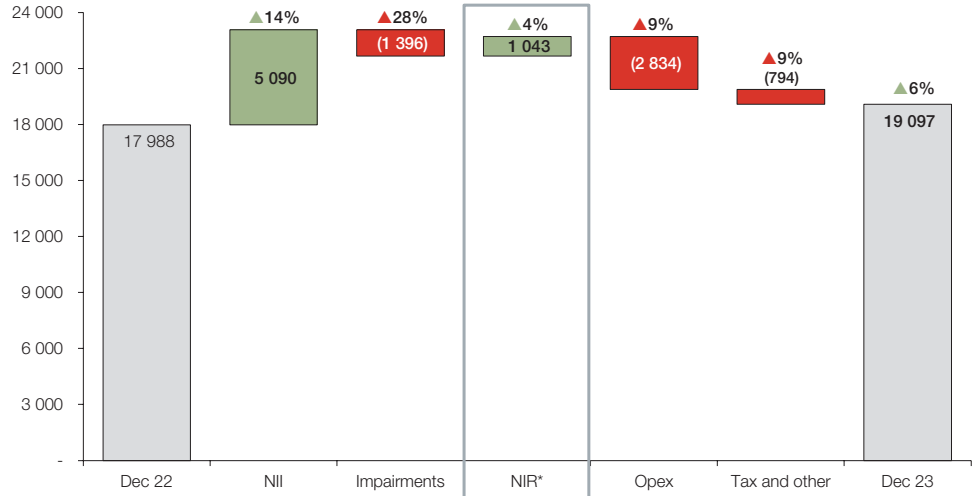
(excl. UK operations: ▼ R83 million)

* UK operations exclude MotoNovo back book.

Point-in-time NIR performance impacted by base effects and lower fee and commission income growth

Normalised earnings

R million

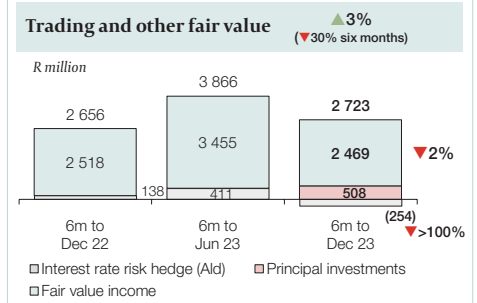
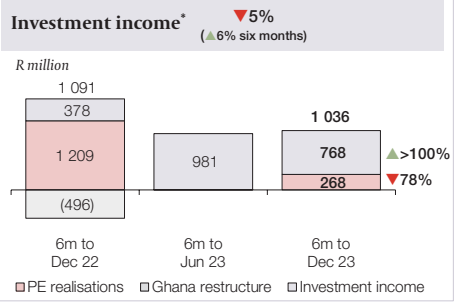
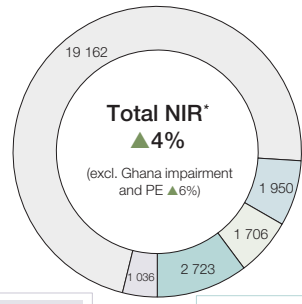


* Includes share of profit of associates and joint ventures after tax.

Fee and commission outcome reflects ongoing rationalisation for positive customer outcomes

Fee and commission income ▲4%

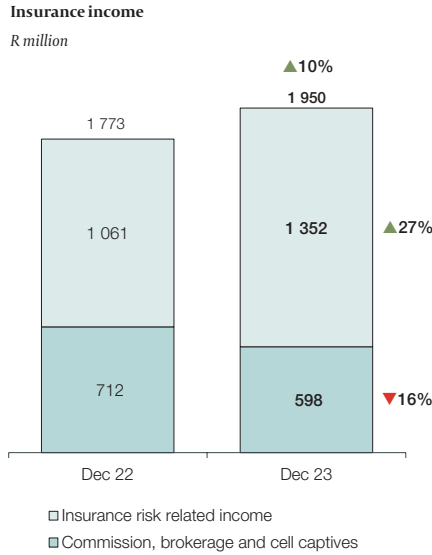
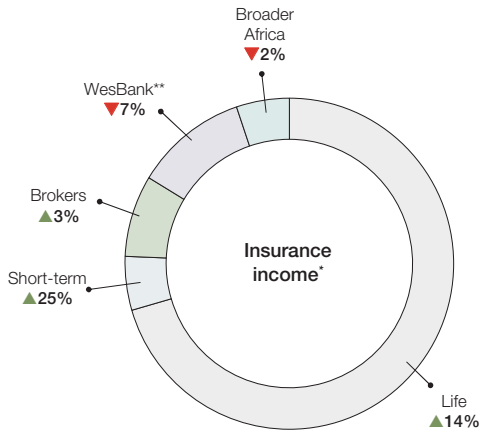
- Customer growth ▲5%
- Transaction volume ▲7%
- Fee reduction ▼ c. R480m



* Includes share of profit of associates and joint ventures after tax.

Integrated insurance strategy a growing component of NIR

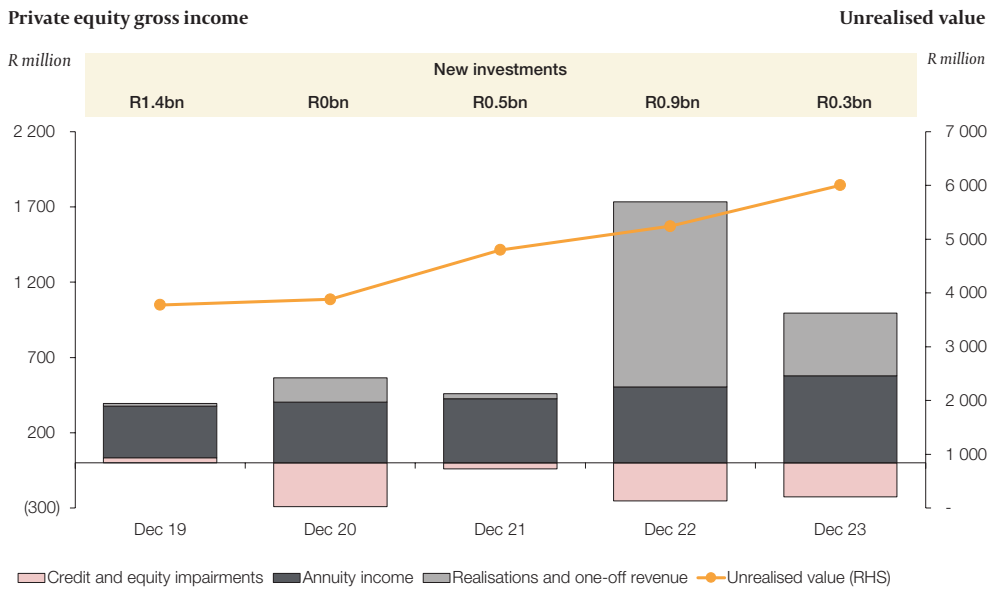
53



* Excludes Aldermore and other insurance income of R8 million (Dec 22: R7 million).
 ** WesBank includes MotoVantage and Life includes DirectAxis.

