

MEDIA STATEMENT

FOR IMMEDIATE RELEASE

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KWAZULU-NATAL GOVERNMENT WELCOMES HIGH COURT RULING IN SUPPORT OF ITHALA SOC LIMITED

The KwaZulu-Natal Provincial Government welcomes today's judgment by the Pietermaritzburg High Court, which ruled in favour of Ithala SOC Limited in its ongoing legal matter involving the Prudential Authority and the appointed Repayment Administrator, Mr. Johannes Kruger.

The court has confirmed that:

- Mr. Kruger may appeal the earlier judgment, but the existing court orders will remain in force during that process.
- Ithala SOC Limited may continue operating its core business functions, excluding prohibited deposit-taking.
- The Board of Ithala retains full control of the institution's operations.
- Mr. Kruger is interdicted from interfering in the day-to-day running of Ithala.
- ABSA Bank is interdicted from blocking transactions related to salaries, pensions, and other operational expenses.
- Cost matters have been reserved for determination by the Supreme Court of Appeal.

This ruling provides critical clarity and ensures that Ithala remains operational, protected from undue interference, and able to fulfil its mandate of supporting inclusive economic growth and access to financial services.

The MEC for Economic Development, Tourism and Environmental Affairs, Rev. Musa Zondi, welcomed the outcome, stating:

"This judgment upholds the rule of law and affirms our commitment to preserving institutions that exist to serve the people of KwaZulu-Natal. Ithala remains a vital development finance institution, and we will continue to safeguard its integrity and mandate."

The KwaZulu-Natal Government will continue engaging with legal counsel to assess the implications of the ruling and any appeal that may follow.

Ends.

Issued by the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs