



**KAP INDUSTRIAL HOLDINGS LIMITED**

*(Incorporated in the Republic of South Africa with limited liability under registration number 1978/000181/06)*

*jointly and severally, unconditionally and irrevocably guaranteed by*

**KAP MANUFACTURING PROPRIETARY LIMITED**

*(Incorporated in the Republic of South Africa with limited liability under registration number 1957/001891/07)*

and

**KAP RAW MATERIALS PROPRIETARY LIMITED**

*(Incorporated in the Republic of South Africa with limited liability under registration number 1988/070308/07)*

and

**PG BISON PROPRIETARY LIMITED**

*(Incorporated in the Republic of South Africa with limited liability under registration number 1965/003787/07)*

and

**PG BISON SOUTHERN CAPE PROPRIETARY LIMITED**

*(Incorporated in the Republic of South Africa with limited liability under registration number 1957/001327/07)*

and

**UNITRANS PASSENGER PROPRIETARY LIMITED**

*(Incorporated in the Republic of South Africa with limited liability under registration number 1968/008699/07)*

and

**MVELATRANS PROPRIETARY LIMITED**

*(Incorporated in the Republic of South Africa with limited liability under registration number 2002/026281/07)*

and

**UNITRANS SUPPLY CHAIN SOLUTIONS PROPRIETARY LIMITED**

*(Incorporated in the Republic of South Africa with limited liability under registration number 1967/010920/07)*

**Issue of ZAR428,000,000 Senior Unsecured Floating Rate Notes due 13 June 2019**

**Under its ZAR5,000,000,000 Domestic Medium Term Note Programme**

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum, dated 5 June 2014, prepared by KAP Industrial Holdings Limited in connection with the KAP Industrial Holdings Limited ZAR5,000,000,000 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     | KAP Industrial Holdings Limited  |
| 2. | Guarantors | KAP Manufacturing Proprietary Limited;<br>KAP Raw Materials Proprietary Limited;<br>PG Bison Proprietary Limited;<br>PG Bison Southern Cape Proprietary Limited;<br>Unitrans Passenger Proprietary Limited;<br>Mvelatrans Proprietary Limited; |

		Unitrans Supply Chain Solutions Proprietary Limited
3.	Dealer(s)	N/A
4.	Managers	Investec Bank Limited, acting through its Corporate and Institutional Banking division; and Nedbank Capital, a division of Nedbank Limited
5.	Debt Sponsor	Nedbank Capital, a division of Nedbank Limited
6.	Paying Agent	Nedbank Investor Services, a division of Nedbank Limited
	Specified Address	16 Constantia Boulevard, Constantia Kloof, Roodepoort 1709
7.	Calculation Agent	Nedbank Capital, a division of Nedbank Limited
	Specified Address	135 Rivonia Road, Sandown, 2196
8.	Transfer Agent	Computershare Investor Services Proprietary Limited
	Specified Address	70 Marshall Street, Johannesburg, 2001

#### PROVISIONS RELATING TO THE NOTES

9.	Status of Notes	Senior Unsecured
10.	Form of Notes	Listed Notes
11.	Series Number	2
12.	Tranche Number	1
13.	Aggregate Nominal Amount:	
	(a) Series	2
	(b) Tranche	1
14.	Interest	Interest-bearing
15.	Interest Payment Basis	Floating
16.	Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	N/A
17.	Form of Notes	The Notes in this Tranche will be listed and are issued in uncertificated form and held by the CSD
18.	Issue Date	13 June 2014
19.	Nominal Amount per Note	ZAR1,000,000
20.	Specified Denomination	ZAR1,000,000
21.	Specified Currency	ZAR
22.	Issue Price	100 percent
23.	Interest Commencement Date	13 June 2014
24.	Maturity Date	13 June 2019
25.	Applicable Business Day Convention	Following Business Day
26.	Final Redemption Amount	100% of Nominal Amount

27.	Last Day to Register	by 17h00 on 2 March, 2 June, 2 September and 2 December of each year until the Maturity Date
28.	Books Closed Period(s)	The Register will be closed from 3 March to 12 March, 3 June to 12 June, 3 September to 12 September and from 3 December to 12 December (all dates inclusive) of each year until the Maturity Date
29.	Default Rate	N/A
	<b>FIXED RATE NOTES</b>	N/A
	<b>FLOATING RATE NOTES</b>	
30.	(a) Floating Interest Payment Date(s)	13 March, 13 June, 13 September and 13 December of each year until the Maturity Date with the first Interest Payment Date being 13 September 2014
	(b) Interest Period(s)	From and including the applicable Interest Payment Date and ending on but excluding the following Interest Payment Date, the first Interest Period commencing on 13 June 2014 and ending the day before the next Interest Payment Date
	(c) Definition of Business Day (if different from that set out in Condition 1) ( <i>Interpretation</i> )	N/A
	(d) Minimum Rate of Interest	N/A
	(e) Maximum Rate of Interest	N/A
	(f) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision)	N/A
31.	Manner in which the Rate of Interest is to be determined	Screen Rate Determination
32.	Margin	204 basis points to be added to the Reference Rate
33.	If ISDA Determination	
	(a) Floating Rate	N/A
	(b) Floating Rate Option	N/A
	(c) Designated Maturity	N/A
	(d) Reset Date(s)	N/A
	(e) ISDA Definitions to apply	N/A
34.	If Screen Determination:	
	(a) Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated)	3 month ZAR-JIBAR
	(b) Interest Rate Determination Date(s)	13 September, 13 December, 13 March and 13 June, of each year until the Maturity Date with the first Interest Rate Determination Date being 10 June 2014

