

Invicta Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number 1966/002182/06)
Ordinary Share code: IVT Ordinary Share ISIN ZAE000029773
Preference Share code: IVTP Preference Share ISIN: ZAE000173399
(“**Invicta**” or the “**Company**”)

TERMINATION OF THE ACQUISITION OF A MAJORITY INTEREST IN THE DARTCOM GROUP OF COMPANIES

Shareholders are referred to the announcements released on the Stock Exchange News Service of the JSE Limited and the A2X News Service on 7 October 2021 and 29 November 2021 relating to the purchase by Invicta of a majority shareholding in Dartcom SA Proprietary Limited (“**Dartcom SA**”), the ultimate shareholder of the Dartcom SA group of companies (the “**Dartcom Group**”) (the “**Transaction**”).

As a result of unforeseen regulatory and market conditions and the resultant short-term impact on the business of the Dartcom Group, Invicta, Tuludi Capital Proprietary Limited (“**Tuludi**”), an investment vehicle managed by New GX Capital Holdings Proprietary Limited (“**New GX Capital**”), and Kgalauwane Properties Holdings Proprietary Limited (collectively, the “**Parties**”) have mutually agreed not to proceed with the Transaction at this time. As a result, the agreements entered into with regards to the Transaction were terminated (the “**Termination**”). Despite the Termination, the Parties believe in the long-term potential of the Dartcom Group and may at the appropriate time in the future reconsider a combination of the Dartcom Group with Invicta.

The Parties have accordingly agreed the following course of action:

- Invicta will advance a term loan of R75 million to the Dartcom Group (“**Dartcom Loan**”) on the following terms:
 - the Dartcom Loan (and any interest thereon) will be repaid by no later than 31 March 2023;
 - interest will be levied at a rate of prime plus 5%; and
 - New GX Capital, the ultimate holding company of the Dartcom Group, will provide Invicta with appropriate security for the Dartcom Loan in consideration for a fee of 2,5%.
- For so long as the Dartcom Loan remains outstanding, Invicta will have a right of first refusal (“**ROFR**”) in respect of any future sale of the Dartcom Group or any of its material assets.

The purpose of the Dartcom Loan is to support the various growth initiatives of the Dartcom Group, which continue to focus on expansion of product and geographic diversification. Invicta believes that the Dartcom Loan and the ROFR will provide the Company with the necessary commercial interest and flexibility to participate in the markets and industries serviced by the Dartcom Group.

The Parties will continue to work together at a commercial and operational level to leverage their respective strengths and opportunities. In particular, the Parties will seek to leverage the existing engineering services and product distribution platform that Invicta has built over the past decades and the various product lines and solutions offered by the Dartcom Group in the telecommunication, surveillance and renewable energy sectors.

Johannesburg
16 February 2022

Company Secretary:
Lebohang Mpumlwana

Sponsor:
Nedbank Corporate and Investment Banking, a division of Nedbank Limited