Out of the Ordinary since 1974

INVESTEC LIMITED
(EXCLUDING RESULTS OF INVESTEC PLC)

Unaudited condensed financial information
for the six months ended 30 September 2024

OVERVIEW OF RESULTS

Introduction

We supplement our International Financial Reporting Standards (IFRS) figures with alternative performance measures used by management internally and which provide valuable, relevant information.

The description of alternative performance measures and their calculation is provided on page 42.

All other definitions can be found on page 43.

Key financial statistics	**30 Sept 2024**	30 Sept 2023^	% change	31 March 2024
Operating income	12 056	10 250	17.6%	20 625
Operating costs (R'million)	5 886	5 360	9.8%	10 849
Operating profit before acquired intangibles (R'million)	5 842	4 723	23.7%	9 939
Headline earnings attributable to ordinary shareholders (R'million)	4 200	3 390	23.9%	7 269
Cost to income ratio	48.8%	52.3%		52.6%
Total capital resources (including subordinated liabilities) (R'million)	63 374	59 504	6.5%	62 392
Total equity (R'million)	56 188	51 551	9.0%	55 109
Total assets (R'million)	655 720	657 341	(0.2%)	644 051
Net core loans and advances (R'million)	346 203	338 433	2.3%	343 678
Customer accounts (deposits) (R'million)	434 687	459 708	(5.4%)	448 458
Loans and advances to customers as a % of customer accounts (deposits)	78.0%	72.2%		75.2%
Cash and near cash balances (R'million)	170 860	177 700	(3.8%)	171 400
Funds under management (R'million)	479 105	379 721	26.2%	372 804
Total gearing ratio (i.e. total assets excluding assurance assets to equity)	11.6x	12.7x		11.6x
Total capital ratio	18.8%	17.0%		17.5%
Tier 1 ratio	16.2%	14.3%		15.0%
Common Equity Tier 1 ratio	14.8%	13.2%		13.6%
Leverage ratio	6.3%	5.9%		6.2%
Stage 3 as a % of gross core loans subject to ECL	2.7%	3.8%		3.5%
Stage 3 net of ECL as a % of net core loans subject to ECL	2.2%	3.1%		3.0%
Credit loss ratio	0.16%^^	0.08%^^		(0.04)%
Net Stable Funding Ratio % (NSFR)	122.3%	113.4%		115.3%
Liquidity Coverage Ratio % (LCR)	176.3%	182.9%		159.4%

^ Restated as detailed on page 23.
^^ Annualised.

CONDENSED CONSOLIDATED INCOME STATEMENT

R'million	Six months to 30 Sept 2024	Six months to 30 Sept 2023^	Year to 31 March 2024
Interest income	26 100	24 406	51 459
Interest expense	(19 196)	(18 287)	(39 048)
Net interest income	**6 904**	**6 119**	**12 411**
Fee and commission income	3 867	3 499	7 306
Fee and commission expense	(563)	(519)	(1 196)
Investment income	1 040	288	1 086
Share of post-taxation profit of associates and joint venture holdings	1	4	4
Trading income arising from			
– customer flow	624	803	675
– balance sheet management and other trading income	182	54	344
Other operating income/(loss)	1	2	(5)
Operating income	**12 056**	**10 250**	**20 625**
Expected credit loss impairment (charges)/releases	(328)	(167)	163
Operating income after expected credit loss impairment charges	**11 728**	**10 083**	**20 788**
Operating costs	(5 886)	(5 360)	(10 849)
Operating profit before acquired intangibles	**5 842**	**4 723**	**9 939**
Amortisation of acquired intangibles	—	(13)	(13)
Profit before taxation	**5 842**	**4 710**	**9 926**
Taxation	(1 270)	(1 064)	(2 018)
Taxation on operating profit before acquired intangibles	(1 270)	(1 068)	(2 022)
Taxation on acquired intangibles and strategic actions	—	4	4
Profit after taxation from continuing operations	**4 572**	**3 646**	**7 908**
Loss after taxation from discontinued operations	—	(611)	(758)
Operating profit before non-controlling interests from discontinued operations	—	347	347
Financial impact of strategic actions net of taxation from discontinued operations	—	(958)	(1 105)
Profit after taxation	**4 572**	**3 035**	**7 150**
Loss/(profit) attributable to non-controlling interests	2	(5)	(4)
Profit attributable to non-controlling interests of discontinued operations	—	(273)	(273)
Earnings attributable to shareholders	**4 574**	**2 757**	**6 873**
Earnings attributable to ordinary shareholders	4 211	2 459	6 235
Earnings attributable to perpetual preferred securities and Other Additional Tier 1 securities	363	298	638

^ Restated as detailed on page 23.

CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME

R'million	Six months to 30 Sept 2024	Six months to 30 Sept 2023^	Year to 31 March 2024
Profit after taxation	4 572	3 035	7 150
Other comprehensive income			
Items that may be reclassified to the income statement			
Fair value movements on cash flow hedges taken directly to other comprehensive income*	15	(58)	(88)
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income*	83	(121)	105
Gain on realisation of debt instruments at FVOCI recycled to the income statement*	(5)	(67)	(90)
Foreign currency adjustments on translating foreign operations	(967)	574	685
Items that will not be reclassified to the income statement			
Fair value movements on equity instruments at FVOCI taken directly to other comprehensive income*	227	432	1 019
Movement in post retirement benefits liabilities*	—	—	(9)
Net (loss)/gain attributable to own credit risk*	(5)	20	17
Total comprehensive income	**3 920**	**3 815**	**8 789**
Total comprehensive income attributable to ordinary shareholders	3 559	3 239	7 874
Total comprehensive (loss)/income attributable to non-controlling interests	(2)	278	277
Total comprehensive income attributable to perpetual preferred securities and Other Additional Tier 1 securities	363	298	638
Total comprehensive income	**3 920**	**3 815**	**8 789**

^ Restated as detailed on page 23.
* These amounts are net of taxation expense of R116.4 million (six months to 30 Sept 2023: R99.1 million; Year to 31 March 2024: R326 million).

HEADLINE EARNINGS

R'million	**Six months to 30 Sept 2024**	Six months to 30 Sept 2023	Year to 31 March 2024
Continuing operations			
Earnings attributable to shareholders from continuing operations	4 574	3 641	7 904
Dividends paid to perpetual preference shareholders and Other Additional Tier 1 security holders	(363)	(298)	(638)
Earnings attributable to ordinary shareholders from continuing operations	**4 211**	**3 343**	**7 266**
Headline adjustments	(11)	(7)	(47)
Revaluation of investment properties*	(11)	(7)	(47)
Headline earnings attributable to ordinary shareholders from continuing operations	**4 200**	**3 336**	**7 219**
Discontinued operations			
Earnings attributable to shareholders from discontinued operations	—	(884)	(1 031)
Headline adjustments	—	938	1 081
Loss on sale of property management contract and deconsolidation of IPF	—	938	1 081
Headline earnings attributable to ordinary shareholders from discontinued operations	**—**	**54**	**50**
Total Group			
Earnings attributable to shareholders	4 574	2 757	6 873
Dividends paid to perpetual preference shareholders and Other Additional Tier 1 security holders	(363)	(298)	(638)
Gain on repurchase of perpetual preference shares	—	—	—
Earnings attributable to ordinary shareholders	**4 211**	**2 459**	**6 235**
Headline adjustments	(11)	931	1 034
Revaluation of investment properties*	(11)	(7)	(47)
Financial impact of strategic actions of discontinued operations excluding implementation costs	—	938	1 081
Headline earnings attributable to ordinary shareholders	**4 200**	**3 390**	**7 269**

* These amounts are net of taxation of R4.0 million (six months to 30 Sep 2023: R38.7 million); (year to 31 March 2024: R196.3million) with Rnil attributable to non-controlling interests.

Headline earnings has been calculated and is disclosed in accordance with the JSE listing requirements, and in terms of circular 1/2023 issued by the South African Institute of Chartered Accountants.

CONSOLIDATED BALANCE SHEET

At R'million	30 Sept 2024	31 March 2024	30 Sept 2023^
Assets			
Cash and balances at central banks	20 064	14 795	13 450
Loans and advances to banks	9 464	9 217	10 095
Non-sovereign and non-bank cash placements	9 820	10 818	9 113
Reverse repurchase agreements and cash collateral on securities borrowed	61 096	77 665	81 497
Sovereign debt securities	73 891	72 241	74 566
Bank debt securities	6 679	8 301	12 420
Other debt securities	10 050	10 539	9 798
Derivative financial instruments	15 932	9 984	15 682
Securities arising from trading activities	43 351	34 477	37 861
Loans and advances to customers	339 131	337 232	331 959
Own originated loans and advances to customers securitised	7 072	6 446	6 474
Other financial instruments at fair value through profit or loss in respect of liabilities to customers^^	4 492	3 708	3 064
Investment portfolio^^	15 055	16 053	15 558
Interests in associated undertakings and joint venture holdings	353	28	27
Current taxation assets	—	106	1
Deferred taxation assets	1 920	2 040	1 929
Other assets	30 070	23 078	27 573
Property and equipment	3 950	3 956	3 348
Investment properties	2 632	2 539	2 556
Goodwill	171	171	171
Software	121	123	124
Non-current assets classified as held for sale	406	534	75
	655 720	**644 051**	**657 341**
Liabilities			
Deposits by banks	32 375	31 065	34 973
Derivative financial instruments	18 120	14 293	19 630
Other trading liabilities	36 602	32 368	30 878
Repurchase agreements and cash collateral on securities lent	28 346	19 890	18 227
Customer accounts (deposits)	434 687	448 458	459 708
Debt securities in issue	6 161	6 715	4 128
Liabilities arising on securitisation of own originated loans and advances	5 086	4 997	3 911
Current taxation liabilities	832	845	357
Deferred taxation liabilities	434	375	213
Other liabilities	25 360	18 942	22 748
Liabilities to customers under investment contracts^^	4 343	3 711	3 064
	592 346	**581 659**	**597 837**
Subordinated liabilities	7 186	7 283	7 953
	599 532	**588 942**	**605 790**
Equity			
Ordinary shareholders' equity^^^	49 845	48 709	45 900
Perpetual preference share capital and premium	2 451	2 451	2 451
Shareholders' equity excluding non-controlling interests	**52 296**	**51 160**	**48 351**
Other Additional Tier 1 securities in issue	3 950	4 010	3 260
Non-controlling interests	(58)	(61)	(60)
Total equity	**56 188**	**55 109**	**51 551**
Total liabilities and equity	**655 720**	**644 051**	**657 341**

^ Restated as detailed on page 23.
^^ At 31 March 2024 the Group reassessed the order of liquidity within the balance sheet and moved 'Investment portfolio' to below 'Other financial instruments at fair value through profit or loss in respect of liabilities to customers' as it was found to be less liquid than the items that were listed above it. The reorder has now been applied to 30 September 2023. In addition, 'Insurance liabilities, including unit-linked liabilities' has been aggregated with 'Liabilities to customers under investment contracts'.
^^^ The detailed breakdown of 'ordinary shareholders' equity' was not considered to provide useful information to decision makers and therefore the lines have been condensed to simplify the condensed results.

Included in 'reverse repurchase agreements and cash collateral on securities borrowed' R2.9 billion (March 24: R2.1 billion), 'sovereign debt securities' R18.1 billion (March 24: R11.0 billion), 'bank debt securities' R1.1 billion (March 24: R1.0 billion), 'other debt securities' R1.7 billion (R1.0 billion) and 'securities arising from trading activities' R3.7 billion (March 24: R2.3 billion) are assets provided as collateral where the transferee has the right to resell or repledge.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months to 30 September 2024 **R'million**	Ordinary shareholders' equity^^	Perpetual preference share capital and share premium	**Shareholders' equity excluding non-controlling interests**	Other Additional Tier 1 securities in issue	Non-controlling interests	**Total equity**
Balance at the beginning of the period	48 709	2 451	51 160	4 010	(61)	55 109
Total comprehensive income/(loss)	3 922	—	3 922	—	(2)	3 920
Share-based payments adjustments	266	—	266	—	—	266
Dividends paid to ordinary shareholders	(2 695)	—	(2 695)	—	—	(2 695)
Dividends declared to other equity holders including other Additional Tier 1 securities	(363)	113	(250)	250	—	—
Dividends paid to perpetual preference shareholders and other Additional Tier 1 security holders	—	(113)	(113)	(250)	—	(363)
Issue of other Additional Tier 1 securities in issue	—	—	—	600	—	600
Redemption of other Additional Tier 1 securities in issue	—	—	—	(660)	—	(660)
Shares issued by subsidiary	—	—	—	—	5	5
Movement of treasury shares	6	—	6	—	—	6
Balance at the end of the period	**49 845**	**2 451**	**52 296**	**3 950**	**(58)**	**56 188**

For the six months to 30 September 2023^ **R'million**	Ordinary shareholders' equity^^	Perpetual preference share capital and share premium	**Shareholders' equity excluding non-controlling interests**	Other Additional Tier 1 securities in issue	Non-controlling interests	**Total equity**
Balance at the beginning of the period	45 421	2 445	47 866	3 260	9 872	60 998
Total comprehensive income	3 537	—	3 537	—	278	3 815
Share-based payments adjustments	276	—	276	—	—	276
Dividends paid to ordinary shareholders	(2 602)	—	(2 602)	—	—	(2 602)
Dividends declared to other equity holders including other Additional Tier 1 securities	(298)	100	(198)	198	—	—
Dividends paid to perpetual preference shareholders and other Additional Tier 1 security holders	—	(100)	(100)	(198)	—	(298)
Dividends paid to non-controlling interests	—	—	—	—	(295)	(295)
Share buyback of ordinary share capital	(411)	—	(411)	—	—	(411)
Redemption of Perpetual preference shares	—	6	6	—	—	6
Movement of treasury shares	87	—	87	—	—	87
Deconsolidation of subsidiary company	—	—	—	—	(9 915)	(9 915)
Other equity movements	(110)	—	(110)	—	—	(110)
Balance at the end of the period	**45 900**	**2 451**	**48 351**	**3 260**	**(60)**	**51 551**

^ Restated as detailed on page 23.

