NICTUS LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 1981/001858/06)
JSE Share code: NCS
NSX Share code: NCT
ISIN Code NA0009123481
("Nictus" or "the Company" or "the Group")

ABRIDGED REPORT RELATING TO THE AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2013 AND DETAILS OF THE NOTICE OF THE ANNUAL GENERAL MEETING

ABRIDGED SUMMARISED GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2013

	Audited 2013 R'000	Audited Restated 2012 R'000
CONTINUING OPERATIONS		
Revenue	40 156	52 477
Cost of sales	(22 228)	(24 247)
Gross profit	17 928	28 230
Other income/(expenses)	4 300	(176)
Administrative expenses	(29 445)	(13 466)
Operating expenses	(22 013)	(32 637)
Investment income from operations	14 064	13 115
Results from operating activities	(15 166)	(4 934)
Investment income	2 005	1 886
Finance expenses	(524)	(984)
Loss before taxation	(13 685)	(4 032)
Taxation	(33)	2 286
Loss from continuing operations	(13 718)	(1 746)
(Loss)/profit from discontinued operations	(1 411)	24 774
(Loss)/profit for the year	(15 129)	23 028
Other comprehensive income:		
Gains on property revaluation – disposal group	-	46 031
Taxation related to components of other comprehensive income – disposal group	-	(6 130)
Loss on property valuation	-	(1 099)
Taxation related to components of other comprehensive income	-	380
Total comprehensive income	(15 129)	62 210
(Loss)/profit attributable to:		
Owners of the parent - continued	(13 718)	(1 746)
Owners of the parent - discontinued	(1 411)	24 774
Other comprehensive income for the year net of taxation	-	39 182
Total comprehensive income attributable to:		
Owners of the parent - continued	(13 718)	(6 265)
Owners of the parent - discontinued	(1 411)	64 675
Non-controlling interest	-	-
(Loss)/profit for the year	(15 129)	23 028
Basic loss per share - continued (cents)	(22.92)	(3.27)

Headline loss per share - continued	(22.93)	(3.21)
Basic (loss)/earnings per share - discontinued (cents)	(2.36)	46.36
Headline (loss)/earnings per share - discontinued	(2.50)	36.24
Diluted loss per share - continued (cents)	(22.92)	(3.27)
Diluted headline loss per share - continued	(22.93)	(3.21)
Diluted (loss)/earnings per share - discontinued (cents)	(2.36)	46.36
Diluted headline (loss)/earnings per share - discontinued	(2.50)	36.24

ABRIDGED SUMMARISED GROUP STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2013

	Audited 2013 R'000	Audited 2012 R'000
Assets		
Non-current assets		
Property, plant and equipment	17 681	138 474
Intangible assets	-	380
Investments	26 058	29 629
Loans and receivables	10 944	300 614
Deferred tax asset	3 124	7 924
Current assets		
Inventories	10 674	79 548
Trade and other receivables	145 070	235 527
Cash and cash equivalents	120 458	303 324
Current tax receivable	-	84
Total assets	334 009	1 095 504
Equity		
Stated capital	48 668	26 722
Reserves	5 905	63 114
Retained earnings	21 476	78 731
Non-current liabilities		
Interest bearing loans and borrowings	-	4 819
Deferred tax liability	5 045	11 570
Current liabilities		
Bank overdraft	-	5 490
Interest bearing loans and borrowings	-	54 646
Insurance contract liabilities	244 698	788 052
Trade and other payables	7 733	58 842
Provisions	484	3 062
Current tax liabilities	-	456
Total equity and liabilities	334 009	1 095 504

ABRIDGED SUMMARISED GROUP STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2013

