



2020

Summarised Audited Consolidated
Results and Notice of Annual
General Meeting

FOR THE YEAR ENDED 31 MARCH

Letter to shareholders

Dear shareholder

This summary of our results for the year to 31 March 2020 also includes an executive review of our performance.

The notice of the annual general meeting, form of proxy and other administrative information form part of this summarised report.

In line with global trends and as a responsible corporate citizen, we have taken the decision to publish our annual reports on our website since current financial reporting requirements and corporate governance disclosures make for bulky and costly posted annual reports.

The annual consolidated financial statements are available on our website www.invictaholdings.co.za. The integrated annual report will be available on our website www.invictaholdings.co.za on Friday, 31 July 2020. We believe that this approach to reporting confirms our commitment to protecting the environment where we can, while we grow our business in a sustainable manner.

Thank you for your support.

Dr CH Wiese

Chairman

Executive review of our performance

Overview of the year

2020 was a challenging year. This was a year which included load shedding, water restrictions, a drought in many parts of South Africa, massive currency volatility and hardly any growth. It was also a year in which we saw previously giant construction companies go into business rescue, SA sovereign debt downgraded, rising government debt and rising unemployment. Though we are fortunate to have a business based in Singapore, trade tensions between America and China adversely affected that entire region.

Group performance

The operations comprise:

- ESG (Engineering Solutions Group) is a distributor of engineering products (bearings, belts, tools, electric motors, hydraulics), technical services and solutions.
- CEG (Capital Equipment Group) is distributor of agricultural machinery, construction and earthmoving machinery, forklifts and related parts.
- KAG (Kian Ann Group), based in Singapore, has a heavy machinery division and an automotive division.

Revenue for the Group decreased by 4% to R10.038 billion. Gross margin decreased as a result of additional stock provisions taken in response to revised sell-through rates. The Group has taken R1.102 billion in impairments in the context of the COVID-19 pandemic, of which goodwill was R639 million, property was R196 million, and deferred tax assets were R71 million. Consequently, operating profit declined from R699 million to an operating loss of R312 million. The implementation of IFRS16 Leases had a negative impact of R12.76 million on the current year.

IFRS 16 added R44 million to the finance cost for the year and finance income fell as a result of the sale of FirstRand bonds. The proceeds on the sale of the bonds were used to redeem the preference shares held by Standard Bank.

Profit for the year fell from R229 million, to a loss of R673 million after the impairments. This is reflected in the basic loss per share of 712 cents and headline earnings per share of 58 cents.

ESG

Revenue for the ESG Group was down less than 1% on the prior year. Consumables amounted to 61% of revenue, and Engineering which includes value added to products, amounted to 39% of sales. ESG businesses in Africa and Europe are growing faster than South Africa and that trend is expected to continue.

CEG

Revenue for the CEG Group was down 3%. Agriculture and forestry accounted for 50% of the revenue, with construction accounting for 43% and material handling 7%. The cost of the operation is covered by the revenue stream from parts, services and rentals.

KAG

Revenue was down 20% year on year, mainly due to the China America impasse. Specifically, the year was characterised by sluggish coal mining in Indonesia and logging in Malaysia, affected by demand from China. The demand for spares followed suit. Heavy machinery accounted for 78% of revenue and automotive accounted for 22%.

Strategic focus and prospects

Management focus will be on implementing the disposal of the CEG divisions to CNH Industrial. Attention will also be firmly on developing the BMG e-commerce platform, and the Oxygen Helmet and Ventilator project. The tool business will be restructured to eliminate costs, and the Kian Group business model will be re-evaluated strategically.

Additionally, the Group will be guided by the principles of targeting lower gearing, driving operational performance on return on equity/assets and simplification of both the Group structure and Group reporting.

Please note that any forward looking statements in this announcement have not been reviewed nor audited by Group's auditors.

Executive review of our performance (continued)

Changes to the Board and Board committees

Mr. Steven Joffe was appointed Group Chief Executive Officer effective 1 January 2020, following the resignation of Mr. Arnold Goldstone. Further changes to the Board effected after year end were announced on 30 April 2020 and 27 July 2020. Please refer to the SENS for details.

Dividend policy

The Board has resolved not to declare further dividends until gearing levels improve. The normal dividend policy (of a total dividend cover ratio of 3.5 times at interim results adjusted to 2.75 times at year-end) will then resume.

Appreciation

The Board is once again highly appreciative to the executive management, the respective management teams of our businesses and most importantly all the staff, for the excellent commitment and performance in what can only be described as difficult and uncertain economic times.

The Board is confident that the Group will successfully face these challenges which include the COVID-19 pandemic, and will emerge stronger than ever.

Approval

The Directors take full responsibility for the preparation of the Summarised Audited Consolidated Results, and confirm that the financial information has been correctly extracted from the underlying Audited Annual Consolidated Financial Statements.

Auditors

Ernst & young Inc. are the Group's auditors and have issued an unmodified opinion on the Audited Annual Consolidated Financial Statements. A copy of the auditor's report including the key audit matters is available for inspection at the Company's registered office, together with the Audited Annual Consolidated Financial Statements identified in the auditor's report, as well as on the Company's website at www.invictaholdings.co.za. This summarised report is extracted from the audited information, but is not itself audited.

The auditor's report does not necessarily report on all of the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report together with the accompanying financial information from the issuer's registered office.

On behalf of the Board

Steven Joffe
Chief Executive Officer

Nazlee Rajmohamed
Group Financial Director

Summarised consolidated statement of profit or loss and other comprehensive income

	%	31 March	
		2020	2019
	change	R'000	R'000
Revenue	(4)	10,037,636	10,449,704
Gross profit		2,696,673	2,987,824
Operating (loss)/profit before net finance income on financing transactions and foreign exchange movements	(145)	(312,492)	699,364
Finance income from financing transactions		22,943	16,158
Finance costs on financing transactions		(12,649)	(8,315)
Net foreign exchange cost		(47,269)	(17,317)
Operating (loss)/profit	(151)	(349,467)	689,890
Finance income and dividends received		88,294	128,572
Finance costs		(289,745)	(242,811)
Equity accounted earning from investment in associates		31,273	27,171
Equity accounted earning from investment in joint ventures		23,583	11,630
(Loss)/profit before tax	(181)	(496,062)	614,452
Income tax expense		(177,235)	(385,838)
(Loss)/profit for the year	(395)	(673,297)	228,614
Other comprehensive income			
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):</i>			
Exchange differences on translation of equity loans*		–	3,979
Exchange differences on translation of foreign operations		282,417	238,455
Changes in the fair value of financial investments		443	5,927
Total comprehensive (loss)/income for the year		(390,437)	476,975
(Loss)/profit attributable to:			
Owners of the Company - Ordinary shares		(761,462)	134,555
Non-controlling interest		6,700	11,195
Preference shareholders - Preference shares		81,465	82,864
		(673,297)	228,614
Total comprehensive (loss)/income attributable to:			
Owners of the Company - Ordinary shares		(492,287)	377,982
Non-controlling interest		20,385	16,129
Preference shareholders - Preference shares		81,465	82,864
		(390,437)	476,975
*The equity loans form part of the net investment in foreign subsidiaries.			
Basic (loss)/earnings per share (cents)	(665)	(712)	126
Diluted (loss)/earnings per share (cents)	(665)	(712)	126

Summarised consolidated headline earnings and earnings per share

	31 March	
	2020	2019
(Loss)/earnings per share (cents)		
Basic (loss)/earnings per share	(712)	126
Diluted (loss)/basic earnings per share	(712)	126
Headline earnings per share	58	112
Diluted headline earnings per share	58	112
Ordinary shares ('000)		
In issue	108,495	108,495
Weighted average	106,953	106,953
Diluted weighted average	106,953	106,953