	(c) Relevant Screen Page and Reference Code	Reuters page 0#SFXmm: or successor page
35.	If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Determination, insert basis for determining Rate of Interest/Margin/ Fallback provisions	N/A
36.	Calculation Agent responsible for calculating amount of principal and interest	Nedbank Capital, a division of Nedbank Limited
	<b>ZERO COUPON NOTES</b>	N/A
	<b>PARTLY PAID NOTES</b>	N/A
	<b>INSTALMENT NOTES</b>	N/A
	<b>MIXED RATE NOTES</b>	N/A
	<b>INDEX-LINKED NOTES</b>	N/A
	<b>DUAL CURRENCY NOTES</b>	N/A
	<b>EXCHANGEABLE NOTES</b>	N/A
	<b>OTHER NOTES</b>	N/A
	<b>PROVISIONS REGARDING REDEMPTION/MATURITY</b>	
37.	Redemption at the Option of the Issuer	No
38.	Redemption at the Option of the Senior Noteholders	No
39.	Redemption in the event of a Change of Control at the election of Noteholders pursuant to Condition 11.5 ( <i>Redemption in the event of a Change of Control</i> ) or any other terms applicable to a Change of Control	Yes
40.	Redemption in the event of a failure to maintain JSE Listing or Rating at the election of Noteholders pursuant to Condition 11.6 ( <i>Redemption in the event of a failure to maintain JSE Listing or Rating</i> )	Yes
41.	Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default (if required).	Yes
	<b>GENERAL</b>	
42.	Financial Exchange	Interest Rate Market of the JSE
43.	Additional selling restrictions	N/A
44.	ISIN No.	ZAG000116831
45.	Stock Code	KAP002
46.	Stabilising manager	N/A

47.	Provisions relating to stabilisation	N/A
48.	Method of distribution	Auction
49.	Credit Rating assigned to the Issuer	A <sub>(ZA)</sub> , as at April 2014, rating reviewed annually
50.	Applicable Rating Agency	Global Credit Rating Co (Pty) Ltd
51.	Governing law (if the laws of South Africa are not applicable)	N/A
52.	Other provisions	N/A

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

53. Paragraph 3(5)(a)

The “*ultimate borrower*” (as defined in the Commercial Paper Regulations) is the Issuer.

54. 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.

55. Paragraph 3(5)(c)

The auditor of the Issuer is Deloitte & Touche.

56. Paragraph 3(5)(d)

As at the date of this issue:

- (i) the Issuer has not issued Commercial Paper (as defined in the Commercial Paper Regulations); and
- (ii) the Issuer estimates that it does not intend issuing any further Commercial Paper during the current financial year, ending 30 June 2014.

57. 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.

58. Paragraph 3(5)(f)

There has been no material adverse change in the Issuer’s financial position since the date of its last audited financial statements.

59. Paragraph 3(5)(g)

The Notes issued will be listed

60. 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.

61. Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Notes are guaranteed in terms of the Guarantee provided by the Guarantors but are otherwise unsecured.

62. Paragraph 3(5)(j)

Deloitte & Touche, the statutory Auditor of the Issuer, have confirmed that nothing has come to their attention to indicate that this issue of Notes issued under the Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

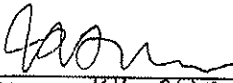
**Responsibility:**


The Issuer accepts full responsibility for the information contained in this Applicable Pricing Supplement. To the best of the knowledge and belief of the Issuer (who has taken all reasonable care to ensure that such is the case) the information contained in this Applicable Pricing Supplement is in accordance with the facts and does not omit anything which would make any statement false or misleading and all reasonable enquiries to ascertain such facts have been made. This Applicable Pricing Supplement contains all information required by law and the debt listings requirements of the JSE.

Application is hereby made to list this issue of Notes on 13 June 2014.

SIGNED at STELLENBOSCH on this 12 day of JUNE 2014

For and on behalf of  
**KAP INDUSTRIAL HOLDINGS LIMITED**

  
Name: J. VAN DER MERWE  
Capacity: Director  
Who warrants his/her authority hereto

  
Name: A. VAN DER MERWE  
Capacity: Director  
Who warrants his/her authority hereto