

AFRICAN BANK LIMITED

(Incorporated in the Republic of South Africa)

(Registered Bank)

(Registration No. 2014/176899/06)

LEI: 2549008X8SL1B1J86F98

Company code: ABKI

("African Bank" or the "Bank")

RELEASE OF THE HALF YEAR BASEL III PILLAR 3 REPORT AS AT 31 MARCH 2022, 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 2022, ("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 balance sheet of African Bank and the African Bank Holding company remains robust, with advances appropriately provided for, significant capital adequacy and available cash holdings, including surplus liquid assets of R4.6 billion in the group's consolidated accounts. Liquidity risk, interest rate risk and foreign exchange risks are managed within a conservative risk appetite framework.

The overall impact of the solid 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 2022, includes a CET1 ratio of 39.2%, a leverage ratio of 30.8%, a liquidity coverage ratio of 785% and a net stable funding ratio of 144% 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.

24 May 2022

Debt Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)