

APPLICABLE PRICING SUPPLEMENT

AB FINCO 1 (RF) LIMITED

(Incorporated with limited liability in South Africa under registration number 2007/033844/06)

Established under the Programme Memorandum for the Multi-Issuer Note Programme

ISSUER PROGRAMME: AB FINCO 1

Transaction 7

Issue of ZAR2 490 566 037.78 Class A Notes

Under its ZAR ZAR15,000,000,000 Note Programme

This document constitutes the Pricing Supplement relating to the issue of Notes described in this Pricing Supplement.

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum dated 11 December 2019 and approved by the JSE on 17 December 2019, and if applicable, the Applicable Issuer Supplement dated 11 December 2019 and the Applicable Transaction Supplement dated 11 December 2019. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum and/or, if applicable, the Applicable Issuer Supplement and the Applicable Transaction Supplement, the provisions of this Applicable Pricing Supplement shall prevail.

Any capitalised terms not defined in this Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed "*Glossary of Definitions*", as supplemented, amended and/or replaced. References in this Pricing Supplement to the Terms and Conditions are to the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*" as supplemented, amended and/or replaced. References to any Condition in this Pricing Supplement are to that Condition of the Terms and Conditions.

In relation to the Issuer Programme, the Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Placing Document which would make any statement false or misleading and that all reasonable enquires to ascertain such facts have been made and that the Placing Document contains all information required by Applicable Law and, in relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in the Placing Document, the Applicable Pricing Supplements and the annual financial statements and any amendments to the aforementioned documents, except as otherwise stated therein.

The JSE takes no responsibility for the contents of the Placing Document and the annual financial statements and/or any Applicable Pricing Supplements and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Placing Document, the annual financial statements and/or any Applicable Pricing Supplements and/or the annual report of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the debt securities is not to be taken in any

way as an indication of the merits of the Issuer or of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

DESCRIPTION OF THE NOTES

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| 1. | Issuer | AB Finco 1 (RF) Limited (Registration number 2007/033844/06) |
| 2. | Security SPV | AB Finco 1 Security SPV (RF) Limited (Registration number 2007/033852/07) |
| 3. | Status/Class of the Notes | Class A Notes |
| 4. | Series | 1 |
| 5. | Tranche number | 1 |
| 6. | Security | Yes Direct security - No Security structure - Yes. See section of the Programme Memorandum headed "Security Structure" |
| 7. | Limited Recourse | Yes, Condition 5.1 applies |
| 8. | Listed/Unlisted | Listed |
| 9. | Aggregate Principal Amount of this Tranche | R2 490 566 037.78 |
| 10. | Issue Date(s) and first settlement date | 20 December 2019 |
| 11. | Minimum Denomination per Note | R1 000 000 |
| 12. | Specified Denomination (Principal Amount per Note) | R1 000 000 |
| 13. | Issue Price(s) | 100% |
| 14. | Applicable Business Day Convention | Following Business Day |
| 15. | Interest Commencement Date(s) | 20 December 2019 |
| 16. | Scheduled Maturity Date, if applicable | 01 December 2030 (as adjusted in accordance with the Applicable Business Day Convention) |
| 17. | Step-Down, if applicable | Yes, subject to the margin/spread on the Loan being adjusted. |

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| 18. | Final Redemption Date/Maturity Date | 01 December 2030 (as adjusted in accordance with the Applicable Business Day Convention) |
| 19. | Final Redemption Amount/Maturity Amount | As per Condition 7 |
| 20. | Use of Proceeds | To pay the consideration for the acquisition of the Specified Loans under the Loan Agreements and Related Finance Documents set out in the Applicable Transaction Supplement in respect of Transaction 7 |
| 21. | Specified Currency | Rand |
| 22. | Set out the relevant description of any additional Terms and Conditions relating to the Notes (including additional covenants, if any) | N/A |

FIXED RATE NOTES

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| 23. | Fixed Interest Rate | N/A |
| 24. | Interest Payment Date(s) | N/A |
| 25. | Interest Period(s) | N/A |
| 26. | Initial Broken Amount | N/A |
| 27. | Final Broken Amount | N/A |
| 28. | Any other items relating to the particular method of calculating interest | N/A |

FLOATING RATE NOTES

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| 29. | Interest Payment Date(s) | Each day being 01 March, 01 June, 01 September and 01 December of each year until the Final Redemption Date, with the first Interest Payment Date being 01 March 2020 (or, if any such day is not a Business Day, the Business Day on which the interest will be paid, as determined in accordance with the Applicable Business Day Convention, as specified in this Applicable Pricing Supplement) |
| 30. | Interest Period(s) | Each period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; |

provided that the first Interest Period will commence on (and include) the Interest Commencement Date and end on (but exclude) the following Interest Payment Date (each Interest Payment Date as adjusted in accordance with the Applicable Business Day Convention)

