INVESTOR UPDATE
31 MARCH 2025

CONTENT

DBSA OVERVIEW

INTRODUCTION

DBSA

MANDATE

Promote **economic development and growth, human and institutional capacity building** for **sustainable development projects and programmes** in the African continent.

Institutional strength

Reconstituted through
DBSA Act
(Act 13 of 1997)

Global Issuer Rating

Ba3 (Moody's) **BB-** (S&P)

National Scale Rating

Aa3 (zf)
(Moody's)

Owned
100%
by SA Government

Well governed

Unqualified audit outcomes since inception

Globally
Recognised

Global Environmental Facility (GEF)

Green Climate Fund (GCF)

WHO WE ARE

VISION

A prosperous and integrated resource-efficient region, progressively free of poverty and dependency

MISSION

Advance development impact in Africa by expanding access to development finance and effectively integrating and implementing sustainable development solutions to:

- Improve quality of life through the development of social infrastructure
- Support economic growth through investment in economic infrastructure
- Support regional integration
- Promote sustainable use of scarce resources

STRATEGIC OBJECTIVES

- **Financial sustainability** – maintain profitability and operational efficiency to enable growth in equity and fund developmental activities
- **Accelerated developmental impact –** programmatic infrastructure development aligned with government's ambition
- **Building future-fit DBSA –** harness the power of the digital economy and maintain a relevant workforce
- **Smart partnerships –** purpose-driven public and private collaborations that drive development solutions

STRATEGIC INITIATIVES: 2025/26

STRATEGY PILLARS AND GROWTH AREAS

- Pursuing green growth for sustainability and resilience
- Strengthening infrastructure to support economic expansion and an equitable society
- Pursuing sound Rest of Africa strategy
- Enhancing operational excellence

6 INITIATIVES

1. 

Integrated municipal approach

2. 

Just transition

3. 

Policy & Regulatory Review

4. 
Regional integration

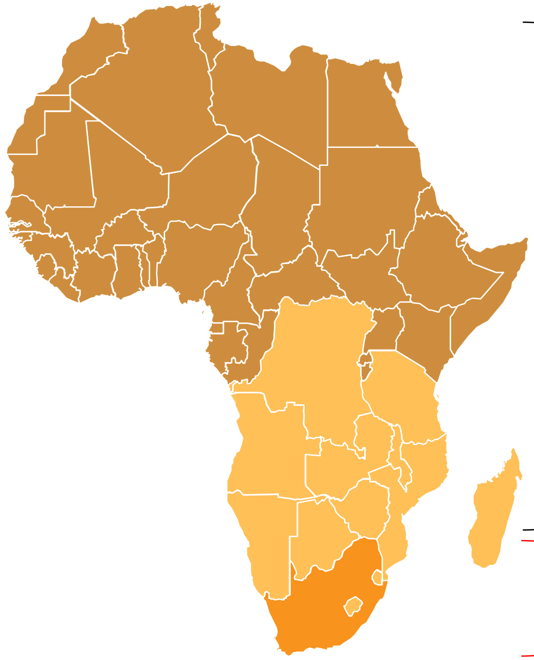
5. 

Elevating Development Impact

6. Future-Fit
Fit-for purpose DBSA

GEOGRAPHIC FOOTPRINT & KEY SECTORS

CLIENTS AND MANDATED EXPOSURE



40%

60%

South Africa

- Municipalities
- State Owned Entities (“SOEs”) *(infrastructure mandate alignment)*
- Private sector
- Public–Private Partnerships
- National and provincial government departments

Rest of Africa

- SOEs
- Public–Private Partnerships
- Sovereigns

SECTORS

Energy

Transport

Water and Sanitation

ICT / Digital

Education

Health

Human settlements

THE DBSA VALUE PROPOSITION

DBSA

AN END-TO-END INFRASTRUCTURE DEVELOPMENT PRODUCT SUITE

PLAN

- Municipal assessments
- Bulk infrastructure plans
- Infrastructure planning advice

PREPARE

- Project identification
- Feasibility assessments
- Technical assistance
- Programme development
- Project preparation funds

FINANCE

- Long-term senior and subordinated debt
- Corporate and project finance
- Mezzanine finance
- Structured financing solutions
- Equity

BUILD

- Managing design and construction of projects in education, health and housing sectors
- Project management support

MAINTAIN

- Supporting maintenance / improvement of social infrastructure projects

GOVERNANCE

INSTITUTIONAL STRENGTH

- Historical foundation – building on strength
- Effective leadership – stability in leadership at Executive and Board
- Culture of accountability – robust frameworks for operations, compliance, legal, risk and governance
- Commitment to ethical practices – sound corporate values
- Solid financial position to ensure long-term financial viability
- Sound value proposition – customer-centric and employee-focused (people at core of what we do)
- Strong collaborative stakeholder relationships
- Open and transparent communication

GOVERNANCE STRUCTURE

DBSA

SHAREHOLDER – NATIONAL TREASURY

DBSA BOARD OF DIRECTORS

- AUDIT & RISK COMMITTEE
- BOARD CREDIT INVESTMENT COMMITTEE
- INFRASTRUCTURE DELIVERY & KNOWLEDGE COMMITTEE
- SUSTAINABILITY & ETHICS COMMITTEE
- HUMAN RESOURCES & REMUNERATION COMMITTEE
- NOMINATION COMMITTEE
- TRANSFORMATIVE INITIATIVE COMMITTEE

CHIEF EXECUTIVE OFFICER

EXECUTIVE COMMITTEE

- ASSET & LIABILITY MANAGEMENT COMMITTEE
- INVESTMENT COMMITTEE
  - HIGH IMPACT INVESTMENT PORTFOLIO
- INFRASTRUCTURE DEVELOPMENT & KNOWLEDGE COMMITTEE MANCO
- SOCIAL ENVIRONMENTAL ETHICS CLIMATE RISK MANAGEMENT COMMITTEE
- SUPPLY CHAIN MANAGEMENT COMMITTEE
  - SUPPLY DEBARMENT COMMITTEE

Accountable to the Board/ Board Committee & administratively to the CEO

- Corporate Governance and Company Secretariat
- Internal Audit

- Group Risk
- Strategy, Economics & Sustainability
- Treasury
- Investment and Financing
- Programmes
- Infrastructure Development
- Finance
- Digital and Business Transformation Office
- Human Resource

DBSA GOVERNANCE

DBSA

- Schedule 2 Public Entity in terms of the Public Finance Management Act (PFMA).
- 100% SA Government owned - Minister of Finance as the Executive Authority.
- Board comprising 13 non-executive directors and 2 executive directors.
- Shareholder Compact regulates the relationship between the Shareholder and the Board.
- Regulated by the DBSA Act, PFMA & National Treasury Regulations, JSE Debt and Specialist Securities Listings Requirements, and Corporate Governance Legislation (e.g. Companies Act & King IV Code of Corporate Governance). Board Charter developed.
- No operational involvement by the shareholder in the day-to-day affairs of the Bank, including participation in any management structure below Board.

FINANCIAL RESULTS 2025

INCOME STATEMENT HIGHLIGHTS 2025

STELLAR PERFORMANCE IN A CHALLENGING ENVIRONMENT

DBSA

MACRO ECONOMIC VARIABLES

SA GDP growth	Negative
SA inflation	Positive
Municipal sector challenges	Negative / Positive
GNU	Positive
Geo-politics, trade wars/tariffs	Negative
Sovereign debt sustainability	Negative
Interest Rates	Negative
Foreign currency	Negative

Positive Negative

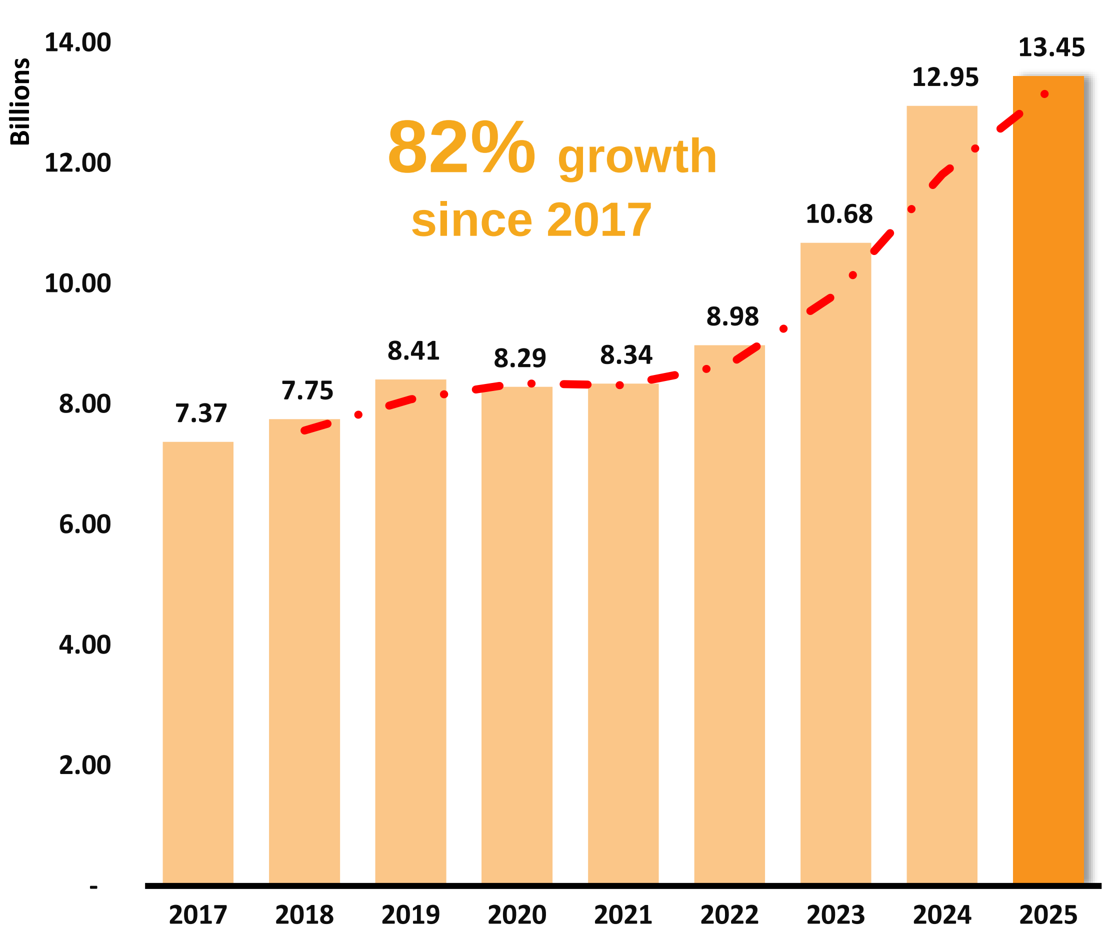
FINANCIAL OUTCOMES

Net Profit	R5.3bn	Up
ROE	9.7%	Down
Net Interest Income	8.6%	Up
Debt to Equity	78%	Down
Cost to Income	22%	Up
Disbursements	R17.5bn	Up
NPL	3.2%	Up
Cash Collections	R27.4bn	Up