	31 March	
	2020	2019
Headline earning per share	R'000	R'000
(Loss)/Profit for the year attributable to owners of the Company	(761,462)	134,555
Headline earnings adjustments		
Adjustments for:		
Gain from bargain purchase price recognised	–	(10,377)
Profit on disposal of property, plant and equipment	(3,075)	(7,286)
Less: Tax thereon	802	1,786
Less: other shareholders interest thereon	154	–
Profit on disposal of investment	(5,817)	(2,270)
Less: Tax thereon	1,600	–
Impairment of investment in associate	–	2,849
Impairment of goodwill	639,588	–
Impairment of property, plant and equipment	146,594	–
Impairment of investment property	49,228	–
Less: Tax thereon	(5,724)	–
Headline earnings	61,888	119,257

Summarised consolidated statement of financial position

	31 March	
	2020 R'000	2019 R'000
ASSETS		
Non-current assets	2,896,774	3,193,159
Property, plant and equipment	1,738,241	1,942,332
Right of use assets	423,271	–
Investment in associates and joint ventures	293,136	216,167
Financial investments	1,178	958
Goodwill	24,847	662,927
Other intangible assets	77,183	62,241
Other financial assets	98,113	99,506
Deferred taxation	240,805	209,028
Current assets	7,399,961	8,079,043
Inventories	4,221,757	4,543,864
Trade and other receivables	1,874,183	1,890,432
Current portion of financial assets	144,522	679,699
Current tax assets	27,795	29,333
Bank and cash balances	1,131,704	935,715
Assets classified as held for sale	126,532	–
Total assets	10,423,267	11,272,202
EQUITY AND LIABILITIES		
Capital and reserves	4,634,517	5,182,056
Equity attributable to the equity holders	4,505,480	5,060,541
Non-controlling interest	129,037	121,515
Non-current liabilities	3,006,554	2,620,353
Borrowings	2,326,733	2,271,858
Right of use lease liabilities	443,430	–
Finance lease liabilities	68,194	95,377
Long-term tax liability	100,000	200,000
Deferred tax	68,197	53,118
Current liabilities	2,782,196	3,469,793
Trade, other payables and provisions	1,860,737	2,119,751
Current tax liability	146,327	158,621
Dividends payable	35,058	47,263
Borrowings	201,620	812,241
Right of use lease liabilities	86,831	–
Finance lease liabilities	67,265	68,787
Financial liabilities	75,287	79,890
Bank overdrafts	309,071	183,240
Total liabilities	5,788,750	6,090,146
Total equity and liabilities	10,423,267	11,272,202

Summarised consolidated statement of changes in equity

	31 March	
	2020 R'000	2019 R'000
Share capital, share premium and preference share capital		
Share capital	5,424	5,424
Share premium	2,653,151	2,653,151
Treasury shares - Balance at the beginning of the year	(49,406)	(68,057)
Treasury shares - Movement for the year	–	18,651
Treasury shares - Balance at the end of the year	(49,406)	(49,406)
Preference shares	750,000	750,000
Retained earnings		
Balance at the beginning of the year	1,430,250	1,419,989
Total comprehensive income	(679,554)	223,346
Transfer between reserves	20,969	(15,112)
Adjustment on initial application of IFRS 16 & 9, net of tax	(62,167)	(5,589)
Ordinary and preference dividends paid	(83,991)	(192,384)
Balance at the end of the year	625,507	1,430,250
Foreign currency translation reserve		
Balance at the beginning of the year	354,614	117,114
Total comprehensive income	268,732	237,500
Balance at the end of the year	623,346	354,614
Other reserves		
Balance at the beginning of the year	(83,492)	(99,395)
Equity-settled share-based payments	2,718	4,342
Other reserve movements	(188)	–
Acquisition of non-controlling interests	(611)	330
Transfer between reserves	(20,969)	11,231
Balance at the end of the year	(102,542)	(83,492)
Attributable to equity shareholders	4,505,480	5,060,541
Non-controlling interest		
Balance at the beginning of the year	121,515	99,473
Total comprehensive income	20,385	16,129
Transfers between reserves	–	3,881
Non-controlling interest arising on the issue of additional share capital in a subsidiary	1,215	6,236
Disposal of subsidiary	(6,312)	–
Acquisition of non-controlling interests	(434)	(1,959)
Adjustment on initial application of IFRS 16	(23)	–
Ordinary dividend paid	(7,309)	(2,245)
Balance at the end of the year	129,037	121,515
Total equity	4,634,517	5,182,056

Summarised consolidated statement of cash flows

	Notes	31 March	
		2020 R'000	2019 R'000
Cash flows from operating activities			
Cash generated from operations	5	959,891	545,062
Finance costs		(310,337)	(251,126)
Dividends paid to Group shareholders and non-controlling interest		(91,730)	(196,361)
Tax paid	6	(287,583)	(612,977)
Finance income and dividends received		111,124	144,730
Net cash inflow/(outflow) from operating activities		381,365	(370,672)
Cash flows from investing activities			
Proceeds on sale of property, plant and equipment and other intangible assets		28,497	66,553
Additions to property, plant and equipment		(168,562)	(209,727)
Additions to intangible assets		(37,857)	(23,158)
Acquisition of subsidiaries and businesses		–	(314,818)
Acquisition of joint venture		–	(36,918)
Acquisition of non-controlling interests		(1,045)	(1,629)
Proceeds on disposal of subsidiaries (including cash and cash equivalents disposed)		19,130	(3,231)
Settlement of directors' loans		–	6,394
Funds lent in relation to long-term receivables		(6,119)	(5,911)
Payments received from long-term receivables		2,015	–
Funds invested in relation to financial investments		–	(954)
Payments received from financial investments		593,208	964
Net cash inflow/(outflow) from investing activities		429,267	(522,435)
Cash flows from financing activities			
Funding received in respect of borrowings		550,826	737,705
Principle repayment of borrowings		(1,257,533)	–
Payment of right of use lease liabilities		(85,365)	–
Funding received in respect of finance lease liabilities		78,380	–
Repayment of finance lease liabilities		(95,229)	–
Proceeds from issue of shares to non-controlling interests		1,215	6,236
Principle repayment of financial liabilities		(2,009)	–
Increase in financial liabilities		–	3,071
Net cash (outflow)/inflow from financing activities		(809,715)	747,012
Net increase/(decrease) in cash and cash equivalents		917	(146,095)
Cash and cash equivalents at the beginning of the year		752,475	858,102
Effect of foreign exchange rate movement on cash balance		69,241	40,468
Cash and cash equivalents at the end of the year		822,633	752,475
Cash and cash equivalents			
Bank and Cash balances		1,131,704	935,715
Bank overdrafts		(309,071)	(183,240)
Total		822,633	752,475

Other information

	31 March	
	2020	2019
Net interest-bearing debt:equity ratio (excluding long-term debt secured by investments and loans)*	55%	44%
Net interest-bearing debt:equity ratio (excluding right of use lease liabilities and debt secured by investments)**	44%	44%
Depreciation and amortisation (R'000)	251,964	139,480
Depreciation of property, plant and equipment (R'000)	131,403	118,417
Depreciation of right of use assets (R'000)	98,125	–
Amortisation of intangible assets (R'000)	22,436	21,063
Net asset value per ordinary share (cents)^	3,580	4,085
Tangible net asset value per ordinary share (cents)^^	3,486	3,417
Capital expenditure (R'000)	206,419	232,885

* The net interest-bearing debt:equity ratio represents the proportion of the Group's net asset value which is financed by net interest bearing debt and is calculated as follows: (non-current portion of interest bearing debt+current portion of interest bearing debt-net cash on hand- debt secured by investments) / capital and reserves.

** The net interest-bearing debt:equity ratio represents the proportion of the Group's net asset value which is financed by net interest bearing debt and is calculated as follows: (non-current portion of interest bearing debt+current portion of interest bearing debt-net cash on hand- debt secured by investments-non-current right of use liabilities-current right of use lease liabilities) / capital and reserves.

^ Net asset value per ordinary share represents the ordinary shareholders share in the net assets of the Group excluding those funded through preference share equity and is calculated as follows: (total assets-total liabilities-preference share equity) / number of issued ordinary shares.

^^ Tangible net asset value per ordinary share represents the ordinary shareholders share in the tangible net assets of the Group excluding those funded through preference share equity and is calculated as follows: (total assets-goodwill-other intangible assets-total liabilities-preference share equity) / number of issued ordinary shares.