	Audited 2013 R'000	Audited Restated 2012 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(13 685)	(4 032)
Adjustment for:		
Investment income from operations	(12 902)	(10 679)
Dividend income	(1 162)	(17 850)
Investment income	(2 005)	(1 886)
Finance costs	524	984
Depreciation of property, plant and equipment	547	564
(Profit)/loss on disposal of property, plant and equipment	(2)	30
Working capital changes:		
Increase/(decrease) in inventories	(16 556)	671
Increase in trade and other receivables	(189 695)	(12 895)
(Decrease)/ increase in trade and other payables and provisions	(22 254)	407
Increase in insurance contract liability	29 803	26 505
Cash utilised by operations	(227 387)	(18 181)
Investment income from operations received	12 902	10 679
Finance expenses paid	(524)	(984)
Dividends received	1 162	17 850
Taxation (paid) / received	(401)	1 986
Net cash flow from operating activities	(214 248)	11 350
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(402)	(4 358)
Proceeds from disposal of property, plant and equipment	100	3 470
Acquisition of investments	(10 073)	(4 305)
Investment income received	2 005	1 886
Total cash movement of discontinued operations	(186 718)	40 516
Loans and receivables advanced/(repaid)	194 928	(18 981)
Net cash flow from investing activities	(160)	18 228
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in interest bearing loans and borrowings	22 702	-
Proceeds on issue of stated capital	21 946	-
Dividends paid	(7 616)	(5 077)
Net cash flow from by financing activities	37 032	(5 077)
Net movement in cash and cash equivalents	(177 376)	24 501
Cash and cash equivalents at beginning of year	297 834	273 333
Cash and cash equivalents at end of year	120 458	297 834

ABRIDGED SUMMARISED GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2013

Audited	Share capital R'000	Stated Capital R'000	Revaluation reserve R'000	Contingency reserve R'000	Retained earnings R'000	Total equity R'000
Balance at 1 April 2011	26 722		30 431	17 083	37 198	111 434
Total comprehensive income for the year						
Loss for the year- Continuing operations	-	-	-	-	(1 746)	(1 746)
Profit for the year- Discontinued operations	-	-	-	-	24 774	24 774
Revaluations of land and buildings net of tax	-	-	39 182	-	-	39 182
Total comprehensive income	-	-	39 182	-	23 028	62 210
Transactions with owners of the Group recognised directly in equity	-	-	-	-	-	-
Contributions by and distributions to the owners of the Group	-	-	-	-	-	-
Dividends to equity holders	-		-	-	(5 077)	(5 077)
Total contributions by and distributions to the owners of the Group	-	-	-	-	(5 077)	(5 077)
Transfers to retained earnings						
Transfer from contingency reserve	-	-	-	(7 887)	7 887	-

Revaluation of land and buildings sold – net of tax	-	-	(15 695)	-	15 695	-
Balance at 1 April 2012	26 722	-	53 918	9 196	78 731	168 567
Total comprehensive income for the year						
Loss for the year- Continuing operations	-	-	-	-	(13 718)	(13 718)
Loss for the year- Discontinued operations	-	-	-	-	(1 411)	(1 411)
Total comprehensive income for the year	-	-	-	-	(15 129)	(15 129)
Transactions with owners of the Group recognised directly in equity						
Contributions by and distributions to the owners of the Group						
Issue of new ordinary shares	-	21 946	-	-	-	21 946
Conversion of shares	(26 722)	26 722	-	-	-	-
Dividend to equity holders	-	-	-	-	(7 616)	(7 616)
Distribution to ordinary shareholders	-	-	-	-	(91 719)	(91 719)
Total contributions by and distributions to the owners of the Group	(26 722)	48 668	-	-	(99 335)	(77 389)
Transfers to retained earnings						
Transfer from	-		-	(2 106)	2 106	-

contingency reserve		-				
Transfer from reserves on distribution of ordinary shares	-	-	(46 243)	(7 090)	53 333	-
Transfer from revaluation reserve on distribution of ordinary shares	-	-	(1 770)	-	1 770	-
Total transfers to retained earnings	-	-	(48 013)	(9 196)	57 209	-
Balance at 31 March 2013	-	48 668	5 905	-	21 476	76 049

