

31 August 2022

RESIDUAL DEBT SERVICES LIMITED ("RDS") - STUB INSTRUMENTS FACE VALUES

Introduction

The exchange offer, as detailed in the Offering Information Memorandum ("OIM") issued on 4 February 2016, was successfully implemented on 4 April 2016. The OIM, inter alia, detailed the creation of a new bank (African Bank Limited) and the transfer of the core assets and business to the new African Bank Limited, which received an injection of R10 billion from its new parent, African Bank Holdings Limited (the "Transaction").

The material liabilities of Residual Debt Services Limited ("RDS") were exchanged, as part of the Transaction, for new instruments held in African Bank Limited, together with certain residual claims on the assets of RDS – "senior stub instruments" and "sub-ordinated stub instruments" and a partial cash settlement.

Stub instruments' carrying values

In terms of the exchange offer executed on 4 April 2016, three distinct tranches of stub instruments were issued with specific terms and conditions and applicable term sheets.

In order to assist holders of the various types of stub instruments to calculate their contractual carrying values for their respective holdings, the detailed calculations below have been provided for this purpose. The three categories of stub instruments are:

1. Transferable senior stub instruments (ZAU000014557) with an original nominal value of R3 972 899 102 and an interest commencement date of 10 August 2014;
2. Non-transferable senior stub instruments (ZAU000014540) with an original nominal value of R1 326 100 and an interest commencement date of 10 August 2014; and
3. Transferable subordinated stub instruments (ZAU000014532) with a nominal value of R3 620 892 415 and an interest commencement date of 4 April 2016.

Please note that the values disclosed are the contractual carrying values and **do not** necessarily represent the fair values or market values of these instruments.

Senior stub holders (transferable and non-transferable) instruments issued as part of the exchange offer effected on 4 April 2016 represent their proportionate share of the total transferable instrument value of R3 972 899 102 and total non-transferable instrument value of R1 326 100 respectively, being the nominal values as at 10 August 2014. These original nominal values have subsequently been reduced as a result of the senior stub payments, which took place from July 2019 onwards, being part interest payments and part return of the original nominal values. As at 27 July 2022, the adjusted nominal values of the transferable instrument is now R 2 408 695 256, while the non-transferable instrument is R 803 990. So for example if you have a holding of R1 000 000 transferable senior stub instruments (ZAU000014557), your holding has a contractual face value of R 1 008 085 (R1 000 000/2 408 695 256 multiplied by R 2 428 168 974 (31 August 2022 total face value after taking into account the various stub payments and return of capital which has taken place every 6 months starting January'18)).

The three distinct contractual face values are updated on a monthly basis and posted on the RDS webpage.

Disclaimer:

This release must be read in conjunction with the OIM. Nothing in this statement should be considered to alter the legal terms and conditions agreed to and detailed in the OIM and pursuant to the Transaction. The curator of RDS does not make any representation that all relevant information has been disclosed in this release, nor does he accept any responsibility for the accuracy, completeness, validity or correctness of the statements made in this release or any other document prepared in connection with this release or any omissions therefrom. Holders should seek their own independent financial, legal and tax advice on the merits and on the consequences of this release.

