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SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED **31 MARCH 2020**

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The summarised consolidated financial statements of Nictus Limited is a summary of the audited financial statements for the period 1 April 2019 to 31 March 2020. The summarised consolidated financial statements have not been independently assured. Mr Eckhart H Prozesky (financial director, CA(SA)) was responsible for supervising the preparation of these summarised consolidated financial statements.

The 2020 integrated annual report and financial statements are available on our website W www.nictuslimited.co.za from 11 September 2020.

GROUP TOTAL ASSETS

increased by

13,07% to

R749,5 million

(2019: R662,9 million)

GROUP REVENUE

increased by

5,04% to

R53,3 million

(2019: R50,8 million)

INVESTMENT INCOME FROM OPERATIONS

decreased by

2,93% to

R42,9 million

(2019: R44,2 million)

PROFIT FOR THE YEAR

decreased by

34,51% to

R3,6 million

(2019: R5,6 million)

DIVIDEND DECLARED

decreased by

20,00% to

3,00 cents per share

(2019: 3,75 cents per share)

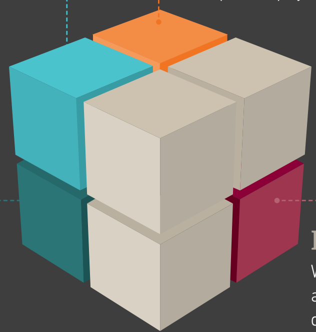
ABOUT Nictus

Vision

Nictus is an independent, diversified investment group that creates above-average value for shareholders and other stakeholders, through sustainable growth.

Philosophy

Nictus has been successful in change initiatives. The challenge remains to reach a top level of EXCELLENCE throughout the organisation. The philosophy and core focus will be to drive EXCELLENCE in every aspect of the organisation and, through this, establish Nictus as a leading entity wherever we are present.



Core values

- Individual and collective ownership
- Teamwork
- Respect
- Adaptability
- Integrity
- Transparency
- Fanatical discipline

Mission

With a culture of EXCELLENCE and through visionary and dynamic leadership, we will achieve our vision through:

- Protecting our independence
- Expanding our business base in Southern Africa
- Growing a satisfied customer base
- Optimising all resources
- Being innovative and technology driven
- Being the preferred employer

"We are what we repeatedly do.
Excellence then, is not an act but a habit."

Aristotle (384 BC – 322 BC)

NICTUS GROUP IS A RETAILER OF HOUSEHOLD FURNITURE, ELECTRICAL APPLIANCES AND HOME ELECTRONICS SOLD THROUGH THE NICTUS MEUBELS BRAND AS WELL AS A SHORT-TERM INSURER THROUGH THE CORPORATE GUARANTEE BRAND.

nictus

100% Insurance SEGMENT

Corporate Guarantee (South Africa) (RF) Limited
W www.corporateguarantee.co.za
(Corporate Guarantee)

The insurance segment of the Nictus group is run through Corporate Guarantee, which brings a unique approach to short-term insurance through the alternative risk transfer model. The head office is currently situated in Randburg and utilises group administration staff.

The high levels of recurring sales in both the furniture and insurance segments are evidence of service satisfaction, trust and customer loyalty. As part of the commitment to service excellence, the group ensures that clients are served by staff from their own communities.

100% Furniture retail SEGMENT

Nictus Meubels Proprietary Limited
W www.nictusfurnishers.co.za
(Nictus Meubels)

The group has two furniture retail stores in South Africa. Nictus places the customer first by continually striving towards EXCELLENCE. Helpful personnel provide service with dedication and motivation, while maintaining integrity, focus and sound values. Products are of the HIGHEST QUALITY and provide excellent value for money. Stores are situated in Louis Trichardt and Polokwane as at year end.

The furniture retail segment is primarily focused on the expanding middle to higher income market in the living standards measurement (LSM) 7 category and above. The group has a recurring customer base in the areas that we operate in.

Total number of employees

42

Please refer to the website for more information at W www.nictuslimited.co.za

Board of directors,
EXECUTIVE MANAGEMENT AND COMPANY SECRETARY

1
Professor Johan Willemse
Independent non-executive chairman

2
Gerard Tromp
Executive group managing director and executive management

3
Eckhart Prozesky
Executive group financial director and executive management

4
Nico Tromp
Non-executive director

5
Philippus Tromp
Non-executive director

6
Gerard Swart
Independent non-executive director

7
Ronnie de Vrye
Independent non-executive director

8
Ion Gerber
Executive management: Insurance segment (prescribed officer)

9
Willem Boshoff
Company secretary

Board of directors, executive management and company secretary continued

1

Professor Johan Willemse (65)

Independent non-executive chairman
Committees: Remuneration and nomination, audit and risk, investment *(chairman)*

Professor Barend J Willemse (Johan) obtained his MCom (Economics) from the University of the Free State (UFS) and his PhD (Agricultural Economics) from the University of Pretoria, for which he received the Protein Research Trust award for the best PhD. A Cochrane bursary to study at the Illinois University (USA) was awarded in 2003.

He has received various awards for his work, which included two awards as the agricultural writer of the year, the Absa/Sake economist of the year, the Animal Feed Manufacturers Association person of the year, the agriculturalist of the year by the central region of Agricultural Writers Association and was nominated as Bloemfonteiner of the year in 2009.

His experience includes: member of the National Agricultural Marketing Council, trustee of the Oilseeds and Protein Research Trust, chief economist of Agri SA and member of the SA Maize board's management team, entrepreneur with his wife Marlene and two daughters in various businesses, including agri-business consulting, feed manufacturing and tourism. He was a full professor at the Department of Agricultural Economics and chairman for five years at the UFS. He served on Absa Group and Absa Bank boards for more than five years as an independent non-executive director and for three years as board member of Absa Financial Services Proprietary Limited (serving on various committees).

2

Gerard Tromp (39)

Executive group managing director and executive management
Committees: Social and ethics, investment

Gerard R de V Tromp has a BCom marketing degree, is a chartered accountant (South Africa and Namibia) and completed his articles in 2008. After completion of his articles, he joined the group in 2009 as the group company secretary, which role he fulfilled until 2012. During 2012, he was appointed as the managing director of the furniture segment. During 2014, he was appointed as deputy managing director of the group. On 18 April 2016, he was appointed as managing director of the group.

3

Eckhart Prozesky (34)

Executive group financial director and executive management
Committee: Investment

Eckhart H Prozesky is a chartered accountant (South Africa) and completed his articles in 2011. After completion of his articles, he joined the group in 2012 as the financial manager of the furniture segment. During 2015, he was appointed as the financial director of the group.

4

Nico Tromp (71)

Non-executive director

Nicolaas C Tromp (Nico) has a BCom degree. After completing his accounting articles in 1973, he joined the Nictus group and became the managing director of the group in 1979. He served as chairman of the Nictus group from 1998 until 2003. He is also a director/chairman of various other companies and has acted as a trustee of numerous trusts for the past 31 years. He stepped down as managing director of the group on 18 April 2016.

5

Philippus Tromp (44)

Non-executive director
Committee: Social and ethics *(chairman)*

Philippus J de W Tromp has a BEcon, EDP and SMP and was appointed as a non-executive director of Nictus Limited in 2012. He is currently the group managing director of Nictus Holdings Limited and has served the Nictus group for the past 16 years.

6

Gerard Swart (65)

Independent non-executive director
Committees: Remuneration and nomination *(chairman)*, audit and risk

Gerard Swart is a qualified chartered accountant (South Africa and Namibia) and boasts 34 years' experience in the accounting profession, of which 24 years were as audit partner, during which he fulfilled the role of managing partner for 15 years.

7

Ronnie de Vrye (66)

Independent non-executive director
Committees: Remuneration and nomination, audit and risk *(chairman)*

Cornelius J de Vrye (Ronnie) is a qualified chartered accountant (South Africa) and has 40 years' experience in corporate banking, 16 of which were at executive level and nine at non-executive board level. He has also gained experience in the insurance and investment industry at non-executive independent board level during the past 10 years.

8

Ion Gerber (33)

Executive management: Insurance segment (prescribed officer)
Committee: Social and ethics

Stephanus J Gerber (Ion) is a qualified chartered accountant (South Africa) and a member of executive management. He completed his articles in 2013, whereafter he joined the Nictus group and was appointed manager of the insurance segment in 2016 and as chief executive officer, effective 1 April 2020.

9

Willem Boshoff (34)

Company secretary

Willem H Boshoff is a qualified chartered accountant (Namibia) and completed his articles in 2012. He fulfils the role of nominee group secretary of Veritas Eksekuteurskamer Proprietary Limited.

Chairman's REPORT

SOUTH AFRICA'S ECONOMY SLID INTO AN OFFICIAL RECESSION, WITH THREE CONSECUTIVE QUARTERS OF NEGATIVE ECONOMIC GROWTH (A SHRINKING ECONOMY) DURING THE GROUP'S FINANCIAL YEAR, WHILE OFFICIAL UNEMPLOYMENT INCREASED TO 30,2% IN THE FIRST QUARTER OF 2020.

Professor Barend J Willemse | *Chairman*

During the past nine quarters, six quarters registered negative economic growth. Household consumer spending declined with the Reserve Bank continuing to drop the repo rate to support markets. This led to a reduction in interest deposit rates which had a negative effect on the insurance company, with the largest portion of insurance assets with financial institutions. Electricity supply interruptions added to the negative business environment during the past financial year.