ABRIDGED SUMMARISED SEGMENTAL ANALYSIS FOR THE YEAR ENDED 31 MARCH 2013

Business segment – Continued operations	Motor retail	Furniture retail	Insurance & Finance	Head Office
	2012	2012	2012	2012
Segment revenue	R'000	R'000	R'000	R'000
Sales of goods	-	35 788	-	-
Rental income	-	(17)	-	-
Finance income	-	4 055	7 211	1 928
Dividend income	-	-	-	10 000
Management fees	-	-	-	2 392
Insurance premium income	-	-	5 933	-
Total revenue from external customers	-	39 826	13 144	14 320
Inter-segment revenue	-	1 452	-	-
Total segment revenue	-	41 278	13 144	14 320
Segment result				
Operating profit before financing costs	-	2 206	3 867	10 010
Financing costs	-	(2 262)	653	(2 546)
(Loss) / profit before taxation	-	(56)	4 520	7 464
Taxation	-	(299)	399	1 900
Net (loss)/ profit for the year	-	(355)	4 919	9 364
Segment assets	-	54 736	239 212	21 198
Segment liabilities	-	41 620	212 610	18 842
Cash flows from operating activities	-	(9 086)	(49 157)	4 670

Cash flows from investing activities	-	6 814	(19 684)	1 890
Cash flows from financing activities	-	3 509	73 450	(5 077)
Capital expenditure	-	(452)	(362)	(43)

Business segment - Continued operations	Eliminations	Consolidated
	2012	2012
Segment revenue	R'000	R'000
Sales of goods	(495)	35 293
Rental income	17	-
Finance income	(1 943)	11 251
Dividend income	(10 000)	-
Management fees	(2 392)	-
Insurance premium income	-	5 933
Total revenue from external customers	(14 813)	52 477
Inter-segment revenue	(1 452)	-
Total segment revenue	(16 265)	52 477
Segment result		
Operating (loss)/profit before financing costs	(19 131)	(3 048)
Financing costs	3 171	(984)
(Loss)/profit before taxation	(15 960)	(4 032)
Taxation	286	2 286
Net (loss)/profit for the year	(15 674)	(1 746)
Segment assets	780 358	1 095 504
Segment liabilities	653 865	926 937
Cash flows from operating activities	64 923	11 350
Cash flows from investing activities	29 208	18 228
Cash flows from financing activities	(76 959)	(5 077)
Capital expenditure	(3 501)	(4 358)

Business segment – Discontinued operations	Motor retail	Furniture retail	Insurance & Finance	Head Office
	2012	2012	2012	2012
Segment revenue	R'000	R'000	R'000	R'000
Sales of goods	410 671	53 148	-	-
Rental income	10	259	608	-
Finance income	239	4 627	27 345	-
Dividend income	-	-	-	-
Management fees	-	-	-	3 893
Insurance premium income	-	-	26 996	-
Total revenue from external customers	410 920	58 034	54 949	3 893
Inter-segment revenue	3 897	875	1 794	-
Total segment revenue	414 817	58 909	56 743	3 893
Segment result				
Operating profit before financing costs	7 912	5 782	19 167	49 290
Financing costs	(4 702)	(3 174)	(340)	(4 388)
Profit before taxation	3 210	2 608	18 827	44 902
Taxation	(549)	(1 233)	(1 116)	-
Net profit for the year	2 661	1 375	17 711	44 902
Segment assets	245 546	131 900	630 537	140 846
Segment liabilities	186 067	99 423	625 224	44 969
Cash flows from operating activities	(19 862)	(6 466)	137 599	44 495
Cash flows from investing activities	22 957	12 621	(157 000)	(37 632)
Cash flows from financing activities	(6 517)	(6 385)	42 065	(6 569)
Capital expenditure	(1 246)	(593)	(451)	-

Business segment - Discontinued operations	Eliminations	Consolidated
	2012	2012
Segment revenue	R'000	R'000
Sales of goods	1 125	464 944
Rental income	5	882
Finance income	(8 687)	23 524
Dividend income	-	-
Management fees	(3 893)	-
Insurance premium income	-	26 996
Total revenue from	(11 450)	516 346

external customers		
Inter-segment revenue	(6 566)	-
Total segment revenue	(18 016)	516 346
Segment result		
Operating (loss)/profit before financing costs	(51 770)	30 381
Financing costs	8 339	(4 265)
(Loss)/profit before taxation	(43 431)	26 116
Taxation	1 556	(1 342)
Net (loss)/profit for the year	(41 875)	24 774
Segment assets	(317 702)	831 127
Segment liabilities	(243 233)	712 450
Cash flows from operating activities	(122 787)	32 979
Cash flows from investing activities	161 709	2 655
Cash flows from financing activities	(17 712)	4 882
Capital expenditure	(6 611)	(8 901)

