



Taking action with a strategic focus...



Summarised annual financial statements **2014**
for the year ended 31 March



OUR VISION

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

OUR MISSION

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

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

OUR CORE VALUES

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

The summary annual financial statements of Nictus Limited is a summary of the audited annual financial statements of Nictus for the period 1 April 2013 to 31 March 2014. The summary annual financial statements have not been independently assured.

Mr FM Theart (financial director, CA (SA)) was responsible for supervising the preparation of these summary annual financial statements.

The full integrated report and annual financials statements is available on our website www.nictuslimited.co.za from 30 June 2014.

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GROUP PROFILE

Nictus Group is a retailer of household furniture, electrical appliances and home electronics sold through the Nictus Furnishers brand as well as a short-term insurer through the Corporate Guarantee brand.

The Group has three furniture retail stores in South Africa. Nictus places the customer first by continually striving towards Excellence. Helpful personnel provide service with dedication and motivation, while maintaining integrity, focus and sound values. Products are of the highest quality and provide excellent value for money. Stores are situated in Makhado, Polokwane and Randburg.

The furniture retail segment is primarily focused on the expanding higher to middle income market in the living standards measurement (LSM) 7 category and above. The Group has a large credit customer base in the areas that we operate in. Customers are predominantly from black communities.

The financial services division of the Nictus Group is run through Corporate Guarantee, which brings a unique approach to short-term insurance through the alternative risk transfer model. Offices are currently situated in Randburg and Cape Town.

The high levels of repeat sales in both furniture and insurance divisions are evidence of service satisfaction,

trust and customer loyalty. As part of the commitment to service excellence, the Group ensures that clients are served by staff from their own communities.

Nictus was founded in 1945 and was primary listed on the JSE on 1 July 1969, under general retailers, JSE code [JSE: NCS] and secondary listed on the NSX on 31 October 1992 under the NSX code [NSX: NCT].

The selling of new furniture under the Nictus brand name first commenced in Namibia in 1955. The first South African furniture outlet was established in Randburg in 1983.

Corporate Guarantee (South Africa) Limited was founded in 2002. Initially Corporate Guarantee was only based in Randburg, but it has subsequently also established an office in Bellville, Western Cape.

Since the 2012 unbundling of the Namibian operation the Group is making steady progress towards sustainable profit and growth with effective management being established in South Africa.



Please refer to the website for more information at www.nictuslimited.co.za

THE NICTUS PHILOSOPHY

Nictus has been successful in change initiatives. The challenge remains to reach a top level of **EXCELLENCE** throughout the organisation. The philosophy and core focus will be to drive **EXCELLENCE** in every aspect of the organisation and through this establish Nictus as a leading entity wherever we are present.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 March 2014

Figures in R'000	2014	2013
Assets		
Non-current assets	58 636	57 807
Property, plant and equipment	16 997	17 681
Intangible assets	573	–
Investments	32 883	26 058
Loans and receivables	5 723	10 944
Deferred tax assets	2 460	3 124
Current assets	375 073	276 202
Total assets	433 709	334 009
Equity and liabilities		
Equity	81 591	76 049
Stated capital	48 668	48 668
Revaluation reserve	8 170	5 905
Retained earnings	24 753	21 476
Liabilities		
Non-current liabilities	2 506	5 045
Deferred tax liabilities	2 506	5 045
Current liabilities*	349 612	252 915
Insurance contract liability	338 920	244 698
Other current liabilities	10 692	8 217
Total liabilities	352 118	257 960
Total equity and liabilities	433 709	334 009

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 March 2014

Figures in R'000	Note	2014	2013
Continuing operations			
Revenue		48 757	40 156
Cost of sales		(20 685)	(22 228)
Gross profit		28 072	17 928
Other income		2 285	4 300
Investment income from operations		18 557	14 064
Operating and administrative expenses	4	(48 651)	(51 458)
Results from operating activities		263	(15 166)
Investment income		3 405	2 005
Operating profit/(loss) before financing costs		3 668	(13 161)
Financing expenses		(1)	(524)
Profit/(loss) before taxation		3 667	(13 685)
Taxation expense		(653)	(33)
Profit/(loss) from continuing operations		3 014	(13 718)
Discontinued operations			
Loss from discontinued operations, net of tax		–	(1 411)
Profit/(loss) for the year		3 014	(15 129)
Other comprehensive income for the year		263	–
Deferred taxation related to other comprehensive income		263	–
Total comprehensive income for the year		3 277	(15 129)
Profit and total comprehensive income attributable to:			
Owners of the Company		3 277	(15 129)
Earnings per share			
Earnings/(loss) per share (cents)		4,55	(22,92)
Diluted earnings/(loss) per share (cents)		4,55	(22,92)
Weighted average number of shares in issue (000's)		66 270	59 839

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2014

Figures in R'000	2014	2013
Cash flow from operating activities		
Cash generated from/(utilised by) operations	70 647	(227 387)
Investment income from operations received	17 233	12 902
Finance expense paid	(1)	(524)
Dividends received	1 324	1 162
Taxation paid	-	(401)
Net cash flow from operating activities	89 203	(214 248)
Net cash flow utilised by investing activities	(17 375)	(160)
Net cash generated by financing activities	-	37 032
Net increase/(decrease) in cash and cash equivalents	71 828	(177 376)
Cash and cash equivalents at beginning of year	120 458	297 834
Cash and cash equivalents at end of year	192 286	120 458

