

27 March 2023

Dear Habib Overseas Bank clients

On 26 March 2023, PwC was officially appointed by the South African Reserve Bank ('SARB') as the Curator to supervise the curatorship of Habib Overseas Bank ('Habib Overseas' or 'the Bank'). I will lead the Curatorship. The SARB noted that they have identified governance, compliance and operational weaknesses in the Bank and felt that the best course of action was to place the bank into curatorship.

I am Head of Capital Advisory and Restructuring Services at PwC and have more than 20 years of local and international Corporate Finance, Corporate and Investment Banking, and Restructuring experience across various sectors including banks.

Of comfort to me was SARBs' view that Habib Overseas Bank remains liquid, with a liquidity coverage ratio above the regulatory requirement, and there are no immediate concerns for depositors which means that their funds remain safe at Habib Overseas. The curatorship does in no way mean that depositors should feel threatened or anxious about their investments. It is in fact the very status of curatorship that is protecting all relevant stakeholders including depositors.

My role will be to conduct the management of the affairs of the bank to promote your rights as employees, the interests of the creditors of the bank and of the South African banking sector as a whole. I will develop a plan that sets out the future of the bank. I have to directly report to the SARB as per the Banks Act on my progress. My first priority is to consider the South African Banking landscape and protect all relevant stakeholders.

In order for me to do so and to assess the respective failures of the Bank and in accordance with the powers granted in respect of Section 69.3b of the Banks Act, I have taken the decision to close the Bank for 72 hours or a longer period as I may deem appropriate.

The Bank will therefore not be operational or open for any banking activity, either online or in the branches. This action is necessary to protect all stakeholders of the Bank, including you.

This action has been taken to protect all relevant stakeholders.

We will update you further as soon as we can.

We sincerely apologise for any inconvenience this action may cause you.

We are available on curatorhabiboverseas@pwc.com should you have any further queries.

With regards

Craig Du Plessis