

Land Bank Event of Default – timeline of events

Updated: 29 January 2021



4 September 2020: SENS update on the LBK22 bond, interest and principal payment

15 September 2020: SENS update on the liquidity facility, the provision of financial information and a board update

30 September 2020: Land Bank confirms to the Noteholder Committee that the R1.8bn to be used for the 5% liability reduction has been set aside as required by Noteholders

5 October 2020: Noteholder Committee meeting with Land Bank, their advisors and National Treasury. Land Bank present a brief summary of their corporate plan, advisors provide an update on the liability solution process and an update on the Standard Chartered litigation matter

12 October 2020: Noteholders submit their comments and mark-ups to the draft DMTN

21 October 2020: Noteholders submit their comments and mark-ups to the wording and mechanism of the proposed 60% guarantee

5 November 2020: Email sent from Futuregrowth and Stanlib to Land Bank, National Treasury and their advisors, requesting a detailed response to the comments provided on the guarantee and DMTN, a detailed timetable of the sequence of events for the conclusion of this solution and a date for the previously promised meeting with National Treasury on the issues of principle

11 November 2020: Lenders (noteholders and banks) meeting with Land Bank, their advisors and National Treasury during which lenders express their dissatisfaction with the letter received the previous day and noting that no response received on guarantee and DMTN comments as yet. Land Bank undertook to provide DMTN comments "very soon". RMB indicated that discussions with National Treasury were underway on the guarantee

23 November 2020: SENS issued updating the market on the liability solution and other matters

7 September 2020: N/H Committee meeting to discuss next steps

16 September 2020: Letter from Land Bank to noteholders confirming agreement with the list of demands (including the 5% capital reduction) sent in the noteholders letter dated 31 August 2020

30 September 2020: Land Bank confirms to the Noteholder Committee that the R3bn equity, appropriated in the June Budget, from government has been fully received

7 October 2020: SENS confirmation of R3bn equity injection received in September 2020 and release of financial information for FYE 31 March 2020 and selected information for the period to 30 June 2020

14 October 2020: Lenders (noteholders and banks) meeting with Land Bank, their advisors and National Treasury. Discussion about the delayed timetable, Noteholder requirement for engagement with NT on issues of principle raised in the DMTN comments, the additional R10bn equity requested by Land Bank and an update on Standard Chartered litigation

2 November 2020: Lenders meeting with Land Bank, their advisors and National Treasury during which National Treasury provided detail on the additional R7bn mentioned in the MTBPS. Land Bank advisors indicated that an "offer letter" will be forthcoming with the terms of the proposed solution

10 November 2020: Letter from Land Bank indicating a change in approach, no detailed response to comments made by noteholders, lack of clarity on key issues

18 November 2020: Letter sent from Noteholder Committee requesting (inter alia) detailed response on the DMTN and guarantee, as well as, clarity on the processes underway for the 5% capital repayment by 28 February 2021

24 November 2020: Moodys downgrades Land Bank

11 December 2020: SENS announcement on the outcome of the Standard Chartered Bank court case

11 January 2021: SENS release indicating the capital buy back has been increased to 10% (from the 5% indicated in September 2020)

15 January 2021: SENS announcement increasing the capital buy back from 10% (announced on 11 January 2021) to 12% to ensure alignment with INSOL given the quantum of capital repaid to the DFIs

31 December 2020: Release via SENS of the abridged FYE 31 March 2020 and HYE 30 September 2020 results. The results for FYE20 contain a disclaimed audit opinion

14 January 2021: SENS announcement informing the market of the proposed new terms of the liability solution, notably that the previously proposed 60% government guarantee has been declined by National Treasury and that the new notes will all have a 5-year amortising term and will be unlisted

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