



SOUTH AFRICAN RESERVE BANK

22 March 2022

## **UPDATE ON THE SOUTH AFRICAN RESERVE BANK'S DISPOSAL OF ITS 50% SHAREHOLDING IN AFRICAN BANK HOLDINGS LIMITED**

On 1 June 2021 the South African Reserve Bank (SARB) announced its process to dispose of its 50% shareholding in African Bank Holdings Limited (ABHL), given the potential conflict as the regulator, the significant shareholder, and the lender of last resort to African Bank Limited.

The SARB appointed a set of transaction advisers and proceeded on a dual-track approach which focused on two potential exit options, namely a sale to investors and an initial public offering (IPO).

The SARB invited interested investors, both local and international, to submit expressions of interest for the acquisition of the SARB's shareholding. All the expressions of interest were considered, and consultation took place with relevant stakeholders and regulators involved in this process.

After due consideration of the expressions of interest that were received, the SARB has concluded that none of the interested investors would be suitable to acquire the SARB's shareholding at this stage. The SARB will work closely with ABHL and the rest of the shareholders and thus proceed with the IPO process. The timing of the launch of the IPO will be dependent on prevailing market conditions. The period leading up to the IPO will provide ABHL the opportunity to continue with its successful turnaround and execute its accelerated growth strategy.

Issued by SARB Media Relations

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