Early 2020 was also marked by the effect of the COVID-19 global pandemic (COVID-19), with a large decline in stock markets during March 2020, resulting in a mark down on investments on 31 March 2020. The rebound in the share market took place in the new financial year of the group and valuations improved substantially.

The fact that consumer confidence has dropped to a 35-year low, during the second quarter of 2020, underpins the profoundly negative impact of COVID-19 and the related economic restrictions on South African consumers.

Although economic activity is gradually resuming now that the government has lifted many of the lockdown restrictions, consumers' willingness and ability to spend have nevertheless been dealt a serious further blow (having already been under significant pressure in 2019). Low income households seem to be especially hard hit, despite a marked increase in social grants expenditure by the government to buffer vulnerable households.

THE ECONOMIC OUTLOOK FOR THE NEW FINANCIAL YEAR IS NOT POSITIVE, WITH AN EXPECTATION OF 8% TO 10% NEGATIVE ECONOMIC GROWTH AND CONSUMER SPENDING REMAINING UNDER PRESSURE. THE TWO MONTHS IN LOCKDOWN, WILL REDUCE FURNITURE EARNINGS IN THE NEW FINANCIAL YEAR. WHILE WE CAN EXPECT THAT THE RECESSION WILL HAVE AN IMPACT ON INSURANCE, MOST CLIENTS ARE HIGH NETT WORTH BUSINESSES.

A detailed analysis was undertaken to determine what actions needed to be taken, to keep costs low, protect cash flow and capital. The board was satisfied; that the group has sufficient reserves and cash going forward, that shareholders can be confidently rewarded with a dividend payment, without jeopardising the future of the company, and that actions taken by management together with the level of reserves will continue to support the share price of Nictus Limited and close the gap on the net asset value of the group.

The board is of the view that the business is well positioned to weather the economic recession. The outlook is that the economy will recover late in 2020 and early 2021, as business returns to more normal levels. The board will also continue to investigate new opportunities to expand and diversify the business and increase profitability, to the benefit of shareholders.

Corporate scandals and corruption remain a problem in the South African economy, with very few prosecutions. The board and management remain focused on maintaining our values and integrity and fulfilling our fiduciary duties to our shareholders.

A word of thanks to the board for their dedication and focus in fulfilling their roles as directors and for safeguarding our shareholders' interests. My thanks to the managing director, financial director and staff for their enthusiasm and dedication with which they implement the company's strategy and values to improve profitability on an ethical basis.

Professor Barend J Willemse
Chairman

4 September 2020

GROUP managing director's REPORT

IT HAS BEEN A MOST CHALLENGING PROCESS TO CONCLUDE A REPORT FOR THE PAST FINANCIAL YEAR, AND IT IS EVEN MORE CHALLENGING LOOKING FORWARD TO THE FUTURE AND HOW TO SHAPE IT.

Gerard R de V Tromp | *Executive group managing director*

Segmental performance

Insurance segment

We experienced great growth in new insurance premiums during the past financial year. No excessive claims were experienced throughout the year and we are delighted that our tailor-made client-specific solutions are adding value for our policyholders. Although the investment strategy was realigned during the year, good returns were achieved for the 11 months preceding COVID-19 which assisted in absorbing the impact thereof. We are confident that our investments are well positioned where maximum returns can be achieved in relation to our risk appetite. Client service remains our top priority and we strive to go the extra mile for our clients in achieving mutually beneficial outcomes.

Furniture segment

Longer-term strategies in furniture retail are being realised and we are confident that this segment is now on a solid foundation to continue offering exceptional value for money products. Apart from our product offering, our customer base is of a very high standard. We managed to limit bad debts and provisions for bad debts to percentages way below industry norms. We are thankful for our customers' commitment towards Nictus and their efforts in managing their accounts. We value our stakeholder relationships and I would like to thank all of our suppliers for their contribution in achieving a profitable result for the segment.

As part of the execution of our long-term strategy, the Nictus Meubels Randburg store was closed on 31 March 2020. The upside of this was the exciting announcement of Nictus Emporium, a specialist brand furniture showroom that opened in Louis Trichardt. Although planned for 1 April 2020, the opening of Nictus Emporium was delayed to 1 June 2020 due to the national COVID-19 lockdown. We are excited to bring even more exclusive offerings to our customers with the backing of world-renowned brands.

A further change that occurred during the financial year under review, was the sale of Erf 2134 by Kruben Holdings Proprietary Limited to Corporate Guarantee. This was done for various strategic reasons and we project that profitable returns will be achieved in the investment portfolio of the insurance segment as opposed to the furniture segment.

One would never have thought that an event such as the COVID-19 pandemic would impact South Africa and the world with such devastating effects. The effects on the economy and markets are still to be determined and we need to adjust to the exponential changing environment to keep up with the rapid rate of change. Rate of change versus human adaptability is one of the biggest challenges at the moment and our learning curve is constant.

Nictus is preparing for this ever-changing situation by developing strategies to maintain and promote a sustainable business. The immediate effect of the pandemic hit Nictus during the latter part of March 2020, which was also just before our financial year end. The sharp drop in local and global markets had a significant impact on the current value of investments and impairments were experienced which were not recovered by 31 March 2020.

We are thankful that with the grace of God, we could endure the initial effects of the pandemic. Although short-term losses were incurred, we were able to maintain our capital solvency requirements as at 31 March 2020. This impact was absorbed due to the positive results the group experienced during the 11 months preceding the COVID-19 pandemic.

I am satisfied with the progress made during the past two years where strategies and synergies are falling into place and where the focus on each subsidiary in the group is beginning to pay off. Relationships with our clients, customers, suppliers, employees and all other stakeholders are at a highly satisfactory level and this contributes to our success, as it remains a team effort to contribute to a successful outcome.

Corporate governance

Nictus remains committed to the highest standards of corporate governance and transparency. As we operate in a highly regulated environment, we value that conforming to these rules and regulations contributes to a better South Africa where we should stand together against inappropriate and corrupt practices. We remain committed to working together with all governing and regulating bodies in achieving sound relationships and strong corporate governance.

Outlook

Due to the long-term nature of the COVID-19 pandemic, determining an outlook is not an easy task. South Africa is experiencing the lowest inflation rate as well as the lowest interest rate in years with forecasts of the interest rate further decreasing. Investor confidence in South Africa remains a challenge. The ability of the South African people to cope with the emotional and physical aspects of the pandemic, short and longer term, will be a significant challenge.

We believe that God will nurture and protect us, and we will also do everything physically and intellectually possible to build on what we have achieved in the past as I believe this will create new disciplines whereafter bigger heights can be achieved. We will focus day-to-day, week-to-week, month-to-month, to ensure we remain not only relevant, but also innovative and loyal.

Nictus remains committed to all of our esteemed stakeholders and will continue to build on our strategy to create wealth for them all. We are looking forward to an exciting period and are confident that the future will unfold great value for us all.

Appreciation

My appreciation goes out to all of our committed employees with the support of their families, whose valuable inputs cannot go unseen. Further appreciation is extended to our clients, customers, landlords, suppliers and associates and the relationships we have with each to ensure sustainability for all involved. Thank you to all board members, the chairmen of our committees and the chairman of the board for their vision, leadership and support, and lastly, thank you to my family.

Our success and stability can only be attributed to our loving God and we remain humble and thankful in his presence.

Gerard R de V Tromp
Executive group managing director

4 September 2020

Summarised consolidated statement of financial position

as at 31 March 2020

Figures in R'000	2020	Restated* 2019	Restated* 2018
Assets			
Non-current assets			
Property, plant and equipment	**15 580**	18 026	18 051
Intangible assets	**702**	1 201	118
Right-of-use asset	**1 514**	–	–
Investments	**32 168**	28 640	11 340
Deferred tax assets	**2 421**	3 253	3 020
Trade and other receivables#	**5 485**	4 485	5 387
	57 870	55 605	37 916
Current assets			
Inventories	**10 796**	10 119	10 993
Loans and receivables	**–**	38 085	44 226
Trade and other receivables	**432 555**	401 190	358 645
Investments	**192 173**	93 156	98 809
Cash and cash equivalents	**56 014**	64 640	89 717
Current tax receivable	**72**	70	–
	691 610	607 260	602 390
Total assets	**749 480**	662 865	640 306
Equity and liabilities			
Equity			
Stated capital	**25 969**	25 969	48 668
Revaluation reserve	**1 152**	7 983	7 983
Retained earnings	**68 434**	61 489	43 403
	95 555	95 441	100 054
Liabilities			
Non-current liabilities			
Deferred tax liabilities	**3 115**	6 291	5 073
Lease liabilities	**71**	–	–
	3 186	6 291	5 073
Current liabilities			
Trade and other payables	**8 306**	7 725	10 974
Insurance contract liability	**640 705**	553 408	524 193
Lease liabilities	**1 728**	–	12
	650 739	561 133	535 179
Total liabilities	**653 925**	567 424	540 252
Total equity and liabilities	**749 480**	662 865	640 306

* *The comparative figures were restated, refer to note 9 for detail of the restatement.*

