
Summarised Annual
Financial Statements

2016



THE NICTUS PHILOSOPHY

Nictus has been very 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 where we are present.

VISION

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

MISSION

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

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

CORE VALUES

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

NICTUS 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 countries 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 that 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 Nictus 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.

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The Summarised Annual Financial Statements of Nictus Holdings Limited is a summary of the Audited Annual Financial Statements of Nictus for the period 1 April 2015 to 31 March 2016. The Summarised Annual Financial Statements have not been independently assured.

The full Integrated Report and Annual Financial Statements is available on our website at:

www.nictusholdings.com

from 30 June 2016.

CHAIRMAN'S REPORT

“We managed to render a solid performance for the 2016 financial year, which, coming from an exceptional 2015, was not an easy task.”

INTRODUCTION

The 2016 financial year was a difficult, but interesting year. The Nictus Holdings Group rendered a solid performance in circumstances that were very challenging. Government reduced its spending significantly in certain sectors and this impacted on the retail environment in Namibia.

Our business model “specialising in related diversifications” worked very well for us and was a major contributing factor to the results presented this year. We had a renewed focus in certain areas, especially from senior management and this helped us to match the previous year’s exceptional performance.

The 70-year celebrations for the group also highlighted and reconfirmed the group’s commitment to the country and we are confident about our future. We had a lot of feedback from stakeholders who were not aware of all the activities and relationships of companies within the group. The aim was to get their attention and awareness and to build on the already solid basis set, as well as to confirm our commitment to the customers in Namibia. Taking all this into account, I feel that the objectives that were set, were reached with the activities conducted when we celebrated our 70th birthday.

FINANCIAL

We managed to render a solid performance for the 2016 financial year, which, coming from an exceptional 2015, was not an easy task.

Our motor division came under a bit of pressure with a decline in the Southern African vehicle sales and reduced government spending. Vehicle performance was satisfactory - given the circumstances. With a decline in turnover, we managed to equal the profit made the previous year. On the tyre retail segment side we stood our ground with a lot of enhancements and consolidation taking place in the business. Increasing the profit of the motor division with 6% was a commendable achievement, considering the present economic climate.

The furniture sections revenue increased by 9% which resulted in a 6% increase in profit compared to 2015, taken into account that major expenses were incurred with the preparation of opening a new furniture retail outlet in Windhoek.

The insurance and finance section reflected a record year in all respects. Premiums and finance income grew by 29% - which resulted in an increase of 22% in net profit in comparison with the previous financial year. This reconfirmed that there is still an immense market to be tapped and that there is still a great need for our current product offerings.

Overall we managed to achieve more or less the same results as the previous year. We spent an enormous amount on the infrastructure



for the furniture and tyre sectors - which we believe is an investment for the future and we will reap the benefits of this in the near future. Share investments on the JSE (Johannesburg Stock Exchange) on a group level did not achieve the desired results, but we are confident that this will improve and yield positive results in the coming year.

CUSTOMER AND STAKEHOLDERS

We as the Nictus Group have always taken pride in the relationships built up and maintained with our customers and stakeholders over the years. This was confirmed by feedback received after all the activities surrounding our 70-year celebrations. I would like to thank our external stakeholders, including our shareholders, customers, suppliers and manufacturers, industry regulators and business partners, for their continued support over the span of 70 years.

LEARNING AND GROWTH

I believe that in the past year the basis has been established for future growth and expansion. With the envisaged opening of our new furniture retail outlet in the third quarter, we trust that this will have a significant impact on our furniture sector. We are focussing on the synergies between the vehicles and the tyres in the motor division and by doing this we will achieve growth in both market segments.

People are and will remain one of our most valuable assets. We established a human resources department on group level to help us enhance our exceptional workforce and to train and support them for the challenges that lie ahead.

On board level, Gerard Tromp, Gerard Swart (Independent) and John Mandy (Independent) have been appointed as non-executive directors and I believe that they will add value that will increase in the years to come.

PROSPECTS

I am confident that the current economic and strategic plans currently running, are on the right track, and our foresight will pay off in the near future. Further devaluation of the South African Rand could affect the retail sector of the group where goods are being imported.

I believe with the new furniture store opening later this year, as well as the investment made and to be made into the motor division, together with the untapped market in the financial service industry, we as a group are geared for the future and the stage is set to have a sustainable performance in the Namibian market for years to come.

