

## ABRIDGED PROSPECTUS

### LISTING OF UNIVERSAL INDUSTRIES SHARES ON THE JSE LIMITED

*This abridged prospectus is not an invitation to the public to subscribe for Universal Industries shares, but is issued in compliance with the JSE Listings Requirements for information purposes only. The information in this abridged prospectus has been extracted from the prospectus issued by Universal Industries on 20 November 2007 ("the prospectus"), copies of which may be obtained during office hours from the registered office of the company, being, 16 Precision Street, Kya Sands, Randburg until Friday, 23 November 2007.*

#### 1. INTRODUCTION AND HISTORY

1.1 The Universal Industries group is the leading manufacturer and supplier of:

1.1.1 ovens, baking systems and supplementary baking equipment to the South African retail baking market, including supermarkets, convenience stores, franchises and independent bakeries;

1.1.2 refrigerated display cabinets in South Africa to supermarkets, convenience stores and wholesalers; and

1.1.3 polyurethane insulated panels for cold rooms, freezer rooms and other industrial applications.

1.2. The group comprises well established profitable businesses with:

1.2.1 forecast profit after tax for the 12 months ending 31 December 2008 of approximately R74 million, which equates to forecast earnings per share and headline earnings per share of 15.4 cents;

1.2.2 leading manufacturing and product development capability and established intellectual property;

1.2.3 proven products and service levels and a diverse, blue chip client base including, in respect of Macadams, an established worldwide network with products exported to more than 65 countries.

#### 2. BRIEF OVERVIEW OF UNIVERSAL INDUSTRIES

##### 2.1 History

The company was established in July 1996 in order to acquire the entire issued share capital of Insulated Structures (1989) (Proprietary) Limited ("Insulated Structures") and the business conducted by Colcab (Proprietary) Limited ("Colcab").

With effect from 1 July 2007, the group acquired the Macadams business thereby expanding its business from the manufacture and supply of refrigeration systems to include the manufacture and supply of baking systems.

The underlying businesses in the group are all long established businesses with:

2.1.1 the Macadams business having been established in 1904; and

2.1.2 Insulated Structures and Colcab's businesses having been established in 1986 and 1958 respectively.

##### 2.2. Nature of the business

The group conducts its operations through its 3 wholly owned operating subsidiaries namely, Colcab, Insulated Structures and Macadams with Colcab and Insulated Structures manufacturing and supplying refrigeration systems and Macadams manufacturing and supplying baking systems.

The businesses are the leading manufacturers and suppliers of refrigerated display cabinets and baking equipment with significant market shares and have been in business for longer than any of their local competitors.

##### Refrigeration business

The group's refrigeration business is conducted through Colcab and Insulated Structures out of production facilities in Parow Industria in Cape Town and Kya Sands in Randburg.

The refrigeration business supplies refrigerated display cabinets, polyurethane insulated panels for cold rooms, freezer rooms and other industrial applications and ancillary products. Its clients are predominantly in the perishable food industry and include all of the major supermarket chains, convenience stores, fast food shops, building and refrigeration contractors.

Colcab and Insulated Structures employ approximately 400 employees and have a highly experienced and committed executive team, the majority of which are shareholders in the company. Additional capacity has recently been added to the group's manufacturing facilities which, if required, could considerably increase production levels.

Significant time is spent remaining abreast of international developments with regard to refrigeration technology. As a result of its leading manufacturing facilities and Colcab's full test laboratory, the group is able to develop, launch and customise new products for customers.

##### Baking systems business

The group's baking systems business is conducted through Macadams which supplies ovens and supplementary baking equipment to a wide range of baking outlets. In addition, Marsden Bakeware, a division of Macadams manufactures high quality pressed metal bakeware (baking tins and trays) serving the plant and in store baking and confectionery industry in South Africa and abroad.

As the leading supplier of these products in South Africa, Macadams' primary customers include all of the major supermarket chains, franchised food retailers, independent bakeries and pie shops and franchised bakery operations. The group is also the leading supplier of bakeware to the industrial baking plants.

Macadams operates out of an EN ISO 9001 certified manufacturing facility in Blackheath Industrial Park in Cape Town. New product development and design is a continued focus. The business is managed on a centralised basis with regional sales offices in Johannesburg, Durban and Cape Town and has a team of experienced and highly competent executives, the key members of whom will acquire a significant interest in the company as a result of the acquisition.

Macadams' products are reliable, robust and easy to operate and have gained a number of foreign approvals and certifications. Macadams provides a comprehensive service to its customers. A well-trained and experienced sales team assists prospective clients with feasibility studies, layouts, equipment selection, training, supplier details for ingredients and in obtaining finance.

Through a deliberate export drive over a number of years, Macadams has established itself in approximately 65 countries through the appointment of regional agents. Export sales contributed approximately 25% of turnover (in Rand value) for the 10 months ended 30 June 2007.

