

NICTUS LIMITED
SUMMARISED
CONSOLIDATED
FINANCIAL
STATEMENTS

for the year ended 31 March 2023
and notice of annual general meeting

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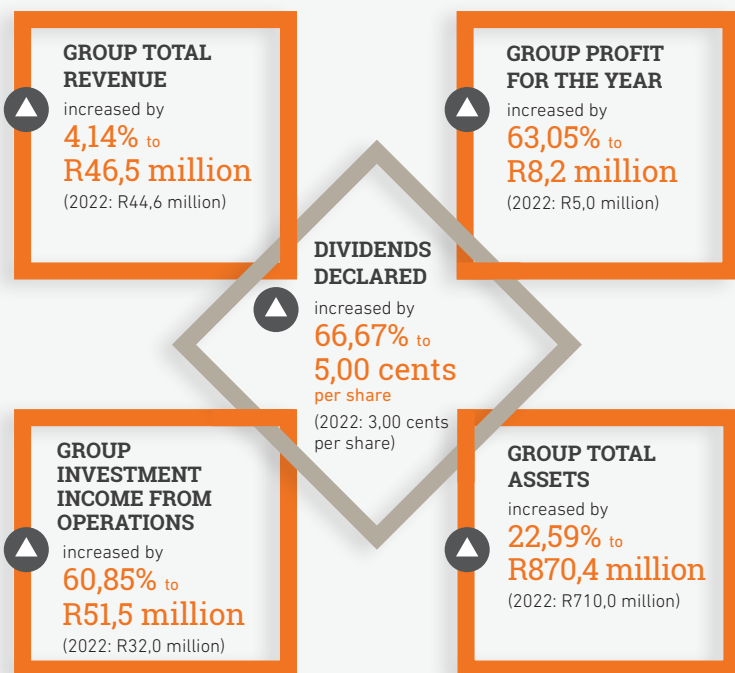
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The summarised consolidated financial statements of Nictus Limited is a summary of the audited consolidated financial statements for the year ended 31 March 2023. The summarised consolidated financial statements have not themselves been audited.

Mr Eckhart H Prozesky (financial director, CA(SA)) was responsible for supervising the preparation of these summarised consolidated financial statements.

The 2023 integrated annual report and audited annual financial statements are available on our website www.nictuslimited.co.za from 30 June 2023.

We have removed all signatures from this document to protect the security and privacy of all our signatories.



ABOUT NICTUS

Nictus is an investment holding company, which owns a non-life insurer through the Corporate Guarantee brand as well as retailer of household furniture, electrical appliances and home electronics sold through the Nictus brand. Nictus' ideal future is to become a sought-after wealth creator for all stakeholders involved and has set its strategies and action plans accordingly.