For the year ended 31 March 2024 **R'million**	Ordinary shareholders' equity^^	Perpetual preference share capital and share premium	**Shareholders' equity excluding non-controlling interests**	Other Additional Tier 1 securities in issue	Non-controlling interests	**Total equity**
Balance at the beginning of the year	45 421	2 445	47 866	3 260	9 872	60 998
Total comprehensive income	8 512	—	8 512	—	277	8 789
Share-based payments adjustments	378	—	378	—	—	378
Dividends paid to ordinary shareholders	(4 755)	—	(4 755)	—	—	(4 755)
Dividends declared to other equity holders including other Additional Tier 1 securities	(638)	212	(426)	426	—	—
Dividends paid to perpetual preference shareholders and other Additional Tier 1 security holders	—	(212)	(212)	(426)	—	(638)
Dividends paid to non-controlling interests	—	—	—	—	(295)	(295)
Share buyback of ordinary share capital	(411)	—	(411)	—	—	(411)
Redemption of Perpetual preference shares	—	6	6	—	—	6
Issue of other Additional Tier 1 securities in issue	—	—	—	750	—	750
Movement of treasury shares	202	—	202	—	—	202
Deconsolidation of subsidiary company	—	—	—	—	(9 915)	(9 915)
Balance at the end of the year	**48 709**	**2 451**	**51 160**	**4 010**	**(61)**	**55 109**

^^ The detailed breakdown of 'ordinary shareholders' equity' was not considered to provide useful information to decision makers and therefore the additional columns previously disclosed have been condensed to simplify the condensed results.

CONSOLIDATED SEGMENTAL INFORMATION

For the six months to 30 September 2024 **R'million**	Private Client Wealth & Investment	Private Client / Specialist Banking Private Banking	Specialist Banking Corporate, Investment Banking and Other	Group Investments	Group Costs	**Total Group**
Net interest income/(expense)	48	3 334	3 618	(96)	—	6 904
Net fee and commission income	1 410	565	1 333	(4)	—	3 304
Investment income	3	264	364	409	—	1 040
Share of post-taxation profit of associates and joint venture holdings	—	1	—	—	—	1
Trading income arising from						
– customer flow	(1)	—	625	—	—	624
– balance sheet management and other trading activities	(25)	(1)	208	—	—	182
Other operating income	—	—	1	—	—	1
Operating income/(loss)	**1 435**	**4 163**	**6 149**	**309**	**—**	**12 056**
Expected credit loss impairment	—	(178)	(150)	—	—	(328)
Operating income after expected credit loss impairment release/(charges)	**1 435**	**3 985**	**5 999**	**309**	**—**	**11 728**
Operating costs	(961)	(2 138)	(2 598)	—	(189)	(5 886)
Operating profit before goodwill, acquired intangibles and non-controlling interests	**474**	**1 847**	**3 401**	**309**	**(189)**	**5 842**
Loss attributable to non-controlling interests	—	—	2	—	—	2
Operating profit/(loss) before goodwill, acquired intangibles, taxation and after non-controlling interests	**474**	**1 847**	**3 403**	**309**	**(189)**	**5 844**
Cost to income ratio	67.0%	51.4%	42.2%	n/a	n/a	48.8%
Total assets (R'million)	5 685	244 684	391 987	13 364	—	655 720

CONDENSED CONSOLIDATED SEGMENTAL INFORMATION
CONTINUED

	Private Client	Private Client / Specialist Banking	Specialist Banking			
For the six months to 30 September 2023^	Wealth & Investment	Private Banking	Corporate, Investment Banking and Other	Group Investments	Group Costs	**Total Group**
Net interest income/(expense)	54	2 947	3 219	(101)	—	6 119
Net fee and commission income	1 130	503	1 347	—	—	2 980
Investment income	2	55	229	2	—	288
Share of post-taxation profit of associates and joint venture holdings	—	3	1	—	—	4
Trading income arising from						
– customer flow	(1)	—	804	—	—	803
– balance sheet management and other trading activities	—	(1)	55	—	—	54
Other operating income	—	—	2	—	—	2
Operating income/(loss)	**1 185**	**3 507**	**5 657**	**(99)**	**—**	**10 250**
Expected credit loss impairment charges	—	53	(220)	—	—	(167)
Operating income after expected credit loss impairment release/(charges)	**1 185**	**3 560**	**5 437**	**(99)**	**—**	**10 083**
Operating costs	(816)	(1 880)	(2 494)	(6)	(164)	(5 360)
Operating profit before goodwill, acquired intangibles and non-controlling interests	**369**	**1 680**	2 943	**(105)**	**(164)**	**4 723**
Profit attributable to non-controlling interests	—	—	(5)	—	—	(5)
Adjusted operating profit/(loss) from continuing operations	**369**	**1 680**	**2 938**	**(105)**	**(164)**	**4 718**
Profit before taxation from discontinued operations	—	—	—	699	—	699
Profit attributable to non-controlling interests of discontinued operations	—	—	—	(564)	—	(564)
Operating profit/(loss) before goodwill, acquired intangibles, taxation and after non-controlling interests	**369**	**1 680**	**2 938**	**30**	**(164)**	**4 853**
Cost to income ratio	68.9%	53.6%	44.1%	n/a	n/a	52.3%
Total assets (R'million)	5 863	235 511	403 629	12 338	—	657 341

^ Restated as detailed on page 23.

ADDITIONAL INCOME STATEMENT NOTE DISCLOSURES

Net interest income

For the six months to 30 September R'million	Notes	2024 Average balance sheet value*	2024 Interest income	2024 Average yield	2023^ Average balance sheet value*	2023^ Interest income	2023^ Average yield
Cash, near cash and bank debt and sovereign debt securities	1	189 498	6 780	7.16%	202 497	6 289	6.21%
Net core loans and advances	2	342 721	18 730	10.93%	331 022	17 329	10.47%
Private Client		242 411	12 888	10.63%	231 455	12 323	10.65%
Corporate, Investment Banking and Other		100 310	5 842	11.65%	99 567	5 006	10.06%
Other debt securities and other loans and advances		10 356	383	7.40%	10 744	336	6.25%
Other	3	—	207	n/a	643	452	n/a
		542 575	**26 100**		**544 906**	**24 406**	

For the six months to 30 September R'million	Notes	2024 Average balance sheet value*	2024 Interest expense	2024 Average yield	2023^ Average balance sheet value*	2023^ Interest expense	2023^ Average yield
Deposits by banks and other debt-related securities	4	58 420	(2 137)	7.32%	53 435	(1 600)	5.99%
Customer accounts (deposits)		433 574	(15 006)	6.92%	457 737	(15 587)	6.81%
Subordinated liabilities		7 240	(322)	8.90%	7 719	(394)	10.21%
Other	5	5 618	(1 731)	n/a	3 820	(706)	n/a
		504 852	**(19 196)**		**522 711**	**(18 287)**	
Net interest income			**6 904**			**6 119**	
Net interest margin			**2.54%**			**2.25%**	

1. Comprises (as per the balance sheet) cash and balances at central banks; loans and advances to banks and non-sovereign and non-bank cash placements; reverse repurchase agreements and cash collateral on securities borrowed; sovereign debt securities; bank debt securities.
2. Comprises (as per the balance sheet) loans and advances to customers; own originated loans and advances to customers securitised.
3. Comprises interest income from derivative financial instruments where there is no associated balance sheet value.
4. Comprises (as per the balance sheet) deposits by banks; debt securities in issue; repurchase agreements and cash collateral on securities lent.
5. Comprises (as per the balance sheet) liabilities arising on securitisation of own originated loans and advances.

* The average balance sheet value is calculated using a straight-line seven point average.

^ Restated as detailed on page 23.

ADDITIONAL INCOME STATEMENT NOTE DISCLOSURES
CONTINUED

Net fee and commission income

For the six months to 30 September R'million	2024	2023
Wealth & Investment net fee and commission income	**1 410**	**1 130**
Fund management fees/fees for funds under management	741	683
Private Client transactional fees*	695	474
Fee and commission expense	(26)	(27)
Specialist Banking net fee and commission income	**1 898**	**1 850**
Specialist Banking fee and commission income**	2 431	2 342
Specialist Banking fee and commission expense	(533)	(492)
Group Investments net fee and commission income	**(4)**	**—**
Group Investments fee and commission income	—	—
Group Investments fee and commission expense	(4)	—
Net fee and commission income	**3 304**	**2 980**
Fee and commission income	3 867	3 499
Fee and commission expense	(563)	(519)
Net fee and commission income	**3 304**	**2 980**
Annuity fees (net of fees payable)	2 562	2 109
Deal fees	742	871

* Trust and fiduciary fees amounted to R4.5 million (2023: R4.3 million) and are included in Private Client transactional fees in the Group.

** Included in Specialist Banking fee and commission income is fee income of R108.7 million (2023: R87.3 million) for operating lease income which is out of scope of IFRS 15 Revenue from Contracts with Customers.

Investment income

For the six months to 30 September R'million	Listed equities	Unlisted equities	Fair value loan investments	Warrants and profit shares	Investment portfolio	Debt securities (sovereign, bank and other)	Investment and trading properties	Other asset and liability categories	Total
2024									
Realised	—	16	—	113	129	116	—	14	259
Unrealised**	362	(66)	—	212	508	36	(16)	(19)	509
Dividend income	99	93	—	—	192	—	—	—	192
Funding and other net related (costs)/ income	—	(27)	—	—	(27)	—	107	—	80
	461	**16**	**—**	**325**	**802**	**152**	**91**	**(5)**	**1 040**
2023									
Realised	(6)	146	—	17	157	92	—	—	249
Unrealised**	(2)	(291)	—	32	(261)	14	4	4	(239)
Dividend income	19	209	—	—	228	—	—	—	228
Funding and other net related (costs)/ income	—	(27)	—	—	(27)	—	77	—	50
	11	**37**	**—**	**49**	**97**	**106**	**81**	**4**	**288**

** In a year of realisation, any prior period mark-to-market gains/(losses) recognised are reversed in the unrealised item.

ADDITIONAL IAS 34 DISCLOSURES

Analysis of financial assets and liabilities by measurement category

At 30 September 2024 R'million	Total instruments at fair value	Financial instruments at amortised cost	Non-financial instruments or scoped out of IFRS 9	Total
Assets				
Cash and balances at central banks	—	20 064	—	20 064
Loans and advances to banks	—	9 464	—	9 464
Non-sovereign and non-bank cash placements	909	8 911	—	9 820
Reverse repurchase agreements and cash collateral on securities borrowed	29 251	31 845	—	61 096
Sovereign debt securities	28 851	45 040	—	73 891
Bank debt securities	2 522	4 157	—	6 679
Other debt securities	5 621	4 429	—	10 050
Derivative financial instruments	15 932	—	—	15 932
Securities arising from trading activities	43 351	—	—	43 351
Loans and advances to customers	14 619	324 512	—	339 131
Own originated loans and advances to customers securitised	—	7 072	—	7 072
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	4 492	—	—	4 492
Investment portfolio	15 055	—	—	15 055
Interests in associated undertakings	—	—	353	353
Current taxation assets	—	—	—	—
Deferred taxation assets	—	—	1 920	1 920
Other assets	4 613	21 767	3 690	30 070
Property and equipment	—	—	3 950	3 950
Investment properties	—	—	2 632	2 632
Goodwill	—	—	171	171
Software	—	—	121	121
Non-current assets classified as held for sale	—	—	406	406
	165 216	**477 261**	**13 243**	**655 720**
Liabilities				
Deposits by banks	—	32 375	—	32 375
Derivative financial instruments	18 120	—	—	18 120
Other trading liabilities	36 602	—	—	36 602
Repurchase agreements and cash collateral on securities lent	6 374	21 972	—	28 346
Customer accounts (deposits)	52 556	382 131	—	434 687
Debt securities in issue	—	6 161	—	6 161
Liabilities arising on securitisation of own originated loans and advances	—	5 086	—	5 086
Current taxation liabilities	—	—	832	832
Deferred taxation liabilities	—	—	434	434
Other liabilities	810	19 271	5 279	25 360
Liabilities to customers under investment contracts	4 343	—	—	4 343
	118 805	**466 996**	**6 545**	**592 346**
Subordinated liabilities	—	7 186	—	7 186
	118 805	**474 182**	**6 545**	**599 532**

ADDITIONAL IAS 34 DISCLOSURES
CONTINUED

Financial instruments carried at fair value

The table below analyses recurring fair value measurements for financial assets and financial liabilities. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to the valuation technique used.

The different levels are identified as follows:

Level 1 – quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

		Fair value category		
At 30 September 2024 **R'million**	**Total instruments at fair value**	Level 1	Level 2	Level 3
Assets				
Non-sovereign and non-bank cash placements	909	—	909	—
Reverse repurchase agreements and cash collateral on securities borrowed	29 251	—	29 251	—
Sovereign debt securities	28 851	28 851	—	—
Bank debt securities	2 522	2 276	246	—
Other debt securities	5 621	1 737	3 884	—
Derivative financial instruments	15 932	—	15 932	—
Securities arising from trading activities	43 351	39 836	3 515	—
Loans and advances to customers	14 619	—	13 710	909
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	4 492	3 226	888	378
Investment portfolio	15 055	9 281	98	5 676
Other assets	4 613	4 609	4	—
	165 216	**89 816**	**68 437**	**6 963**
Liabilities				
Derivative financial instruments	18 120	—	18 120	—
Other trading liabilities	36 602	14 114	22 488	—
Repurchase agreements and cash collateral on securities lent	6 374	—	6 374	—
Customer accounts (deposits)	52 556	—	52 556	—
Other liabilities	810	—	810	—
Liabilities to customers under investment contracts	4 343	—	3 625	718
	118 805	**14 114**	**103 973**	**718**
Net financial assets/(liabilities) at fair value	**46 411**	**75 702**	**(35 536)**	**6 245**

Transfers between level 1 and level 2

There were no significant transfers between level 1 and level 2 in the current period.

