

Press release final

27 March 2023

PwC appointed as Curator to Habib Overseas Bank

- **To be read in concert with the SARB's press release issued before**

PwC, represented by Craig Du Plessis, Capital Advisory and Restructuring advisor, was, last night, appointed by the South African Reserve Bank ('SARB') as the curator of Habib Overseas Bank Limited ('Habib Overseas' or 'Bank'), Registration number 1990/004437/06 incorporated in South Africa. (<https://www.habiboverseas.co.za>)

The SARB noted in a press statement issued this morning that Habib Overseas was placed into curatorship to deal with governance, compliance and operational failures.

In order for the Curator to assess the position of the Bank and in accordance with the powers granted in respect of Section 69.3b of the Banks Act, the Curator has closed the Bank for 72 hours or a longer period as the Curator deems appropriate. The Bank will not be open for any banking activity, either online or in the branches during this period. This action is necessary to protect all stakeholders of the Bank.

Of comfort to the Curator is SARBs' comment in its press release is 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'.

Customers who have credit facilities from the Bank are legally obliged to continue to pay their monthly instalments in accordance with the terms of their agreements with the Bank.

The Curator will manage the bank under curatorship in a manner which considers the South African Banking sector and protects the depositors and promotes the rights of employees. The bank employs less than 90 employees.

Habib Overseas, was established in Johannesburg in 1990. It has five branches including Oriental Plaza (Head office), Laudium, Lenasia, Cape Town and Durban. The Bank accepts deposits, provides credit facilities, bills of exchange and letters of credits to customers.

Mr Du Plessis and his team is to comply with any direction of the SARB and will report directly to the SARB.

The Curatorship team intends to update relevant stakeholders as soon as possible and the media in due course.

ENDS

Louise Brugman 083 504 1186 on behalf of Craig Du Plessis

About Curatorship

Curatorship is a legal process which is governed by the Banks Act of 1990. It enables the SARB to relieve the board and the executive management of the Bank and appoint a curator, who in effect takes control of the Bank. The curator must conduct the management of the Bank in a manner which promotes the interests of creditors of the Bank (including depositors) and of the banking sector and the rights of employees.

Curatorship is a mechanism to protect the banking sector and its retail depositors. It gives the curator the means to stabilise the bank and assess the affairs of the bank in the interest of all relevant stakeholders.

About Craig Du Plessis

Craig has more than 20 years of local and international Corporate Finance, Corporate and Investment Banking, and Restructuring experience across various industry sectors and markets, both local and international. He has sound knowledge of corporate finance, debt and equity capital markets, financial markets and banking products, and so is able to advise on, structure and implement bespoke solutions for clients. Craig has also previous experience of being a curator.