APPRECIATION

I want to thank my fellow directors for their input and determination. All of us, both management and employees put in tremendous effort during the past year, and I would like to express my appreciation to one and all for their efforts.

I would also like to thank our Heavenly Father for the opportunities and grace we received and wish to dedicate the year's performance and results to His honour and glory.



Philippus Tromp
Executive Chairman

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

- FOR THE YEAR ENDED 31 MARCH 2016

Figures in N\$'000	2016	2015
Assets		
Non-current assets	545,606	561,649
Property, plant and equipment	312,717	237,935
Intangible assets	952	1,171
Investments	226,298	318,076
Deferred tax assets	5,639	4,467
Current assets	1,068,481	804,180
Non-current assets held for sale and assets of disposal groups	2,990	-
Total assets	1,617,077	1,365,829
Equity and liabilities		
Equity	155,462	133,685
Stated capital	129	129
Reserves	74,318	74,817
Retained earnings	81,015	58,739
Liabilities	1,461,615	1,232,144
Non-current liabilities	130,592	45,646
Interest-bearing loans and borrowings	100,701	19,389
Deferred tax liabilities	29,891	26,257
Current liabilities *	1,329,388	1,186,498
Insurance contract liability	1,152,608	1,030,939
Other current liabilities	176,780	155,559
Liabilities of disposal groups	1,635	-
Total equity and liabilities	1,617,077	1,365,829

* Included in current liabilities is the insurance contract liability. Premiums received under this liability are invested in terms of the Insurance Act with the result that certain investments are of a long-term nature.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

- FOR THE YEAR ENDED 31 MARCH 2016

Figures in N\$'000	2016	2015
Revenue	930,615	1,041,436
Cost of sales	(725,855)	(847,252)
Gross profit	204,760	194,184
Other income	17,167	16,723
Operating and Admin Expenses	(217,877)	(199,005)
Investment income from operations	27,366	27,859
Operating profit	31,416	39,761
Investment income	4,359	2,592
Gain on non-current asset held for sale or disposal group	3,314	-
Financing costs	(8,638)	(8,731)
Profit before taxation	30,451	33,622
Taxation	(2,446)	(4,865)
Profit for the year	28,005	28,757
Other comprehensive income:		
Net gains on property revaluation	3,200	7,982
Taxation related to other comprehensive income	192	(2,115)
Other comprehensive income for the year net of taxation	3,392	5,867
Total comprehensive income for the year	31,397	34,624
Total comprehensive income attributable to:		
Owners of the parent	31,397	34,624
Earnings per share		
Earnings per share (cents)	52.40	53.81
Diluted earnings per share (cents)	52.40	53.81
Weighted average number of shares in issue (000's)	53,443	53,443

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

- FOR THE YEAR ENDED 31 MARCH 2016

Figures in N\$'000	2016	2015
Cash flow from operating activities		
Cash used in generated from operations	(36,631)	190,380
Investment income from operations received	4,359	2,592
Finance expenses	(8,638)	(8,731)
Taxation paid	(3)	(10)
Net cash (used in) / generated from operating	(40,913)	184,231
Net cash generated from / (used in) investing activities	16,945	(107,162)
Net cash generated from / (used in) financing activities	92,044	(19,382)
Net movements in cash and cash equivalents	68,076	57,687
Cash and cash equivalents at beginning of year	397,923	340,236
Cash and cash equivalents at end of year	465,999	397,923

RECONCILIATION BETWEEN EARNINGS & HEADLINE EARNINGS

- FOR THE YEAR ENDED 31 MARCH 2016

Figures in N\$'000	2016	2015
Weighted average number of shares in issue for basic, diluted and headline earnings per share (000's)	53,443	53,443
Profit for the year, net of taxation	28,005	28,757
Profit on disposal of property, plant and equipment	(1,329)	(612)
Headline earnings	26,676	28,145
Headline earnings per share (cents)	49.91	52.66
Diluted headline earnings per share (cents)	49.91	52.66

CONDENSED CONSOLIDATED SEGMENTAL ANALYSIS

- FOR THE YEAR ENDED 31 MARCH 2016

Figures in N\$'000	2016	2015
Segment Revenue		
Motor retail	762,882	896,059
Furniture retail	100,541	91,451
Insurance and Finance	92,192	71,829
	955,615	1,059,339
Head office and eliminations	(25,000)	(17,903)
Total revenue for the year	930,615	1,041,436
Analysis of revenue by product / service		
Sale of goods	851,566	978,392
Rental income	296	682
Finance income	47,104	30,977
Insurance premium income	31,649	31,060
Management Fee	-	325
Total revenue	930,615	1,041,436
Net profit after taxation		
Motor retail	10,858	10,232
Furniture retail	5,319	4,915
Insurance and Finance	31,732	25,948
	47,909	41,095
Head office and eliminations	(19,904)	(12,338)
Total profit for the year	28,005	28,757