PE performance impacted by outsized realisation in prior period, annuity income strong

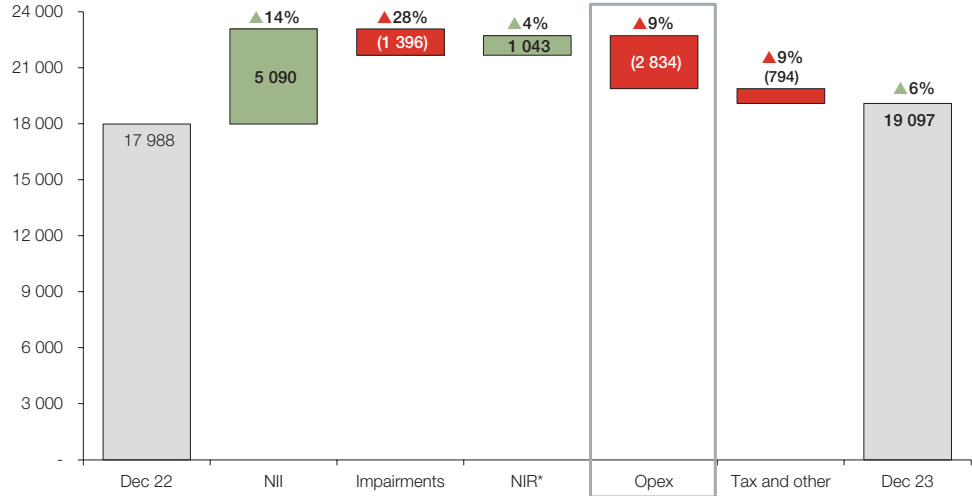
54



Cost growth continues to trend above inflation but focus starting to pay dividends at FNB

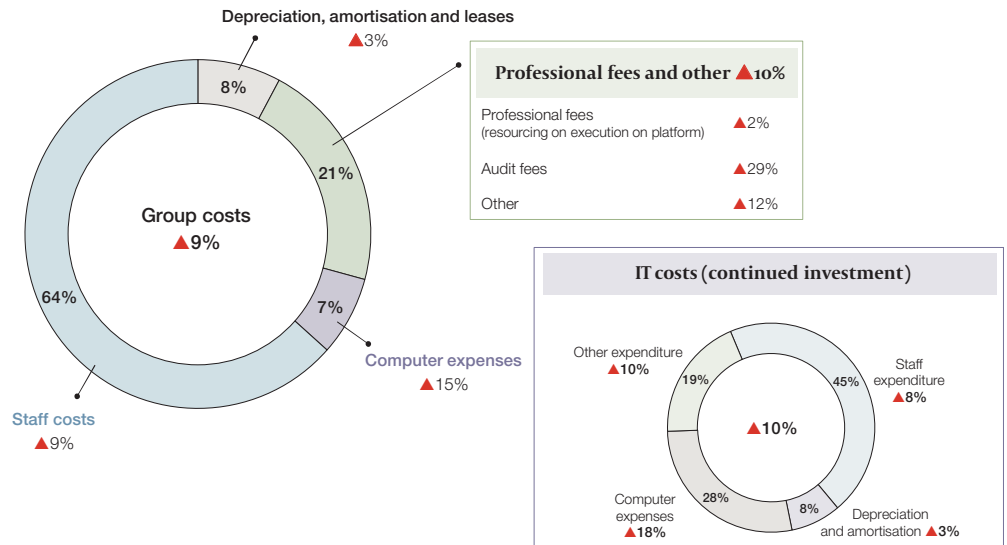
Normalised earnings

R million



* Includes share of profit of associates and joint ventures after tax.

Staff costs and investment spend remain biggest drivers of cost growth



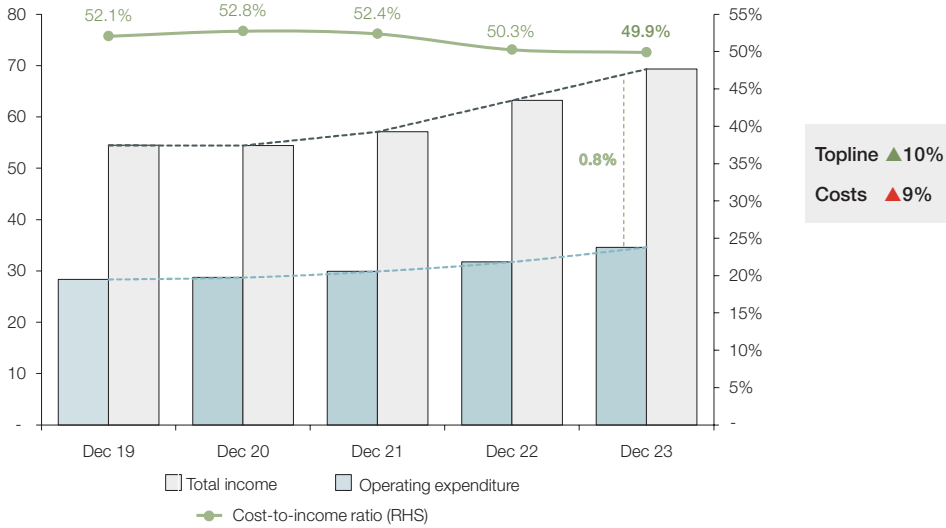
Note: The group's income statement is presented on a nature basis, however, to better illustrate the composition of IT spend, the graph reflects the group's total IT spend on a functional basis, irrespective of which income statement lines these are reported in.

Improvement in cost-to-income ratio underpinned by topline growth



57

R billion



FirstRand

looking
ahead

Portfolio is in great shape to deliver continued outperformance



59

Relative size of:

- **Transactional franchise** which contributes approximately half of gross revenue
- **Deposit franchise** and resultant lower reliance on institutional funding

Sizeable, long-standing, return-generative **private equity** franchise

Relative advances mix delivers higher **risk-adjusted margins** – credit appetite, underwriting and pricing **anchored to preserve return profile**

Strategies to **diversify sources of NIR** – scaling **insurance** and **investment management**

Underpinned by the disciplined allocation and pricing of financial resources (capital, funding and liquidity, and risk capacity) and ALM strategies

Geographic diversification provides medium-term growth optionality with a **focus on returns**

Looking ahead – expect a softer NII trajectory...