RECONCILIATION BETWEEN EARNINGS AND HEADLINE EARNINGS

for the year ended 31 March 2014

Figures in R'000	2014	2013
Continued operations		
Profit/(loss) for the year, net of taxation	3 014	(13 718)
Profit on disposal of property, plant and equipment	(12)	(2)
Headline earnings/(loss)	3 002	(13 720)
Headline earnings/(loss) per share (cents)	4,53	(22,93)
Diluted headline earnings/(loss) per share (cents)	4,53	(22,93)
Discontinued operations		
Loss for the year, net of taxation	-	(1 411)
Profit on disposal of property, plant and equipment	-	(84)
Headline loss	-	(1 495)
Headline loss per share (cents)	-	(2,50)
Diluted headline loss per share (cents)	-	(2,50)

CONDENSED SEGMENTAL REPORT

for the year ended 31 March 2014

Figures in R'000	2014	2013
Segment assets		
Furniture retail	50 429	53 627
Insurance and finance	413 126	304 684
	463 555	358 311
Head office and eliminations	(29 846)	(24 302)
	433 709	334 009
Segment revenue		
Furniture retail	36 573	38 851
Insurance and finance	13 460	3 000
	50 033	41 851
Head office and eliminations	(1 276)	(1 695)
	48 757	40 156
Operating profit/(loss) after taxation from continuing operations		
Furniture retail	(806)	(12 265)
Insurance and finance	5 040	2 833
	4 234	(9 432)
Head office and eliminations	(1 220)	(4 286)
	3 014	(13 718)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March 2014

Figures in R'000	Share capital	Stated capital	Re-valuation reserve	Contingency reserve	Total non-distributable reserves	Retained earnings	Total equity
Balance at 1 April 2012	26 722	–	53 918	9 196	63 114	78 731	168 567
<i>Total comprehensive income for the year</i>							
Loss for the year							
– continuing operations	–	–	–	–	–	(13 718)	(13 718)
– discontinued operations	–	–	–	–	–	(1 411)	(1 411)
Total comprehensive income for the year	–	–	–	–	–	(15 129)	(15 129)
Transactions with owners of the Group, recognised directly in equity							
<i>Contributions by and distributions to the owners of the Group</i>							
Issue of new ordinary shares	–	21 946	–	–	–	–	21 946
Conversion of shares	(26 722)	26 722	–	–	–	–	–
Dividends to shareholders	–	–	–	–	–	(7 616)	(7 616)
Distribution to shareholders	–	–	–	–	–	(91 719)	(91 719)
Total contributions by and distributions to the owners of the Group	(26 722)	48 668	–	–	–	(99 335)	(77 389)
Transfers to retained earnings							
Transfer from reserves on distribution to shareholders	–	–	(46 243)	(7 090)	(53 333)	53 333	–
Transfer from revaluation reserve on distributions to shareholders	–	–	(1 770)	–	(1 770)	1 770	–
Transfer from contingency reserve on distribution to shareholders	–	–	–	(2 106)	(2 106)	2 106	–
Total transfers to retained earnings	–	–	(48 013)	(9 196)	(57 209)	57 209	–
Balance at 31 March 2013	–	48 668	5 905	–	5 905	21 476	76 049
Total comprehensive income for the year							
Profit for the year	–	–	–	–	–	3 014	3 014
Taxation adjustments to revaluation of properties	–	–	–	–	–	263	263
Total comprehensive income for the year	–	–	–	–	–	3 277	3 277
Transfers to reserves							
Adjustments to revaluation reserve	–	–	2 265	–	2 265	–	2 265
Balance at 31 March 2014	–	48 668	8 170	–	8 170	24 753	81 591

NOTES TO THE FINANCIAL INFORMATION

for the year ended 31 March 2014

1. Revenue of operations

- Group revenue increased by 21% to R48,7 million.
- The Group's asset base increased by 33% to R434,0 million.
- Net profit after taxation for the period increased by R18,14 million resulting in a profit of R3,0 million.
- Operating and administrative expenses decreased by 5% to R48,6 million.

The revenue and profit for the year under review increased dramatically compared to the prior year. The major contributing factor to the success is attributed to intensified management focus on the utilisation of the additional capital injected in the prior year. It is also important to note that once off costs of R4 million incurred in the prior period relating to the unbundling were not incurred in the current period.

Despite the turmoil in the South African economy resulting in strikes and labour unrest across all sectors, the equity markets have performed reasonable well. It remains to be seen what effect rising inflation will have on consumer spending in the second half of the Group's current financial year.

2. Statement of compliance

The summary consolidated annual financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for provisional reports, and the requirements of the Companies Act applicable to summary financial statements. The Listings Requirements require provisional reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and 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 summary financial statements were derived are in terms of International Financial Reporting Standards and are consistent with those accounting

policies applied in the preparation of the previous consolidated annual financial statements.

These summary annual financial statements is extracted from the audited annual financial statements for the year ended 31 March 2014 but is not audited itself. KPMG Inc. audited the annual financial statements for the year ended 31 March 2014 and the unmodified audit report is available for inspection at the registered office of Nictus.

The accounting policies used to prepare the summary annual financial statements are consistent with those used to prepare the annual financial statements for the year ended 31 March 2013, and are in accordance with IFRS.

3. Directors' responsibility

The directors take full responsibility of the preparation of the summary annual financial statements, and that the financial information has been correctly extracted from the underlying audited annual financial statements for the year ended 31 March 2014.