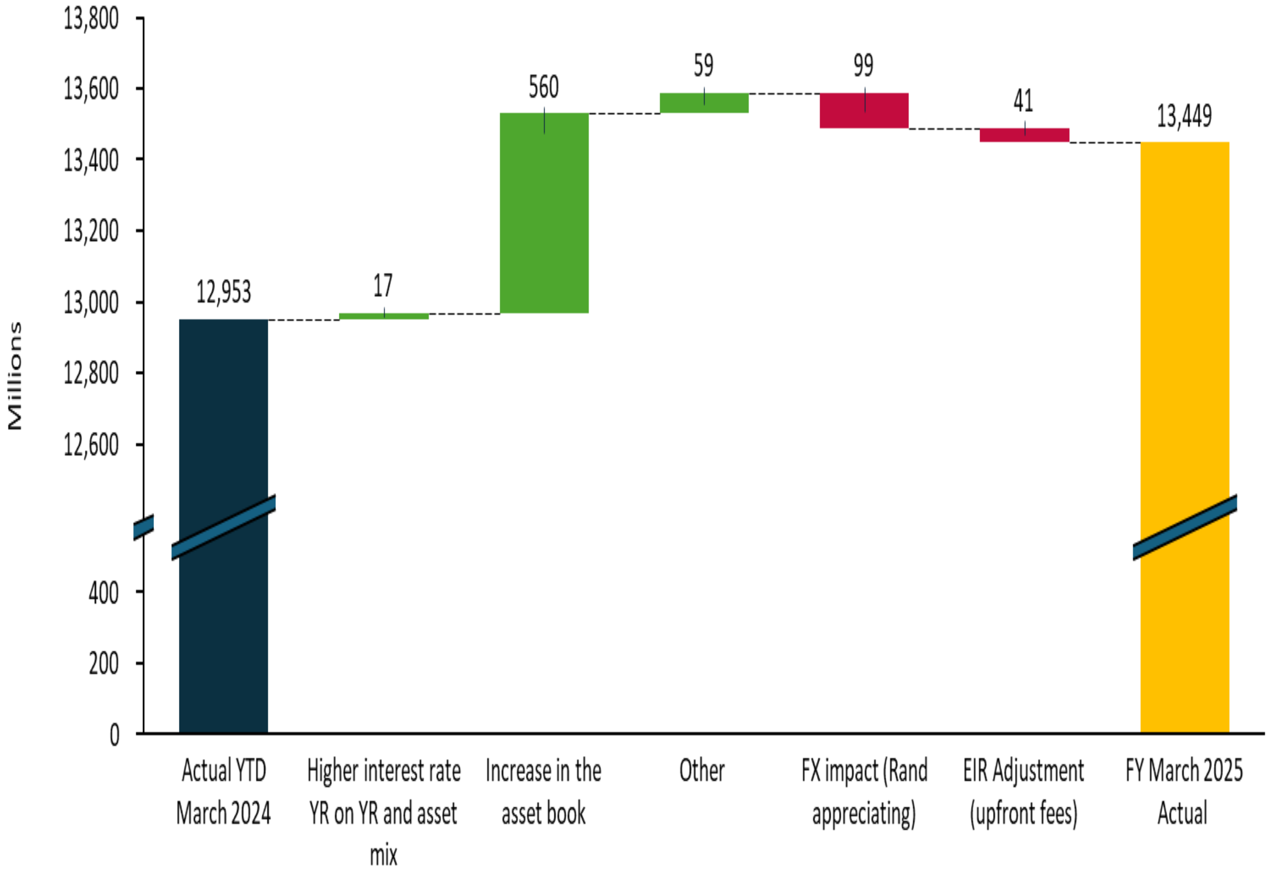
ROBUST & SUSTAINABLE GROWTH IN REVENUE

DBSA

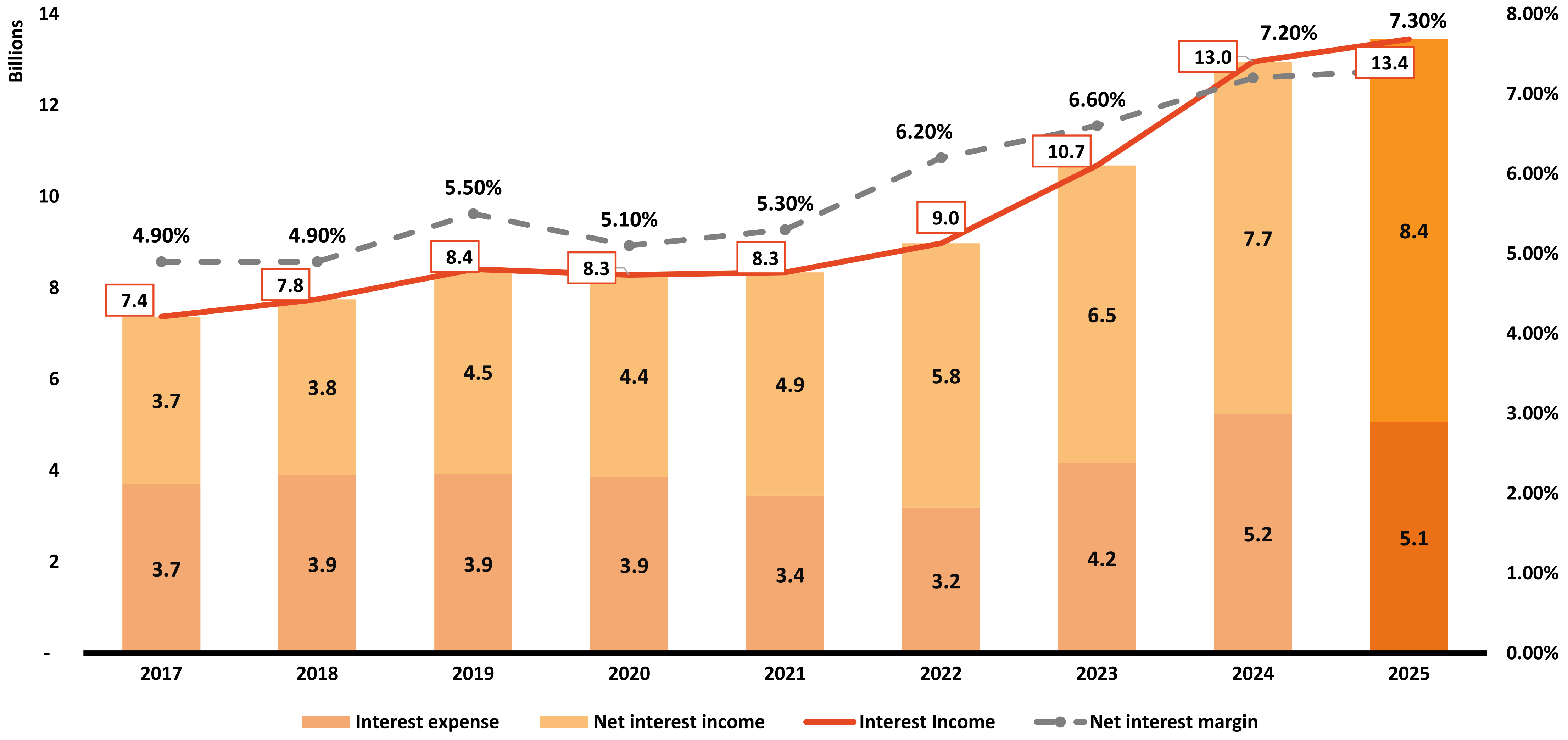
ROBUST REVENUE GROWTH



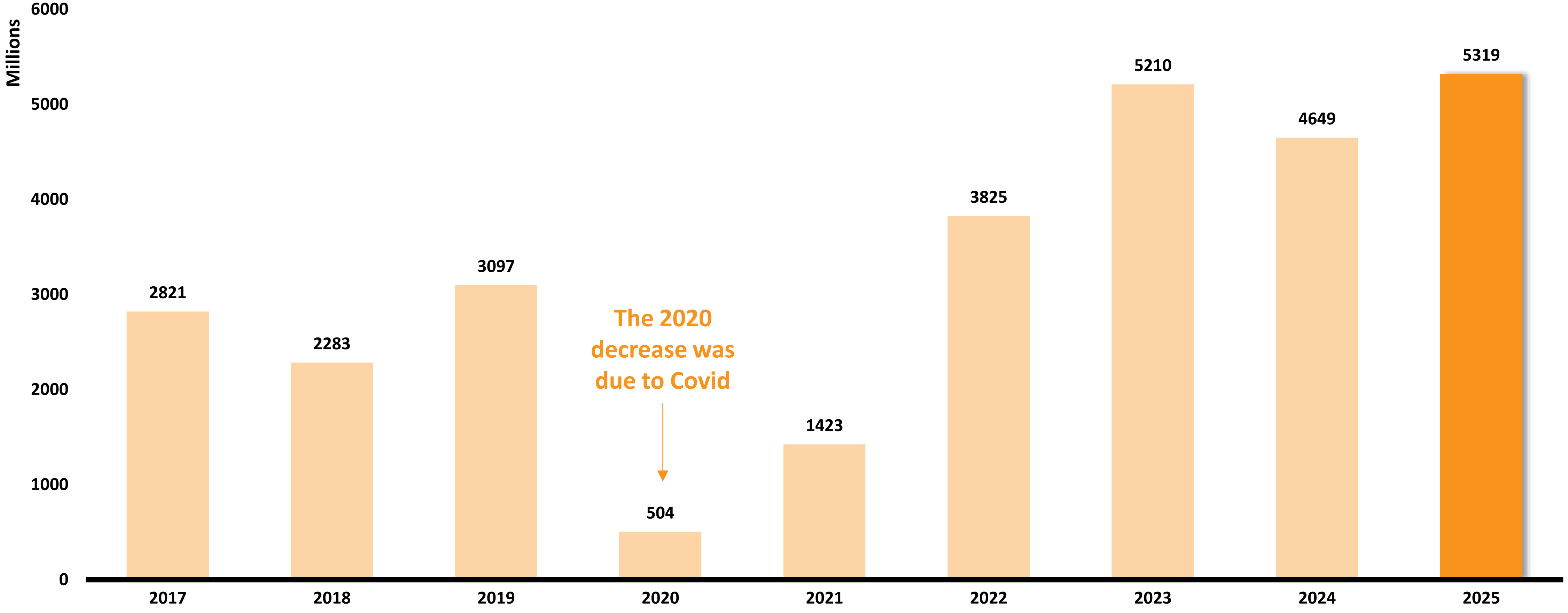
KEY DRIVERS OF REVENUE GROWTH



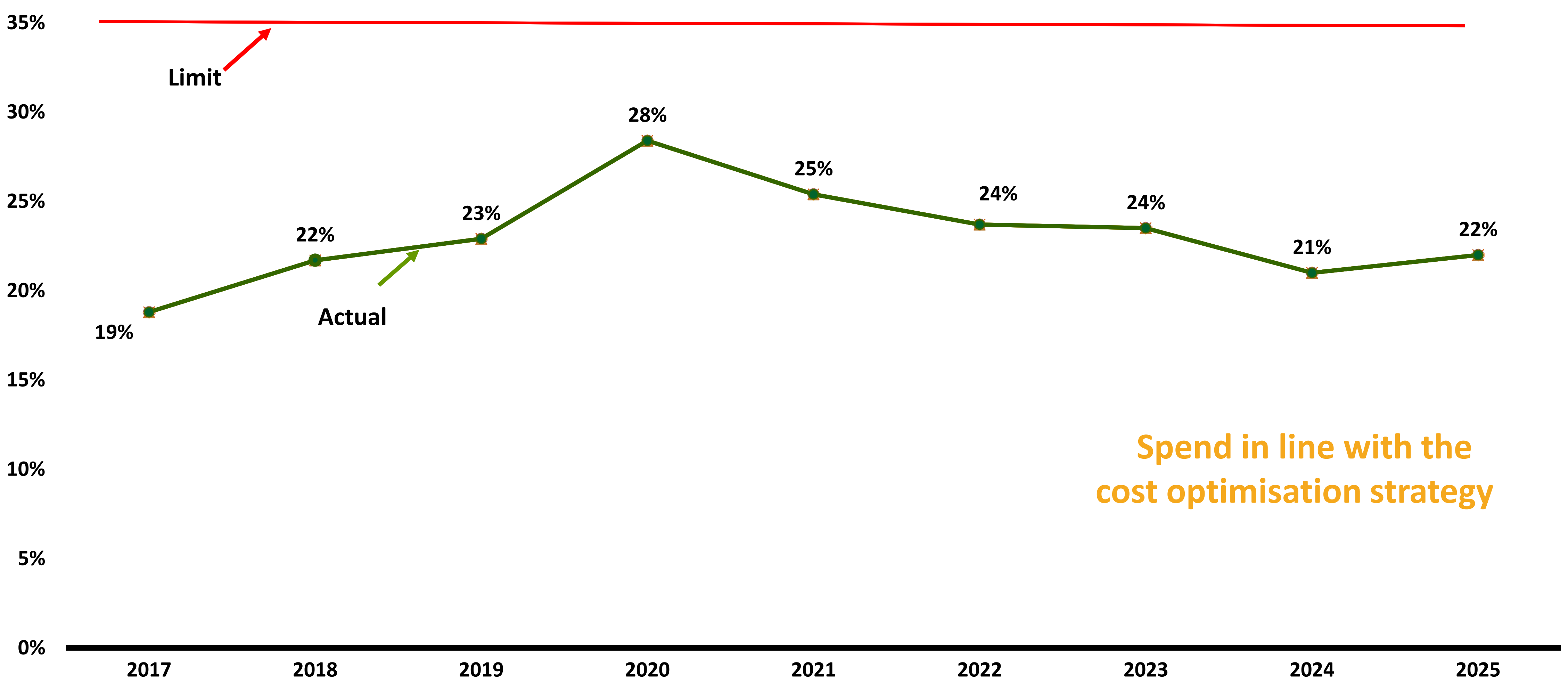
NET INTEREST MARGIN ANALYSIS



STRONG PROFITABILITY AND RESILIENCE

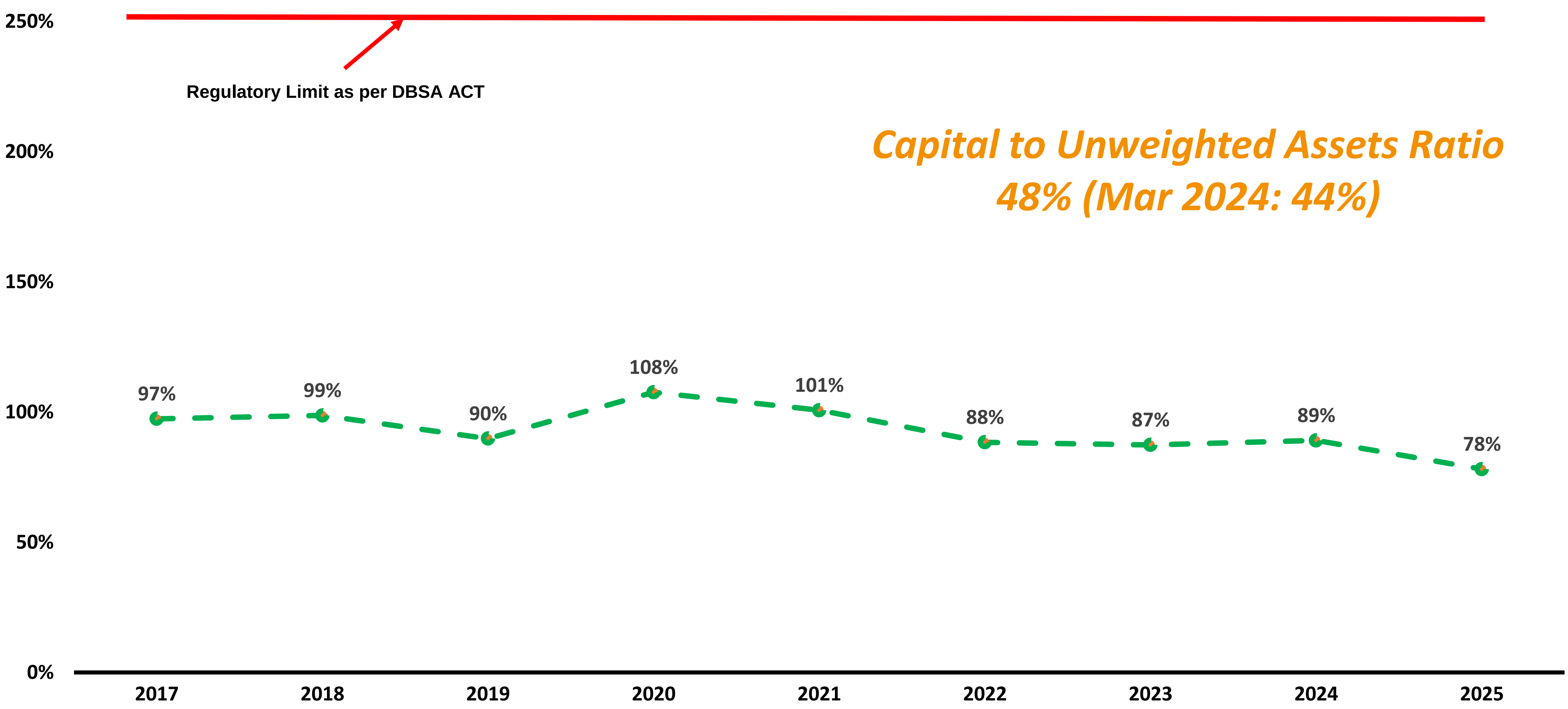


EFFICIENCY- COST TO INCOME RATIO



BALANCE SHEET HIGHLIGHTS 2025

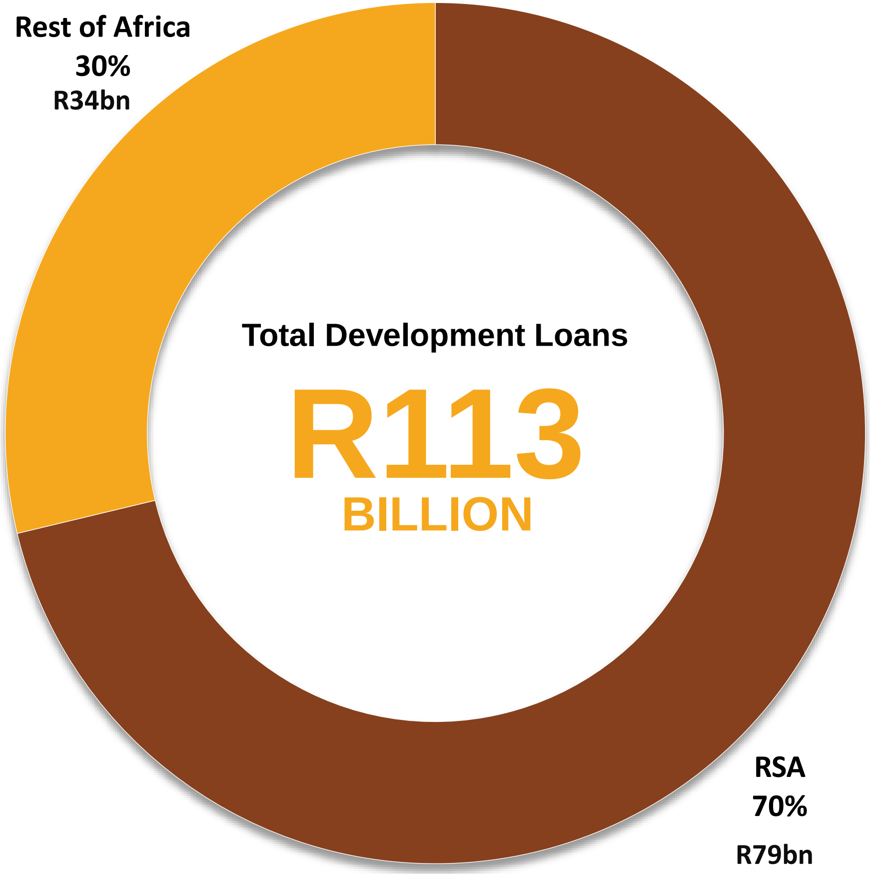
STRONG CAPITAL BASE



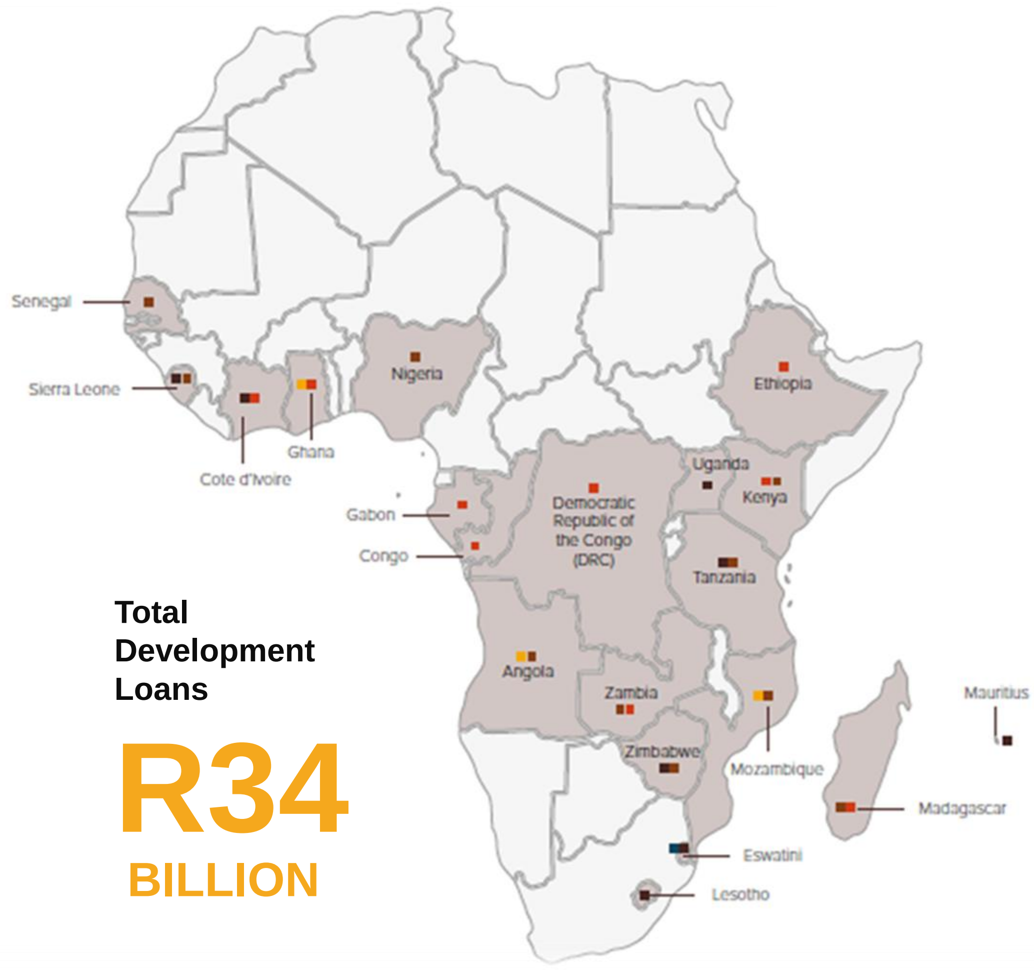
GEOGRAPHICAL FOOTPRINT

DBSA

RSA VS REST OF AFRICA LOAN BOOK SPLIT - 31 MARCH 2025



