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## APPLICABLE PRICING SUPPLEMENT

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### **THE SOUTH AFRICAN NATIONAL ROADS AGENCY SOC LIMITED**

*(Registration number 1998/009584/30)*

*(Established and incorporated as a public company under The South African National Roads Agency Limited and National Roads Act, 1998)*

guaranteed by

### **THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA**

**Issue of ZAR1,000,000,000 Senior Unsecured (but Guaranteed) Floating Rate Notes due 28 November 2022 (HWF13)**

**Under its ZAR31,910,000,000 Guaranteed Domestic Medium Term Note Programme**

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the amended and restated programme memorandum dated on or about 13 August 2018 ("**Programme Memorandum**"). This Applicable Pricing Supplement must be read in conjunction with such Programme Memorandum issued by The South African National Roads Agency SOC Limited. 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. To the extent that certain provisions of the Applicable Pricing Supplement do not apply to the Notes described herein, they may be deleted in this Applicable Pricing Supplement or indicated to be not applicable.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the Terms and Conditions. References in this Applicable Pricing Supplement to the Terms and Conditions are to the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*". References to any Condition in this Applicable Pricing Supplement are to that Condition of the Terms and Conditions.

The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, the Applicable Pricing Supplement and the annual financial statements or annual financial report, as the case may be, and any amendments to the annual financial statements or annual financial report, as the case may be, or any supplements from time to time, except as otherwise stated therein. The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from this Applicable Pricing Supplement which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the

Programme Memorandum contains all information required by applicable law and, in relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, the JSE Debt Listings Requirements.

The Issuer, having made all reasonable enquiries, confirms that the Programme Memorandum, read together with each Applicable Pricing Supplement and the documents and information incorporated herein and therein by reference contains or incorporates all information which is material in the context of the issue and the offering of Notes, that the information contained or incorporated in the Programme Memorandum by reference, is true and accurate in all material respects and is not misleading, that the opinions and the intentions expressed in the Programme Memorandum, read together with the documents incorporated by reference, are honestly held and that there are no other facts the omission of which would make same misleading.

The Issuer confirms that the issue of Notes described in this Applicable Pricing Supplement together with the aggregate Principal Amount Outstanding of all other Notes in issue at the Issue Date will not exceed the aggregate Principal Amount of the Notes that may be Outstanding under the Programme.

The JSE assumes no responsibility or liability of whatsoever nature for the contents of the Programme Memorandum or the information contained in or incorporated by reference into this Applicable Pricing Supplement, the Issuer's annual financial statements or the annual financial report, as the case may be, or any documents incorporated by reference into the Programme Memorandum (as amended and restated from time to time). The admission of any Tranche of Notes to the list of debt securities maintained by the JSE and the listing of such Notes on the Interest Rate Market of the JSE is not to be taken as an indication of the merits of the Issuer or the Notes and, to the extent permitted by applicable law, the JSE will not be liable for any claim whatsoever. The JSE assumes no responsibility for the contents of this Applicable Pricing Supplement, the Issuer's annual financial statements or the annual financial report, as the case may be, or the amendments to the Issuer's annual financial statements or annual financial report, as the case may be, and the JSE makes no representation as to the accuracy or completeness of the Programme Memorandum or this Applicable Pricing Supplement, the Issuer's annual financial statements or annual financial report, as the case may be, or any other information incorporated by reference into the Programme Memorandum (as amended or restated from time to time). To the extent permitted by applicable law, the JSE expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of this Applicable Pricing Supplement, the Issuer's annual financial statements or the annual financial report, as the case may be, or the amendments to the Issuer's annual financial statements or annual financial report, as the case may be, or any other information incorporated by reference into the Programme Memorandum (as amended or restated from time to time).