60

- Macros in the jurisdictions where group operates expected to remain largely unchanged
 - Characterised by high interest rates and persistent elevated inflation
 - Resulting in continued affordability pressures, particularly for households
 - Ongoing investments by SA businesses in energy capacity remain underpin to corporate and commercial credit extension
- Group anticipates softer overall advances growth
- Given high base, deposit growth also expected to slow
 - Mainly driven by the retail segment as households draw down on savings
 - Commercial deposit gathering is expected to remain resilient
 - Deposit insurance introduced from 1 April 2024
- ALM outcome broadly neutral

... offset by growth in NIR and lower costs

61

- Fee reductions to continue in retail and commercial segments, but NIR growth trajectory will benefit from stronger growth relative to prior period – supported by ongoing customer growth and activity
- Credit loss ratio expected to remain well below the mid point of the group's TTC range
- Operating expenses growth will be lower than in the first half
- Group expects in the second half to generate earnings similar to the first half, consequently guidance intact for the year
- ROE is also expected to be similar to the first half, given that the cyclical pressures remain for the rest of the financial year – within 18% to 22% range



FirstRand

annexures

—
for the six months ended 31 December 2023

Prior year restatement for IFRS 17



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	Previously reported Dec 22	IFRS 17	Dec 22 restated	Change
Earnings per share (cents)	321.7	(1.0)	320.7	▼
Earnings (R million)	18 047	(59)	17 988	▼
NIACC (R million)	6 247	(112)	6 135	▼
Net asset value (R million)	166 358	719	167 077	▲
Net asset value per share (cents)	2 965.7	12.8	2 978.5	▲
Cost-to-income ratio (%)	50.7	(0.4)	50.3	▼
Return on equity (%)	21.8	(0.2)	21.6	▼
Return on assets (%)	1.74	-	1.74	
Diversity ratio (%)	41.2	(0.8)	40.4	▼

Group strategic framework



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FirstRand commits to building a future of SHARED PROSPERITY through enriching the lives of its customers, employees and the societies it serves. This is the foundation to a sustainable future and will preserve the group's enduring promise to create long-term value and superior returns for its shareholders.

DIVERSIFIED PORTFOLIO WITH UNIQUE STRATEGIES:

SOUTH AFRICA

Platform-enabled integrated financial services providing ecosystems that create long-term value for clients and shareholders

BROADER AFRICA

Build competitive advantage and scale to deliver economic profit and dividends

UK

Modernise, digitise and scale to a more valuable UK business that delivers economic profit and dividends

Enabled by digital platforms

Disciplined management of financial resources (capital, funding, liquidity and risk capacity) to deliver on financial commitments

Committed, accountable and empowered people key to delivering continued outperformance

FirstRand's shareholder value creation thesis

65

#1

Liabilities

- High-quality revenue
- Quality of customer franchise
- Trust
- Ease of fulfilment, product development

#2

RWA optimisation

- Discerning origination – credit outcomes through the cycle
- Advances mix, ROA
- Diversification (asset class, collateral, geography)

#3

Capital-light/ non-bank revenues

- Customer franchise strength
- Mix – diversification
- Sustainability

#4

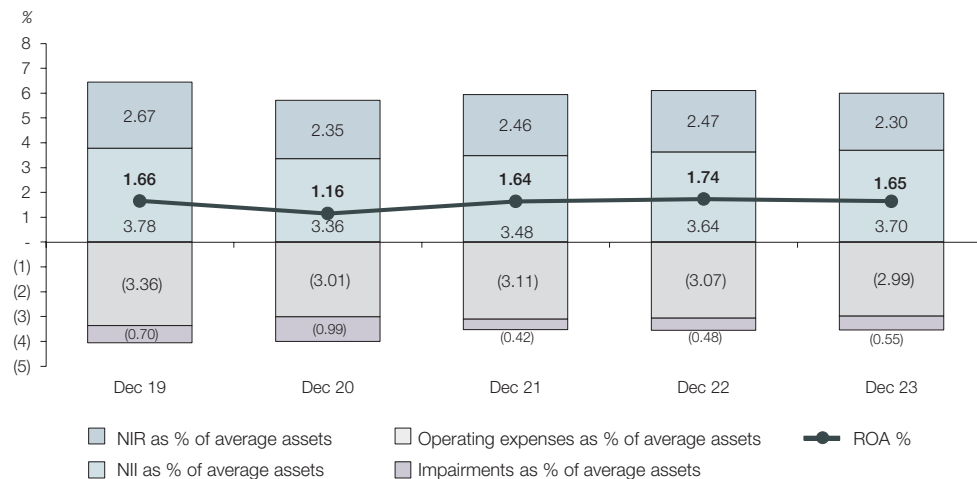
Costs

- Capture platform investment benefits
- Drive efficiencies

ROE decomposition

66

ROE (%)	21.2	15.6	20.1	21.6	20.6
Gearing (times)	12.8	13.5	12.3	12.4	12.5



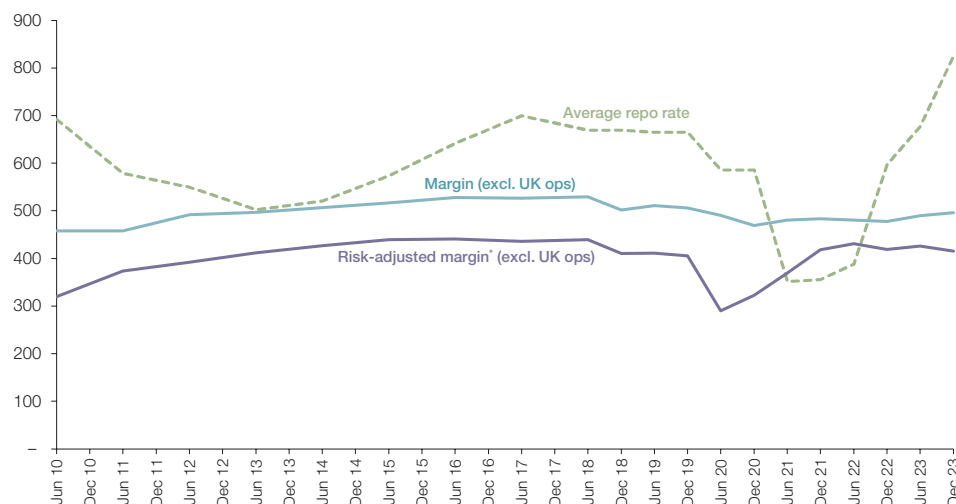
Note: Dec 19 to Dec 21 figures are based on IFRS 4, Dec 22 and Dec 23 figures are based on IFRS 17.

Combination of origination tilt and ALM outcomes adds margin stability and superior risk-adjusted profile



67

Basis points



* After impairments.