TOTAL LOANS FOR REST OF AFRICA - 31 MARCH 2025

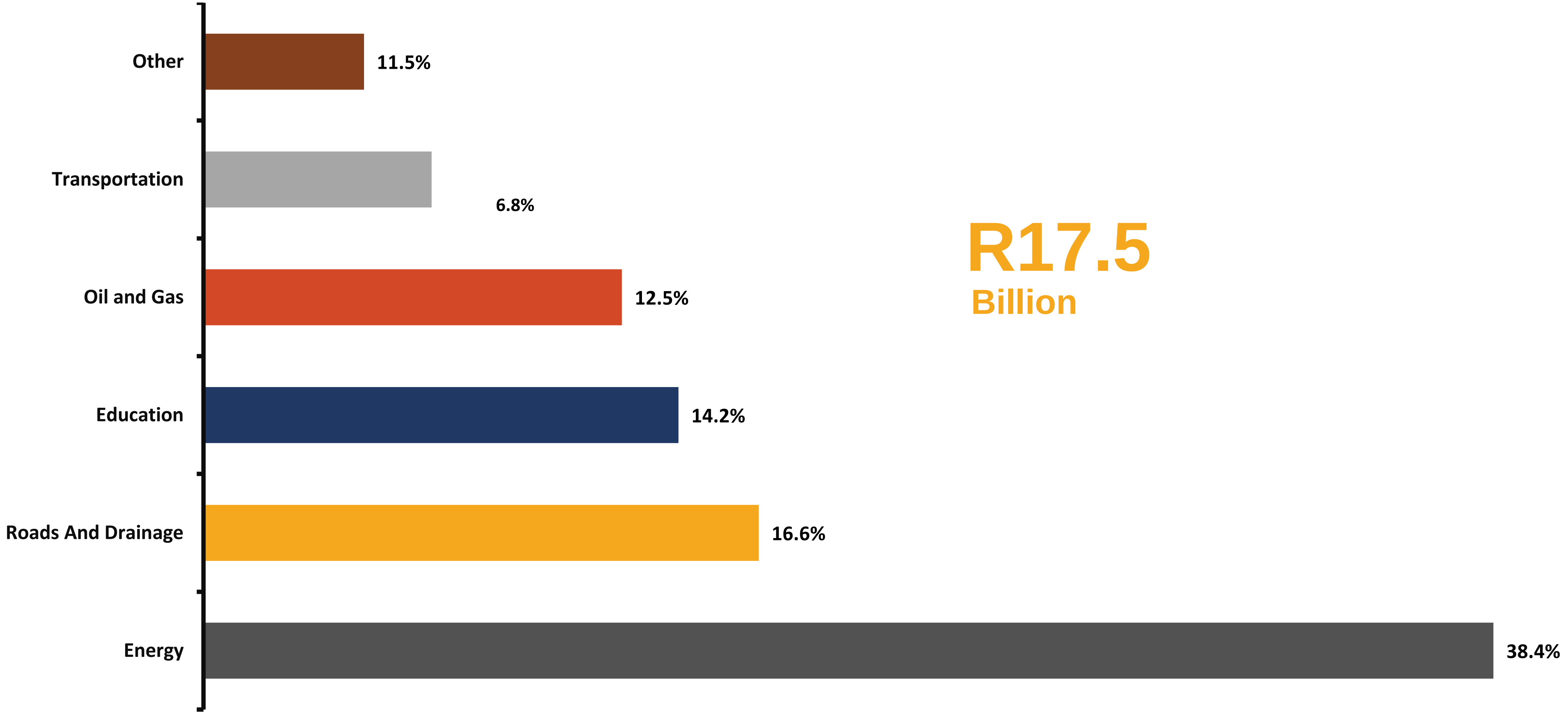


Total Development Loans

R34

BILLION

ASSET GROWTH LOAN DISBURSEMENTS PER SECTOR



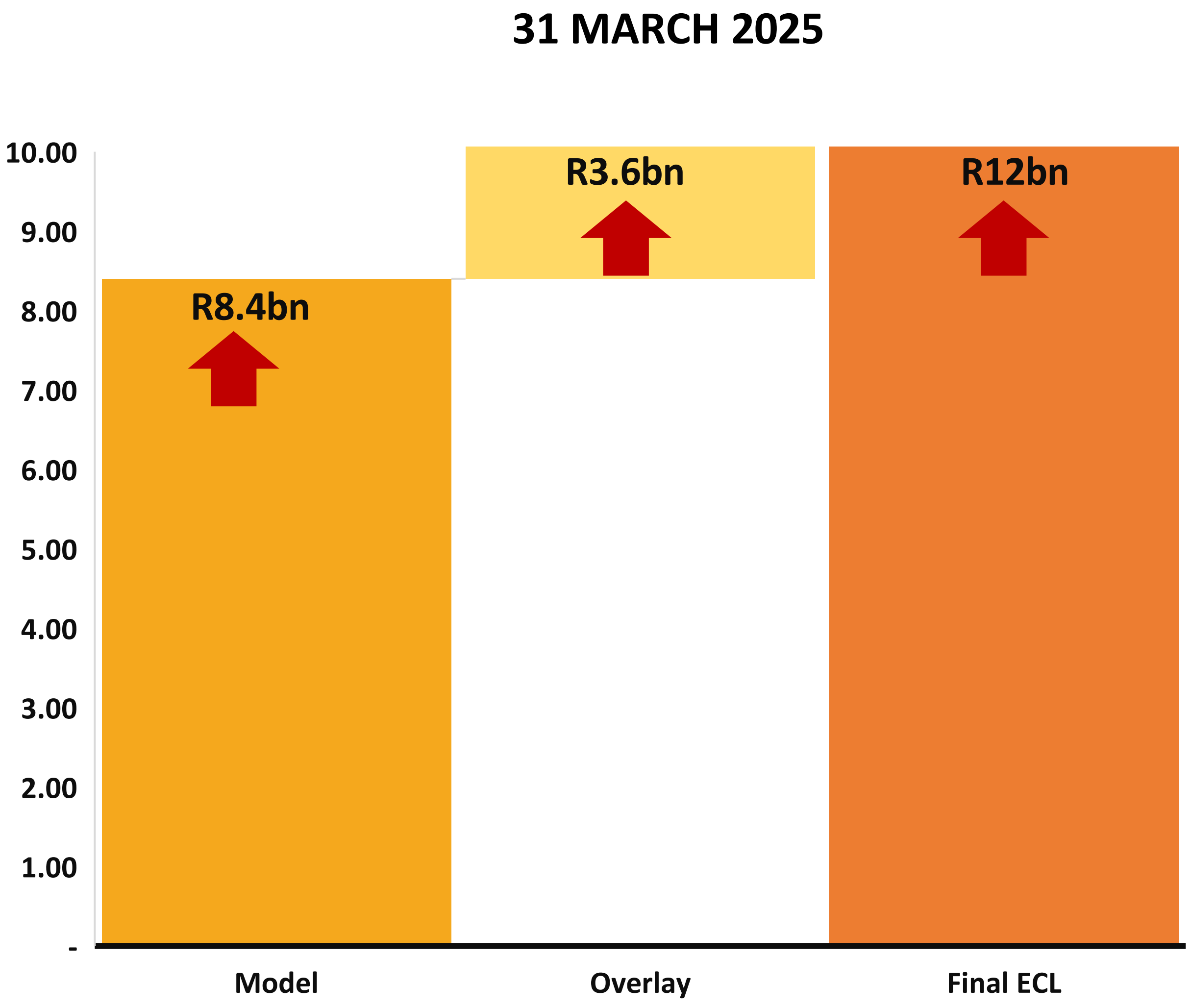
R17.5
Billion

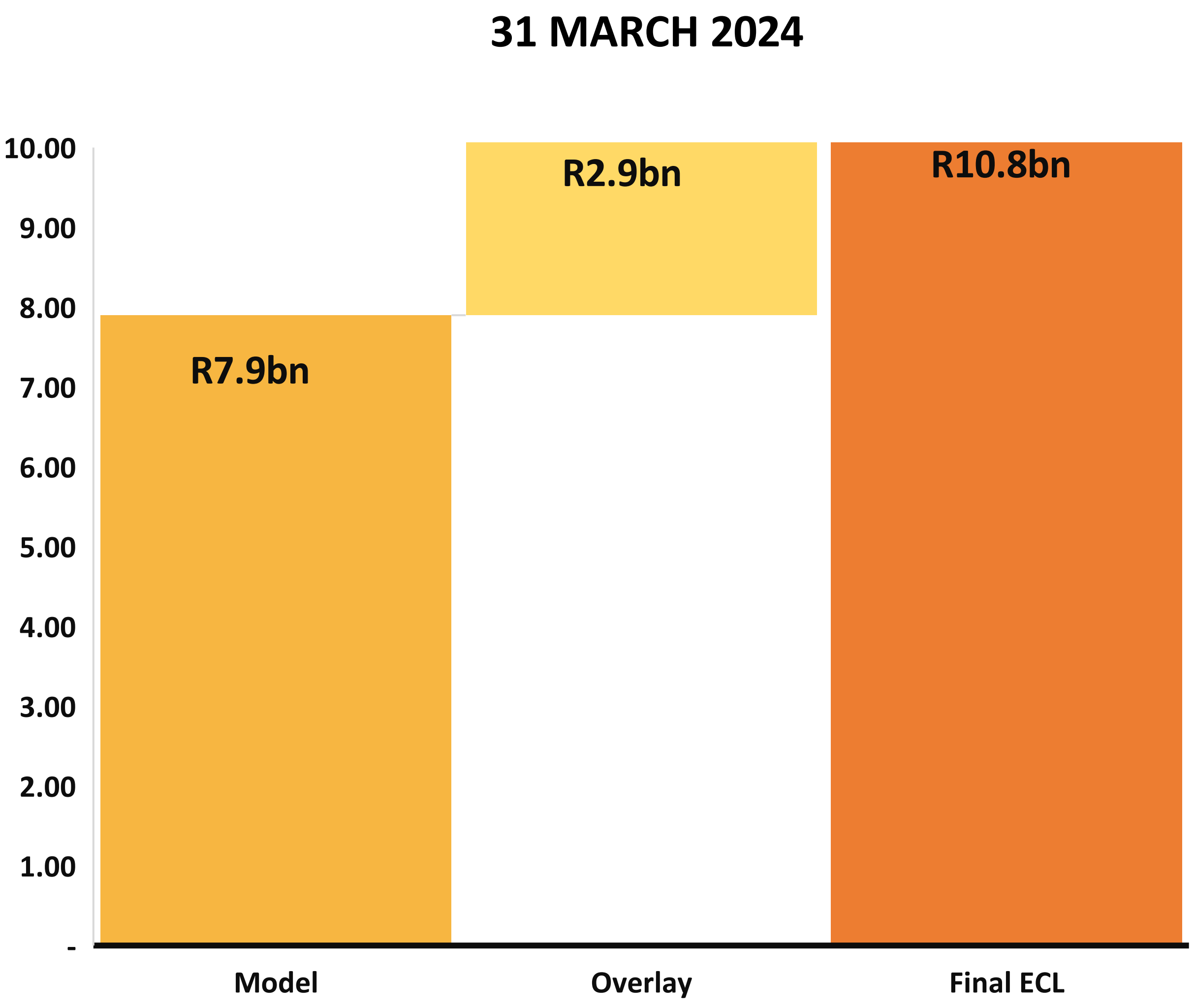
YEAR END BALANCE SHEET ECL PROVISIONS AND MOVEMENT

DBSA

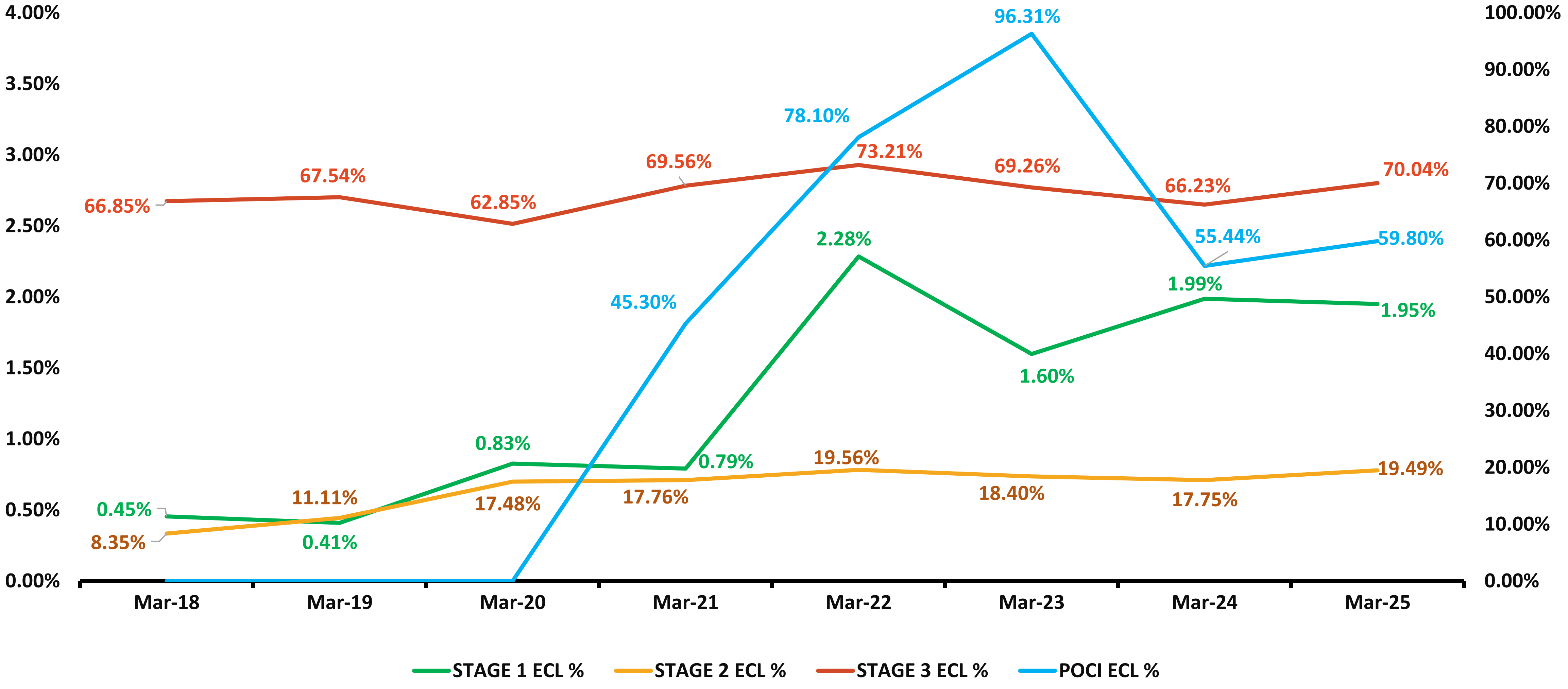
Total ECL Provisions (Total)	Balance Sheet 31-Mar-25 *R'000*	Balance Sheet 31-Mar-24 *R'000*	Income Statement *R'000*
Stage 1 & Stage 2 ECL	11 930 899	10 533 217	**1 397 682**
Non-performing Stage 3 ECL	2 466 370	2 977 509	**(511 139)**
