

STANDARD BANK GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1969/017128/06)

JSE share code: SBK

NSX share code: SNB

A2X share code: SBK

ISIN: ZAE000109815

("SBG")

LIBERTY HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1968/002095/06)

JSE Ordinary Share code: LBH

ISIN: ZAE000127148

("LIBERTY")

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CASH PAYMENT IN RESPECT OF FRACTIONAL ENTITLEMENT

Capitalised terms used below and elsewhere in this announcement that are not otherwise defined in this announcement bear the meanings ascribed to them in the Circular distributed to Liberty Shareholders on Monday, 13 September 2021.

1. INTRODUCTION

Shareholders of Liberty and SBG are referred to the Circular and to the finalisation announcement published on SENS on Monday, 7 February 2022 ("**Finalisation Announcement**"), and in the press on Tuesday, 8 February 2022, wherein it was confirmed that the Scheme has become unconditional with effect from Monday, 7 February 2022. The implementation of the Scheme will result in SBG acquiring all of the Scheme Shares for the Scheme Consideration (being (i) 0.5 SBG Shares, subject to the Rounding Principle ("**SBG Consideration Shares**"); and (ii) an amount of R14.40 in consideration for each Scheme Share) on the Scheme Implementation Date.

The salient dates and times included in the Finalisation Announcement remain unchanged.

The settlement of the SBG Consideration Shares to Scheme Participants may result in fractional entitlements for the recipients.

2. CASH VALUE OF FRACTIONAL ENTITLEMENTS

In accordance with the Listings Requirements, fractional entitlements to the SBG Consideration Shares will be rounded down to the nearest whole number, and the aggregated fractions of the SBG Consideration Shares to which Scheme Participants are entitled will not be transferred to them but will instead be sold in the market as soon as practicable after the Scheme Implementation Date.

Scheme Participants will instead receive the cash value ("**Cash Value**") of their fractional entitlements to the SBG Consideration Shares as determined in accordance with the Listings Requirements. In accordance with the Listings Requirements, the Cash Value due to a Scheme Participant in respect of any fractional entitlement will be calculated by multiplying the fraction of an SBG Consideration Share to which the Scheme Participant would have been entitled by 90% of the volume-weighted average price of an SBG Share traded on the JSE on Wednesday, 23 February 2022, being ZAR143.74553 (ZAR159.71725 x 0.9). An illustrative example of the calculation of the Cash Value is set out in paragraph 3 below.

The Cash Value of Scheme Participants' fractional entitlements will be paid to Scheme Participants as soon as practicable after the Scheme Implementation Date.

3. EXAMPLE OF THE CALCULATION OF THE CASH VALUE OF A FRACTIONAL ENTITLEMENT

This example assumes that a Scheme Participant holds 125 Scheme Shares on the Scheme Record Date. The Rounding Principle described in paragraph 2 above is then applied and, in respect of those 125 Scheme Shares, the Scheme Participant will receive 62 SBG Consideration Shares and a payment of the Cash Value of the fractional entitlement of $0.5 \times \text{ZAR}143.74553 = \text{ZAR}71.87$ (The Scheme Participant will also receive Cash Consideration of R14.40 per Scheme Share, being R1,800 in respect of the 125 Scheme Shares held by the Scheme Participant on the Scheme Record Date, and will receive the Special Distribution of R11.10 per Liberty Share from Liberty.)

4. NOTICE TO US INVESTORS AND IMPORTANT INFORMATION FOR FOREIGN SHAREHOLDERS

US Shareholders are reminded that the SBG Consideration Shares will only be delivered to US Shareholders who are QIBs and who have returned executed US Investor Letters to their immediate custodians, nominees or other financial intermediaries, with a copy to SBG and Liberty in accordance with the instructions contained in the Circular. Such US Shareholders are referred to the Circular for details in relation to the process and requirements for QIBs.

The rights of the Foreign Shareholders in respect of the Scheme may be affected by the Laws of the relevant jurisdictions of such Foreign Shareholders. Such Foreign Shareholders should inform themselves about and observe any applicable legal requirements of such jurisdictions. It is the responsibility of any Foreign Shareholders to satisfy themselves as to the full observance of the Laws of the relevant jurisdiction in connection with the Scheme, including the obtaining of any governmental, exchange control or other consents or the making of any filings which may be required, the compliance with other necessary formalities, the payment of any transfer or other taxes or other requisite payments due in such jurisdiction.

In respect of Foreign Shareholders, applicable securities laws may affect the offer, sale and delivery of the SBG Consideration Shares. Unless SBG and Liberty (acting jointly) are satisfied that the SBG Consideration Shares can be offered, sold or delivered in compliance with applicable securities laws (without the completion of additional documents, approvals or registrations), the SBG Consideration Shares that a Foreign Shareholder would otherwise have received under the terms of the Scheme may ultimately be sold in the open market or by means of other transactions and, in such circumstances, such Foreign Shareholder will receive, in lieu of the SBG Consideration Shares to which it would otherwise be entitled under the terms of the Scheme, the net cash proceeds thereof.

