
APPLICABLE PRICING SUPPLEMENT



TRANSNET SOC LTD

*(Incorporated in the Republic of South Africa with limited liability
under registration number 1990/000900/30)*

Issue of ZAR612,000,000 Senior Unsecured 13.085% Fixed Rate Notes due 7 March 2034

irrevocably and unconditionally guaranteed by

THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA

Under its ZAR80,000,000,000 Domestic Medium Term Note

This Applicable Pricing Supplement must be read in conjunction with the amended and restated Programme Memorandum, dated 17 October 2022 Programme Memorandum, dated 17 October 2022, prepared by Transnet SOC Ltd in connection with the Transnet SOC Ltd ZAR80,000,000,000 Domestic Medium Term Note Programme, as amended and/or supplemented from time to time (the **Programme Memorandum**).

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed “*Terms and Conditions of the Notes*”.

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the terms and conditions as amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

PARTIES

| | | |
|----|-------------------|---|
| 1. | Issuer | Transnet SOC Ltd |
| 2. | Guarantor | The Government of the Republic of South Africa |
| 3. | Dealer(s) | Rand Merchant Bank, a division of FirstRand Bank Limited |
| 4. | Registered Office | 1 Merchant Place, Cnr Fredman Drive & Rivonia Road, Sandton, Johannesburg, 2196, South Africa |
| 5. | Manager(s) | N/A |
| 6. | Registered Office | N/A |
| 7. | Debt Sponsor | Absa Bank Limited, acting through its Corporate and Investment Banking division |
| | Registered Office | 15 Alice Lane, Sandton, 2196 |
| 8. | Paying Agent | The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division |
| | Specified Office | 3 Simmonds Street, Johannesburg, 2001 |

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| 9. | Settlement Agent | The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division |
| | Specified Office | 3 Simmonds Street, Johannesburg, 2001 |
| 10. | Calculation Agent | Transnet SOC Ltd |
| | Specified Office | 138 Eloff Street, Braamfontein, Johannesburg, 2000 |
| 11. | Transfer Agent | Transnet SOC Ltd |
| | Specified Office | 138 Eloff Street, Braamfontein, Johannesburg, 2000 |
| 12. | Issuer Agent | Transnet SOC Ltd |
| | Specified Office | 138 Eloff Street, Braamfontein, Johannesburg, 2000 |

PROVISIONS RELATING TO THE NOTES

| | | |
|-----|---|---|
| 13. | Status of Notes | Senior Unsecured, however guaranteed by The Government of South Africa |
| 14. | Form of Notes | The Notes in this Tranche are listed Notes in uncertificated form and held in the CSD |
| 15. | Series Number | 144 |
| 16. | Tranche Number | 1 |
| 17. | Aggregate Nominal Amount: | |
| | (a) Series | ZAR612,000,000 |
| | (b) Tranche | ZAR612,000,000 |
| 18. | Interest | Interest-bearing |
| 19. | Interest Payment Basis | Fixed Rate |
| 20. | Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another | N/A |
| 21. | Issue Date | 7 March 2024 |
| 22. | Nominal Amount per Note | ZAR1,000,000 |
| 23. | Specified Denomination | ZAR1,000,000 |
| 24. | Specified Currency | ZAR |
| 25. | Issue Price | 100% |
| 26. | First Interest Commencement Date | 7 March 2024 |
| 27. | Maturity Date | 7 March 2034 |
| 28. | Applicable Business Day Convention | Following Business Day |
| 29. | Final Redemption Amount | 100% of Aggregate Nominal Amount |
| 30. | Last Day to Register | By 17h00 on 27 August and 25 February of each year until the Maturity Date, or if such day is not a Business Day, the Business Day before each Books Closed Period, in each year until the Maturity Date (provided that in each year which is a not leap year the Last Day to Register in February shall fall on 24 February) |

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|-----|------------------------|---|
| 31. | Books Closed Period(s) | The Register will be closed from 28 August to 6 September and 26 February to 6 March (all dates inclusive) to Maturity Date in each year until the Maturity Date (provided that in each year which is not a leap year, the Books Closed Period in February shall fall between 25 February to 6 March) |
| 32. | Default Rate | 2% (two percent) above the Fixed Rate of Interest |