\# *This line was referenced to loans and receivables in the prior year.*

Summarised consolidated statement of profit or loss and other comprehensive income

for the year ended 31 March 2020

Figures in R'000	Note	2020	Restated* 2019
Revenue	8	**50 894**	48 340
Effective interest revenue		**2 416**	2 412
Total revenue		**53 310**	50 752
Cost of sales		**(25 714)**	(25 468)
Gross profit		**27 596**	25 284
Other income		**942**	734
Investment income/(loss) from operations		**42 895**	44 190
Notional interest allocation		**(30 032)**	(26 934)
Claims paid		**(7 527)**	(5 416)
Operating expenses		**(19 974)**	(18 244)
Administrative expenses		**(13 858)**	(17 263)
Results from operating activities		**42**	2 351
Investment income		**3 441**	4 192
Finance expenses		**(260)**	–
Profit before taxation		**3 223**	6 543
Taxation credit/(expense)		**417**	(985)
Profit for the year		**3 640**	5 558
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Revaluation of land and buildings		**(2 146)**	–
Income tax relating to these items		**601**	–
Other comprehensive income for the year, net of tax		**(1 545)**	–
Total comprehensive income for the year		**2 095**	5 558
Profit attributable to:			
Owners		**3 640**	5 558
Total comprehensive income attributable to:			
Owners		**2 095**	5 558
Basic earnings per share (cents)		**6,81**	9,00
Diluted basic earnings per share (cents)		**6,81**	9,00

* *The comparative figures were restated, refer to note 9 for detail of the restatement.*

Summarised consolidated statement of changes in equity

for the year ended 31 March 2020

Figures in R'000	Stated capital	Revaluation reserve	Retained earnings	Total equity
Balance as at 1 April 2018	48 668	7 983	46 076	102 727
Effect of restatement**	–	–	(2 673)	(2 673)
Restated total equity at the beginning of the financial year	48 668	7 983	43 403	100 054
Total comprehensive income for the year				
Profit for the year (restated**)	–	–	5 558	5 558
Total comprehensive income for the year	–	–	5 558	5 558
Transactions with the owners of the company				
Distributions to the owners of the company				
Dividends paid	–	–	(1 988)	(1 988)
Prescribed dividends	–	–	41	41
Shares repurchased from the owners of the company				
Specific repurchase – ordinary shares	(22 699)	–	14 475*	(8 224)
Total transactions with the owners of the company	(22 699)	–	12 528	(10 171)
Balance as at 31 March 2019	25 969	7 983	61 489	95 441
Total comprehensive income for the year				
Profit for the year	**–**	**–**	**3 640**	**3 640**
Other comprehensive income	**–**	**(1 545)**	**–**	**(1 545)**
Transfer of gain on disposal of land and buildings measured at fair value through other comprehensive income to retained earnings	**–**	**(5 286)**	**5 286**	**–**
Total comprehensive income for the year	**–**	**(6 831)**	**8 926**	**2 095**
Transactions with the owners of the company				
Distributions to the owners of the company				
Dividends paid	**–**	**–**	**(2 004)**	**(2 004)**
Prescribed dividends	**–**	**–**	**23**	**23**
Total transactions with the owners of the company	**–**	**–**	**(1 981)**	**(1 981)**
Balance as at 31 March 2020	**25 969**	**1 152**	**68 434**	**95 555**

* *This amount represents the gain on the specific repurchase of ordinary shares.*

** *The comparative figures were restated, refer to note 9 for detail of the restatement.*

Summarised consolidated statement of cash flows

for the year ended 31 March 2020

Figures in R'000	2020	Restated* 2019
Cash flows from operating activities		
Cash generated from/(utilised by) operations	**14 896**	(57 908)
Investment income received from operations	**49 393**	47 150
Acquisition of investments	**(49 619)**	(48 690)
Short-term investments at amortised cost (invested)/disinvested	**(55 665)**	42 081
Dividends received	**1 233**	1 232
Dividends paid	**(2 004)**	(1 988)
Finance expenses paid	**(260)**	–
Tax paid	**(1 302)**	(82)
Net cash utilised by operating activities	**(43 328)**	(18 205)
Cash flows from investing activities		
Acquisition of property, plant and equipment	**(198)**	(629)
Proceeds on sale of property, plant and equipment	**–**	169
Acquisition of intangible assets	**–**	(1 353)
Acquisition of investments	**(1 551)**	(2 976)
Loans repaid by related party	**38 081**	6 141
Proceeds on disposal of subsidiary	**5**	–
Net cash generated from investing activities	**36 337**	1 352
Cash flows from financing activities		
Repurchase of company shares: Specific buy-back from shareholder	**–**	(8 224)
Payment of lease liabilities	**(1 603)**	–
Net cash utilised by financing activities	**(1 603)**	(8 224)
Total cash movement for the year	**(8 594)**	(25 077)
Total cash sold by subsidiary for the year	**(32)**	–
Cash and cash equivalents at the beginning of the year	**64 640**	89 717
Total cash and cash equivalents at the end of the year	**56 014**	64 640

* *The comparative figures were restated, refer to note 9 for detail of the restatement.*

Reconciliation between earnings and headline earnings

for the year ended 31 March 2020

Figures in R'000	Profit on ordinary activities	Taxation	Non-controlling interest	Net profit
Reconciliation between earnings and headline earnings:				
2020				
Profit before taxation	**3 223**	**417**	**–**	**3 640**
Adjustments for:				
Loss on disposal of property, plant and equipment	**10**	**(3)**	**–**	**7**
Loss on disposal of subsidiary	**23**	**(6)**	**–**	**17**
Headline earnings	**3 256**	**408**	**–**	**3 664**
2019*				
Profit before taxation	6 543	(985)	–	5 558
Adjustments for:				
Profit on disposal of property, plant and equipment	(70)	20	–	(50)
Headline earnings	6 473	(965)	–	5 508

* *The comparative figures were restated, refer to note 9 for detail of the restatement.*

Figures in R'000	2020	2019*
Headline earnings per share (cents)	**6,86**	8,92
Diluted headline earnings per share (cents)	**6,86**	8,92

* *The comparative figures were restated, refer to note 9 for detail of the restatement.*

Summarised segmental report

for the year ended 31 March 2020

Figures in R'000	2020	2019*
Segment assets		
Furniture retail	**35 306**	51 756
Insurance	**710 234**	617 081
	745 540	668 837
Head office and eliminations	**3 940**	(5 972)
	749 480	662 865
Segment liabilities		
Furniture retail	**8 264**	13 754
Insurance	**660 823**	568 252
	669 087	582 006
Head office and eliminations	**(15 162)**	(14 582)
	653 925	567 424
Segment revenue		
Furniture retail	**42 345**	42 716
Insurance	**12 429**	9 235
	54 774	51 951
Head office and eliminations	**(1 464)**	(1 199)
	53 310	50 752
(Loss)/profit for the year		
Furniture retail	**(1 308)**	842
Insurance	**582**	3 293
	(726)	4 135
Head office and eliminations	**4 366**	1 423
	3 640	5 558

* *The comparative figures have been recalculated to reflect the restatements as disclosed in note 9.*

[1] *The segment has two furniture retail stores in South Africa. Nictus places the customer first by continually striving towards excellence. Helpful personnel provide service with dedication and motivation, while maintaining integrity, focus and sound values. Products are of the highest quality and provide excellent value for money. Stores are situated in Louis Trichardt and Polokwane as at year end. The segment was negatively affected by the operational results of Kruben Holdings Proprietary Limited which formed part of this segment up until 31 March 2020, the date on which the company was sold to an external third party. The loss relating to Kruben Holdings Proprietary Limited amounted to R3,55 million (2019: R0,07 million profit).*

[2] *The insurance segment of the Nictus group is run through Corporate Guarantee, which brings a unique approach to short-term insurance through the alternative risk transfer model. The head office is currently situated in Randburg and utilises group administration staff.*

Notes to the financial information

for the year ended 31 March 2020

1. Statement of compliance

The summarised consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements (JSE Listings Requirements) for abridged reports and the requirements of the Companies Act of South Africa applicable to summarised financial statements. The JSE Listings Requirements require abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*.

The accounting policies applied in the preparation of the consolidated financial statements, from which the summarised consolidated financial statements were derived, are in terms of International Financial Reporting Standards and are consistent with the accounting policies applied in the preparation of the previous consolidated annual financial statements, except as indicated otherwise on page 65 of the 2020 integrated annual report, in the case of new accounting standards implemented effective 1 April 2019. The adoption of the new accounting standards had no material impact on the results from operating activities of the group.

These summarised consolidated financial statements are extracted from the audited consolidated financial statements for the year ended 31 March 2020 but are not audited. PricewaterhouseCoopers Inc. audited the consolidated financial statements for the year ended 31 March 2020 and their unmodified audit report is available for inspection at the registered office of Nictus.

2. Directors' responsibility

The directors take full responsibility of the preparation of the summarised consolidated financial statements, and that the financial information has been correctly extracted from the underlying audited financial statements for the year ended 31 March 2020.

3. Basis of measurements

The summarised consolidated financial statements have been prepared on the historical cost basis, except for the following material items in the statement of financial position:

- Land and buildings are measured at revalued amounts;
- Insurance contract liabilities; and
- Financial instruments classified at fair value through profit or loss are measured at fair value.

The summarised consolidated financial statements are presented in thousands of South African Rands (R'000).

4. Related parties

During the period, certain companies within the group entered into transactions with each other. These intra-group transactions have been eliminated on consolidation. Related party information is unchanged from that reported at 31 March 2020. Refer to the 2020 audited consolidated financial statements for further information.