4. Basis of measurement

The summary annual financial statements are presented in thousands of South African Rands (R'000s) on the historical cost basis, except for derivative financial instruments which are measured at fair value and land and buildings held for administrative purposes which are measured at revalued amounts. The accounting policies presented in the audited annual financial statements for the year ended 31 March 2014 have been applied consistently to all of the periods presented in the summary annual financial statements by all Group entities.

5. Related parties

During the period, certain companies within the Group entered into transactions with each other. These intra-Group transactions have been eliminated on consolidation. Related party information is unchanged from that reported at 31 March 2014. Refer to the 2014 audited annual financial statements for further information.

SEGMENTAL RESULTS

for the year ended 31 March 2014

Furniture retail

Revenue decreased by 6% compared to the prior year. The revenue was effectively achieved in only three branches compared to four in the prior year, following the closure of the Maponya Mall branch. Revenue however remains a focus point in the light of the uncertain impact of rising inflation on consumer spending and buying power. However the loss decreased significantly due to the bad debts recovers with further intensified management focus and specific actions taken to improve profitability. The positive effect of the additional capital injected in the prior year is becoming evident.

Insurance and finance

Insurance and finance: The premium income increased, and investment income was higher than last year as a result of the additional capital resulting in a 78% increase in net profit compared to the prior year for the segment. The performance of equities on the JSE remains highly unpredictable and is monitored constantly to ensure returns are maximised.

The regulatory environment in the insurance industry is rapidly changing with an uncertain outcome at this point in time, the segment management is intensely involved to keep up to date with changes and to keep the board informed.

NOTICE OF ANNUAL GENERAL MEETING



Nictus Limited

(Nictus or the Company)
(Incorporated in the Republic of South Africa)
Registration number RSA: 81/011858/06
Registration number NAM 781/11858
JSE share code: NCS | NSX share code: NCT
ISIN number: NA0009123481

Notice is hereby given that the annual general meeting of the shareholders of Nictus will be held in the boardroom, Nictus Building, corner of Pretoria and Dover Street, Randburg (see map on page 132), on 21 August 2014 at 12:00 (SA time), to deal with the business as set out below and to consider and, if deemed appropriate, pass the ordinary and special resolutions set out in this notice.

1. Record date

The board of directors of the Company has determined that the record date in terms of section 59(1) of the Companies Act (**the Companies Act**) for the purpose of determining which shareholders of the Company are entitled to receive notice of the annual general meeting is Friday, 20 June 2014 and the record date for purposes of determining which shareholders of the Company are entitled to participate in and vote at the annual general meeting is Friday, 8 August 2014. Accordingly, only shareholders who are registered in the register of members of the Company, or their proxies, on Friday, 8 August 2014 will be entitled to participate in the meeting. Accordingly, the last day to trade in order to be on the register on the record date to participate and vote at the annual general meeting shall be Friday, 1 August 2014.

2. General purpose of the annual general meeting

The general purpose of the annual general meeting is to:

- 2.1 consider and, if deemed fit, pass with or without modification the resolutions set out hereunder; and

- 2.2 deal with any business that may lawfully be dealt with at the annual general meeting.

3. Presentation of annual financial statements

The consolidated audited annual financial statements of the Company and its subsidiaries, incorporating the reports of the auditors, the audit committee and the directors for the year ended 31 March 2014, will be presented to shareholders as required in terms of section 30(3)(d) of the Companies Act.

4. Resolutions for consideration and approval

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

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

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

4.2 Ordinary resolution 2: election of Gerard Swart as a director

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

In order for this ordinary resolution number 2 to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

4.3 Ordinary resolution 3: election of FM Theart as a director

"Resolved that FM Theart be and is hereby elected as a director of the Company."

In order for this ordinary resolution number 3 to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

NOTICE OF ANNUAL GENERAL MEETING continued

4.4 Ordinary resolution 4: approval of remuneration policy

"Resolved to approve, by way of a non-binding, advisory vote, the remuneration policy of the Company as set out on page 118 of the annual report of which this notice forms part."

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

4.5 Special resolution 1: approval of directors' remuneration

"Resolved that the Company be and is hereby authorised to pay remuneration to its directors for their services as directors, as contemplated in sections 66(8) and 66(9) of the Companies Act, and that the remuneration structure and amounts as set out below, be and are hereby approved until such time as rescinded or amended by the ordinary shareholders by way of a special resolution."

Name of director	Fee per meeting					
	Annual fee R	Board R	Audit committee R	Remuneration committee R	Risk committee R	Executive committee R
BJ Willemse	539 000	273 600	113 600	56 800		142 000
G Swart	326 600	77 600	113 600	99 400		
JD Mandy	369 200	77 600	198 800	56 800		
NC Tromp	9 600	9 600				
FM Theart	19 000	9 600			9 400	
PJ de W Tromp	14 200	9 600			4 600	

Special resolution number 1 is required in terms of section 66 of the Companies Act, which requires that directors' remuneration for their services as directors may be paid by a company only in accordance with a special resolution approved by shareholders within the previous two years.

In order for special resolution number 1 to be passed the support of at least 75% (seventy-five per cent) of the voting rights exercised on the resolution by the shareholders present in person, or represented by proxy, at the annual general meeting is required.

Resolved that the Company be and is hereby authorised to determine the remuneration of the directors for the year ended 31 March 2015 and to confirm the amount paid in management and consulting fees.