ADDITIONAL IAS 34 DISCLOSURES
CONTINUED

Level 3 financial instruments

R'million	Investment portfolio	Loans and advances to customers	Other financial instruments at fair value through profit or loss in respect of liabilities to customers^	Total
Balance at 1 April 2024	7 540	899	379	8 818
Net gains/(losses) included in the income statement	20	21	(42)	(1)
Purchases	33	—	41	74
Sales	(83)	—	—	(83)
Issues	—	17	—	17
Settlements	(1 796)	(28)	—	(1 824)
Foreign exchange adjustments	(38)	—	—	(38)
Balance at 30 September 2024	**5 676**	**909**	**378**	**6 963**

R'million	Liabilities to customers under investment contracts^	Total
Balance at 1 April 2024	780	780
Net gains included in the income statement	(92)	(92)
Issues	30	30
Balance at 30 September 2024	**718**	**718**

^ The opening balances were restated to reflect unquoted investments which were previously omitted and the consequential impact on related liabilities.

The Group transfers between levels within the fair value hierarchy when the significance of the unobservable inputs change or if the valuation methods change. Transfers are deemed to occur at the end of each semi-annual reporting period. There are no transfers into or out of level 3 for the current period.

The following table quantifies the gains or (losses) included in the income statement recognised on level 3 financial instruments:

For the six months to 30 September 2024 R'million	Total	Realised	Unrealised
Total gains or (losses) included in the income statement for the period			
Net interest income	74	74	—
Investment loss	(33)	—	(33)
Other operating income	50	—	50
	41	**74**	**(33)**

ADDITIONAL IAS 34 DISCLOSURES
CONTINUED

Sensitivity of fair values to reasonably possible alternative assumptions by level 3 instrument type

The fair value of financial instruments in level 3 are measured using valuation techniques that incorporate assumptions that are not evidenced by prices from observable market data. The following table shows the sensitivity of these fair values to reasonably possible alternative assumptions, determined at a transactional level:

					Potential impact on the income statement	
At 30 September 2024	**Level 3 balance sheet value R'million**	Valuation method	Significant unobservable input changed	Range of unobservable input used	**Favourable changes R'million**	**Unfavourable changes R'million**
Assets						
Investment portfolio	5 676				617	(770)
		Price earnings	EBITDA	*	180	(175)
		Price earnings	EBITDA	(10%)-10%	251	(251)
		Discounted cash flow	Cash flows	*	35	(30)
		Net asset value	Underlying asset value	^	29	(63)
		Discounted cash flow	Precious and industrial metal prices	(5%)-5%	5	(5)
		Other	Various	**	117	(246)
Loans and advances to customers	909				253	(313)
		Net asset value	Underlying asset value	^	2	(2)
		Underlying asset value	Property values	*	251	(311)
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	378	Underlying asset value	Underlying asset value	*	38	(38)
Total level 3 assets	**6 963**				**908**	**(1 121)**
Liabilities						
Liabilities to customers under investment contracts	718	Underlying asset value	Underlying asset value	^	72	(72)
Total level 3 liabilities	**718**				**72**	**(72)**
Total	**6 245**				**980**	**(1 193)**

* The EBITDA, cash flows and property values have been stressed on an investment-by-investment and loan-by-loan basis in order to obtain favourable and unfavourable valuations.
** The valuation sensitivity for certain equity investments has been assessed by adjusting various inputs such as expected cash flows, discount rates and earnings multiples rather than a single input. It is deemed appropriate to reflect the outcome on a portfolio basis for the purposes of this analysis as the sensitivity of the investments cannot be determined through the adjustment of a single input.
^ Underlying asset values are calculated by reference to a tangible asset.

In determining the value of level 3 financial instruments, the following are the principal inputs that can require judgement:

Price-earnings multiple
The price-to-earnings ratio is an equity valuation multiple. It is a key driver in the valuation of unlisted investments.

EBITDA
The earnings before interest, taxes, depreciation and amortisation of the company being valued. This is the main input into a price-earnings multiple valuation method.

Property values and precious and industrial metal prices
The price of property and precious and industrial metal prices is a key driver of future cash flows on these investments.

Cash flows
Cash flows relate to the future cash flows which can be expected from the instrument and requires judgement.

Underlying asset value
In instances where cash flows have links to referenced assets, the underlying asset value is used to determine the fair value. To the extent possible, the underlying asset valuation is derived using observable market prices sourced from broker quotes, specialist valuers or other reliable pricing sources.

Discount rates
Discount rates (including WACC) are used to adjust for the time value of money when using a discounted cash flow valuation method. Where relevant, the discount rate also accounts for illiquidity, market conditions and uncertainty of future cash flows.

ADDITIONAL IAS 34 DISCLOSURES
CONTINUED

Measurement of financial assets and liabilities at level 2
The table below sets out information about the valuation techniques used at the end of the reporting period when measuring financial instruments categorised as level 2 in the fair value hierarchy:

	Valuation basis/techniques	Main inputs
Assets		
Non-sovereign and non-bank cash placements	Discounted cash flow model	Yield curve
Reverse repurchase agreements and cash collateral on securities borrowed	Discounted cash flow model	Yield curve
Bank debt securities	Discounted cash flow model	Yield curve
Other debt securities	Discounted cash flow model	Yield curve
Derivative financial instruments	Discounted cash flow model Black-Scholes	Yield curve Volatilities
Securities arising from trading activities	Discounted cash flow model	Yield curve
Loans and advances to customers	Discounted cash flow model	Yield curve
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	Current price of underlying unitised assets	Listed prices
Investment portfolio	Adjusted quoted price	Liquidity adjustment
Liabilities		
Derivative financial instruments	Discounted cash flow model Black-Scholes	Yield curve Volatilities
Other trading liabilities	Discounted cash flow model	Yield curve
Repurchase agreements and cash collateral on securities lent	Discounted cash flow model	Yield curve
Customer accounts (deposits)	Discounted cash flow model	Yield curve
Other liabilities	Discounted cash flow model	Yield curve
Liabilities to customers under investment contracts	Current price of underlying unitised assets	Listed prices

ADDITIONAL IAS 34 DISCLOSURES
CONTINUED

Fair value of financial assets and liabilities at amortised cost

At 30 September 2024 **R'million**	**Carrying amount**	Fair value approximates carrying amount	Balances where fair values do not approximate carrying amounts	Fair value of balances that do not approximate carrying amounts
Assets				
Cash and balances at central banks	20 064	20 064	—	—
Loans and advances to banks	9 464	9 464	—	—
Non-sovereign and non-bank cash placements	8 911	8 911	—	—
Reverse repurchase agreements and cash collateral on securities borrowed	31 845	10 893	20 952	20 953
Sovereign debt securities	45 040	171	44 869	45 363
Bank debt securities	4 157	203	3 954	3 848
Other debt securities	4 429	610	3 819	4 036
Loans and advances to customers	324 512	301 843	22 669	22 681
Own originated loans and advances to customers securitised	7 072	7 072	—	—
Other securitised assets	—	—	—	—
Other assets	21 767	21 767	—	—
	477 261	**380 998**	**96 263**	**96 881**
Liabilities				
Deposits by banks	32 375	5 239	27 136	27 714
Repurchase agreements and cash collateral on securities lent	21 972	8 724	13 248	13 293
Customer accounts (deposits)	382 131	224 582	157 549	159 453
Debt securities in issue	6 161	5 900	261	267
Liabilities arising on securitisation of own originated loans and advances	5 086	5 086	—	—
Other liabilities	19 271	19 271	—	—
Subordinated liabilities	7 186	7 186	—	—
	474 182	**275 988**	**198 194**	**200 727**

ADDITIONAL NOTES – INTERIMS

Expected credit loss impairment charges

For the six months to 30 September R'million	2024	2023
Expected credit loss impairment (releases)/charges is recognised on the following assets:		
Loans and advances to customers	273	143
Own originated securitised assets	(2)	(4)
Core loans and advances	**271**	**139**
Other balance sheet assets	59	31
Off-balance sheet commitments and guarantees	(2)	(3)
Total expected credit loss impairment charges	**328**	**167**

Extract of operating costs

For the six months to 30 September R'million	2024	2023
Staff costs	4 391	3 987
Premises expenses	211	200
Premises expenses (excluding depreciation)	121	123
Premises depreciation	90	77
Equipment expenses (excluding depreciation)	464	385
Business expenses	513	507
Marketing expenses	237	215
Depreciation, amortisation and impairment on property, equipment and intangibles	70	66
	5 886	**5 360**

Extract of reverse repurchase agreements and cash collateral on securities borrowed and repurchase agreements and cash collateral on securities lent

At R'million	30 Sept 2024	31 March 2024
Assets		
Gross reverse repurchase agreements and cash collateral on securities borrowed	61 097	77 667
Expected credit loss on amortised cost	(1)	(2)
Net reverse repurchase agreements and cash collateral on securities borrowed	**61 096**	**77 665**
Reverse repurchase agreements	54 542	72 908
Cash collateral on securities borrowed	6 554	4 757
	61 096	**77 665**
Liabilities		
Repurchase agreements	24 394	16 626
Cash collateral on securities lent	3 952	3 264
	28 346	**19 890**

Extract of loans and advances to customers

At R'million	30 Sept 2024	31 March 2024
Gross loans and advances to customers at amortised cost	326 869	323 671
Gross loans and advances to customers designated at FVPL at inception^	13 288	14 779
Suspended interest	564	613
Gross loans and advances to customers subject to ECL	340 721	339 063
Expected credit loss on amortised cost	(2 556)	(2 758)
Suspended interest	(564)	(613)
	337 601	335 692
Loans and advances to customers at fair value	1 530	1 540
Net loans and advances to customers	**339 131**	**337 232**

^ These are fixed rate loans which have passed the solely payments of principal and interest test (SPPI) and are held in a business model to collect contractual cash flows but have been designated at FVPL to eliminate accounting mismatches (interest rate risk is being economically hedged). The underlying loans have been fair valued and management performs an ECL calculation in order to obtain a reasonable estimate of the credit risk component. The portfolio is managed on the same basis as gross core loans and advances measured at amortised cost.

ADDITIONAL NOTES – INTERIMS
CONTINUED

Extract of securitised assets and liabilities arising on securitisation

At R'million	30 Sept 2024	31 March 2024
Gross own originated loans and advances to customers securitised	7 084	6 460
Expected credit loss of own originated loans and advances to customers securitised	(12)	(14)
Net own originated loans and advances to customers securitised	**7 072**	**6 446**

Other assets

At R'million	30 Sept 2024	31 March 2024
Gross other assets	30 070	23 078
Expected credit loss on amortised cost	—	—
Net other assets	**30 070**	**23 078**
Financial assets		
Settlement debtors	18 056	9 400
Prepayments and accrued income	53	39
Trading initial margin	3 627	5 587
Other investments	986	809
Fee debtors	42	47
Other financial assets	3 616	2 236
Non-financial instruments or scoped out of IFRS 9		
Trading properties	631	1 078
Prepayments and accrued income	647	567
Commodities	1 944	2 937
Other	468	378
	30 070	**23 078**

Debt securities in issue

At R'million	30 Sept 2024	31 March 2024
Repayable in:		
Less than three months	317	427
Three months to one year	258	1 152
One to five years	5 586	5 136
	6 161	**6 715**
Debt securities in issue shown above comprise:		
Redeemable preference shares	5 676	5 313
Other	485	1 402
	6 161	**6 715**

Extract of deferred taxation

At R'million	30 Sept 2024	31 March 2024
Losses carried forward	125	—
	125	**—**

Extract of subordinated liabilities

At R'million	30 Sept 2024	31 March 2024
Remaining maturity:		
In more than one year, but not more than two years	1 636	—
In more than two years, but not more than five years	5 550	7 283
	7 186	**7 283**

ADDITIONAL NOTES – INTERIMS
CONTINUED

Offsetting

At 30 September 2024 R'million	Amounts subject to enforceable netting arrangements				
	Effects of offsetting on balance sheet			Related amounts not offset	
	Gross amounts	Amounts offset	**Net amounts reported on the balance sheet**	Financial instruments (including non-cash collateral)	**Net amount**
Assets					
Cash and balances at central banks	20 064	—	20 064	—	20 064
Loans and advances to banks	13 936	(4 472)	9 464	—	9 464
Non-sovereign and non-bank cash placements	9 820	—	9 820	—	9 820
Reverse repurchase agreements and cash collateral on securities borrowed	62 091	(995)	61 096	(2 947)	58 149
Sovereign debt securities	73 891	—	73 891	(18 079)	55 812
Bank debt securities	6 679	—	6 679	(1 074)	5 605
Other debt securities	10 050	—	10 050	(1 698)	8 352
Derivative financial instruments	22 343	(6 411)	15 932	—	15 932
Securities arising from trading activities	43 351	—	43 351	(3 660)	39 691
Loans and advances to customers	339 131	—	339 131	—	339 131
Own originated loans and advances to customers securitised	7 072	—	7 072	—	7 072
Investment portfolio	15 055	—	15 055	—	15 055
Other assets	30 070	—	30 070	—	30 070
	653 553	**(11 878)**	**641 675**	**(27 458)**	**614 217**
Liabilities					
Deposits by banks	36 212	(3 837)	32 375	—	32 375
Derivative financial instruments	25 166	(7 046)	18 120	—	18 120
Other trading liabilities	36 602	—	36 602	—	36 602
Repurchase agreements and cash collateral on securities lent	29 341	(995)	28 346	(24 628)	3 718
Customer accounts (deposits)	434 687	—	434 687	—	434 687
Debt securities in issue	6 161	—	6 161	—	6 161
Liabilities arising on securitisation of own originated loans and advances	5 086	—	5 086	—	5 086
Other liabilities	25 360	—	25 360	—	25 360
Subordinated liabilities	7 186	—	7 186	—	7 186
	605 801	**(11 878)**	**593 923**	**(24 628)**	**569 295**