5. Events after the reporting date

There were no material events after the reporting date and up to the date of approval of these financial statements that required adjustment or disclosure in the consolidated and separate financial statements for the year ended 31 March 2020, other than a dividend of 3,00 cents per share that was declared by the directors subsequent to year end, payable to shareholders registered on 2 October 2020.

6. Determination of fair values

A number of the group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Property, plant and equipment

The fair value of land and buildings is estimated by using a combination of the income capitalisation method and the depreciated replacement value method. This method requires the net annual income generated by the property, based on market trends, to be capitalised at an appropriate rate of return to reflect risk, specific investment demands and the overall condition of the structures.

Investments in equity, debt securities and unit trusts

The fair value of financial assets at fair value through profit or loss is determined by reference to their quoted closing market price at the reporting date.

The fair values of the financial assets were determined as follows:

- The fair values of listed or quoted investments are based on the quoted closing market prices;
- The fair values of debt securities are based on the quoted closing market prices as reflected on the JSE Debt Market. The securities are regularly traded on the active market; and
- The fair values of the unit trust investments are based on the quoted put (exit) price provided or published by the fund manager.

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Interest-bearing loans and borrowings and loans to group companies

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. The interest rate used for determining the fair value is the prime interest rate.

Trade and other payables

All trade and other payables are of a short-term nature and the carrying value of trade and other payables at amortised cost is believed to approximate their fair value.

Cash and cash equivalents

The cash and cash equivalents held by the group are of a short-term nature and the fair value of positive bank balances and bank overdrafts is deemed to approximate the carrying amount.

6.1 Fair value of land and buildings

Land and buildings consists of business premises situated on Erf 2134, Ferndale Johannesburg (property), measuring 8 030m^2. The property was valued by the company's directors as at 31 March 2020. The valuation was based on terms agreed between the company and an unrelated third party to sell the property subsequent to year end. The key input under this approach is the consideration offered for the purchase of the property. The directors updated their assessment of the fair value of the property, taking into account the most recent independent valuation, effective 31 March 2020. The directors determined that the property's value is within a range of reasonable fair value estimates. Ownership of the property changed during the current financial year, Kruben Holdings Proprietary Limited sold its business, which included the property, as a going concern to Corporate Guarantee, a fellow subsidiary at the time. In spite of the ownership change, the property remained within the group. The effective date of this transaction was 1 March 2020. No depreciation has therefore been recognised in the current or prior period in respect of the property. The directors have assessed the residual value of the properties as at 31 March 2020 and calculated that the residual value approximates the current carrying value.

Notes to the financial information continued

for the year ended 31 March 2020

6. Determination of fair values continued

6.1 Fair value of land and buildings

Figures in R'000	Level 1	Level 2	Level 3	Total
Land and buildings – 2020	–	–	**14 000**	**14 000**
Land and buildings – 2019	–	–	16 146	16 146

Figures in R'000	Land and buildings
Reconciliation of fair value assets in Level 3	
Balance as at 1 April 2019	**16 146**
Fair value measurements	**(2 146)**
Balance as at 31 March 2020	**14 000**

The valuation techniques to fair value assets and liabilities in Level 3 included the following in the prior financial year:

Assets	Method	Major assumptions
Land and buildings	Income capitalisation method	Capitalisation rate Rental per square metre per Rhode report Vacancy factor

Sensitivity analysis

Land and buildings

Presented in the tables below is an analysis of the impact on the fair value of the property, per valuation method, for changes in the key valuation assumptions of the prior year:

Figures in R'000	Capitalisation rate		
Income capitalisation method (%)	8,41	9,41	10,41
Rental (10% decrease)	15 400	13 800	12 500
Rental (rate per Rhode report)	18 400	16 500	14 900
Rental (10% increase)	21 500	19 200	17 300

6. Determination of fair values continued

6.1 Fair value of land and buildings continued

Sensitivity analysis continued

Land and buildings continued

Figures in R'000	Depreciation factor		
Depreciated replacement cost method (%)	70,00	75,00	80,00
Building costs (3% decrease)	16 800	15 100	13 400
Building costs (rate per AECOM's African Property and Construction Handbook of 2017)	17 200	15 400	13 600
Building costs (3% increase)	17 500	15 700	13 800

The valuation for the financial year ended 31 March 2019 was based on a combination of the income capitalisation method and the depreciated replacement value for existing use. A 50% contribution rate per method was deemed appropriate by the directors.

The difference between the directors' valuation, R15,95 million, and the value attributed to the investment property in the prior year, R16,15 million, was considered but not deemed to be material to warrant an adjustment in fair value.

6.2 Fair value hierarchy of financial assets at fair value through profit or loss

For financial assets recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements. Unit trusts consist of investments in collective investment schemes and the valuation technique is based on a quoted put (exit) price provided by the relevant fund managers. The only observable inputs with regard to unit trusts are the closing units and closing price. There were no transfers between the levels for the reporting period.

Level 1: Quoted market price in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation techniques include inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation.

Notes to the financial information continued

for the year ended 31 March 2020

6. Determination of fair values continued

6.2 Fair value hierarchy of financial assets at fair value through profit or loss

Figures in R'000	2020	2019
Level 1		
Listed shares	**5 979**	10 687
Listed debt securities	**17 258**	10 198
Unit trusts	**3 549**	7 755
	26 786	28 640

Figures in R'000	2020	2019
Level 2		
Unit trusts	**129 986**	81 252

6.3 Financial assets by category

The accounting policies for financial assets have been applied to the line items below:

Figures in R'000	Loans and receivables at amortised cost	Fair value through profit or loss	Total
2020			
Investments	**–**	**156 772**	**156 772**
Trade receivables	**36 430**	**–**	**36 430**
Secured advances	**400 513**	**–**	**400 513**
Short-term deposits	**67 569**	**–**	**67 569**
Cash and cash equivalents	**56 014**	**–**	**56 014**
	560 526	**156 772**	**717 298**
2019			
Loans and receivables	38 085	–	38 085
Investments	–	109 892	109 892
Trade receivables	45 113	–	45 113
Secured advances	360 076	–	360 076
Short-term deposits	11 904	–	11 904
Cash and cash equivalents	64 640	–	64 640
	519 818	109 892	629 710

The carrying amounts of the financial assets at amortised cost approximate their fair values.

6. Determination of fair values continued

6.4 Financial liabilities by category

The accounting policies for financial liabilities have been applied to the line items below:

Figures in R'000	Financial liabilities at amortised cost	Total
2020		
Lease liabilities	**1 799**	**1 799**
Trade and other payables	**5 609**	**5 609**
	7 408	**7 408**
2019		
Trade and other payables	6 250	6 250

The carrying amounts of the financial liabilities at amortised cost approximate their fair values.

7. Leases

The group entered into two lease agreements in the past, for retail space and a storeroom, which constitute multi-year lease agreements. These leases generally do not exceed an initial period of 60 months. Periods covered by an option to extend the lease, if the lessee is reasonably certain to exercise that option is also taken into account. The latter is highly unlikely in a furniture retail environment given the amount of external factors to be considered before extending a lease agreement.

The lease payments for the above-mentioned lease agreements shall be discounted using the lessee's incremental borrowing rate as the interest rate implicit in the lease could not be readily determined.

A lease contract relating to the Louis Trichardt retail and store space was not included in the IFRS 16 calculation as the entity applied hindsight to estimate the lease term for lease contracts existing on the effective date, and concluded that based on the negotiations, a renewal at this stage is not certain as it is subject to rental finalisation.

IFRS 16 was adopted for the first time in the current financial period. Comparative figures have been accounted for in accordance with IAS 17 and accordingly, any assets recognised under finance leases in accordance with IAS 17 for the comparative have been recognised as part of property, plant and equipment. The information presented in this note for right-of-use assets therefore only includes the current period.

Notes to the financial information continued

for the year ended 31 March 2020

7. Leases continued

The group used the following practical expedient in transition:

- Applied hindsight to estimate the lease term for lease contracts existing on the effective date;
- Assessed whether a contract is, or contains a lease, at the inception of the contract;
- Elected not to recognise lease liabilities and right-of-use assets in respect of leases for which the lease term ends within 12 months of the date of initial application; and
- Initial direct costs related to the execution of lease contracts are excluded from the measurement of the right-to-use assets at the date of initial application.

Amounts recognised in the statement of financial position

Right-of-use assets

The statement of financial position shows the following amounts relating to leases:

Figures in R'000	2020	2019
Opening balance	**–**	–
Adjustment on adoption of IFRS 16 – 1 April 2019	**3 402**	–
Lease – straight-lining accrual adjustment	**(319)**	–
Depreciation recognised	**(1 569)**	–
Net carrying amounts of right-of-use assets	**1 514**	–

Lease liabilities

The maturity analysis of lease liabilities is as follows:

Figures in R'000	2020	2019
Within one year	**1 835**	–
Two to five years	**73**	–
	1 908	–
Less: Finance charges component	**(109)**	–
	1 799	–
Non-current component	**71**	–
Current component	**1 728**	–
	1 799	–

6. Leases continued

Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

Figures in R'000	2020	2019
Depreciation charge of right-of-use assets	**1 569**	–
Interest expense (included in finance expense)	**260**	–
Expense on short-term leases included in operating expenses	**1 200**	1 200

8. Revenue

Figures in R'000	2020	2019*
Sale of goods	**37 620**	37 266
Rental income	**–**	32
Rendering of services	**1 280**	1 540
Insurance premium income	**11 994**	9 502
	50 894	48 340

* *The comparative figures were restated, refer to note 9 for detail of the restatement.*

9. Enhancement of disclosure – restatement and reclassification of prior year figures

During financial year ended 31 March 2020 a comprehensive review of the group's presentation and disclosure was undertaken in conjunction with PricewaterhouseCoopers. This was also deemed necessary following elements highlighted by the JSE Limited as part of their proactive monitoring of annual financial statements.