Segment information

	31 March						
	Engineering Solutions Group	Capital Equipment Group	Kian Ann Group	Corporate and inter-segment eliminations	Total continuing operations	Assets held for sale	Total operations
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
2020							
Revenue	5,180,328	3,124,287	1,393,773	339,248	10,037,636	–	10,037,636
- Sale of goods	5,167,461	2,936,542	1,393,773	289,042	9,786,818	–	9,786,818
- Rendering of services	12,867	123,205	–	30,173	166,245	–	166,245
- Rental income	–	64,540	–	20,033	84,573	–	84,573
Operating (loss)/profit before interest on financing trans and foreign exchange movements	(343,050)	150,721	34,507	(154,672)	(312,494)	–	(312,494)
(Loss)/profit before tax	(479,721)	153,768	69,981	(240,090)	(496,062)	–	(496,062)
Assets	4,094,492	2,349,985	2,699,722	1,152,536	10,296,735	126,532	10,423,267
Liabilities	1,998,035	980,244	797,602	2,012,869	5,788,750	–	5,788,750
2019							
Revenue	5,238,443	3,205,861	1,632,152	373,248	10,449,704	–	10,449,704
- Sale of goods	5,233,309	3,063,330	1,632,152	359,492	10,288,283	–	10,288,283
- Rendering of services	5,134	142,531	–	–	147,665	–	147,665
- Rental income	–	–	–	13,756	13,756	–	13,756
Operating (loss)/profit before interest on financing trans and foreign exchange movements	334,795	249,775	122,883	(8,089)	699,364	–	699,364
(Loss)/profit before tax	263,404	300,781	138,462	(88,195)	614,452	–	614,452
Assets	4,335,156	2,367,536	2,364,033	2,205,477	11,272,202	–	11,272,202
Liabilities	1,434,595	999,347	745,066	2,911,138	6,090,146	–	6,090,146

Following the appointment of the new Group Chief Executive Officer, the Kian Ann Group ("KAG") segment now reports directly into Invicta Group executive committee as the chief decision maker, comprising the executive directors. The Kian Ann Group was previously reported as part of the Capital Equipment Group ("CEG"). The reportable segments have been represented to disclose the three main reportable operational segments namely the Engineering Solutions Group ("ESG"), the Capital Equipment Group and the Kian Ann Group. A fourth segment comprises MacNeil Plastics and all the Group financing, investment, property and support service operations ("Corporate") including inter-group elimination, with separate disclosure of the discontinued operations.

Notes to the summarised audited consolidated results

1. Basis of preparation

The summarised consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for preliminary reports, and the requirements of the Companies Act of South Africa applicable to summary financial statements. The JSE Listings Requirements require preliminary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, and to also, as a minimum, contain the information required by IAS 34, Interim Financial Reporting. The accounting policies applied in the preparation of the consolidated financial statements, from which the summarised consolidated financial statements were derived, are in terms of IFRS and are consistent with the accounting policies applied in the preparation of the previous consolidated financial statements with the exception of IFRS 16: Leases and IFRIC 23: Uncertainty over Income Tax Treatment, which became effective in the current year and IFRS 8 Operating Segments where the operating segments were represented.

These summarised audited consolidated financial statements have been extracted from the audited annual consolidated financial statements of Invicta Holdings Limited for the year ended 31 March 2020, but is not itself audited. In accordance with Section 30(2) and 30(3) of the Companies Act, the consolidated annual financial statements for the year ended 31 March 2020 have been audited by Ernst & Young Inc., the company's independent external auditors, whose unqualified audit report can be found under the Independent Auditor's Report in the Annual Consolidated Financial Statements. A copy of the auditor's report including the key audit matters is available for inspection at the Company's registered office, together with the Audited Annual Consolidated Financial Statements identified in the auditor's report, as well as on the Company's website at www.invictaholdings.co.za.

2. Prepared by

These summarised consolidated results have been prepared under the supervision of Ms. Nazlee Rajmohamed CA (SA), the Group Financial Director.

3. Events after the reporting date

After year end the South Africa lockdown at level 5 was extended by a further two weeks. This was followed by a lift of the lockdown in controlled stages. At date of this report the country was at level 3. There remains uncertainty regarding timing to reach full lift of the lockdown, and the rate of recovery from the impact of the COVID-19 pandemic. The situation continues to be closely monitored so that the various businesses may adapt as necessary to comply with regulations and meet the needs of our customers. Our top priority remains the safety and well-being of our employees.

The operating results since year ended 2020 have shown that the corrective actions taken in relation to the pandemic have yielded benefits. Despite revenue still tracking below volumes of the prior year, cost containment measures have ensured that the initial level 5 losses are recovered and a breakeven result is likely for the first quarter of the 2021 financial year.

Agreements have been reached with bankers to establish new covenants for the next six months that accommodate our Covid-19 trading conditions. This will be reviewed, and if necessary revised, in the context of an updated forecast to be prepared in September. The revised covenants will then serve until the financial year ended 2021.

The Group through its' subsidiary t/a Africa Medical Equipment (has engaged with Virgin Unite, and as result will support the charity "Global and African Philanthropists", by producing and supplying ventilators and oxygen helmets to the African continent. The first orders have been received.

Subsequent to year-end and as a result of the impact of COVID-19, the Group has commenced with a section 189 and section 189A of the Labour Relations Act 66 of 1995. It is expected that the cost of the total severance packages will be R37.5 million.

Notes to the summarised audited consolidated results

3. Events after the reporting date (cont.)

BMG has launched its new B2B e-commerce platform, which provides 24-hour ordering to all BMG account clients. Customers have the options of either collecting at the nearest branch for free, or receiving on-site delivery at an additional fee. The site has launched with Bearings and will include Tools and Equipment and Power Transmission products next.

Disposal of CEG operating divisions

Agreement has been reached to dispose a number of CEG's ("Capital Equipment Group") operating divisions to CNHi. CNHi is the principal in respect of the CASE product which CEG imports and distributes in South Africa. The transaction is subject to both shareholder and competition Commission approval amongst other conditions, and is targeted to be effective on 1 January 2021 at a purchase consideration of NAV plus USD6million.

4. Standards that became effective in the current period

IFRS 16 leases

The Group has adopted IFRS16 'Leases' using the modified retrospective approach by recognizing the cumulative effect of initially applying IFRS 16 as an adjustment to the opening balance of equity at 1 April 2019.

IFRS 16 has had a significant impact for the Group, given the number of branch properties, vehicles and equipment that are leased. IFRS 16 has had no impact on the accounting of existing finance leases. It has however impacted most leases that were previously recorded as operating leases under IAS 17, where only the rental charge was recorded in profit or loss. IFRS 16 now requires leases to be recognised in the Statement of Financial Position in the form of a capitalised right-of-use asset and corresponding liability. Changes to profit or loss result in rental costs being replaced by the depreciation of the right-of-use asset and lease finance costs on the liability. In applying IFRS 16 for the first time, the Group has used the following expedients permitted by the standard:

- Modified retrospective adoption – no comparatives required to be disclosed;
- Exemption of short-term leases and leases for which the underlying asset is of low value; and
- Portfolio approach applied to classes of leases that have similar characteristics.

The effect of the adoption IFRS 16 as at 1 April 2019 (increase/(decrease)) is as follows:

	1 April 2019 R'000
Assets	
Right of use assets	454,145
Deferred tax asset	18,709
Total assets	472,854
Liabilities	
Right of use lease liability	549,069
Finance lease liability	(2,537)
Long term borrowings *	(9,386)
Trade and other payables *	(2,102)
Total liabilities	535,044
Equity	
Retained earnings	(62,167)
Non-controlling interest	(23)
Total equity	(62,190)
Total equity and liabilities	472,854

* Lease smoothing liabilities

Notes to the summarised audited consolidated results

4. Standards that became effective in the current period (cont.)

IFRIC 23 – Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 Income Taxes. It does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

The Group considered whether it had any uncertain tax positions relating to the company's and the subsidiary's tax filings in different jurisdictions. The Group determined based on its assessments that the tax treatments will be accepted by the taxation authorities. The application of IFRIC 23 did not have an impact on the consolidated financial statements of the Group.

