

press release

SA FIRM INVICTA PROPOSES TO ACQUIRE SINGAPOREAN COMPANY IN ASIAN EXPANSION STRATEGY – STANDARD CHARTERED SOLE FINANCIAL ADVISOR

Invicta Holdings Ltd proposes to acquire Singapore’s Kian Ann Engineering, reiterating the increasing reach and influence of SA companies internationally

Johannesburg/ Singapore, 15 October 2012 – Invicta Holdings Ltd, assisted by the financial expertise and advisory services of Standard Chartered, has announced the proposed acquisition of Kian Ann Engineering Ltd – a large distributor of heavy equipment parts and diesel engine spares listed on the Singapore Stock Exchange. The transaction is valued at ZAR1 361 million and stands to boost Invicta’s revenue by 20%..

A Top 100 company listed on the Johannesburg Stock Exchange and headquartered in South Africa, Invicta Holdings Ltd is one of the leading distributors of capital equipment, spare parts and engineering consumables in Southern Africa. **The proposed acquisition is in line with Invicta’s international expansion strategy, which focuses on investing in opportunities in those international markets which demonstrate sound growth opportunities. Kian Ann will provide Invicta with a valuable ‘hub’ for expanding its reach into Asia, leveraging on the operations in Africa to create a more sizeable parts group which, together with Malaysia and Indonesia, boosts diversity and further expansion in the region. Invicta’s current market capitalisation is approximately USD654million, with their revenue and profits increasing by 24% and 39% respectively, in the last financial year.**

“Kian Ann Engineering has the capacity to distribute more than 1.3 million item lines covering over 270 brands from 220 suppliers, to a global customer base of dealers and end-users. This scale in distribution brings immense benefits to the Invicta Group. Expansion into Asia is a natural progression for our business, and Singapore provides an ideal entry point into several Asian Markets. Given Standard Chartered’s strong footprint in Asia, and their keen understanding of our business needs from an African perspective, the Bank is an ideal partner in facilitating this milestone acquisition for us,” commented Invicta’s Chief Executive Officer, Arnold Goldstone

Speaking from the Bank’s regional office in Johannesburg, Phillip Reynolds added, *“Standard Chartered has the history, presence and on-the-ground expertise to facilitate trade and investment across the Africa-Asia trade and investment corridor. Singapore is commonly referred to as the gateway into Asia, boasting the world’s busiest port and ranked as one of the easiest places to do business – as such, it is a leading location for investments in the Asia Pacific Region. We are not only inspired by the increasing investor interest in Africa’s growth, but also the ability for African companies to maintain a competitive advantage and expand their reach internationally.”*

Standard Chartered continues to play a strategic role in advising firms in milestone acquisitions between Africa and Asia: The Bank was appointed exclusive financial advisor to the China Investment Commission’s (CIC) first investment into Africa last December, where the sovereign wealth fund bought a 25% stake in South Africa’s Shanduka Group to the value of ZAR2billion (USD250million). Standard Chartered also advised South Africa’s electronic payment solutions provider Net1 in their acquisition of KNet in Korea valued at ZAR1.7billion (USD212.5million).

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For further information please contact:

Invicta Holdings

Erica Stephen
Invicta Holdings Limited
Tel +27 11 922-2188 / Mobile: +27 (0)83 534 8806
Email: EricaS@cse.co.za

Standard Chartered Bank:

Lauren Callie – Head of Business Communications, Africa
Mobile: +27 (0)82 894 5581
E-mail: Lauren.Callie@sc.com

Note to Editors:

INVICTA HOLDINGS LIMITED

Invicta Holdings Limited is an investment holding and management company listed on the Johannesburg Stock Exchange (“JSE”). It controls and manages assets of over R8 billion and has been in the JSE Top 100 for 17 years. Its operations comprise:

- ***BMG (Bearing Man Group)***
Southern Africa’s leading distributor of bearings, seals, power transmission components, drives, belting, fasteners, filtration and hydraulics.

- ***CEG (Capital Equipment Group)***
One of Southern Africa’s largest distributors of:
 - agricultural machinery, implements and related spares;
 - earthmoving machinery, turf-grooming machinery, golf cars, utility vehicles and related spares;
 - forklifts and material handling equipment and related spares.
 - after-market replacement parts, ground engaging tools and undercarriage parts for earthmoving equipment.

- ***Tiletoria***
A leading importer and distributor of tiles and related sanitary ware in Southern Africa

Standard Chartered – leading the way in Asia, Africa and the Middle East

Standard Chartered is a leading international banking group. It has operated for over 150 years in some of the world's most dynamic markets and earns around 90 per cent of its income and profits in Asia, Africa and the Middle East. This geographic focus and commitment to developing deep relationships with clients and customers has driven the Bank’s growth in recent years. Standard Chartered PLC is listed on the London and Hong Kong stock exchanges as well as the Bombay and National Stock Exchanges in India.

With 1,700 offices in 70 markets, the Group offers exciting and challenging international career opportunities for 87,000 staff. It is committed to building a sustainable business over the long term and is trusted worldwide for upholding high standards of corporate governance, social responsibility, environmental protection and employee diversity. Standard Chartered’s heritage and values are expressed in its brand promise, ‘Here for good’.

In Africa the Bank has operated for over 150 years and has a strong presence in 16 markets. Given its unique footprint, Standard Chartered is well-positioned to facilitate and support valuable trade and investment corridors intra-Africa, and between Africa and the rest of the world.

In South Africa the Bank dates back to 1862 from its previous shareholding in Standard Bank of British South Africa. Having divested in 1987, the Bank later returned as a representative office before acquiring a banking license in 2003. Today, Standard Chartered South Africa focuses on its successful Wholesale Banking strategy, offering corporates and multinationals unparalleled support in cross-border capital, investment opportunities, assistance with expansion into new markets and facilitation of strategic partnerships. The Johannesburg Branch boasts regional centres of expertise in: Transaction Banking; Capital Markets; Project & Export Finance (Telecoms & Infrastructure, Mining & Metals); Corporate Advisory & Finance (M&A); Private Equity; Agricultural Finance; Financial Institutions; Origination & Client Coverage; Global Markets etc.

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