Balance sheet strength maintained

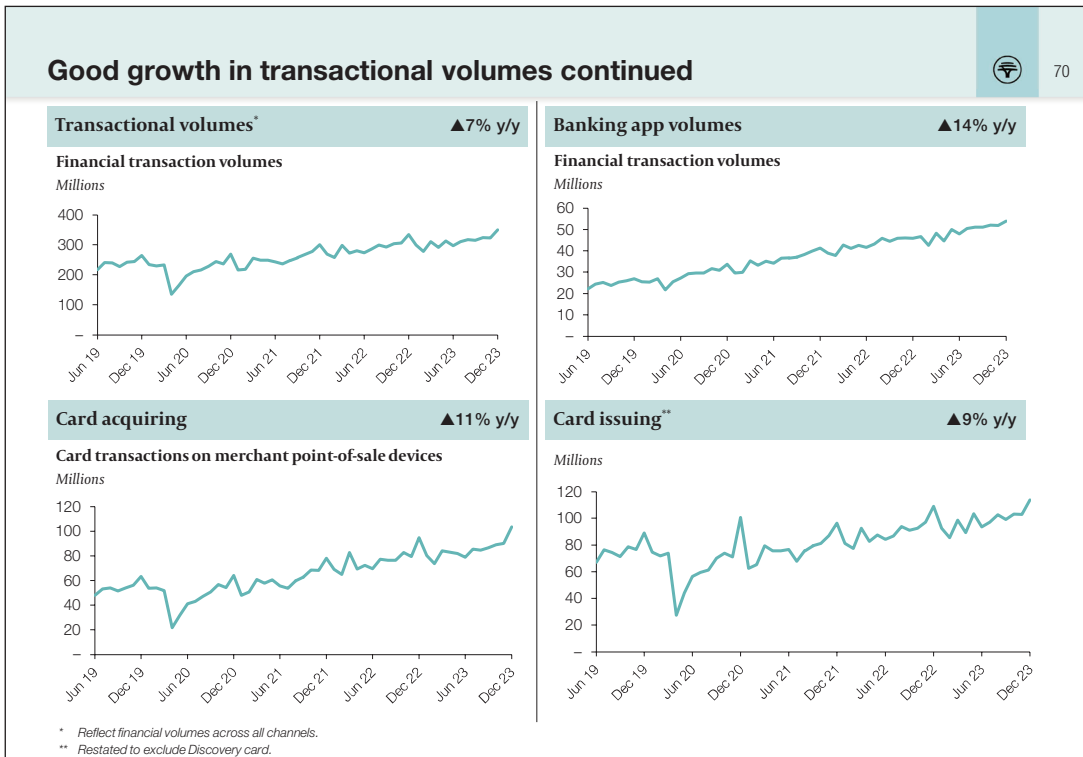
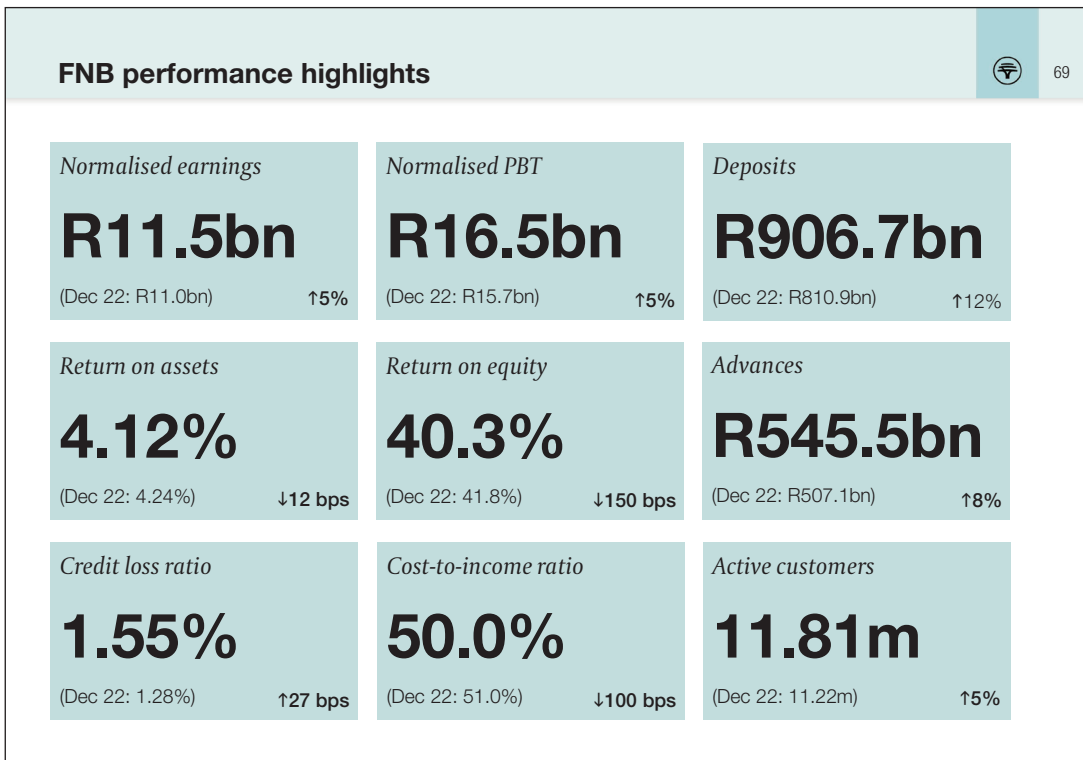


68

	ACTUAL	TREND
Assets in marketable format	R611 billion	Marketable liquid assets grew in line with balance sheet growth
Liquid assets as % of total assets	26.2%*	Higher following increase in assets that are considered to be marketable
LCR and NSFR	LCR: 119% (group), 123% (bank) NSFR: 122% (group), 118% (bank)	The group's liquidity position remains healthy, with prudential ratios well above regulatory minimums
Credit quality of assets	BB-/B+	Stable
Institutional funding term**	31 months	Lower due to moderate increase in money market funding relative to long-dated senior issuance
Deposit franchise**	72% core deposit funding	Funding strategy favours client deposits, creating an improved liquidity risk profile coupled with deeper client engagement
RWA risk density	58.2%	Higher given balance sheet mix
CET1 ratio	13.3% (group), 12.9% (bank)	Improved and well above internal target range
Standalone bank credit rating	Highest in SA	Maintained

* Reflects internal economic view.

** For South African operations only.



FNB operational highlights



71

Customers			Digital (app, online and USSD)		eBucks	
Retail	8.45m	+5%	Volumes	+8%	Rewards earned	R1.1bn
Commercial	1.23m	+3%	Logins	981m	Rewards earned since inception	R20.9bn
Broader Africa	2.13m	+8%	Digital transactions	401m	eB travel sales (+30%)	R583m
Total active customers	11.81m	+5%	Smart device payments (up +91%)	>R31bn	FNB Connect	
eWallets*	6.57m	+3%	Virtual cards on app	5m	Active MVNO SIMs	918k +4%
Total platform users	18.38m	+5%	Sales 4 500 transactional accounts daily		Data used (MB)	5.65bn +27%
Customer solutions engine (offers on platform)					Lotto, electricity, airtime sales	R9.5bn +3%
Loaded	690m	+5%			Representation points**	
Taken up	7m	+7%	Branches	750 +1%		
			ATMs (incl. ADTs)	5 764 +1%		
			CashPlus (agents)	3 902 +27%		

* Represent all SA eWallets without another FNB relationship/product that had at least one transaction in the past six months. Total eWallets including other FNB relationships = 8.4 million.