FIXED RATE NOTES

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|-----|---|---|
| 33. | (a) Fixed Rate of Interest | 13.085% percent per annum payable semi-annually |
| | (b) Fixed Interest Payment Date(s) | 7 September and 7 March in each year up to and including the Maturity Date or, if 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) |
| | (c) Fixed Coupon Amount(s) | N/A |
| | (d) Initial Broken Amount | N/A |
| | (e) Final Broken Amount | N/A |
| | (f) Interest Period(s) | Each period from, and including, the applicable Fixed Interest Payment Date and ending on, but excluding, the following Fixed Interest Payment Date, the first Interest Period commences on the First Interest Commencement Date and ends on (but excludes) the first Fixed Interest Payment Date (each Fixed Interest Payment Date is adjusted in accordance with the Applicable Business Day Convention |
| | (g) Interest Determination Date(s) | 4 March 2024 |
| | (h) Day Count Fraction | Actual/365 |
| | (i) Any other terms relating to the particular method of calculating interest | N/A |

FLOATING RATE NOTES N/A

ZERO COUPON NOTES N/A

PARTLY PAID NOTES N/A

INSTALMENT NOTES N/A

MIXED RATE NOTES N/A

INDEX-LINKED NOTES N/A

DUAL CURRENCY NOTES N/A

EXCHANGEABLE NOTES N/A

OTHER NOTES N/A

PROVISIONS REGARDING REDEMPTION/MATURITY

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|-----|--|-----|
| 34. | Redemption at the Option of the Issuer: | No |
| 35. | Redemption at the Option of the Senior Noteholders | No |
| 36. | Early Redemption Amount(s) payable on redemption for | Yes |

- taxation reasons or on Event of Default (if required by the Senior Noteholders).
37. Redemption in the event of a Change of Control Yes
38. Redemption in the event of a Change of Principal Business Yes

GENERAL

39. Financial Exchange Interest Rate Market of the JSE
40. Additional selling restrictions N/A
41. ISIN No. ZAG000203613
42. Stock Code TNG34
43. Method of distribution Private Placement
44. Stabilising Manager N/A
45. Provisions relating to stabilisation N/A
46. Credit Rating assigned to the Issuer Moody's A2.za as at 25 January 2024
S&P zaAA as at 13 November 2023
47. Applicable Rating Agency Moody's Investors Service Inc. and Standard & Poor's Rating Services
48. Governing law (if the laws of South Africa are not applicable) N/A
49. Other provisions See Appendix 1 headed "*Additional Terms and Conditions to this tranche of Notes*"
See Appendix 2 headed "*Government Guarantee*"
See Appendix 3 headed "*Description of the Guarantor: The Government of the Republic of South Africa*"

DISCLOSURE IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS IN RELATION TO THIS ISSUE OF NOTES

50. Paragraph 3(5)(a)
The "*ultimate borrower*" (as defined in the Commercial Paper Regulations) is the Issuer.
51. 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.
52. Paragraph 3(5)(c)
The auditor of the Issuer is The Auditor General of South Africa.
53. Paragraph 3(5)(d)
As at the date of this issue:
- (i) the Issuer has issued ZAR40,742,720,000 Commercial Paper (excluding this issue and each other issuance of Notes, issuing on the same Issue Date) (as defined in the Commercial Paper Regulations);

- (ii) the Issuer estimates that it will issue ZAR15,000,000,000 Commercial Paper (including this issue and each other issuance of Notes, issuing on the same Issue Date) during the current financial year, ending on 31 March 2024.

54. Paragraph 3(5)(e)

All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement.

55. Paragraph 3(5)(f)

The Issuer confirms that there has been no material adverse change in the Issuer's financial or trading position since the date of its last audited financial statements year ended 31 March 2023.

56. Paragraph 3(5)(g)

The Notes issued will be listed.

57. 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.

58. Paragraph 3(5)(i)

The payment obligations of the Issuer in respect of the Notes are unsecured but are guaranteed by The Government of the Republic of South Africa.

59. Paragraph 3(5)(j)

The Auditor General of South Africa, the statutory auditor of the Issuer, during its quarterly review of the Programme for the quarter ending 31 March 2023, has confirmed that nothing came to its attention to indicate that the issue of Notes under the Programme does not comply in all respects with the relevant provision of the Commercial Paper Regulations.