Note 33 to the audited consolidated financial statements was included to incorporate additional disclosures required by the amendments to IFRS 4 when applying the temporary exemption from IFRS 9.

Notes to the financial information continued

for the year ended 31 March 2020

9. Enhancement of disclosure – restatement and reclassification of prior year figures continued

The following reclassifications, disclosure enhancements and restatements were applied to the 31 March 2019 results:

Figures in R'000	Prior to adoption of change in classification or restatement	Impact of change in classification or restatement	Impact of change in classification or restatement
Statement of financial position			
GROUP			
Equity			
Retained earnings[1]	65 147	(3 658)	61 489
Non-current liabilities			
Deferred tax liabilities[1]	2 633	3 658	6 291
Current liabilities			
Trade and other payables[2]	11 478	(3 753)	7 725
Insurance contract liability[2]	549 655	3 753	553 408
Statement of profit or loss and other comprehensive income			
GROUP			
Revenue[3]	50 752	(2 412)	48 340
Effective interest revenue[3]	–	2 412	2 412
Operating expenses[4]	(50 594)	32 350	(18 244)
Notional interest allocation[4]	–	(26 934)	(26 934)
Claims paid[4]	–	(5 416)	(5 416)
Taxation credit/(expense)[1]	–	(985)	(985)
Statement of cash flows[5]			
GROUP			
Cash flows from operating activities			
Investment income received from operations	42 958	4 192	47 150
Acquisition of investments	–	(48 690)	(48 690)
Short-term funds (invested)/disinvested	–	42 081	42 081
Net cash utilised by operating activities	(15 788)	(2 417)	(18 205)
Cash flows from investing activities			
Investment income received	4 192	(4 192)	–
Acquisition of investments	(51 666)	48 690	(2 976)
Short-term funds disinvested	42 081	(42 081)	–
Net cash (utilised by)/generated from investing activities	(1 065)	2 417	1 352

9. Enhancement of disclosure – restatement and reclassification of prior year figures continued

[1] In the past, the group has derecognised specific deferred tax liabilities recorded in the separate financial statements of Nictus Limited and other subsidiaries on consolidation. These deferred tax liabilities relate to intergroup transactions between Corporate Guarantee, Nictus Limited and other subsidiaries. The intergroup transactions are correctly eliminated on consolidation. The derecognition of the deferred tax liabilities in the consolidated financial statements were based on the strict and direct interpretation of IAS12.11 by the group. The carrying amount of the assets to which the deferred tax liabilities relate, reduces to Rnil in the consolidated financial statements, resulting in Rnil temporary differences upon recalculation. The group has restated the financial statements to conservatively reflect the financial position and operating results of the group, by recognising the deferred tax liability as calculated by the individual entities, prior to consolidation. Basic and diluted earnings per share for the prior year have also been restated. The amount of the correction for basic and diluted earnings per share was a decrease of 1,60 cents respectively.

[2] At 31 March 2020 the total notional interest provision was classified and included in the insurance contract liability. A portion of the notional interest provision, which would accrue to the policyholders on 1 April, was disclosed as trade and other payables at 31 March 2019. To ensure consistency, this amount was reclassified to be disclosed as part of the insurance contract liability at 31 March 2019. The reclassification was within current liabilities and has no effect on the group's basic or diluted earnings per share and had no impact on the group's statement of profit or loss and other comprehensive income.

[3] Pursuant to the disclosure requirements of IAS1.82(a), effective interest revenue is now separately disclosed on the face of the statement of profit or loss and other comprehensive income. During the prior year, effective interest revenue was disclosed as revenue and included in the note of same as finance income. This amended disclosure has no effect on the group's basic or diluted earnings per share and had no impact on the group's profit or loss and total comprehensive income.

[4] A change in disclosure relating to the aggregation of operating expenses in the statement of profit or loss and other comprehensive income was deemed appropriate to enhance the relevance of the disclosure, as the notional interest allocation expense and claims paid expense are specific to the insurance segment. Material year-on-year movements associated with these expenses items could thus result in comparability difficulties when disclosed as part of operating expenses. This amended disclosure has no effect on the group's basic or diluted earnings per share and had no impact on the group's profit or loss and total comprehensive income.

[5] A change in disclosure relating to the appropriateness of all cash flows relating to investment portfolios backing insurance contract liabilities. Management are of the opinion that these should be reflected as cash flows from operating activities rather than as previously reflected as cash flows from investing activities. This provides more relevant information as it more accurately reflects the nature of the cash flows related to specific investments. Furthermore all investment income are now included in cash flows from operating activities. These reclassifications did not impact the total cash movement for the year ended 31 March 2019.

Notice of annual general meeting

NICTUS LIMITED
(Incorporated in the Republic of South Africa)
Registration number RSA: 1981/011858/06
Registration number NAM: 781/11858
JSE share code: NCS
ISIN number: NA0009123481
(Nictus or the company)

Notice is hereby given that the annual general meeting of the shareholders of Nictus (shareholders) in respect of the financial year ended 31 March 2020 will be held on Wednesday, 14 October 2020 at 12:00 (South African time), to deal with the business as set out below and to consider and, if deemed appropriate, pass with or without modification the ordinary and special resolutions set out in this notice.

In light of the COVID-19 pandemic the board has, in the circumstances, determined that it is necessary, prudent and preferable that the annual general meeting be held by way of electronic participation, and not by way of a physical meeting. The annual general meeting will accordingly only be accessible through electronic communication, as permitted by the JSE Limited (JSE) and in accordance with the provisions of the Companies Act of South Africa, 71 of 2008 (the Companies Act of South Africa) and the company's Memorandum of Incorporation (MOI). The company has retained the services of The Meeting Specialist Proprietary Limited (TMS) to remotely host the annual general meeting on an interactive electronic platform in order to facilitate remote participation and voting by shareholders. TMS will also act as scrutineer for purposes of the annual general meeting.

Please refer to point 9 of the notice of annual general meeting for details.

1. Record date

The board of directors of the company (the board) has determined that the record date, as contemplated in section 59(1) of the Companies Act of South Africa for the purpose of determining which shareholders of the company are entitled to:

1.1 receive notice of the annual general meeting is Friday, 4 September 2020; and

1.2 participate in and vote at the annual general meeting is Friday, 9 October 2020. Accordingly, only shareholders who are registered in the register of members of the company, or their proxies, on Friday, 9 October 2020 will be entitled to participate in and vote at the annual general meeting. The last day to trade in order to be entitled to participate in and vote at the annual general meeting is therefore Tuesday, 6 October 2020.

2. General purpose of the annual general meeting

The general purpose of the annual general meeting is to:

2.1 consider and, if deemed appropriate, pass with or without modification the resolutions set out hereunder; and

2.2 deal with any business that may lawfully be dealt with at the annual general meeting.

3. Presentation of the group audited annual financial statements

The consolidated audited annual financial statements of the company and its subsidiaries, incorporating the reports of the auditor, the audit and risk committee, the directors and the social and ethics committee for the year ended 31 March 2020, will be presented to shareholders as required in terms of section 30(3)(d) read with section 61(8)(a) of the Companies Act of South Africa.

4. Resolutions for consideration and approval

4.1 Ordinary resolution 1: re-election of Philippus J de W Tromp as a director

"Resolved that Philippus J de W Tromp, who retires by rotation in terms of clause 16.3.2 of the company's MOI, be and is hereby re-elected as a director of the company."

In order for this ordinary resolution number 1 to be passed, the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting, is required.

A brief *curriculum vitae* is set out on page 7.

4.2 Ordinary resolution 2: re-election of Professor Barend J Willemse as a director

"Resolved that Professor Barend J Willemse, in terms of clause 16.3.2 of the MOI, be and is hereby re-elected as a director of the company."

In order for this ordinary resolution number 2 to be passed, the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting, is required.

A brief *curriculum vitae* is set out on page 6.

4.3 Ordinary resolution 3: non-binding approval of the remuneration policy

"Resolved to approve, by way of a non-binding advisory vote, the remuneration policy of the company as set out on page 41 of the 2020 integrated annual report."

In order for this ordinary resolution number 3 to be passed, the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting, is required.

4.4 Ordinary resolution 4: non-binding approval of the remuneration implementation report

"Resolved to approve, by way of a non-binding, advisory vote, the remuneration implementation report of the company as set out on page 39 of the 2020 integrated annual report."

In order for this ordinary resolution number 4 to be passed, the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting, is required.

The remuneration report of the remuneration and nomination committee (which includes the remuneration policy and implementation report) is set out on pages 37 to 41 of the 2020 integrated annual report.

The JSE Listings Requirements require, and the King IV Report on Corporate Governance for South Africa, 2016 (King IV) recommends, that a company's remuneration policy and implementation report be tabled for separate non-binding advisory votes by shareholders at each annual general meeting. This enables shareholders to express their views on the company's remuneration policy and the implementation report. Ordinary resolutions numbers 4 and 5 are of a non-binding advisory nature only. The board will, however, take the outcome of the non-binding advisory votes into consideration when considering amendments to the group's remuneration policy.