## **DESCRIPTION OF THE NOTES**

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|---|-----------------|--|
| 1 | Issuer          | The South African National Roads Agency<br>SOC Limited               |
| 2 | Guarantor       | The Government of the Republic of South<br>Africa                    |
| 3 | Status of Notes | Senior Notes guaranteed by the Guarantor,<br>but otherwise unsecured |

4	(a) Tranche Number	1
	(b) Series Number	18
5	Aggregate Principal Amount	ZAR1,000,000,000
6	Aggregate amount of all financial instruments issued and financial indebtedness incurred by the Issuer, including the aggregate Principal Amount of Notes of this issue, but excluding the aggregate Principal Amount of Notes held by the Issuer, having the benefit of the Guarantee	ZAR25,765,601,336
7	Interest/Payment Basis	Floating Rate
8	Form of Notes	Uncertificated Notes
9	Automatic/Optional Conversion from one Interest/Payment Basis to another	N/A
10	Issue Date	28 November 2019
11	Business Centre	Johannesburg
12	Additional Business Centre	N/A
13	Principal Amount per Note	Notes are subject to a minimum denomination of ZAR1,000,000
14	Specified Denomination	Notes are subject to a minimum denomination of ZAR1,000,000
15	Issue Price	100%
16	Interest Commencement Date	28 November 2019
17	Redemption Date	28 November 2022
18	Specified Currency	ZAR
19	Applicable Business Day Convention	Following Business Day
20	Calculation Agent	ABSA Corporate and Investment Bank, a division of ABSA Bank Limited
21	Specified office of the Calculation Agent	15 Alice Lane, Sandton
22	Paying Agent	FirstRand Bank Limited, acting through its Rand Merchant Bank division
23	Specified office of the Paying Agent	FNB Bank City, 3 First Place, Johannesburg

24	Transfer Agent	Computershare Investor Services Proprietary Limited
25	Specified office of the Transfer Agent	Rosebank Towers, 15 Biermann Avenue, Rosebank
26	Settlement Agent	FirstRand Bank Limited, acting through its Rand Merchant Bank division
27	Specified Office of the Settlement Agent	FNB Bank City, 3 First Place, Johannesburg
28	Final Redemption Amount	100%

**FIXED RATE NOTES** N/A

**FLOATING RATE NOTES**

29	(a) Interest Payment Date(s)	28 February, 28 May, 28 August and 28 November until the Redemption 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)
	(b) Interest Period(s)	Each period from and including one Interest Payment Date to, but excluding, the next Interest Payment Date, provided that the first Interest Period shall commence on the Interest Commencement Date and the final Interest Period shall end on the Redemption Date (each Interest Payment Date as adjusted in accordance with the applicable Business Day Convention)
	(c) Definitions of Business Day (if different from that set out in Condition 1)	N/A
	(d) Interest Rate(s)	The Reference Rate plus the Margin
	(e) Minimum Interest Rate	N/A
	(f) Maximum Interest Rate	N/A
	(g) Other terms relating to the method of calculating interest (e.g., Day Count Fraction, rounding up provision, if different from Condition 8.2)	N/A
30	Manner in which the Interest Rate is to be determined	Screen Rate Determination

31	Margin	145 basis points
32	If ISDA Determination	
	(a) Floating Rate	N/A
	(b) Floating Rate Option	N/A
	(b) Designated Maturity	N/A
	(c) Reset Date(s)	N/A
33	If Screen Rate Determination	
	(a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated)	3 (three) Month ZAR-JIBAR-SAFEX
	(b) Interest Determination Date(s)	28 February, 28 May, 28 August and 28 November until the Redemption Date, with the first Interest Determination Date being 28 November 2019 (subject to the Applicable Business Day Convention set out in item 19 above)
	(c) Relevant Screen Page and Reference Code	ZAR-JIBAR-SAFEX
34	If Interest Rate to be calculated otherwise than by reference to 32 or 33 above, insert basis for determining Interest Rate/Margin/Fall back provisions	N/A
35	If different from the Calculation Agent, agent responsible for calculating amount of principal and interest	N/A
	<b>MIXED RATE NOTES</b>	N/A
	<b>ZERO COUPON NOTES</b>	N/A
	<b>INDEXED NOTES</b>	N/A
	<b>OTHER NOTES</b>	N/A
	<b>PROVISIONS REGARDING REDEMPTION/ MATURITY</b>	
36	Issuer's Optional Redemption -	No

