

African Bank Limited

(Incorporated in the Republic of South Africa)

(Registered Bank)

(Registration No. 2014/176899/06)

Company code: ABKI

LEI: 2549008X8SL1B1J86F98

(the “Bank” or “African Bank”)

African Bank assigned first time Moody’s ratings

On 4 October 2023, Moody’s Investors Service (“Moody’s”) assigned its first-time ratings for African Bank Limited, with the long-and-short-term local and foreign currency deposit ratings of B1/NP, with a stable outlook assigned to the long-term deposit rating. Moody’s also assigned a long-and-short-term national scale bank deposits rating of A3.za/P-2.za.

Moody’s concluded that the Bank’s rating reflects the good capital buffers and strong Common Equity Tier 1, an improving funding and liquidity profile, and a steadily broadening funding base. These strengths are moderated by a challenging environment for consumers due to high inflation and interest rates affecting disposable income and debt affordability, resulting in the higher asset risks as evidenced by the Bank’s increasing non-performing loan ratio. The Bank’s capacity to generate earnings in the first half of the year was impacted by the increase in credit impairments, but Moody’s expects a gradual recovery as the Bank tightened credit criteria and focused on diversification of its revenue base.

The Moody’s press release can be accessed on www.moody.com.

5 October 2023

Debt Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)