CONDENSED CONSOLIDATED SEGMENTAL ANALYSIS - CONTINUED

- FOR THE YEAR ENDED 31 MARCH 2016

Figures in N\$'000	2016	2015
Segment assets		
Motor retail	306,264	345,791
Furniture retail	287,212	178,114
Insurance and Finance	1,267,221	1,162,559
	1,860,697	1,686,464
Head office and eliminations	(243,620)	(320,635)
Total as per statement of financial position	1,617,077	1,365,829
Segment liabilities		
Motor retail	240,995	277,476
Furniture retail	261,067	147,736
Insurance and Finance	1,206,223	1,115,658
	1,708,285	1,540,870
Head office and eliminations	(246,670)	(308,726)
Total as per statement of financial position	1,461,615	1,232,144

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

- FOR THE YEAR ENDED 31 MARCH 2016

	Stated capital	Revaluation reserve	Contingency reserve	Retained earnings	Total equity
Figures in N\$ '000					
Balance at 1 April 2014	129	49,508	19,481	37,960	107,078
<i>Total comprehensive income for the year</i>	-	5,867	-	28,757	34,624
Profit for the year	-	-	-	28,757	28,757
Other comprehensive income for the year	-	5,867	-	-	5,867
Transfer to contingency reserve	-	-	(39)	39	-
Dividends paid to ordinary shareholders	-	-	-	(8,017)	(8,017)
Total contributions by and distributions to owners of the company recognised directly in equity	-	-	(39)	(7,978)	(8,017)
Balance at 1 April 2015	129	55,375	19,442	58,739	133,685
<i>Total comprehensive income for the year</i>	-	3,392	-	28,005	31,397
Profit for the year	-	-	-	28,005	28,005
Other comprehensive income for the year	-	3,392	-	-	3,392
Transfer to retained earnings	-	-	(3,891)	3,891	-
Dividends paid to ordinary shareholders	-	-	-	(9,620)	(9,620)
Total contributions by and distributions to owners of the company recognised directly in equity	-	-	(3,891)	(5,729)	(9,620)
Balance at 31 March 2016	129	58,767	15,551	81,015	155,462

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

- FOR THE YEAR ENDED 31 MARCH 2016

1. BASIS OF PREPARATION

The abridged summarised consolidated annual financial statements have been prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards (IFRS), in compliance with IAS34: Interim Financial Reporting, in the manner as required by the Companies Act of Namibia, 2004 and the Listing Requirements of the Namibian Stock Exchange. The accounting policies are consistent with those applied in the consolidated financial statements for the year ended 31 March 2016, other than the new standards and interpretations adopted, summarised below:

- Amendments to IAS 19: Defined Benefit Plans: Employee Contributions
- IFRS 9: Classification, Measurement and Derecognition of Financial Instruments

The impact of these adopted standards and interpretations have not led to any change in the Group's accounting policies which are relevant to its operations.

2. 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 2015. Refer to the 2016 audited annual financial statements for further information.

3. DIVIDENDS

Since 31 March 2016, the following dividend was approved by the Board on 9 June 2016 in respect of the year ended 31 March 2016. The dividend has not been provided for and there are no accounting implications for the current financial year.

	31 Mar 16
	N\$'000
18 cents per share	<u>9,620</u>
Last date to trade ordinary shares "cum" dividend	Friday 08 July 2016
Ordinary shares trade "ex" dividend	Monday 11 July 2016
Record date	Friday 15 July 2016
Payment/issue date	Monday 18 July 2016

Share certificates may not be dematerialised between Monday 11 July and Friday 15 July 2016 both days inclusive.

By order of the Board

4. RESPONSIBILITY FOR CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

Accounting policies have been applied consistently with those of the prior year. The annual consolidated financial statements for the year ended 31 March 2016 have been audited by SGA

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION - CONTINUED

- FOR THE YEAR ENDED 31 MARCH 2016

Chartered Accountants and Auditors, and their unqualified audit opinion is available for inspection at the registered office of the company.