** Include broader Africa.

WesBank performance highlights



72

<p>Normalised earnings</p> <p>R988m</p> <p>(Dec 22: R924m) ↑7%</p>	<p>Normalised PBT</p> <p>R1.4bn</p> <p>(Dec 22: R1.3bn) ↑18%</p>	<p>FNB main-banked customers as % of base</p> <p>60%</p> <p>(Dec 22: 59%) ↑100 bps</p>
<p>Return on assets</p> <p>1.18%</p> <p>(Dec 22: 1.23%) ↓5 bps</p>	<p>Return on equity</p> <p>21.9%</p> <p>(Dec 22: 20.9%) ↑100 bps</p>	<p>Advances</p> <p>R171.2bn</p> <p>(Dec 22: R153.6bn) ↑11%</p>
<p>NPLs as a % of advances</p> <p>4.56%</p> <p>(Dec 22: 4.28%) ↑28 bps</p>	<p>Credit loss ratio</p> <p>1.15%</p> <p>(Dec 22: 1.01%) ↑14 bps</p>	<p>Cost-to-income ratio</p> <p>51.7%</p> <p>(Dec 22: 53.1%) ↓140 bps</p>

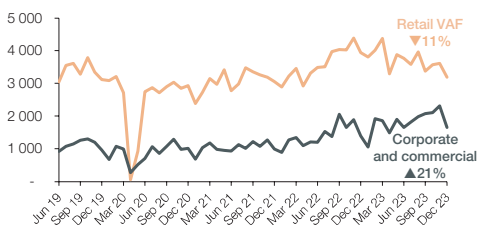
WesBank operational trends

73

Production growth

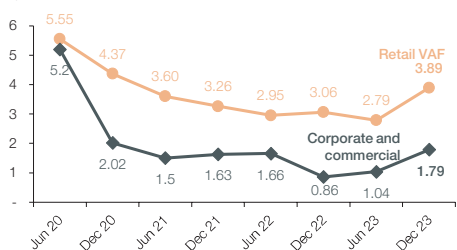
Amount disbursed on new and existing business

R million



Early arrears

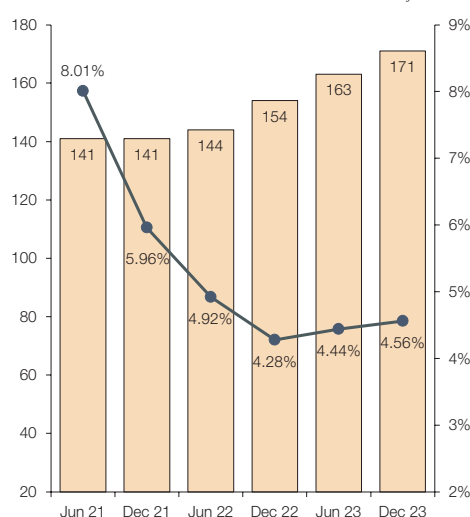
%



NPL trends

Advances

R billion



RMB's performance highlights

74

Normalised earnings

R4.5bn

(Dec 22: R4.7bn) ↓4%

Normalised PBT

R6.2bn

(Dec 22: R6.5bn) ↓3%

Deposits

R326.3bn

(Dec 22: R318.7bn) ↑2%

Return on assets

1.21%

(Dec 22: 1.41%) ↓20 bps

Return on equity

19.0%

(Dec 22: 22.4%) ↓340 bps

Core lending advances

R457.7bn

(Dec 22: R400.2bn) ↑14%

Credit loss ratio*

0.28%

(Dec 22: 0.01%) ↑27 bps

Cost-to-income ratio

49.5%

(Dec 22: 47.9%) ↑160 bps

Primary-banked clients

953

(Dec 22: 924) ↑3%

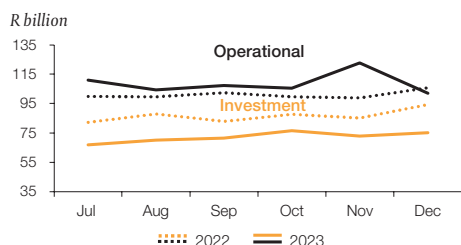
* As a percentage of core lending advances.

RMB's transactional operational highlights

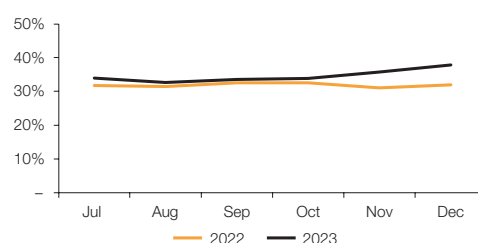


75

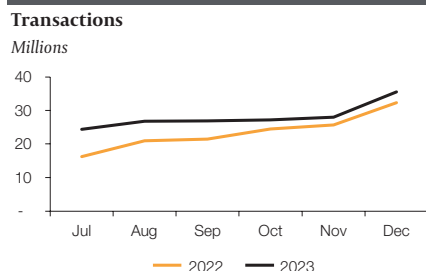
Average deposits



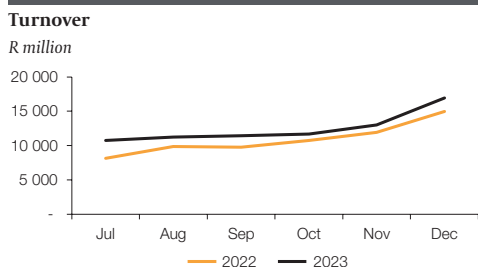
Rand general banking facility utilisation



Merchant services volumes (SA)



Merchant services turnover (SA)



Broader Africa performance highlights



76

Normalised earnings

R2 464m
(Dec 22: R1 481m) **↑66%**

Normalised PBT

R4 258m
(Dec 22: R3 110m) **↑37%**

Deposit franchise

R100.4bn
(Dec 22: R84.3bn) **↑19%**

Return on equity

23.7%
(Dec 22: 15.2%) **↑850 bps**

Cost-to-income ratio

51.1%
(Dec 22: 55.1%) **↓400 bps**

Credit loss ratio*

0.65%
(Dec 22: 0.72%) **↓7 bps**

Retail and commercial customers

2.13m
(Dec 22: 1.98m) **↑8%**

App penetration**

48.3%
(Dec 22: 40.3%) **↑800 bps**

CashPlus agents

3 902
(Dec 22: 3 071) **↑27%**

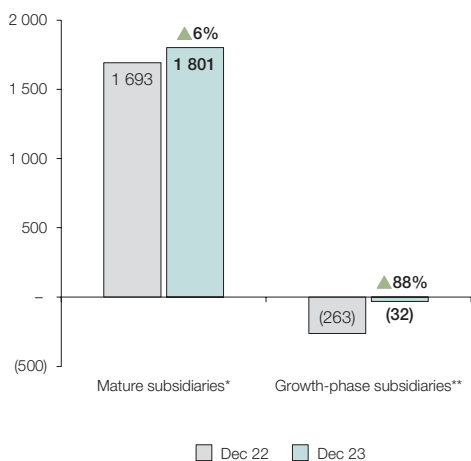
* As a percentage of core lending advances.

