APPLICABLE PRICING SUPPLEMENT

TRANSNET SOC LTD

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

Issue of ZAR6,200,000,000 Senior Unsecured 10.11% Fixed Rate Notes due 15 August 2032

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, 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	30 Baker Street, Rosebank, Johannesburg, 2196, South Africa

9.	Settlement Agent	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division
	Specified Office	30 Baker Street, Rosebank, Johannesburg, 2196, South Africa
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	148
16.	Tranche Number	1
17.	Aggregate Nominal Amount:	
	(a) Series	ZAR6,200,000,000
	(b) Tranche	ZAR6,200,000,000
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	15 August 2025
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	15 August 2025
27.	Maturity Date	15 August 2032
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 4 February and 4 August 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
31.	Books Closed Period(s)	The Register will be closed from 5 February to 14 February and 5 August to 14 August, (all dates inclusive) to Maturity Date in each year until the

			Maturity Date, or if any early redemption occurs, 10 Days prior to the actual Redemption Date
32.	Default Rate		2% (two percent) above the Fixed Rate of Interest
	FIXED RATE NOTES		
33.	(a)	Fixed Rate of Interest	10.11% percent per annum payable semi-annually
	(b)	Fixed Interest Payment Date(s)	15 February and 15 August 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 Interest Period shall be a 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 shall commence on the First Interest Commencement Date and end on (but exclude) the first Fixed Interest Payment Date. Interest shall be calculated on the basis of a fixed annual Rate of Interest, with an amount equal to one-half of the annual interest payable on each Fixed Interest Payment Date. Each Fixed Interest Payment Date is subject to adjustment in accordance with the Applicable Business Day Convention
	(g)	Interest Determination Date(s)	12 August 2025
	(h)	Day Count Fraction	30/360
	(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		
34.	Redemption at the Option of the Issuer pursuant to Condition 10.3 (*Redemption at the Option of the Issuer*):		No

35.	Redemption at the Option of the Senior Noteholders pursuant to Condition 10.4 (*Redemption at the Option of the Senior Noteholders*):	No
36.	Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default (if required).	Yes
37.	Redemption in the event of a Change of Control at the election of Noteholders pursuant to Condition 10.5 (*Redemption in the event of a Change of Control*) or any other terms applicable to a Change of Control	Yes
38.	Redemption in the event of a Change of Principal Business pursuant to Condition 10.6 (*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.	ZAG000218264
42.	Stock Code	TNG32
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	National Scale Rating: Moody's A1.za / P-1.za as at 7 August 2025 S&P zaA/zaA-1 as at 11 July 2025
47.	Applicable Rating Agency	Moody's Investors Service Inc. and S&P Global Ratings – bond programme only rated by Moody's
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 REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS

50. Paragraph 3(5)(a)

The "ultimate borrower" (as defined in the Commercial Paper Regulations) is the Issuer.

51. Paragraph 3(5)(b)

As disclosed in Note 40 of the Annual Financial Statements for the year ended 31 March 2024, after performing the assessment and considering all associated risks, the directors believe that material uncertainties relating to events or conditions which may cast significant doubt on the entity's ability to continue as a going concern, these are adequately mitigated as detailed in the above-mentioned note. The directors will continue to manage these mitigation strategies as a priority as it is important that they materialise as envisaged. The directors after carefully considering the progress of the recovery plan and the financial support from the Government, through the provision of guarantees, still believes that the Group will continue to have access to adequate resources and facilities to be able to continue its operations and fund the capital investment programme for the foreseeable future. However, as at the Issue Date, 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 Issue Date:

(i) the Issuer has issued the following Commerical Paper (as defined in the Commercial Paper Regulations) (excluding this issue and each other issuance of Notes, issuing on the same Issue Date):

- ZAR59,570,720,000 Notes under its Programme;
- ZAR1,200,000,000 Notes under its Programme which are held by the Issuer to facilitate short term repurchase transactions under the Programme;
- ZAR3,500,000,000 Notes under its Euro Medium Term Note Programme; and
- ZAR17,880,800,000 under its Global Medium Term Note Programme; and

(ii) the Issuer estimates that it will issue ZAR15,149,000,000 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 2026.

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. The Issuer's latest financial and commercial risks are contained in its latest annual financial statements for the year ended

31 March 2024 which can be accessed on the following link: https://www.transnet.net/InvestorRelations/AR2024/31%20March%202024%20AFS.pdf

A summary of the financial and commercial risks are highlighted below:

- The Issuer incurred a net loss of R7,3 billion for the period ended 31 March 2024 (2023 Restated: R5,1 billion) and reported a net current liability position of R62,4 billion for the period ended 31 March 2024 (2023 Restated: R51,1 billion). The Issuer may still be in a net loss and net current liability position at the financial reporting dates of 30 September 2024 and 31 March 2025.
- For the period ended 31 March 2024, the Issuer achieved a cash interest cover (CIC) of 1,9 times (2023: 2,1 times). Several loans require the Issuer to maintain a CIC covenant at a minimum of 2,5 times and 2,0 times on 31 March and 30 September of each financial year. There is a risk that the Issuer may breach the CIC covenant as at 31 March 2025.
- The Issuer has been experiencing operational challenges which affected the Group's performance. The operational challenges, mainly at Freight Rail division contributed to the decline in volumes in the past few financial years.