Responsibility:

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Programme Memorandum or this Applicable Pricing Supplement which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that the Programme Memorandum together with this Applicable Pricing Supplement contain all information required by law and the Debt Listings Requirements of the JSE. The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement, and the annual financial statements and/or the integrated report of the Issuer and all documents incorporated by reference (see the section of the Programme Memorandum headed "*Documents Incorporated by Reference*") and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

The JSE takes no responsibility for the contents of the Programme Memorandum, the published integrated annual reports, which include the published audited annual financial statements and this Applicable Pricing Supplement 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 Programme Memorandum, the published integrated annual reports, which include the published audited annual financial statements and this Applicable Pricing Supplement 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 Notes is not to be taken in any way as an indication of the merits of the Issuer or of the Notes and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

Programme Amount:

As at the date of this Applicable Pricing Supplement, the Issuer confirms that the authorised Programme Amount of ZAR80,000,000,000 has not been exceeded.

Material Change:

As at the date of this Applicable Pricing Supplement, and after due and careful enquiry, there has been no material change in the financial or trading position of the Issuer since the date of publication of the Issuer's latest interim financial statements. As at the date of this Applicable Pricing Supplement, there has been no involvement by The Auditor General of South Africa in making the aforementioned statement.

Listing:

Application is hereby made to list this issue of Notes on 7 March 2024 on the JSE.

SIGNED at Johannesburg on this 5th day of March 2024.

For and on behalf of
TRANSNET SOC LTD



Name: Michelle Philips
Capacity: Director
Who warrants her authority hereto



Name: Hlengiwe Makhathini
Capacity: Director
Who warrants her authority hereto

APPENDIX 1
Additional Terms and Conditions to this Tranche of Notes

Capitalised terms used in this section headed "Additional Terms and Conditions" shall bear the same meanings as used in the Government Guarantee, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

1. GUARANTEE

- 1.1 The obligations of the Issuer to each Noteholder under this Tranche of TNG34 Notes (the **Notes**) are directly guaranteed by The Government of the Republic of South Africa (the **Guarantor**) pursuant to the guarantees annexed as Appendix 2 hereto (the **Government Guarantee**) who irrevocably and unconditionally guarantee, in favour of the each Noteholder the obligations which the Issuer may now have or have incurred or in the future may incur to each Noteholder.
- 1.2 The Guarantor is required to make any payment under the Government Guarantee by no later than 30 (thirty) Business Days after receipt of a written demand by a Noteholder under and in terms of the Government Guarantee and the Terms and Conditions. All payments under the Government Guarantee to a Noteholder will *pro tanto* discharge the Issuer of its corresponding obligations to the Noteholders under the Notes.
- 1.3 The Issuer hereby undertakes to ensure that the aggregate principal amount of the notes, supported by the Government Guarantee shall not exceed the aggregate principal amount of ZAR15,000,000,000, as stipulated in the Government Guarantee.
- 1.4 The Government Guarantee will be deposited with, and held by, the Paying Agent until the later of:
- 1.4.1 the date on which the Programme is terminated by the Issuer; and
- 1.4.2 the date on which all the obligations of the Issuer and the Guarantor under or in respect of the Notes have been discharged in full,
- and each Noteholder of these Notes shall be entitled to require the Paying Agent to produce the original of the Government Guarantee on request and further shall be entitled to require the Paying Agent, which shall be obliged, to provide a copy of the Government Guarantee to that Noteholder on request. In holding the Government Guarantee, the Paying Agent does not act in any fiduciary or similar capacity for the Noteholders and it has not accepted any liability, duty or responsibility to Noteholders in this regard.
- 1.5 No amendment, modification or variation or consensual cancellation of the Government Guarantee or any provision or term thereof, unless of a technical nature, to correct a manifest error or to comply with mandatory provisions of law, shall be binding unless approved by Extraordinary Resolution or Extraordinary Written Resolution of Noteholders or with the prior written approval of Noteholders or the relevant Class of Noteholders, as the case may be, holding not less than 66.67% (sixty-six point six-seven percent) in the Nominal Amount of the Notes Outstanding from time to time and thereafter recorded in a written document signed by the Guarantor. Any waiver or relaxation or suspension given or made shall be strictly construed as relating strictly to the matter in respect whereof it was made or given.
- 1.6 The Issuer will, for as long as any of the Notes remains Outstanding, provide at the registered office of the Issuer as set out at the end of the Programme Memorandum, without charge, to any Person, upon request of such Person, a copy of all of the Government Guarantee which is attached hereto as Appendix 2, unless the Government Guarantee has been modified or superseded, in which case the modified or superseding Government Guarantee will be provided. Requests for such Government Guarantee should be directed to the debt officer of the Issuer in writing at the Issuer's registered office as set out at the end of the Programme Memorandum. In addition, the Government Guarantee will be available on Issuer's website at: <https://www.transnet.net/InvestorRelations/Pages/DMTN.aspx>.