5. Operating profit from operations

	31 March	
	2020	2019
	R'000	R'000
Operating profit from operations includes the following:		
Income		
Profit on disposal of property, plant and equipment	3,675	7,286
Profit on disposal of investment	5,817	2,269
Fair value adjustment on profit share liability	5,527	–
Gain on revaluation of derivatives	33,533	–
Gain on bargain purchase price on acquisition of subsidiaries	–	10,077
Expense		
Depreciation	131,403	118,417
Amortisation of intangible assets	22,436	21,063
Depreciation of right-of-use assets	98,125	–
Impairment of property, plant and equipment	146,594	–
Impairment of investment property	49,228	–
Impairment of goodwill	639,588	–
Impairment of investment in associate	–	2,849
Expected credit loss on loans and receivables	17,456	–
Loss on disposal of property, plant and equipment	600	–
Auditors' remuneration	20,151	16,386
Equity settled share-based payment expense	2,717	3,491
Employment benefit expense	1,340,234	1,414,176
Operating lease expenses *	38,301	135,345

*Relates to lease payments that are not based on an index or rate and thus not part of minimum lease payments. These are either short term, low value or have variable payments and therefore do not fall under IFRS 16.

Notes to the summarised audited consolidated results

6. Inventory

Allowance for obsolete inventory

The economic impact of the COVID 19 pandemic on the year ended 31 March 2020 led to a refinement of the assumptions used in the calculation of the allowance for obsolete inventory, including the re-assessment of sell-through rates. This resulted in a R216,952,000 increase in the allowance for obsolete inventory recognized to R667,422,000 (2019: R450,470,000).

7. Financial Investments

The listed FirstRand Bank bonds recognized at fair value through other comprehensive income, which were valued at R593, 208, 000 in the prior period were disposed at market value in December 2019.

8. Borrowings

The short-term loans from Southchester RF Proprietary limited which were secured by the FirstRand Bank listed bonds and valued at R492,824,000 in the prior year were fully repaid in the current year. This has resulted in a decrease in total borrowings in the current year.

9. Taxation paid

	31 March	
	2020	2019
	R'000	R'000
Amounts unpaid at the beginning of the year	(329,288)	(557,934)
Acquisition through business combinations	–	(2,669)
Recognised in profit or loss	(176,979)	(381,662)
Derecognised on disposal of subsidiary	152	–
Amounts unpaid at the end of the year	218,532	329,288
Total	(287,583)	(612,977)
Comprising:		
Payment of specific tax expense	(100,000)	(450,000)
Normal tax paid	(187,583)	(162,977)
Total	(287,583)	(612,977)

Notes to the summarised audited consolidated results

10. Reconciliation of profit before taxation to cash generated from operations

	31 March	
	2020 R'000	2019 R'000
Profit before taxation	(496,062)	614,452
Adjusted for:		
Depreciation and amortisation	251,964	139,480
Impairment of assets	835,410	2,849
Expected credit loss on receivables	17,456	–
Exchange differences on translating capitalised loans	–	3,979
Value recognised as a result of the derecognition of the put option on directors' loans	–	18,351
Revaluation of profit share liability	(5,527)	–
Net profit on disposal of assets	(15,416)	(9,555)
Prescription of dividend liability	(11,775)	–
Revaluation of derivatives	(33,533)	–
Gain on bargain purchase price recognised	–	(10,377)
Finance costs	302,394	251,126
Finance income	(109,049)	(141,815)
Dividend received	(2,188)	(2,915)
Net share of profits of associates and joint ventures	(37,184)	(32,132)
Share appreciation rights movement	–	(851)
Share appreciation rights issued - equity settled	2,718	4,342
Distributable reserve recognised	(188)	–
Cash generated before movements in working capital	699,020	836,934
Working capital changes:	260,871	(291,872)
Decrease/(increase) in inventories	438,974	(298,211)
Increase in trade and other receivables	(327)	(101,418)
Increase/(decrease) in trade and other payables and provisions	(163,569)	100,744
Increase in finance lease receivables	(14,207)	(73,608)
Increase/(decrease) in financial lease liabilities	–	80,621
Cash generated from operations	959,891	545,062

Notes to the summarised audited consolidated results

11. Fair value disclosure

The following is an analysis of the financial instruments that are measured subsequent to initial recognition at fair value. They are grouped into levels 1 to 3 based on the extent to which the fair value is observable.

The levels are classified as follows:

Level 1 – fair value is based on quoted prices in active markets for identical financial assets or liabilities

Level 2 – fair value is determined using directly observable inputs other than Level 1 inputs

Level 3 – fair value is determined on inputs not based on observable market data

2020	31 March				
	Balance at reporting date	Valuation technique(s) and key inputs	Level 1	Level 2	Level 3
	R'000				
Financial assets at fair value					
Derivative forward exchange contract asset	40,741	2	–	40,741	–
Put option asset	4,063	4	–	–	4,063
Call option asset	31,510	4	–	–	31,510
Financial investments - unlisted securities	1,181	5	–	–	1,181
Financial liabilities at fair value					
Other financial liabilities	75,287	3	–	–	75,287
Derivative foreign exchange contract liability	26	2	–	26	–
2019					
Financial assets at fair value					
FirstRand Bank Bonds	593,208	1	–	593,208	–
Derivative forward exchange contract asset	8,127	2	–	8,127	–
Financial liabilities at fair value					
Other financial liabilities	79,890	3	–	–	79,890
Derivative foreign exchange contract liability	9	2	–	9	–

Valuation technique(s) and key inputs:

1. Quoted price
2. Expected settlement value
3. Earnings multiple valuation
4. Monte Carlo Simulation Technique along with the Geometric Brownian Motion Model
5. Net asset value

The other financial liabilities are valued based on a multiple of reported earnings, as such they are not sensitive to a change in assumptions.

Preference share cash dividend

As announced on SENS on 12 June 2020 the directors of the Company have declared a gross cash dividend of 576.24324 cents per preference share for the period from Wednesday, 13 November 2019 to Friday, 12 June 2020. Dividends are to be paid out of distributable reserves.

- Dividends tax (DT) of 20% will be withheld in terms of the Income Tax Act for those shareholders who are not exempt from the DT;
- Accordingly, shareholders who are not exempt from DT will receive a net dividend of 460.99459 cents per preference share;
- Invicta Holdings Limited has 7 500 000 preference shares in issue; and
- Invicta Holdings Limited's income tax reference number is 9400/012/03/6.

The salient dates for the preference share cash dividend will be as follows:

Last day of trade to receive a dividend	Tuesday, 30 June 2020
Shares commence trading "ex" dividend	Wednesday, 1 July 2020
Record date	Friday, 3 July 2020
Payment date	Monday, 6 July 2020

Share certificates may not be dematerialised or rematerialised between Wednesday, 1 July 2020 and Friday, 3 July 2020, both days inclusive.

Ordinary share cash dividend

In light of the tax settlement and the resultant higher gearing in the group, the board has resolved not to declare a final dividend. It is anticipated that the normal dividend policy (of a total dividend cover ratio of 3.5 times at interim results adjusted to 2.75 times at year-end) will be resumed once cash flow and gearing permit.

By order of the Board

L Dubery
Group company secretary

Johannesburg
26 July 2020

Date of publication 27 July 2020

Notice of annual general meeting

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

Notice of annual general meeting ("AGM") of shareholders for the year ended 31 March 2020 ("Notice")

Notice is hereby given that the AGM of Invicta's ordinary shareholders will be held on Thursday, 17 September 2020 at 09:00 entirely through electronic communication.

Please refer to pages 21 and 22 of this Notice for the record dates as well as important information on electronic participation and voting at the meeting.

The purpose of the meeting is to transact the business set out herein and to consider and, if deemed fit, to pass, with or without modification, the ordinary and special resolutions set out below.