ADDITIONAL NOTES – INTERIMS
CONTINUED

At 31 March 2024 R'million	Amounts subject to enforceable netting arrangements				
	Effects of offsetting on balance sheet			Related amounts not offset	
	Gross amounts	Amounts offset	**Net amounts reported on the balance sheet**	Financial instruments (including non-cash collateral)	**Net amount**
Assets					
Cash and balances at central banks	14 795	—	14 795	—	14 795
Loans and advances to banks	11 022	(1 805)	9 217	—	9 217
Non-sovereign and non-bank cash placements	10 818	—	10 818	—	10 818
Reverse repurchase agreements and cash collateral on securities borrowed	78 660	(995)	77 665	(2 098)	75 567
Sovereign debt securities	72 241	—	72 241	(11 044)	61 197
Bank debt securities	8 301	—	8 301	(998)	7 303
Other debt securities	10 539	—	10 539	(987)	9 552
Derivative financial instruments	17 209	(7 225)	9 984	—	9 984
Securities arising from trading activities	34 477	—	34 477	(2 263)	32 214
Loans and advances to customers	337 232	—	337 232	—	337 232
Own originated loans and advances to customers securitised	6 446	—	6 446	—	6 446
Investment portfolio	16 053	—	16 053	—	16 053
Other assets	23 078	—	23 078	—	23 078
	640 871	**(10 025)**	**630 846**	**(17 390)**	**613 456**
Liabilities					
Deposits by banks	37 562	(6 497)	31 065	—	31 065
Derivative financial instruments	16 826	(2 533)	14 293	—	14 293
Other trading liabilities	32 368	—	32 368	—	32 368
Repurchase agreements and cash collateral on securities lent	20 885	(995)	19 890	(15 844)	4 046
Customer accounts (deposits)	448 458	—	448 458	—	448 458
Debt securities in issue	6 715	—	6 715	—	6 715
Liabilities arising on securitisation of own originated loans and advances	4 997	—	4 997	—	4 997
Other liabilities	18 942	—	18 942	—	18 942
Subordinated liabilities	7 283	—	7 283	—	7 283
	594 036	**(10 025)**	**584 011**	**(15 844)**	**568 167**

^ Restated as detailed on page 23.

DISCONTINUED OPERATIONS

Remeasurement on deconsolidation of IPF, net of gain on sale of IPF management business

The completion date of the sale of the IPF management companies was 6 July 2023 at which point the Group deconsolidated its current c.24.3% investment in IPF. Historically, IPF has been controlled by the Group because of the power over relevant activities held by the IPF management function which were, until the current period, wholly owned by the Group and that the majority of directors of IPF were associated with the Group. In the current period, the management companies were sold into the fund, and as a result the Group lost control of both these functions and the executive directors transferred employment from Investec to IPF reducing the number of directors associated with Investec to less than majority. The investment in IPF is now held as an associate company. In accordance with the Group's accounting policies, associates that are held with no strategic intention should be accounted for at fair value through profit or loss by applying the venture capital exemption as provided in IAS 28. The investment is disclosed in the investment portfolio line on the balance sheet. Investec Limited, through its ordinary course of business, has been classified as a venture capital entity and this exemption provided in IAS 28 has been applied.

Loss on sale of IPF asset management function and deconsolidation

R'million	Six months to 30 Sept 2023
The loss is calculated as follows:	
Fair value of the consideration	824
Fair value of investment at 6 July 2023	1 465
Net asset value of IPF previously consolidated	(13 106)
Non-controlling interest derecognised previously included in the consolidation of IPF at 6 July 2023	9 915
Loss before taxation and costs	**(902)**
Implementation costs	(24)
Loss before taxation	**(926)**
Taxation	(179)
Loss on sale of IPF management function and deconsolidation net of taxation and implementation costs	**(1 105)**

Major classes of assets and liabilities

R'million	2023
Investment properties	13 651
Investment portfolio	10 225
Other assets	2 113
Deposits by banks	(6 204)
Debt securities in issue	(5 005)
Other liabilities	(1 674)
Net asset value of IPF previously consolidated	**13 106**

DISCONTINUED OPERATIONS
CONTINUED

Combined consolidated income statement of discontinued operations

The completion date of the sale of the Investec Property Fund (IPF) asset management function was 6 July 2023 and the group deconsolidated its existing c.24.3% investment in IPF. IPF has been disclosed as a discontinued operation.

R'million	Six months to 30 Sept 2023
Operating profit before strategic actions and non-controlling interests	347
Taxation on operating profit	—
Operating profit before strategic actions and non-controlling interests from discontinued operations	**347**
Financial impact of strategic actions	(922)
Taxation on strategic actions	(36)
Profit after taxation and financial impact of strategic actions from discontinued operations	**(611)**
Profit attributable to non-controlling interests of discontinued operations	(273)
(Loss)/earnings attributable to shareholders	**(884)**

The table below presents the income statement from discontinued operations included in the income statement.

R'million	Six months to 30 Sept 2023
Net interest income	(145)
Net fee and commission income	306
Investment income/(loss)	83
Share of post-taxation profit of associates and joint venture holdings	—
Trading income/(loss) arising from	
– customer flow	(225)
– balance sheet management and other trading income	397
Total operating income before expected credit loss impairment charges	**416**
Expected credit loss impairment charges	(6)
Operating income	**410**
Operating costs	(63)
Operating profit before strategic actions and non-controlling interests	**347**
Profit attributable to non-controlling interests from discontinued operations	(273)
Operating profit before strategic actions	**74**
Financial impact of Group restructures	(922)
Profit before taxation	**(848)**
Taxation on operating profit before strategic actions	—
Taxation on financial impact of strategic actions	(36)
(Loss)/earnings attributable to shareholders	**(884)**

RESTATEMENTS

Balance sheet and statement of total comprehensive income restatements

All restatements only affect 30 September 2023.

Restatement of the application of hedge accounting and the correction of the valuation of certain fair value instruments

It was identified that the application of hedge accounting (cash flow and fair value hedging) applied in prior years, for certain portfolios within Investec Bank Limited, did not meet the requirements to apply hedge accounting under IAS 39 Financial Instruments: Recognition and Measurement. It was further identified that certain financial instruments were incorrectly fair valued.

This hedge accounting matter was initially restated in the 30 September 2023 interim results but was subsequently revised for 31 March 2024 reporting to accurately reflect the impact of this matter. This required a restatement to the 30 September 2023 comparative interim period.

Accordingly, the related 'cash flow hedge reserve' and 'fair value reserve' totalling R115 million have been restated retrospectively to 'retained income'. In addition, certain fair value hedge adjustments made in the balance sheet to hedged items (R1 168 million) have been reversed to 'retained income' and the valuation of a specific portfolio of fair value instruments was corrected to 'retained income'. These adjustments resulted in a reduction of taxable income for certain prior periods to which these matters relate to and resulted in a reduction in 'current taxation liabilities' of R336 million recognised against 'retained income' for the recovery of those income taxes. The associated deferred taxation of R42 million previously raised on the cash flow hedge reserve was also derecognised. The restatement further resulted in the release of 'other liabilities' in March 2022 of R250 million. All changes were retrospectively restated.

The income statement impacts are disclosed in the income statement restatement section.

Gross-up and gross-down of balance sheet lines

Gross-ups within the trading portfolio of equity securities and client trading accounts

Certain client and exchange settlement balances and equity positions (long and short equity positions) held were previously incorrectly offset (in terms of IAS 32) and presented on a net basis. These have been grossed up to appropriately reflect both the settlement receivables and payables as well as the correct asset and liability positions. The gross up resulted in a R9.9 billion increase in 'other assets' and 'other liabilities' and a R5.3 billion increase in 'securities arising from trading activities' and 'other trading liabilities'. The comparative balance sheet has been restated. This change has no impact on the income statement or statement of changes in equity.

Gross-down of capital guarantee products

Investec Bank Limited traded a capital guarantee product with clients. The traded positions were incorrectly duplicated and booked on a gross basis to 'securities arising from trading activities' and 'derivative financial instruments'. The capital guarantee represents a single derivative contract that should be accounted for on a net basis in 'derivative financial instruments' liabilities. An amount of R703 million was accordingly adjusted downwards in 'securities arising from trading activities' and 'derivative financial instruments' to reflect a net derivative position. The comparative balance sheet has been restated. This change has no impact on the income statement or statement of changes in equity.

Gross down of intercompany transactions

Investec Bank limited traded debt securities with an Investec Group company. The positions were incorrectly booked on a gross basis in the Group within 'bank debt securities' and 'customer accounts (deposits)'. An amount of R102 million was adjusted downwards on each line. The comparative balance sheet has been restated. This change has no impact on the income statement or statement of changes in equity.

Gross down of other securitised assets and customer accounts (deposits)

Investec Bank Limited consolidates securitisation vehicles. The cash held by the vehicles was considered by management to be restricted cash and was separately accounted for in the Group as 'customer accounts (deposits)' with the corresponding entry in 'other securitised assets'. Following a re-assessment of the current treatment, it was concluded that the accounting treatment should be revised. Accordingly, an amount of R548 million was adjusted downwards on each line. This change has no impact on the income statement or statement of changes in equity.

Reclassifications

Reclassification of a reverse repurchase agreement

Investec Bank Limited purchased listed bond positions and entered into a future sale agreement to sell the positions back to the same counterparty at a fixed price. The bond and the forward purchase were incorrectly accounted for in 'sovereign debt securities' and 'derivative financial instruments' asset respectively. The two separate positions of R5.6 billion were reclassified to 'reverse repurchase agreements and cash collateral on securities borrowed' to more accurately reflect a collateralised lending transaction. The comparative balance sheet has been restated. This change has no impact on the income statement or statement of changes in equity.

Reclassification of fully funded trading positions

Investec Limited enters into fully funded credit and equity linked trading positions with clients. The positions were incorrectly accounted for as a derivative as a fully funded position does not meet the definition of a derivative as per IFRS 9 Financial Instruments. R19.5 billion was reclassified from 'derivative financial instruments' liabilities to 'other trading liabilities'. The comparative balance sheet has been restated. This change has no impact on the income statement or statement of changes in equity.

RESTATEMENTS
CONTINUED

R'million	At 30 Sept 2023 as previously reported	Restatement of the application of hedge accounting and the correction of the valuation of certain fair value instruments	Gross-up and gross-down of balance sheet line items	Reclassifications	**At 30 Sept 2023 restated**
Assets					
Reverse repurchase agreements and cash collateral on securities borrowed	75 889	—	44	5 564	81 497
Sovereign debt securities	79 783	—	—	(5 217)	74 566
Bank debt securities	13 333	(811)	(102)	—	12 420
Derivative financial instruments	16 029	—	—	(347)	15 682
Securities arising from trading activities	33 246	—	4 615	—	37 861
Other securitised assets	548	—	(548)	—	—
Deferred taxation assets	1 971	(42)	—	—	1 929
Other assets	17 682	—	9 891	—	27 573
Total assets	644 651	(1 210)	13 900	—	657 341
Liabilities					
Derivative financial instruments	39 813	—	(703)	(19 480)	19 630
Other trading liabilities	6 080	—	5 318	19 480	30 878
Repurchase agreements and cash collateral on securities lent	18 183	—	44		18 227
Customer accounts (deposits)	460 358	—	(650)	—	459 708
Current taxation liabilities	693	(336)	—	—	357
Other liabilities	13 107	(250)	9 891	—	22 748
Total liabilities	592 476	(586)	13 900	—	605 790
Equity					
Shareholders' equity excluding non-controlling interests	46 524	(624)	—	—	45 900
Total equity	52 175	(624)	—	—	51 551

The impact of the above changes on the 30 September 2023 statement of total comprehensive income is:

R'million	Six months to 30 Sept 2023 as previously reported	Restatement	**Six months to 30 Sept 2023 restated**
Fair value movements on cash flow hedges taken directly to other comprehensive income	(48)	(10)	(58)
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income	(177)	56	(121)
Total comprehensive income	3 769	46	3 815

RESTATEMENTS
CONTINUED

Income statement restatements

Reclassifications between interest income, interest expense and trading income/(loss)

The interest consequences of certain financial instrument liabilities were incorrectly accounted for in the interest income line rather than the interest expense line. This resulted in a reclassification of 'interest income' of R418 million to 'interest expense'.

Fair value adjustments on certain derivative instruments, not formally designated in a hedge relationship, were accounted for in either 'interest income' or 'interest expense'. The fair value adjustments of R117 million were reclassified to 'trading income arising from customer flow'.

In addition, realised cash flows on interest rate swaps (formally designated in a hedge relationship) were incorrectly grossed up and separately recognised as 'interest income' and 'interest expense'. The two lines were appropriately reduced for the gross cash flows, and the net movement of R552 million was accounted for in either 'interest income' or 'interest expense' (depending if it was an asset or liability being hedged).

Restatement of the application of hedge accounting and the correction of the valuation of certain fair value instruments

As described above in terms of the balance sheet restatements, it was identified that the application of hedge accounting (cash flow and fair value hedging) applied in prior years, for certain portfolios within Investec Bank Limited, did not meet the requirements to apply hedge accounting under IAS 39 Financial Instruments: Recognition and Measurement.

As a result of not qualifying to apply hedge accounting, adjustments previously made to 'interest income' of R242 million have been reclassified to 'trading income/(loss) arising from customer flow'.