Shareholders are reminded that in terms of the JSE Listings Requirements and King IV, should 25% or more of the votes cast be against one or both of these non-binding ordinary resolutions, Nictus undertakes to engage with shareholders as to the reasons therefore and undertakes to appropriately address legitimate and reasonable objections and concerns raised.

4.5 Ordinary resolution 5: re-election of Cornelius J de Vrye as a member and chairman of the audit and risk committee

"Resolved that Cornelius J de Vrye, a director of the company who fulfills the requirements of section 94(4) of the Companies Act of South Africa, be and is hereby re-elected as a member and chairman of the audit and risk committee of the company, to hold office until the conclusion of the next annual general meeting of the company."

Notice of annual general meeting continued

In order for this ordinary resolution number 5 to be passed, the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting, is required.

4.6 Ordinary resolution 6: re-election of Professor Barend J Willemse as a member of the audit and risk committee

"Resolved that Professor Barend J Willemse, a director and chairman of the board who fulfils the requirements contemplated in section 94(4) of the Companies Act of South Africa, be and is hereby re-elected as a member of the audit and risk committee of the company, to hold office until the conclusion of the next annual general meeting of the company, subject to his re-election as a director of the company pursuant to ordinary resolution number 2."

In order for this ordinary resolution number 6 to be passed, the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting, is required. Shareholders' attention is specifically drawn to the dual role of Barend J Willemse, being an independent non-executive chairman of the board and also a member of the audit and risk committee of the company.

4.7 Ordinary resolution 7: re-election of Gerard Swart as a member of the audit and risk committee

"Resolved that Gerard Swart, a director of the company who fulfils the requirements contemplated in section 94(4) of the Companies Act of South Africa, be and is hereby re-elected as a member of the audit and risk committee of the company, to hold office until the conclusion of the next annual general meeting of the company."

In order for this ordinary resolution number 7 to be passed, the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting, is required.

4.8 Ordinary resolution 8: appointment of PricewaterhouseCoopers Inc. as independent external auditor

"Resolved that PricewaterhouseCoopers Inc. (with the designated external audit partner being Mr Jorge M Goncalves) be and is hereby appointed as the independent external auditor of the company, in terms of the MOI and the Companies Act of South Africa, to hold office until the conclusion of the next annual general meeting of the company."

The audit and risk committee of the company recommended the appointment of PricewaterhouseCoopers Inc. and Mr Jorge M Goncalves, following its assessment of the performance and independence of PricewaterhouseCoopers Inc. and Mr Jorge M Goncalves and being satisfied that no governance guidelines have been breached and that they have complied with the provisions of the JSE Listings Requirements and the Companies Act of South Africa.

In order for this ordinary resolution number 8 to be passed, the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting, is required.

4.9 Ordinary resolution 9: authority to issue ordinary shares

"Resolved that the board be and is hereby authorised by way of a general authority to issue at their discretion up to 30% (thirty percent), being 58 966 950 ordinary shares, of the authorised but unissued ordinary shares in the company from time to time, and/or to grant options to subscribe for such 30% (thirty percent) of the authorised but unissued ordinary shares in the company from time to time, for such purposes and on such terms and conditions as they may determine, provided that such transaction(s) are subject to the JSE Listings Requirements, the Companies Act of South Africa and the following conditions, namely that:

4.10.1 This authority shall only be valid until the next annual general meeting of the company but shall not extend beyond 15 (fifteen) months from the date of passing of this resolution;

4.10.2 The issue of the shares must be made to persons qualifying as public shareholders as defined in the JSE Listings Requirements, and not to related parties;

4.10.3 The shares which are the subject of the issue must be of a class already in issue, or where this is not the case, must be limited to such shares or rights that are convertible into a class already in issue;

4.10.4 Must be published in a SENS announcement giving full details of the issue, after any issue representing, on a cumulative basis within one financial year, 5% (five percent) of the number of shares in issue prior to the issue concerned; and

4.10.5 In determining the price at which an issue of shares for cash will be made in terms of this authority, the maximum discount permitted shall be 10% (ten percent) of the weighted average traded price of the ordinary shares on the JSE, measured over the 30 (thirty) business days prior to the date that the price of the issue is agreed between the company and the party subscribing for the shares".

In order for this ordinary resolution number 9 to be passed, the support of more than 75% (seventy-five percent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting, is required.

4.10 Ordinary resolution 10: signing authority

"Resolved that each director, or the secretary of the company, be and is hereby authorised to do all such things and sign all such documents as may be necessary for, or incidental to the implementation of the resolutions passed at the annual general meeting of the company and set out in this notice."

In order for this ordinary resolution number 10 to be passed, the support of more than 50% (fifty percent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting, is required.

4.11 Special resolution 1: approval of non-executive directors' remuneration

"Resolved that the company be and is hereby authorised to pay remuneration to its non-executive directors for their services as directors, as contemplated in sections 66(8) and 66(9) of the Companies Act of South Africa, and that the remuneration structure and amounts as set out as follows, be and are hereby approved until such time as rescinded or amended by the shareholders by way of a special resolution."

Notice of annual general meeting continued

Name of director	Proposed fees* Annual fee R	Board R	Audit and risk committee R	Remuneration and nomination committee R	Social and ethics committee R	Investment committee R
Professor Barend J Willemse	435 000	315 000	40 000	40 000	–	40 000
Gerard Swart	252 000	160 000	40 000	52 000	–	–
Cornelius J de Vrye	272 000	160 000	72 000	40 000	–	–
Philippus J de W Tromp	186 000	160 000	–	–	26 000	–
Nicolaas C Tromp	160 000	160 000	–	–	–	–

* *Non-executive directors will be paid an amount of R40 000 per day per meeting in respect of board or special meetings, should the number of these additional meetings exceed five per annum. They will also be paid a pro rata amount per hour for additional time spent.*

Special resolution number 1 is required in terms of section 66 of the Companies Act of South Africa, which requires that non-executive directors' remuneration for their services as directors may be paid by a company only in accordance with a special resolution approved by shareholders within the previous two years.

In order for special resolution number 1 to be passed, the support of at least 75% (seventy-five percent) of the voting rights exercised on the resolution by the shareholders present in person, or represented by proxy, at the annual general meeting, is required.

The reason for this resolution is to obtain approval for the payment of the non-executive directors' remuneration and the effect will be that the non-executive directors are paid in accordance with this resolution.

4.12 Special resolution 2: general authority to repurchase shares

"Resolved that the company, in terms of its MOI, or one of its wholly-owned subsidiaries, in terms of such wholly-owned subsidiary's MOI, as the case may be, and subject to the relevant subsidiary passing the necessary special resolution, be and is hereby authorised by way of a general authority to acquire the company's own securities, upon such terms and conditions and in such amounts as the directors may from time to time decide, subject to the JSE Listings Requirements and the Companies Act of South Africa and subject to the following:

4.12.1 This general authority shall be valid until the company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this resolution;

4.12.2 The repurchase being effected through the order book operated by the JSE trading system, without any prior understanding or arrangement between the company and the counterparty;

4.12.3 Repurchases may not be made at a price greater than 10% (ten percent) above the weighted average of the market value of the ordinary shares for the 5 (five) business days immediately preceding the date on which the transaction was effected;

4.12.4 An announcement being published as soon as the company has repurchased ordinary shares constituting, on a cumulative basis, 3% (three percent) of the initial number of ordinary shares, and for each 3% (three percent) in aggregate of the initial number of ordinary shares repurchased thereafter, containing full details of such repurchases;

4.12.5 The number of shares which may be acquired pursuant to this authority in any one financial year may not in the aggregate exceed 20% (twenty percent) of the company's issued share capital as at the date of passing of this special resolution or 10% (ten percent) of the company's issued share capital in the case of an acquisition of shares in the company by a subsidiary of the company;

4.12.6 The company and/or its subsidiaries may not repurchase securities during a prohibited period as defined in the JSE Listings Requirements, unless it has in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed and full details of the programme have been submitted to the JSE, in writing, and disclosed in an announcement published on SENS, prior to the commencement of the prohibited period. The company must instruct an independent third party, which makes its investment decisions in relation to the company's securities independently of, and uninfluenced by, the company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;

4.12.7 At any point in time the company only appointing one agent to effect any repurchases on its behalf;

4.12.8 The board must pass a resolution that they authorised the repurchase and that the company passed the solvency and liquidity test set out in section 4 of the Companies Act of South Africa and that since the test was performed, there have been no material changes to the financial position of the company and its subsidiaries (collectively, the group); and

4.12.9 The directors, having considered the effects of the maximum repurchase permitted, are of the opinion that for a period of 12 (twelve) months after the date of the notice of the annual general meeting and at the date of the repurchase:

4.12.9.1 The company and the group will be able, in the ordinary course of business, to pay its debts;

4.12.9.2 The working capital of the company and the group will be adequate for ordinary business purposes;

4.12.9.3 The assets of the company and the group, fairly valued in accordance with International Financial Reporting Standards, will exceed the liabilities of the company and the group; and

4.12.9.4 The company's and the group's ordinary share capital and reserves will be adequate for ordinary business purposes."

Section 48 of the Companies Act of South Africa authorises the board of directors of a company to approve the acquisition of its own shares subject to the provisions of sections 46 and 48 of the Companies Act of South Africa having been met. The Companies Act of South Africa and the JSE Listings Requirements require the approval of at least 75% (seventy-five percent) of the votes cast by shareholders present in person or represented by proxy at the annual general meeting for special resolution number 2 to become effective.

