

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")

Voluntary update announcement: Strategic focus and prospects

Invicta, an investment holding and management company operating through the Engineering Solutions Group (BMG and associated companies) and the Capital Equipment Group, takes the opportunity to update the market (on a voluntary basis) following a statement contained in the SENS announcement pertaining to the Preliminary Audited Summarised Consolidated Results for the year ended 31 March 2018 and made during the Company's final results road show. The statement is contained on page 4 of the results booklet under "Strategic focus and prospects", third paragraph: *"The process of internationalising the Group in order for it to be able to list offshore, is on track for conclusion by the end of the new financial year. To remind stakeholders, the rationale for this is to enable Invicta to eventually list on an international stock exchange in addition to its current listing on the JSE. The listing on an international stock exchange will provide improved access to international funding for debt and/or equity, as the Group looks to expand its international footprint in a measured and focused approach, indicated that the Group is in the process of internationalising in order for it to be able to list offshore in the future."*

The board is currently evaluating the proposed internationalisation of the group which, if implemented, may include, *inter alia*, the following salient features:

- the incorporation of a public limited company or "plc" in England and Wales ("Invicta Global"), being the proposed new holding company for the group;
- the entering into a scheme of arrangement for the ordinary shareholders and another scheme of arrangement for the preference shareholders, in terms of which Invicta Global will offer to acquire the entire issued share capital of Invicta in exchange for the issue by Invicta Global of ordinary and preference shares so as to ensure that all shareholders are in the same shareholding position as before the implementation of schemes of arrangement (in other words, each Invicta ordinary and preference shareholder will receive one Invicta Global ordinary and preference share respectively for each Invicta ordinary and preference share held); and
- the delisting of Invicta and the listing of Invicta Global (as an external company) on the JSE as its primary listing

(collectively, "the **Proposed Transaction**").

In order to properly evaluate the Proposed Transaction, the Company has started engaging with the relevant regulators. The Proposed Transaction has, to date, received conditional approval from the South African Reserve Bank.

The statement further alludes to an offshore listing in the future and the board wishes to confirm that the offshore listing is not initially part of the Proposed Transaction and Invicta Global will, for the foreseeable future, remain listed on the JSE only. With the structure in place after the Proposed Transaction, Invicta Global will be able to list on an international exchange in the future should it be commercially appropriate or opportune at that time.

The creation of an international holding company listed on the JSE will place the group in a better position to raise offshore funding to hedge its exposure to any offshore acquisitions it has or may make. The board believes that this is a prudent step to ensure sustainability and growth of the group as it embarks on the next phase of growth, while it will still continue to look for and make appropriate acquisitions in South Africa and in the existing markets in which it operates.

Shareholders will be updated further in due course on developments following further evaluation of the Proposed Transaction by the board and engagements with regulators, as well as any material changes to the Proposed Transaction if applicable.

For clarity, this announcement is a voluntary announcement and is not a cautionary announcement for the purposes of the JSE Listings Requirements, nor is it a firm intention announcement for the purpose of the Takeover Regulations under the Companies Act of 2008. It is made for information purposes only. Further announcements will be made as and when legally required and/or when the necessary degree of certainty is established regarding the timing, terms and conditions of the Proposed Transaction.

Cape Town
18 July 2018

Corporate Advisor: Bravura Capital (Pty) Ltd

Sponsor: Deloitte & Touche Sponsor Services (Pty) Ltd

Attorneys: Edward Nathan Sonnenbergs Inc.