5. DIRECTORS' RESPONSIBILITY

The directors take full responsibility for the preparation of the summarised annual financial statements, and that the financial information has been correctly extracted from the underlying audited annual financial statements for the year ended 31 March 2016.

6. SUBSEQUENT EVENTS

There were no events after the reporting period which affected the presentation of the consolidated annual financial statements for the year ended 31 March 2016.

7. DETERMINATION AND DISCLOSURE OF FAIR VALUES

Fair values have been determined for measurement and/or disclosure purpose based on the following methods. When applicable, further information about the assumptions made in the determining fair values is disclosed in the sections specific to that asset or liability.

Fair value adjustment of investment properties and land and buildings

The Group's Board of directors value the Group's investment property portfolio on an annual basis. An external, independent valuation company, having appropriate recognised professional qualifications and recent experience in the locations and category of properties being valued, also provides supportive information used in the valuation process. The fair values are based on valuations and other market information that take into consideration the estimated rental value and replacement value of the property. A market yield is applied to the estimated rental value to arrive at the gross property valuation. Should any of the assumptions used in the valuation calculation change, it could have a material impact on the results of the Group.

Non-derivative financial instruments

Non derivative financial instruments comprise loans and receivables, trade and other receivables, cash and cash equivalents, interest bearing borrowings, trade and other payables and investments in equity and debt securities.

Non derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs.

Investment in debt and equity securities

Listed investments held by the Group are classified as at fair value through profit or loss. The fair values are calculated by reference to stock exchange market prices and / or market value of government bonds at the close of business on the reporting date.

Unlisted investments consists of shares in private companies and other entities not listed on a recognised stock exchange. These investments are fair valued using an acceptable valuation technique. In very rare circumstances the results of these valuation techniques result in a significant variability in the range of reasonable fair values. Consequently, these unlisted investments, other than investments in associates and subsidiaries, are subsequently measured at fair value.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION - CONTINUED

- FOR THE YEAR ENDED 31 MARCH 2016

Held to maturity investments is financial assets that the Group has the positive intention and ability to hold to maturity are classified as held to maturity. Held to maturity investments are measured at amortised cost using the effective interest rate method, less any impairment losses. Government bonds held by the Group are classified as held to maturity subsequent to initial recognition. Adjustments to the value of held to maturity assets are made through profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Trade and other receivables

Trade and other receivables are measured at amortised cost less impairment losses. Trade and other receivables that are of a short term nature are not discounted due to the insignificance of the difference between the transaction price and fair value.

Trade and other payables

Trade and other payables are carried at amortised cost using the effective interest rate method. Trade and other payables that are of a short term nature are not discounted due to the insignificance of the difference between the transaction price and fair value.

7.1 Fair value of land and buildings

Land and building are revalued annually. The Group's board of directors revalued the land and buildings at 31 March 2016. The valuation was based on the market value for existing use. These assumptions were based on current market conditions. The prior year was valued by the Group's board of directors at 31 March 2015 at the carrying value of the land and buildings.

For property recognised at fair value, disclosure is required of a fair value hierarchy which reflects the significance of the inputs used to make the measurements.

Level 1 represents those assets which are measured using unadjusted quoted prices for identical assets.

Level 2 applies inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).

Level 3 applies inputs which are not based on observable market data.

	2016	2015
Level 2		
Land	102,274	98,474
Buildings	195,839	127,461
	298,167	225,935

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION - CONTINUED

- FOR THE YEAR ENDED 31 MARCH 2016

7.2 Fair value hierarchy of financial assets at fair value through profit and 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.

Level 1 represents those assets which are measured using unadjusted quoted prices for identical assets.

Level 2 applies inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).

Level 3 applies inputs which are not based on observable market data.

	<u>2016</u>	<u>2015</u>
Level 1		
Listed shares	17,589	19,331
Debt securities	1,020	1,020
	<u>18,609</u>	<u>20,351</u>
Level 2		
Loans and receivables	<u>218,706</u>	<u>309,254</u>
Level 3		
Unlisted shares	<u>669</u>	<u>669</u>
	<u>237,984</u>	<u>330,274</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION - CONTINUED

- FOR THE YEAR ENDED 31 MARCH 2016

7.3 Financial assets by category

	Loans and receivables	Fair value through profit or loss - held for trading	Total
Group - 2016			
Cash and cash equivalents	472,501	-	472,501
Investments	216,913	19,278	236,191
Trade and other receivables (excluding VAT)	428,675	-	428,675
	1,118,089	19,278	1,137,367
Group - 2015			
Cash and cash equivalents	403,698	-	403,698
Investments	306,254	21,020	327,274
Trade and other receivables (excluding VAT)	255,187	-	255,187
	965,139	21,020	986,159