- The total borrowings and finance costs significantly increased during the year due to the Issuer obtaining additional debt and interest rate hikes which puts pressure on the group's cash flows.
- The Issuer continues to navigate an ever-changing legislative landscape on its path of recovery, including reforms that could result in the corporatisation of National Ports Authority into a wholly owned subsidiary of the Issuer and split of Freight Rail into Transnet Freight Rail Operating Company (TFROC) and the Transnet Rail Infrastructure Manager (TRIM) (could also become a wholly owned subsidiary of the Issuer) which is expected to oversee rail network quality and reliability to deliver the highest possible tonnage for the business. These reforms are still in the process of assessment, refinement and full quantification.
- Litigations - The Issuer is a defendant in a litigation with Total Energies Marketing South Africa (Total) and Sasol Oil (Pty) Ltd (Sasol). The public entity was ordered to pay over R6,0 billion flowing from an alleged breach of a 1991 contract, as it is alleged that the Issuer overcharged the plaintiffs for the transportation of crude oil through its pipeline system by not correctly using an agreed formula to determine tariff or price for such transportation. A provision to the value of R9,3 billion was made in the financial statements, which considered the claim, interest and legal fees as estimated.
- On 30 June 2025 Transnet made a payment to Sasol of R4,3 billion (excluding VAT) in full and final settlement of all the ongoing legal disputes.
- On 15 July 2025 Transnet made a payment to Total of R1,38 billion (excluding VAT) in full and final settlement of all the ongoing legal disputes.

The Issuer's board has developed mitigation strategies and actions to address the challenges that the Group is experiencing.as disclosed in Note 40 of the annual financial statements for the year ended 31 March 2024.

55. <u>Paragraph 3(5)(f)</u>

- The Issuer confirms that since the date of its last audited financial statements for the year ended 31 March 2024, for the half-year reporting period ended 30 September 2024:
- The Issuer achieved a Cash Interest Cover of 1,9 times and therefore breached the CIC loan covenants with affected lenders (as detailed in the events after reporting date section of the Unaudited Consolidated Financial Results for the six months ended 30 September 2024). The breach was an event of default and is the main driver for the Group's net liability position. Transnet submitted waiver requests to each of the affected lenders requesting that they waive the triggered event of default. The waiver process has been completed and Transnet has received all the required waivers from the affected lenders.
- The Issuer reported a loss of R2,165 billion.

56. <u>Paragraph 3(5)(g)</u>

The Notes issued will be listed.

57. <u>Paragraph 3(5)(h)</u>

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

58. <u>Paragraph 3(5)(i)</u>

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, confirmed in the last review of the Programme dated 27 November 2024 that nothing came to its attention to indicate that the issue of the Notes under the Programme does not comply in all respects with the relevant provisions 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 JSE's Debt and Specialist Securities Listings Requirements. 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 15 August 2025 on the JSE.

SIGNED at Johannesburg on this 13th day of August 2025.

For and on behalf of
TRANSNET SOC LTD

Name: M Phillips	Name: N. Maphumulo
Capacity: Director	Capacity: Director
Who warrants her authority hereto	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 under this Tranche of TNG32 Notes (the **Notes**) will be directly guaranteed by the Government of the Republic of South Africa (the **Guarantor**) pursuant to the guarantee annexed as Appendix 2 hereto (the **Government Guarantee**) who shall irrevocably and unconditionally guarantee, in favour of the Noteholders the obligations which the Issuer may now have or have incurred or in the future may incur to the holders of the Notes.

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 under and in terms of the Government Guarantee and the Terms and Conditions. All payments under the Government Guarantee 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 ZAR20,000,000,000, 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 Transport with the concurrence of the Minister of Finance)

in favour of

THE NOTEHOLDERS

(as defined herein)

for the obligations of

TRANSNET SOC LIMITED

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 ZAR20,000,000,000 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 Transport 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 (as defined below) or under the Legal Documents (as defined below) 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 Pricing Supplement	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, *inter alia*, 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 *securitatem debiti*, 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 AND INDEMNITY**

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 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 the 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 under the Legal Documents. 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 Transport:

Address: Department of Transport
Forum Building
c/o Bosman and Struben Streets
Pretoria
0002

Attention: The Director-General: Department of Transport

and

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 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 Transport in concurrence with the Minister of Finance of the Republic of South Africa.

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THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA

(AS REPRESENTED BY THE MINISTER OF TRANSPORT)

DATE: 16 July 2025

PLACE: Johannesburg

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CONCURRED

MINISTER OF FINANCE

DATE: 04/08/2025

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:j5zowsrmpli&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.