For ordinary resolutions numbers 1 to 12 to be adopted, the support of more than 50% of the total number of votes exercised by shareholders, present in person or by proxy, is required. For ordinary resolution 13 and special resolutions 1 to 5 to be adopted, the support of at least 75% of the total number of votes exercised by shareholders, present in person or by proxy, is required. Ordinary resolutions 14 and 15 are non-binding advisory votes in terms of King IV, and the Company will engage with shareholders should these resolutions not receive the support of at least 75% of votes exercised by shareholders.

References are made in this Notice to Invicta's 2020 annual consolidated financial statements ("AFS") and integrated annual report ("IAR"). These documents are available on www.invictaholdings.co.za.

Item 1: Presentation of annual financial statements and reports

The audited annual consolidated financial statements of the Group for the year ended 31 March 2020, together with the Audit Committee report and directors' report, will be presented to shareholders. These documents are available on www.invictaholdings.co.za.

Item 2: Confirmation of appointment of directors

Ordinary Resolution 1: "Resolved that the appointment of Steven Joffe as a director of the Company, effective 1 January 2020, be and is hereby confirmed."

Ordinary Resolution 2: "Resolved that the appointment of Mpho Makwana as a director of the Company, effective 1 May 2020, be and is hereby confirmed."

Ordinary Resolution 3: "Resolved that the appointment of Frank Davidson as a director of the Company, effective 1 May 2020, be and is hereby confirmed."

Ordinary Resolution 4: "Resolved that the appointment of Iaan van Heerden as a director of the Company, effective 1 May 2020, be and is hereby confirmed."

Explanatory Note: Since the 2019 AGM, the Board appointed four new directors. Their appointments are being referred to shareholders for confirmation, as required in terms of the Company's Memorandum of Incorporation ("MOI") and the Companies Act No. 71 of 2008 ("Companies Act (2008)"). Please refer to the annexure to this notice for profiles of these directors.

Item 3: Re-election of directors retiring by rotation

Ordinary Resolution 5: "Resolved that Rashid Wally be and is hereby re-elected as a director of the Company."

Ordinary Resolution 6: "Resolved that Dr Christo Wiese be and is hereby re-elected as a director of the Company."

Ordinary Resolution 7: "Resolved that Adv Jacob Wiese be and is hereby re-elected as a director of the Company."

Explanatory Note: The Company's MOI provides that at least one third of non-executive directors must retire by rotation at each AGM, and may be re-elected if eligible. The Board considered the performance and contribution made by each director, and fully support the re-election of each of the directors. Being eligible, each of these directors have offered themselves for re-election at the AGM. Please refer to the annexure to this notice for profiles of these directors.

Notice of annual general meeting

Item 4: Election of Audit Committee members

Ordinary Resolution 8: *“Resolved, subject to the adoption of Ordinary Resolution 5, that Rashid Wally be elected as a member of the Audit Committee until the conclusion of the Company’s next AGM.”*

Ordinary Resolution 9: *“Resolved, subject to the adoption of Ordinary Resolution 3, that Frank Davidson be elected as a member of the Audit Committee until the conclusion of the Company’s next AGM.”*

Ordinary Resolution 10: *“Resolved, subject to the adoption of Ordinary Resolution 2, that Mpho Makwana be elected as a member of the Audit Committee until the conclusion of the Company’s next AGM.”*

Explanatory note: The Companies Act (2008) requires the shareholders of a Company to elect the members of the Audit Committee every year. Please refer to Annexure 1 of this notice for profiles of these directors.

Item 5: Reappointment of independent auditors for the 2021 financial year

Ordinary Resolution 11: *“Resolved to reappoint Ernst & Young Incorporated as the independent registered auditors of the Company for the ensuing financial year, and to note Amelia Young as the designated audit partner.”*

Explanatory Note: Shareholders are required to appoint auditors every year at the AGM. The Audit Committee has recommended the reappointment of Ernst & Young Incorporated as independent auditors for the 2021 Financial Year, with Amelia Young as the designated audit partner. The report of the Audit Committee, including its assessment of the auditors, can be found on page 2 of the Consolidated Annual Financial Statements.

Item 6: Placing the authorised but unissued shares under the control of the directors and authorising directors to issue shares for cash

Ordinary Resolution 12: *“Resolved, pursuant to clause 7 of the Company’s MOI, that the authorised but unissued shares in the capital of the Company be and are hereby placed under the control and authority of the directors of the Company and that the directors of the Company be and are hereby authorised and empowered to allot, issue and otherwise dispose of such shares to such person or persons on such terms and conditions and at such times as the directors of the Company may from time to time and in their discretion deem fit, subject to the provisions of the Companies Act (2008), the MOI of the Company and the JSE Listings Requirements, where applicable (each as presently constituted and amended from time to time); such authority to remain in force until the Company’s next AGM.”*

Ordinary Resolution 13: *“Resolved that the directors of the Company be and are hereby authorised by way of a general authority, to issue authorised but unissued ordinary shares in the capital of the Company, or to allot, issue and grant options to subscribe for authorised but unissued ordinary shares in the capital of the Company, for cash, as and when they in their discretion deem fit, subject to the provisions of the Companies Act (2008), the MOI of the Company, the JSE Listings Requirements, where applicable (each as presently constituted and amended from time to time), provided that the securities that are the subject to such issue shall not exceed 5% of the Company’s listed ordinary shares, excluding treasury shares, being 5 347 645 shares as at the date of this Notice.”*

Explanatory Note: It is recorded that, as at the date of this Report, the JSE Listings Requirements provide, inter alia, that the Company may only undertake a general issue for cash subject to the following:

- the shares which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- any such issue will only be made to “public shareholders” as defined in the JSE Listings Requirements and not to related parties;
- the ordinary shares which are the subject of a general issue for cash may not exceed 30% of the number of listed ordinary shares excluding treasury shares as at the date of this Notice, being 32,085,874 ordinary shares. The Company has, after consultation with shareholders, agreed to lower this to a maximum of 5% of the number of listed ordinary shares, excluding, treasury shares, as at the date of this Notice, being 5 347 645 ordinary shares. The total amount of authorised, but not issued Invicta ordinary shares at the date of this Notice is 25,505,262 ordinary shares. Any ordinary shares issued under this authorisation during the authorisation period will be deducted from the aforementioned numbers. In the event of a consolidation during the authorisation period, the authority will be adjusted to represent the same allocation ratio.
- this authority shall be valid until the Company’s next AGM, provided that it shall not extend beyond 15 (fifteen) months from the date that this authority is given;

Notice of annual general meeting

- after the Company issues a cumulative 5% or more of its issued equity securities in terms hereof within the approval period, the Company shall publish an announcement containing full details of the issue, including the number of securities issued; the average discount to the weighted average traded price of the equity securities over the 30 business days prior to the date that the issue is agreed in writing between the issuer and the subscribers; an explanation, including supporting information (if any), of the intended use of the funds and if options or convertible securities are issued, the effects of the issue on the statement of financial position, net asset value per share, net tangible asset value per share, the statement of comprehensive income, earnings per share, headline earnings per share and, if applicable, diluted earnings and headline earnings per share; and
- the maximum discount at which ordinary shares may be issued is 10% of the weighted average traded price of such ordinary shares measured over the 30 business days prior to the date that the price of the issue is agreed between the issuer and the subscriber(s).

Item 7: Remuneration

Ordinary Resolution 14: “Resolved to endorse, through a non-binding advisory vote, the Company’s remuneration policy. The Company’s remuneration policy is set out in Annexure 2 of the Integrated Annual Report.”

Shareholders are reminded that in terms of King IV, the passing of this ordinary resolution is by way of a non-binding vote. Should 25% or more of the votes cast vote against this ordinary resolution, the Company undertakes to engage with shareholders as to the reasons therefore.

Ordinary Resolution 15: “Resolved to endorse through a non-binding advisory vote, the Company’s Remuneration Implementation Report. The Company’s remuneration implementation report is set out in Annexure 3 of the Integrated Annual Report.”

Shareholders are reminded that in terms of King IV, the passing of this ordinary resolution is by way of a non-binding vote. Should 25% or more of the votes cast vote against this ordinary resolution, the Company undertakes to engage with shareholders as to the reasons therefore.

