

Press release for Residual Debt Services Ltd

16 January 2019

Curator of Residual Debt Services Ltd to pay a further R650 million to senior unsecured stub holders

The Curator of Residual Debt Services ("RDS"), Craig Du Plessis today announces a third payment amounting to R650 million to senior unsecured stub holders. In line with the Curator's intention to make 6-monthly distributions of surplus funds, this payment will bring the total payments to date to R1.8 billion. This follows the payments of R500 million and R650 million on 29 January 2018 and 30 July 2018 respectively.

The cash payment of R650 million and total payments of R1.8 billion respectively represents approximately 16.4% and 45.3% of the R3.97 billion nominal value of the senior unsecured stub instruments as at 10 August 2014 (when RDS was placed into curatorship).

Craig Du Plessis noted: *"We are pleased to announce a third payment of R650 million to the senior unsecured stub holders and will continue our focus on collections in order to maximize recoveries for creditors"*.

The payment will be made to senior unsecured stub holders on Wednesday 30 January 2019 on record as at 23 January 2019.

The Curator expects to announce the interim financial results and provide an operational and creditors update for RDS for the six months ended 31 March 2019, in May 2019.

ENDS

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On behalf of Craig Du Plessis, Curator of Residual Debt Services Ltd

C Du Plessis was appointed as curator of Residual Debt Services Limited (the "Company") on 1 April 2018 by the Minister of Finance of the Republic of South Africa and pursuant to the Banks Act No. 94 of 1990 (as amended) to manage the affairs of the Company subject to the supervision of the Registrar. Please note, Mr Du Plessis acts in the aforesaid capacity.

Residual Debt Services Limited (under curatorship) - Registration Number 1975/002526/06

Tel: 011 256 9000 **Address:** 59 16th Road, Midrand, South Africa **Postal:** Private Bag X170, Halfway House, 1685, South Africa

Company Secretary: BW Unser

NCR Registration number: NCRCP5. Residual Debt Services Limited (under curatorship) is an Authorised Financial Services and Credit Provider. RDC91017/16

Residual Debt Services Ltd ("RDS")

RDS was placed under curatorship on 10 August 2014, when it was still known as African Bank Limited. The first Curator, Tom Winterboer issued an Offering Information Memorandum (OIM) to affected parties detailing the intended restructure of the Company on 4 February 2016. The business was successfully restructured on 4 April 2016 by means of a transfer of an identified portion of the assets and restructured liabilities; together with a fresh capital injection of R10 billion by the new shareholders into the new banking entity renamed African Bank Limited on that date. The old African Bank Limited was as a consequence renamed RDS.

Before any payments could be made by RDS to senior unsecured stub holders, it had to discharge, in full, certain obligations to the South African Reserve Bank and accumulate a R3 billion indemnity reserve fund and R500 million operational cash float.

These obligations have been fulfilled and have enabled RDS to commence payments of surplus cash on a 6-monthly basis (as from January 2018) to senior unsecured stub holders.

On 1 April 2018, Craig Du Plessis was appointed as the new Curator of RDS by the Minister of Finance. Craig is a Partner and Head of Debt and Equity Capital Advisory Services at PwC South Africa. He was an advisor to Tom Winterboer and was closely involved with the restructuring of African Bank Ltd.

African Bank Ltd and RDS are not related entities.

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