The Sale Agent will conduct the sale of the Restricted Foreign Shareholders' SBG Consideration Shares pursuant to the Market Sale Process, which will occur outside of the US pursuant to a centralised sale process and will take place as soon as is reasonably practical after the implementation of the Scheme. Further information is set out in paragraph 5.4 of the Circular. The Market Sale Process is separate from the calculation and payment of the Cash Value of fractional entitlements and may be subject to applicable fees and expenses.

5. TAXATION

Scheme Participants are referred to Annexure 10 of the Circular, which sets out the tax implications of the Scheme.

6. SBG BOARD RESPONSIBILITY STATEMENT

The members of the SBG Board (to the extent that the information relates to SBG) collectively and individually accept responsibility for the information contained in this announcement and certify that to the best of their knowledge and belief, the information contained in this announcement relating to SBG is true and this announcement does not omit anything that is likely to affect the importance of such information.

7. LIBERTY BOARD RESPONSIBILITY STATEMENT

The members of the Liberty Board, which includes the Independent Board, (to the extent that the information relates to Liberty) collectively and individually accept responsibility for the information contained in this announcement and certify that, to the best of their knowledge and belief, the information contained in this announcement relating to Liberty is true and this announcement does not omit anything that is likely to affect the importance of such information.

Johannesburg

24 February 2022

Joint transaction sponsors to SBG

Merrill Lynch South Africa (Pty) Ltd t/a BofA Securities

The Standard Bank of South Africa Limited

Financial advisors to SBG

Merrill Lynch South Africa (Pty) Ltd t/a BofA Securities

The Standard Bank of South Africa Limited

Legal advisor to SBG as to South African law

Bowman Gilfillan Inc. t/a Bowmans

Legal Advisor to SBG as to US Law

Davis Polk & Wardwell London LLP

NSX sponsor to SBG

Simonis Storm Securities (Proprietary) Limited

Independent expert to Liberty

Ernst & Young Advisory Services Proprietary Limited

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Investec Bank Limited

Financial advisor to Liberty

Goldman Sachs International

Legal advisor to Liberty

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This announcement is for information purposes only. It is not intended to and does not constitute, or form part of, any offer, invitation or the solicitation of any offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the acquisitions of securities contemplated hereby or otherwise nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law.

Additional Information for US Investors

The Scheme to which this announcement relates concerns the securities of South African public companies and is proposed to be effected by means of a scheme of arrangement under South African law. This announcement, the Circular and certain other documents relating to the Scheme have been, or will be, prepared in accordance with South African law, the Companies Act, the Listings Requirements and South African disclosure requirements, format and style, all of which differ from those in the United States. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Securities Exchange Act of 1934, as amended. Accordingly, the Scheme is subject to the disclosure requirements of and practices applicable in South Africa to schemes of arrangement, which differ from the disclosure requirements of the US tender offer and proxy solicitation rules.

The SBG Consideration Shares to be issued pursuant to the Scheme have not been, and will not be, registered under the US Securities Act of 1933, as amended (the “**US Securities Act**”) or under any laws or with any securities regulatory authority of any state, district or other jurisdiction, of the United States, and may only be offered or sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable state and other securities laws. There will be no public offer of any securities in the United States. This announcement does not constitute an offer to sell or solicitation of an offer to buy any of the shares in the United States. Further details of which US and other Liberty Shareholders are eligible to receive the SBG Consideration Shares, and the procedural steps required to be taken by such persons to so receive such shares, as well as the procedures for those US and other Liberty Shareholders who do not so qualify to receive the SBG Consideration Shares, are set forth in the Circular.

Neither the US Securities and Exchange Commission (SEC) nor any US state securities commission has approved or disapproved of the SBG Consideration Shares to be issued in connection with the Scheme, or determined if this announcement or the Circular is accurate or complete. Any representation to the contrary is a criminal offence in the United States.

The SBG Consideration Shares have not been and will not be listed on a US securities exchange or quoted on any inter-dealer quotation system in the United States. Neither SBG nor Liberty intends to take any action to facilitate a market in the SBG Consideration Shares in the United States.

Financial statements, and all financial information that is included in this announcement or that may be included in the Circular or any other documents relating to the Scheme, have been or will be prepared in accordance with International Financial Reporting Standards (IFRS) or other reporting standards or accounting practice which may not be comparable to financial statements of companies in the United States or other companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States (US GAAP).

The receipt of cash and shares by Scheme Participants in the United States (each, a “**US Ordinary Holder**”) as consideration for the transfer of such person’s Liberty Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each Scheme Participant (including US Ordinary Holders) is urged to consult their independent professional adviser immediately regarding the tax consequences of the Scheme applicable to them.

It may be difficult for US Ordinary Holders to enforce their rights and claims arising out of the US federal securities laws, since Liberty and SBG are located in countries other than the United States, and the majority or all of their officers and directors are residents of non-US jurisdictions. Judgments of US courts are generally, subject to certain requirements, enforceable in South Africa. US Ordinary Holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court’s judgement. In addition, it may be difficult to enforce in South Africa original actions, or actions for the enforcement of judgments of US courts, based on the civil liability provisions of the US federal securities laws.