Business segment – Continuing operations	Motor retail	Furniture retail	Insurance & Finance	Head Office
	2013	2013	2013	2013
Segment revenue	R'000	R'000	R'000	R'000
Sales of goods	-	32 505	-	-
Rental income	-	603	-	-
Finance income	-	4 779	319	1 000
Dividend Income	-	-	-	30 000
Management fees	-	-	-	1 894
Insurance premium income	-	-	2 661	-
Total revenue from external customers	-	37 887	2 980	32 894
Inter-segment revenue	-	964	20	-
Total segment revenue	-	38 851	3 000	32 894
Segment result				
Operating (loss)/profit before financing costs	-	(9 695)	2 580	10 007
Financing costs	-	(1 952)	-	(2 565)

(Loss)/profit before taxation	-	(11 647)	2 580	7 442
Taxation	-	(618)	253	-
Net (loss) / profit for the year	-	(12 265)	2 833	7 442
Segment assets	-	53 627	304 684	78 006
Segment liabilities	-	18 731	249 271	14 537
Cash flows from operating activities	-	(8 139)	41 502	22 800
Cash flows from investing activities	-	3 687	(37 592)	(37 793)
Cash flows from financing activities	-	5 528	30 385	14 436
Capital expenditure	-	(362)	-	-

Business segment – Continuing operations	Eliminations	Consolidated
	2013	2013
Segment revenue		
Sales of goods	(1)	32 504
Rental income	(391)	212
Finance income	(1 319)	4 779
Dividend income	(30 000)	-
Management fees	(1 894)	-
Insurance premium income	-	2 661
Total revenue from external customers	(33 605)	40 156
Inter-segment revenue	(984)	-
Total segment revenue	(34 589)	40 156
Segment result		
Operating (loss)/profit before financing costs	(16 053)	(13 161)
Financing costs	3 993	(524)
(Loss)/Profit before taxation	(12 060)	(13 685)
Taxation	332	(33)
Net loss for the year	(11 728)	(13 718)
Segment assets	(102 308)	334 009

Segment liabilities	(24 579)	257 960
Cash flows from operating activities	(270 411)	(214 248)
Cash flows from investing activities	71 538	(160)
Cash flows from financing activities	(13 317)	37 032
Capital expenditure	(40)	(402)

Business segment – Discontinued operations	Motor retail	Furniture retail	Insurance & Finance	Head Office
	2013	2013	2013	2013
Segment revenue	R'000	R'000	R'000	R'000
Sale of goods	165 283	23 247	-	-
Rental income	76	252	-	-
Finance income	-	2 193	13 315	-
Dividend Income	-	-	-	-
Management fees	-	-	-	-
Insurance premium income	-	-	12 670	-
Total revenue from external customers	165 359	25 692	25 985	-
Inter-segment revenue	1 930	291	195	-
Total segment revenue	167 289	25 983	26 180	-
Segment result				
Operating profit before financing costs	2 003	2 249	5 119	9 128
Financing costs	(2 009)	(1 256)	-	(1 758)
(Loss)/profit before taxation	(6)	993	5 119	7 370
Taxation	(473)	(346)	(119)	-
Net (loss)/ profit for the year	(479)	647	5 000	7 370
Segment assets	198 389	117 223	646 011	97 002
Segment liabilities	143 579	85 275	621 531	67 376
Cash flows from operating activities	(6 676)	(2 085)	99 923	6 869
Cash flows from investing	(1 346)	(6 470)	(122 725)	(2 429)

activities

Cash flows from financing activities	7 177	8 364	(12 289)	(3 417)
Capital expenditure	(1 822)	(2 420)	-	(102)