These reclassifications in the income statement for the prior period are shown in the table below:

R'million	Six months to 30 Sept 2023 as previously reported	Reclassifications between interest income, interest expense and trading income/ (loss)	Restatement of the application of hedge accounting and the correction of the valuation of certain fair value instruments	**Six months to 30 Sept 2023 restated**
Interest income	24 782	(134)	(242)	24 406
Interest expense	(18 304)	17	—	(18 287)
Net interest income	**6 478**	**(117)**	**(242)**	**6 119**
Fee and commission income	3 499	—	—	3 499
Fee and commission expense	(519)	—	—	(519)
Investment income	288	—	—	288
Share of post taxation profit of associates and joint venture holdings	4	—	—	4
Trading income/(loss) arising from				
– customer flow	444	117	242	803
– balance sheet management and other trading activities	54	—	—	54
Other operating income	2	—	—	2
Total operating income before expected credit loss impairment charges	**10 250**	**—**	**—**	**10 250**
Expected credit loss impairment charges	(167)	—	—	(167)
Operating income	**10 083**	**—**	**—**	**10 083**
Operating costs	(5 360)	—	—	(5 360)
Operating profit before goodwill, acquired intangibles and strategic actions	**4 723**	**—**	**—**	**4 723**
Amortisation of acquired intangibles	(13)	—	—	(13)
Profit before taxation	**4 710**	**—**	**—**	**4 710**
Taxation on operating profit before acquired intangibles	(1 068)	—	—	(1 068)
Taxation on acquired intangibles and strategic actions	4	—	—	4
Profit after taxation from continuing operations	**3 646**	**—**	**—**	**3 646**
Profit after taxation from discontinued operations	(611)	—	—	(611)
Profit after taxation	**3 035**	**—**	**—**	**3 035**
Profit attributable to other non-controlling interests	(5)	—	—	(5)
Profit attributable to non-controlling interests of discontinued operations	(273)	—	—	(273)
Earnings attributable to shareholders	**2 757**	**—**	**—**	**2 757**

ASSET QUALITY

An analysis of gross core loans, asset quality and ECL

The table below summarises the asset quality of our gross core loans.

The overall loan portfolio continues to perform well with strong asset quality, reflecting our disciplined approach and secured nature of lending. Gross core loans grew by 1.3% annualised mainly due to increased activity in the High net worth and specialised lending portfolio (4.0% annualised growth) where the Residential Mortgage portfolio grew at 4.3% annualised.

The bank reported a credit loss ratio of 0.16% at 30 September 2024 (31 March 2024: -0.04%) driven by new impairments offset by reversals of certain prior year provisions and post write-off recoveries. Excluding the post write-off recoveries, the reported credit loss ratio would be 0.25% (31 March 2024: 0.09%).

Stage 3 exposures decreased to 2.7% of gross core loans subject to ECL at 30 September 2024 (31 March 2024: 3.5%) mainly due to settlements from a few large single name exposures. Stage 2 remained flat at 2.4% of gross core loans subject to ECL at 30 September 2024 (31 March 2024: 2.4%), mainly driven by a few large single name exposures migrating from Stage 1 and Stage 3 offset by some exposures normalising, a few settlements and a reduction arising from the residential mortgage model due to updated macro-economic scenarios.

Overall coverage for Stage 2 is 2.6% at 30 September 2024 (31 March 2024: 3.0%) while Stage 3 coverage is 19.3% (31 March 2024: 15.4%).

R'million	30 Sept 2024	31 March 2024
Gross core loans	**348 771**	**346 452**
of which FVPL (excluding fixed rate loans)	1 530	1 540
Gross core loans subject to ECL*	**347 241**	**344 912**
Stage 1	329 379	324 489
Stage 2	8 404	8 220
of which past due greater than 30 days	930	671
Stage 3 ^	9 458	12 203
ECL	**(2 568)**	**(2 774)**
Stage 1	(526)	(645)
Stage 2	(215)	(250)
Stage 3	(1 827)	(1 879)
Coverage ratio		
Stage 1	0.16%	0.20%
Stage 2	2.6%	3.0%
Stage 3	19.3%	15.4%
Annualised credit loss ratio	**0.16%**	**(0.04%)**
ECL impairment (charges)/releases on core loans	(271)	123
Average gross core loans subject to ECL	346 077	335 844
An analysis of Stage 3 gross core loans subject to ECL		
Stage 3 net of ECL	7 631	10 325
Aggregate collateral and other credit enhancements on Stage 3	9 474	12 873
Stage 3 as a % of gross core loans subject to ECL	2.7%	3.5%
Stage 3 net of ECL as a % of net core loans subject to ECL	2.2%	3.0%

* Includes portfolios for which ECL is not required for IFRS purposes, but which management evaluates on this basis. These are fixed rate loans which have passed the solely payments of principal and interest (SPPI) test and are held in a business model to collect contractual cash flows but have been designated at FVPL to eliminate accounting mismatches (interest rate risk is being economically hedged). The underlying loans have been fair valued and management performs an ECL calculation in order to obtain a reasonable estimate of the credit risk component. The portfolio is managed on the same basis as gross core loans measured at amortised cost. R11.9 billion of the drawn exposure falls into Stage 1 (31 March 2024: R13.8 billion), R373.9 million falls in Stage 2 (31 March 2024: R16.4 million) and the remaining R1.0 billion falls into Stage 3 (31 March 2024: R1.0 billion). The ECL on the Stage 1 portfolio is R43.3 million (31 March 2024: R30.9 million), ECL on Stage 2 is R0.2 million (31 March 2024: R0.4 million) and the ECL on Stage 3 portfolio is R155.0 million (31 March 2024: R119.3 million).

^ Stage 3 exposures disclosed above and in the tables that follow are net of suspended interest of R564mn (31 March 2024: R613 million).

ASSET QUALITY
CONTINUED

An analysis of staging of gross exposure and ECL movements for core loans subject to ECL

The table below indicates underlying movements in gross core loans subject to ECL from 31 March 2024 to 30 September 2024. The transfers between stages of gross core loans indicate the impact of stage transfers upon the gross exposure and associated opening ECL.

The decrease in Stage 3 was mainly driven mainly by a few single name exposures settling. The movement in Stage 2 was mainly due to a few large single name exposures migrating from Stage 1 and Stage 3 offset by some exposures normalising, a few settlements and a reduction arising from the residential mortgage model due to updated macro-economic scenarios.

The net remeasurement of ECL arising from stage transfers represents the (increase)/decrease in ECL due to these transfers. New lending net of repayments comprises new originations, further drawdowns, repayments and sell-downs as well as, with respect to ECLs, Stage 3 ECLs that have been written off, typically when an asset has been sold.

The ECL impact of changes to risk parameters and models during the year largely relates to the changes in the macro-economic scenarios. The foreign exchange and other category comprises of foreign exchange movement in the period under review on all of our non-ZAR related loans.

	Stage 1		Stage 2		Stage 3		Total	
R'million	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	**Gross exposure**	**ECL**
At 31 March 2024	**324 489**	**(645)**	**8 220**	**(250)**	**12 203**	**(1 879)**	**344 912**	**(2 774)**
Transfer from Stage 1	(3 814)	26	3 248	(22)	566	(4)	—	—
Transfer from Stage 2	2 247	(91)	(2 866)	121	619	(30)	—	—
Transfer from Stage 3	217	(21)	694	(30)	(911)	51	—	—
ECL remeasurement arising from transfer of stage	—	102	—	(54)	—	(98)	—	(50)
New lending net of repayments (includes assets written off)	7 930	(75)	(799)	29	(2 907)	349	4 225	303
Changes to risk parameters and models	—	173	—	(12)	—	(15)	—	147
Foreign exchange and other	(1 690)	5	(93)	3	(112)	18	(1 896)	25
At 30 September 2024	**329 379**	**(526)**	**8 404**	**(215)**	**9 458**	**(1 827)**	**347 241**	**(2 568)**

ASSET QUALITY
CONTINUED

An analysis of core loans by risk category – Lending collateralised by property

R'million	Gross core loans at amortised cost and FVPL (subject to ECL)								Gross core loans at FVPL (not subject to ECL)	Gross core loans
	Stage 1		Stage 2		Stage 3		Total			
	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL		
At 30 September 2024										
Commercial real estate	**44 705**	**(60)**	**1 567**	**(3)**	**4 229**	**(621)**	**50 501**	**(684)**	**—**	**50 501**
Commercial real estate – investment	41 732	(56)	1 558	(3)	4 215	(616)	47 505	(675)	—	47 505
Commercial real estate – development	2 492	(3)	—	—	—	—	2 492	(3)	—	2 492
Commercial vacant land and planning	481	(1)	9	—	14	(5)	504	(6)	—	504
Residential real estate	**5 993**	**(8)**	**126**	**—**	**314**	**(54)**	**6 433**	**(62)**	**—**	**6 433**
Residential real estate – investment	2 259	(2)	119	—	—	—	2 378	(2)	—	2 378
Residential real estate – development	2 720	(5)	—	—	126	(26)	2 846	(31)	—	2 846
Residential vacant land and planning	1 014	(1)	7	—	188	(28)	1 209	(29)	—	1 209
Total lending collateralised by property*	**50 698**	**(68)**	**1 693**	**(3)**	**4 543**	**(675)**	**56 934**	**(746)**	**—**	**56 934**
Coverage ratio		**0.1%**		**0.2%**		**14.9%**		**1.3%**		
At 31 March 2024										
Commercial real estate	**44 601**	**(112)**	**1 073**	**(8)**	**6 578**	**(750)**	**52 252**	**(870)**	**—**	**52 252**
Commercial real estate – investment	42 046	(98)	1 072	(8)	6 539	(744)	49 657	(850)	—	49 657
Commercial real estate – development	2 044	(11)	—	—	4	—	2 048	(11)	—	2 048
Commercial vacant land and planning	511	(3)	1	—	35	(6)	547	(9)	—	547
Residential real estate	**6 295**	**(9)**	**148**	**—**	**312**	**(51)**	**6 755**	**(60)**	**—**	**6 755**
Residential real estate – investment	2 247	(2)	144	—	—	—	2 391	(2)	—	2 391
Residential real estate – development	3 220	(5)	—	—	133	(34)	3 353	(39)	—	3 353
Residential vacant land and planning	828	(2)	4	—	179	(17)	1 011	(19)	—	1 011
Total lending collateralised by property*	**50 896**	**(121)**	**1 221**	**(8)**	**6 890**	**(801)**	**59 007**	**(930)**	**—**	**59 007**
Coverage ratio		**0.2%**		**0.7%**		**11.6%**		**1.6%**		

* In addition, 58% of other high net worth lending (31 March 2024: 57%) shown on the next page relates to lending collateralised by property which is supported by high net worth clients.

ASSET QUALITY
CONTINUED

An analysis of core loans by risk category – High net worth and other private client lending

R'million	Gross core loans at amortised cost and FVPL (subject to ECL)								Gross core loans at FVPL (not subject to ECL)	Gross core loans
	Stage 1		Stage 2		Stage 3		Total			
	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	**Gross exposure**	**ECL**		
At 30 September 2024										
Mortgages	93 829	(54)	3 006	(145)	1 857	(215)	98 692	(414)	—	98 692
Other high net worth lending*	79 053	(109)	550	(17)	553	(202)	80 156	(328)	—	80 156
Total high net worth and other private client lending	**172 882**	**(163)**	**3 556**	**(162)**	**2 410**	**(417)**	**178 848**	**(742)**	**—**	**178 848**
Coverage ratio		**0.1%**		**4.6%**		**17.3%**		**0.4%**		
At 31 March 2024										
Mortgages	91 292	(82)	3 603	(181)	1 717	(210)	96 612	(473)	—	96 612
Other high net worth lending*	77 031	(165)	612	(28)	1 081	(217)	78 724	(410)	—	78 724
Total high net worth and other private client lending	**168 323**	**(247)**	**4 215**	**(209)**	**2 798**	**(427)**	**175 336**	**(883)**	**—**	**175 336**
Coverage ratio		**0.1%**		**5.0%**		**15.3%**		**0.5%**		

* 58% of other high net worth lending (31 March 2024: 57%) relates to lending collateralised by property which is supported by high net worth clients.

An analysis of core loans by risk category – Corporate and other lending

R'million	Gross core loans at amortised cost and FVPL (subject to ECL)								Gross core loans at FVPL (not subject to ECL)	Gross core loans
	Stage 1		Stage 2		Stage 3		Total			
	Gross exposure	ECL	Gross exposure	ECL	Gross exposure	ECL	**Gross exposure**	**ECL**		
At 30 September 2024										
Corporate and acquisition finance	75 683	(158)	2 437	(30)	1 931	(597)	80 051	(785)	1 497	81 548
Fund finance	11 162	(24)	—	—	—	—	11 162	(24)	—	11 162
Financial institutions and governments	2 701	(12)	—	—	87	—	2 788	(12)	—	2 788
Small ticket asset finance	5 312	(32)	171	(4)	234	(94)	5 717	(130)	—	5 717
Aviation finance*	4 627	(42)	138	(2)	—	—	4 765	(44)	33	4 798
Power and infrastructure finance	6 314	(27)	409	(14)	253	(44)	6 976	(85)	—	6 976
Total corporate and other lending	**105 799**	**(295)**	**3 155**	**(50)**	**2 505**	**(735)**	**111 459**	**(1 080)**	**1 530**	**112 989**
Coverage ratio		**0.3%**		**1.6%**		**29.3%**		**1.0%**		
At 31 March 2024										
Corporate and acquisition finance	72 251	(196)	2 536	(30)	1 856	(511)	76 643	(737)	1 520	78 163
Fund finance	13 208	(16)	—	—	—	—	13 208	(16)	—	13 208
Financial institutions and governments	3 389	(9)	—	—	109	—	3 498	(9)	—	3 498
Small ticket asset finance	4 933	(13)	181	(2)	245	(89)	5 359	(104)	—	5 359
Aviation finance*	5 595	(14)	—	—	—	—	5 595	(14)	20	5 615
Power and infrastructure finance	5 894	(29)	67	(1)	305	(51)	6 266	(81)	—	6 266
Total corporate and other lending	**105 270**	**(277)**	**2 784**	**(33)**	**2 515**	**(651)**	**110 569**	**(961)**	**1 540**	**112 109**
Coverage ratio		**0.3%**		**1.2%**		**25.9%**		**0.9%**		

* There are additional aviation exposures of R3.1 billion (31 March 2024: R1.8 billion) in Corporate and acquisition finance.