4.6 Ordinary resolution 5: re-election of JD Mandy as a member of the audit committee

"Resolved that JD Mandy, a director of the Company who fulfils the requirements contemplated in section 94(4) of the Companies Act, be and is hereby re-elected as a member of the audit committee of the Company, to hold office until the conclusion of the next annual general meeting of the Company."

In order for this ordinary resolution number 5 to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

4.7 Ordinary resolution 6: re-election of BJ Willemse as a member of the audit committee

"Resolved that BJ Willemse, a director of the Company who fulfils the requirements contemplated in section 94(4) of the Companies Act, be and is hereby re-elected as a member of the audit committee of the Company, to hold office until the conclusion of the next annual general meeting of the Company. BJ Willemse will serve a dual function as the independent non-executive chairman of the board and a member of the audit committee."

In order for this ordinary resolution number 6 to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

4.8 Ordinary resolution 7: election of Gerard Swart as a member of the audit committee

"Resolved that Gerard Swart, a director of the Company who fulfils the requirements contemplated in section 94(4) of the Companies Act, be and is hereby elected as a member of the audit committee of the Company, to hold office until the conclusion of the next annual general meeting of the Company."

In order for this ordinary resolution number 7 to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

4.9 Ordinary resolution 8: re-appointment of JD Mandy as chairperson of audit committee

"Resolved that JD Mandy, a director of the Company who fulfils the requirements contemplated in section 94(4) of the Companies Act, be and is hereby re-appointed as the chairperson of the audit committee of the Company, to hold office until the conclusion of the next annual general meeting of the Company."

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

4.10 Ordinary resolution 9: re-appointment of KPMG as auditors

"Resolved that, on recommendation of the audit committee of the Company, KPMG Incorporated (Jacques Wessels being the designated audit partner of KPMG) be and is hereby re-appointed as auditors of the Company (the designated auditor meeting the requirements of section 90(2) of the Companies Act), to hold office until the conclusion of the next annual general meeting of the Company."

In order for this ordinary resolution number 9 to be passed, the support of more than 50% (fifty per cent) of the voting rights exercised on the resolution by shareholders present in person, or represented by proxy, at the annual general meeting is required.

4.11 Ordinary resolution 10: authority to issue ordinary shares

"Resolved that the board of directors be and is hereby authorised by way of a general authority to issue at their discretion up to 15% (fifteen per cent (27 559 359 shares)) of the authorised but unissued ordinary shares in the Company from time to time, whether created before or after the passing of this resolution and/or to grant options to subscribe for such 15% (fifteen per cent) of the authorised but unissued shares from time to time, for such purposes and on such terms and conditions as they may determine, provided that such transaction(s) has/ have been approved by the JSE Limited and are subject to the JSE Listings Requirements, the Companies Act and the following conditions, namely that:

- 4.11.1 this authority shall only be valid until the next annual general meeting of the Company but shall not extend beyond 15 (fifteen) months from the date of this meeting;
- 4.11.2 the issue of the shares must be made to persons qualifying as public shareholders as

NOTICE OF ANNUAL GENERAL MEETING continued

defined in the Listings Requirements of the JSE;

4.11.3 the shares which are the subject of the issue:

4.11.3.1 must be of a class already in issue, or where this is not the case, must be limited to such shares or rights that are convertible into a class already in issue;

4.11.3.2 shall not exceed 15% (fifteen per cent) of the number of shares of the Company's issued ordinary shares in aggregate (excluding treasury shares) within the period contemplated in 4.11.1 (including the number of any shares that may be issued in future arising out of the issue of options); and

4.11.3.3 that a paid press announcement giving full details, including the impact of the issue on net asset value, net tangible asset value, earnings and headline earnings per share and if applicable, diluted earnings and diluted headline earnings per share, be published after any issue representing, on a cumulative basis within the period contemplated in 4.11.1, 5% (five per cent) of the number of shares in issue prior to the issue concerned;

4.11.4 in determining the price at which an issue of shares for cash will be made in terms of this authority, the maximum discount permitted shall be 10% (ten per cent) of the weighted average traded price of the ordinary shares on the JSE, measured over the 30 (thirty) business days prior to the date that the price of the issue is agreed between the Company and the party subscribing for the shares; and

4.11.5 separately, such shares as have been reserved to be issued by the Company in terms of its share and other employee incentive schemes."

In order for this ordinary resolution number 10 to be passed, the support of more than 75% (seventy five per cent) of the voting rights exercised on the resolution by all equity share holders (as defined in the JSE Listings Requirements) present in person, or represented by proxy, at the annual general meeting is required.

4.12 Special resolution 2: general authority to repurchase shares

"Resolved that the Company, in terms of its memorandum of incorporation, or one of its wholly owned subsidiaries, in terms of such wholly owned subsidiary's MOI, as the case may be, and subject to the relevant subsidiary passing the necessary special resolution, be and is hereby authorised by way of a general approval, to acquire the Company's own securities, upon such terms and conditions and in such amounts as the directors may from time to time decide, subject to the Listings Requirements and the Companies Act and subject to the following:

4.12.1 This general authority shall 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 resolution (whichever period is shorter);

4.12.2 The repurchase being effected through the order book operated by the JSE trading system, without any prior understanding or arrangement between the Company and the counterparty;

4.12.3 Repurchases may not be made at a price greater than 10% (ten per cent) above the weighted average of the market value of the ordinary shares for the 5 (five) business days immediately preceding the date on which the transaction was effected;