Business segment – Discontinued operations	Eliminations	Consolidated
	2013	2013
Segment revenue	R'000	R'000
Sales of goods	195	188 725
Rental income	(4)	324
Finance income	(6 074)	9 434
Dividend income	-	-
Management fees	-	-
Insurance premium income	(2 467)	10 203
Total revenue from external customers	(8 350)	208 686
Inter-segment revenue	(2 416)	-
Total segment revenue	(10 766)	208 686
Segment result		
Operating (loss)/profit before financing costs	(18 392)	107
Financing costs	3 461	(1 562)
(Loss)/profit before taxation	(14 931)	(1 455)
Taxation	982	44
Net (loss)/profit for the year	(13 949)	(1 411)
Segment assets	(268 991)	789 634
Segment liabilities	(216 013)	701 748
Cash flows from operating activities	(220 736)	(122 705)
Cash flows from investing activities	228 016	95 046
Cash flows from financing activities	15 698	15 533
Capital expenditure	77	(4 267)

ACCOUNTING POLICIES

Basis of preparation

The abridged summarised consolidated financial statements ("Abridged Financial Information") have been prepared in accordance with the framework concepts and the recognition and measurement requirements of International Financial Reporting Standards ("IFRS"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by Financial Reporting Standards Council and contains the information required by IAS34: Interim Financial Reporting and in the manner required by the Companies Act, 2008 of South Africa, and the Listings Requirements of the JSE Limited ("JSE"). The accounting policies are in terms of IFRS and are consistent with those applied in the consolidated financial statements for the year ended 31 March 2012. The new standards and interpretations adopted during the period under review had no material impact on the Group.

RELATED PARTIES

The Company has related party relationships with its subsidiaries, fellow subsidiaries, associates and with its directors and executive officers.

RECONCILIATION BETWEEN EARNINGS AND HEADLINE EARNINGS FOR CONTINUING OPERATIONS:

	2013 R'000	2012 Restated R'000
Continuing operations		
Loss before taxation for the year	(13 685)	(4 032)
Loss on disposal of property, plant and equipment net of insurance proceeds	(2)	30
Taxation	(33)	2 286
Headline earnings loss	(13 720)	(1 716)
Headline loss and diluted headline loss per share (cents)	(22.93)	(3.21)

RECONCILIATION BETWEEN EARNINGS AND HEADLINE EARNINGS FOR DISCONTINUED OPERATIONS:

	2013 R'000	2012 Restated R'000
Discontinued operations		
(Loss)/profit before taxation for the year	(1 455)	26 116
Profit on disposal of property, plant and equipment net of insurance proceeds	(84)	(30)
Impairment of goodwill		1 647
Revaluation of investment property		(7 025)
Taxation	44	(1 342)
Headline (loss)/earnings	(1 495)	19 366
Headline (loss)/earnings and diluted headline (loss)/earnings per share (cents)	(2.50)	36.24

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL	2013 R'000	2012 R'000
Short-term employee benefits	11 210	12 941
TRANSACTIONS WITH RELATED PARTIES		
Premiums received	1 615	2 744
Unearned premium reserve	4 508	2 643

RESPONSIBILITY FOR CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

The consolidated financial statements for the year ended 31 March 2013 ("Audited Financial Statements") have been audited by KPMG Inc., and their unqualified audit opinion is available for inspection at the registered office of the Company.

This Abridged Financial Information has been extracted from Audited Financial Statements, but is not itself audited. The directors of Nictus are solely responsible for the preparation of the Abridged Financial Information and for its correct extraction from the underlying Audited Financial Statements.

SUBSEQUENT EVENTS

No events subsequent to year end occurred that had a material effect on the 31 March 2013 results.

CHAIRMAN'S REPORT

OVERVIEW

Nictus had a very challenging year with the geographic split of the Group into Namibian operation and a South African operation, with each company listed on the respective Namibian and South African stock exchanges.

The preparation of the required documents and financial statements was more onerous than envisaged by management. The costs involved in the unbundling, executed according to the regulator's prescriptions, was significant and impacted negatively on the profits of Nictus Limited.

The shareholders of Nictus Limited, primary listed on the JSE and secondary listed on the NSX, were allotted the same number of shares in the newly listed Nictus Holdings Limited, the Namibian company which was listed on the NSX as a primary listing.

Each company now has its own management and Board of Directors, focusing solely on the seperately listed entities and operations.