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



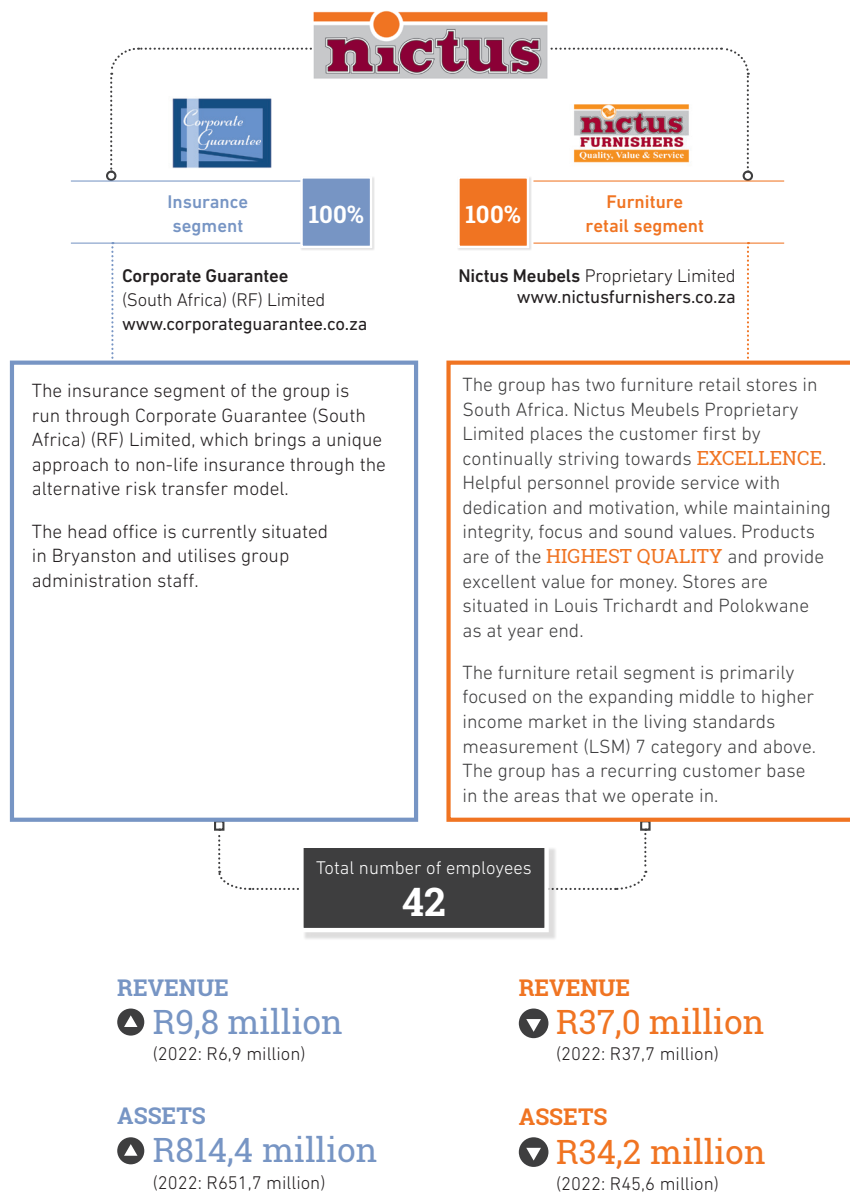
Mission

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)



Code of conduct

I will:

Treat others as I want to be treated by them, the golden rule.

Always **strive** to do what is **best for my group**, my country and my planet.

Abide by the values, policies and procedures of the group, the laws of my country and the universal human principles of all that is good and just.

Be honest, reliable, fair and open in everything I say, write and do and accept responsibility for the consequences.

Protect the group's assets, information and reputation.

Value and respect the diversity of beliefs, cultures, convictions and habits of the people of our group and the country in which we operate.

Disclose to the group any real or perceived situations where my private interests or the interests of the members of my immediate or extended family or other persons close to me may interfere with the interests of the group.

Not give or receive gifts or benefits in contravention of the policies of the group and no gift, irrespective of the value, should influence me to change my business decision to the detriment of the group.

Seek new, better and more innovative ways to do my work and perform to the utmost of my abilities.

Not remain silent in the face of dishonesty, malice, disrespect, intolerance or injustice.

Milestones

1945

Nictus was founded

1955

The selling of new furniture under the Nictus brand name first commenced in Namibia

1969

Primary listed on the JSE Limited (JSE) in 1969, under general retailers, JSE code: NCS

1983

The first South African furniture outlet was established in Randburg

2002

Corporate Guarantee (South Africa) (RF) Limited was founded. The company has built up a client base throughout South Africa

2012

Since the 2012 unbundling of the Namibian operation, the South African group is making steady progress towards sustainable profit and growth with effective management being established in South Africa

2019

Primary listing on the JSE for 50 years

2020

Nictus is 75 years old



CHAIRPERSON'S REPORT

South Africa's economic outlook continued to worsen in the fourth quarter of 2022, recording a negative growth rate of -1,3%. In its April 2023 report, the International Monetary Fund predicted an economic growth rate of 0,1% for South Africa, which further weakens the outlook.

Consumer disposable income remains under pressure, with the prime interest rate expected to increase to 11,75% for 2023. Inflation remains high, well above the South African Reserve Bank upper target limit of 6,0%, with food inflation above 14,0%. Fuel prices continue to creep higher, while electricity prices increased more than 18,0%, with load shedding reducing economic output through all sectors of the economy.

The international economic growth outlook has also deteriorated, with the possibility of an economic recession during 2023 in the economies of our main trading partners. The outlook for the South African business environment during 2023/24 remains bleak, volatile and risky. The risk of deteriorating government services and infrastructure is a drag on the current economic outlook in South Africa, and we expect that the next few months will be politically volatile going into a national election year. Despite the negative economic environment, the group was able to remain profitable during the reporting period.

Given the current state of the economy and the lack of clear economic policy and policy implementation by the national government, the business environment is expected to remain tough during 2023/24.

The board and management worked hard to continue to adapt the business to the changing environment and recognise the need for a flexible and low-cost business structure. We are investing in new IT systems to modernise operations, gain operational efficiency and enhance the ease of doing business for our stakeholders. Nictus remains well capitalised and with a continuous focus on adapting the business model and reducing costs, we are confident in the future of the business. New opportunities and innovative services are continuously evaluated, while we continue to grow the business, especially in the insurance segment. We are confident of meeting our clients' needs in the future.

The insurance segment performed well during the reporting period. Alternative risk management in the business sector and in the farming community is gaining momentum as the understanding of the concept in an uncertain environment continues to grow. New clients were attracted through well-positioned marketing plans and cooperation from an industry body within the agricultural sector. The flexibility of the alternative risk transfer model in the current business environment serves customers well, reducing their insurance costs over the medium

to long term and offering flexibility and liquidity. Good risk management when accepting new clients serves the company well. The client base is well diversified to reduce concentration risks and remains well within the prescribed parameters of the authorities. The group has well-trained and professional staff.

The furniture retail segment remains under pressure, with consumers' discretionary income reduced due to the macroeconomic environment. Stock management is sized to the turnover, while bad debts remain well below industry standards. Backup electricity supply was installed to be able to continue trading and for customers to experience a welcoming environment. Special promotions helped to support turnover and maintain our market share, however, profit margins remain under pressure. We will continue to focus on reducing the cost base and re-evaluating the staff complement while striving to provide customers with a good experience. We continuously update our brand offering, which assists in widening our customer base. While some competitors closed shop in the specific trading areas, Nictus' furniture retail segment remains well positioned to continue to trade.