POCI ECL	623 603	358 895	**264 708**
Total impairment (Loan, Bonds & Commitments)	**15 020 872**	**13 869 621**	**1 151 251**
Total movement (R1.1bn **add** write offs R525m ,admin adjustments R830k & sale of financial assets R16m **less** interest in suspense movement R202m and Modification gain of R2m)			**1 490 410**

HIGH LEVEL ECL OVERLAY MOVEMENT

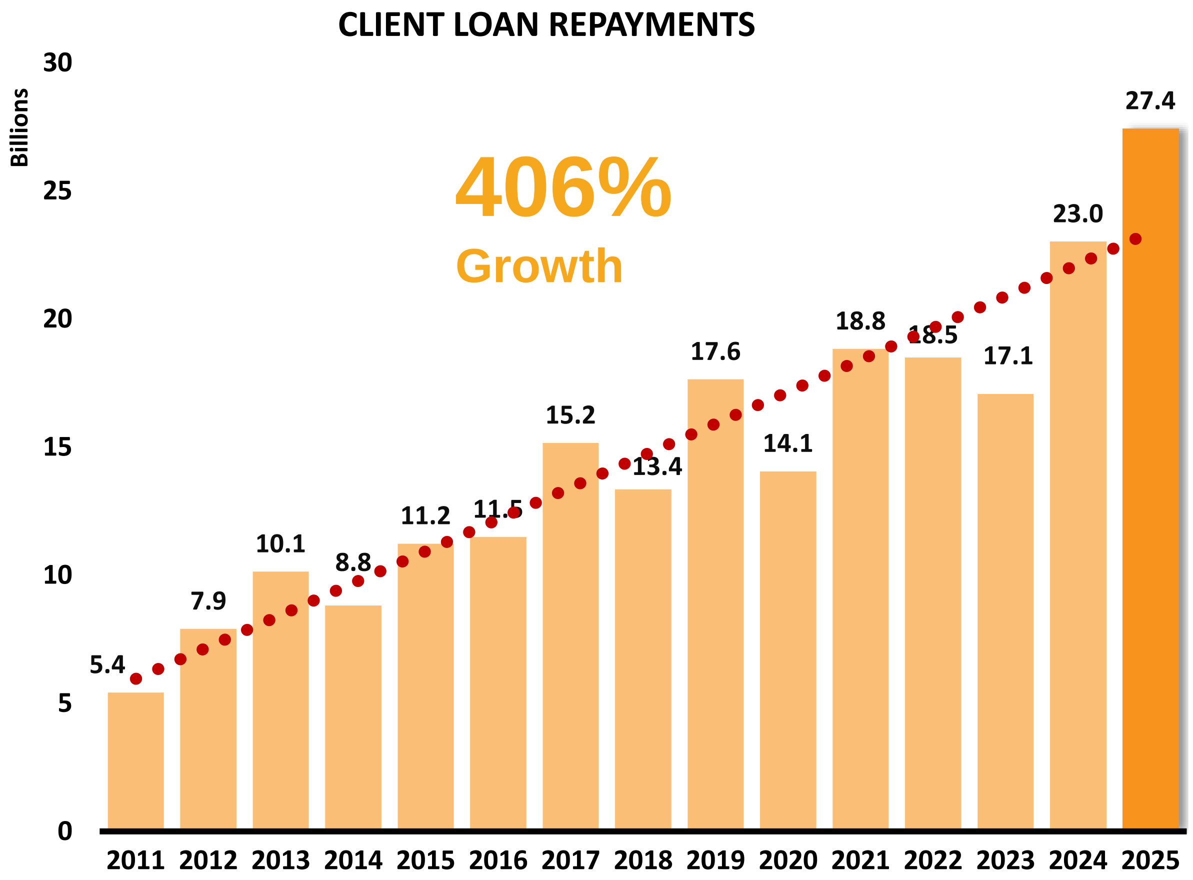


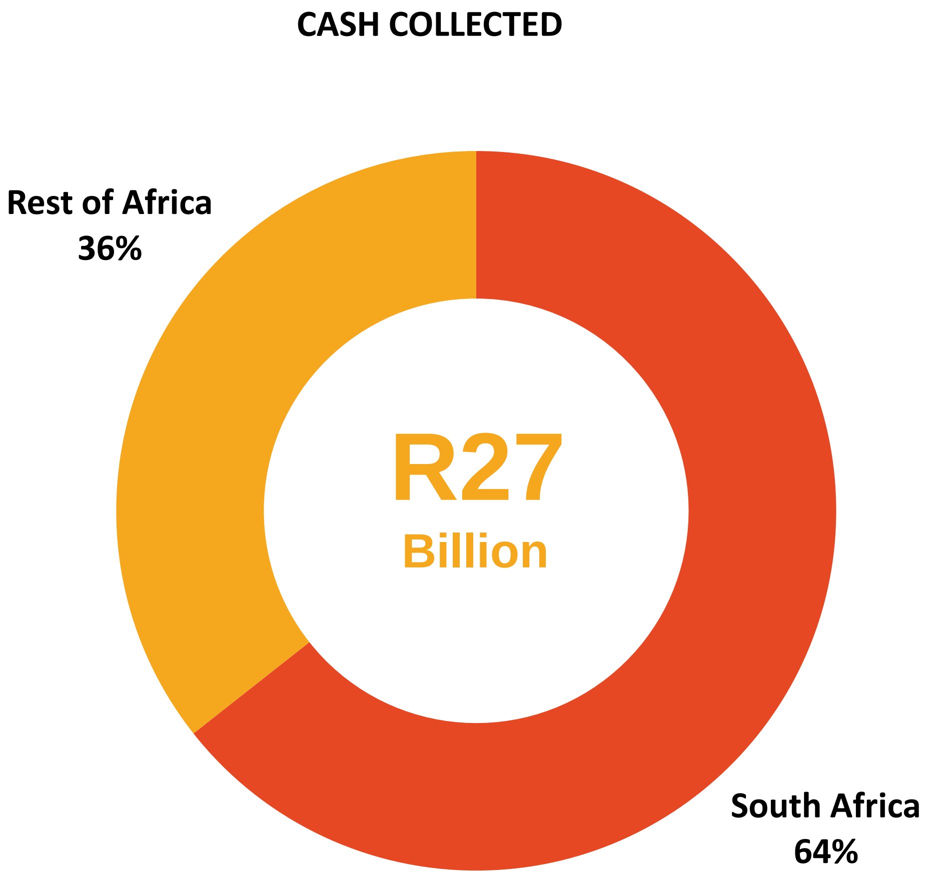


ECL COVERAGE PER LOAN STAGE



RECORD CASH COLLECTIONS

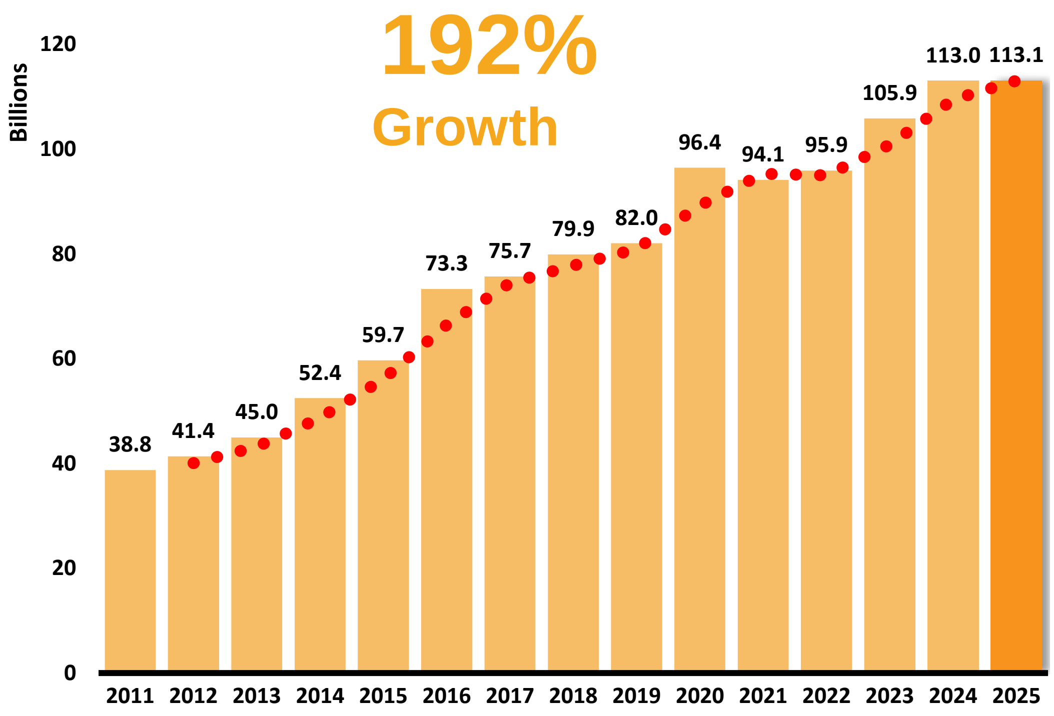




Record cash collections of R27bn under a difficult operating environment.

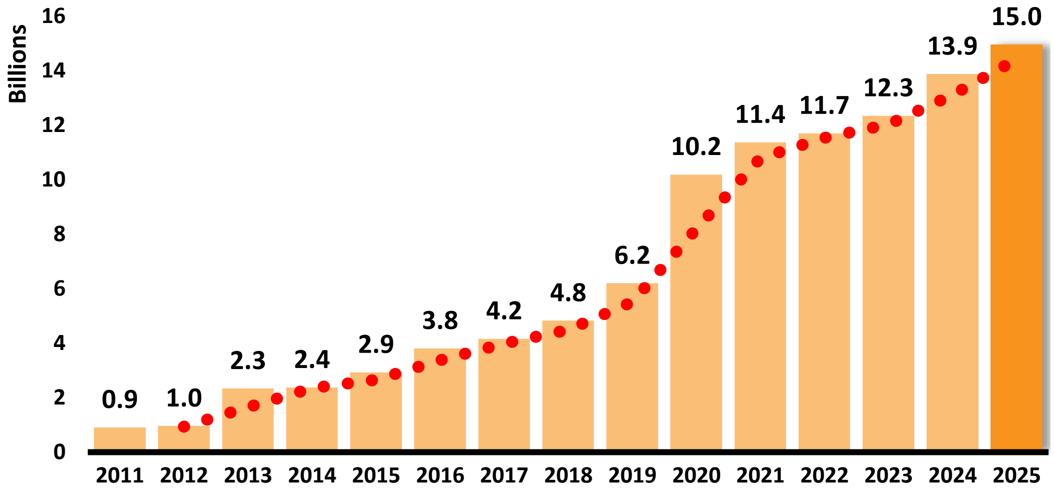
ASSET QUALITY – YEAR TO DATE CASH COLLECTIONS (INCL. FEES)

GROSS LOAN BOOK

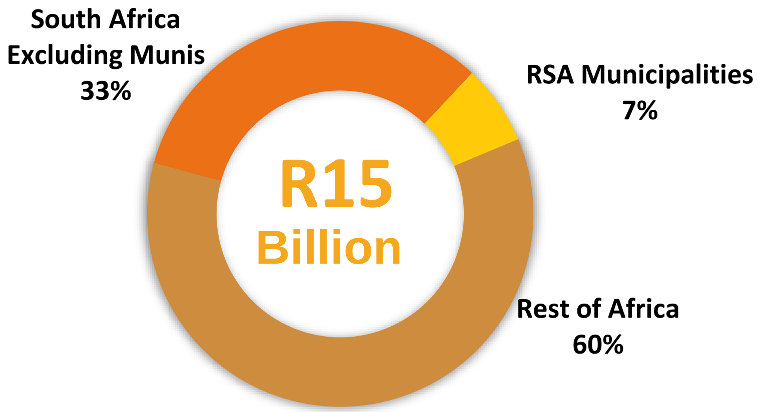


- Growth in the loan book, since 2011.
- Adequate expected credit loss provisions (mostly portfolio impairments R 12bn of the R15bn).

