

---

**APPLICABLE PRICING SUPPLEMENT**

---

**SAPPI SOUTHERN AFRICA LIMITED**

*(Incorporated in the Republic of South Africa with limited liability under registration number 1951/003180/07)*

**Issue of ZAR300,000,000 Senior Unsecured Floating Rate Notes due 15 May 2023  
Under its ZAR5,000,000,000 Domestic Medium Term Note Programme**

This Applicable Pricing Supplement must be read in conjunction with the amended and restated Programme Memorandum, dated 23 November 2018, prepared by Sappi Southern Africa Limited in connection with the Sappi Southern Africa 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	Sappi Southern Africa Limited
2. Dealer	Rand Merchant Bank, a division of FirstRand Bank Limited
3. Managers	N/A
4. Debt Sponsor	Nedbank Limited, acting through its Corporate and Investment Banking division
5. Paying Agent	Nedbank Investor Services, a division of Nedbank Limited
Specified Address	Lakeview Campus, 16 Constantia Boulevard, Constantia Kloof, Roodeport, 1709, South Africa
6. Calculation Agent	Nedbank Limited, acting through its Corporate and Investment Banking division
Specified Address	135 Rivonia Road, Sandown, Sandton, 2196, South Africa
7. Transfer Agent	Nedbank Limited, acting through its Corporate and Investment Banking division
Specified Address	135 Rivonia Road, Sandown, Sandton, 2196, South Africa
8. Settlement Agent	Nedbank Investor Services, a division of Nedbank Limited
Specified Address	Lakeview Campus, 16 Constantia

	Boulevard, Constantia Kloof, Roodeport, 1709, South Africa
9. Issuer Agent	Nedbank Limited, acting through its Corporate and Investment Banking division
Specified Address	135 Rivonia Road, Sandown, Sandton, 2196, South Africa

**PROVISIONS RELATING TO THE NOTES**

10. Status of Notes	Senior Unsecured
11. Form of Notes	Registered Notes: The Notes in this Tranche are issued in uncertificated form and held by the CSD
12. Series Number	7
13. Tranche Number	1
14. Aggregate Nominal Amount:	
(a) Series	ZAR300,000,000
(b) Tranche	ZAR300,000,000
15. Interest	Interest-bearing
16. Interest Payment Basis	Floating Rate
17. Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	N/A
18. Issue Date	15 May 2020
19. Nominal Amount per Note	ZAR1,000,000
20. Specified Denomination	ZAR1,000,000
21. Specified Currency	ZAR
22. Issue Price	100 per cent
23. Interest Commencement Date	15 May 2020
24. Maturity Date	15 May 2023
25. Applicable Business Day Convention	Modified Following Business Day
26. Final Redemption Amount	100 percent of Nominal Amount
27. Last Day to Register	by 17h00 on 4 August, 4 November, 4 February and 4 May of each year until the Maturity Date
28. Books Closed Period(s)	The Register will be closed from 5 August to 14 August, 5 November to 14 November, 5 February to 14 February and 5 May to 14 May, in each year until the Maturity Date (all dates inclusive), or if any early redemption occurs, 10 Days prior to the actual Redemption Date
29. Default Rate	N/A

**FIXED RATE NOTES**

N/A

**FLOATING RATE NOTES**

30. (a) Floating Interest Payment Date(s)	15 August, 15 November, 15 February and 15 May of each year until the Maturity Date, or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention with the first Floating Interest Payment Date being 15 August 2020, or, if such day is not a Business Day, the Business Day on which 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, the applicable Floating Interest Payment Date and ending on, but excluding, the following Floating Interest Payment Date, the first Interest Period commences on the Interest Commencement Date and ends on (but excludes) the first Floating Interest Payment Date (each Floating Interest Payment Date is adjusted in accordance with the Applicable Business Day Convention as specified in this Applicable Pricing Supplement)
(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)	Day Count Fraction is Actual/365
31. Manner in which the Rate of Interest is to be determined	Screen Rate Determination
32. Margin	250 basis points to be added to Reference Rate
33. If ISDA Determination:	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)	15 August, 15 November, 15 February and 15 May of each year until the Maturity Date, with the first Interest Rate Determination Date being 12 May 2020
(c) Relevant Screen Page and Reference Code	ZAR-JIBAR-SAFEX
35. If Rate of Interest to be calculated otherwise	N/A

than by ISDA Determination or Screen Determination, insert basis for determining Rate of Interest/Margin/ Fallback provisions