#### 3. DIRECTORS

In terms of the prospectus, the board of Universal Industries comprised the following directors:

Director	Business address
Wayne Brett (Non Executive Director)	2 Arnold Road, Rosebank
Avram Levy (Non Executive Director)	2 Arnold Road, Rosebank
Ivor Morgan (Financial Director)	39 Industria Ring Road, Parow, Industria, Cape Town
Daryl Paynter (Chief Executive Officer)	16 Precision Street, Kya Sands, Randburg

Subsequent to the finalisation of the prospectus, the following new directors have been appointed to the board with effect from the date of the listing:

Director	Business address
Leslie Boyd (Independent Non-Executive Chairman)	54 Tweeddale Road, Hyde Park, Johannesburg, 2196
Colin Brayshaw (Independent Non-Executive Director)	Unit 6, 1st Floor, 3 Melrose Boulevard, Melrose Arch, Melrose North, 2196
Adam Esa (Non-Executive Director)	382 Main Road, Tokai, Cape Town
Ishmail Essa (Alternate to Adam Esa)	382 Main Road, Tokai, Cape Town
Abdul Gaffoor Khan (Non-Executive Director and Deputy Chairman)	382 Main Road, Tokai, Cape Town

– Leslie joined Highveld Steel and Vanadium Corporation Limited in 1970 and was appointed managing director from 1974 to 1983 and then chairman from 1983 to 2001. He was appointed to the board of Anglo American in 1984 and became deputy Chairman in 1992. He was Chairman of Anglo American Industrial Corporation from 1992. Leslie also served as Chairman of Anglo Platinum, AE&CI Limited and Altech among others. He retired from Anglo in 2001 as Executive Vice-Chairman of Anglo American PLC. He is presently the Non-Executive Chairman of DataTec Limited, Highveld Steel and Vanadium Corporation, Imperial Holdings Limited and Metmar Limited, and a Non-Executive Director of Aspen Pharmcare Holdings Limited, Columbus Stainless (Proprietary) Limited and Sun International Limited. His previous Non-Executive directorships include Absa Bank, Absa Group, Acerinox SA (Spain), Li & Fung Limited (Hong Kong) and Tongaat Hulett Group Limited.

– Colin is a Chartered Accountant and a Fellow of the Institute of Accountants in England and Wales. He was a partner of various firms which today comprise Deloitte. In his last years in practice he was the managing partner of Deloitte & Touche followed by being its Chairman. He is the Governor of the University of Witwatersrand Foundation, Chairman of Business against Crime Trust, Trustee of St Andrews College Foundation and Representative of the Institute of Chartered Accountants in England and Wales in South Africa. Colin is presently the Non-Executive Chairman of Coronation Investments & Trading Limited and a Non-Executive Director of Highveld Steel and Vanadium Corporation Limited, Johnnic Communications Limited and Metmar Trading Limited. His previous directorships include AE&CI Limited, Agre Insurance Company Limited, AngloGold Ashanti Limited, Anglo Platinum Limited, Datatec Limited, Freestone Property Holdings Limited (where is was also appointed Chairman) and Johnnic Holdings Limited.

– Adam has 40 years experience in the development and construction industry, he was formerly in the employ of Murray & Roberts for 37 years where he retired early from his position as Construction Director to join Asrin Property Developers as an executive Director. Adam was involved with the full spectrum of construction from residential developments to high rise city centre developments and facilities such as airports. Current projects under his leadership include the R500 million Big Bay development which is presently under construction.

– Ishmail has 13 years experience in the construction and property development sector, and holds a diploma in personnel management. He is currently the CEO of ASRIN Property Developers and under his guidance the company has grown exponentially for the last 13 years to be one of the leading Black Empowerment players in the property development industry.

– Gaff Khan has 35 years experience in the property development and construction industry. He joined Murray and Roberts in 1973 as quantity surveyor and later progressed through the ranks where he served on the board of directors as well as holding the post of managing director of the construction entity in Western Cape. He also served on the board of the National Construction Company. He later joined Asrin Property Developers as partner and Executive Director.

All of the directors are South African citizens.

#### 4. DETAILS OF THE OFFER

The offer comprises a private placement by Universal Industries to place to subscribe for 80 000 000 shares at a subscription price of 150 cents per share, which offer will raise up to R120 000 000. The closing date of the offer is 12:00 on Friday, 23 November 2007.

#### 5. LISTING ON THE JSE

Subject to the achievement of a spread of public shareholders acceptable to the JSE, the JSE has granted the company approval for the listing for up to 480 000 000 shares in the General Industrials – Diversified Industrials sector of the JSE under the short name "Universal". It is anticipated that the listing will be effective as from the commencement of trade on the JSE on Thursday, 29 November 2007. In order to ensure that the JSE's spread requirements are satisfied the pre-listing shareholders will sell 16 000 000 shares to selected institutions prior to the listing date.

Johannesburg  
20 November 2007

JOINT CORPORATE ADVISOR, LEGAL ADVISOR AND SPONSOR

**JAVACAPITAL**

REPORTING ACCOUNTANTS AND AUDITORS

**PKF**

Accountants &  
business advisers

JOINT CORPORATE ADVISOR

**inter <active> capital**

ATTORNEYS FOR PROSPECTUS

**Fluxmans**  
ATTORNEYS

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