CREDIT AND COUNTERPARTY RISK

A analysis of our gross credit and counterparty exposures

The table below indicates in which class of asset (on the face of the consolidated balance sheet) credit and counterparty exposures are reflected. Not all assets included in the balance sheet bear credit and counterparty risk.

At 30 September 2024 **R'million**	Total gross credit and counterparty exposure	of which FVPL	of which amortised cost and FVOCI	ECL	Assets that we deem to have no legal credit exposure	**Total assets**
Cash and balances at central banks	19 561	—	19 561	(20)	523	20 064
Loans and advances to banks	9 469	—	9 469	(5)	—	9 464
Non-sovereign and non-bank cash placements	9 829	909	8 920	(9)	—	9 820
Reverse repurchase agreements and cash collateral on securities borrowed	61 097	29 251	31 846	(1)	—	61 096
Sovereign debt securities	73 933	111	73 822	(42)	—	73 891
Bank debt securities	6 680	—	6 680	(1)	—	6 679
Other debt securities	10 057	684	9 373	(7)	—	10 050
Derivative financial instruments	13 437	13 437	—	—	2 495	15 932
Securities arising from trading activities	7 112	7 112	—	—	36 239	43 351
Loans and advances to customers	341 687	14 818	326 869	(2 556)	—	339 131
Own originated loans and advances to customers securitised	7 084	—	7 084	(12)	—	7 072
Other financial instruments at FVPL in respect of liabilities to customers	—	—	—	—	4 492	4 492
Investment portfolio	—	—	—	—	15 055*	15 055
Interest in associated undertakings	—	—	—	—	353	353
Current taxation assets	—	—	—	—	—	—
Deferred taxation assets	—	—	—	—	1 920	1 920
Other assets	402	402	—	(50)	29 718 **	30 070
Property and equipment	—	—	—	—	3 950	3 950
Investment properties	—	—	—	—	2 632	2 632
Goodwill	—	—	—	—	171	171
Software	—	—	—	—	121	121
Non-current assets classified as held for resale	—	—	—	—	406	406
Total on-balance sheet exposures	**560 348**	**66 724**	**493 624**	**(2 703)**	**98 075**	**655 720**
Guarantees	21 922	—	21 922	(4)	3 661	25 579
Committed facilities related to loans and advances to customers	80 363	—	80 363	(47)	29	80 345
Contingent liabilities, letters of credit and other	15 942	10 606	5 336	—	23 766	39 708
Total off-balance sheet exposures	**118 227**	**10 606**	**107 621**	**(51)**	**27 456**	**145 632**
Total exposures	**678 575**	**77 330**	**601 245**	**(2 754)**	**125 531**	**801 352**

* Largely relates to exposures that are classified as investment risk in the banking book.

** The majority of the other assets balance relates to settlement debtors which we deem to be exposed to settlement risk. Settlement risk can arise due to undertaking transactions in either an agency capacity (on behalf of clients) or as principal. The risk is not considered to be material as most transactions are undertaken on recognised exchanges and with large institutional clients, monitored daily, with short-term settlement periods (usually settled within two to three days).

The table below summarises the ECL held against financial assets held at FVOCI, which is reported on the balance sheet within the fair value reserves. The ECL charges are recognised in 'Expected credit loss impairment charges' in the income statement.

At 30 September 2024 **R'million**	Fair value	ECL
Sovereign debt securities	28 740	(20)
Bank debt securities	2 522	—
Other debt securities	4 937	(15)

CREDIT AND COUNTERPARTY RISK
CONTINUED

An analysis of our gross credit and counterparty exposures (continued)

At 31 March 2024 R'million	Total gross credit and counterparty exposure	of which FVPL	of which amortised cost and FVOCI	ECL^	Assets that we deem to have no legal credit exposure	Total assets
Cash and balances at central banks	14 057	—	14 057	—	738	14 795
Loans and advances to banks	9 228	—	9 228	(11)	—	9 217
Non-sovereign and non-bank cash placements	10 835	289	10 546	(17)	—	10 818
Reverse repurchase agreements and cash collateral on securities borrowed	77 667	33 360	44 307	(2)	—	77 665
Sovereign debt securities	72 271	311	71 960	(55)	—	72 216
Bank debt securities	8 303	—	8 303	(4)	—	8 299
Other debt securities	10 550	749	9 801	(26)	—	10 524
Derivative financial instruments	7 893	7 893	—	—	2 091	9 984
Securities arising from trading activities	5 920	5 920	—	—	28 557	34 477
Loans and advances to customers	339 991	16 320	323 671	(2 759)	—	337 232
Own originated loans and advances to customers securitised	6 461	—	6 461	(15)	—	6 446
Other financial instruments at FVPL in respect of liabilities to customers	—	—	—	—	3 708	3 708
Investment portfolio	—	—	—	—	16 053*	16 053
Interest in associated undertakings	—	—	—	—	28	28
Current taxation assets	—	—	—	—	106	106
Deferred taxation assets	—	—	—	—	2 040	2 040
Other assets	2 840	2 832	8	—	20 238**	23 078
Property and equipment	—	—	—	—	3 956	3 956
Investment properties	—	—	—	—	2 539	2 539
Goodwill	—	—	—	—	171	171
Software	—	—	—	—	123	123
Non-current assets classified as held for resale	—	—	—	—	534	534
Total on-balance sheet exposures	**566 016**	**67 674**	**498 342**	**(2 889)**	**80 882**	**644 009**
Guarantees	23 080	—	23 080	(4)	503	23 579
Committed facilities related to loans and advances to customers	79 852	2	79 850	(50)	2	79 804
Contingent liabilities, letters of credit and other	10 683	5 848	4 835	—	22 845	33 528
Total off-balance sheet exposures	**113 615**	**5 850**	**107 765**	**(54)**	**23 350**	**136 911**
Total exposures	**679 631**	**73 524**	**606 107**	**(2 943)**	**104 232**	**780 920**

^ Includes R42 million of ECL held against financial assets held at FVOCI, which is reported on the balance sheet within the fair value reserve. This will result in minor differences between certain balance sheet lines reported above (largely sovereign debt securities) and the statutory balance sheet.
* Largely relates to exposures that are classified as investment risk in the banking book.
** The majority of the other assets balance relates to settlement debtors which we deem to be exposed to settlement risk. Settlement risk can arise due to undertaking transactions in either an agency capacity (on behalf of clients) or as principal. The risk is not considered to be material as most transactions are undertaken on recognised exchanges and with large institutional clients, monitored daily, with short-term settlement periods (usually settled within two to three).

ADDITIONAL CREDIT AND COUNTERPARTY RISK DISCLOSURE

Key judgements

Stage 3 ECLs continue to be assessed using a combination of scenario analysis, expert judgement, and modelled ECL.

Forward-looking macro-economic scenarios

The measurement of ECL also requires the use of multiple economic scenarios to calculate a probability weighted forward-looking estimate. These scenarios are updated at least twice a year, or more frequently if there is a macro-economic shock or significant shift in expectations. The weighting of these scenarios for IFRS 9 as well as the scenarios themselves are discussed and presented at the relevant BRCCs as well as the relevant capital committees for approval, which form part of the principal governance framework for macro-economic scenarios. They are also approved by the relevant Audit Committees.

A number of forecast economic scenarios are considered for capital planning, stress testing (including Investec-specific stress scenarios) and IFRS 9 ECL measurement.

For Investec Limited, five macro-economic scenarios were used in the measurement of ECL. These scenarios incorporate a base case, two upside cases and two downside cases. The aim of this economic scenario generation process was to provide a view of the current and projected state of the South African economy and the different economic scenarios that could occur in various stressed or improved environments over the next five years for a number of identified variables/risk drivers.

As at 30 September 2024, all five scenarios were updated to incorporate the latest available data. The base case is now characterised by an improved economic growth outlook, lifting towards 3% by the end of the five-year period. The newly established Government of National Unity (GNU) overcomes most of the key structural constraints, including the rail and logistics crisis. Loadshedding is expected to be largely absent as generating capacity increasingly comes online over the five-year period, particularly renewable energy. A gradual move away from fossil fuel usage occurs and measures to alleviate the impact of climate change on the economy are modestly implemented. Inflation moderates on base effects and lower global inflationary pressures.

There are no negative effects of the occurrence of very limited expropriation without compensation, while the greylisting proves temporary in the period. South Africa's credit ratings do not fall below the BB credit rating category as moderate fiscal consolidation (debt to GDP stabilisation) occurs. Internationally, global financial market risk sentiment is neutral to positive and current geopolitical tensions ease, while the Rand strengthens on the US interest rate cutting cycle and the stronger domestic economic growth outlook.

As at 30 September 2024, the weighting of the base case was 50%, up from 45% as at 31 March 2024 as the probability for the base case has risen post the national election. The GNU has committed to fiscal restraint and consolidation, along with the macroeconomic strategy to prioritise rapid economic growth. The change in government, along with a peaceful democratic election process and successful formation of the new government has also lifted investor confidence, particularly in financial markets, and the growth outlook.

The lite down case, in contrast, is an alternative scenario providing a situation where South Africa experiences weak GDP and investment growth, with business confidence depressed and little progress made on resolving SA's freight, logistics, water and other structural constraints on the economy, including failure to adequately improve electricity capacity to prevent loadshedding reoccurring. Little transition to renewable energy occurs, there is increased pressure on government finances from disaster relief due to unfavourable weather conditions driven by climate change. Expropriation of private sector property has a modestly negative impact on the economy. The greylisting persists over the period. Substantial Rand weakness drives higher inflation, along with unfavourable weather conditions. Government debt and debt projections fail to stabilise, and South Africa drops into the single B category from the key credit rating agencies but avoids falling into the C grade ratings on eventual fiscal consolidation.

There has been a marked drop in the likelihood of the lite down case occurring. As at 30 September 2024, the lite down case weighting was 35%, falling from 43% on 31 March 2024 as the base case weightings improved. However, the lite down case weighting is still meaningful, as risks are apparent with the fiscal debt and deficit ratios still very high as a % of GDP, which will require substantial work to be lowered, as will getting off the greylisting and repairing the structural impediments to faster economic growth.

It is important to note that the lite down case is characterised by the same expected international environment (including global financial market risk sentiment and geopolitical tensions) as the base case, but the domestic environment differs.

The severe down case is currently an extremely low probability scenario, characterised by a lengthy global recession and/or global financial crisis, with insufficient monetary and other policy support measures, while geopolitical tensions worsen. A lengthy recession occurs in South Africa, business confidence is very depressed, and investment deteriorates. South Africa's freight, logistics, water and other structural constraints on the economy do not see resolution and devolve into very high levels of loadshedding of both electricity and water services.

High incidences of civil unrest and strike action occur, expropriation without compensation has a very negative impact on the economy. There is a failure to transition to renewable energy and implement sufficient measures to alleviate the impact of climate change on the economy. Severe rand weakness is a feature as well as very high domestic inflation, which is also affected by severely unfavourable weather conditions. Deteriorating government finances see the state borrowing from increasingly wider sources as it sinks deeper into a debt trap. South Africa's credit ratings fall into the C grades, with an increased risk of default. South Africa is blacklisted.

As at 31 March 2024, the scenario weighting of the severe down case was 9% but has dropped to 1% on 30 September 2024 as the downside probability has fallen on reduced domestic risks, while the risk of a US recession has fallen.

The up case is a positive or upside scenario and has greater likelihood now than before the national elections. It is a scenario which is depicted by rising business confidence and investment levels. Structural constraints to sustained, robust economic growth are removed in an environment of strong global and domestic growth, and the global financial market environment is one of risk taking, with geopolitical tensions falling. Low domestic inflation occurs on rand strength, along with favourable weather conditions for moderate to low food price inflation. A substantial transition to renewable energy, and a move away from fossil fuel usage occurs, along with comprehensive measures to alleviate the impact of climate change on the economy. There is no nationalisation or expropriation without compensation. No further credit rating downgrades occur and instead the rating outlooks turn positive on strong fiscal consolidation. The efficiencies on the greylist are rapidly worked down.

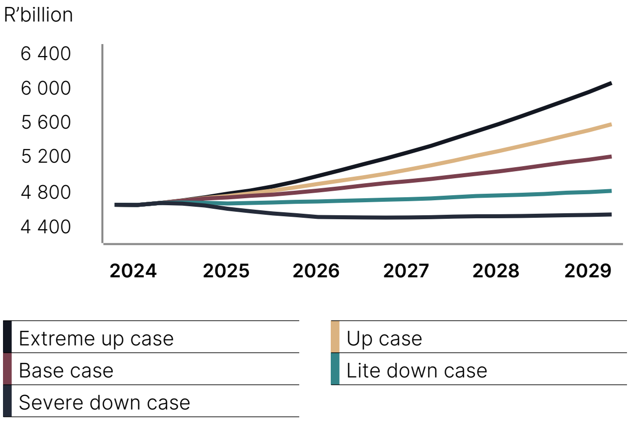
ADDITIONAL CREDIT AND COUNTERPARTY RISK DISCLOSURE
CONTINUED

As at 31 March 2024, the scenario weighting for the up case was 2% and rose to 12% on 30 September 2024. The business-government collaboration has gained further traction under the GNU, and this positive development raises the up case probability, along with the increased base case probability.