4.12.4 An announcement being published as soon as the Company has repurchased ordinary shares constituting, on a cumulative basis, 3% (three per cent) of the initial number of ordinary shares, and for each 3% (three per cent) in aggregate of the initial number of ordinary shares repurchased thereafter, containing full details of such repurchases;

4.12.5 The number of shares which may be acquired pursuant to this authority in any one financial year may not in the aggregate exceed 20% (twenty per cent) of the Company's issued share capital as at the date of passing of this special resolution or 10% (ten per cent) of the Company's issued share capital in the case of an acquisition of shares in the Company by a subsidiary of the Company;

4.12.6 The Company's sponsor confirming the adequacy of the Company's working capital for purposes of undertaking the repurchase of ordinary shares in writing to the JSE prior to the Company entering the market to proceed with the repurchase;

4.12.7 The Company and/or its subsidiaries not repurchasing securities during a prohibited period as defined in the JSE Listings Requirements, unless it has in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed and full details of the programme have been disclosed in an announcement published on SENS prior to the commencement of the prohibited period;

4.12.8 At any point in time the Company only appointing one agent to effect any repurchases on its behalf;

4.12.9 The board of directors must pass a resolution that they authorised the repurchase and that the Company passed the solvency and liquidity test set out in section 4 of the Companies Act and that since the test was done there have been no material changes to the financial position of the Group;

4.12.10 The directors, having considered the effects of the maximum repurchase permitted, are of the opinion that for a period of 12 (twelve) months after the date of the notice of the annual general meeting and at the actual date of the repurchase;

4.12.11 The Company and the Group will be able, in the ordinary course of business, to pay its debts;

4.12.12 The working capital of the Company and the group will be adequate for ordinary business purposes;

4.12.13 The assets of the Company and the Group, fairly valued in accordance with International Financial Reporting Standards, will exceed the liabilities of the Company and the Group; and

4.12.14 The Company's and the Group's ordinary share capital and reserves will be adequate for ordinary business purposes."

Section 48 of the Companies Act authorises the board of directors of a company to approve the acquisition of its own shares subject to the provisions of section 48 and section 46 having been met. The JSE Listings Requirements requires the approval of a 75% (seventy five per cent) majority of the votes cast by shareholders present or represented by proxy at the annual general meeting for special resolution number 2 to become effective.

4.13 Special resolution 3: financial assistance to entities related or inter-related to the Company

"Resolved that, as a general approval, the Company may, in terms of section 45(3)(a)(iii) of the Companies Act, provide any direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in section 45(1) of the Companies Act) to any related or inter-related company or to any juristic person who is a member of or related to any such company/ies ("related" and "inter-related" will herein have the meaning attributed to it in section 2 of the Companies Act), subject to compliance with the remainder of section 45 of the Companies Act, as the board of directors of the Company may deem fit and on the terms and conditions, to the recipient/s, in the form, nature and extent and for the amounts that the board of directors of the Company may determine from time to time."

The effect of special resolution number 3, if adopted, is to confer the authority on the board of directors of the Company to authorise financial assistance to companies related or inter-related to the Company or to any juristic person who is a member of or related to

NOTICE OF ANNUAL GENERAL MEETING continued

any such companies generally as the board of directors may deem fit, on the terms and conditions, and for the amounts that the board of directors may determine from time to time, for a period of two years from the date of the adoption of the special resolution and in particular as specified in the special resolution.

In order for special resolution number 3 to be passed the support of at least 75% (seventy five per cent) of the voting rights exercised on the resolution by the shareholders present in person, or represented by proxy, at the annual general meeting is required.

4.14 Ordinary resolution 11: signing authority

"Resolved that each director, or an authorised signatory of the secretary of the Company, be and is hereby authorised to do all such things and sign all such documents as may be necessary for, or incidental to the implementation of the resolutions passed at the annual general meeting of the Company and set out in this notice."

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

5. Additional information

The following additional information, which appears in the integrated annual report, is provided in terms of the JSE Listings Requirements for purposes of the general authority to repurchase the Company's shares set out in special resolution number 2 above:

- 5.1 Directors and management – pages 12 to 14;
- 5.2 Major shareholders – page 116;
- 5.3 Directors' interests in ordinary shares – page 39; and
- 5.4 Stated capital of the Company – pages 78 and 79.

6. Litigation statement

The directors in office whose names appear on pages 12 and 13 of the annual report, are not aware of any legal or arbitration proceedings, including any proceedings that are pending or threatened, that may have, or have had, in the recent past, being at least the previous 12 (twelve) months from the date of this annual report, a material effect on the Group's financial position.

7. Directors' responsibility statement

The directors in office, whose names appear on pages 12 and 13 of the annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 2 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the special resolutions contain all information required by the JSE Listings Requirements.

8. Material changes

Other than the facts and developments reported on in the annual report, there have been no material changes in the affairs or financial position of the Company and its subsidiaries since the Company's financial year end and the date of signature of the annual report.

9. Directors' intention regarding the general authority to repurchase the Company's shares

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

10. Attendance and proxies

10.1 Please note that, in terms of section 62(3)(e) of the Companies Act:

10.1.1 A shareholder entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxies to attend, participate in and vote at the annual general meeting in place of that shareholder; and

10.1.2 A proxy need not also be a shareholder of the Company.

10.2 Please note further that section 63(1) of the Companies Act requires that the annual general meeting participants must provide satisfactory identification. In this regard, all annual general meeting participants will be required to provide identification satisfactory to the chairman of the annual general meeting.