- |  |   |
|--|---|
| 36. Calculation Agent responsible for calculating amount of principal and interest | Nedbank Limited, acting through its Corporate and Investment Banking division |
|--|---|

**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**

- |   |     |
|---|-----|
| 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 10.5 ( <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 and Rating at the election of Noteholders pursuant to Condition 10.6 (Redemption in the event of a failure to maintain JSE Listing and Rating).  | Yes |
| 41. Early Redemption Amount(s) payable on redemption for taxation reasons pursuant to Condition 10.2 (Redemption for Tax Reasons), on redemption at the option of the Issuer pursuant to Condition 10.3 (Redemption at the Option of the Issuer), on redemption at the option of the Senior Noteholders pursuant to Condition 10.4 (Redemption at the Option of the Senior Noteholders), redemption on a Change of Control pursuant to Condition 10.5 (Redemption in the event of a Change of Control), or in relation to a failure to maintain a JSE Listing and Rating pursuant to Condition 10.6 (Redemption in the event of a failure to maintain JSE Listing and Rating) or on Event of Default pursuant to Condition 16 (Events of Default) (if required or if different from that set out in Condition 10.7 (Early Redemption Amounts)). | No  |

**GENERAL**

- |                                     |   |
|-------------------------------------|---|
| 42. Financial Exchange              | Interest Rate Market of the JSE Limited |
| 43. Additional selling restrictions | N/A                                     |

44.	ISIN No.	ZAG000168063
45.	Stock Code	SSA07
46.	Stabilising manager	N/A
47.	Provisions relating to stabilisation	N/A
48.	The notice period required for exchanging uncertificated Notes for Certificates	N/A
49.	Method of distribution	Private Placement
50.	Rating assigned to the Issuer	AA(ZA), assigned on 22 November 2019 to be reviewed annually
51.	Applicable Rating Agency	Global Credit Rating Co. Proprietary Limited
52.	Governing law (if the laws of South Africa are not applicable)	N/A
53.	Other provisions	N/A

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

54. Paragraph 3(5)(a)

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

55. 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.

56. Paragraph 3(5)(c)

The auditor of the Issuer is KPMG Incorporated.

57. Paragraph 3(5)(d)

As at the date of this issue:

- (i) the Issuer has no outstanding (exclusive of this issuance) Commercial Paper (as defined in the Commercial Paper Regulations) (which amount includes Notes issued under the Previous Programme Memorandum); and
- (ii) the Issuer estimates that it may issue ZAR500,000,000 of Commercial Paper during the current financial year, ending 27 September 2020.

58. 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.

59. 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.

60. Paragraph 3(5)(g)

The Notes issued will be listed.

61. 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.

62. Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Notes are unsecured.

63. Paragraph 3(5)(j)

KPMG Incorporated, 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.

**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, contains all information required by law and Debt Listings Requirements of the JSE. The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement and all documents incorporated by reference (see the section of the Programme Memorandum headed "Documents Incorporated by Reference"), except as otherwise stated therein.


The JSE takes no responsibility for the contents of the Programme Memorandum read with this Applicable Pricing Supplement, the annual reports, which include the annual financial statements 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 read with this Applicable Pricing Supplement, the annual reports, which include the annual financial statements of the Issuer and any amendments or supplements to the aforementioned documents. The JSE expressly disclaims any liability for 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.

The authorised Programme Amount of ZAR5,000,000,000 has not been exceeded.

Application is hereby made to list this issue of Notes on 15 May 2020.

SIGNED at ROSEBANK on this 12<sup>TH</sup> day of May 2020

For and on behalf of  
**SAPPI SOUTHERN AFRICA LIMITED**

  
Name: P MOODLEY  
Capacity: Director  
Who warrants his authority hereto

  
Name: G T PEARCE  
Capacity: Director  
Who warrants her authority hereto