The carrying amount of financial assets approximate their fair value

7.4 Financial liabilities by category

	Financial liabilities at amortised cost	Total
Group - 2016		
Loans from related parties	42,293	42,293
Bank overdraft	6,502	6,502
Interest - bearing loans and borrowings	146,270	146,270
Trade and other payables (excluding VAT)	74,606	74,606
	269,671	269,671
Group - 2015		
Loans from related parties	35,106	35,106
Bank overdraft	5,775	5,775
Interest - bearing loans and borrowings	51,793	51,793
Trade and other payables (excluding VAT)	75,161	75,161
	167,835	167,835

NOTICE OF ANNUAL GENERAL MEETING

NICTUS HOLDINGS LIMITED

("Nictus" or "the Company") • (Incorporated in the Republic of Namibia)

Registration Number: NAM 1962/1735 • NSX Share Code: NHL • ISIN Number: NA000A1J2SS6

Notice is hereby given that the annual general meeting of the shareholders of Nictus will be held in the ground floor boardroom, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek, on **2 September 2016 at 16:00** (Namibian time), to deal with the business as set out below and to consider and, if deemed appropriate, pass the ordinary and special resolutions set out in this notice.

1. GENERAL PURPOSE OF THE ANNUAL GENERAL MEETING

The general purpose of the annual general meeting is to -

- 1.1 consider and, if deemed fit, pass with or without modification the resolutions set out hereunder; and
- 1.2 deal with any business that may lawfully be dealt with at the annual general meeting.

2. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The consolidated audited annual financial statements of the Company and its subsidiaries, incorporating the reports of the auditors, the audit committee and the directors for the year ended 31 March 2016 will be presented to shareholders as required in terms of section 294 of the Companies Act.

3. RESOLUTIONS FOR CONSIDERATION AND APPROVAL

3.1 Ordinary resolution 1: approval of minutes of previous annual general meeting

"Resolved to approve the minutes of the previous annual general meeting."

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

3.2 Ordinary resolution 2: re-election of WO Fourie as a director

"Resolved that WO Fourie 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 per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

3.3 Ordinary resolution 3: re-election of FR van Staden as a director

"Resolved that FR van Staden 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 per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

3.4 Ordinary resolution 4: re-election of PJ de W Tromp as a director

"Resolved that PJ de W Tromp be and is hereby re-elected as a director of the Company."

NOTICE OF ANNUAL GENERAL MEETING - *CONTINUED*

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

3.5 **Ordinary resolution 5: election of GR de V Tromp as a director**

“Resolved that GR de V Tromp be and is hereby elected as a director of the Company.”

In order for this ordinary resolution number 5 to be passed, the support of more than 50% (fifty per cent) 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 103 of the integrated annual report.

3.6 **Ordinary resolution 6: election of JD Mandy as a director**

“Resolved that JD Mandy be and is hereby elected as a director of the Company.”

In order for this ordinary resolution number 6 to be passed, the support of more than 50% (fifty per cent) 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 103 of the integrated annual report.

3.7 **Ordinary resolution 7: election of Gerard Swart as a director**

“Resolved that Gerard Swart be and is hereby elected as a director of the Company.”

In order for this ordinary resolution number 7 to be passed, the support of more than 50% (fifty per cent) 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 103 of the integrated annual report.

3.8 **Ordinary resolution 8: approval of remuneration policy**

“Resolved to approve, by way of a non-binding, advisory vote, the remuneration policy of the Company as set out on pages 96 of the annual report of which this notice forms part.”

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

3.9 **Ordinary resolution 9: re-appointment of SGA as auditors**

“Resolved that, on recommendation of the audit committee of the Company, SGA Chartered Accountants and Auditors be and is hereby re-appointed as auditors of the Company (the designated auditor meeting the requirements of section 278 of the Companies Act), to hold office until the conclusion of the next annual general meeting of the Company.”