APPENDIX 2
Government Guarantee

GUARANTEE

given by

THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA

(as represented by the Minister of Public Enterprises with the concurrence of the Minister of Finance)

in favour of

THE NOTEHOLDERS

(as defined herein)

for the obligations of

TRANSNET SOC LTD

in respect of the issue and settlement of the Notes (as defined in the Programme Memorandum) by Transnet SOC Ltd in an aggregate principal amount of up to ZAR **15,000,000,000** under its ZAR80,000,000,000 Domestic Medium Term Note Programme (the **Programme**) subject to the Terms and Conditions (as defined below) and the provisions of the relevant Applicable Pricing Supplement (as defined below) in relation to the Notes.



THIS GUARANTEE IS GIVEN BY:

THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA, herein represented by the Minister of Public Enterprises in terms of section 66(2) of the Public Finance Management Act, 1999 (the **PFMA**) acting with the concurrence of the Minister of Finance in terms of section 70 of the PFMA (the **Guarantor**).

IN FAVOUR OF

THE NOTEHOLDERS for the time being and from time to time of the Notes (the **Noteholders**).

1. PREAMBLE

1.1 Transnet SOC Ltd, a state-owned company incorporated in accordance with the laws of the Republic of South Africa with registration number 1990/000900/30 (the **Issuer**) has authorised the issue of the Notes.

1.2 The Guarantor has agreed to guarantee the payment of all sums expressed to be payable from time to time by the Issuer to the Noteholders in respect of the Guaranteed Obligations or under the Legal Documents on the terms and conditions set out in this Guarantee.

2. DEFINITIONS

In this Guarantee (as defined below), unless the context requires otherwise, the words and expressions set out below shall have the meanings assigned to them and cognate expressions shall have a corresponding meaning, namely:

| | | |
|--------------------------------------|----------------|--|
| Applicable Supplement | Pricing | means each pricing supplement completed and signed by the Issuer in relation to the Notes, setting out the terms and conditions applicable to the Notes to which this Guarantee is annexed; |
| Business Day | | means a day (other than a Saturday, a Sunday or official public holiday) on which banks are open for general business in South Africa; |
| Discharge Date | | means the date on which all amounts payable by the Issuer under or in connection with the Legal Documents have been paid in full; |
| Effective Date | | means the date on which this Guarantee is signed by the party signing last in time; |
| Guarantee | | means this guarantee and indemnity agreement; |
| Guarantee Framework Agreement | | means the guarantee framework agreement concluded between the Issuer and the Guarantor which, <i>inter alia</i> , governs the terms on which the Guarantor makes the Guarantee available for the benefit of the Issuer from time to time; |
| Guaranteed Obligations | | means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of the Issuer to the Noteholders under and in terms of the Notes and the Legal Documents; |
| Legal Documents | | means the Programme Memorandum and the Applicable Pricing Supplement(s); |
| PFMA | | means the Public Finance Management Act, 1999 (as amended or substituted from time to time); |

| | |
|-----------------------------|---|
| Programme Memorandum | means the programme memorandum dated 17 October 2022 issued by the Issuer in relation to the Programme, as amended and/or restated and/or supplemented from time to time; |
| Security | means any mortgage, pledge, hypothecation, assignment, cession in <i>securitatem debiti</i> , deposit by way of security or any other agreement or arrangement (whether conditional or not and whether relating to existing or to future assets), having the effect of providing a security interest to a creditor or any agreement or arrangement to give any form of a secured claim to a creditor but excluding statutory preferences, or any security interest arising by operation of law and for the avoidance of doubt, any guarantee; and |
| Terms and Conditions | means the terms and conditions applicable to the Notes as set out in the Programme Memorandum. |

3. INTERPRETATION

- 3.1 Unless expressly defined in this Guarantee, the terms and expressions defined in the Terms and Conditions and/or the Notes (including those by way of deemed incorporation) have the same meaning in this Guarantee.
- 3.2 When any number of days is prescribed in this Guarantee same shall, unless otherwise specifically stated, be reckoned inclusively of the first and exclusively of the last day.

