

The Land and Agricultural Development Bank of South Africa

(JSE Code: BILB)

(“**Land Bank**” or the “**Issuer**”)

For release: Monday 11 January 2021

Land Bank Buy-Back Offer Invitation: Offer to buy back 10% of nominal amount outstanding on notes issued in terms of Domestic Medium Term Note (“DMTN”) programmes listed on the JSE

Defined terms used in this SENS announcement shall bear the meaning as defined in Land Bank’s ZAR20 Billion DMTN Programme dated 18 October 2010 (“**2010 DMTN Programme**”) and its ZAR30 Billion DMTN Programme dated 13 March 2017 (“**2017 DMTN Programme**”) listed on the Interest Rate Market of the Johannesburg Stock Exchange, unless inconsistent with the context or separately defined herein.

In the SENS announcements of 22 September 2020 and 23 November 2020, Land Bank confirmed that it would be making payment of the (5%) Part Capital Reduction Repayment (as defined in, and) on the basis described in the SENS of 22 September 2020. The payment would be made by the end of February 2021.

Increase in Capital Repayment

Land Bank has certain semi-annual capital amortisation loan repayments that it is obliged to pay to its international funders during February and March 2021, and to uphold the INSOL principles and align the South African lenders, Land Bank has decided to make an additional repayment of 5% of the nominal capital outstanding to financial creditors who are not receiving such an amortisation loan repayment. A commitment was provided to South African Lenders that the first 5% Part Capital Reduction Repayment would be paid out before end February 2021. The next of these semi-annual capital amortisation payments to Land Bank’s international funders are due during February and March 2021 and Land Bank has therefore decided to increase the 5% capital repayment amount to a 10% capital repayment amount and to implement such payment before end February 2021.

Land Bank is therefore hereby offering to buy back, directly from each holder of the Buy-Back Offer Notes (as defined below), 10% of the Nominal Amount of all Buy-Back Offer Notes, held by each Noteholder, plus provide as additional consideration, any accrued, but unpaid interest (calculated in accordance with the Terms and

Conditions of the relevant Notes) from the last Interest Payment Date to the Settlement date (“**Accrued, but Unpaid Interest**”) on such 10% of the aggregate Nominal Amount of the relevant Buy-Back Offer Notes held by each Noteholder (“**Purchase Price**”) (the Purchase Price shall be determined on Trade Date for each relevant Buy-Back Offer Note), subject to certain terms and conditions set out below (the “**Buy-Back Offer Invitation**”).

Land Bank has today, via the CSD, and annexed hereto, issued a buy-back instruction form (the “**Buy-Back Instruction Form**”) relating to an invitation to noteholders of listed, non-matured, notes issued by Land Bank under the 2010 DMTN Programme and the 2017 DMTN Programme (together the “**Noteholders**”).

The Buy-Back Offer Invitation is open to existing holders of Buy-Back Offer Notes, as recorded in the register and the records of the CSD, on the Participation Date (as defined below), only.

Only the following notes are included in the Buy-Back Offer Invitation (the “**Buy-Back Offer Notes**”):

2010 DMTN Programme

Bond Code	ISIN	Contractual Maturity Date	Total Issued Nominal Amount (ZAR)	10% of the aggregate Nominal Amount (ZAR) of the relevant Buy-Back Offer Notes held by each Noteholder
LBK15	ZAG000139890	12 October 2021	1 375 000 000	137 500 000

2017 DMTN Programme

Bond Code	ISIN	Contractual Maturity Date	Total Issued Nominal Amount (ZAR)	10% of the aggregate Nominal Amount (ZAR) of the relevant Buy-Back Offer Notes held by each Noteholder
LBK18	ZAG000142795	22 March 2022	733 000 000	73 300 000
LBK23	ZAG000146325	05 September 2022	611 000 000	61 100 000
LBK26	ZAG000150327	23 March 2021	245 000 000	24 500 000

LBK27	ZAG000150335	23 March 2023	2 020 000 000	202 000 000
LBK30	ZAG000154196	20 September 2021	306 000 000	30 600 000
LBK31	ZAG000154204	20 September 2023	920 000 000	92 000 000
LBK32	ZAG000155243	08 November 2023	500 000 000	50 000 000
LBK33	ZAG000155953	07 December 2025	750 000 000	75 000 000
LBK35	ZAG000158064	26 March 2024	1 000 000 000	100 000 000
LBK37	ZAG000160540	25 June 2024	800 000 000	80 000 000
LBK38	ZAG000166240	16 February 2023	513 251 611	51 325 161
LBK41	ZAG000167164	16 March 2021	815 000 000	81 500 000
LBK28	ZAG000151275	15 May 2028	925 000 000	92 500 000
LBK29	ZAG000151853	07 June 2023	765 000 000	76 500 000
LBK20	ZAG000144627	08 June 2022	795 000 000	79 500 000
LBK24	ZAG000147364	10 October 2024	805 000 000	80 500 000

The terms and conditions of the Buy-Back Offer Invitation are set out below.