Special Resolutions 1.1 to 1.17: “Resolved that, the remuneration of the Company’s non-executive directors for the 2021 financial year, be approved each by way of separate special resolutions in terms of section 66 of the Companies Act (2008):

Special Resolution Number		2021 Fee Rand (excl VAT)
	Annual Retainer fees (in addition to meeting fees)	
1.1	Chair of the Invicta Board	675 000
1.2	Chair of the Audit Committee	225 000
1.3	Chair of the Remuneration Committee	75 000
1.4	Chair of the Investment Committee	75 000
1.5	Chair of the Social and Ethics Committee	60 000
1.6	Members of the Social and Ethics Committee	23 636
	Fees per routine meeting	
1.7	Invicta Board members	28 523
1.8	Audit Committee members	25 605
1.9	Remuneration Committee members	18 750
1.10	Investment Committee members	18 750
1.11	Invicta South Africa Holdings (Pty) Ltd Board members	13 787
	Fees per hour for ad hoc meetings	
1.12	Invicta Board members	2 380
1.13	Audit Committee members	2 135
1.14	Remuneration Committee members	1 562
1.15	Investment Committee members	1 562
1.16	Social and Ethics Committee members	1 970
1.17	Invicta South Africa Holdings (Pty) Ltd Board members	1 149

Explanatory Note: The Companies Act (2008) requires that the remuneration of directors for their services as directors be approved by way of special resolution. The executive directors are not paid an additional fee for their services as directors and their remuneration is determined in terms of their employment contracts.

Notice of annual general meeting

Item 8: General authority to repurchase shares

Special Resolution 2: “Resolved that, the Company and/or any subsidiary of the Company be and is hereby authorised by way of a general approval as contemplated in section 48 of the Companies Act (2008) as amended, to acquire from time to time any of the issued ordinary shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, but subject to the Memorandum of Incorporation (“MOI”) of the Company, the provisions of the Companies Act (2008) and the JSE Listings Requirements, where applicable (each as presently constituted and amended from time to time).”

Special Resolution 3: “Resolved that, the Company and/or any subsidiary of the Company be and is hereby authorised by way of a general approval as contemplated in section 48 of the Companies Act (2008) as amended, to acquire from time to time any of the issued preference shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, but subject to the Memorandum of Incorporation (“MOI”) of the Company, the provisions of the Companies Act (2008) and the JSE Listings Requirements, where applicable (each as presently constituted and amended from time to time).”

Explanatory Note: As it relates to Special Resolutions 2 and 3, it is recorded that, as at the date of this Report, the JSE Listings Requirements provide, *inter alia*, that the Company or any subsidiary of the Company may only make a general repurchase of the securities of the Company subject to the following:

- the repurchase of securities will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty;
- authorisation thereto being given by the MOI of the Company;
- this general authority shall only be valid until the Company’s next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution;
- in determining the price at which the Company’s securities are acquired by the Company in terms of this general authority, the maximum premium at which such securities may be acquired will be 10% (ten percent) of the weighted average of the market price at which such securities are traded on the JSE, as determined over the 5 (five) trading days immediately preceding the date of the repurchase of such securities by the Company;
- the acquisitions of securities in the aggregate in any one financial year do not exceed 20% (twenty percent) of the Company’s issued share capital from the date of the grant of this general authority;
- a resolution by the Board of directors authorising the repurchase, stating that the Company and its subsidiary/ies have passed the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the Group;
- the Company or its subsidiaries will not repurchase securities during a prohibited period as defined in paragraph 3.67 of the JSE Listings Requirements;
- when the Company has cumulatively repurchased 3% of the initial number of the relevant class of securities, and for each 3% (three percent) in aggregate of the initial number of that class acquired thereafter, an announcement will be made; and
- the Company only appoints one agent to effect any repurchase(s) on its behalf.

The JSE Listings Requirements require the following additional disclosure, some of which are elsewhere in this Report of which this Notice forms part as set out below:

- Directors and management – refer to pages 5 to 9 of the Annual Financial Statements;
- Major beneficial shareholders – refer to pages 84 and 85 of the Annual Financial Statements;
- Directors’ interests in shares – refer to page 9 and 76 of the Annual Financial Statements; and
- Share capital of the Company – page 8 and 64 of the Annual Financial Statements.

Directors’ responsibility statement

The directors, whose names are given in the Integrated Annual Report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution 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 resolution contains all information required by law and the JSE Listings Requirements.

Material changes

Other than the facts and developments reported on in the Report, there have been no material changes in the affairs or financial position of the Company and its subsidiaries since 31 March 2020.

Notice of annual general meeting

Statement of Board's intention

The Board, at the date of this Report, has no definite intention of repurchasing shares in Invicta on the open market of the JSE. It is, however proposed, and the Board believes it to be in the best interest of the Company, that shareholders pass a special resolution granting the board a general authority to acquire its own shares and permit subsidiary companies of Invicta to acquire shares in the Company.

Pursuant to a general repurchase other than shares repurchased by one or more of the subsidiary companies to be held as treasury shares, application will be made to the JSE for the cancellation and delisting of the shares in question. The cancellation of the shares will be effected by way of a reduction of the ordinary or preference share capital as the case may be.

Statement of directors

The Company's directors undertake that after considering the effect of such maximum repurchase, for a period of 12 (twelve) months following the date of this Notice of AGM:

- a. the Company and the Group will be in a position to repay their debts in the ordinary course of business;
- b. the assets of the Company and the Group, being fairly valued in accordance with IFRS, will be in excess of the liabilities of the Company and the Group;
- c. the share capital and reserves of the Company and the Group will be adequate for ordinary business purposes; and
- d. the working capital will be adequate to continue the ordinary business purposes of the Company and the Group.

Item 9: Financial assistance

Special Resolution 4: "Resolved that in terms of section 44(3)(a)(ii) of the Companies Act (2008), the provision from time to time of financial assistance (whether by way of loan, guarantee, the provision of security or otherwise) by the Company to any related or inter-related company, for the purposes of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company of the Company, or for the purchase of any securities of the Company or a related or inter-related Company of the Company, be and is hereby approved."

Explanatory Note: Such approval shall be in place for a period of two years from the date of adoption of this special resolution number 4 and be subject further to section 44(3)(b) of the Companies Act (2008) which states that the Board may not authorise such financial assistance unless the Board is satisfied that (i) immediately after providing such financial assistance, the Company would satisfy the solvency and liquidity test contemplated in section 4 of the Companies Act (2008); and (ii) the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

Special Resolution 5: "Resolved THAT in terms of section 45(3)(a)(ii) of the Companies Act (2008), the provision from time to time of financial assistance (including lending money, guaranteeing a loan or other obligation and securing any debt or obligation) by the Company to any related or inter-related company of the Company, be and is hereby approved."

Explanatory Note: Such approval shall be in place for a period of two years from the date of adoption of this special resolution and be subject further to section 45(3)(b) of the Companies Act (2008) which states that the Board may not authorise such financial assistance unless the Board is satisfied that (i) immediately after providing such financial assistance, the Company would satisfy the solvency and liquidity test contemplated in section 4 of the Companies Act (2008); and (ii) the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

Important information regarding attendance, participation and voting at the AGM

Record dates

The Board of Directors has set the record date on which shareholders must be recorded in the share register in order to be entitled to receive this Notice as Friday, 24 July 2020.

The record date in respect of participation and voting at the AGM is Friday, 4 September 2020, and the last date to trade is Tuesday, 1 September 2020.

Notice of annual general meeting

Electronic participation

Given restrictions on gatherings and travel due to the COVID-19 pandemic, the 2020 AGM will be held entirely through electronic communication, as provided for in section 63(2)(a) of the Companies Act. The Company's MOI does not prohibit electronic meetings.

Shareholders who wish to participate in the AGM, including proxy holders, will be required to submit the duly completed Electronic Participation Form, found on page 27 of this document, together with the relevant documents to Computershare Investor Services (Pty) Ltd ("Computershare"), as provided for on the form. Shareholders are strongly encouraged to complete their verification well ahead of time.

