

30 September 2020

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 29 July 2020, the adjusted nominal values of the transferable instrument is now R3 315 353 642, while the non-transferable instrument is R1 106 620. 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 R1 011 741 (R1 000 000/3 315 353 642 multiplied by R3 354 278 790 (30 September 2020 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	06-Oct-20
Reset/Value Date	Weekday	Jibar Reset	3M Jibar plus Spread	CashFlows (PMT)	Capitalised Principal		
10-Aug-14	08-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		
04-Apr-16	04-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		
30-Sep-20	30-Sep-20	3,500%	6,500%	-	3 354 278 790		

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	300
						Today's Date	06-Oct-20
Reset/Value Date	Weekday	Jibar Reset	3M Jibar plus Spread	CashFlows (PMT)	Capitalised Principal		
10-Aug-14	08-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	
04-Apr-16	04-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	
30-Sep-20	30-Sep-20	3,500%	6,500%			1 119 613	

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	06-Oct-20
Reset/Value Date	Weekday	Jibar Reset	3M Jibar plus Spread	CashFlows (PMT)	Capitalised Principal
04-Apr-16	04-Apr-16				3 620 892 415
04-Jul-16	04-Jul-16	7,233%	12,233%	-	3 731 324 971
04-Oct-16	04-Oct-16	7,358%	12,358%	-	3 847 551 757
04-Jan-17	04-Jan-17	7,358%	12,358%	-	3 967 398 883
04-Apr-17	04-Apr-17	7,358%	12,358%	-	4 088 292 592
04-Jul-17	04-Jul-17	7,375%	12,375%	-	4 214 427 619
04-Oct-17	04-Oct-17	7,350%	12,350%	-	4 345 617 555
04-Jan-18	04-Jan-18	6,992%	11,992%	-	4 476 969 977
04-Apr-18	04-Apr-18	7,158%	12,158%	-	4 611 183 404
04-Jul-18	04-Jul-18	6,892%	11,892%	-	4 747 898 297
04-Oct-18	04-Oct-18	6,958%	11,958%	-	4 891 003 333
04-Jan-19	04-Jan-19	7,017%	12,017%	-	5 039 149 010
04-Apr-19	04-Apr-19	7,150%	12,150%	-	5 190 116 392
04-Jul-19	04-Jul-19	7,158%	12,158%	-	5 347 437 778
04-Oct-19	04-Oct-19	7,025%	12,025%	-	5 509 516 420
04-Jan-20	06-Jan-20	6,775%	11,775%	-	5 676 590 618
04-Apr-20	06-Apr-20	6,800%	11,800%	-	5 843 591 249
04-Jul-20	06-Jul-20	5,608%	10,608%	-	5 998 138 708
30-Sep-20	30-Sep-20	3,883%	8,883%	-	6 125 138 367