Terms and conditions applicable to the Buy-Back Offer Invitation

Rationale for Buy-Back Offer	The initial 5% Part Capital Reduction Repayment was based on the August and September 2020 capital amortisations paid to international funders. Due to the upcoming February and March 2021 capital amortisation payments to the same international funders, Land Bank has decided to increase the 5% amount to 10% and continue such implementation and payment before end February 2021
Note Purchaser	Land Bank
Relevant Noteholders	The Buy-Back Offer Invitation is directed only at those persons who are the existing holders of the Buy-Back Offer Notes as recorded in the register and the records of the CSD, as at the Participation Date, and must not be acted on or relied upon by any other persons. This Buy-Back Offer Invitation does not constitute an invitation to participate in the Buy-Back Offer in or from any jurisdiction in or from which, or to or from any person to or from whom, it is unlawful to make such Buy-Back Offer Invitation under applicable securities laws. Each holder of Buy-Back Offer Notes participating in the Buy-Back Offer will be deemed to have represented that it is not a person to whom it is unlawful to make a Buy-Back Offer Invitation or for whom it is unlawful to make a Buy-Back Offer under applicable securities laws
Purchase Price	10% of the aggregate Nominal Amount, of the relevant Buy-Back Offer Notes held by each Noteholder on the Participation Date plus any accrued, but unpaid interest (calculated in accordance with the Terms and Conditions) from the last Interest Payment Date to the Settlement date on such 10% of the total Nominal Amount of the relevant Buy-Back Offer Notes held by each Noteholder on the

	Participation Date. To be noted that the Purchase Price will be rounded off to the nearest Rand (the Purchase Price will not include cents).
Amendment, withdrawal, termination or extension	Land Bank, may, in its sole discretion, amend the terms of or extend the duration of the Buy-Back Offer by further announcement published on SENS, provided that there shall be no amendment to the Purchase Price. If Land Bank terminates the Buy-Back Offer, any Buy-Back Offer Notes offered for sale will not be purchased
To tender your offer, email the duly completed Buy-Back Instruction Form to Land Bank, with a copy to the relevant CSDP, prior to the Buy-Back Offer Closing Date	TenderOffer@landbank.co.za Copy to be sent to the relevant CSDP
Buy-Back Offer Process	Buy-Back Offer at Purchase Price
Buy-Back Offer Launch Date for all Buy-Back Offer Notes	Monday 18 January 2021
Buy-Back Offer Period	At least 15 Business Days from Buy-Back Offer Launch Date per table below
Buy-Back Offer Closing Date and Time	12pm on the Buy-Back Offer Closing Date: Refer to table below
Participation Date	Close of business Friday 15 January 2021
Announcement of the results of the Buy-Back Offer	Land Bank will announce, via the SENS news service of the JSE, within 2 Business Days of the Buy-Back Offer Closing Date, the results of the Buy-Back Offer Invitation.

Trade Date	Date on which the relevant trade is booked by both the Note Purchaser and the Relevant Noteholders which shall constitute the date that Land Bank accepts the valid Buy-Back Offer by the Noteholders in respect of a particular note Refer table below for specified dates
Settlement Date	Trade Date +3 Business Days

Key Dates relevant to Buy-Back Offer Notes

Bond Code	Buy-Back Offer Close Date	Trade Date	Settlement Date
LBK15	08 February 2021	09 February 2021	12 February 2021
LBK18	08 February 2021	09 February 2021	12 February 2021
LBK23	09 February 2021	10 February 2021	15 February 2021
LBK33	09 February 2021	10 February 2021	15 February 2021
LBK26	10 February 2021	11 February 2021	16 February 2021
LBK27	11 February 2021	12 February 2021	17 February 2021
LBK30	12 February 2021	15 February 2021	18 February 2021
LBK41	12 February 2021	15 February 2021	18 February 2021
LBK31	15 February 2021	16 February 2021	19 February 2021
LBK28	15 February 2021	16 February 2021	19 February 2021
LBK32	16 February 2021	17 February 2021	22 February 2021
LBK29	16 February 2021	17 February 2021	22 February 2021
LBK20	17 February 2021	18 February 2021	23 February 2021
LBK35	18 February 2021	19 February 2021	24 February 2021
LBK24	18 February 2021	19 February 2021	24 February 2021
LBK37	19 February 2021	22 February 2021	25 February 2021
LBK38	22 February 2021	23 February 2021	26 February 2021

1. The Buy-Back Offer Invitation is open to existing holders of Buy-Back Offer Notes, as recorded in the register and the records of the CSD, on the Participation Date, only. For the avoidance of doubt, any trades on the Buy-Back Offer Notes done after the Participation Date will not be eligible to participate in this Buy-Back Offer.