In order for this ordinary resolution number 9 to be passed, the support of more than 50%

NOTICE OF ANNUAL GENERAL MEETING - CONTINUED

(fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

3.10 Ordinary resolution 10: authority to issue ordinary shares

“Resolved that the board of directors be and are hereby authorised by way of a general authority to issue at their discretion up to 15% (fifteen per cent) of the authorised but unissued ordinary shares in the Company from time to time, whether created before or after the passing of this resolution and/or to grant options to subscribe for such 15% (fifteen per cent) of the authorised but unissued shares from time to time, for such purposes and on such terms and conditions as they may determine, provided that such transaction(s) has/have been approved by the NSX and are subject to the NSX Listings Requirements, the Companies Act and the following conditions, namely that -

- 3.10.1 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 this meeting;
- 3.10.2 the issue of the shares must be made to persons qualifying as public shareholders as defined in the Listings Requirements of the NSX;
- 3.10.3 the shares which are the subject of the issue -
 - 3.10.3.1 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;
 - 3.10.3.2 shall not exceed 5% (five per cent) of the number of shares of the Company's issued ordinary shares in aggregate in any one financial year (including the number of any shares that may be issued in future arising out of the issue of options); and
 - 3.10.3.3 that a paid press announcement giving full details, including the impact of the issue on net asset value, net tangible asset value, earnings and headline earnings per share and if applicable, diluted earnings and diluted headline earnings per share, be published after any issue representing, on a cumulative basis within one financial year, 5% (five per cent) of the number of shares in issue prior to the issue concerned;
- 3.10.4 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 per cent) of the weighted average traded price of the ordinary shares on the NSX, 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; and
- 3.10.5 separately, such shares as have been reserved to be issued by the Company in terms of its share and other employee incentive schemes.”

In order for this ordinary resolution number 10 to be passed, the support of more than 75% (seventy five per cent) of the voting rights exercised on the resolution by all equity shareholders (as defined in the NSX Listings

NOTICE OF ANNUAL GENERAL MEETING - CONTINUED

Requirements) present in person, or represented by proxy, at the annual general meeting is required.

3.11 Ordinary resolution 11: election of an Audit Committee

“Resolved that an Audit Committee, comprising at least three members, shall be elected at each annual general meeting notwithstanding that he board of the company shall appoint a person to fill any vacancy on the audit committee within a reasonable time after such vacancy arises.”

In order for this ordinary resolution number 11 to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

3.12 Ordinary resolution 12: election of JD Mandy as a member of the Audit Committee

“Resolved that JD Mandy, a director of the Company, be and is hereby elected as a member of the Audit 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 12 to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by all equity shareholders (as defined in the NSX Listings Requirements) present in person, or represented by proxy, at the annual general meeting is required.

3.13 Ordinary resolution 13: election of FR van Staden as a member of the Audit Committee

“Resolved that FR van Staden, a director of the Company, be and is hereby elected as a member of the Audit 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 13 to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by all equity shareholders (as defined in the NSX Listings Requirements) present in person, or represented by proxy, at the annual general meeting is required.

3.14 Ordinary resolution 14: election of GR de V Tromp as a member of the Audit Committee

“Resolved that GR de V Tromp, a director of the Company, be and is hereby elected as a member of the Audit 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 14 to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by all equity shareholders (as defined in the NSX Listings Requirements) present in person, or represented by proxy, at the annual general meeting is required.

3.15 Ordinary resolution 15: appointment of JD Mandy as Chairman of the Audit Committee

“Resolved that JD Mandy, a director of the Company, be and is hereby elected as chairman of the Audit Committee of the Company, to hold office until the conclusion of the next annual general meeting of the Company.”

NOTICE OF ANNUAL GENERAL MEETING - CONTINUED

In order for this ordinary resolution number 15 to be passed, the support of more than 50% (seventy five per cent) of the voting rights exercised on the resolution by all equity shareholders (as defined in the NSX Listings Requirements) present in person, or represented by proxy, at the annual general meeting is required.

3.16 Special resolution 1: general authority to repurchase shares

“Resolved that the Company, in terms of its memorandum and articles of association, or one of its wholly-owned subsidiaries, in terms of such wholly-owned subsidiary’s memorandum and articles of association 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 approval, 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 Listings Requirements and the Companies Act”

Section 89 of the Companies Act authorises the board of directors of a Company to approve the acquisition of its own shares subject to the provisions of section 89 having been met. The Companies Act requires the approval of a 75% (seventy five per cent) majority of the votes cast by shareholders present or represented by proxy at the annual general meeting for special resolution number 1 to become effective.