4. GUARANTEE

With effect from the Effective Date the Guarantor hereby, irrevocably and unconditionally, as a principal, primary, severable and discrete obligation (and not merely as surety) enforceable by the Noteholders against the Guarantor:

- 4.1 guarantees (as a primary obligation) to the Noteholders the due and punctual payment and performance by the Issuer of all the Guaranteed Obligations;
- 4.2 undertakes to the Noteholders that if the Issuer fails to pay or perform any Guaranteed Obligations as and when they fall due, the Guarantor will, within 30 (thirty) days of first written demand from a Noteholder in accordance with clause 6.1, pay any and all sums which may be payable, but remain unpaid, by the Issuer to the Noteholders in connection with the Guaranteed Obligations as if the Guarantor instead of the Issuer was expressed to be the principal obligor in respect thereof; and
- 4.3 agrees with each Noteholder that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Noteholder within 30 (thirty) days of first written demand against any cost, loss or liability it incurs as a result of the Issuer not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Legal Document on the date when it would have been due. The amount payable by a Guarantor under this clause 4.3 will not exceed the amount it would have had to pay under this clause 4 if the amount claimed had been recoverable on the basis of a Guarantee.

5. OBLIGATIONS AND RENUNCIATION OF BENEFITS

- 5.1 The obligations of the Guarantor under the Guarantee constitute unconditional and unsecured obligations of the Guarantor and will rank (subject to any obligations preferred by

law) *pari passu* with all other present and future unsecured and unsubordinated obligations of the Guarantor.

- 5.2 This Guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by the Issuer or the Guarantor or in respect of the Guaranteed Obligations, regardless of any intermediate payment or discharge in whole or in part, until the Discharge Date.
- 5.3 This Guarantee shall endure from the Effective Date and shall remain in full force and effect from the Effective Date until the Discharge Date.
- 5.4 The Guarantor hereby renounces all benefits arising from the legal exceptions *non numeratae pecuniae* (no money was paid over), *non causa debiti* (lack of actionable debt) *errore calculi* (mistake in calculation of amount due) and *beneficia excussionis et divisionis* (the benefits of excussion and division), with the force and effect of which the Guarantor hereby declares it to be fully acquainted.

6. FINANCIAL UNDERTAKINGS

- 6.1 If the Issuer fails to pay or perform any Guaranteed Obligation, the Noteholders shall be entitled to submit a written demand upon the Guarantor for payment and performance in accordance with clause 4.
- 6.2 The Guarantor waives any right it may have of first requiring any Noteholder (or any trustee or agent on their behalf) to (a) proceed against or enforce any other rights or Security, (b) claim payment from any person, (c) claim payment from the Issuer or any other person or (d) make or file any claim or proof in a winding-up or dissolution (including any equivalent or analogous proceedings) of the Issuer, before claiming from the Guarantor under, or exercising any right, power or remedy conferred upon it by, this Guarantee. This waiver applies irrespective of any law or any provision of a Legal Document to the contrary.
- 6.3 The Guarantor hereby undertakes to the Noteholders that it has not taken or received, and that until the Discharge Date, it will not take or receive, any Security or lien from the Issuer in respect of the granting of this Guarantee, and shall not exercise any rights of recourse in respect of any claims which it may have against the Issuer by reason of performance by it of its obligations under the Legal Documents or by reason of any amount being payable (all of which claims shall be subordinated to the claims of the Noteholders against the Issuer), provided that this clause 6.3 shall not be construed as limiting the Guarantor's right to claim payment of a guarantee fee from the Issuer in connection with this Guarantee.
- 6.4 If any discharge, release or arrangement (whether in respect of the obligations of the Issuer under the Legal Documents or any Security for those obligations or otherwise) is made by Noteholders in whole or in part on the basis of any payment, Security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Guarantor under this Guarantee will continue or be reinstated as if the discharge, release or arrangement had not occurred.
- 6.5 No demand made by the Noteholders against the Guarantor in terms of this Guarantee shall operate as a waiver of any other rights or remedies of the Noteholders hereunder or under the Legal Documents. Similarly, failure of a Noteholder to exercise any of the foregoing rights or remedies at any time shall not operate as a waiver of the same.
- 6.6 In respect of the Guaranteed Obligations only, and notwithstanding anything to the contrary in clause 6.2 of this Guarantee, no Noteholder shall take proceedings against the Issuer in respect of any failure to pay any Guaranteed Obligations until the period allowed to the Guarantor for payments under clause 4.2 has elapsed.