10.3 All beneficial owners whose shares have been dematerialised through a Central Securities Depository Participant (CSDP), broker or nominee other than with "own name" registration, must provide the CSDP, broker or nominee with their voting instructions in terms of their custody agreement should they wish to vote at the annual general meeting. Alternatively, they may request the CSDP, broker or nominee to provide them with a letter of representation, in terms of their custody agreements, should they wish to attend the annual general meeting.

10.4 Unless you advise your CSDP, broker or nominee, in terms of the agreement between you and your CSDP, broker or nominee by the cut-off time stipulated therein, that you wish to attend the general meeting or send a proxy to represent you at this general meeting, your CSDP, broker or nominee will assume that you do not wish to attend the special general meeting or send a proxy.

10.5 Forms of proxy (which form may be found enclosed) must be dated and signed by the shareholder appointing a proxy and must be received at the registered offices of the Company, c/o Veritas Board of Executors Proprietary Limited, Nictus Building, corner of Pretoria and Dover Streets, Randburg

(PO Box 2878, Randburg 2125) or the transfer secretaries, Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107). Forms of proxy must be received not later than 12:00 on 19 August 2014. Before a proxy exercises any rights of a shareholder at the annual general meeting, such form of proxy must be so delivered.

10.6 Attention is drawn to the "Notes" to the form of proxy.

10.7 The completion of a form of proxy does not preclude any shareholder attending the annual general meeting.

11. Voting

11.1 On a show of hands every shareholder present in person or by proxy, and if a member is a body corporate, its representatives, shall have one vote and on a poll every shareholder present in person or by proxy and, if the person is a body corporate, its representative, shall have one vote for every share held or represented by him/her.

11.2 For the purpose of resolutions proposed in terms of the JSE Listings Requirements in respect of which any votes are to be excluded, any proxy given by a holder of securities to the holder of such an excluded vote shall also be excluded from voting for the purposes of that resolution.

12. Electronic participation at the annual general meeting

12.1 Should any shareholder of the Company wish to participate in the annual general meeting by way of electronic participation, that shareholder shall be obliged to make application in writing (including details as to how the shareholder or its representative can be contacted) to so participate, to the transfer secretaries at the applicable address set out below at least 5 (five) business days prior to the annual general meeting in order for the transfer secretaries to arrange for the shareholder (and its representative) to provide reasonably satisfactory

NOTICE OF ANNUAL GENERAL MEETING continued

identification to the transfer secretaries for the purposes of section 63(1) of the Companies Act and for the transfer secretaries to provide the shareholder (or its representative) with details as to how to access any electronic participation to be provided. The Company reserves the right not to provide for electronic participation at the annual general meeting in the event that it determines that it is not practical to do so. The costs of accessing any means of electronic participation provided by the Company will be borne by the shareholder so accessing the electronic participation.

- 12.2 Shareholders are encouraged to attend the annual general meeting.

By order of the board

Nictus Group Limited



Veritas Board of Executors Proprietary Limited

Company secretary

D Tromp

Randburg

11 June 2014

FORM OF PROXY



Nictus Limited

(Nictus or the Company)

(Incorporated in the Republic of South Africa)

Registration number RSA: 81/011858/06

Registration number NAM 781/11858

JSE share code: NCS | NSX share code: NCT

ISIN number: NA0009123481

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

For completion by registered members of Nictus unable to attend the annual general meeting of the Company to be held in the boardroom, Nictus Building, corner of Pretoria and Dover Street, Randburg (see map on page 22), on 21 August 2014 at 12:00 (SA time), or at any adjournment thereof.

I/We _____

of _____ (address)

being the holder/s of _____ shares in the Company, do hereby appoint:

1. _____ or, failing him/her

2. _____ or, failing him/her

the chairman of the annual general meeting,

as my/our proxy to attend, speak and, on a poll, vote on my/our behalf at the above mentioned annual general meeting of members or at any adjournment thereof, and to vote or abstain from voting as follows on the ordinary and special resolutions to be proposed at such meeting:

	For	Against	Abstain	Precluded from voting in terms of the Companies Act or the JSE Listings Requirements
1. Ordinary resolution 1: approval of minutes of previous annual general meeting				
2. Ordinary resolution 2: election of Gerard Swart as a director				
3. Ordinary resolution 3: election of FM Theart as a director				

FORM OF PROXY continued

		For	Against	Abstain	Precluded from voting in terms of the Companies Act or the JSE Listings Requirements
4.	Ordinary resolution 4: approval of remuneration policy				
5.	Special resolution 1: approval of directors' remuneration				
6.	Ordinary resolution 5: re-election of JD Mandy, as a member of the audit committee				
7.	Ordinary resolution 6: re-election of BJ Willemse as a member of the audit committee				
8.	Ordinary resolution 7: election of Gerard Swart as a member of the audit committee				
9.	Ordinary resolution 8: re-appointment of JD Mandy as chairperson of audit committee				
10.	Ordinary resolution 9: re-appointment of KPMG as auditors				
11.	Ordinary resolution 10: authority to issue ordinary shares				
12.	Special resolution 2: general authority to repurchase shares				
13.	Special resolution 3: financial assistance to entities related or inter-related to the Company				
14.	Ordinary resolution 11: signing authority				