We maintain good relationships with the regulators and are satisfied that we remain well within the legal and regulatory requirements as the group is well capitalised and profitable, with suitable skills at management and board level.

The board and management remain focused on doing business on an ethical basis, within the laws of the country, while fulfilling our fiduciary duties to our shareholders.

I would like to take this opportunity to thank the board for their dedication and support in safeguarding our shareholders' interests and encouraging robust discussions on strategy. My sincere thanks to the managing director, financial director, company secretary and the team for their dedication and enthusiasm in implementing the company strategy to ensure the business keeps growing.

Professor Barend J Willemse

Chairperson

22 June 2023



GROUP MANAGING DIRECTOR'S REPORT

It has once again been a challenging year, underpinned by a strained global economic environment following the COVID-19 pandemic, one filled with surprises and a period characterised, in many ways, by regular once-in-a-lifetime occurrences. We have experienced highs and lows, ups and downs, record levels of inflation and short-term interest rate hikes.

Nonetheless, and by the grace of God, we continue to persevere and are proud to present this year's summarised consolidated financial statements.

Although it was quite a turbulent year with regard to fluctuations in investment performance, we were able to adopt alternative investment strategies throughout the group, which started to work, especially in the second half of the financial year. Given the lack of basic infrastructure experienced in South Africa, primarily with reference to load shedding, water supply and road infrastructure, our entire customer and client base, as well as ourselves, had to adapt and invest in alternatives to remain competitive, independently protecting and promoting sustainability.

Given all the environmental, economic and political turmoil, the risks for our policyholders increased and we were fortunate to partner with them to once again create unique risk management solutions and alternatives to identify and manage those risks. The negative effect of COVID-19 plateaued and, as a result, renewed initiatives and innovative channels were created which resulted in the growth and expansion of our whole client base.

We are proud that we could identify appropriate risk management profiles for our policyholders. We are also satisfied that geographically our representation of policyholders is taking a well-balanced approach throughout South Africa. More and more policyholders are adapting and taking increased ownership and responsibility for managing their risks and we are proud to partner with them.

Investments and investment margins remain significant factors in the insurance segment, as we maintain our lower-risk, capital-persevering strategy, attempting to maximise returns within the strategy. Although we in South Africa are affected by the global macro economy, there are still ample opportunities where we can make proper returns for our benefit, but most importantly for the benefit of our policyholders.

The furniture retail segment experienced a more challenging year, and our customers were significantly impacted by, among others, rising interest rates, rising inflation and rising fuel and food prices. We are fortunate and thankful for a superb customer base, which even through difficult

times, remained committed to servicing their credit. As a result, our bad debts are comfortably within our prescribed limits. During difficult times, customers carefully source the right product at the right price and we strive to meet their expectations by providing the best quality and value-for-money products in ways that benefit and are affordable to our loyal customers.

Throughout the Nictus Group, our daily focus is to maintain our integrity with all stakeholders. Our relationships with regulatory bodies are also key to our success. We continue to achieve this through good corporate governance and going the extra mile to adhere to regulations and providing well-prepared submissions as and when required.

I am a firm believer that during challenging times, opportunities arise. It is a process in which one gets forced out of your comfort zone into unexplored territories, which is where the windows of innovation and opportunity arise. This is what excites me for the next few years, and we will continue to focus on this. We will also invest in developing leaders to join us in embarking on this great journey. We, as an independent group, have the opportunity and resources to build on our strong foundations.

My appreciation and gratitude are extended to all our stakeholders, employees and their families for their unconditional support and commitment. Thank you for your trust in the Nictus Group and for enabling us to be a partner in creating prosperity for all.

We remain humble and endlessly thankful for the blessing, guidance and protection of our Almighty God, where only through Him are we able to live out our talents and better His kingdom in what we do.

Gerard R de V Tromp

Executive group managing director

22 June 2023

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 March 2023

| Figures in R'000 | 2023 | 2022 |
|--|----------------|----------------|
| Assets | | |
| Non-current assets | | |
| Property, plant and equipment | 1 689 | 2 265 |
| Investment property | 13 250 | 13 250 |
| Intangible assets | 22 | 22 |
| Right-of-use asset | 7 830 | 11 569 |
| Investments | 28 441 | 26 513 |
| Deferred tax assets | 774 | 455 |
| Trade, insurance and other receivables | 5 095 | 4 389 |
| | 57 101 | 58 463 |
| Current assets | | |
| Inventories | 9 063 | 9 345 |
| Trade, insurance and other receivables | 395 239 | 361 162 |
| Investments | 334 469 | 208 379 |
| Cash and cash equivalents | 74 536 | 72 643 |
| Current tax receivable | – | 3 |
| | 813 307 | 651 532 |
| Total assets | 870 408 | 709 995 |
| Equity and liabilities | | |
| Equity | | |
| Stated capital | 25 969 | 25 969 |
| Revaluation reserve | 1 152 | 1 152 |
| Retained earnings | 85 462 | 78 844 |
| | 112 583 | 105 965 |
| Liabilities | | |
| Non-current liabilities | | |
| Deferred tax liabilities | 4 573 | 3 333 |
| Lease liabilities | 4 961 | 8 876 |
| | 9 534 | 12 209 |
| Current liabilities | | |
| Trade and other payables | 8 564 | 8 283 |
| Insurance contract liabilities | 735 789 | 580 102 |
| Lease liabilities | 3 915 | 3 436 |
| Current tax payable | 23 | – |
| | 748 291 | 591 821 |
| Total liabilities | 757 825 | 604 030 |
| Total equity and liabilities | 870 408 | 709 995 |