37	Redemption at the option of the Noteholders -	No
38	Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default	Final Redemption Amount
39	Early Redemption Amount(s) payable on redemption for a Credit Rating Event	The Early Redemption Amounts stated in Condition 10.7, together with Accrued Interest (if any)
40	Early Redemption Amount(s) payable on redemption following a Listing Event	The Early Redemption Amounts stated in Condition 10.7, together with Accrued Interest (if any)

#### **GENERAL**

41	Description of the amortisation of Notes	N/A
42	Additional selling restrictions	N/A
	(a) International Identification (ISIN)	Securities Numbering ZAG000164740
	(b) Stock Code	HWF13
43	Financial Exchange	Interest Rate Market of the JSE Limited
44	If syndicated, names of Syndication Managers	N/A
45	Credit Rating assigned to the Issuer as at the Issue Date (if any)	The Issuer has been assigned a long-term rating of BB- on an International scale basis and a long-term rating of A(ZA) and a short-term rating of A1(ZA) on a National scale basis by Global Credit Ratings Co.
46	Date of issue of Credit Rating	13 August 2019
47	Date of review of Credit Rating	August 2020
48	Rating Agency	Global Credit Ratings Co.
49	Governing law (if the laws of South Africa are not applicable)	N/A
50	Use of proceeds	The net proceeds from the Issue of the Notes, will be applied by the Issuer for the funding of its Toll business
51	Last Day to Register	By 17h00 on 17 February, 17 May, 17 August and 17 November of each year until the Redemption Date, or if such day is not a Business Day, the Business Day immediately preceding each Books Closed

Period, which shall mean that the Register will be closed from each Last Day to Register to the next applicable Payment Day or 10 days prior to the actual Redemption Date

- 52 Books Closed Period The Register will be closed from 18 February to 27 February, 18 May to 27 May, 18 August to 27 August and 18 November to 27 November (all dates inclusive) in each year until the Redemption Date
- 53 Stabilisation Manager (if any) N/A
- 54 Method of distribution Private placement
- 55 Other provisions N/A

**DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS**

As at the date of this Applicable Pricing Supplement -

56 Paragraph 3(5)(a)

The ultimate borrower is the Issuer.

57 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, noting that liquidity support from Government may be required from time to time.

58 Paragraph 3(5)(c)

The auditor of the Issuer is the Auditor General.

59 Paragraph 3(5)(d)

As at the date of this issue

- (i) the Issuer has issued ZAR25,946,018,477 commercial paper; and
- (ii) to the best of the Issuer's knowledge and belief, the Issuer estimates to issue a further ZAR1,200,000,000 of commercial paper during the current financial year, ending 31 March 2020.

60 Paragraph 3(5)(e)

Prospective investors in the Notes are to consider this Applicable Pricing Supplement, the Programme Memorandum and the documents and information incorporated therein by reference in order to ascertain the nature of the financial and commercial risks of an investment in the Notes. In addition, prospective investors in the Notes are to consider the latest audited financial statements of the Issuer which are

incorporated into the Programme Memorandum by reference and which accompany this document or may be requested from the Issuer.

61 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.

62 Paragraph 3(5)(g)

The Notes issued will be listed.

63 Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for its funding of its business operations.

64 Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Notes are unsecured but guaranteed by the Guarantor.

65 Paragraph 3(5)(j)

The Auditor General, the statutory auditors 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.

Application is hereby made to list this issue of Notes on the Interest Rate Market of the JSE Limited on 28 November 2019.


SIGNED at PRETORIA this 26 day of NOVEMBER 2019

For and on behalf of

**THE SOUTH AFRICAN NATIONAL ROADS AGENCY SOC LIMITED**

  
Name: Skhumbuzo Macozoma

Capacity: Chief Executive Officer  
who warrants his/her authority hereto

  
Name: Avril Halstead

Capacity: Chair of ALCO  
who warrants his/her authority hereto