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| 31. Manner in which the Interest Rate is to be determined | Screen Rate Determination |
| 32. Margin/Spread for the Interest Rate | 2.20% per annum to be added to the relevant Reference Rate (up to the Scheduled Maturity Date) |
| 33. Margin/Spread for the Step-Down Rate | 1.80% per annum to be added to the relevant Reference Rate should the margin/spread on the Loan be adjusted to 2.60%. 2% per annum to be added to the relevant Reference Rate should the margin/spread on the Loan be adjusted to 2.80%. |
| 34. If Screen Rate Determination | |
| (a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated) | 3 month ZAR-JIBAR-SAFEX |
| (b) Rate Determination Date(s) | Each day being 01 March, 01 June, 01 September and 01 December of each year until the Final Redemption Date, with the first Rate Determination Date being 02 December 2019 (or, if any such day is not a Business Day, the Business Day as determined in accordance with the Applicable Business Day Convention, as specified in this Applicable Pricing Supplement) |
| (c) Relevant Screen page and Reference Code | Reuters screen SAFEY page under caption "yield" (or on the SAFEX nominated successor screen for JIBAR) on or about 11h00, Johannesburg time, on the relevant Interest Payment Date, rounded to the nearest third decimal |
| 35. If Interest Rate to be calculated otherwise than by reference to the previous 2 sub-clauses above, insert basis for determining Interest Rate/Margin/Fall back | N/A |

provisions

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| 36. Any other terms relating to the particular method of calculating interest | N/A |
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ZERO COUPON NOTES

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| 37. Implied Yield | N/A |
| 38. Reference Price | N/A |
| 39. Equivalent Discount Rate | N/A |
| 40. Spread to Reference Rate | N/A |
| 41. Final Redemption Date/Maturity Date | N/A |
| 42. Day Count | N/A |
| 43. Any other formula or basis for determining amount payable | N/A |

OTHER NOTES

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| 44. If the Notes are not Fixed Rate Notes or Floating Rate Notes, or if the Notes are a combination of the above and some other Note, set out the relevant description and any additional Terms and Conditions relating to such Notes | N/A |
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REDEMPTION IN INSTALMENTS

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| 45. Repayment Dates | Each day being 01 March, 01 June, 01 September and 01 December of each year until the Final Redemption Date, with the first date being 01 March 2020 (in each case as adjusted in accordance with the Applicable Business Day Convention) |
| 46. Repayment Amounts | R56 603 773.58 |

PROVISIONS REGARDING REDEMPTION/ MATURITY

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| 47. Redemption at the option of the Issuer: if yes: | No |
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| | (a) Optional Redemption Date(s) | N/A |
| | (b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s) | N/A |
| | (c) Minimum period of notice | N/A |
| | (d) If redeemable in part: | |
| | Minimum Redemption Amount(s) | N/A |
| | Higher Redemption Amount(s) | N/A |
| | (e) Other terms applicable on Redemption | N/A |
| 48. | Redemption at the option of the holders of the Senior Notes (Put Option): if yes | No |
| | (a) Optional Redemption Date(s) (Put) | N/A |
| | (b) Optional Redemption Amount(s) (Put) and method, if any, of calculation of such amount(s) | N/A |
| | (c) Minimum period of notice | N/A |
| | (d) If redeemable in part: | N/A |
| | Minimum Redemption Amount(s) | N/A |
| | Higher Redemption Amount(s) | N/A |
| | (e) Other terms applicable on redemption | N/A |

GENERAL

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| 49. | Additional selling restrictions | N/A |
| 50. | International Securities Identification Number (ISIN) | ZAG000165515 |
| 51. | Stock Code | ABF007 |
| 52. | Financial Exchange | JSE |
| 53. | Dealer(s) | Absa Corporate and Investment Bank |
| 54. | Method of distribution | Private placement |
| 55. | Governing Law | South Africa |

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| 56. | Rating assigned to the Issuer/the Issuer Programme/this Tranche of Notes (if any) | AA+(ZA)(sf)(IR |
| 57. | Rating Agency (if any) | GCR |
| 58. | Last Day to Register | By 17h00 on the 11 th (eleventh) calendar day before each Interest Payment Date (as defined) being 18 February, 21 May, 21 August and 20 November until the Final Redemption Date, being 17h00 on the calendar day preceding the Books Closed Period, or, if such day is not a Business Day, the immediately preceding day that is a Business Day |
| 59. | Books Closed Period | The Register will be closed for a period of 10 (ten) calendar days prior to each Interest Payment Date (as defined) and prior to the Final Redemption Date, being from 19 February to 28 February and from 22 May to 31 May and from 22 August to 31 August and from 21 November to 30 November (all dates inclusive) in each year until the Final Redemption Date |
| 60. | Calculation Agent | Absa Corporate and Investment Bank |
| 61. | Specified Office of the Calculation Agent | 15 Alice Lane, Sandton, 2196 |
| 62. | Transfer Agent | Absa Corporate and Investment Bank |
| 63. | Specified Office of the Transfer Agent | 15 Alice Lane, Sandton, 2196 |
| 64. | Paying Agent | Absa Corporate and Investment Bank |
| 65. | Specified Office of the Paying Agent | 15 Alice Lane, Sandton, 2196 |
| 66. | Issuer's Settlement Agent | Standard Chartered Bank, Johannesburg Branch |
| 67. | Specified Office of the Issuer's Settlement Agent | 5th Floor, No. 4 Sandown Valley Crescent, Sandton, 2196 |
| 68. | Debt Sponsor | Absa Corporate and Investment Bank |
| 69. | Stabilisation Manager, if any | N/A |
| 70. | Issuer Programme Amount | R15,000,000,000. The authorised amount of the Issuer Programme has |