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 March 2023

| Figures in R'000 | 2023 | 2022 |
|--|---------------|---------------|
| Revenue (refer to note 8) | 44 935 | 42 867 |
| Effective interest revenue | 1 545 | 1 767 |
| Total revenue | 46 480 | 44 634 |
| Cost of sales | (23 122) | (23 112) |
| Gross profit | 23 358 | 21 522 |
| Other income | 1 209 | 1 493 |
| Investment income from operations | 51 470 | 31 999 |
| Notional interest allocation | (25 532) | (12 702) |
| Claims paid | (981) | (1 690) |
| Operating expenses | (24 319) | (20 842) |
| Administrative expenses | (13 910) | (13 450) |
| Profit before finance expenses and taxation | 11 295 | 6 330 |
| Finance expenses | (730) | (869) |
| Profit before taxation | 10 565 | 5 461 |
| Taxation expense | (2 344) | (419) |
| Profit for the year | 8 221 | 5 042 |
| Other comprehensive income for the year, net of tax | – | – |
| Total comprehensive income for the year | 8 221 | 5 042 |
| Profit attributable to: | | |
| Owners | 8 221 | 5 042 |
| Total comprehensive income attributable to: | | |
| Owners | 8 221 | 5 042 |
| Basic earnings per share (cents) | 15,38 | 9,43 |
| Diluted basic earnings per share (cents) | 15,38 | 9,43 |

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2023

| Figures in R'000 | Stated capital | Revaluation reserve | Retained earnings | Total equity |
|--|----------------|---------------------|-------------------|--------------|
| Balance as at 1 April 2021 | 25 969 | 1 152 | 76 474 | 103 595 |
| <i>Total comprehensive income for the year</i> | | | | |
| Profit for the year | – | – | 5 042 | 5 042 |
| Total comprehensive income for the year | – | – | 5 042 | 5 042 |
| <i>Transactions with the owners of the company</i> | | | | |
| Distributions to the owners of the company | | | | |
| Dividends paid | – | – | (2 672) | (2 672) |
| Total transactions with the owners of the company | – | – | (2 672) | (2 672) |
| Balance as at 31 March 2022 | 25 969 | 1 152 | 78 844 | 105 965 |
| <i>Total comprehensive income for the year</i> | | | | |
| Profit for the year | – | – | 8 221 | 8 221 |
| Total comprehensive income for the year | – | – | 8 221 | 8 221 |
| <i>Transactions with the owners of the company</i> | | | | |
| Distributions to the owners of the company | | | | |
| Dividends paid | – | – | (1 603) | (1 603) |
| Total transactions with the owners of the company | – | – | (1 603) | (1 603) |
| Balance as at 31 March 2023 | 25 969 | 1 152 | 85 462 | 112 583 |

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2023

| Figures in R'000 | 2023 | 2022 |
|---|----------|----------|
| Cash flows from operating activities | | |
| Cash generated from/(utilised by) operations | 85 591 | (406) |
| Interest received | 45 374 | 29 263 |
| Acquisition of investments | (54 396) | (18 464) |
| Acquisition of short-term investments at amortised cost | (55 899) | (7 173) |
| Dividends received | 809 | 559 |
| Dividends paid | (1 603) | (2 672) |
| Finance expenses paid | (730) | (869) |
| Tax paid | (1 397) | (70) |
| Net cash generated from operating activities | 17 749 | 168 |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment | (97) | (1 777) |
| Proceeds on sale of property, plant and equipment | 113 | 255 |
| Acquisition of investments | (12 436) | – |
| Net cash utilised in investing activities | (12 420) | (1 522) |
| Cash flows from financing activities | | |
| Payment of lease liabilities | (3 436) | (2 682) |
| Net cash utilised in financing activities | (3 436) | (2 682) |
| Total cash movement for the year | 1 893 | (4 036) |
| Cash and cash equivalents at the beginning of the year | 72 643 | 76 679 |
| Total cash and cash equivalents at the end of the year | 74 536 | 72 643 |

RECONCILIATION BETWEEN EARNINGS AND HEADLINE EARNINGS

for the year ended 31 March 2023

| Figures in R'000 | Profit on ordinary activities | Taxation | Net profit |
|---|-------------------------------|----------------|--------------|
| Reconciliation between earnings and headline earnings: | | | |
| 2023 | | | |
| Profit before taxation | 10 565 | (2 344) | 8 221 |
| <i>Adjustments for:</i> | | | |
| Profit on disposal of property, plant and equipment | (83) | 22 | (61) |
| Headline earnings | 10 482 | (2 322) | 8 160 |
| 2022 | | | |
| Profit before taxation | 5 461 | (419) | 5 042 |
| <i>Adjustments for:</i> | | | |
| Profit on disposal of property, plant and equipment | (158) | 44 | (114) |
| Headline earnings | 5 303 | (375) | 4 928 |

| Figures in R'000 | 2023 | 2022 |
|---|-------|------|
| Headline earnings per share (cents) | 15,27 | 9,22 |
| Diluted headline earnings per share (cents) | 15,27 | 9,22 |