- 6.7 The Guarantor shall be entitled at any time (and whether or not in anticipation of a breach or default by the Issuer under the Legal Documents occurring or while such breach or default is continuing) to effect payments of any amounts due and payable under the Legal Documents on behalf of the Issuer as and when they fall due thereunder. The Noteholders will accept each such payment as if it were a payment made by the Issuer under the Legal Documents.
- 6.8 The existence or enforceability of this Guarantee shall not affect or be affected by any other Security held in respect of the Guaranteed Obligations under the Legal Documents and is in addition to, and without prejudice to, any such other Security.
- 6.9 The Guarantor acknowledges and agrees in favour of each Noteholder that its obligations under this Guarantee will not be affected by the failure of the Issuer to comply with the terms and conditions of the Guarantee Framework Agreement.

7. REPRESENTATIONS AND WARRANTIES

- 7.1 The Guarantor represents and warrants to the Noteholders that:
- 7.1.1 it has the power to enter into and perform, and has taken all necessary action to authorise its entry into and performance of this Guarantee (including, without limitation, under and in terms of the PFMA and the Constitution of the Republic of South Africa, 1996);
- 7.1.2 the obligations expressed to be assumed by the Guarantor in this Guarantee are legal, valid, binding and enforceable obligations;
- 7.1.3 the entry into and performance by the Guarantor of, and the transactions contemplated by, the Legal Documents to which it is a party and the Guarantee do not and will not conflict with:
- 7.1.3.1 any law or regulation applicable to it (including, without limitation, the PFMA); or
- 7.1.3.2 its constitutional documents or any other internal requirements to which it is subject; or
- 7.1.3.3 any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument; and
- 7.1.4 the Guarantor will not be entitled to claim immunity from suit, execution, attachment or other legal process in any proceedings taken in its jurisdiction of incorporation in relation to this Guarantee.
- 7.2 The representations made by the Guarantor in this clause 7 will survive the execution of this Guarantee and will be deemed repeated on each date on which any performance of any obligation is due by the Issuer to a Noteholder in terms of the Legal Documents, with reference to the facts and circumstances then existing.

8. GENERAL UNDERTAKINGS

To the extent that any additional consents or approvals may be required by virtue of a change in legislation for the continued due performance by the Guarantor of all its obligations under this Guarantee, the Guarantor hereby undertakes that for so long as any of the Issuer's obligations under the Legal Documents remain to be performed, it will obtain or cause to be obtained and maintained in full force and effect all such consents and approvals.

9. DEMANDS

A demand made from time to time under this Guarantee in accordance with clause 6.1 by a Noteholder shall be made in writing to the Guarantor at the address specified in clause 15 below.

10. LIABILITY OF GUARANTOR

- 10.1 None of the liabilities or obligations of the Guarantor under this Guarantee shall be affected or impaired by any act, omission, matter or thing which, but for this clause would reduce, release or prejudice any of its obligations under this Guarantee including (without limitation and whether or not known to it or any Noteholder):
- 10.1.1 any time, waiver or consent granted to, or composition with, the Issuer or the Guarantor or any other person;
 - 10.1.2 the release of the Issuer or the Guarantor or any other person under the terms of any composition or arrangement with any creditor;
 - 10.1.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, the Issuer or the Guarantor or any other person, or any non-presentation or non-observance of any formality or other requirement in respect of any instrument, or any failure to realise the full value of any Security;
 - 10.1.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Issuer or the Guarantor or any other person;
 - 10.1.5 any amendment, novation, supplement, extension (whether of maturity or otherwise), restatement (in each case, however fundamental, of whatsoever nature and whether or not more onerous) or replacement of any Legal Document or any other document or Security including without limitation any change in the purpose of, any extension of or any increase in the tenor and amount of the Notes;
 - 10.1.6 any unenforceability, non-provability, illegality or invalidity of any obligation of any person under any Legal Document or any other document or Security;
 - 10.1.7 any insolvency, business rescue or similar proceedings in relation to the Issuer; or
 - 10.1.8 any other act, event or omission which, but for this clause 10, might operate or might otherwise have operated to discharge, impair or otherwise affect any of the obligations of the Guarantor herein contained or any of the rights, powers or remedies conferred upon the Noteholders, whether by this Guarantee or any other Legal Document.
- 10.2 The obligations of the Guarantor hereunder shall not be affected by any invalidity in or irregularity or unenforceability of any of the Guaranteed Obligations or any change in the constitution of or any amalgamation or construction of the Issuer or the Guarantor.
- 10.3 The Guarantor hereby unconditionally and irrevocably undertakes and agrees not to institute or commence, or join with any person in instituting or commencing, any proceedings for the Issuer's liquidation, winding-up, placement under business rescue proceedings or dissolution.