3.17 Special resolution 2: financial assistance to entities related or inter-related to the Company

“Resolved that, as a general approval, the Company may, in terms of section 44 of the Companies Act, provide any direct or indirect financial assistance (“**financial assistance**” will herein have the meaning attributed to it in section 44(1) of the Companies Act) to any related or inter-related Company or to any juristic person who is a member of or related to any such Company/ies.”

The effect of special resolution number 2, if adopted, is to confer the authority on the board of directors of the Company 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 of directors may deem fit, on the terms and conditions, and for the amounts that the board of directors 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.

In order for special resolution number 2 to be passed the support of at least 75% (seventy-five per cent) 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.

3.18 Ordinary resolution 16: 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 16 to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

NOTICE OF ANNUAL GENERAL MEETING - CONTINUED

4. ADDITIONAL INFORMATION

The following additional information, which may appear elsewhere in the annual report, is provided in terms of the NSX Listings Requirements for purposes of the general authority to repurchase the Company's shares set out in special resolution number 1 above -

- 4.1 directors and management – pages 22 to 23;
- 4.2 major shareholders – page 23;
- 4.3 directors' interests in ordinary shares – page 23;
- 4.4 share capital of the Company – page 69

5. LITIGATION STATEMENT

The directors in office whose names appear on pages 22 and 23 of the annual report, are not aware of any legal or arbitration proceedings, including any proceedings that are pending or threatened, that may have, or have had, in the recent past, being at least the previous 12 (twelve) months from the date of this annual report, a material effect on the group's financial position.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The directors in office, whose names appear on pages 22 and 23 of the annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 1 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolutions contain all information required by the NSX Listings Requirements.

7. MATERIAL CHANGES

Other than the facts and developments reported on in the 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 annual report.

8. DIRECTORS' INTENTION REGARDING THE GENERAL AUTHORITY TO REPURCHASE THE COMPANY'S SHARES

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

9. ATTENDANCE AND PROXIES

- 9.1 Please note that, in terms of section 197 of the Companies Act -
 - 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.

NOTICE OF ANNUAL GENERAL MEETING - CONTINUED

- 9.2 Forms of proxy (which form may be found enclosed) must be dated and signed by the shareholder appointing a proxy and must be received at the registered offices of the Company, c/o Veritas Board of Executors (Proprietary) Limited, 1st floor, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek (Private Bag 13231, Windhoek) or the transfer Secretaries, c/o Veritas Board of Executors (Proprietary) Limited, 1st floor, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek (Private Bag 13231, Windhoek). Forms of proxy must be received not later than **12:00 on 31 August 2016**. Before a proxy exercises any rights of a shareholder at the annual general meeting, such form of proxy must be so delivered.
- 9.3 Attention is drawn to the “**Notes**” to the form of proxy.
- 9.4 The completion of a form of proxy does not preclude any shareholder attending the special general meeting.

10. VOTING

- 10.1 On a show of hands every shareholder present in person or by proxy, and if a member is a body corporate, its representatives, shall have one vote and on a poll every shareholder present in person or by proxy and, if the person is a body corporate, its representative, shall have one vote for every share held or represented by him/her.
- 10.2 For the purpose of resolutions proposed in terms of the NSX Listings Requirements in respect of which any votes are to be excluded, any proxy given by a holder of securities to the holder of such an excluded vote shall also be excluded from voting for the purposes of that resolution.
- 10.3 Shareholders are encouraged to attend at the annual general meeting.

**By order of the Board
Nictus Holdings Limited**



**Veritas Board of Executors (Proprietary) Limited
Secretary
Windhoek**

FORM OF PROXY



NICTUS HOLDINGS LIMITED
 ("Nictus" or "the Company") • (Incorporated in the Republic of Namibia)
 Registration number NAM: 1962/1735
 NSX Share Code: NHL
 ISIN Number: NA000A1J2SS6

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

For completion by registered members of Nictus unable to attend the annual general meeting of the Company to be held on the ground floor, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek, on **2 September 2016 at 16:00** (Namibian time), or at any adjournment thereof.