4.13 Special resolution 3: financial assistance to entities related or interrelated to the company, in terms of section 45 of the Companies Act of South Africa

"Resolved that, as a general approval, the company may, in terms of section 45(3)(a)(ii) of the Companies Act of South Africa, provide any direct or indirect financial assistance (financial assistance will herein have the meaning attributed to it in section 45(1) of the Companies Act of South Africa) to any related or interrelated company or to any juristic person who is a member of or related to any such company/ies (related and interrelated will herein have the meaning attributed to it in section 2 of the Companies Act of South Africa), subject to compliance with the remainder of section 45 of the Companies Act of South Africa,

Notice of annual general meeting continued

as the board may deem fit and on the terms and conditions, to the recipient/s, in the form, nature and extent and for the amounts that the board may determine from time to time."

In order for special resolution number 3 to be passed, the support of at least 75% (seventy-five percent) of the voting rights exercised on the resolution by the shareholders present in person, or represented by proxy, at the annual general meeting, is required.

The effect of special resolution number 3, if adopted, is to confer the authority on the board to authorise financial assistance to companies related or interrelated to the company or to any juristic person who is a member of or related to any such companies generally as the board may deem fit, on the terms and conditions, and for the amounts that the board may determine from time to time, for a period of two years from the date of the adoption of the special resolution and in particular as specified in the special resolution.

5. Additional information

The following additional information, which may appear elsewhere in the 2020 integrated annual report, is provided in terms of the JSE Listings Requirements for purposes of the general authority to repurchase the company's shares set out in special resolution number 2 above:

5.1. Major shareholders – page 51 of the 2020 integrated annual report;

5.2. Stated capital of the company – page 109 of the 2020 integrated annual report.

6. Directors' responsibility statement

The directors in office, whose names appear on pages 6 and 7, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 2 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolutions contain all information required by the JSE Listings Requirements.

7. Material changes

Other than the facts and developments reported on in the 2020 integrated annual report, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the company's financial year end and the date of signature of the 2020 integrated annual report.

8. Directors' intention regarding the general authority to repurchase the company's shares

The directors have no specific intention, at present, for the company to repurchase any of its shares but consider that such a general authority should be put in place should an opportunity present itself to do so during the year which is in the best interests of the company and shareholders.

9. Participation, voting and proxies

9.1 Please note that, in terms of section 62(3)(e) of the Companies Act of South Africa:

9.1.1 A shareholder entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxies to attend, participate in and vote at the annual general meeting in place of that shareholder; and

9.1.2 A proxy need not also be a shareholder of the company.

9.2 Shareholders who wish to participate electronically in and/or vote at the annual general meeting are required to complete the electronic participation form available on page 37 of the notice and email it to TMS at E proxy@tmsmeetings.co.za or alternatively contact them on +27 11 520 7950/1/2 as soon as possible, but in any event no later than 12:00 (South African time) on Monday, 12 October 2020. TMS will assist shareholders with the requirements for electronic participation in, and/or voting at, the annual general meeting.

9.3 Shareholders will be liable for their own network charges in relation to electronic participation in and/or voting at the annual general meeting. Any such charges will not be for the account of the company, the JSE and/or TMS. The company, the JSE or TMS cannot be held accountable in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages which prevent any such shareholder from participating in and/or voting at the annual general meeting.

9.4 Shareholders are advised, and strongly encouraged, to participate in the annual general meeting electronically and, for administrative ease, to make use of proxy voting as outlined in this notice.

9.5 Shareholders are further advised that in terms of section 63(1) of the Companies Act, any person (including proxies) attending, participating in or voting at the annual general meeting must present reasonably satisfactory identification before being entitled to attend or participate in and vote at the annual general meeting. TMS is obliged to validate (in consultation with the company and, in particular, the company's transfer secretaries, Computershare Investor Services Proprietary Limited (Computershare), and your Central Securities Depository Participant (CSDP) each shareholder's entitlement to participate in and/or vote at the annual general meeting, before providing you with the necessary means to access the annual general meeting and the associated voting platform. Forms of identification include valid identity documents, driver's licences and passports.

9.6 All beneficial owners whose shares have been dematerialised through a CSDP, broker or nominee other than with "own name" registration, must provide the CSDP, broker or nominee with their voting instructions in terms of their custody agreement should they wish to vote at the annual general meeting. Alternatively, they may request the CSDP, broker or nominee to provide them with a letter of representation, in terms of their custody agreements, should they wish to participate in the annual general meeting electronically.

9.7 Unless you advise your CSDP, broker or nominee, in terms of the agreement between you and your CSDP, broker or nominee by the cut-off time stipulated therein, that you wish to participate in the annual general meeting electronically or send a proxy to represent you at this annual general meeting, your CSDP, broker or nominee will assume that you do not wish to attend the annual general meeting or send a proxy.

9.8 Forms of proxy (which form may be found enclosed) must be dated and signed by the shareholder appointing a proxy and must be emailed to TMS at E proxy@tmsmeetings.co.za. Forms of proxy must be received not later than 12:00 on Monday, 12 October 2020. Before a proxy exercises any rights of a shareholder at the annual general meeting, such form of proxy must be so delivered.

Notice of annual general meeting continued

Thereafter, forms of proxy must be handed to the chairman of the annual general meeting before the appointed proxy may exercise any rights of the shareholder at the annual general meeting. If required, additional forms of proxy may be obtained from the registered offices of the company, the transfer secretaries or TMS, whose details are set out on page 44.

9.9 Attention is drawn to the "Notes" to the form of proxy.

9.10 The completion of a form of proxy does not preclude any shareholder attending the annual general meeting.

By order of the board

Nictus Limited
Veritas Eksekuteurskamer Proprietary Limited
Company secretary

Randburg
4 September 2020

Electronic participation

in the Nictus Limited virtual annual general meeting to be held on Wednesday, 14 October 2020

The annual general meeting

- Shareholders or their proxies who wish to participate in the annual general meeting via electronic communication (participants), must apply to the company's meeting scrutineers to do so by emailing the form below (the application) to the email address of the company's meeting scrutineers, The Meeting Specialist Proprietary Limited (TMS), by no later than 12:00 on 12 October 2020. The email address is as follows: E proxy@tmsmeetings.co.za.
- Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with own name registration, should contact their CSDP or broker in the manner and time stipulated in their agreement with their CSDP or broker:
  - to furnish them with their voting instructions; and
  - in the event that they wish to participate in the meeting, to obtain the necessary authority to do so.
- Participants will be able to vote during the annual general meeting through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the annual general meeting, must provide TMS with the information requested below.
- Each shareholder, who has complied with the requirements below, will be contacted between 12 October 2020 and 14 October 2020 via email/mobile with a unique link to allow them to participate in the virtual annual general meeting.
- The cost of the participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her own service provider.
- The participant's unique access credentials will be forwarded to the email/cell number provided below.

Application form

Name and surname of shareholder ______________________

Name and surname of shareholder representative ______________________
(if applicable)

ID number of shareholder or representative ______________________

Email address ______________________

Cell number ______________________

Telephone number ______________________

Name of CSDP or broker ______________________
(if shares are held in dematerialised format)

SCA number/broker account number or ______________________

Own name account number ______________________

Number of shares ______________________

Signature ______________________ Date ______________________

By signing this form, I agree and consent to the processing of my personal information above for the purpose of participation in the annual general meeting.

Electronic participation continued

Terms and conditions for participation at the Nictus Limited annual general meeting to be held on 14 October 2020 via electronic communication

- The cost of dialling in using a telecommunication line/webcast/web-streaming to participate in the annual general meeting is for the expense of the participant and will be billed separately by the participant's own service provider.
- The participant acknowledges that the telecommunication lines/webcast/web-streaming are provided by a third party and indemnifies the company, the JSE Limited and TMS and/or their third-party service providers against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/webcast/web-streaming, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against the company, the JSE Limited and TMS and/or its third-party service providers, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web-streaming or any defect in it or from total or partial failure of the telecommunication lines/webcast/web-streaming and connections linking the telecommunication lines/webcast/web-streaming to the annual general meeting.
- Participants will be able to vote during the annual general meeting through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the annual general meeting, must act in accordance with the requirements set out above.
- Once the participant has received the link, the onus to safeguard this information remains with the participant.
- The application will only be deemed successful if this application form has been fully completed and signed by the participant and delivered or emailed to TMS at E proxy@tmsmeetings.co.za and in the manner set out above.

Shareholder name ______________________________

Signature ______________________ Date ______________

Important: You are required to attach a copy of your identity document/driver's licence/passport when submitting the application.

Form of proxy

nictus

(Incorporated in the Republic of South Africa)
Registration number RSA: 1981/011858/06
Registration number NAM: 781/11858
JSE share code: NCS
ISIN number: NA0009123481
(Nictus or the company)

To be completed by certificated shareholders and dematerialised shareholders with "own name" registration only

For use by shareholders of the company holding certificated shares and/or dematerialised shareholders who have elected "own-name" registration, nominee companies of Central Securities Depository Participants' (CSDP) and brokers' nominee companies, registered as such at the close of business on Friday, 9 October 2020 (the voting record date), at the annual general meeting of the company to be held on Wednesday, 14 October 2020, commencing at 12:00 (SA time), or at any adjournment thereof.