Unfortunately, and despite the increased management focus on South Africa, the directors approved the closing of a furniture store with a material impairment, due to fraudulent activities by organised crime. However, as the costs of the unbundling and the writing off of debtors and inventory were a once off occurrence, the Board is of the opinion that the foundation has been laid for a new growth phase, with new and focused attention on Nictus Limited.

The Insurance segment, together with its activities, continues to grow according to the longer-term plan and is adequately capitalised to deal with proposed new regulatory capital requirements. Qualified personnel have been established in new geographic regions and growth is foreseen to continue as activities expand, which will also reduce concentration risks.

Generally the furniture retail business is showing signs of a slow-down in sales, as a result of weakening consumer spending power. Group credit policy remains very conservative and bad debts in the normal business are well below the industry norm. Profits are based on retailing furniture and not on the financing of debtors. New suppliers have been established that will add more exclusive products to the Nictus range, based on the specific target market segments that we continue to serve.

It was a challenging year for management and the employees of the Group; however we believe that valuable lessons have been learnt and a new foundation has been laid to grow and expand into the future.

I want to thank the members of the Board for their support during a difficult year of restructuring the Nictus Group into two companies in Namibia and South Africa, each with their own management and Boards of Directors.

A special word of thanks to the Managing Director for his positive leadership to managers and employees during the restructuring process and on the future of the Company in South Africa.

JN Campbell retired as a Board member and chairman of the Audit Committee. We will miss his dedication and leadership and the high standards he upheld. I want to thank him for his commitment and the example he has set.

A warm word of welcome to John Mandy who joined the Board as new Chairman of the Audit Committee. We are looking forward to his insights and experience that he brings to the Audit Committee and the Board.

I want to thank all personnel for their support and loyalty to the company. We believe that the new South African company will bring new focus and energy and will deliver exceptional results to shareholders in the new growth phase.

BJ Willemse
Chairman: Nictus Group

GROUP CHIEF EXECUTIVE’S REPORT

The history of Nictus is a very interesting one. Founded in Namibia, the expansion into South Africa during the early 80s must account as the single most exhilarating journey of my business career. What makes business so fantastically unpredictable is that the focus on establishing

Nictus in South Africa over the past 30 odd years has made a dramatic paradigm shift towards sustainably existing in South Africa.

Overview

The unbundling of the Namibian operations from the South African Nictus has signaled an exciting new beginning for Nictus Limited. No longer is Nictus' effective management based in Namibia; it boasts local executives to grow a truly South African business within the realm of Africa's biggest economy.

As much as we are looking forward to the opportunities created with the strategic direction embarked upon, we are cognisant that the responsibility is now as big as the challenge.

Effects of unbundling of the Namibian from the South African operations

The Namibian investment holding company, together with its operational segments, has been unbundled from the South African operations and distributed to shareholders under the newly listed Namibian entity – listed on the NSX. The unbundling of the Namibian business resulted in a decrease of the net asset value of the Group.

As part of the unbundling, though, a capital injection into the South African Group has been effected in the form of cash paid over as an unbundling dividend and the issue of shares for cash. This capital injection is sufficient to support the growth forecasts of Nictus Furnishers and Corporate Guarantee, the flagships that will build on the Nictus brand in South Africa.

Stakeholders are advised to exercise care when reading the Group statement of financial position together with the statement of comprehensive income as the effects of the unbundling distort comparative figures.

Segmental Performance

Nictus continues to implement its vision of being an independent and diversified investment holding company. Investments in the short-term insurance and furniture retail sectors remain the key focus areas for the implementation of this vision.

Furniture retail

It has been an extremely difficult year for the furniture retail segment. Although operationally the segment has shown promising signs of performance, the harsh realities of organised crime have shaken the foundations of one of our performing outlets. The Board, together with management, has been compelled to consolidate by closing the Soweto branch due to targeting by syndicates.

The Board has taken steps to ensure that the lessons learnt will not be repeated and with management has deliberated and concluded that existing outlets should take priority to ensure the optimisation of profits.

Insurance and finance

The Company has experienced a positive acceptance of our alternative risk transfer (self-insurance) model in the market. The customer base has expanded to satisfactory levels and the indication is that further expansion can be expected. The unique innovative risk management solutions that the product provides are supported by the sound relationships that our team has with our clients.