11. PAYMENTS

- 11.1 The Guarantor undertakes that all payments in satisfaction of its obligations under this Guarantee shall be made without set-off or counterclaim and free and clear of and without withholding or deduction of or on account of any present or future taxes now or hereafter imposed, levied, collected, withheld, or assessed or otherwise.



- 11.2 The Guarantor agrees to pay to the Noteholders all costs and expenses incurred by the Noteholders in preserving, perfecting or exercising any of their rights hereunder and all costs and expenses incurred by the Noteholders as a result of any default by the Guarantor in the performance or payment of any of its obligations under this Guarantee.
- 11.3 All payments made under this Guarantee shall be made *mutatis mutandis* in accordance with Condition 9 of the Terms and Conditions.

12. CERTIFICATE OF INDEBTEDNESS

A certificate signed by any authorised signatory of a Noteholder of the Notes (as set out in the Register and whose appointment need not be proved) as to the existence of and the amount of indebtedness by the Guarantor to that Noteholder, that such amount is due and payable, the amount of interest accrued thereon and as to any other fact, matter or thing relating to the Guarantor's indebtedness to that Noteholder in terms of this Guarantee, shall in the absence of manifest error, be *prima facie* proof of the contents and correctness thereof for the purposes of provisional sentence, summary judgment or any other proceedings, and shall be valid as a liquid document for such purpose.

13. CHANGES TO THE PARTIES

13.1 The Guarantor

The Guarantor may not cede and/or delegate or otherwise transfer any of its rights or obligations under this Guarantee.

13.2 Noteholders

13.2.1 A Noteholder may cede or otherwise transfer all or any of its rights under this Guarantee to a person to whom it has ceded or transferred its rights in terms of the Legal Documents.

13.2.2 The Guarantor irrevocably consents to any splitting of claims which may arise as a result of a Noteholder exercising its rights under this clause 13.2.

14. SEVERABILITY

Each provision of this Guarantee is severable from all others, notwithstanding the manner in which they may be linked together or grouped grammatically, and if in terms of any judgment or order, any provision, phrase, sentence paragraph or clause is found to be defective or unenforceable for any reason, the remaining provisions, phrases, sentences, paragraphs and clauses shall nevertheless continue to be of full force. In particular, and without limiting the generality of the foregoing, the Guarantor acknowledges its intention to continue to be bound by this Guarantee notwithstanding that any provision may be found to be unenforceable or void or voidable, in which event the provision concerned shall be severed from the other provisions, each of which shall continue to be of full force, and replaced by such an alternative provision if any, as may be agreed between the parties hereto.

15. NOTICES

15.1 Each notice, demand or other communication under this Guarantee shall be in writing delivered personally or by recognised courier or electronic mail or communication and be deemed to have been given:

15.1.1 in the case of electronic mail, when received in legible form; and

15.1.2 in the case of a letter, on the Business Day of delivery; and

15.1.3 be sent to the Guarantor at:

Minister of Public Enterprises:

Address: Department of Public Enterprises 80 Hamilton Street
Arcadia
Pretoria
0028
Attention: The Director General

and to:

Minister of Finance:

Address The National Treasury of the Republic of South Africa
240 Madiba Street
Pretoria
0002

Attention: The Deputy Director-General: Asset and Liability Management

or to such other address in South Africa or electronic mail address as is notified in writing from time to time by the Guarantor to the Noteholders in accordance with Condition 19 (*Notices*) of the Terms and Conditions.

15.2 The Guarantor chooses the above address as its *domicilium citandi et executandi* for all purposes under this Guarantee, whether in respect of court process, notices or other documents or communications of whatsoever nature.

16. GENERAL PROVISIONS

16.1 This Guarantee is, and all rights and obligations relating to this Guarantee are governed by, and shall be construed in accordance with, the laws of South Africa.

16.2 The Guarantor agrees for the benefit of the Noteholders that the High Court of South Africa, Gauteng Local Division, Johannesburg (or any successor to that division) shall have non-exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes (each a **Dispute**) which may arise out of or in connection with this Guarantee and, for such purposes, submits to the jurisdiction of such court.