SUMMARISED SEGMENTAL REPORT

for the year ended 31 March 2023

| Figures in R'000 | 2023 | 2022 |
|-----------------------------------|----------------|---------|
| Segment assets | | |
| Furniture retail ¹ | 34 189 | 45 636 |
| Insurance ² | 814 402 | 651 674 |
| | 848 591 | 697 310 |
| Head office and eliminations | 21 817 | 12 685 |
| | 870 408 | 709 995 |
| Segment liabilities | | |
| Furniture retail | 11 743 | 14 127 |
| Insurance | 757 380 | 599 818 |
| | 769 123 | 613 945 |
| Head office and eliminations | (11 298) | (9 915) |
| | 757 825 | 604 030 |
| Segment revenue | | |
| Furniture retail | 37 046 | 37 731 |
| Insurance | 9 846 | 6 903 |
| | 46 892 | 44 634 |
| Head office and eliminations | (412) | – |
| | 46 480 | 44 634 |
| (Loss)/profit for the year | | |
| Furniture retail | (862) | 1 308 |
| Insurance | 5 166 | 2 477 |
| | 4 304 | 3 785 |
| Head office and eliminations | 3 917 | 1 257 |
| | 8 221 | 5 042 |

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.

² The insurance segment of the group is run through Corporate Guarantee (South Africa) (RF) Limited, which brings a unique approach to non-life insurance through the alternative risk transfer model. The head office is currently situated in Bryanston and utilises group administration staff.

NOTES TO THE FINANCIAL INFORMATION

for the year ended 31 March 2023

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 71 of 2008, 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 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 IFRS and are consistent with the accounting policies applied in the preparation of the previous consolidated annual financial statements, except as indicated otherwise on page 47 of the 2023 integrated annual report, in the case of new accounting standards implemented effective 1 April 2022. 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 2023 but are not themselves audited. PricewaterhouseCoopers Inc. audited the consolidated and separate financial statements for the year ended 31 March 2023 and their unmodified audit report (including the audited consolidated and separate financial statements) is available for inspection at the registered office of Nictus.

2. Directors' responsibility statement

The directors take full responsibility for 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 2023.

3. Basis of measurements

The 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;
- Investment property;
- 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 2023. Refer to the 2023 audited consolidated financial statements for further information.

5. Events after the reporting period

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 group and company financial statements for the year ended 31 March 2023, other than that a dividend of 5,00 cents per share was declared by the directors subsequent to year end, payable to shareholders registered on 21 July 2023.

6. Directorate

There has been no change to the board of the company during the reporting period ended 31 March 2023.

7. 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. The group uses alternative valuation methods where deemed more appropriate at the financial position reporting date.

Investment property

The fair value of investment property is determined using available information on a case-by-case basis. The group will use alternative valuation methods where deemed more appropriate at the financial position reporting date. Details are disclosed in note 7.1 regarding the determination of fair value in the current financial year.

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, insurance and other receivables

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

Secured advances, included in trade, insurance and other receivables, and contingency policies form single insurance contracts in scope of IFRS 4 (refer to accounting policy 1.17 of the 2023 audited consolidated financial statements). The secured advances components are included in, and measured as, trade, insurance and other receivables based on the group's accounting policy.

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 values.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and deposits with an original maturity date of less than three months. Unit trusts, where the majority of the underlying instruments have original maturities of less than three months, and the investment is made to meet short-term operational obligations as they fall due, will be classified as cash and cash equivalents. Cash and cash equivalents are measured at amortised cost. The carrying amount of cash and cash equivalents is deemed to approximate its fair value.

7. Determination of fair values continued

7.1 Investment property

| Figures in R'000 | 2023 | | 2022 | |
|---------------------|--------------------|-------------------|--------------------|-------------------|
| | Cost/ valuation | Carrying value | Cost/ valuation | Carrying value |
| At valuation | | | | |
| Land and buildings | 13 250 | 13 250 | 13 250 | 13 250 |
| Total | 13 250 | 13 250 | 13 250 | 13 250 |

Reconciliation of movement in the carrying value of investment property

| Figures in R'000 | Opening carrying value | Transfer upon reclas- sification | Revaluation | Closing carrying value |
|---------------------|------------------------------|---|-------------|------------------------------|
| 2023 | | | | |
| At valuation | | | | |
| Land and buildings | 13 250 | – | – | 13 250 |
| | 13 250 | – | – | 13 250 |
| 2022 | | | | |
| At valuation | | | | |
| Land and buildings | – | 14 000 | (750) | 13 250 |
| | – | 14 000 | (750) | 13 250 |

7. Determination of fair values continued

7.1 Investment property continued

Investment property details

Land and buildings consists of business premises situated on Erf 2134, Ferndale, Johannesburg (property), measuring 8 030m². The fair value as at 31 March 2023 was based on initial terms agreed between the insurance segment 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 sale of the property within the next 12 months is not assessed as highly probable as at 31 March 2023. The directors determined that the property's value is within a range of reasonable fair value estimates.