The extreme up case is an acceleration of the up case. Good governance and growth-creating reforms rapidly overcome structural constraints. Business confidence is high, property rights are strong, fixed investment growth rates are very strong, while substantial foreign direct investment (FDI) inflows occur, along with strong fiscal consolidation (and government debt falls back to the low ratios of the early 2000s). Domestic economic growth of 3-5%, then 5-7%, is achieved under this scenario and credit rating upgrades occur. Very subdued domestic inflation on extreme rand strength is a feature, along with a strong transition away from fossil fuel usage, a quick transition to renewable energy and very favourable weather conditions. There is strong global growth and a commodity boom in this scenario too. The greylisting is very short term in nature. This scenario's weighting lifts from 1% on 31 March 2024 to 2% by 30 September 2024.

The graph below depicts the forecast South African GDP growth under the macro-economic scenarios applied at 30 September 2024.

South African GDP forecast



The table below shows the key factors that form part of the macro-economic scenarios and the relative applied weightings of these scenarios.

Macro-economic scenarios

	At 30 September 2024 average 2024 – 2029					At 31 March 2024 average 2024 – 2029				
Macro-economic scenarios	**Extreme up case %**	**Up case %**	**Base case %**	**Lite down case %**	**Severe down case %**	Extreme up case %	Up case %	Base case %	Lite down case %	Severe down case %
GDP growth	4.6	3.1	2.0	0.6	(0.5)	4.8	3.1	1.7	0.5	(0.6)
Repo rate	5.6	6.0	7.1	9.2	10.2	5.3	5.8	7.0	9.1	10.3
Bond yield	9.4	10.2	11.1	12.0	12.6	9.1	9.8	10.6	11.7	12.6
CPI inflation	3.4	3.9	4.6	5.5	6.4	3.1	3.8	4.5	5.5	6.5
Residential property price growth	6.1	4.9	3.8	2.5	1.2	6.6	5.5	4.1	2.7	1.6
Commercial property price growth	4.2	2.6	1.4	(0.7)	(2.4)	4.4	2.7	1.4	(0.6)	(2.5)
Exchange rate (South African Rand:US Dollar)	14.8	16.3	17.1	19.7	21.8	14.5	16.0	18.1	19.7	21.9
Scenario weightings	**2**	**12**	**50**	**35**	**1**	**1**	**2**	**45**	**43**	**9**

ADDITIONAL CREDIT AND COUNTERPARTY RISK DISCLOSURE
CONTINUED

The following table shows annual averages of economic factors for the base case over a five-year period based on the economic forecasts in place as at 30 September 2024.

	Financial years				
Base case %	**2024/2025**	**2025/2026**	**2026/2027**	**2027/2028**	**2028/2029**
GDP growth	1.3	1.6	2.2	2.2	2.6
Repo rate	7.9	7.1	6.8	6.8	6.8
Bond yield	11.6	11.2	11.0	10.8	10.7
CPI inflation	4.6	4.4	4.7	4.6	4.7
Residential property price growth	1.2	2.9	4.4	4.9	5.5
Commercial property price growth	(0.6)	1.2	1.5	2.3	2.6
Exchange rate (South African Rand:US Dollar)	18.0	17.3	17.1	16.7	16.5

The following table outlines the extreme point forecast for each economic factor across the scenarios as at 30 September 2024. Baseline represents the five-year base case average. The upside scenario values represent the best outcomes, namely the highest quarterly level of GDP, residential and commercial property price growth (year-on-year), lowest level of CPI inflation (year-on-year), bond yield, exchange rate and repo rate. The downside scenario values represent the worst outcomes being the lowest quarterly level of GDP, residential and commercial property price growth (year-on-year), highest level of CPI inflation (year-on-year), bond yield, exchange rate and repo rate.

Five-year extreme points At 30 September 2024	**Extreme up case %**	**Up case %**	**Baseline: Base case five-year average %**	**Lite down case %**	**Severe down case %**
South Africa					
GDP growth	6.7	4.6	2.0	—	(2.4)
Repo rate	4.8	5.3	7.1	9.5	11.5
Bond yield	8.8	9.7	11.1	12.1	13.0
CPI inflation	2.9	3.4	4.6	6.1	7.0
Residential property price growth	8.8	7.4	3.8	0.6	(0.7)
Commercial property price growth	6.8	4.4	1.4	(2.5)	(4.7)
Exchange rate (South African Rand:US Dollar)	14.0	15.3	17.1	20.1	22.3

INVESTMENT RISK

Investment risk

Investment risk in the banking book comprises 2.8% of total assets at 30 September 2024.

Summary of investments held

An analysis of income and revaluations of these investments can be found in the investment income note on page 10. The balance sheet value of investments is indicated in the table below.

R'million	**On-balance sheet value of investments 30 Sept 2024**	On-balance sheet value of investments 31 March 2024
Unlisted investments*	3 258	3 274
Listed equities	727	573
Investment in Investec plc	6 680	6 430
Burstone Group Limited (previously Investec Property Fund Limited (IPF))	1 878	1 473
Bud Group Holdings (previously Investec Equity Partners (IEP))	2 512	4 303
Total investment portfolio	**15 055**	**16 053**
Investments and trading properties	3 262	3 617
Total	**18 317**	**19 670**

* Includes fair value loan investments of R499 million (March 2024: R503 million).

An analysis of the investment portfolio and Bud Group Holdings by industry (excluding investment and trading properties, Burstone Group Limited and Investec plc)

30 September 2024

R6 497 million

Manufacturing and Commerce	37.4%
Finance and Insurance	22.7%
Electricity, gas and water (utility services)	12.9%
Other	12.0%
Communication	9.4%
Mining and resources	3.3%
Real estate	2.3%

MARKET RISK

Market risk in the trading book

Traded market risk

The focus of our trading activities is primarily to support our clients. Our strategic intent is that proprietary trading should be limited and that trading should be conducted largely to facilitate client flow. Within our trading activities, we act as principal with clients or the market. Market risk exists where we have taken on principal positions resulting from market making, underwriting and facilitation of client business in the foreign exchange, interest rate, equity, credit and commodity markets.

Value at Risk (VaR)

VaR numbers using a one-day holding period are monitored daily at the 95% and 99% confidence intervals, with limits set at the 95% confidence interval. Expected shortfalls are also monitored daily at the 95% and 99% levels, being the average of the losses in the tail of the VaR distribution.

The table below contains the 95% one-day VaR figures for the trading businesses.

	30 September 2024				**31 March 2024**			
95% one-day VaR R'million	**Period end**	Average	High	Low	**Year end**	Average	High	Low
Commodities	0.4	0.5	0.6	0.3	0.5	0.5	0.8	0.3
Equities	5.6	5.1	9.9	3.2	3.0	3.9	9.6	1.7
Foreign exchange	0.3	0.7	2.7	0.2	0.5	0.7	4.3	0.2
Interest rates	6.4	5.3	9.9	3.0	4.0	5.4	41.0	2.0
Consolidated*	**6.8**	**7.7**	**14.4**	**5.4**	**6.8**	**9.1**	**44.1**	**4.1**

* The consolidated VaR is lower than the sum of the individual VaRs. This arises from the correlation offset between various asset classes (diversification).

Expected shortfall (ES)

The ES measure overcomes some of VaR's shortcomings. ES seeks to quantify losses encountered in the tail beyond the VaR level. The 95% one-day ES is the average loss given that the 95% one-day VaR level has been exceeded. The table below contains the 95% one-day ES figures.

95% one-day ES R'million	**30 Sept 2024 Period end**	31 March 2024 Year end
Commodities	0.6	1.1
Equities	10.9	8.0
Foreign exchange	0.7	0.8
Interest rates	8.4	8.5
Consolidated*	**14.4**	**12.3**

* The consolidated ES is lower than the sum of the individual ESs. This arises from the correlation offset between various asset classes.

Stressed VaR

Stressed VaR (sVaR) is calculated using the VaR model but is based on a one-year period through which the relevant market factors experienced stress. The information in the table below contains the 99% one-day sVaR.

R'million	**30 Sept 2024 Period end**	31 March 2024 Year end
99% one-day sVaR	**11.7**	45.0

BALANCE SHEET RISK

Balance sheet risk management

The balance sheet risk framework continually ensures that a comprehensive approach is taken to the management and mitigation of liquidity, funding and IRRBB risks, while ensuring adherence to regulatory requirements and internal risk appetite and policies.

Liquidity risk

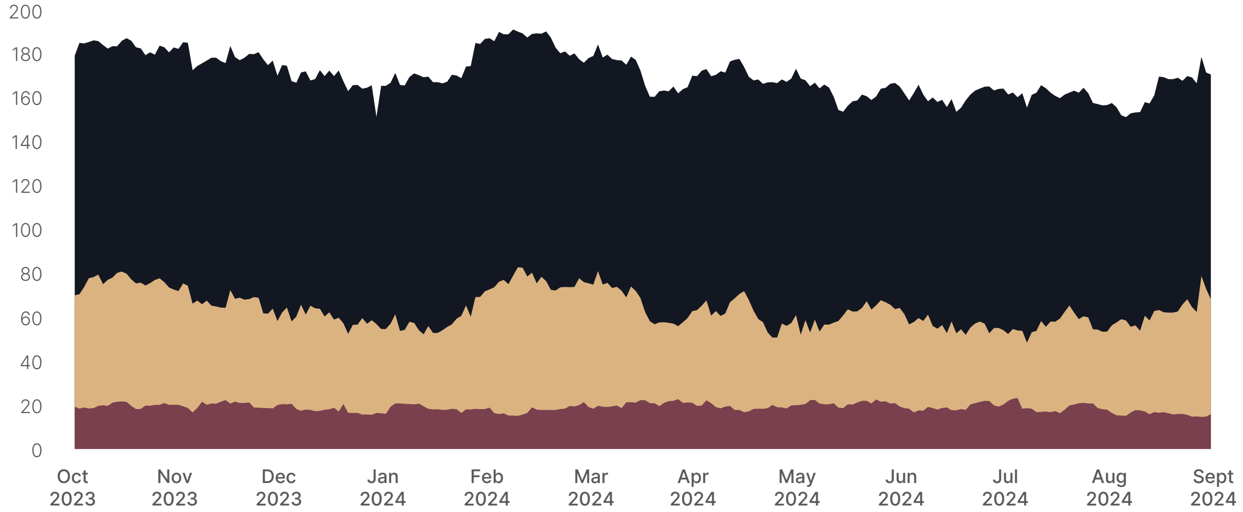
Liquidity risk refers to the possibility that, despite being solvent, we have insufficient capacity to fund increases in assets or are unable to meet our payment obligations as they fall due, in normal and stressed conditions. This includes repaying depositors or maturing wholesale debt. This risk arises from mismatches in the timing of cash flows, and is inherent in all banking operations and can be impacted by a range of institution-specific and market-wide events.

Liquidity risk is further broken down into:

- **Funding liquidity risk:** this relates to the risk that the Group will be unable to meet current and/or future cash flows or collateral requirements in the normal course of business, without adversely affecting its solvency, financial position or its reputation
- **Market liquidity risk:** this relates to the risk that the Group may be unable to trade in specific markets or that it may only be able to do so with difficulty due to market disruptions or a lack of market liquidity.

Cash and near cash trend

R'billion



Central bank cash placements and guaranteed liquidity | Cash | Near cash (other 'monetisable' assets)

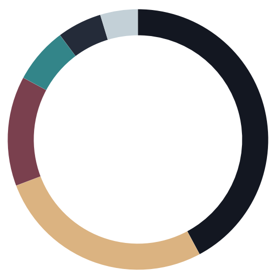
An analysis of cash and near cash at 30 September 2024

R170.9 billion

Central bank cash placements and guaranteed liquidity	60.0%
Cash	23.8%
Near cash (other 'monetisable' assets)	16.2%

Bank and non-bank depositor concentration by type at 30 September 2024

R467.1 billion



Non-bank financials	42.2%
Individuals	27.1%
Non-financial corporates	13.6%
Banks	6.9%
Small business	5.5%
Public sector	4.7%

BALANCE SHEET RISK
CONTINUED

Liquidity mismatch

The tables that follow show the liquidity mismatch across our business.

The contractual liquidity table records all assets and liabilities with the underlying contractual maturity.

With respect to the behavioural liquidity tables, we adjust the contractual profile of certain assets and liabilities:

- **Liquidity buffer:** the actual contractual profile of the assets in the liquidity buffer is of little consequence, as practically the Group would meet any unexpected net cash outflows by repo'ing or selling these highly liquid securities. Consequently, for the liquidity buffer:
  - The time horizon to monetise our regulatory liquid assets which are guaranteed by the central bank has been adjusted to 'on demand'
  - The time horizon for the cash and near cash portfolio of discretionary treasury assets has been set to one month where there are deep secondary markets for this elective asset class.
- **Customer deposits:** historical observations were used to model the behavioural maturity profile, and this analysis has identified significant additional sources of structural liquidity in the form of core deposits that exhibit stable behaviour.