** Registered app users (with an active account) as a percentage of the total active customer base.

Unpacking FNB broader Africa performance

Normalised PBT

R million



- **FNB broader Africa PBT increased 24%**
 - Endowment NII benefit from high rates
 - NIR driven by growth in customers and transactional volumes
 - Cost increase given inflationary pressures and continued platform build-out
- **Decline in impairment charge**
 - NPLs lagging advances growth
 - Higher impairments in mature subs
 - Credit loss ratio benefited from improvement in FLI
- **Exceptional growth in deposits**

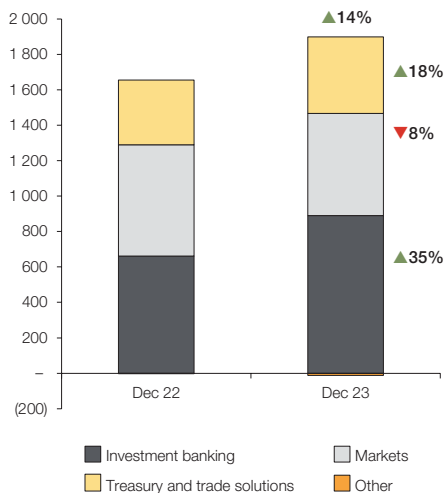
* Mature subsidiaries: Botswana, Namibia, Eswatini (mature subsidiaries' performance shown gross of minority interests).

** Growth-phase subsidiaries: Lesotho, Mozambique, Zambia, Ghana and support.

Unpacking RMB broader Africa performance

Broader Africa* normalised PBT

R million



Investment banking

- Strong cross-border and in-country advances growth contributed to good NII growth
- NIR bolstered by fee income
- Increased cross-border credit impairments due to West Africa counterparties downgrades and strong advances growth
- Lower advances margin due to repricing on the back of competitive pressures

Treasury and trade solutions

- Healthy deposit growth across multiple jurisdictions
- Deposit margins benefited from rate hiking cycle
- Decline in advances margins reflects competitive pressures and maturing of high-yielding transactions

Markets

- Resilient in-country performance in local currency from FI and FX flow and hedging opportunities, despite dollar liquidity headwinds in certain countries
- Significant currency devaluation in Nigeria and Zambia

* Strategy view including in-country and cross-border activity.

UK operations and Aldermore Bank – operational performance

A

79

Normalised PBT £ million	Dec 23	Dec 22	% change
Property finance	53	55	(4) ▼
Structured and specialist finance	48	57	(16) ▼
Central functions	14	(14)	(>100) ▲
Aldermore Bank operational*	115	98	17 ▲
Motor finance (excl. interest rate risk hedge fair value movements)	18	17	6 ▲
Operational performance*	133	115	16 ▲
Strategic technology spend	(17)	(12)	42 ▲
Interest rate risk hedge fair value movements**	(11)	7	(>100) ▼
Total UK operations normalised PBT	105	110	(5) ▼

UK operations ROE

9.6%

(Dec 22: 11.9%)

Aldermore Bank ROE*

13.0%

(Dec 22: 12.8%)

Aldermore Bank CET 1

18.5%

(Dec 22: 17.5%)

* Based on operational performance, excluding strategic technology spend and fair value movements.
 ** £3.0 million loss (Dec 22: £1.9 million profit) on fair value hedge movements related to motor finance.

UK performance highlights

A

80

Normalised earnings

£71m

(Dec 22: £79m)

↓10%

Normalised PBT

£105m

(Dec 22: £110m)

↓5%

Net interest margin

2.99%

(Dec 22: 3.06%)

↓7 bps

Return on assets

0.70%

(Dec 22: 0.82%)

↓12 bps

Return on equity

9.6%

(Dec 22: 11.9%)

↓230 bps

NPLs as a % of advances

2.94%

(Dec 22: 2.66%)

↑28 bps

Credit loss ratio

0.33%

(Dec 22: 0.67%)

↓34 bps

Cost-to-income ratio

54.2%

(Dec 22: 46.5%)

↑770 bps

Advances

£15 323m

(Dec 22: £15 893m)

↓4%

Aldermore acquisition – value accretive

A 81

	£ million	R million
Investment at acquisition (March 2018) @ spot rate (£1 = R16.68)	1 098	18 311
Aldermore excluding MotoNovo: earnings for the three months ended 30 June 2018	16	
June 2018 adjusted NAV @ spot rate (£1 = R18.18)	1 114	20 253
Aldermore excluding MotoNovo: earnings for the year ended 30 June 2019	95	
June 2019 adjusted NAV @ spot rate (£1 = R17.98)	1 209	21 738
Aldermore excluding MotoNovo: earnings for the year ended 30 June 2020	52	
June 2020 adjusted NAV @ spot rate (£1 = R21.43)	1 261	27 023
Aldermore excluding MotoNovo: earnings for the year ended 30 June 2021	85	
June 2021 adjusted NAV @ spot rate (£1 = R19.72)	1 346	26 543
Aldermore excluding MotoNovo: earnings for the year ended 30 June 2022	125	
June 2022 adjusted NAV @ spot rate (£1 = R19.95)	1 471	29 347
Aldermore excluding MotoNovo: earnings for the year ended 30 June 2023	136	
June 2023 adjusted NAV @ spot rate @ spot rate (£1 = R23.95)	1 607	38 488
Aldermore excluding MotoNovo: earnings for the six months ended 31 December 2023	63	
December 2023 adjusted NAV @ spot rate @ spot rate (£1 = R23.57)	1 670	39 362
Aldermore excluding MotoNovo return on investment over 69 months	52.1%	115.0%
Compound annual growth rate (CAGR)	7.6%	14.2%

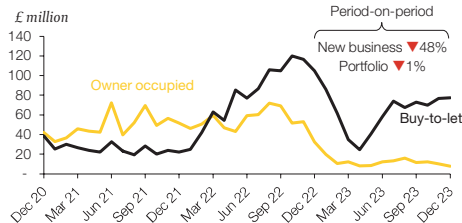
FirstRand excess capital could have been invested at 3-month JIBAR: **6.24%** (FY18 – HY24 average)

UK operations new business origination

A 82

Property finance

Amount disbursed on new business

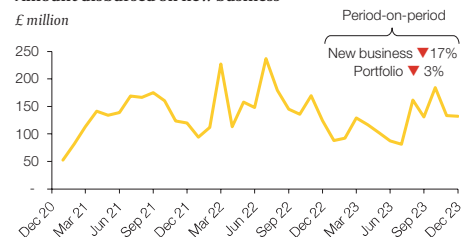


UK operations traded strongly in more muted markets, applying FRM discipline to ensure new business flow was achieved at appropriate returns