Measuring investment property

Investment property, principally land and buildings as described previously, is currently held for capital appreciation and is not occupied by the group. On initial recognition, the property at the end of owner-occupation, for a transfer from owner-occupied property to investment property, was transferred at the value determined in terms of IAS 16 up to the date of change in use. There was no difference between the IAS 16 valuation and the fair value of the property on 1 April 2021. Subsequent to initial measurement, investment property is measured at fair value. Changes in fair values are presented in profit or loss as part of investment income.

Fair value hierarchy

| Figures in R'000 | Level 1 | Level 2 | Level 3 | Total |
|---------------------------|---------|---------|---------|--------|
| Land and buildings – 2023 | – | – | 13 250 | 13 250 |
| Land and buildings – 2022 | – | – | 13 250 | 13 250 |

| Figures in R'000 | Land and buildings |
|---|-----------------------|
| Reconciliation of fair value assets in Level 3 | |
| Balance as at 1 April 2021 | – |
| Transfer from owner-occupied property | 14 000 |
| Fair value loss recognised in investment income | (750) |
| Balance as at 31 March 2022 | 13 250 |
| Fair value loss recognised in investment income | – |
| Balance as at 31 March 2023 | 13 250 |

7. Determination of fair values continued

7.2 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.

| Figures in R'000 | 2023 | 2022 |
|------------------------|--------------|---------|
| Level 1 | | |
| Listed shares | 1 059 | 8 004 |
| Listed debt securities | – | 7 078 |
| Unit trusts | 5 382 | 5 412 |
| | 6 441 | 20 494 |
| Level 2 | | |
| Unit trusts | 233 890 | 147 718 |

7.3. 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 |
|--------------------------|---|---------------|
| 2023 | | |
| Lease liabilities | 8 876 | 8 876 |
| Trade and other payables | 7 582 | 7 582 |
| | 16 458 | 16 458 |
| 2022 | | |
| Lease liabilities | 12 312 | 12 312 |
| Trade and other payables | 7 060 | 7 060 |
| | 19 372 | 19 372 |

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

7. Determination of fair values continued

7.4 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 |
|---------------------------------|---|-----------------------------------|----------------|
| 2023 | | | |
| Investments | – | 240 331 | 240 331 |
| Trade and insurance receivables | 97 913 | – | 97 913 |
| Secured advances | 300 899 | – | 300 899 |
| Short-term deposits | 122 579 | – | 122 579 |
| Cash and cash equivalents | 74 536 | – | 74 536 |
| | 595 927 | 240 331 | 836 258 |
| 2022 | | | |
| Investments | – | 168 212 | 168 212 |
| Trade and insurance receivables | 61 017 | – | 61 017 |
| Secured advances | 303 538 | – | 303 538 |
| Short-term deposits | 66 680 | – | 66 680 |
| Cash and cash equivalents | 72 643 | – | 72 643 |
| | 503 878 | 168 212 | 672 090 |

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

8. Revenue

| Figures in R'000 | 2023 | 2022 |
|---|---------------|---------------|
| Revenue from contracts with customers | 35 501 | 35 964 |
| Sale of goods* | 34 394 | 34 610 |
| Rendering of services [#] | 1 107 | 1 354 |
| Insurance premium income | 9 434 | 6 903 |
| | 44 935 | 42 867 |
| Insurance premium income in terms of IFRS 4 consists of: | | |
| Net written premiums | 156 805 | 42 727 |
| Change in net provision for unearned premiums | (147 371) | (35 824) |
| | 9 434 | 6 903 |

* The sale of goods consists of revenue from goods transferred to customers at a point in time.

[#] Rendering of services consists of revenue from services provided to customers over time amounting to R0,4 million (2022: R0,5 million). The remainder is provided at a point in time, including but not limited to, the delivery of goods and initial administration services rendered associated with instalment sale agreements.

NOTICE OF ANNUAL GENERAL MEETING



Nictus Limited

Incorporated in the Republic of South Africa
Registration number RSA: 1981/011858/06
Registration number NAM: F81/11858
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 2023 will be held on Thursday, 31 August 2023 at 12:00 (South African time), subject to any cancellation, postponement or adjournment, 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.

The annual general meeting will be held by way of electronic participation only, 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 pertaining to, *inter alia*, participating and voting at the annual general meeting.

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 and the JSE Listings Requirements, for the purpose of determining which shareholders are entitled to:

- 1.1 Receive notice of the annual general meeting is Friday, 23 June 2023; and
- 1.2 Participate in and vote at the annual general meeting is Friday, 18 August 2023. Accordingly, only shareholders who are registered in the register of shareholders of the company, or their proxies, on Friday, 18 August 2023 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, 15 August 2023.

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 and company audited annual financial statements

The group and company audited annual financial statements, incorporating the reports of the auditor, the audit and risk committee, the directors, the social and ethics committee and the remuneration and nomination committee for the year ended 31 March 2023, 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 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 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 10 of the integrated annual report.

4.2 Ordinary resolution 2: Re-election of Cornelius J de Vrye as a director

"Resolved that Cornelius J de Vrye, 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 11 of the integrated annual report.

4.3 Ordinary resolution 3: Re-election of Sarita Martin as a director

"Resolved that Sarita Martin, 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 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.