2. Noteholders will offer to sell the relevant Buy-Back Offer Notes at the Purchase Price by submission of the duly completed Buy-Back Instruction Form via email instruction to Land Bank TenderOffer@landbank.co.za with a copy being sent to the relevant CSDP, and no instruction sent through any other form of delivery will be accepted.
3. Noteholders may not offer to sell more, nor may they offer to sell less than 10% of the Nominal Amount, of the relevant Buy-Back Offer Notes held by each Noteholder, and must be held for delivery on the Settlement Date.
4. Noteholders to take note that the Purchase Price shall not be the market value of the note, the Purchase Price shall be as defined herein.
5. Noteholders must accept the offer to tender each Buy-Back Offer Note on an ISIN by ISIN basis.
6. The Purchase Price due to each relevant Noteholder shall be paid to the CSD. Each of the persons shown in the records of the CSD on the Participation Date, shall look solely to the CSD for the Purchase Price due to be made by the Issuer to the registered holder of the relevant Buy-Back Offer Notes on the Participation Date.
7. Land Bank will only trade with the relevant Noteholders as recorded in the register and the records of the CSD, on the Participation Date, and only such Noteholders shall be entitled to participate in this Buy-Back Offer.
8. Land Bank shall have no liability to any person for any refusal to accept an offer of Buy-Back Offer Notes for purchase pursuant to the Buy-Back Offer and Land Bank is under no obligation to Noteholders to furnish any reason or justification for refusing to accept any such offer. In particular, offers of Buy-Back Offer Notes for purchase may be rejected if, the Buy-Back Offer does not comply with the relevant laws or requirements of a particular jurisdiction, or any Buy-Back Instruction Form is incomplete or inaccurate, or for any other reason. Land Bank shall release an announcement via the SENS news service of the JSE of the results of the Buy-Back Offer within 2 Business Days after Buy-Back Offer Closing Date.

Acceptance and Settlement Process

1. Only Noteholders that have submitted the duly completed Buy-Back Instruction Form by email to Land Bank and acknowledged by a return email from Land Bank by 17h00 on the Buy-Back Offer Closing Date for that particular Note will be considered for acceptance.
2. Buy-Back Offer Notes accepted for purchase by Land Bank will be traded with the particular Noteholder at the respective Purchase Price on the Trade Date for that particular Note.
3. By close of business on the relevant Trade Date for that particular note, a trade confirmation email will be sent by Land Bank to the relevant Noteholders.
4. Buy-Back Offer Notes accepted for purchase will settle on the Settlement Date for that particular Note.

Important Information

1. Land Bank is making this Buy-Back Offer Invitation for Buy-Back Offers at the Purchase Price.
2. Land Bank undertakes to have sufficient funds available to carry out the Buy-Back Offer and settlement of Buy-Back Offer Notes tendered to and accepted for repurchase by Land Bank on the Settlement Date.
3. Any decision to sell notes in the context of this Buy-Back Offer Invitation, should be made solely on the basis of information contained within this SENS announcement and the Buy-Back Instruction Form. For the avoidance of doubt, where any Buy-Back Offer Notes are traded after the Participation Date, the purchaser of such traded Buy-Back Offer Notes will not be eligible to participate in this Buy-Back Offer.
4. Land Bank (and its directors, employees, affiliates and its advisers) does not make any recommendations whatsoever regarding this Buy-Back Offer Invitation or the Buy-Back Offer.

The required information necessary to execute an offer in terms of the Buy-Back Offer Invitation are set out in the Buy-Back Instruction Form, sent to the CSD via the Strate messaging system. The Buy-Back Instruction Form is also available by emailing TenderOffer@landbank.co.za at Land Bank or by contacting the relevant CSDP.

Noteholders who are interested in tendering an offer to sell will need to fully complete the Buy-Back Instruction Form and send via email to Land Bank, with a copy being sent to the relevant CSDP, before 12h00 on the Buy-Back Offer Closing Date:

To:

The Land and Agricultural Bank of South Africa

Attention: GM: Treasury

Re: Land Bank Buy-Back Offer

E-mail address: TenderOffer@landbank.co.za

CC: Relevant CSDP

Re: Land Bank Buy-Back Offer

No other form of communicating an offer will be accepted.

