

Investec Bank plc
Incorporated in England and Wales
Registration number 489604
LEI: 84S0VF8TSMH0T6D4K848

Unaudited condensed Financial Statements for the six months ended 30 September 2025

Investec Bank plc

(Incorporated in England and Wales)

(Company Registration Number: 489604)

Interim Management Report

This Interim Management Report is issued by Investec Bank plc (the Bank), a subsidiary of the listed entity Investec plc, in accordance with the UK Listing Authority's Disclosure and Transparency Rules and together with the Investec Bank plc unaudited consolidated interim financial report for the six months ended 30 September 2025 (1H2026) has been prepared in accordance with IAS 34 "Interim Financial Reporting". Unless stated otherwise, comparatives relate to the six month period ended 30 September 2024 (1H2025). Adjusted operating profit refers to operating profit before amortisation of acquired intangibles, strategic actions and taxation and after non-controlling interests.

Performance overview

- Revenue was supported by ongoing client acquisition, client activity, and growth in average lending portfolios. The benefit to net interest income (NII) from growth in average lending books was offset by the impact of declining interest rates. Non-interest revenue (NIR) growth reflects a strong increase in fee income generated by our Banking business, augmented by an increase in the Bank's share of post-tax profits from associates and joint venture holdings
- The cost to income ratio was 50.9% (1H2025: 49.7%)
- The annualised credit loss ratio on average gross core loans subject to ECL was 56bps (1H2025: 67bps) in line with guidance. The overall credit quality of the book remained strong, with no evidence of trend deterioration
- Adjusted operating profit decreased by 2.4% to £235.6 million (1H2025: £241.5 million). The Bank saw good levels of lending origination with strong fee generation, which was counterbalanced by the negative impact of lower average interest rates
- Net core loans increased by 6.6% annualised to £17.4 billion (31 March 2025: £16.8 billion)
- Customer accounts (deposits) decreased by 1.0% annualised to £21.4 billion (31 March 2025: £21.6 billion)
- Cash and near cash balances amounted to £8.4 billion at 30 September 2025 (31 March 2025: £9.1 billion)
- Capital ratios* remained sound with the Bank reporting a total capital ratio of 18.9% (31 March 2024: 19.2%), a common equity tier 1 ratio of 13.5% (31 March 2025: 13.6%) and a leverage ratio of 10.2% (31 March 2025: 10.5%)
- Our associate Rathbones Group Plc reported Funds Under Management and Administration (FUMA) of £113.0 billion on 30 September 2025 (£104.1 billion at 31 March 2025).

**Including the deduction of foreseeable charges and dividends as required under the Capital Requirements Regulation.*

Business unit review

Specialist Banking

Adjusted operating profit decreased by 5.2% to £196.5 million (1H2025: £207.2 million). This performance was achieved notwithstanding a challenging macroeconomic environment marked by ongoing geopolitical uncertainty and market volatility.

We are focused on our growth agenda; strategically investing to enhance our offerings, as well as deliver scale and relevance in our existing businesses. We are investing in our transactional banking

capabilities in both private and corporate banking to complement our current core specialisations. Our well-established franchise stands as the only integrated and diversified mid-market focused specialist bank, providing the capabilities of global investment banks to the corporate mid-market. Our breadth of capabilities and exceptional client service position us well to become a leading relationship banking group in the UK.

Net core loans grew 6.6% annualised to £17.4 billion; driven by growth across our diversified corporate loan book, particularly in our Fund Solutions, Direct Lending and Aviation portfolios, as well as 9.6% annualised growth in the residential mortgage portfolio since 31 March 2025. Lending activity during the period was supported by new client acquisition as well as recurring business with existing clients.

Revenue decreased slightly on prior period; as strong growth in net fee and commission income, generated from our Investment Banking lending and advisory activities, was offset by lower net interest income and lower income from balance sheet management and other trading activities.

Net interest income decreased by 6.2%, the benefit of a larger average loan book was offset by the negative endowment effect of declining interest rates.

Non-interest revenue increased by 8.8% driven by:

- Net fees and commissions increasing by 28.0% reflecting higher arrangement fees generated across our investment banking lending franchises, as well as higher listed advisory fees
- Partly offset by:
 - Lower investment income due to lower net fair value gains relative to the prior period
 - Lower income from balance sheet management and other trading activities.

ECL impairment charges totalled £49.5 million (1H2025: £52.8 million) resulting in an annualised credit loss ratio of 56bps (1H2025: 67bps) in line with the guidance. The decrease in ECL charges was largely driven by lower Stage 3 ECL charges. Overall asset quality of the book remained stable; Stage 3 exposures remained stable at 3.4% (31 March 2025: 3.4%) and Stage 2 exposures decreased to 7.2% (31 March 2025: 8.1%) of gross core loans subject to ECL at 30 September 2025 respectively.

The cost to income ratio was 53.9% (1H2025: 52.2%). Operating costs increased by 1.4% period-on-period. Fixed operating cost growth of 7.2% reflects continued and accelerated investment in our Private Client and Corporate mid-market growth initiatives, strategic and regulatory projects to transform the business and enable future growth, as well as inflationary pressures. Variable remuneration decreased relative to the prior period.

The Bank notes the recent FCA announcement and consultation paper on an industry wide redress scheme for motor finance. Based on the FCA consultation in its current form the Bank has concluded that the existing £30 million provision, including both redress and operational costs, remains appropriate based on information currently available. This represents the Bank's best estimate of the potential impact of this matter. The current FCA proposals remain under consultation, and the redress exposure is still uncertain, subject to variability arising from any changes made by the FCA in the final scheme rules, customer take-up rates and the potential impact these may have on operational costs. The Bank commenced lending into the UK Motor Vehicle Finance market in June 2015 and motor finance gross core loans amounted to £11 million at 31 March 2016.