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

Signed at _____ on _____ 2014

Signature _____

Assisted by me, where applicable (name and signature) _____

NOTES TO THE FORM OF PROXY

- Each shareholder is entitled to appoint one or more proxies (who need not be a shareholder(s) of the Company) to attend, speak and, on a poll or by show of hands, vote in place of that shareholder at the annual general meeting.
- A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting 'the chairman of the annual general meeting'. The person whose name stands first on the form of proxy and who is present at the annual general meeting shall be entitled to act as proxy to the exclusion of the persons whose names follow.
- A shareholder's instructions to the proxy have to be indicated by the insertion of an "X" or the relevant number of votes exercisable by that shareholder in the appropriate box provided. Failure to comply with the above shall be deemed to authorise the chairman of the annual general meeting, if the chairman is the authorised proxy, to vote in favour of the ordinary and special resolutions at the annual general meeting, or any other proxy to vote or to abstain from voting at the annual general meeting, as he/she deems fit, in respect of all the shareholder's votes exercisable thereat.
- A shareholder or his/her proxy is not obliged to vote in respect of all the ordinary shares held by such shareholder or represented by such proxy, but the total number of votes for or against the ordinary and special resolutions and in respect of which any abstention is recorded may not exceed the total number of votes to which the shareholder or his/her proxy is entitled.
- Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity has to be attached to this form of proxy, unless previously recorded by the Company's transfer secretaries or waived by the chairman of the annual general meeting.
- The chairman of the annual general meeting may reject or accept any form of proxy that is completed and/or received other than in accordance with these instructions and notes.
- Any alterations or corrections to this form of proxy have to be initialled by the signatory(ies).
- The completion and lodging of this form of proxy shall not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.
- All beneficial owners of ordinary shares who have dematerialised their shares through a Central Securities Depository Participant (CSDP) or broker, other than those shareholders who have elected to dematerialise their shares with "own name" registrations, and all beneficial owners of ordinary shares who hold certificated shares through a nominee, must provide their CSDP, broker or nominee with their voting instructions. Voting instructions must reach the CSDP, broker or nominee in sufficient time to allow the CSDP, broker or nominee to advise the Company or its transfer secretaries of this instruction no less than 48 hours before the time appointed for the holding of the meeting. Should you as the beneficial owner, however, wish to attend the meeting in person, you may do so by requesting your CSDP, broker or nominee to issue you with a letter of representation in terms of the custody agreement entered into with your CSDP, broker or nominee. Letters of representation must be lodged with the Company's transfer secretaries or at the registered office of the Company not less than 48 hours before the time appointed for the holding of the meeting. Shareholders who hold certificated shares with their own name and shareholders who have dematerialised their shares with "own name" registrations must lodge their completed proxy forms with the Company's transfer secretaries or at the registered office of the Company not less than 48 hours before the time appointed for the holding of the meeting (excluding Saturdays, Sundays and public holidays).

NOTES TO THE FORM OF PROXY continued

10. Forms of proxy have to be lodged with or posted to the registered office of the Company, c/o Veritas Board of Executors Proprietary Limited, Nictus Building, corner of Pretoria and Dover Streets, Randburg (PO Box 2878, Randburg 2125) or the transfer secretaries, Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg 2001 (PO Box 61051, Marshalltown 2107). Forms of proxy must be received not later than 12:00 on 19 August 2014.

Summary of rights established by section 58 of the Companies Act, 71 of 2008 (Companies Act), as required in terms of subsection 58(8)(b)(i)

1. A shareholder may at any time appoint any individual, including a non-shareholder of the company, as a proxy to participate in, speak and vote at a shareholders' meeting on his or her behalf (section 58(1)(a)), or to give or withhold consent on behalf of the shareholder to a decision in terms of section 60 (shareholders acting other than at a meeting) (section 58(1)(b)).
2. A proxy appointment must be in writing, dated and signed by the shareholder, and remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked in terms of paragraph 6.3 or expires earlier in terms of paragraph 10.4 (section 58(2)).
3. A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder (section 58(3)(a)).
4. A proxy may delegate his or her authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy (proxy instrument) (section 58(3)(b)).

5. A copy of the proxy instrument must be delivered to the company, or to any other person acting on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders' meeting (section 58(3)(c)) and in terms of the memorandum of incorporation (MOI) of the company at least 48 hours before the annual general meeting commences.

6. Irrespective of the form of instrument used to appoint a proxy:

6.1 The appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder (section 58(4)(a));

6.2 The appointment is revocable unless the proxy appointment expressly states otherwise (section 58(4)(b)); and

6.3 If the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or by making a later, inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the company (section 58(4)(c)).

7. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in paragraph 6.3 (section 58(5)).

8. If the proxy instrument has been delivered to a company, as long as that appointment remains in effect, any notice required by the Companies Act or the company's MOI to be delivered by the company to the shareholder must be delivered by the company to the shareholder (section 58(6)(a)), or the proxy or proxies, if the shareholder has directed the company to do so in writing and paid any reasonable fee charged by the company for doing so (section 58(6)(b)).

