



Notice to our valued shareholders

Share code ABBL ISIN BW 000 000 0025 (Incorporated in the Republic of Botswana) ("Absa" or "the Company")

Absa Bank Botswana Limited ('the Company') is required, in line with the Botswana Stock Exchange (BSE) Listings Requirements, to announce through the BSE and to the shareholders any circumstances or events that have, or are likely to have, a material effect on the financial results of the Company for the period to be reported on.

The Board of Directors of the Company ("the Board"), hereby advises shareholders that the Company's consolidated interim results for the period ended 30 June 2020 will be substantially lower than the results reported for the period ended 30 June 2019. Profit before tax is expected to be lower by between 60 - 70 percent (approximately BWP230 million to BWP270 million) than that reported for the period ended 30 June 2019, which amounted to P387 million. The outbreak of Covid-19 has had a significant impact on the economy and business community across different industries at large. In our business, the impact has been significant on the credit impairment provisions line given the size of our business as well the strategies we deployed to support our customers during this difficult time, through extension of payment holidays and other relief programs. This surge in credit impairments provisions has materially impacted our profit before tax in comparison to prior period results.

The full details will be provided to shareholders at the announcement of the half year financial results due to be released in September 2020.

Accordingly, the shareholders of the Company and potential investors are advised to exercise caution when trading in the Company's securities until the results are formally published.

By order of the Board of Directors
2 September 2020

A handwritten signature in black ink, appearing to read "Alfred M. Dube".

Alfred M. Dube
Interim Board Chairman