Once your shareholding, identity and authority (if the shareholder is not an individual) has been verified by Computershare, you will be provided with details on how to join the AGM web stream. A live voting function will not be available, and shareholders will be required to send their duly completed voting forms to Computershare via email before the meeting, or at the close of voting at the latest.

Shareholders that choose not to participate in the meeting can still submit their proxy forms as usual.

Voting instructions

Dematerialised shareholders

NB: Dematerialised shareholders whose shares are held in a nominee account must not complete the attached form of proxy.

If your Invicta shares are dematerialised and are held in a nominee account, then your CSDP (Central Securities Depository Participant, or "Participant" as defined in the Financial Markets Act, 2012) or broker should contact you to ascertain how you wish to cast your vote at the AGM and thereafter cast your vote in accordance with your instructions.

If you have not been contacted it would be advisable for you to contact your CSDP or broker and furnish them with your instructions. If your CSDP or broker does not obtain instructions from you, they will be obliged to act in terms of your mandate furnished to them, or, if the mandate is silent in this regard, to abstain from voting.

Unless you advise your CSDP or broker timeously in terms of your agreement by the cut-off time advised by them that you wish to attend the AGM or send a proxy to represent you, your CSDP broker will assume you do not wish to attend the AGM or send a proxy.

If you wish to participate in the AGM, request the necessary letter of representation from your CSDP or broker, and submit this letter together with the Electronic Participation Form on page 27.

Certificated Shareholders and "Own Name" Shareholders

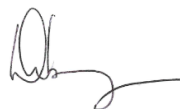
Certificated shareholders and "own name" shareholders that wish to participate in the AGM themselves, should submit their duly completed Electronic Participation Form on page 27, together with an acceptable form of identification.

Certificated shareholders or own name shareholders may also appoint a proxy to represent them at the AGM by completing the attached proxy form and returning it to Computershare by 24 hours prior to the meeting, or alternatively by the close of voting. If you appoint someone other than the chairman of the meeting as your proxy and want them to participate in the AGM, a duly completed electronic participation form should be submitted.

Joint Holders

The Company's MOI provides that any one of the joint holders of shares may vote either personally or by proxy at any meeting as if they were solely entitled to exercise that vote, and, if more than one of those joint holders is present at the AGM, either personally or by proxy, the joint holder who tenders a vote (including an abstention) and whose name stands in the Securities Register before the other joint holder(s) who are present, in person or by proxy will be the one entitled to vote.

By order of the Board



Lize Dubery
Group company secretary
Johannesburg
31 July 2020

Notice of annual general meeting

Annexure: Profile of directors

Steven Joffe (49) – being elected to the Board

CEO
CA(SA), BCom (Hons Taxation) and HDip (Company Law)

Steven was with the enX Group Limited for five years, initially as Chairman and later as CEO. Steven was previously the CEO of Wild Rose Management (Pty) Ltd and Gold Reef Casino Resorts Limited and joined Invicta as CEO on 1 January 2020.

Mpho Makwana (50) – being elected to the Board and Audit Committee

Lead Independent Non-executive director
B.Admin, Post Graduate Diploma in Retailing Management

Mpho has 30 years' business leadership and serves as non-executive director for Nedbank Ltd, ArcelorMittal South Africa Ltd and Illovo SA (Pty) Ltd, amongst others, and is a trustee on the board of the Nelson Mandela Children's Fund and BRAND SA.

Frank Davidson (55)- being elected to the Board and Audit Committee

Independent Non-executive director
B.Comm, B.Acc, CA(SA)

Frank, is a chartered accountant with a career as business owner and executive spanning over 30 years. Frank has worked in the wealth management business for more than 20 years and is currently engaged in private equity. Frank is an independent non-executive director of Nu-World Industries Ltd and KayDav Group Ltd.

Iaan van Heerden (48) – being elected to the Board

Non-executive director
BLC, LLB, LLM (cum laude), Higher Diploma in International Tax

Iaan served as an Investment Banking Director at Rand Merchant Bank and has more than 20 years' experience in, inter alia, investment banking, mergers and acquisitions, tax and corporate law. Iaan is a co-founder of Oryx Partners, which manages Dr Christo Wiese's family office and is a strategic business partner of the Wiese family.

Rashid Wally (76) – being re-elected to the Board and elected to the Audit Committee

Independent Non-executive Director
Years as a director: 5

Rashid has held various senior executive positions with IBM in Africa, Europe, the Middle East and South East Asia, including Lenovo in Africa. Rashid has over 38 years of experience in the Information Technology sector and was chairman of the board and member of the audit Committee of Mango Airlines SOC Limited. Rashid is currently chairman of Fastjet PLC, a listed company on the London Stock Exchange AIM Section, and also serves on that company's audit and risk Committee. Rashid was appointed as an independent non-executive director of Invicta on 30 July 2013.

Dr Christo Wiese (78) – being re-elected to the Board

Non-executive Chairman
Years as a director: 22
BA, LLB, DCom(h.c.)

Dr. Christo Wiese was appointed as a non-executive director of Invicta in October 1997 and served as chairman from October 1997 to April 2000. He was re-appointed as non-executive chairman of Invicta in January 2006. Dr Wiese is currently also the chairman of Tradehold Limited and Shoprite Holdings Limited.

Adv. Jacob Wiese (39) – being re-elected to the Board

Non-executive Director
Years as a director: 5
BA (Value and Policy Studies), LLB, MIEM (Bocconi, Italy)

Jacob obtained his BA degree, after which he worked at Lourensford Wine Estate, assisting in initiating event partnerships. After completing his master's degree in International Economics and Management and LLB his degree, he completed his pupillage at the Cape Bar and was admitted as an advocate of the High Court. Jacob was appointed as non-executive director of Invicta in July 2010.

Form of proxy

Invicta Holdings Limited

Registration number 1966/002182/06
Incorporated in the Republic of South Africa
Share code: IVT Ordinary Share • ISIN: ZAE000029773
IVTP Preference Share • ISIN: ZAE000173399
("Invicta" or "the Company" or "the Group")



For use only by shareholders who:

1. Hold their shares in certificated form; or
2. Hold dematerialised Invicta ordinary shares in their own name.

Shareholders are requested to deposit forms of proxy at the office of the transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196, or by post to Private Bag x9000, Saxonwold, 2132 (at own risk), or via email to proxy@computershare.co.za and info@invictaholdings.co.za. Any forms of proxy not lodged by this time may still be sent to these email addresses prior to the commencement of the meeting.

Note: Dematerialised shareholders holding shares other than with "own name" registration who wish to participate in the electronic AGM must inform their CSDP or broker of their intention to do so and request their CSDP or broker to issue them with the necessary letter of representation, to be submitted to Computershare with the Electronic Participation Form on page 27. Dematerialised shareholders that do not wish to participate in the electronic AGM may provide their CSDP or broker with their voting instructions. These shareholders must not use this form of proxy.

I/We (please print name in full) _____

of (address) _____

being a shareholder(s) of Invicta and holding _____ ordinary shares, hereby appoint (name in block letters)

1. _____ or failing them

2. _____ or failing them

3. the Chairman of the AGM.

as my/our proxy to act for me/us at the AGM which will be held on **Thursday, 17 September 2020 at 09:00 by electronic communication** for the purposes of considering and, if deemed fit, passing with or without modification, the resolutions below and at each adjournment or postponement thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares registered in my/our name(s). Unless otherwise instructed, my/our proxy may vote as he/she thinks fit.