9. A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the MOI or proxy instrument provides otherwise (section 58(7)).

10. If a company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of proxy instrument:

10.1 The invitation must be sent to every shareholder entitled to notice of the annual general meeting at which the proxy is intended to be exercised (section 58(8)(a));

10.2 The invitation or form of proxy instrument supplied by the company must:

10.2.1 bear a reasonably prominent summary of the rights established in section 58 of the Companies Act (section 58(8)(b)(i));

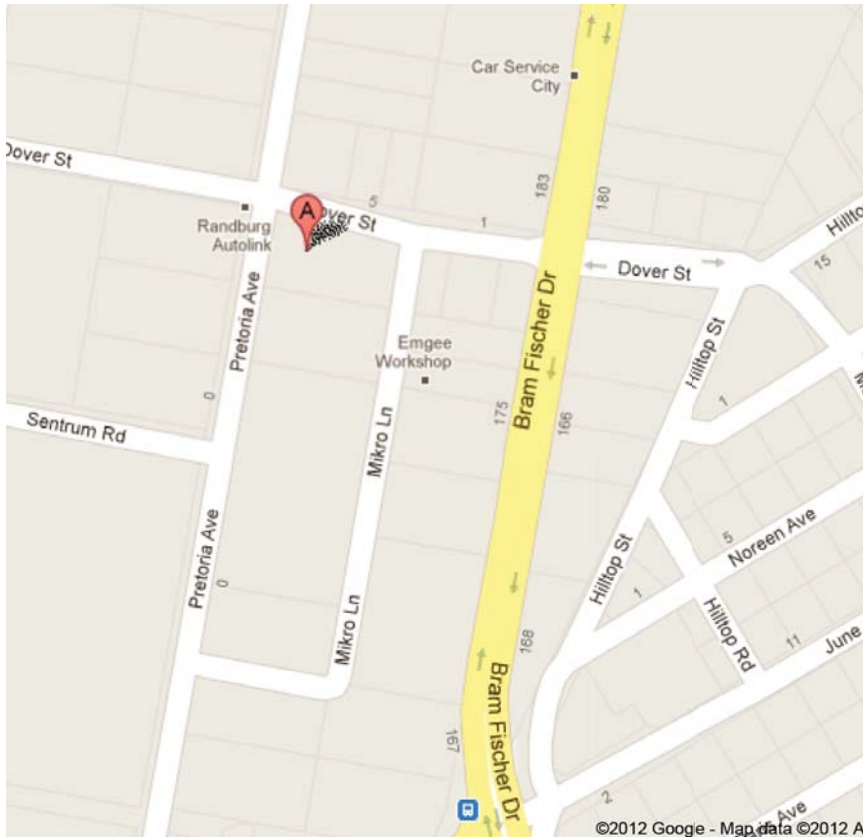
10.2.2 contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a shareholder to write the name, and if desired, an alternative name of a proxy chosen by the shareholder (section 58(8)(b)(ii)); and

10.2.3 provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the annual general meeting, or is to abstain from voting (section 58(8)(b)(iii));

10.3 The company must not require that the proxy appointment be made irrevocable (section 58(8)(c)); and

10.4 The proxy appointment remains valid only until the end of the annual general meeting at which it was intended to be used, subject to paragraph 7 (section 58(8)(d)).

MAP TO ANNUAL GENERAL MEETING



Nictus Building
 Corner of Pretoria and Dover Street
 Randburg, South Africa

ELECTRONIC RECEIPT OF COMMUNICATION AND NOTICES



Nictus Limited

(Nictus or the Company)
 (Incorporated in the Republic of South Africa)
 Registration number RSA: 81/011858/06
 Registration number NAM 781/11858
 JSE share code: NCS | NSX share code: NCT
 ISIN number: NA0009123481

Dear Shareholder,

Election to receive electronic shareholder communications

Please note that in terms of the Companies Act and the JSE Listings Requirements, you may elect to receive shareholder communications and notices from Nictus electronically.

If you make this election, you will be notified by e-mail when the Company's shareholder communications become available and you will be able to access such communications through the internet. If you do not make this election, printed communications from the Company will be posted to you at your registered address.

Full name of shareholder _____

Reference number* _____

Telephone numbers
 (home) _____ (office) _____ (mobile) _____

* Can be obtained from the envelope in which you received the 2014 annual report or please call Computershare Investor Services Proprietary Limited on telephone +27 11 370 5000 for details.

E-mail address _____

I elect to receive notification electronically when the Company's shareholder communications become available:

Signature _____ Date _____

The completed form should be returned to Computershare Investor Services Proprietary Limited via post, fax or e-mail:

Fax number: +27 11 688 5238

E-mail: proxies@computershare.co.za

Post: Computershare Investor Services Proprietary Limited
 PO Box 61051, Marshalltown 2107, South Africa

For enquiries please contact Computershare Investor Services Proprietary Limited

Telephone: +27 11 370 5000

CONTACT INFORMATION

Registered office of the Company

Head office

1st Floor, Nictus Building
Corner of Pretoria and Dover Street, Randburg

PO Box 2878, Randburg 2125

Windhoek office

Veritas Board of Executors Proprietary Limited

3rd floor, Corporate House
17 Lüderitz Street, Windhoek

Private Bag 13231, Windhoek

Company secretary

Veritas Board of Executors Proprietary Limited

(Registration number 1984/007487/07)

1st Floor, Nictus Building
Corner of Pretoria and Dover Street, Randburg

PO Box 2878, Randburg 2125

Auditors and reporting accountant

KPMG Inc.

(Registration number 1999/021543/21)

KPMG Crescent
85 Empire Road, Parktown 2193

Private Bag 9, Parktown 2122

Nictus Limited

Registration Number: RSA: 81/011858/06

Registration Number: NAM 781/11858

Primary listing: Johannesburg Stock Exchange

Secondary listing: Namibian Stock Exchange