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| | | not been exceeded. |
| 71. | Aggregate Outstanding Principal Amount of Notes in issue in respect of the Transaction on the Issue Date of this Tranche | Rnil, excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued on the Issue Date. |
| 72. | Amount of Subordinated Loan to be borrowed simultaneously with this Tranche | N/A |
| 73. | Aggregate Principal Amount of all other Tranches of Notes to be issued simultaneously with this Tranche, excluding this Tranche | Rnil |
| 74. | Additional Events of Default, if any | N/A |
| 75. | Description of the underlying assets | See the section of the Applicable Transaction Supplement headed Loan Agreement |
| 76. | Number and value of assets in the pool | See the section of the Applicable Transaction Supplement headed Loan Agreement |
| 77. | Seasoning of the assets | See the section of the Applicable Transaction Supplement headed Loan Agreement |
| 78. | Level of over -collateralisation, if any | N/A |
| 79. | How often payments are collected in respect of underlying assets | In accordance with the terms of the Loan Agreement |
| 80. | Percentage of Notes held by the Originator on the Issue Date | 100% |
| 81. | Level of concentration of the obligors in the asset pool, identifying obligors that account for 10% or more | See the section of the Applicable Transaction Supplement headed Loan Agreement |
| 82. | Where this is no concentration of obligors above 10%, the general characteristics and description of the obligors | N/A |
| 83. | Other provisions, if any | N/A |



Application is hereby made to list this Tranche of the Notes. The Programme was registered with the JSE on 17 December 2019.

As at the date of this Pricing Supplement, following due and careful enquiry, there has been a material change in the financial or trading position of the Issuer since the end of the last financial period for which either audited annual consolidated financial statements or unaudited interim consolidated financial results have been published. All liabilities have been settled and its assets are positive resulting in the Issuer being solvent. No auditors have been involved in making such statement.

As at the date of the Pricing Supplement, neither the Issuer nor the Security SPV is engaged in any legal or arbitration proceedings, including any proceedings that are pending or threatened, of which the Issuer or Security SPV is aware, that may have or have had in the recent past, being the previous 12 months, a material effect on the Issuer's or the Security SPV's financial position.

[DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS – SEE APPENDIX "A"]

AB Finco 1 (RF) Limited

By:  By: 

Name: J. BURNETT Name: R Thanthy

Director, duly authorised Director, duly authorised

Date: 19 / 12 / 2019 Date: 19/12/2019

APPENDIX "A" TO THE APPLICABLE PRICING SUPPLEMENT, IF APPLICABLE

Disclosure Requirements in terms of paragraph 3(5) of the Commercial Paper Regulations

At the date of this Applicable Pricing Supplement:

Paragraph 3(5)(a)

The ultimate borrower is the Issuer.

Paragraph 3(5)(b)

The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.

Paragraph 3(5)(c)

The auditor of the Issuer is Ernst & Young Inc.

Paragraph 3(5)(d)

As at the date of this issue:

- (a) the Issuer has not issued any Notes in respect of Transaction 7; and
- (b) it is not anticipated that the Issuer will issue additional Notes in respect of Transaction 7 during the remainder of its current financial year, in addition to the Notes forming part of this issue of Notes.

Paragraph 3(5)(e)

Prospective investors in the Notes are to consider this Applicable Pricing Supplement, the Programme Memorandum, the Applicable Issuer Supplement, the Applicable Transaction Supplement and the documentation incorporated therein by reference in order to ascertain the nature of the financial and commercial risks of an investment in the Notes. In addition, prospective investors in the Notes are to consider the latest audited financial statements of the Issuer which are incorporated into the Programme Memorandum by reference and which may be requested from the Issuer.

Paragraph 3(5)(f)

There has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements.

Paragraph 3(5)(g)

The Notes issued will be listed, as stated in the Applicable Pricing Supplement.

Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.

Paragraph 3(5)(i)

The Notes are secured in the manner described in the Applicable Transaction Supplement.

Paragraph 3(5)(i)

Ernst & Young Inc, the auditors of the Issuer, have confirmed that nothing has come to their attention to indicate that this issue of Notes issued under the Issuer Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations (Government Notice 2172 in Government Gazette No, 16167 of 14 December 1994) published under Paragraph (cc) of the definition of the “business of a bank” in terms of Section 1 of the Banks Act, 1990).