

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")

PROPOSED SPECIFIC REPURCHASES OF INVICTA ORDINARY SHARES AND CAUTIONARY ANNOUNCEMENT

Proposed specific repurchases of Invicta ordinary shares

1. Introduction and background

Invicta shareholders are advised that Invicta has concluded agreements ("**Repurchase Agreement/s**") with Mr Lance R Sherrell ("**L Sherrell**") and Mr David I Samuels ("**D Samuels**") in terms of which Invicta will repurchase 1 500 000 and 2 400 000 Invicta ordinary shares respectively (collectively, 3 900 000 Invicta ordinary shares), for an aggregate cash consideration of R109.2 million (the "**Share Repurchase(s)**").

The Invicta board of directors ("**Board**") has also resolved to repurchase from Humulani Marketing Proprietary Limited ("**Humulani**"), a wholly-owned subsidiary of Invicta South Africa Holdings Proprietary Limited, which in turn is a subsidiary of Invicta, 1 541 823 Invicta ordinary shares (currently held as treasury shares), for a cash consideration of R48.907 million (the "**Treasury Share Repurchase**").

The Share Repurchases and the Treasury Share Repurchase are together referred to as the "**Specific Repurchases**".

L Sherrell is a non-executive director of Invicta and therefore the Share Repurchase as it relates to him is a repurchase from a "related party" as defined in the JSE Limited ("**JSE**") Listings Requirements. D Samuels, a past director of Invicta who resigned with effect from 31 July 2020, is no longer classified as a "related party" in terms of the JSE Listings Requirements.

2. Terms of the Specific Repurchases

2.1. The Specific Repurchases will be undertaken at a price of:

2.1.1. R28.00 per Invicta ordinary share for the Share Repurchases; and

2.1.2. R31.72 per Invicta ordinary share for the Treasury Share Repurchase,

collectively the "**Repurchase Price**".

2.2. The Share Repurchases are subject to the following conditions:

2.2.1. Invicta shareholder approval;

2.2.2. in respect of the Specific Repurchase from L Sherrell, on or before 18h00 on 30 November 2021, Invicta informing L Sherrell that it is proceeding with the acquisition of a business ("**Proposed Acquisition**") (which acquisition will be categorised as a category 2 transaction in terms of the JSE Listings Requirements – see the "Cautionary announcement" below) and that all the suspensive conditions to the implementation of the Proposed Acquisition have been fulfilled;

2.2.3. in respect of the Specific Repurchase from D Samuels, on or before 18h00 on 30 September 2021, Invicta informing D Samuels that it is proceeding with the Proposed Acquisition and by 30 November 2021, Invicta informing D Samuels that all the suspensive conditions to the implementation of the Proposed Acquisition have been fulfilled and the necessary Invicta shareholder approval has been obtained; and

- 2.2.4. as regards the Share Repurchase from D Samuels, should Invicta not inform D Samuels as per 2.2.3 above, Invicta is entitled to inform him in writing ("**Continuation Notice**") by no later than 18h00 on 5 October 2021 that it wants to proceed with the Share Repurchase. If Invicta furnishes D Samuels with the Continuation Notice and the condition in paragraph 2.2.3 above is not fulfilled by 30 November 2021, D Samuels shall be entitled to put 500 000 Invicta ordinary shares to Invicta at the Repurchase Price for a period of 5 days after 30 November 2021.
- 2.3. The Treasury Share Repurchase is subject to Invicta shareholder approval.
- 2.4. The Repurchase Price represents:
- 2.4.1. a 0.99% discount to the 30-day volume weighted average price ("**VWAP**") up to and including 7 September 2021 for the Share Repurchases, being the day before the Repurchase Agreements were concluded. As the Repurchase Price is at a discount to the 30-day VWAP, and the Share Repurchase from L Sherrell is from a "related party", no fairness opinion is required in terms of the JSE Listings Requirements; and
- 2.4.2. a 5.77% premium to the 30-day VWAP up to and including 8 September 2021 for the Treasury Share Repurchase, being the day before the Board resolved to proceed with the Treasury Share Repurchase. It should further be noted that the Repurchase Price of the Treasury Share Repurchase is equivalent to the price paid when the initial purchase was undertaken by Humulani.
- 2.5. The Invicta ordinary shares proposed to be repurchased in terms of the Specific Repurchases ("**Repurchase Shares**") represent 4.81% of all the issued ordinary shares of Invicta, including treasury shares.
- 2.6. Subsequent to the approval of the Specific Repurchases by shareholders, the Repurchase Shares will revert to authorised but unissued ordinary shares in the ordinary share capital of the Company and an application will be made to the JSE for the delisting and cancellation of the Repurchase Shares.
- 2.7. The date upon which the Specific Repurchases are to be made will be as soon as possible after fulfilment of the conditions detailed in paragraphs 2.2 and 2.3 above, and is expected to be on or about 29 November 2021, with the Repurchase Shares being delisted and cancelled on or about 30 November 2021.
- 2.8. There will be no Invicta ordinary shares held in treasury after the Specific Repurchases.

3. Impact of the Specific Repurchases on the financial information of Invicta

- 3.1. The Specific Repurchases are for cash only and will therefore reduce Invicta's cash resources by R109.2 million, being the consideration for the Share Repurchases.
- 3.2. The Specific Repurchases will result in a decrease of Invicta's ordinary shares in issue by 5 441 823 ordinary shares.

4. Circular and general meeting

- 4.1. A circular setting out the details of the Specific Repurchases, incorporating a notice of general meeting (the "**Circular**"), will be distributed to Invicta shareholders on or about Friday, 29 October 2021. The general meeting is expected to be convened on or about Monday, 29 November 2021 ("**General Meeting**").
- 4.2. In accordance with paragraph 5.69(b) of the JSE Listings Requirements:
- 4.2.1. L Sherrell, D Samuels and their associates will be taken into account in determining the quorum at the General Meeting of Invicta shareholders to approve the resolutions required to implement the Share Repurchases, but their votes will not be taken into account in determining the results of the voting at the General Meeting (as it relates to the separate resolutions relating to each of their Share Repurchases); and

4.2.2. Humulani and its associates will be taken into account in determining the quorum at the General Meeting of Invicta shareholders to approve the resolution required to implement the Treasury Share Repurchase, but their votes will not be taken into account in determining the results of the voting at the General Meeting (as it relates to the resolution relating to the Treasury Share Repurchase).

Cautionary announcement

As referred to in paragraph 2.2.2 above, Invicta has entered into negotiations for the Proposed Acquisition which may have a material effect on the price of Invicta's securities. Accordingly, shareholders are advised to exercise caution when dealing in the Company's securities until a full announcement is made.

Johannesburg
13 September 2021

Corporate Advisor and Transaction Sponsor
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