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
 the chairman of the Annual General Meeting,

as my/our proxy to attend, speak and, on a poll, vote on my/our behalf at the abovementioned 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:

Resolutions	For	Against	Abstained	Precluded*
01. Ordinary resolution 1: approval of minutes of previous annual general meeting				
02. Ordinary resolution 2: re-election of WO Fourie as a director				
03. Ordinary resolution 3: re-election of FR van Staden as a director				
04. Ordinary resolution 4: re-election of PJ de W Tromp as a director				
05. Ordinary resolution 5: election of GR de V Tromp as a director				
06. Ordinary resolution 6: election of JD Mandy as a director				
07. Ordinary resolution 7: election of Gerard Swart as a director				
08. Ordinary resolution 8: approval of remuneration policy				
09. Ordinary resolution 9: re-appointment of SGA as auditors				
10. Ordinary resolution 10: authority to issue ordinary shares				
11. Ordinary resolution 11: election of an Audit Committee				
12. Ordinary resolution 12: election of JD Mandy as a member of the Audit Committee				
13. Ordinary resolution 13: re-election of FR van Staden as a member of the Audit Committee				
14. Ordinary resolution 14: election of GR de V Tromp as a member of the Audit Committee				
15. Ordinary resolution 15: appointment of JD Mandy as Chairman of the Audit Committee				
16. Special resolution 1: general authority to repurchase shares				
17. Special resolution 2: financial assistance to entities related or inter-related to the Company				
18. Ordinary resolution 16: signing authority				

* Precluded from voting in terms of the Companies Act or the NSX Listings Requirements

Form of proxy and notes continues on the reverse hereof

FORM OF PROXY - CONTINUED

Please indicate with an "X" in the appropriate spaces provided above how you wish your vote to be cast. However, if you wish not to cast your votes in respect of less than all of the ordinary shares that you own in the Company, insert the number of ordinary shares held in respect of which you desire to vote.

Signed at (place) on (date)

Signature

Assisted by me, where applicable (name and signature)

NOTES TO THE FORM OF PROXY

1. Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder(s) of the Company) to attend, speak and, on a poll or by show of hands, vote in place of that shareholder at the annual general meeting.
2. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting 'the chairman of the annual general meeting'. The person whose name stands first on the form of proxy and who is present at the annual general meeting shall be entitled to act as proxy to the exclusion of the persons whose names follow.
3. A shareholder's instructions to the proxy have to be indicated by the insertion of an "X" or the relevant number of votes exercisable by that shareholder in the appropriate box provided. Failure to comply with the above shall be deemed to authorise the chairman of the annual general meeting, if the chairman is the authorised proxy, to vote in favour of the ordinary and special resolutions at the annual general meeting, or any other proxy other proxy to vote or to abstain from voting at the annual general meeting, as he/she deems fit, in respect of all the shareholder's votes exercisable thereat.
4. A shareholder or his/her proxy is not obliged to vote in respect of all the ordinary shares held by such shareholder or represented by such proxy, but the total number of votes for or against the ordinary and special resolutions and in respect of which any abstention is recorded may not exceed the total number of votes to which the shareholder or his/her proxy is entitled.
5. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity has to be attached to this form of proxy, unless previously recorded by the Company's transfer secretaries or waived by the chairman of the annual general meeting.
6. The chairman of the annual general meeting may reject or accept any form of proxy that is completed and/or received other than in accordance with these instructions and notes.
7. Any alterations or corrections to this form of proxy have to be initialled by the signatory(ies).
8. The completion and lodging of this form of proxy shall not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
9. Forms of proxy have to be lodged with or posted to the registered office of the Company, c/o Veritas Board of Executors (Proprietary) Limited, 1st floor, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek (Private Bag 13231, Windhoek) or the transfer Secretaries, Veritas Board of Executors (Proprietary) Limited, 1st floor, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek (Private Bag 13231, Windhoek). Forms of proxy must be received not later than 12:00 on **31 August 2016**.

NICTUS HOLDINGS Ltd. COMPANY DETAILS

Company registration number
1962/1735

NSX Share code
NHL, ISIN number: NA000A1J2SS6

Executive Directors
P J de W Tromp (Chairman - Executive)
N C Tromp • F R van Staden
J J Retief • W O Fourie

Non-executive Directors
G R de V Tromp • G Swart (Independent)
JD Mandy (Independent)

Transfer Secretaries
Veritas Board of Executors (Proprietary) Limited
1st Floor, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek
Private Bag 13231, Windhoek, Namibia

Registered Office
1st Floor, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek
Private Bag 13231, Windhoek, Namibia

Sponsor on the NSX
Simonis Storm Securities (Pty) Ltd

Nictus Holdings Limited
Private Bag 13231, Windhoek, Namibia
1st Floor, Nictus Building, 140 Mandume Ndemufayo Avenue, Windhoek

Please visit our website
www.nictusholdings.com





EXCELLENCE



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