- **Property finance** flows reduced 1% y/y, with a slowdown in owner occupied lending largely offset by targeted growth in buy-to-let
- **Structured and specialist finance** new lending reduced 17% y/y, reflecting slower commercial real estate markets and the timing of invoice finance deals
- **Motor finance** new lending reduced 38% y/y, with the business prioritising margin over volume as the portfolio matures

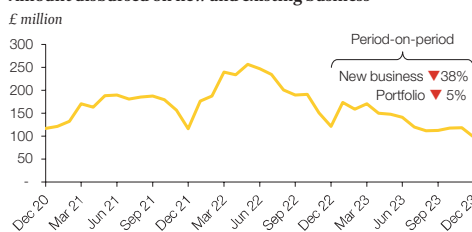
Business finance

Amount disbursed on new business

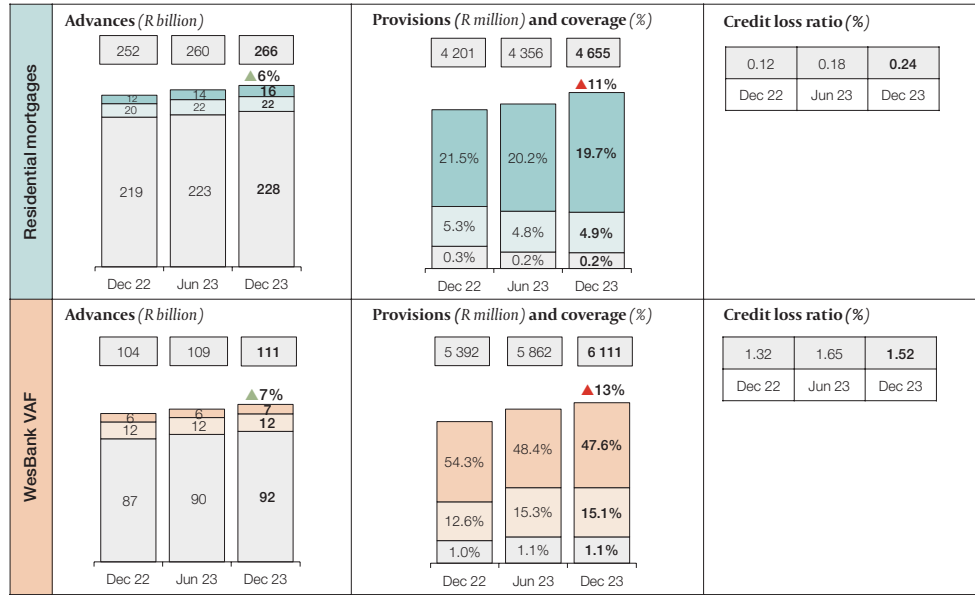


Motor finance

Amount disbursed on new and existing business



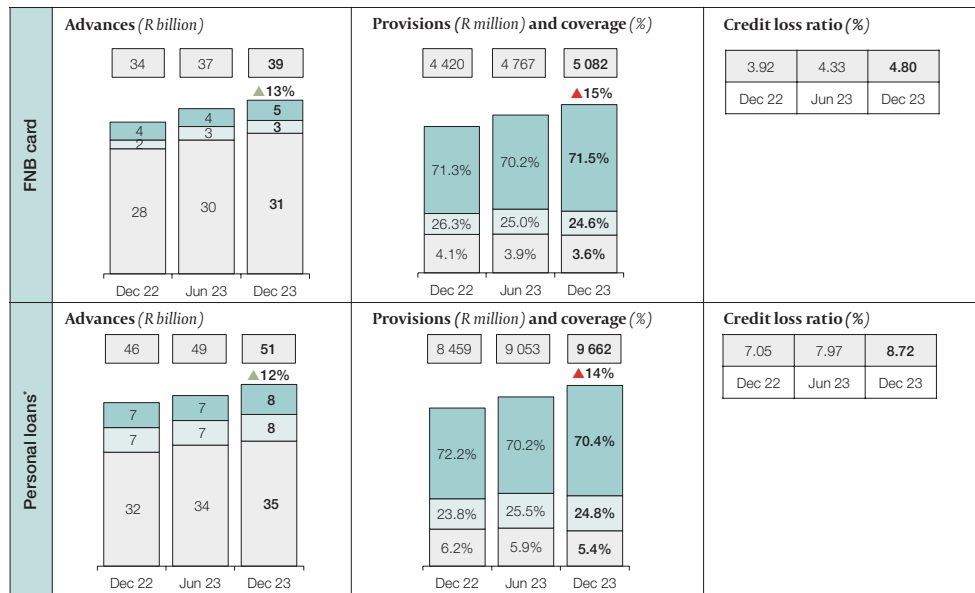
Breakdown of core lending advances and provisions



Note: Advances in bar graphs are based on rounded numbers. Graphs exclude impact of temporary stress scenario.

□ Stage 1 □ Stage 2 □ Stage 3

Breakdown of core lending advances and provisions



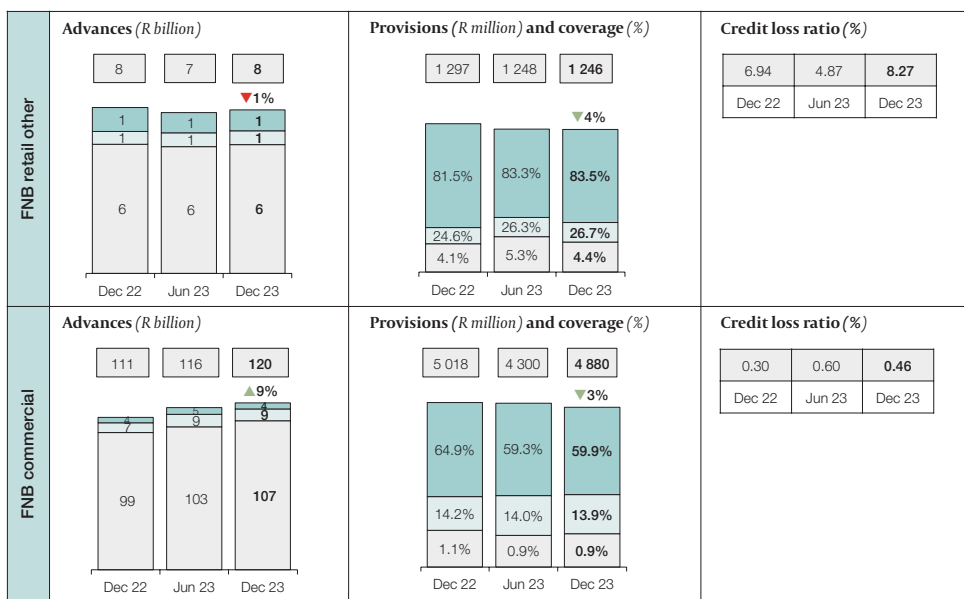
Note: Advances in bar graphs are based on rounded numbers. Graphs exclude impact of temporary stress scenario.
 * Including DirectAxis, excluding Covid-19 relief loans.