1. Transferable senior stub instruments (ZAU000014557)

						Transferable Senior Stub (ZAU000014557)	
						Nominal as at 10 Aug'14	3,972,899,101.87
						Spread Over 3m Jibar	300
						Today's Date	12-Sep-22
Reset/Value Date	Weekday	Jibar Reset	3M Jibar plus Spread	CashFlows (PMT)	Capitalised Principal		
10-Aug-14	8-Aug-14				3,972,899,102		
10-Nov-14	10-Nov-14	6.025%	9.025%	-	4,063,274,393		
10-Feb-15	10-Feb-15	6.092%	9.092%	-	4,156,391,729		
10-May-15	11-May-15	6.100%	9.100%	-	4,249,654,327		
10-Aug-15	11-Aug-15	6.125%	9.125%	-	4,347,396,376		
10-Nov-15	10-Nov-15	6.300%	9.300%	-	4,448,196,419		
10-Feb-16	10-Feb-16	6.333%	9.333%	-	4,552,837,010		
4-Apr-16	4-Apr-16	6.983%	9.983%	-	4,620,079,544		
10-May-16	10-May-16	6.983%	9.983%	-	4,664,907,899		
10-Aug-16	10-Aug-16	7.308%	10.308%	-	4,786,110,642		
10-Nov-16	10-Nov-16	7.358%	10.358%	-	4,911,065,632		
10-Feb-17	10-Feb-17	7.358%	10.358%	-	5,039,282,926		
10-May-17	10-May-17	7.350%	10.350%	-	5,166,459,240		
10-Aug-17	10-Aug-17	7.342%	10.342%	-	5,301,135,952		
10-Nov-17	10-Nov-17	7.058%	10.058%	-	5,435,528,608		
29-Jan-18	29-Jan-18	7.050%	10.050%	-499,833,162	5,055,425,993		
10-Feb-18	12-Feb-18	7.050%	10.050%	-	5,074,452,085		
10-May-18	10-May-18	7.133%	10.133%	-	5,197,013,449		
30-Jul-18	30-Jul-18	6.900%	9.900%	-649,783,111	4,661,408,012		
10-Aug-18	10-Aug-18	6.900%	9.900%	-	4,674,974,954		
10-Nov-18	12-Nov-18	6.975%	9.975%	-	4,795,070,577		
30-Jan-19	30-Jan-19	7.017%	10.017%	-649,783,111	4,249,247,618		
10-Feb-19	11-Feb-19	7.017%	10.017%	-	4,262,899,128		
10-May-19	10-May-19	7.150%	10.150%	-	4,367,217,526		
31-Jul-19	31-Jul-19	7.158%	10.158%	-599,799,795	3,867,080,745		
10-Aug-19	12-Aug-19	7.158%	10.158%	-	3,879,662,476		
10-Nov-19	11-Nov-19	6.842%	9.842%	-	3,974,860,039		
29-Jan-20	29-Jan-20	6.800%	9.800%	-499,833,162	3,559,337,470		
10-Feb-20	10-Feb-20	6.800%	9.800%	-	3,570,533,721		
10-May-20	11-May-20	6.558%	9.558%	-	3,655,617,876		
29-Jul-20	29-Jul-20	4.533%	7.533%	-399,866,530	3,315,353,642		
11-Aug-20	11-Aug-20	4.533%	7.533%	-	3,324,088,778		
10-Nov-20	10-Nov-20	3.500%	6.500%	-	3,377,957,230		
27-Jan-21	27-Jan-21	3.333%	6.333%	-399,866,530	3,023,806,400		
10-Feb-21	10-Feb-21	3.333%	6.333%	-	3,031,040,468		
10-May-21	10-May-21	3.642%	6.642%	-	3,080,129,871		
28-Jul-21	28-Jul-21	3.675%	6.675%	-349,883,214	2,774,746,095		
10-Aug-21	10-Aug-21	3.675%	6.675%	-	2,781,236,976		
10-Nov-21	10-Nov-21	3.675%	6.675%	-	2,828,030,336		
26-Jan-22	26-Jan-22	3.683%	6.683%	-299,899,897.47	2,568,001,095		
10-Feb-22	10-Feb-22	3.683%	6.683%	-	2,574,944,449		
10-May-22	10-May-22	4.167%	7.167%	-	2,616,904,544		
27-Jul-22	27-Jul-22	4.458%	7.458%	-249,916,581.00	2,408,695,256		
10-Aug-22	10-Aug-22	4.458%	7.458%	-	2,415,466,268		
31-Aug-22	31-Aug-22	5.725%	8.725%	-	2,428,168,974		