A brief *curriculum vitae* is set out on page 11 of the integrated annual report.

4.4 Ordinary resolution 4: Non-binding approval of the remuneration policy

"Resolved to approve, by way of a non-binding advisory vote, the remuneration policy of the group as set out on page 29 of the integrated annual report."

Ordinary resolution number 4 is of a non-binding advisory nature.

4.5 Ordinary resolution 5: 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 group as set out on pages 27 and 28 of the integrated annual report."

Ordinary resolution number 5 is of a non-binding advisory nature.

The remuneration report of the remuneration and nomination committee (which includes the remuneration policy and remuneration implementation report) is set out on pages 26 to 29 of the 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 remuneration 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 remuneration implementation report. Ordinary resolution numbers 4 and 5 are of a non-binding advisory nature.

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, which may include amending the remuneration policy, or clarifying or adjusting remuneration governance and/or processes.

4.6 Ordinary resolution 6: Re-election of Cornelius J de Vrye as a member and chairperson of the audit and risk committee

"Resolved that Cornelius J de Vrye, an independent non-executive director of the company who fulfils the requirements of section 94(4) of the Companies Act of South Africa, be and is hereby re-elected as a member and chairperson 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.

A brief *curriculum vitae* is set out on page 11 of the integrated annual report.

4.7 Ordinary resolution 7: Re-election of Professor Barend J Willemse as a member of the audit and risk committee

"Resolved that Professor Barend J Willemse, an independent non-executive director and chairperson 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 1."

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. Shareholders' attention is specifically drawn to the dual role of Professor Barend J Willemse, being an independent non-executive chairperson of the board and also a member of the audit and risk committee of the company.

A brief *curriculum vitae* is set out on page 10 of the integrated annual report.

4.8 Ordinary resolution 8: Re-election of Sarita Martin as a member of the audit and risk committee

"Resolved that Sarita Martin, an independent non-executive 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 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.

A brief *curriculum vitae* is set out on page 11 of the integrated annual report.

4.9 Ordinary resolution 9: Reappointment of PricewaterhouseCoopers Inc. as the independent external auditor

"Resolved that PricewaterhouseCoopers Inc. (with the designated external audit partner being Jorge M Goncalves) be and is hereby reappointed 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 reappointment of PricewaterhouseCoopers Inc. and Jorge M Goncalves, following its assessment of the performance and independence of PricewaterhouseCoopers Inc. and 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 9 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.

4.10 Ordinary resolution 10: Authority to issue ordinary shares

"Resolved that the board be and is hereby authorised by way of a general authority to issue up to 30% (thirty percent), being 58 966 950, of the authorised but unissued shares (including options and securities convertible into ordinary shares) in the share capital of the company, excluding treasury shares, as at the date of this notice of annual general meeting, at their discretion, for cash and/or to grant options to subscribe for such 30% (thirty percent) of the company's issued share capital, 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:

- 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 (save for where the general issue of shares for cash is implemented through a bookbuild process and subject to the JSE Listings Requirements);

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 The issue of shares must be published in a Stock Exchange News Services announcement, in accordance with the JSE Listings Requirements, 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;

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;

4.10.6 In the event of a sub-division or consolidation of issued shares during the period contemplated in paragraph 4.10.1, the existing authority must be adjusted accordingly to represent the same allocation ratio; and

4.10.7 Any equity securities issued under the authority during the period contemplated in paragraph 4.10.1 must be deducted from the number referred to above (being 58 966 950 shares)."

In order for this ordinary resolution number 10 to be passed, the support of 75% (seventy-five percent) majority 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 Ordinary resolution 11: 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 11 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.

4.12 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.”

| 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 | |
| Professor Barend J Willemse | 378 710 | 48 202 | 48 202 | – | 475 114 |
| Sarita Martin | 192 810 | 48 202 | 62 663 | 24 101 | 327 776 |
| Cornelius J de Vrye | 192 810 | 134 967 | 48 202 | – | 375 979 |
| Philippus J de W Tromp | 192 810 | – | – | 31 332 | 224 142 |

* Non-executive directors will be paid an amount of R48 202 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.

4.13 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:

- 4.13.1 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;
- 4.13.2 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;
- 4.13.3 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 is effected;
- 4.13.4 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 (the number of ordinary shares in issue at the time that this general authority is granted), and for each 3% (three percent) in aggregate of the initial number of ordinary shares repurchased thereafter in accordance with the JSE Listings Requirements;
- 4.13.5 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;

- 4.13.6 In the case of acquisition by subsidiaries, the number of shares acquired and held by a subsidiary or subsidiaries of the company shall not exceed 10%, in aggregate, of the number of shares issued in the company;
- 4.13.7 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 (not subject to any variation) and full details of the programme have been submitted to the JSE in writing, prior to the commencement of the prohibited period and must include the details required in terms of paragraph 5.72(h) of the JSE Listings Requirements. The company must instruct only one 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;
- 4.13.8 At any point in time the company may only appoint one agent to effect any repurchases on its behalf;
- 4.13.9 The board must pass a resolution that they authorised the repurchase and that the company and its subsidiaries have 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
- 4.13.10 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:
 - 4.13.10.1 The company and the group will be able, in the ordinary course of business, to pay their debts;

- 4.13.10.2 The working capital of the company and the group will be adequate for ordinary business purposes;
- 4.13.10.3 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
- 4.13.10.4 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.