16.3 This Guarantee constitutes the whole undertaking relating to the subject matter hereof.

16.4 No amendment or consensual cancellation of this Guarantee or any provision or term hereof shall be binding unless recorded in a written document signed by the Guarantor and the Noteholders. Any waiver or relaxation or suspension given or made under the Legal Documents or this Guarantee shall be strictly construed as relating strictly to the matter in respect whereof it was made or given.

- 16.5 The Guarantor irrevocably and unconditionally:
- 16.5.1 submits to the jurisdiction of the South African courts in relation to any Dispute and waives all rights of sovereign or other immunity to which it or its assets may be entitled;
- 16.5.2 agrees not to claim any sovereign or other immunity from:
- 16.5.2.1 proceedings brought in any jurisdiction against it or its assets by a Noteholder in relation to a Dispute;
- 16.5.2.2 recognition or enforcement in any jurisdiction of any judgment or order given in relation to a Dispute; or
- 16.5.2.3 execution, attachment or other legal process in any jurisdiction against it or its assets in relation to a Dispute,
- and, in each case, to ensure that no such claim is made on its behalf;
- 16.5.3 submits to the jurisdiction of any court in relation to the recognition of any judgment or order given in relation to a Dispute; and
- 16.5.4 consents generally to the enforcement in any jurisdiction of any judgment or order given in relation to a Dispute and the giving of any relief in any jurisdiction, whether before or after final judgment, including, without limitation:
- 16.5.4.1 relief by way of interim or final injunction or order for specific performance or recovery of any assets; and
- 16.5.4.2 execution, attachment or other legal process against any assets (irrespective of their use or intended use).
- 16.6 This Guarantee may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Guarantee.



EXECUTED by the Guarantor and signed on its behalf by the Minister of Public Enterprises in concurrence with the Minister of Finance of the Republic of South Africa.



THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA

(AS REPRESENTED BY THE MINISTER OF PUBLIC ENTERPRISES)

DATE: 29-02-2024
PRETORIA

PLACE:

CONCURRED

MINISTER OF FINANCE

DATE:

PLACE

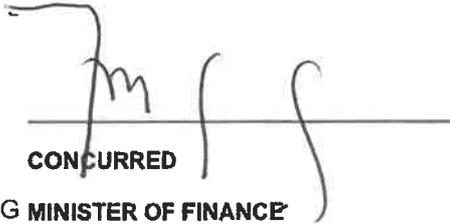


EXECUTED by the Guarantor and signed on its behalf by the Minister of Public Enterprises in concurrence with the Minister of Finance of the Republic of South Africa.

**THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA
(AS REPRESENTED BY THE MINISTER OF PUBLIC ENTERPRISES)**

DATE:

PLACE:



A handwritten signature in black ink, appearing to be 'Jm', is written over a horizontal line. To the right of the signature, there are two vertical lines that resemble a closing parenthesis or a stylized flourish.

CONCURRED

ACTING MINISTER OF FINANCE

DATE: 01/03/2024

PLACE Pretoria

APPENDIX 3

DESCRIPTION OF THE GUARANTOR: THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA

Capitalised terms used in this section headed "Description of The Government of the Republic of South Africa" shall bear the same meanings as used in the Terms and Conditions, except to the extent that they are separately defined in this section or this is clearly inappropriate from the context.

1. THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA

1.1 Address:

240 Madiba Street
Pretoria
0002
South Africa

1.2 General Business:

All information pertaining to the description of the Guarantor's business activities which is disclosed in the section headed "Overview of the Issuer" in the Guarantor's Programme Memorandum dated 9 September 2019 (the **Guarantor Programme Memorandum**) is incorporated by reference and is available on the Guarantor's website at: <https://www.google.com/url?client=internal-element-cse&cx=018115738860957273853:j5zowsrmpI&q=https://investor.treasury.gov.za/Auction%2520Information/RSA%2520DMTN.pdf&sa=U&ved=2ahUKEwj18drqwc2EAxUbU6QEHeGrBUkQFnoECAQQAQ&usg=AOvVaw2dKC3aNPaiN2Sno3hz10ME>

1.3 National Treasury:

The Director-General of National Treasury: Dr Duncan Pieterse

1.4 Litigation:

As at the Programme Date (as defined in the Guarantor Programme Memorandum), the Guarantor is not and has not been involved in any legal or arbitration proceedings, including any proceedings that are pending or threatened, of which the Guarantor is aware, during the period of the twelve months preceding the Programme Date, which has had or may have a material effect on the Guarantor's financial position.