

African Bank Limited

(Incorporated in the Republic of South Africa)
(Registered Bank)
(Registration No. 2014/176899/06)
Company code: ABKI
LEI: 2549008X8SL1B1J86F98
(the “Bank” or “African Bank”)

African Bank Holdings Limited

(Incorporated in the Republic of South Africa)
(Registration No.: 2014/176855/06)
Company code: ABLI
LEI: 254900UUEMIK0XL5A056
(“ABHL”)

African Bank’s proposed acquisition of Sasfin Bank’s Capital Equipment Finance and Commercial Property Finance businesses

On 13 October 2023 African Bank published an announcement on SENS wherein they advised that the Bank had entered into a binding heads of agreement with Sasfin Bank Limited (“**SBL**”) and Sasfin Private Equity Investment Holdings Proprietary Limited (“**SPEIH**”), for the acquisition of its Capital Equipment Finance Business (“**CEF Business**”) and Commercial Property Finance Business (“**CPF Business**”) as going concerns in one indivisible transaction (the “**Acquisition**”). African Bank is pleased to announce that the comprehensive agreements relating to the Acquisition were concluded on 16 February 2024 (as amended) and 22 February 2024. During the negotiations and finalisation of the comprehensive agreements, the parties agreed to certain amendments to the terms of the Acquisition, inter alia.

- The last date for fulfilment of the remaining suspensive conditions, which includes shareholder and all requisite third party and/or regulatory consents, approvals and exemptions, has been extended from 28 February 2024 to 28 June 2024.
- The adjusted composite value of the transaction, using the 31 October 2023 values is approximately **R2 900.2 million** which will be subject to any further adjustments as agreed to between the parties as at the Closing Date of the transaction. The CEF business is valued at approximately **R2 610.0 million**, consisting of the advances book and a goodwill component, with the CPF business value determined at approximately **R290.2 million** consisting of the advances book and associated profits shares (if any) on this business.
- The purchase price from both businesses will be paid in 2 tranches, that is an amount equal to 93% of the estimated loan book value being paid on Closing Date and the remain 7% being paid by no later than 120 calendar days after Closing Date.

The parties acknowledge that the Prudential Authority is not a party to the agreement and cannot be held liable in terms of time stipulations, as it is subject to regulatory requirements that must be met before approvals can be granted.

Please refer to the detailed Sasfin Holdings Limited Stock Exchange News Services announcement, released today for more detail.

23 February 2024

Debt sponsor

RAND MERCHANT BANK (a division of FirstRand Bank Limited)