Profit strategy

Many a hard lesson was learnt the past year with regard to the financial impact of being targeted by crime syndicates. Loss-generating outlets simply do not have a place in the Group's vision and the closing thereof is expected to stop the recent negative impact on profits.

The further development of effective management in South Africa remains a focal point to enhance the efficiency of doing business, thereby increasing the profits. Over the past decade structures have been put in place from which to do business. The optimisation of these existing structures goes to the very core of the Group's moneymaking formula and holds the key to generating acceptable shareholder value.

Corporate Governance

Nictus is committed to the highest standard of corporate governance. In our opinion, good corporate governance cannot only be dictated only by set rules and regulations, but must be driven by the moral convictions of the people implementing them.

The Group endorses the King III Code of Governance Principles, the International Financial Reporting Standards (IFRS) and integrated reporting, whilst it complies with the Companies Act of South Africa and the JSE Listings Requirements.

We further acknowledge our responsibility to ensure that business within the Group is conducted with transparency, prudence, justice, accountability and integrity.

Outlook

The restructuring of the Group, together with the further development of effective management based in South Africa, will take at least another year to fully reap the expected benefits expected to be achieved. I firmly believe that this restructuring has paved the way for the Group to build on and to flourish in the years to come.

Concerning the Insurance segment, the implementation date of the proposed changes in the Solvency Assessment and Management framework have been postponed for another year until January 2015. The interim measures for the segment industry which have been set in place, already put the profitability of this segment under pressure due to the additional capital adequacy requirements, and will continue to do so. Despite this, the expectation is that the segment will continue to grow profitably.

Our expectation is that the Furniture segment should show good signs of recovery following the further development of effective management and the closing down of the Maponya Mall outlet.

Appreciation

I would like to express my gratitude for the dedication and contribution of our Board, managers and staff for their support and commitment towards and the belief in the chosen strategic direction for the Group. A special word of appreciation goes out to Nic Campbell, long serving independent non-executive director of Nictus Limited, and Steve Smith, long serving independent non-executive director of Corporate Guarantee (South Africa) Limited, who have retired during the past financial year, for their services to the Group over the past several years.

On behalf of the Group, I would like to reaffirm our commitment to serving our customers and would like to thank them, together with all our stakeholders, for their continued loyalty.

NC Tromp
Group Chief Executive: Nictus Group

DECLARATION OF ORDINARY DIVIDEND

The Board has not declared a dividend to ordinary shareholders of the Company for the year ended 31 March 2013.

INTERGRATED REPORT AND NOTICE OF ANNUAL GENERAL MEETING

As the integrated report for the year ended 31 March 2013 ("the integrated Report") are to be posted to Nictus shareholders within 3 months of Nictus' financial year end, this announcement is not required to appear in the press and will not be sent to Nictus shareholders.

The Integrated Report contains a notice convening the annual general meeting of Nictus shareholders for the year ended 31 March 2013 ("the AGM"). The AGM will be held in the boardroom at the Nictus Building, corner of Pretoria and Dover Street, Randburg, Gauteng on Friday 30th of August 2013 at 11h00.

The Board has determined that the record date in terms of section 59(1) of the Companies Act, 2008 of South Africa for the purpose of determining which shareholders of the Company are entitled to receive notice of the AGM is Friday, 21 June 2013 and the record date for purposes of determining which shareholders of the Company are entitled to participate in and vote at the AGM is Friday, 23 August 2013. Accordingly, only Nictus shareholders who are registered in the register of members of the Company on Friday, 23 August 2013 will be entitled to participate in and vote at the at the AGM. Accordingly, the last day to trade in order to be eligible to participate in and vote at the AGM will be Friday, 16 August 2012.

The notice of AGM and the Integrated Report, containing the Audited Financial Statements, are to be posted to Nictus shareholders on Friday, 28 June 2013.

B J Willemse
Chairman
28 June 2013

Sponsor on the JSE: KPMG Services Proprietary Limited
Sponsor on the NSX: Simonis Storm Securities (Pty) Ltd (Member of the NSX)