4.14 Special resolution 3: Financial assistance to entities related or inter-related 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 inter-related company or to any juristic person who is a member of or related to any such company/ies (related and inter-related 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, 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 inter-related 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 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:

- 5.1 Major shareholders – pages 36 and 37 of the integrated annual report; and
- 5.2 Stated capital of the company – page 78 of the integrated annual report.

6. Directors' responsibility statement

The directors in office, whose names appear on pages 10 and 11 of the integrated annual report, 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 law and the JSE Listings Requirements.

7. Material changes

Other than the facts and developments reported on in the 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 integrated annual report (incorporating the audited annual financial statements).

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 pages 115 and 116 of the integrated annual report, or pages 29 and 30, and email it to TMS at 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 Tuesday, 29 August 2023. 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 and/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 of South Africa, any person (including proxies) attending, participating in or voting at the annual general meeting must present reasonably satisfactory identification before being entitled to attend, participate in or 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.

NOTICE OF ANNUAL GENERAL MEETING continued

- 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 agreements 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 nominate 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 nominate 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 proxy@tmsmeetings.co.za. Forms of proxy must be received not later than 12:00 on Tuesday, 29 August 2023. Before a proxy exercises any rights of a shareholder at the annual general meeting, such form of proxy must be so delivered. 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. 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 the inside back cover.

- 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**

Bryanston
22 June 2023

ELECTRONIC PARTICIPATION

in the Nictus Limited virtual annual general meeting to be held at 12:00 on Thursday, 31 August 2023

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, TMS, by no later than 12:00 on Tuesday, 29 August 2023. The email address is as follows:
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 29 August 2023 and 31 August 2023 *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

in the Nictus Limited virtual annual general meeting to be held at 12:00 on Thursday, 31 August 2023

Terms and conditions for participation at the Nictus Limited annual general meeting to be held at 12:00 on Thursday, 31 August 2023 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 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 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 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 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 Limited

Incorporated in the Republic of South Africa
 Registration number RSA: 1981/011858/06
 Registration number NAM: F81/11858
 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, 25 August 2023 (the voting record date), at the annual general meeting of the company to be held on Thursday, 31 August 2023, commencing at 12:00 (South African time), or at any postponement or 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 custody 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 chairperson 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 Professor Barend J Willemse as a director | | | | |
| Ordinary resolution 2: Re-election of Cornelius J de Vrye as a director | | | | |

| | For | Against | Abstain | Precluded from voting in terms of the Companies Act of South Africa or the JSE Listings Requirements |
|---|-----|---------|---------|--|
| Ordinary resolution 3: Re-election of Sarita Martin as a director | | | | |
| Ordinary resolution 4: Non-binding approval of the remuneration policy | | | | |
| Ordinary resolution 5: Non-binding approval of the remuneration implementation report | | | | |
| Ordinary resolution 6: Re-election of Cornelius J de Vrye as a member and chairperson of the audit and risk committee | | | | |
| Ordinary resolution 7: Re-election of Professor Barend J Willemse as a member of the audit and risk committee | | | | |
| Ordinary resolution 8: Re-election of Sarita Martin as a member of the audit and risk committee | | | | |
| Ordinary resolution 9: Reappointment of PricewaterhouseCoopers Inc. (with the designated external audit partner being Jorge M Goncalves) as the independent external auditor | | | | |
| Ordinary resolution 10: Authority to issue ordinary shares | | | | |
| Ordinary resolution 11: 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 inter-related 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 _____ 2023

Signature _____

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

- 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.
- 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 chairperson 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.
- 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.
- 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.
- 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.
- The chairperson 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.
- Any alterations or corrections to this form of proxy have to be initialled by the signatory(ies).
- 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.
- All beneficial owners of ordinary shares who have dematerialised their shares through a 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 proxy@tmsmeetings.co.za not less 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 proxy@tmsmeetings.co.za. Forms of proxy must be received not later than 12:00 on Tuesday, 29 August 2023. Thereafter, forms of proxy must be handed or submitted electronically to the chairperson of the annual general meeting or TMS, as set out in this notice, 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 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 the 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)(iii)); 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: F81/11858

JSE share code: NCS

ISIN number: NA0009123481

www.nictuslimited.co.za

Registered office of the company

Head office

Nictus Limited

Block C, 1st Floor

The Main Straight Office Park

392 Main Road, Bryanston 2191

South Africa

PO Box 2878

Randburg 2125

South Africa

Windhoek office

Nictus Building, 1st Floor

140 Mandume Ndemufayo Avenue

Windhoek, Namibia

Private Bag 13231

Windhoek, Namibia

Company secretary

Veritas Eksekuteurskamer Proprietary Limited

Registration number: 1984/007487/07

Block C, 1st Floor

The Main Straight Office Park

392 Main Road, Bryanston 2191

South Africa

PO Box 2878

Randburg 2125

South Africa

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

South Africa

Annual general meeting scrutineers

The Meeting Specialist Proprietary Limited

JSE Building

One Exchange Square

2 Gwen Lane

Sandown 2196

South Africa

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