If you are a dematerialised shareholder, other than with own-name registration, do not use this form. Dematerialised shareholders, other than with own-name registration, should provide instructions to their appointed CSDP or broker in the form as stipulated in the agreement entered into between the shareholder and the CSDP or broker.

I/We ______________________________

of ______________________________ (address)

being the holder/s of ______________ shares in the company, do hereby appoint:

1. ______________________________ or, failing him/her

2. ______________________________ or, failing him/her

3. the chairman of the annual general meeting,

as my/our proxy to attend, speak and, on a poll, vote on my/our behalf at the above-mentioned annual general meeting of members or at any adjournment thereof, and to vote or abstain from voting as follows on the ordinary and special resolutions to be proposed at such meeting:

	For	Against	Abstain	Precluded from voting in terms of the Companies Act of South Africa or the JSE Listings Requirements
Ordinary resolution 1: re-election of Philippus J de W Tromp as a director				
Ordinary resolution 2: re-election of Professor Barend J Willemse as a director				

Form of proxy continued

	For	Against	Abstain	Precluded from voting in terms of the Companies Act of South Africa or the JSE Listings Requirements
Ordinary resolution 3: non-binding approval of the remuneration policy				
Ordinary resolution 4: non-binding approval of the remuneration implementation report				
Ordinary resolution 5: re-election of Cornelius J de Vrye as a member and chairman of the audit and risk committee				
Ordinary resolution 6: re-election of Professor Barend J Willemse as a member of the audit and risk committee				
Ordinary resolution 7: re-election of Gerard Swart as a member of the audit and risk committee				
Ordinary resolution 8: appointment of PricewaterhouseCoopers Inc. (with the designated external audit partner being Mr Jorge M Goncalves) as independent external auditor				
Ordinary resolution 9: authority to issue ordinary shares				
Ordinary resolution 10: signing authority				
Special resolution 1: approval of non-executive directors' remuneration				
Special resolution 2: general authority to repurchase shares				
Special resolution 3: financial assistance to entities related or interrelated to the company, in terms of section 45 of the Companies Act of South Africa				

Please indicate with an "X" in the appropriate spaces provided above how you wish your vote to be cast.

If you wish not to cast your votes in respect of less than all of the ordinary shares that you own in the company, however, insert the number of ordinary shares held in respect of which you desire to vote.

Signed at ______________________________ on ______________________________ 2020

Signature ______________________________

Assisted by me, where applicable (name and signature) ______________________________

Notes to the form of proxy

1. Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder(s) of the company) to participate in place of that shareholder at the annual general meeting.

2. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the chairman of the annual general meeting". The person whose name stands first on the form of proxy and who is present at the annual general meeting shall be entitled to act as proxy to the exclusion of the persons whose names follow.

3. A shareholder's instructions to the proxy have to be indicated by the insertion of an "X" or the relevant number of votes exercisable by that shareholder in the appropriate box provided. Failure to comply with the above shall be deemed to authorise the chairperson of the annual general meeting, if the chairperson is the authorised proxy, to vote in favour of the ordinary and special resolutions at the annual general meeting, or any other proxy to vote or to abstain from voting at the annual general meeting, as he/she deems fit, in respect of all the shareholder's votes exercisable thereat.

4. A shareholder or his/her proxy is not obliged to vote in respect of all the ordinary shares held by such shareholder or represented by such proxy, but the total number of votes for or against the ordinary and special resolutions and in respect of which any abstention is recorded may not exceed the total number of votes to which the shareholder or his/her proxy is entitled.

5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity has to be attached to this form of proxy, unless previously recorded by the company's transfer secretaries or waived by the chairperson of the annual general meeting.

6. The chairman of the annual general meeting may reject or accept any form of proxy that is completed and/or received other than in accordance with these instructions and notes.

7. Any alterations or corrections to this form of proxy have to be initialled by the signatory(ies).

8. The completion and lodging of this form of proxy shall not preclude the relevant shareholder from participating in the annual general meeting to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.

9. All beneficial owners of ordinary shares who have dematerialised their shares through a Central Securities Depository Participant (CSDP) or broker, other than those shareholders who have elected to dematerialise their shares with "own name" registrations, and all beneficial owners of ordinary shares who hold certificated shares through a nominee, must provide their CSDP, broker or nominee with their voting instructions. Voting instructions must reach the CSDP, broker or nominee in sufficient time to allow the CSDP, broker or nominee to advise TMS of this instruction no less than 48 hours before the time appointed for the holding of the meeting. Should you, as the beneficial owner, however, wish to participate in the meeting, you may do so by requesting your CSDP, broker or nominee to issue you with a letter of representation in terms of the custody agreement entered into with your CSDP, broker or nominee. Letters of representation must be lodged with TMS not less than 48 hours before the time appointed for the holding of the meeting. Shareholders who hold certificated shares with their own name and shareholders who have dematerialised their shares with "own name" registrations must lodge their completed proxy forms with TMS via email at E proxy@tmsmeetings.co.za not less

Notes to the form of proxy continued

than 48 hours before the time appointed for the holding of the meeting (excluding Saturdays, Sundays and public holidays).

10. Forms of proxy have to be emailed to TMS at E proxy@tmsmeetings.co.za. Forms of proxy must be received not later than 12:00 on Monday, 12 October 2020. Thereafter, forms of proxy must be handed to the chairperson of the annual general meeting before the appointed proxy may exercise any rights of the shareholder at the annual general meeting.

Summary of rights established by section 58 of the Companies Act of South Africa, as required in terms of subsection 58(8)(b)(i)

1. A shareholder may at any time appoint any individual, including a non-shareholder of the company, as a proxy to participate in, speak and vote at a shareholders' meeting on his or her behalf (section 58(1)(a)), or to give or withhold consent on behalf of the shareholder to a decision in terms of section 60 (shareholders acting other than at a meeting) (section 58(1)(b)).

2. A proxy appointment must be in writing, dated and signed by the shareholder, and remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked in terms of paragraph 6.3 or expires earlier in terms of paragraph 10.4 (section 58(2)).

3. A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder (section 58(3)(a)).

4. A proxy may delegate his or her authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy (proxy instrument) (section 58(3)(b)).

5. A copy of the proxy instrument must be delivered to the company, or to any other person acting on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders' meeting (section 58(3)(c)) and in terms of the company's Memorandum of Incorporation (MOI) at least 48 hours before the annual general meeting commences.

6. Irrespective of the form of instrument used to appoint a proxy:

6.1 The appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder (section 58(4)(a));

6.2 The appointment is revocable unless the proxy appointment expressly states otherwise (section 58(4)(b)); and

6.3 If the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or by making a later, inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the company (section 58(4)(c)).

7. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in paragraph 6.3 (section 58(5)).

8. If the proxy instrument has been delivered to a company, as long as that appointment remains in effect, any notice required by the Companies Act of South Africa or the MOI to be delivered by the company to the shareholder must be delivered by the company to the shareholder (section 58(6)(a)), or the proxy or proxies, if the shareholder has directed the company to do so in writing and paid any reasonable fee charged by the company for doing so (section 58(6)(b)).

9. A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the MOI or proxy instrument provides otherwise (section 58(7)).

10. If a company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of proxy instrument:

10.1 The invitation must be sent to every shareholder entitled to notice of the annual general meeting at which the proxy is intended to be exercised (section 58(8)(a));

10.2 The invitation or form of proxy instrument supplied by the company must:

10.2.1 Bear a reasonably prominent summary of the rights established in section 58 of the Companies Act of South Africa (section 58(8)(b)(i));

10.2.2 Contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name, and if desired, an alternative name of a proxy chosen by the shareholder (section 58(8)(b)(ii)); and

10.2.3 Provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the annual general meeting, or is to abstain from voting (section 58(8)(b)(iii));

10.3 The company must not require that the proxy appointment be made irrevocable (section 58(8)(c)); and

10.4 The proxy appointment remains valid only until the end of the annual general meeting at which it was intended to be used, subject to paragraph 7 (section 58(8)(d)).

Contact information

Nictus Limited

(Nictus or the company)
(Incorporated in the Republic of South Africa)
Registration number RSA: 1981/011858/06
Registration number NAM: 781/11858
JSE share code: NCS
ISIN number: NA0009123481
www.nictuslimited.co.za

Registered office of the company

Head office

1st Floor, Nictus Building
Corner of Pretoria and Dover Streets
Randburg

PO Box 2878, Randburg 2125

Windhoek office

1st floor, Nictus Building
140 Mandume Ndemufayo Avenue
Windhoek

Private Bag 13231, Windhoek

Company secretary

Veritas Eksekuteurskamer Proprietary Limited

Registration number: 1984/007487/07
1st Floor, Nictus Building
Corner of Pretoria and Dover Streets
Randburg

PO Box 2878, Randburg 2125

Auditor and reporting accountant

PricewaterhouseCoopers Inc.

4 Lisbon Lane, Waterfall City
Jukskei View 2090
Private Bag X36
Sunninghill 2157
South Africa

JSE Sponsor

One Capital Sponsor Services Proprietary Limited

17 Fricker Road
Illovo 2196
South Africa

Transfer secretaries

Computershare Investor Services Proprietary Limited

15 Biermann Avenue
Rosebank 2196
South Africa

PO Box 61051, Marshalltown 2107

AGM Meeting scrutineers

The Meeting Specialist Proprietary Limited

JSE Building
One Exchange Square
2 Gwen Lane
Sandown 2196
South Africa

PO Box 62043, Marshalltown 2196

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