CREDIT PROVISION



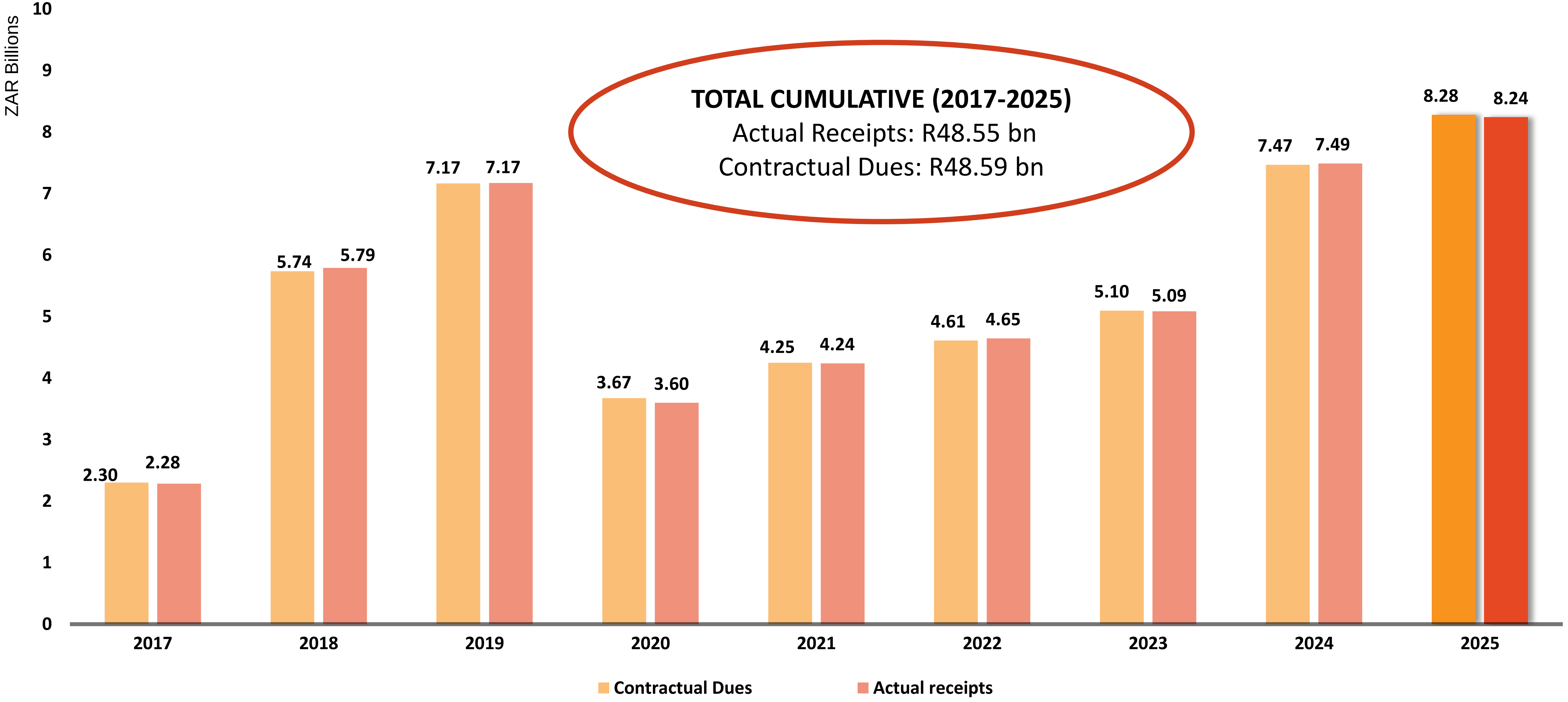
REGIONAL ECL PROVISION



ASSET QUALITY

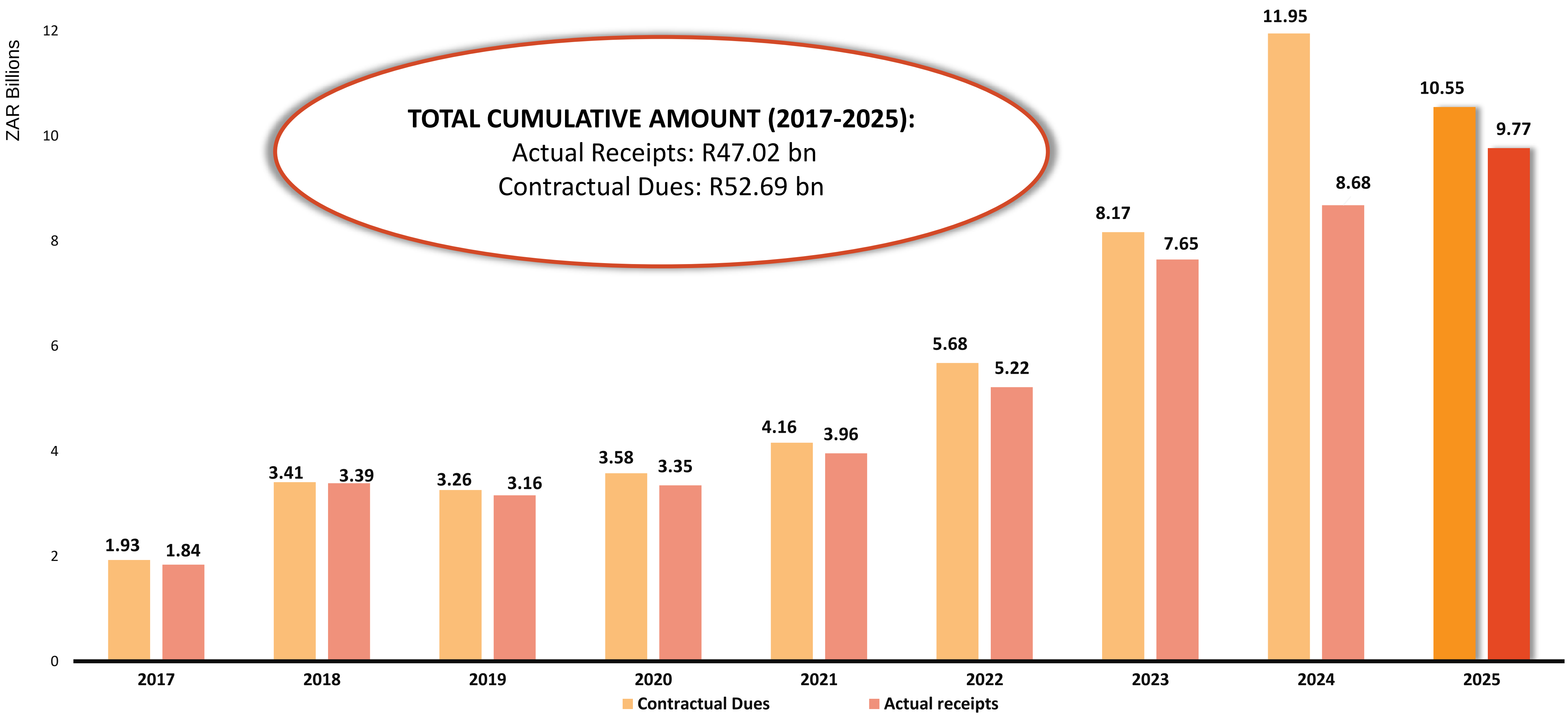
MUNICIPAL LOAN BOOK RECEIPTS VS CONTRACTUAL DUES-EXCL. BONDS

Strong Cash Collections in a resilient operating environment



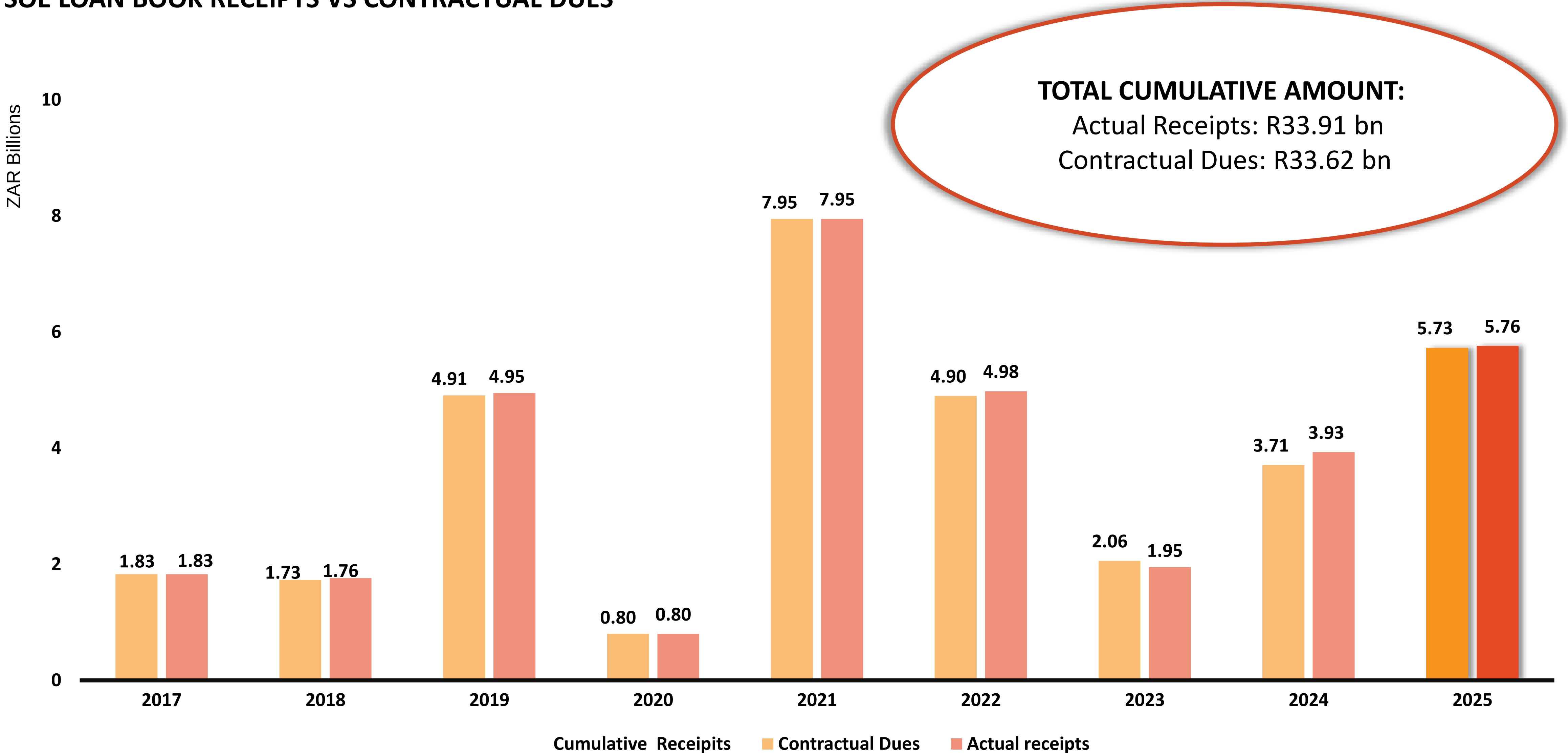
ASSET QUALITY

ROA LOAN BOOK RECEIPTS VS CONTRACTUAL DUES



ASSET QUALITY

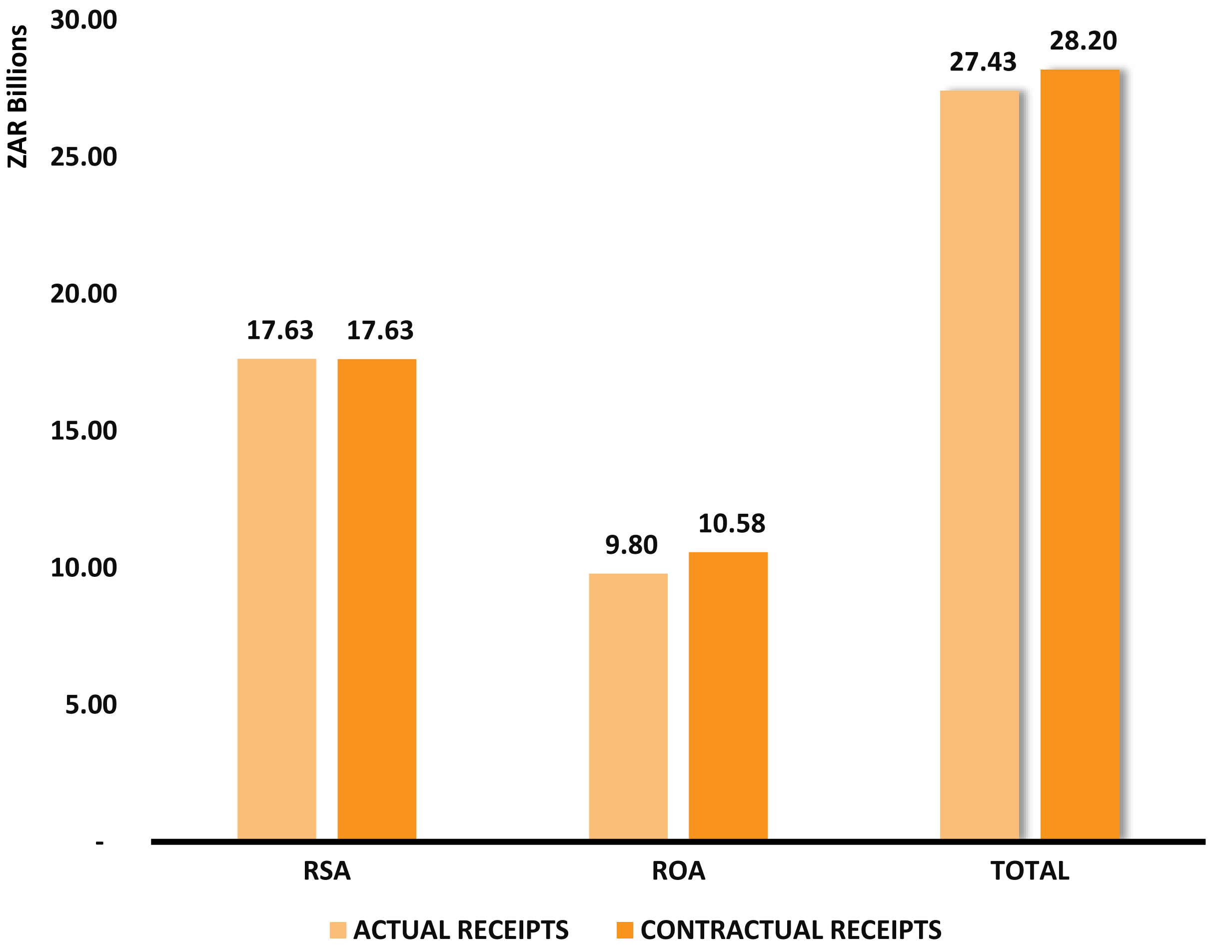
SOE LOAN BOOK RECEIPTS VS CONTRACTUAL DUES*



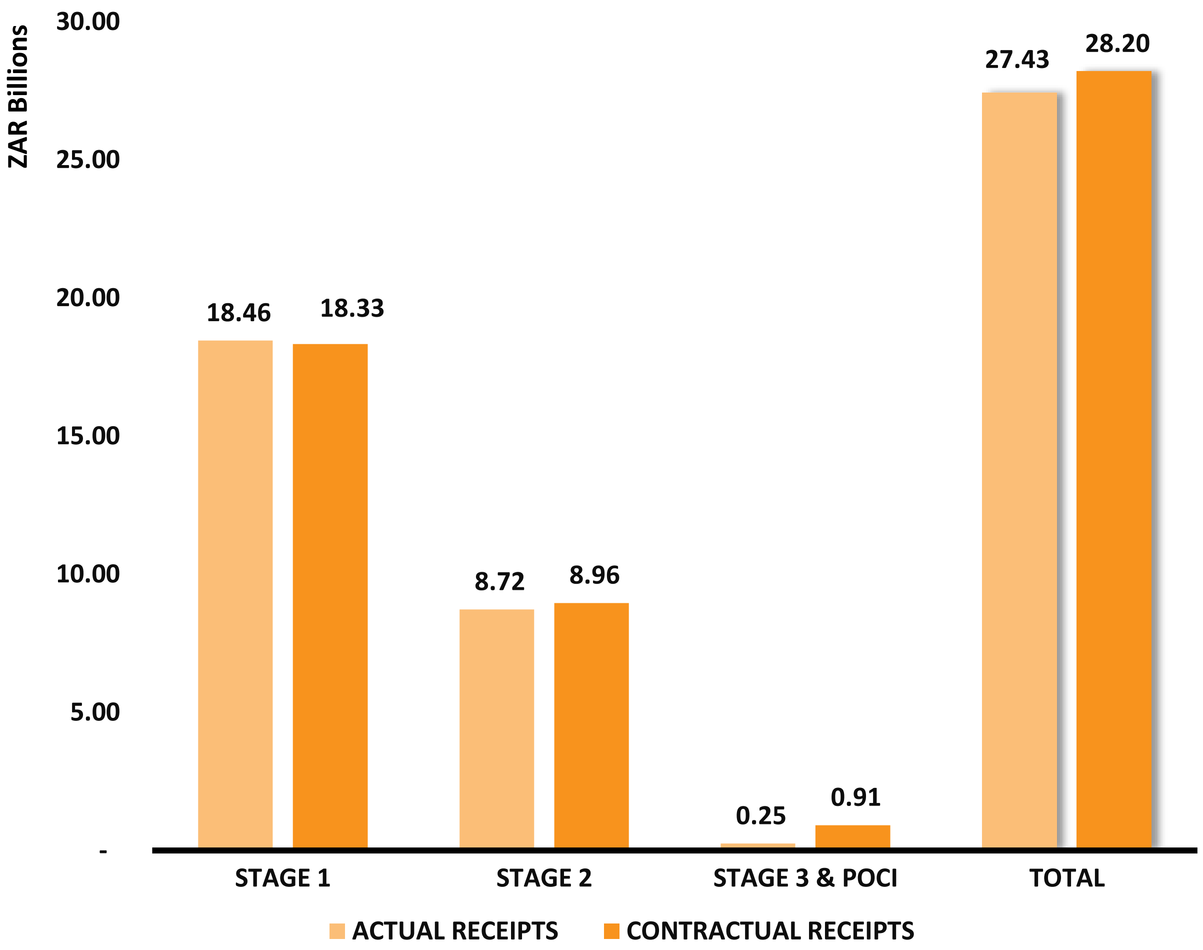
*Amounts may vary due to foreign currency translation

ASSET QUALITY – YEAR TO DATE CASH COLLECTIONS (INCL. FEES)

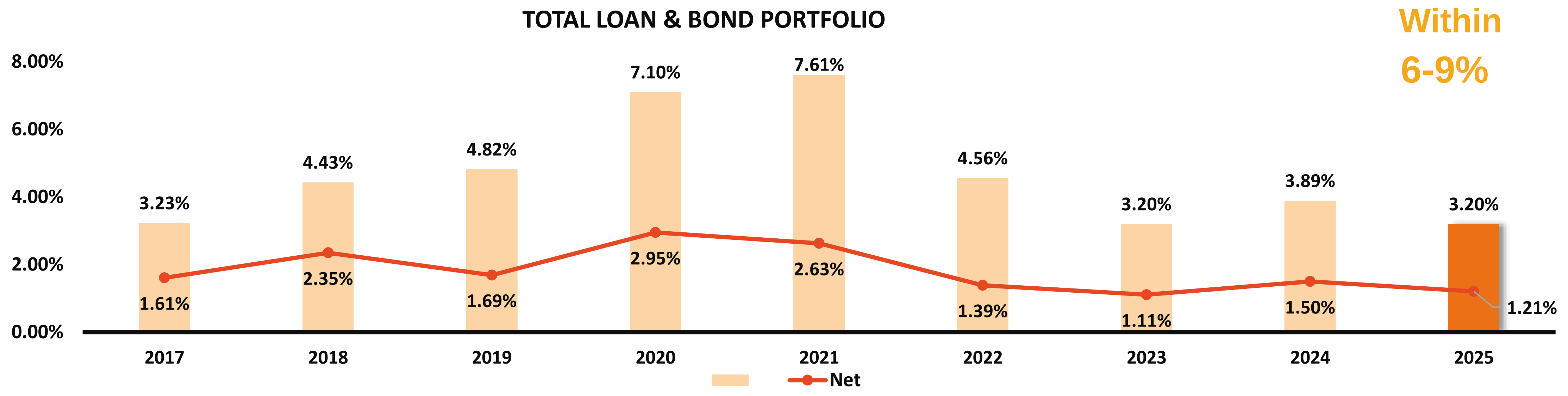
CASH COLLECTIONS – RSA VS REST OF AFRICA



