

AFRICAN BANK LIMITED

(Incorporated in the Republic of South Africa)

(Registered Bank)

(Registration No. 2014/176899/06)

Company code: ABKI

(“African Bank” or the “Bank”)

RELEASE OF THE HALF YEAR BASEL III PILLAR 3 REPORT AS AT 31 MARCH 2021, AS PRESCRIBED BY THE BANKS ACT

African Bank is pleased to announce the release of the half year Basel III Pillar 3 report, as at 31 March 2021, (“Pillar 3 Report”), as prescribed in terms of Regulation 43 of the Banks Act (Act No. 94 of 1990) (the “Banks Act”).

The Pillar 3 Report covers African Bank and its holding company, African Bank Holdings Limited, a registered bank controlling company registered under Section 44(1) of the Banks Act.

The full version of the Pillar 3 Report can be accessed on the Bank’s website via the following url: <https://www.africanbank.co.za/> under Regulatory Announcements - Basel Pillar III Announcements within the Investors section of the website.

The overall balance sheet of the Bank remains strong, with advances appropriately provided for, strong capital adequacy and available cash holdings, including surplus liquid assets of R5.5 billion. Liquidity risk, interest rate risk and foreign exchange risk are managed within a conservative risk appetite framework.

The overall impact of the strong balance sheet structure, as expressed in the conservative risk appetite, is evidenced in the various sections of the Pillar 3 Report which, as of 31 March 2021, includes a CET1 ratio of 34.6%, a leverage ratio of 25.7%, a liquidity coverage ratio of 145% and a net stable funding ratio of 145% at the African Bank level. Consequently, African Bank and African Bank Holdings Limited operate well above the minimum required regulatory levels in respect of all prudential ratios.

27 May 2021

Debt Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)