Contractual liquidity at 30 September 2024

R'million	Demand	Up to one month	One to three months	Three to six months	Six months to one year	One to five years	> Five years	Total
Cash and short-term funds – banks	48 679	4 847	8 618	—	—	—	—	62 144
Cash and short-term funds – non-banks	7 564	346	563	—	—	—	—	8 473
Investment/trading assets and statutory liquids	47 416	64 997	8 024	4 751	9 786	21 207	39 475	195 656
Securitised assets	—	100	407	271	552	3 701	2 041	7 072
Advances	7 888	9 906	11 240	12 095	29 519	130 628	139 968	341 244
Other assets ^	1 673	18 420	2 746	283	—	1 696	11 969	36 787
Assets	**113 220**	**98 616**	**31 598**	**17 400**	**39 857**	**157 232**	**193 453**	**651 376**
Deposits – banks	(127)	(1 019)	—	(1 725)	(232)	(29 272)	—	(32 375)
Deposits – non-banks	(210 030)	(29 138)	(56 225)	(34 015)	(34 778)	(67 597)	(2 904)	(434 687)
Negotiable paper	—	(324)	(1 947)	(259)	(82)	(3 549)	—	(6 161)
Securitised liabilities	—	—	—	—	—	—	(5 086)	(5 086)
Investment/trading liabilities	(10 357)	(28 138)	(641)	(1 801)	(4 280)	(31 459)	(6 392)	(83 068)
Subordinated liabilities	—	—	—	—	—	(7 186)	—	(7 186)
Other liabilities	(2 611)	(16 820)	(44)	(1 201)	(1 348)	(766)	(3 835)	(26 625)
Liabilities	**(223 125)**	**(75 439)**	**(58 857)**	**(39 001)**	**(40 720)**	**(139 829)**	**(18 217)**	**(595 188)**
Total equity	—	—	—	—	—	—	(56 188)	(56 188)
Contractual liquidity gap	**(109 905)**	**23 177**	**(27 259)**	**(21 601)**	**(863)**	**17 403**	**119 048**	**—**
Cumulative liquidity gap	(109 905)	(86 728)	(113 987)	(135 588)	(136 451)	(119 048)	—	—

^ Other assets include the "Liabilities to customers under investment contracts" and "Other financial instruments at fair value through profit or loss in respect of liabilities to customers" net, these are contractually linked and do not have an impact on the liquidity gap.

Behavioural liquidity as at 30 September 2024

R'million	Demand	Up to one month	One to three months	Three to six months	Six months to one year	One to five years	> Five years	Total
Behavioural liquidity gap	**65 694**	**11 086**	**4 105**	**(3 078)**	**8 329**	**(231 832)**	**145 696**	**—**
Cumulative	65 694	76 780	80 885	77 807	86 136	(145 696)	—	

BALANCE SHEET RISK
CONTINUED

Interest rate risk in the banking book (IRRBB)

IRRBB arises from the impact of adverse movements in interest rates on both net interest earnings and economic value of equity. IRRBB is an inherent consequence of conducting banking activities, and arises from the provision of retail and wholesale (non-trading) banking products and services

Sources of IRRBB include:

- **Repricing risk:** arises from the timing differences in the fixed rate maturity and floating rate repricing of Group assets, liabilities and derivative positions. This affects the interest rate margin realised between lending income and borrowing costs when applied to our rate sensitive portfolios
- **Yield curve risk:** repricing mismatches also expose the Group to changes in the slope and shape of the yield curve
- **Basis risk:** arises from imperfect correlation in the adjustments of the rates earned and paid on different instruments with otherwise similar repricing characteristics
- **Embedded option risk:** arises from optional elements embedded in items where the Group or its customers can alter the level and timing of their cash flows, such as the prepayment of fixed rate loans and withdrawal of non-maturity deposits (NMDs)
- **Endowment risk:** refers to the interest rate risk exposure arising from the net differential between interest rate insensitive assets, interest rate insensitive liabilities and capital.

The above sources of interest rate risk affect the interest rate margin realised between lending income and borrowing costs when applied to our rate sensitive asset and liability portfolios, which has a direct effect on future net interest earnings and the economic value of equity.

Net interest income sensitivity at 30 September 2024

IRRBB is measured and monitored using an income sensitivity approach. The table below reflects Investec Bank Limited's (Consolidated) annualised net interest income value sensitivity to a 0.25% parallel shift in interest rates assuming no management intervention.

million	All (ZAR)
25bps down	(129.1)
25bps up	129.1

Economic value sensitivity at 30 September 2024

As outlined above, IRRBB is measured and monitored using an economic value sensitivity approach. The table below reflects Investec Bank Limited's (Consolidated) economic value sensitivity to a 2% parallel shift in interest rates assuming no management intervention. This sensitivity effect would only have a negligible direct impact on our equity.

million	All (ZAR)
200bps down	(403.2)
200bps up	369.4

CAPITAL ADEQUACY

A summary of capital adequacy and leverage ratios

	IRB Scope*	
R'million	**30 Sept 2024^**	31 March 2024^
Common Equity Tier 1 ratio	14.8%	13.6%
Tier 1 ratio	16.2%	15.0%
Total capital ratio	18.8%	17.5%
Risk-weighted assets (R'million)	279 813	292 179
Leverage exposure measure (R'million)	719 254	705 807
Leverage ratio	6.3%	6.2%

Capital structure and capital adequacy

	IRB Scope*	
R'million	**30 Sept 2024^**	31 March 2024^
Shareholders' equity	**49 845**	**48 709**
Shareholders' equity per balance sheet	52 296	51 160
Perpetual preference share capital and share premium	(2 451)	(2 451)
Non-controlling interests	**—**	**—**
Non-controlling interests per balance sheet	(58)	(61)
Non-controlling interests excluded for regulatory purposes	58	61
Regulatory adjustments to the accounting basis	**(366)**	**(333)**
Prudent (Additional) valuation adjustment	(299)	(276)
Gains or losses on liabilities at fair value resulting from changes in our credit standing	(27)	(32)
Cash flow hedging reserve	(40)	(25)
Deductions	**(8 038)**	**(8 526)**
Goodwill and intangible assets net of deferred tax	(632)	(294)
Investment in financial entity#	—	(237)
Shortfall of eligible provisions compared to expected loss	(459)	(306)
Deductions of amounts exceeding the 15% threshold#	—	(1 004)
Other regulatory adjustments^^	(6 947)	(6 685)
Common equity tier 1 capital	**41 441**	**39 850**
Additional Tier 1 capital	**3 950**	**3 964**
Additional tier 1 instruments	3 950	4 010
Non-qualifying surplus capital attributable to non-controlling interest	—	(46)
Tier 1 capital	**45 391**	**43 814**
Tier 2 capital	**7 332**	**7 449**
Collective impairment allowances	146	166
Tier 2 instruments	7 186	7 283
Total regulatory capital	**52 723**	**51 263**
Risk-weighted assets	**279 813**	**292 179**

* Investec Limited uses the Internal Ratings Based (IRB) Approach to quantify credit RWAs. As at 30 September 2024, 59% (31 March 2024: 54%) of the portfolio applies the AIRB approach, 25% (31 March 2024: 26%) applies the FIRB approach, with the remaining balance of 16% (31 March 2024: 20%) remaining on the standardised approach.

^ Investec Limited's capital information includes unappropriated profits. If unappropriated profits are excluded from capital information, Investec Limited's CET 1 ratio would be 165bps lower (31 March 2024: 111bps lower) and the leverage ratio would be 66bps lower (31 March 2024: 48bps).

^^ The South African Prudential Authority granted Investec Limited permission to deduct the full investment in Investec Plc against CET1 capital. The deduction at 30 September 2024 amounts to R6.7 billion (March 2024: R6.4bn) and is included in other regulatory adjustments.

The elimination at 30 September 2024, of the deductions related to Investment in financial entities (31 March 2024: R0.2 billion) and deductions of amounts exceeding 15% threshold (31 March 2024: R1 billion) follows the disposal of Assupol Holdings Limited by the Bud Group.

CAPITAL ADEQUACY
CONTINUED

Capital requirements

	IRB Scope*	
R'million	**30 Sept 2024^**	31 March 2024^
Capital requirements	**34 077**	**35 186**
Credit risk	24 940	26 818
Equity risk	1 621	1 807
Counterparty credit risk	1 134	810
Credit valuation adjustment risk	502	318
Market risk	1 174	956
Operational risk	4 706	4 477
Risk-weighted assets	**279 813**	**292 179**
Credit risk^^	204 795	222 698
Equity risk	13 310	15 008
Counterparty credit risk	9 304	6 723
Credit valuation adjustment risk	4 124	2 637
Market risk	9 639	7 934
Operational risk	38 641	37 179

Leverage

	IRB Scope*	
R'million	**30 Sept 2024^**	31 March 2024^
Tier 1 capital	45 391	43 814
Total exposure measure	719 254	705 807
Leverage ratio	**6.3%**	**6.2%**

* Investec Limited uses the Internal Ratings Based (IRB) Approach to quantify credit RWAs. As at 30 September 2024, 59% (31 March 2024: 54%) of the portfolio applies the AIRB approach, 25% (31 March 2024: 26%) applies the FIRB approach, with the remaining balance of 16% (31 March 2024: 20%) remaining on the standardised approach.

^ Investec Limited's capital information includes unappropriated profits. If unappropriated profits are excluded from capital information, Investec Limited's CET 1 ratio would be 165bps lower (31 March 2024: 111bps lower) and the leverage ratio would be 66bps lower (31 March 2024: 48bps).

^^ The reduction in credit risk RWAs is mainly driven by the successful migration of the Investec for Business and Fund Finance portfolios to AIRB, as well as lower RWAs associated with amounts below the thresholds for deduction (subject to 250% risk weight) following the disposal of Assupol Holdings Limited by the Bud Group.

ALTERNATIVE PERFORMANCE MEASURES

We supplement our IFRS figures with alternative performance measures used by management internally and which provide valuable, relevant information to readers. These measures are used to align internal and external reporting, identify items management believes are not representative of the underlying performance of the business and provide insight into how management assesses period-on-period performance. A description of the Group's alternative performance measures and their calculation, where relevant, is set out below.

Alternative performance measures are not measures within the scope of IFRS and are not a substitute for IFRS financial measures. Alternative performance measures constitute pro-forma financial information. The pro-forma financial information is the responsibility of the Board of Directors and is presented for illustrative purposes only and because of its nature may not fairly present the Group's financial position, changes in equity, and results in operations or cash flows.

Adjusted operating profit	Refer to the calculation in the table below

R'million	Six months to 30 Sept 2024	Six months to 30 Sept 2023^	Year to 31 March 2024
Operating profit before acquired intangibles	5 842	4 723	9 939
Add: Profit attributable to non-controlling interests	2	(5)	(4)
Adjusted operating profit	**5 844**	**4 718**	**9 935**

^ Restated as detailed on page 23.

Annuity income	Net interest income (refer to page 9) plus net annuity fees and commissions (refer to page 10)
Core loans	The table below describes the differences between 'loans and advances to customers' as per the balance sheet and gross core loans

R'million	30 Sept 2024	31 March 2024
Loans and advances to customers per the balance sheet	339 131	337 232
Add: Own originated loans and advances to customers per the balance sheet	7 072	6 446
Net core loans	**346 203**	**343 678**
of which subject to ECL*	344 673	342 138
Net core loans at amortised cost	331 584	327 509
Net fixed rate loans designated at FVPL (on which ECL is calculated for management purposes)*	13 089	14 629
of which FVPL (excluding fixed rate loans above)	1 530	1 540
Add: ECL	2 568	2 774
Gross core loans	**348 771**	**346 452**
of which subject to ECL*	347 241	344 912
of which FVPL (excluding fixed rate loans above)	1 530	1 540

* Includes portfolios for which ECL is not required for IFRS purposes, but which management evaluates on this basis. These are fixed rate loans which have passed the solely payments of principal and interest (SPPI) test and are held in a business model to collect contractual cash flows but have been designated at FVPL to eliminate accounting mismatches (interest rate risk is being economically hedged). The underlying loans have been fair valued and management performs an ECL calculation in order to obtain a reasonable estimate of the credit risk component. The portfolio is managed on the same basis as gross core loans measured at amortised cost. R11.9 billion of the drawn exposure falls into Stage 1 (31 March 2024: R13.8 billion), R373.9 million falls in Stage 2 (31 March 2024: R16.4 million) and the remaining R1.0 billion falls into Stage 3 (31 March 2024: R1003.3 million). The ECL on the Stage 1 portfolio is R43.3 million (31 March 2024: R30.9 million), ECL on Stage 2 is R0.2 million (31 March 2024: R0.4 million) and the ECL on Stage 3 portfolio is R155.0 million (31 March 2024: R119.3 million).

Cost to income ratio	Refer to calculation in the table below

R'million	Six months to 30 Sept 2024	Six months to 30 Sept 2023^	Year to 31 March 2024
Operating costs (A)	5 886	5 360	10 849
Total operating income before expected credit loss impairment charges	12 056	10 250	20 625
Less: Profit attributable to non-controlling interests	2	(5)	(4)
Total (B)	12 058	10 245	20 621
Cost to income ratio (A/B)	**48.8%**	**52.3%**	**52.6%**

^ Restated as detailed on page 23.

Coverage ratio	ECL as a percentage of gross core loans subject to ECL
Credit loss ratio	Annualised ECL impairment charges on core loans as a percentage of average gross core loans subject to ECL
Gearing ratio	Total assets excluding assurance assets divided by total equity
Loans and advances to customers as a % of customer deposits	Loans and advances to customers as a percentage of customer accounts (deposits)
Net interest margin	Annualised interest income net of interest expense, divided by average interest-earning assets. Refer to calculation on page 9.

DEFINITIONS

Cash and near cash

Comprises cash, near cash (other 'monetisable assets', which largely include short-dated trading assets) and central bank cash placements and guaranteed liquidity.

EBITDA

The earnings before interest, taxes, depreciation and amortisation of the company being valued

ECL

Expected credit loss

Funds under management

Consists of funds managed by the Wealth & Investment business and by the Property business (which forms part of the Specialist Bank)

FVOCI

Fair value through other comprehensive income

FVPL

Fair value through profit and loss

Interest-earning assets

Cash and near cash, bank debt securities, sovereign debt securities, core loans and advances, other debt securities, other loans and advances and other securitised assets

Refer to page 9 for calculation.

Interest-bearing liabilities

Deposits by banks, debt securities in issue, repurchase agreements and cash collateral on securities lent, customer accounts (deposits), liabilities arising on securitisation of own originated loans and advances and loans from Group companies

Refer to page 9 for calculation.

Subject to ECL

Includes financial assets held at amortised cost as well as designated at FVPL loan portfolios for which ECL is not required for IFRS purposes but for which management evaluates on this basis

WACC

Weighted average cost of capital