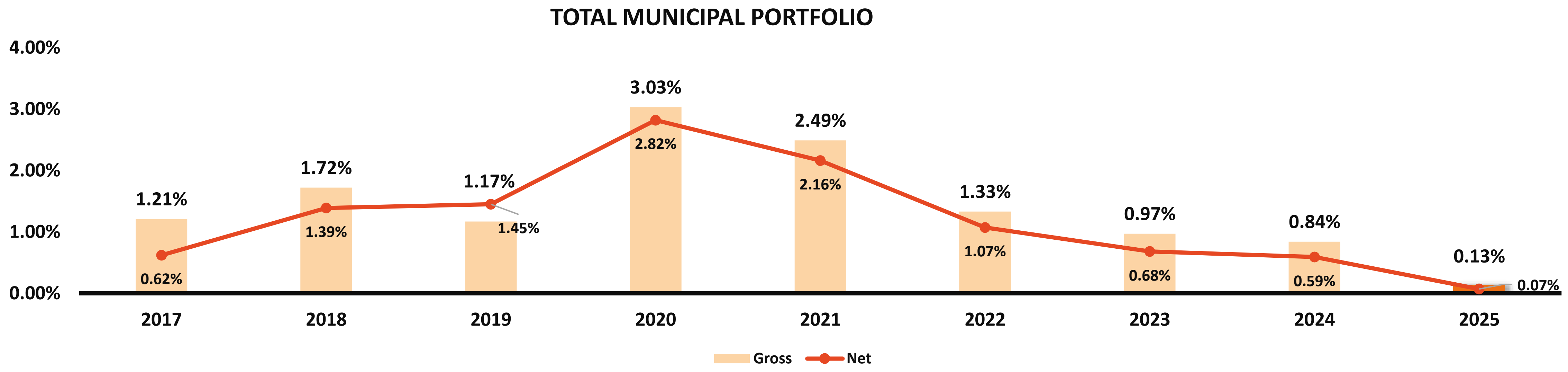
CASH COLLECTIONS BY IFRS 9 STAGE



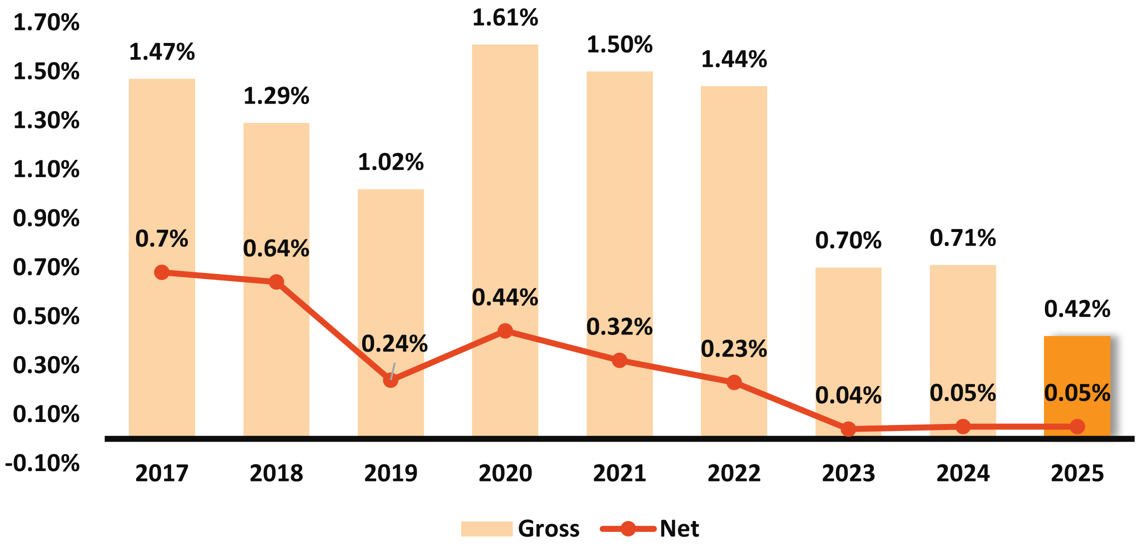
ASSET QUALITY – GROSS & NET NPL RATIOS

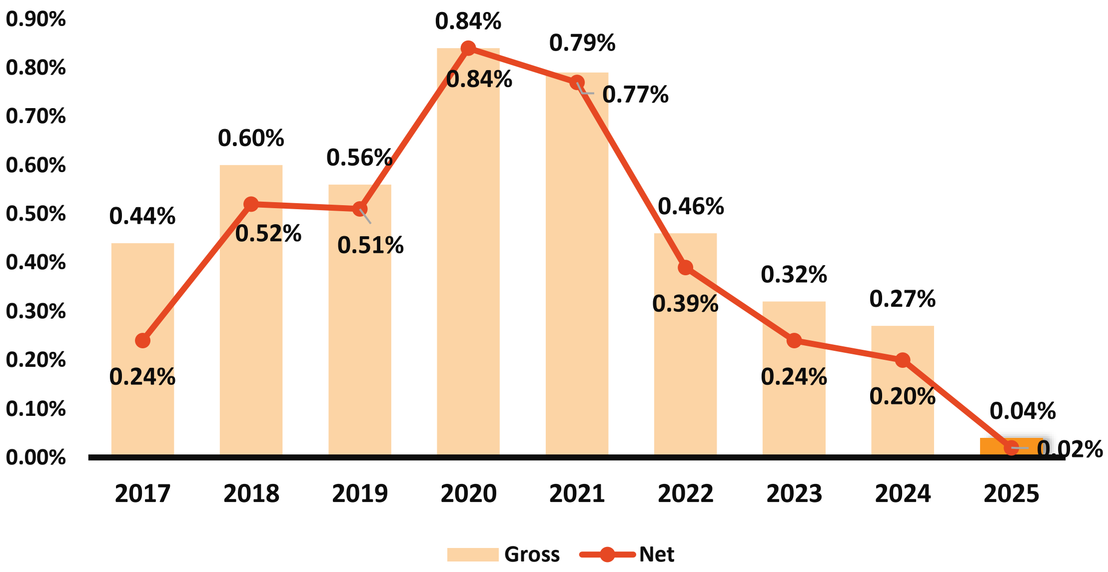


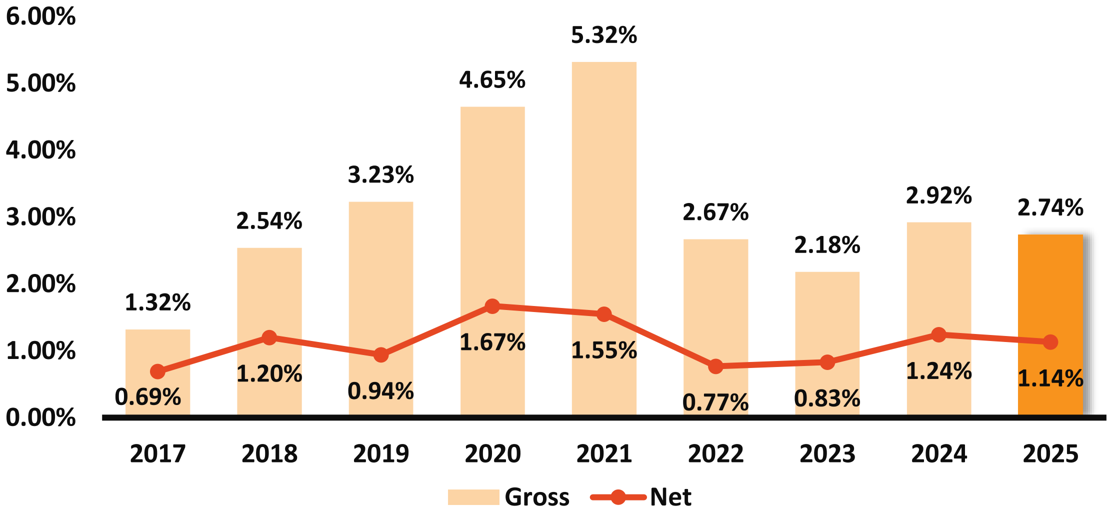
Within 6-9%



ASSET QUALITY – NPL RATIOS

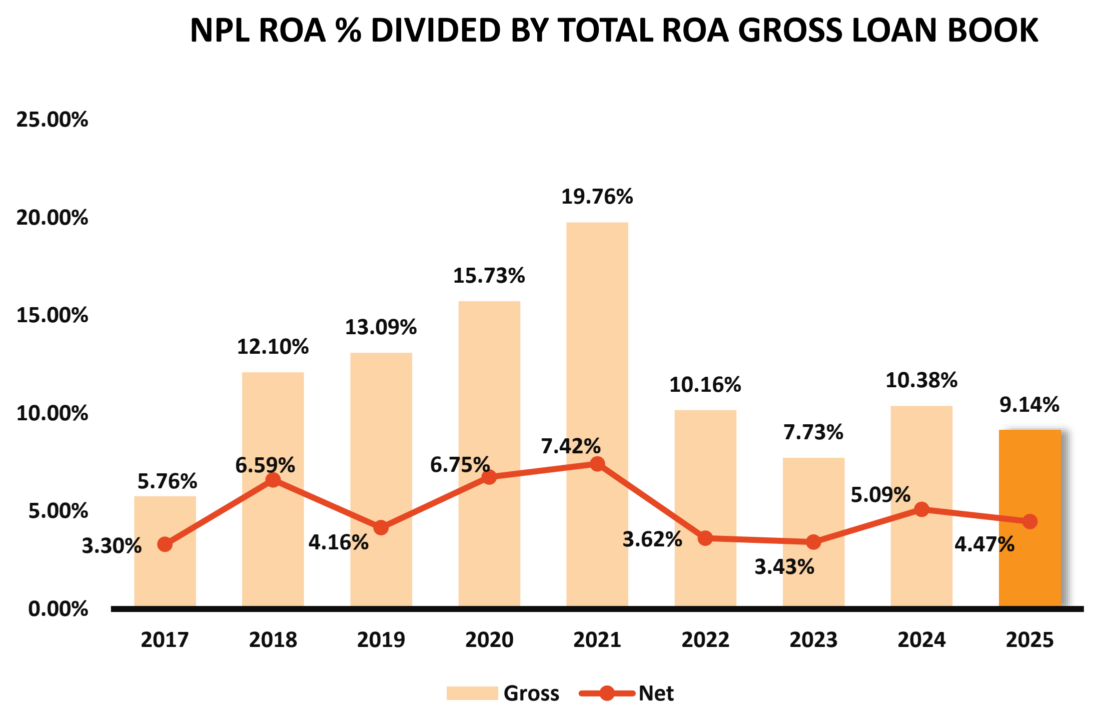


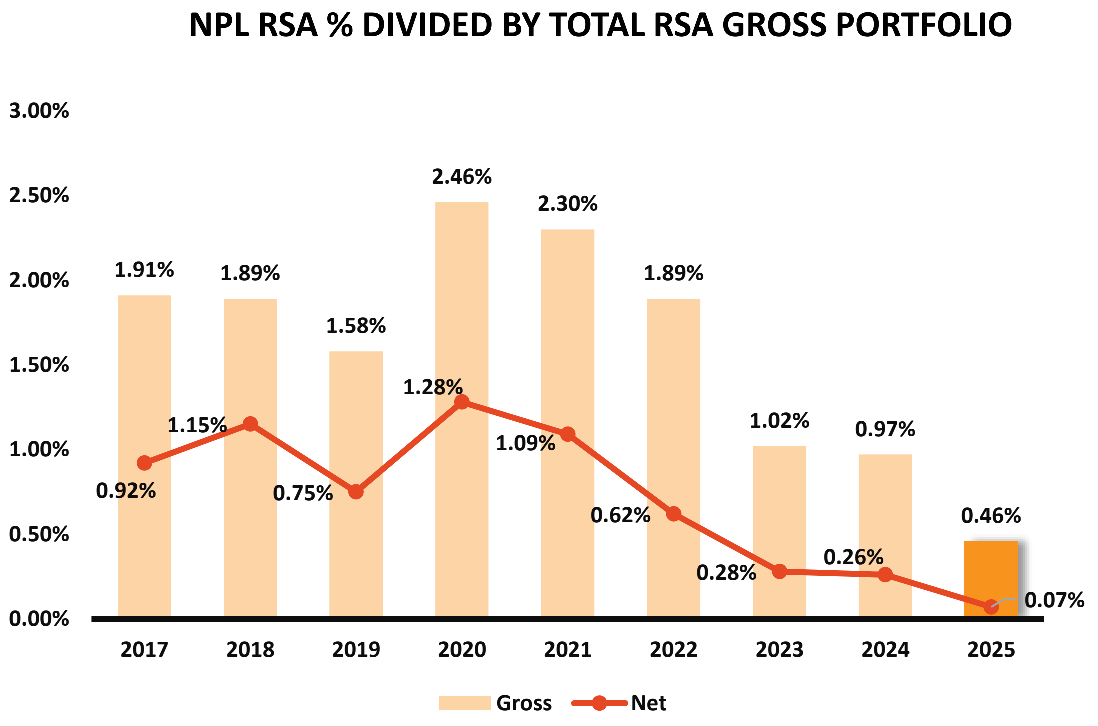




	Gross NPL Analysis	Net NPL Analysis
RSA	0.42%	0.05%
Municipalities	0.04%	0.02%
Rest of Africa	2.74%	1.14%
Total NPL	**3.20%**	**1.21%**

ASSET QUALITY – GEOGRAPHICAL NPL ANALYSIS

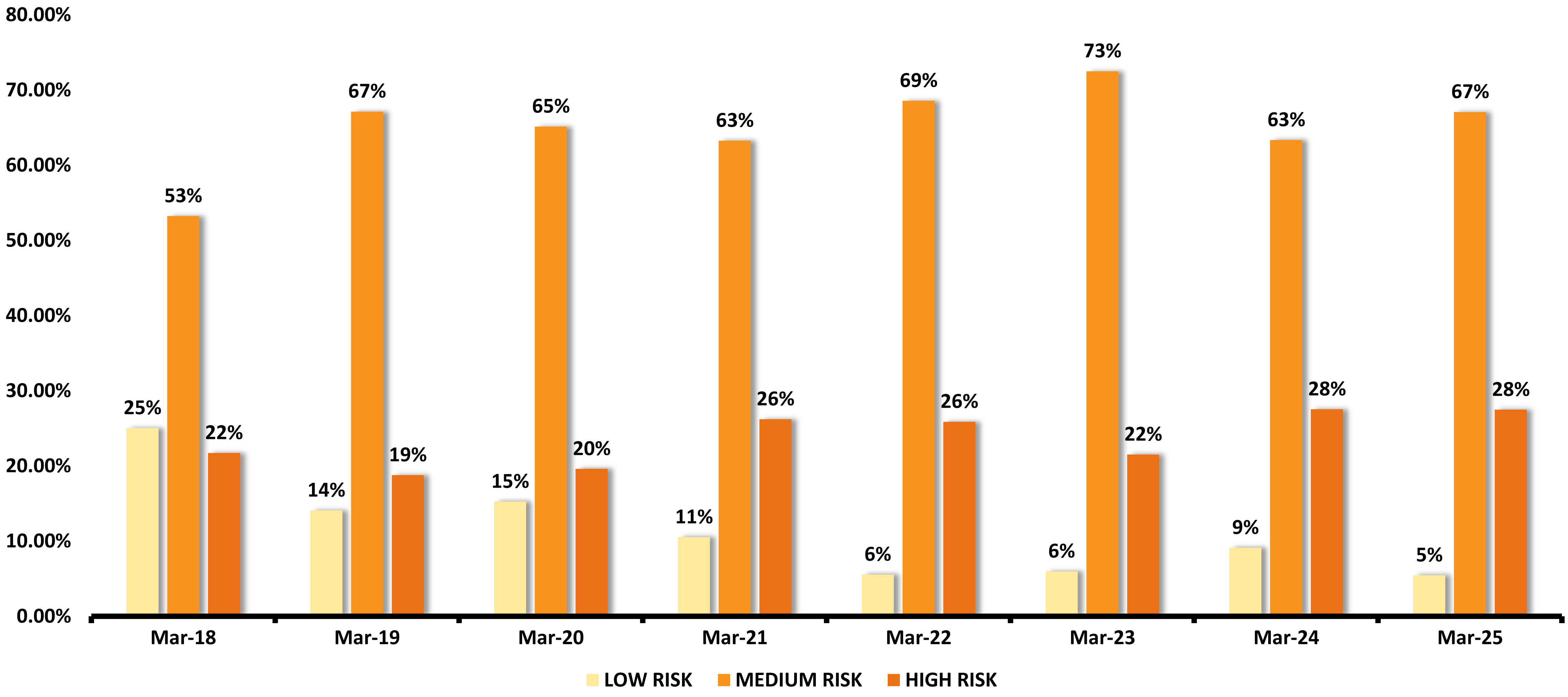




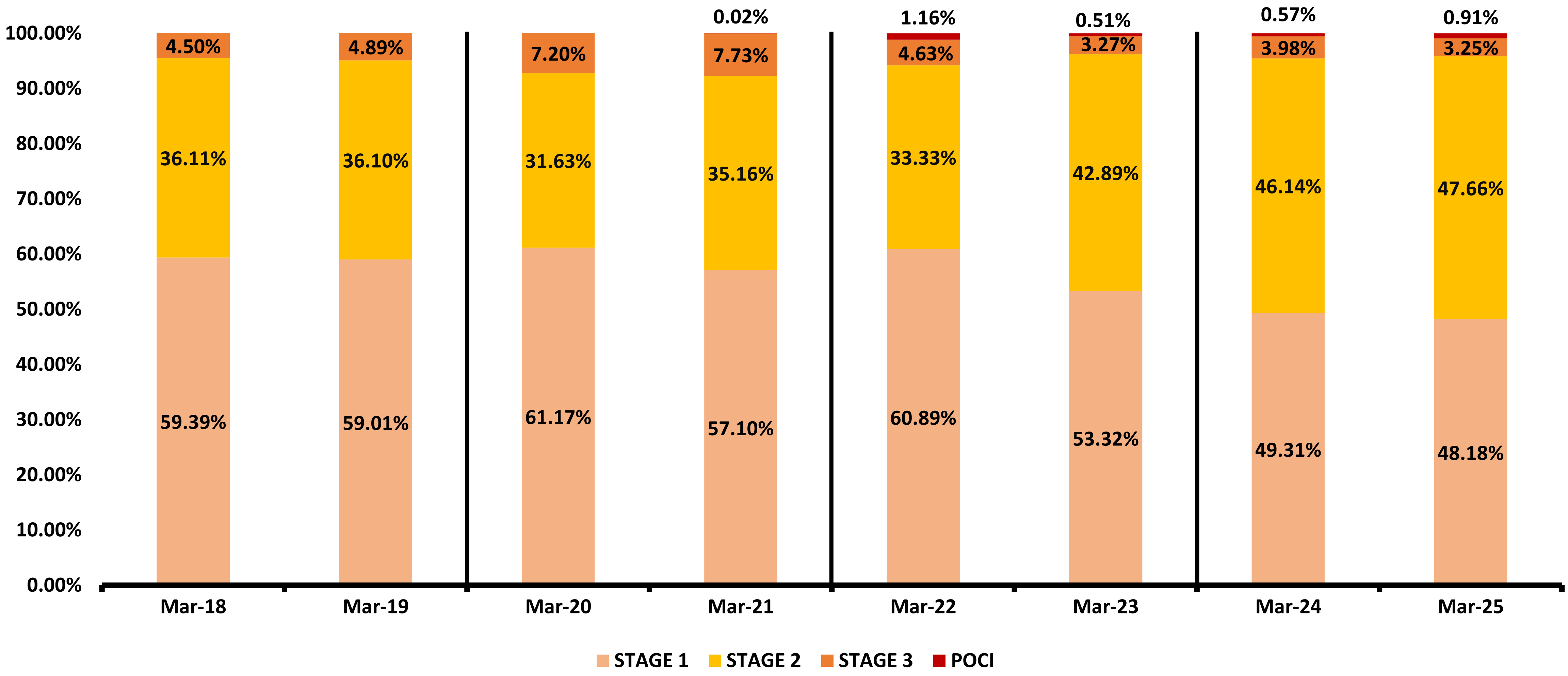
GROSS NPL ROA % ROA LOAN BOOK EXPOSURE movement can be attributed to:

- **2021 increase due to loan stage migration (Zambia)**
- **2022/2023 decline was due to successful restructure (Zimbabwe & Congo)**
- **2024 increase due to sovereign defaults (Ethiopia & Ghana)**