2. Non-transferable senior stub instruments (ZAU000014540)

					Non-Transferable Senior Stub (ZAU000014540)	
					Nominal as at 10 Aug'14	1,326,100
					Spread Over 3m Jibar Today's Date	300 12-Sep-22
Reset/Value Date	Weekday	Jibar Reset	3M Jibar plus Spread	CashFlows (PMT)	Capitalised Principal	
10-Aug-14	8-Aug-14				1,326,100	
10-Nov-14	10-Nov-14	6.025%	9.025%		1,356,266	
10-Feb-15	10-Feb-15	6.092%	9.092%		1,387,347	
10-May-15	11-May-15	6.100%	9.100%		1,418,477	
10-Aug-15	11-Aug-15	6.125%	9.125%		1,451,102	
10-Nov-15	10-Nov-15	6.300%	9.300%		1,484,748	
10-Feb-16	10-Feb-16	6.333%	9.333%		1,519,675	
4-Apr-16	4-Apr-16	6.983%	9.983%		1,542,120	
10-May-16	10-May-16	6.983%	9.983%	-	1,557,083	
10-Aug-16	10-Aug-16	7.308%	10.308%	-	1,597,539	
10-Nov-16	10-Nov-16	7.358%	10.358%	-	1,639,247	
10-Feb-17	10-Feb-17	7.358%	10.358%	-	1,682,045	
10-May-17	10-May-17	7.350%	10.350%	-	1,724,494	
10-Aug-17	10-Aug-17	7.342%	10.342%	-	1,769,448	
10-Nov-17	10-Nov-17	7.058%	10.058%	-	1,814,306	
29-Jan-18	29-Jan-18	7.050%	10.050%	-166,838	1,687,433	
10-Feb-18	12-Feb-18	7.050%	10.050%	-	1,693,783	
10-May-18	10-May-18	7.133%	10.133%	-	1,734,693	
30-Jul-18	30-Jul-18	6.900%	9.900%	-216,889	1,555,915	
10-Aug-18	10-Aug-18	6.900%	9.900%	-	1,560,443	
10-Nov-18	12-Nov-18	6.975%	9.975%	-	1,600,530	
30-Jan-19	30-Jan-19	7.017%	10.017%	-216,889	1,418,341	
10-Feb-19	11-Feb-19	7.017%	10.017%	-	1,422,898	
10-May-19	10-May-19	7.150%	10.150%	-	1,457,718	
31-Jul-19	31-Jul-19	7.158%	10.158%	-200,205	1,290,779	
10-Aug-19	12-Aug-19	7.158%	10.158%		1,294,979	
10-Nov-19	11-Nov-19	6.842%	9.842%		1,326,755	
29-Jan-20	29-Jan-20	6.800%	9.800%	-166,838	1,188,059	
10-Feb-20	10-Feb-20	6.800%	9.800%		1,191,796	
10-May-20	11-May-20	6.558%	9.558%		1,220,196	
29-Jul-20	29-Jul-20	4.533%	7.533%	-133,470	1,106,620	
11-Aug-20	11-Aug-20	4.533%	7.533%		1,109,536	
10-Nov-20	10-Nov-20	3.500%	6.500%		1,127,516	
27-Jan-21	27-Jan-21	3.333%	6.333%	-133,470	1,009,306	
10-Feb-21	10-Feb-21	3.333%	6.333%		1,011,720	
10-May-21	10-May-21	3.642%	6.642%		1,028,106	
28-Jul-21	28-Jul-21	3.675%	6.675%	-116786	926,173	
10-Aug-21	10-Aug-21	3.675%	6.675%		928,339	
10-Nov-21	10-Nov-21	3.675%	6.675%		943,958	
26-Jan-22	26-Jan-22	3.683%	6.683%	-100,102.53	857,164	
10-Feb-22	10-Feb-22	3.683%	6.683%		859,482	
10-May-22	10-May-22	4.167%	7.167%		873,487	
27-Jul-22	27-Jul-22	4.458%	7.458%	-83,419.00	803,990	
10-Aug-22	10-Aug-22	4.458%	7.458%		806,250	
31-Aug-22	31-Aug-22	5.725%	8.725%		810,490	

3. Transferable subordinated stub instruments (ZAU000014532).

				Subordinated Stub (ZAU000014532)		
				Bal on 04 April 2016	3,620,892,415	
				Spread Over 3m Jibar	500	
				Today's Date	12-Sep-22	
Reset/Value Date	Weekday	Jibar Reset	3M Jibar plus Spread	CashFlows (PMT)	Capitalised Principal	
4-Apr-16		4-Apr-16			3,620,892,415	
4-Jul-16		4-Jul-16	7.233%	12.233%	-	3,731,324,971
4-Oct-16		4-Oct-16	7.358%	12.358%	-	3,847,551,757
4-Jan-17		4-Jan-17	7.358%	12.358%	-	3,967,398,883
4-Apr-17		4-Apr-17	7.358%	12.358%	-	4,088,292,592
4-Jul-17		4-Jul-17	7.375%	12.375%	-	4,214,427,619
4-Oct-17		4-Oct-17	7.350%	12.350%	-	4,345,617,555
4-Jan-18		4-Jan-18	6.992%	11.992%	-	4,476,969,977
4-Apr-18		4-Apr-18	7.158%	12.158%	-	4,611,183,404
4-Jul-18		4-Jul-18	6.892%	11.892%	-	4,747,898,297
4-Oct-18		4-Oct-18	6.958%	11.958%	-	4,891,003,333
4-Jan-19		4-Jan-19	7.017%	12.017%	-	5,039,149,010
4-Apr-19		4-Apr-19	7.150%	12.150%	-	5,190,116,392
4-Jul-19		4-Jul-19	7.158%	12.158%	-	5,347,437,778
4-Oct-19		4-Oct-19	7.025%	12.025%	-	5,509,516,420
4-Jan-20		6-Jan-20	6.775%	11.775%	-	5,676,590,618
4-Apr-20		6-Apr-20	6.800%	11.800%	-	5,843,591,249
4-Jul-20		6-Jul-20	5.608%	10.608%	-	5,998,138,708
4-Oct-20		5-Oct-20	3.883%	8.883%	-	6,130,977,432
4-Jan-21		4-Jan-21	3.358%	8.358%	-	6,258,733,228
4-Apr-21		6-Apr-21	3.642%	8.642%	-	6,395,064,556
4-Jul-21		5-Jul-21	3.675%	8.675%	-	6,531,857,615
4-Oct-21		4-Oct-21	3.692%	8.692%	-	6,673,406,011
4-Jan-22		4-Jan-22	3.675%	8.675%	-	6,819,325,062
4-Apr-22		4-Apr-22	3.892%	8.892%	-	6,968,842,033
4-Jul-22		4-Jul-22	4.367%	9.367%	-	7,131,587,788
31-Aug-22		31-Aug-22	5.050%	10.050%	-	7,247,441,897