□ Stage 1 □ Stage 2 □ Stage 3

Breakdown of core lending advances and provisions



85



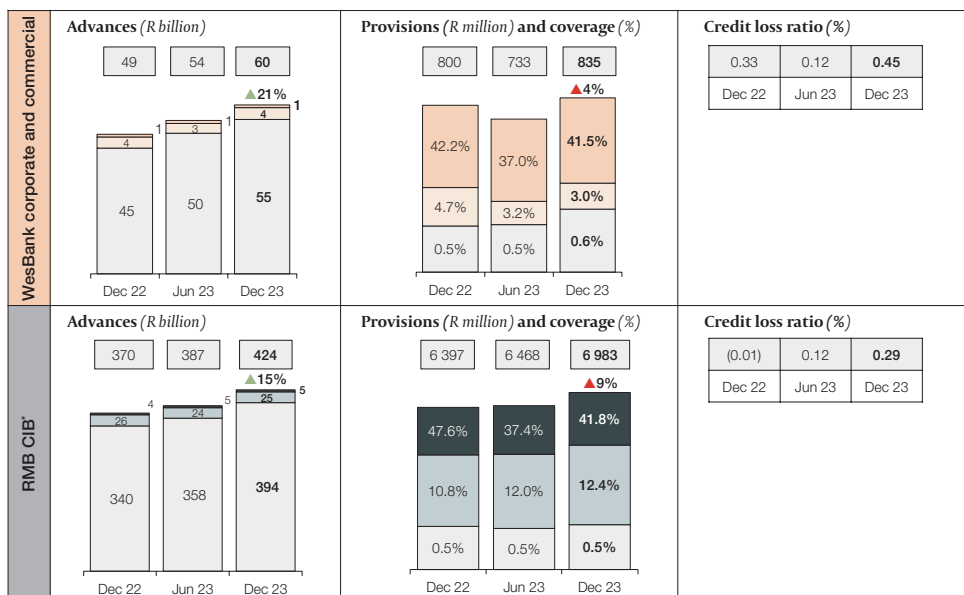
Note: Advances in bar graphs are based on rounded numbers. Graphs exclude impact of temporary stress scenario.

□ Stage 1 □ Stage 2 ■ Stage 3

Breakdown of core lending advances and provisions



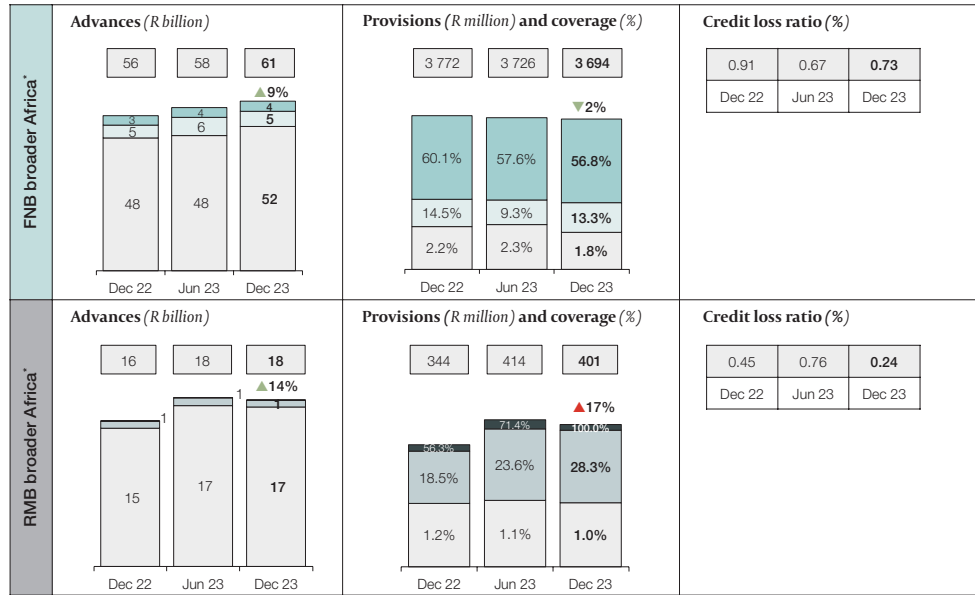
86



Note: Advances in bar graphs are based on rounded numbers. Graphs exclude impact of temporary stress scenario.
* Excluding HQLA and RMB broader Africa.

□ Stage 1 □ Stage 2 ■ Stage 3

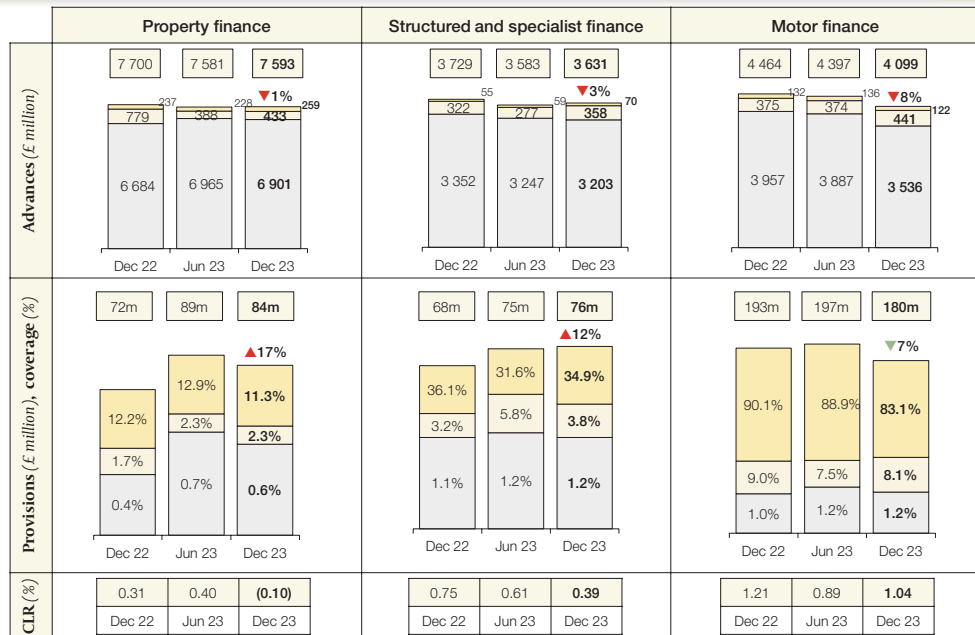
Breakdown of core lending advances and provisions



Note: Advances in bar graphs are based on rounded numbers.
* In-country advances.

□ Stage 1 □ Stage 2 ■ Stage 3

Breakdown of UK operations core lending advances and provisions



Note: Advances in bar graphs are based on rounded numbers.

□ Stage 1 □ Stage 2 ■ Stage 3



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