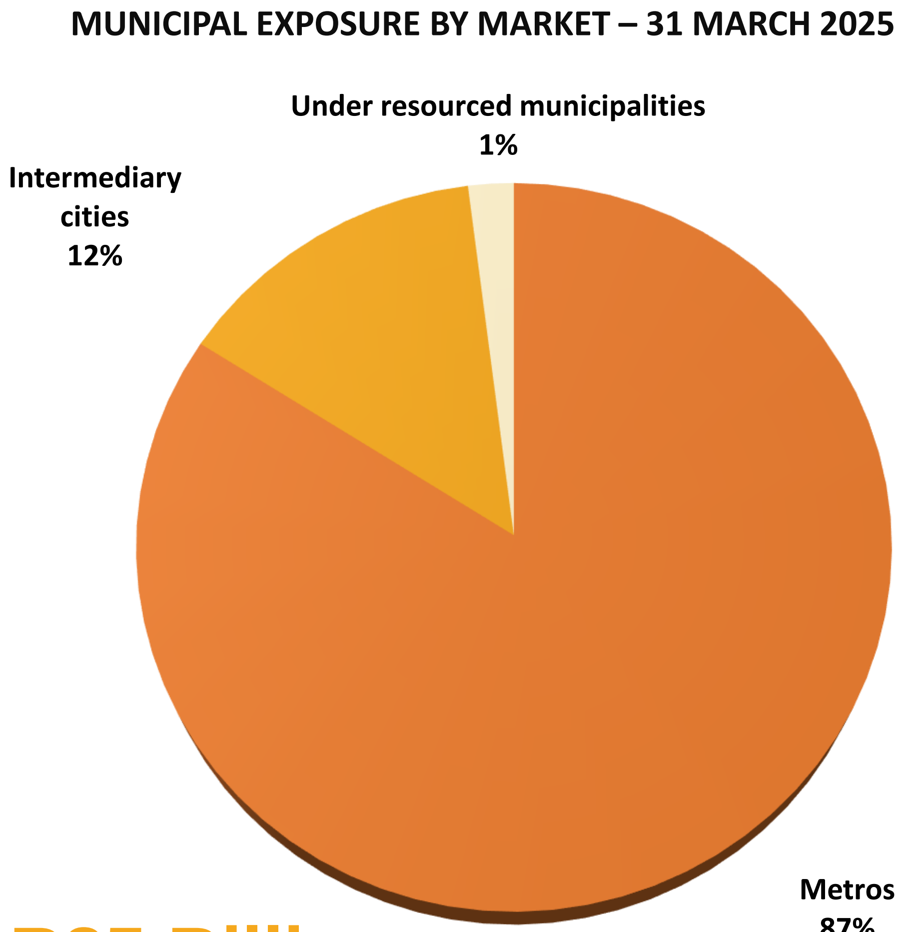
LOAN BOOK RISK PROFILE PER MS RATING BUCKET ASSESSMENT



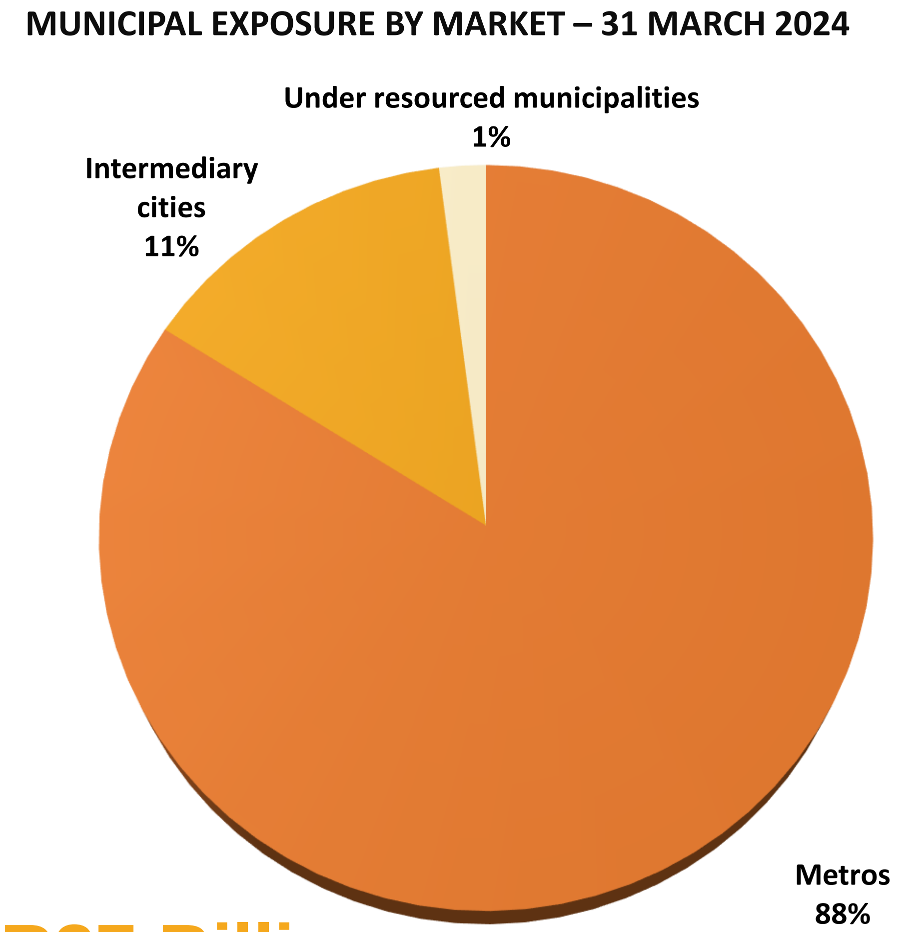
ASSET QUALITY – GROSS LOAN BOOK STAGING



MUNICIPAL EXPOSURE BREAKDOWN (INCL. MUNICIPAL BONDS)

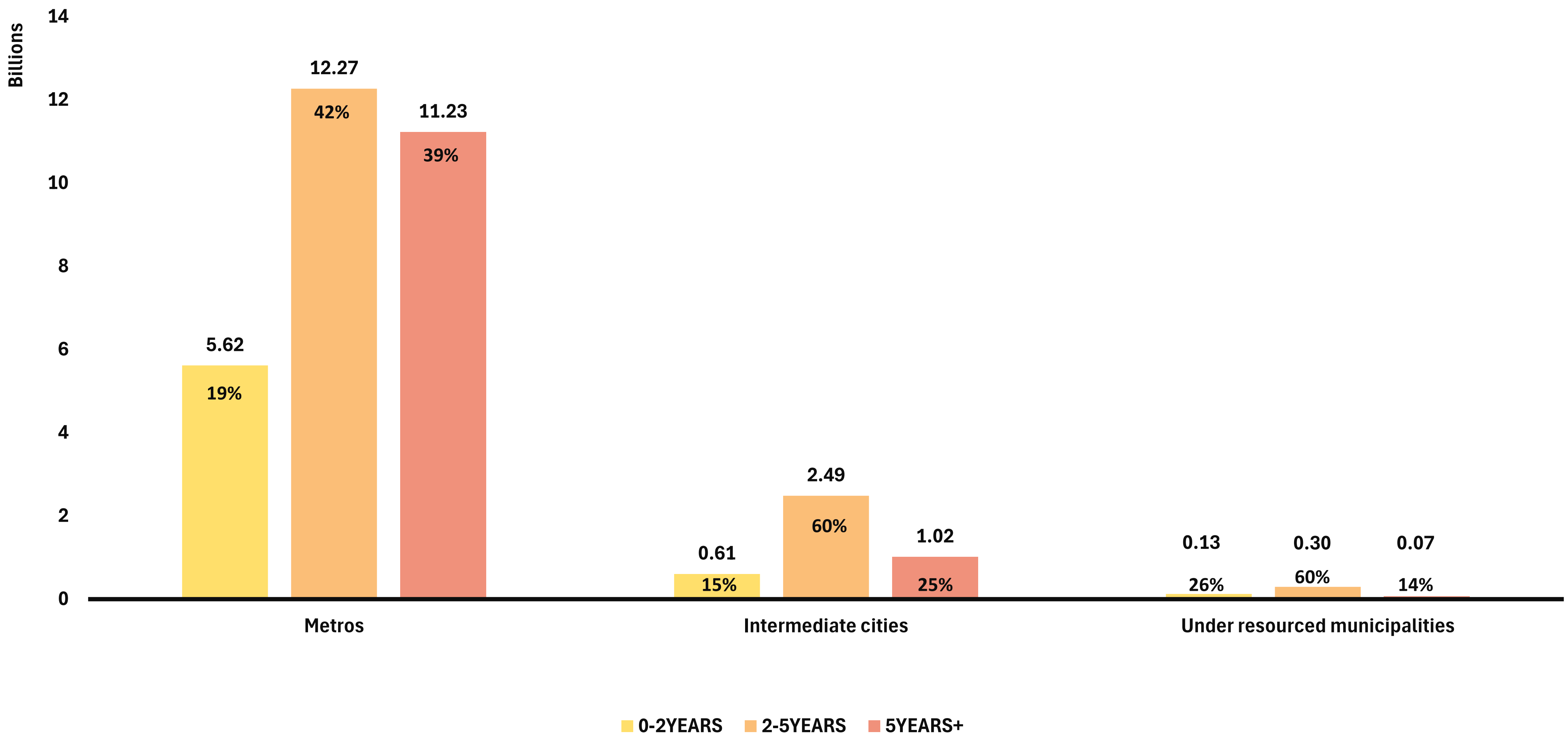


R35 Billion

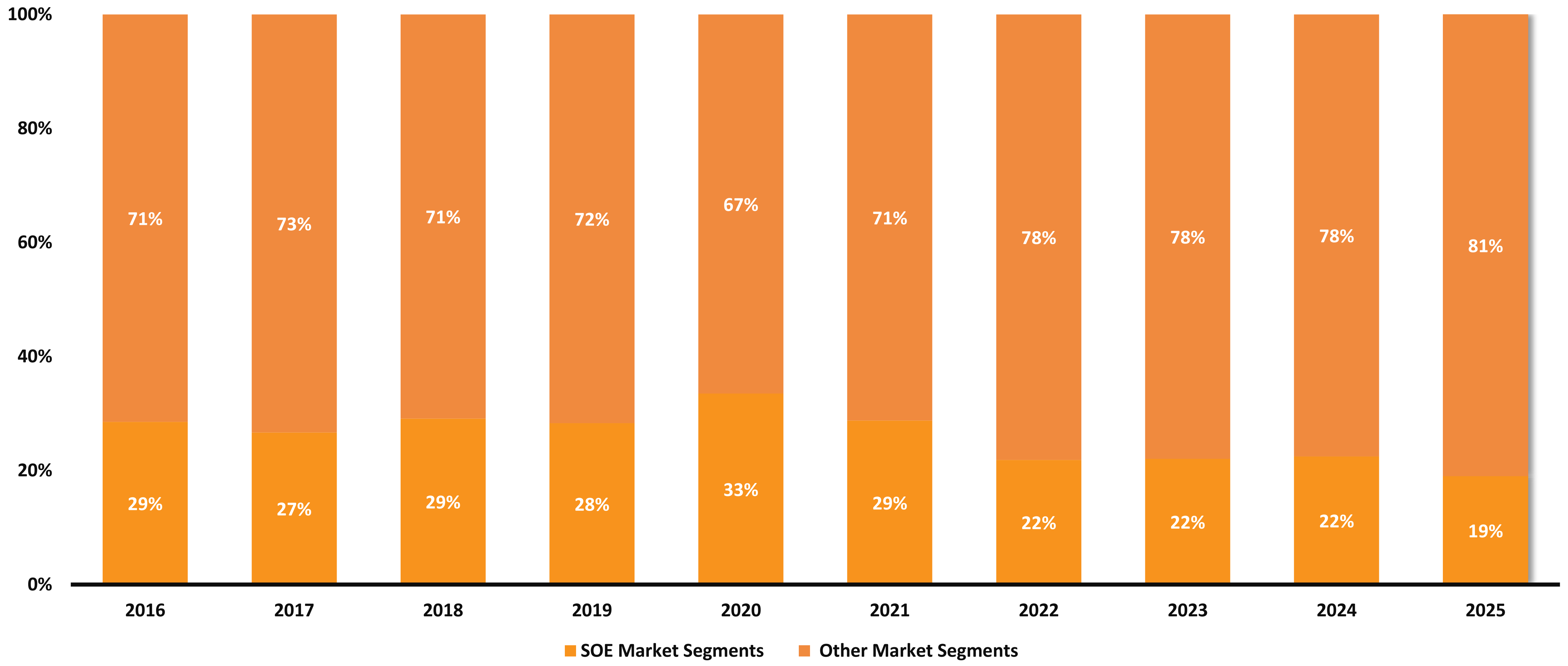


R37 Billion

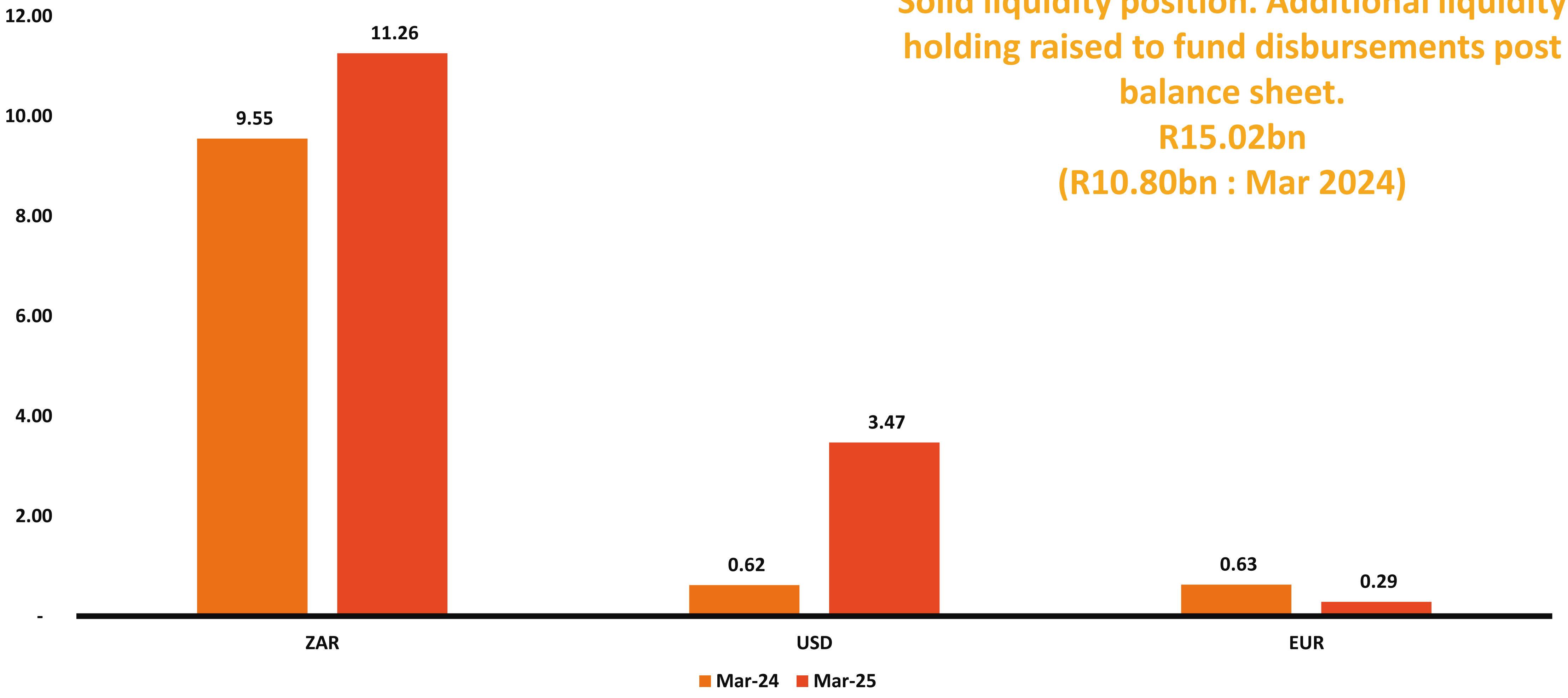
ASSET QUALITY – MATURITY ANALYSIS



SOE EXPOSURE AS PROPORTION OF GROSS LOAN BOOK



STRONG LIQUIDTY POSITION



Solid liquidity position. Additional liquidity holding raised to fund disbursements post balance sheet.

R15.02bn

(R10.80bn : Mar 2024)

UNLISTED EQUITY INVESTMENTS AT A GLANCE

Unlisted Equity Portfolio fair value adjustments

March 2025	March 2024	March 2023	March 2022
Valuation R4.6bn	Valuation R4.8bn	Valuation R5.2bn	Valuation R4.9bn
Fair value adjustments (R215m)	Fair value adjustments (R464m)	Fair value adjustments R4.6m	Fair value adjustments (R43m)

LIABILITY PORTFOLIO

OUTSTANDING DEBT

March 2025: R61bn
March 2024: R64bn

LINES OF CREDIT

March 2025: R38bn
March 2024: R35bn

DEBT SECURITIES

March 2025: R23bn
March 2024: R28bn

FOREX ADJUSTMENT

March 2025: (R1.0bn)
March 2024: R1.7bn

REPOS

March 2025: Nil
March 2024: R1.2bn

THANK YOU

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