Enquiries

Land and Agricultural Development Bank of South Africa

Attention: GM: Treasury

Re: Land Bank Buy-Back Offer

E-mail address: TenderOffer@landbank.co.za

Debt Sponsor

The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division (registration number: 1962/000738/06)

Contacts: Ms Natalie Di-Sante

Email: Natalie.di-sante@standardbank.co.za

Tel: +27 (0) 11 721 6125

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BUY-BACK INSTRUCTION FORM

The Land and Agricultural Development Bank of South Africa ("**Land Bank**")

RELATING TO THE BUY-BACK OFFER INVITATION TO NOTEHOLDERS TO OFFER TO SELL THE BUY-BACK OFFER NOTES:**Important Information****Please Note:**

1. Words and expressions defined in the SENS announcement of the Issuer dated 11 January 2021 shall bear the same meanings where used in this Buy-Back Instruction Form, except where the context requires otherwise or unless otherwise stated.
2. For a Noteholder to validly tender, Buy-Back Offer Notes, this Buy-Back Instruction Form must be completed in full and sent by email to Land Bank by **12h00** on the Buy-Back Offer Closing Date to:

To: **The Land and Agricultural Development Bank of South Africa**

Attention: GM: Treasury

Re: Land Bank Buy-Back Offer

E-mail address: TenderOffer@landbank.co.za

CC: Relevant CSDP

Re: Land Bank Buy-Back Offer

3. Settlement of the Buy-Back Offer Notes accepted for purchase by Land Bank through the Buy-Back Offer will take place on the relevant Settlement Date designated in the Buy-Back Offer Invitation for that Buy-Back Offer Note.

Give Instruction as follows

To:

Land Bank

Name of Issuer	The Land and Agricultural Bank of South Africa
E-mail address	TenderOffer@landbank.co.za
Attention	GM: Treasury: Land Bank Buy-Back Offer
Fund Manager of the Noteholder (if applicable)	
Fund Manager contact person	
Fund Manager email address	
Fund Manager telephone number	
CSDP	
CSDP SCA Number	

1. I/We, being the registered owner of beneficial interests / authorised representative of the holder(s) of the Buy-Back Offer Notes, specified in paragraph 2 below, as at the Participation Date, hereby:

1.1. warrant to the best of my/our knowledge and belief that I/we am/are the registered holder / authorised representative of the beneficial interests, duly authorised to act on behalf of the Beneficial Owner, of the Buy-Back Offer Notes specified in paragraph 2 below; and

- 1.2. warrant and undertake that I/we will not sell or otherwise transfer those notes that are offered to Land Bank as part of the Buy-Back Offer process, to anyone other than Land Bank; and
- 1.3. irrevocably elect to tender such Buy-Back Offer Notes on the terms set out in the Buy-Back Offer Invitation per the SENS announcement of the Issuer dated 11 January 2021.
2. The total Nominal Amount of the Buy-Back Offer Notes, held by each Noteholder, (per fund, if applicable) per ISIN on the Participation Date, to which the Buy-Back Instruction applies, is set out below:

Buy-Back Offer Notes (Bond Code or ISIN)	Beneficial Owner	SCA Number	Registered Account (RA) or Beneficiary Account (BA)	Nominal Amount (ZAR) at the Participation Date	10% Nominal tendered (ZAR) per Beneficial Owner Please note that this amount must be 10% of the Nominal Amount, of the relevant Buy-Back Offer Notes held by each Noteholder on the Participation Date, included in the first section of this document
<u>2010 DMTN Programme</u>					
[e.g. LBK15 / ZAG000139890]	[ABC INVESTMENTS LIMITED DEF MONEY MARKET BANKER AM]	[e.g. 800XXXXX]	[e.g. RA: ZA0000XXXXXX]	[e.g. R8,000,000]	[e.g. R800,000]
[e.g. LBK15 / ZAG000139890]	[ABC ITF DEF INCOME FUND]	[e.g. 8XX;	[e.g. RA: ABC000XX; BA: 1XXXXXXXXXX]	[e.g. R5,000,000]	[e.g. R500,000]

[Bond Code/ISIN]	[•]	[•]	[•]	[•]	[•]
<u>2017 DMTN Programme</u>					
[e.g. LBK22]	[e.g. ABC ITF DEF INCOME PORTFOLIO]	[e.g. 8XX]	[e.g. BA: 12XXXXXXXX]	[e.g. R2,000,000]	[e.g. R200,000]
[Bond Code/ISIN]	[•]	[•]	[•]	[•]	[•]

Please note:

1. Payment will only be made to Beneficial Owners accounts already verified with the CSD. No third party payments will be accommodated.
2. Any Buy-Back Instruction Form not duly completed and delivered to the Land Bank and acknowledged by the Land Bank by email shall be deemed not to have been delivered and shall be null and void.

For and on behalf of myself/each of the Beneficial Owners set out above

Fund Manager / Beneficial Owner

Name _____

Signature: _____

who warrants that he / she is duly authorised thereto

Name of signatory: _____

Capacity (e.g. Director) _____

Date: _____

Place: _____