Further information on key developments within each of the business units is provided in the Investec group's interim report published on the Investec group's website: <http://www.investec.com>.

Wealth & Investment UK

The all-share combination of IW&I UK and Rathbones successfully completed in September 2023. At 30 September 2025 Rathbones reported FUMA of £113.0 billion FUMA.

The Bank continues to hold c.44.5 million Rathbones shares (ordinary and convertible), unchanged since completion of the combination.

The current period consists of the Bank's share of Rathbones post-tax underlying profit attributable to shareholders of £78.7 million for their six months ended 30 June 2025 which amounts to £33.9 million

(1H2025: £32.3 million). We have accrued earnings at 43.05%, being the latest effective interest taking into consideration the elimination of treasury shares held within Rathbones Group. In prior periods, this consideration had not been applied and earnings were accrued at 41.25%. As such, an additional £4.3 million has been recognised in this period to account for the differential.

Rathbones have announced the successful completion of the planned IW&I UK client and asset migration, establishing a strong foundation for realising the full benefits of the combined organisation going forward. At 30 September 2025, Rathbones announced that the synergy target of £60 million on an annualised run rate basis has been achieved.

Capital and Liquidity

Funding and liquidity

As at 30 September 2025, the Bank had £8.4 billion in cash and near cash balances (31 March 2025: £9.1 billion), representing 39.4% of customer deposits. The Bank continues to maintain a conservative liquidity and funding profile. Loans and advances to customers as a percentage of customer deposits amounted to 81.0% (31 March 2025: 78.0%). The Bank comfortably exceeds Basel liquidity requirements for the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). As at 30 September 2025 IBP (solo basis) LCR was 319% and the NSFR was 138%.

Capital adequacy*

Capital remained comfortably in excess of regulatory requirements and the Bank continued to meet internal board-approved capital targets. As at 30 September 2025, the Common Equity Tier 1 ratio of the Bank was 13.5%, the total capital ratio was 18.9% and the leverage ratio was 10.2%.

**Including the deduction of foreseeable charges and dividends as required under the Capital Requirements Regulation.*

Credit quality and counterparty exposures

The Bank lends mainly to high net worth and high income individuals, mid to large sized corporates, public sector bodies and institutions. The majority of the Bank's credit and counterparty exposures reside within its principal operating geography, namely the UK.

Taxation

Taxation on operating profit before acquired intangibles and strategic actions from continuing operations was £43.1 million (1H2025: £45.7 million), resulting in an effective operational tax rate of 22.3% (1H2025: 21.8%).

Outlook

Revenue is expected to be supported by book growth, ongoing client activity and continued success in our client acquisition and entrenchment strategies, partly offset by the impact of lower average interest rates. We expect performance in the second half of the financial year to be broadly in line with the current period.

The Bank has maintained robust capital and liquidity levels well above Board-approved minimums. The Bank is well positioned to continue supporting our clients in navigating the current economic uncertainty and deliver on our strategy to enhance long-term returns. We remain committed to our purpose of creating enduring worth for all our stakeholders.

On behalf of the Board of Investec Bank plc

Ruth Leas

Chief Executive Officer

Note to the commentary section

This interim management report includes an unaudited consolidated condensed set of financial statements produced by the Bank for the six months ended 30 September 2025, which can be accessed via the following link http://www.rns-pdf.londonstockexchange.com/rns/4911J_1-2025-11-28.pdf. This document is also available on Investec's website at <https://www.investec.com/content/dam/investor-relations/financial-information/interim-results/2025/Investec-Bank-plc-Web-Booklet-September-2025.pdf>, and via the National Document Storage Mechanism at: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>

These unaudited consolidated financial results have been prepared in terms of the recognition and measurement criteria of International Financial Reporting Standards, and the presentation and disclosure requirements of IAS 34, (Interim Financial Reporting).

The accounting policies applied in the preparation of the results for the period to 30 September 2025 are consistent with those adopted in the financial statements for the year ended 31 March 2025.

Contingent liabilities

The Bank assessed its exposure to legal proceedings and the appropriateness of related provisions recognised on the balance sheet as at 30 September 2025. It was concluded that the provisions held as at 30 September 2025 reflect our best estimate of the potential financial outflows that may arise. Refer to page 22 of the Investec Bank plc unaudited condensed financial information for the six months ended 30 September 2025 for further detail.

Enquires and further information:

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INVESTEC BANK PLC DIRECTORS' RESPONSIBILITY STATEMENT

The directors (the names of whom are set out below) are required to prepare the financial statements on a going concern basis unless it is not appropriate to do so. In making this assessment, the directors have considered information relating to present and future conditions.

Each of the directors (the names of whom are set out below) confirm that these condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting", as adopted by the UK and, to the best of their knowledge:

- (i) give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation as a whole;
- (ii) the interim management report herein includes a fair review of the information required by the Financial Conduct Authority's (FCA's) Disclosure Guidance and Transparency Rule (DTR) 4.2.7R, namely: An indication of important events that have occurred during the six months ended 30 September 2025 and their impact on the condensed consolidated interim financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year.

Signed on behalf of the board

Ruth Leas
Chief Executive Officer
28 November 2025

Investec Bank plc board of directors:

Executive directors

Ruth Leas (Chief Executive Officer)
Kevin McKenna (Chief Risk Officer)
Marlé van der Walt (Finance Director)
Fani Titi

Non-executive directors

John Reizenstein (Chair)
Henrietta Baldock
David Germain
Paul Seward
Lesley Watkins
Vivek Ahuja

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