Please indicate with an "X" in the appropriate spaces how you wish to cast your vote	For	Against	Abstain
Ordinary resolutions			
1. Confirmation of appointment of Steven Joffe			
2. Confirmation of appointment of Mpho Makwana			
3. Confirmation of appointment of Frank Davidson			
4. Confirmation of appointment of Iaan van Heerden			
5. Re-election of Rashid Wally			
6. Re-election of Dr Christo Wiese			
7. Re-election of Adv Jacob Wiese			
8. Election of Rashid Wally as member of the Audit Committee			
9. Election of Frank Davidson as member of the Audit Committee			
10. Election of Mpho Makwana as member of the Audit Committee			
11. Re-appointment of Ernst & Young Inc. as auditors			

Form of proxy

12.	Placing unissued shares under control of directors			
13.	General authority to issue shares for cash – limited to 5%			
14.	Endorsement of Remuneration Policy			
15.	Endorsement of Remuneration Implementation Report			
Special resolutions				
1.1	Approval of annual retainer for chair of Invicta Board	R675 000		
1.2	Approval of annual retainer for chair of the Audit Committee	R225 000		
1.3	Approval of annual retainer for chair of Remuneration committee	R75 000		
1.4	Approval of annual retainer for chair of Investment Committee	R75 000		
1.5	Approval of annual retainer for chair of Social and Ethics Committee	R60 000		
1.6	Approval of annual retainer for members of the Social and Ethics Committee	R23 636		
1.7	Approval of fee per routine meeting for Invicta Board members	R28 523		
1.8	Approval of fee per routine meeting for Audit Committee members	R25 605		
1.9	Approval of fee per routine meeting for Remuneration Committee members	R18 750		
1.10	Approval of fee per routine meeting for Investment Committee members	R18 750		
1.11	Approval of fee per routine meeting for Invicta South Africa Holdings (Pty) Ltd Board members	R13 787		
1.12	Approval of per hour ad hoc meeting fee for Invicta Board members	R2 380		
1.13	Approval of per hour ad hoc meeting fee for Audit Committee members	R2 135		
1.14	Approval of per hour ad hoc meeting fee for Remuneration Committee members	R1 562		
1.15	Approval of per hour ad hoc meeting fee for Investment Committee members	R1 562		
1.16	Approval of per hour ad hoc meeting fee for Social and Ethics Committee members	R1 970		
1.17	Approval of per hour ad hoc meeting fee for Invicta South Africa Holdings (Pty) Ltd Board members	R1 149		
2.	General authority to repurchase ordinary shares			
3.	General authority to repurchase preference shares			
4.	Approval for the provision of financial assistance for the subscription of shares			
5.	Approval for the provision of financial assistance to a related or inter-related company			

Signed at _____ on _____ 2020

Signature _____

Assisted by (where applicable) _____

Please read the notes below.

Notes to form of proxy incorporating a summary of section 58 of the Companies Act (2008)

1. A proxy appointment must be in writing, dated and signed by the shareholder and remains valid for the duration of the AGM and any adjournment or postponement thereof, unless the shareholder indicates otherwise on the form or the shareholder revokes the proxy by cancelling it in writing, or making a later inconsistent appointment of a proxy and delivering such documents to the transfer secretaries.
2. The completion and lodging of this form will not preclude the relevant shareholder from attending the AGM and speaking and voting in person thereat to the exclusion of any proxy appointed in terms thereof, should such shareholder wish to do so.
3. A shareholder may insert the name of a proxy or the name of an alternative proxy in the blank spaces provided, with or without deleting "the Chairman of the AGM". A proxy does not necessarily need to be a shareholder of the Company.
4. Shareholders should insert an "X" in the appropriate space according to how they wish their votes to be cast. Alternatively, if a shareholder wishes to cast their votes in respect of a lesser number of shares that they own or represent, this should be indicated by the insertion of the relevant number of votes in the space provided. Failure to comply with the above will be deemed to authorise the proxy holder to vote or abstain from voting at the AGM as they deem fit in respect of all the shareholder's votes exercisable thereat. A shareholder or his proxy is not obliged to use all the votes exercisable by the shareholder or his proxy, or cast them in the same way.
5. Any alteration or correction made to this form must be initialed by the signatory/ies.
6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries or waived by the chairman of the AGM.
7. The chairman of the AGM may reject or accept any form of proxy which is completed and/or received other than in accordance with these instructions, provided that he is satisfied as to the manner in which a shareholder wishes to vote.
8. A proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, unless the shareholder indicates otherwise on the proxy form.
9. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
10. Where there are joint holders of any shares any one holder may sign this form of proxy; and the vote(s) of the shareholder whose name appears first in the Company's securities register who tenders a vote (including an abstention), whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint shareholder(s).

Electronic participation form

Invicta Holdings Limited

Registration number 1966/002182/06
Incorporated in the Republic of South Africa
Share code: IVT Ordinary Share • ISIN: ZAE000029773
IVTP Preference Share • ISIN: ZAE000173399
("Invicta" or "the Company" or "the Group")



Shareholders or their proxies who wish to participate in the AGM to be held on **Thursday, 17 September 2020 at 09:00** via electronic communication ("AGM Participant") must notify the Company by delivering this form and supporting documents to the office of the transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196, or by post to Private Bag x9000, Saxonwold, 2132 (at own risk), or via email to proxy@computershare.co.za and info@invictaholdings.co.za as soon as possible, but by no later 09:00 on Wednesday, 16 September 2020. Shareholders are strongly encouraged to complete their verification well ahead of time.

Each AGM Participant, who has successfully been verified by Computershare, will be provided with the details on how to join the AGM webcast. There will not be a live voting function available during the proceedings. Once verified, participants will be provided with a voting form and are strongly encouraged to send their completed forms to Computershare at least 24 hours before the meeting. Shareholders that prefer to complete their voting forms during the meeting proceedings will still be able to email their voting forms to proxy@computershare.co.za and info@invictaholdings.co.za during the meeting.

Please refer to page 22 of the Notice of AGM Important information regarding participation and voting at the AGM.

Name of registered shareholder:	
ID/Passport number or registration number of registered shareholder:	
Name and contact details of CSDP or broker (If shares are held in dematerialised format):	
Shareholder Number/ SCA number/Broker account number/ Own name account number or Custodian Account number:	
Number of ordinary shares held:	
Full name of AGM Participant:	
ID number/Passport number of AGM Participant:	
Email address:	
Cellphone number:	

By signing this form I/we agree and consent to the processing of my/our personal information above for the purpose of participation in the AGM and acknowledge the following:

The cost of joining the AGM is for the expense of the AGM Participant and will be billed separately by the AGM Participant's own internet service provider. The AGM Participant is not permitted to share the link with a third party.

The Company, its agents and third party service providers cannot be held accountable, and will not be obliged to make alternative arrangements, in the event of a loss or interruption of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth, power outages or any other circumstances which prevents any shareholder or proxy holder from participating in the AGM or voting.

Signed at _____ on _____ 2020

Signature _____

Assisted by (where applicable) _____

Electronic participation form

Important: Please attach the following documents:

- Dematerialised shareholders (except “own name” holders): The letter of representation from your CSDP or broker and a copy of your identity document/passport/driver’s licence.
- Certificated or “own name” shareholders (individuals): A copy of your identity document/passport/ driver’s licence.
- Certificated or “own name” shareholders (entities): A copy of the resolution authorizing the individual to represent the entity and a copy of the identity document/passport/driver’s licence of the representative.
- Proxy holders: The duly completed and signed proxy form and a copy of your identity document/passport /driver’s licence.

Administrative and corporate information

Registered office: Invicta Holdings Limited, 3 Droste Crescent, Droste Park, Johannesburg, Gauteng, 2094.

PO Box 33431, Jeppesstown, Johannesburg, Gauteng, 2043

info@invictaholdings.co.za | www.invictaholdings.co.za

Transfer secretaries: Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196. Private Bag X9000, Saxonwold, 2132, South Africa

Tel: 011 370 5000 www.computershare.com

Sponsor: Deloitte & Touche Sponsor Services Proprietary Limited, 5 Magwa Crescent, Waterfall City, Johannesburg, Gauteng, 2090

Directors: Dr CH Wiese* (Chairman), SB Joffe (Chief Executive Officer) (Appointed 1 January 2020), C Barnard, N Rajmohamed, GM Pelsler, DI Samuels^, LR Sherrell*, AM Sinclair, RA Wally^, Adv JD Wiese*, PM Makwana^ (Appointed 1 May 2020), I Van Heerden* (Appointed 1 May 2020), F Davidson^ (Appointed 1 May 2020)

* Non-executive ^ Independent non-executive

Group company secretary: L Dubery



www.invictaholdings.co.za