

NICTUS HOLDINGS LIMITED  
(Incorporated in the Republic of Namibia)  
(Registration number NAM 1962/1735)  
NSX Share code: NHL  
ISIN Code NA000A1J2SS6  
("Nictus" or "the company")

ABRIDGED REPORT RELATING TO THE AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2013 AND DETAILS OF THE NOTICE OF ANNUAL GENERAL MEETING

ABRIDGED SUMMARISED GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2013

	Audited 2013 N\$'000	Audited 2012 N\$'000
Revenue	462 771	516 346
Cost of sales	(376 215)	(424 255)
Gross profit	86 556	92 091
Other income	6 032	11 635
Administrative expenses	(41 538)	(46 824)
Operating expenses	(74 167)	(56 280)
Investment income from operations	11 378	21 265
Results from operating activities	(11 739)	21 887
Investment income	7 376	5 851
Finance expenses	(3 895)	(4 266)
(Loss) / Profit before taxation	(8 258)	23 472
Taxation	(1 154)	(1 342)
(Loss) / Profit for the year	(9 412)	22 130
Other comprehensive income:		
Net gains on property revaluation	-	46 031
Taxation related to components of other comprehensive income	-	(6 130)
Other comprehensive income for the year net of taxation	-	39 901
Total comprehensive (loss) / income	(9 412)	62 031
(Loss) / Profit attributable to:		
Owners of the parent	(9 412)	62 031
Non-controlling interest	-	-
Total comprehensive (loss) / income attributable to:		
Owners of the parent	(9 412)	62 031
Non-controlling interest	-	-
(Loss) / Profit for the year	(9 412)	62 031
Basic (loss) / earnings per share (cents)	(30.09)	8 852.40
Diluted (loss) / earnings per share (cents)	(30.09)	8 852.40

ABRIDGED SUMMARISED GROUP STATEMENT OF FINANCIAL POSITION AS AT 31  
MARCH 2013

	Audited 2013 N\$'000	Audited 2012 N\$'000
Assets		
Non-current assets		
Property, plant and equipment	145 539	120 550
Intangible assets	689	380
Investments	19 267	7 021
Loans to related parties	-	7 500
Loans and receivables	160 381	196 284
Deferred tax asset	5 968	4 795
Current assets		
Inventories	65 306	73 162
Loans to related parties	-	3 107
Investments	4 558	-
Trade and other receivables	239 002	203 057
Cash and cash equivalents	273 704	215 186
Current tax receivable	28	84
Total assets	914 442	831 126
Equity		
Stated capital	129	129
Reserves	58 749	55 439
Retained earnings	20 386	63 108
Non-current liabilities		
Interest bearing loans and borrowings	4 989	4 819
Deferred tax liability	12 720	10 393
Current liabilities		
Bank overdraft	21 234	5 490
Interest bearing loans and borrowings	52 014	54 646
Insurance contract liabilities	700 269	582 441
Trade and other payables	41 509	51 143
Provisions	2 443	3 062
Current tax liabilities	-	456
Total equity and liabilities	914 442	831 126

ABRIDGED SUMMARISED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH  
2013

	Audited 2013 N\$'000	Audited 2012 N\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) / Profit before taxation	(8 258)	23 472
Adjustments for:		
Investment income	(7 376)	(5 851)
Finance costs	3 895	4 266
Depreciation of property, plant and equipment	1 480	1 761
Amortisation of computer software	219	262
Profit on disposal of property, plant and equipment	(159)	(30)
Revaluation of investment property	-	(7 025)
Movement in provisions	(619)	3 062
Profit on disposal of subsidiary	-	(3 802)
Impairment loss on goodwill	-	1 647
Working capital changes:		
Increase in trade and other receivables (Decrease)/ Increase in trade and other payables	(35 945)	(44 468)
Decrease / (Increase) in inventories	7 856	(16 131)
Cash utilised by operations	(48 541)	(42 380)
Investment income from operations received	7 376	5 851
Finance expenses	(3 895)	(4 265)
Taxation paid	(400)	(201)
Net cash flow from operating activities	(45 460)	(40 995)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(28 863)	(8 901)
Proceeds from disposal of property, plant and equipment	2 553	931
Acquisition of intangible assets	(528)	(98)
Borrowings repaid on disposal of subsidiary	-	5 000
Cash inflow on disposal of subsidiaries	-	22 200
Proceeds from disposal of investments	-	12 972
Acquisition of investments	(16 804)	-
Loans and receivables advanced	-	(29 449)
Loans and receivables repaid	35 903	(29 449)
Net cash flow from investing activities	(7 739)	2 655
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Decrease) / increase in interest bearing loans and borrowings	(2 462)	4 882
Movement in insurance contract liability	117 828	71 331
Dividends paid	(30 000)	(10 000)
Repayment of loans from group companies	-	(10 881)
Loans advanced to group companies	10 607	-
Net cash flow from financing activities	95 973	55 332

Net movement in cash and cash equivalents	42 774	16 992
Cash and cash equivalents at beginning of year	209 696	192 704
Cash and cash equivalents at end of year	252 470	209 696

ABRIDGED SUMMARISED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2013

Audited	Share capital and share premium N\$'000	Stated capital N\$'000	Revaluation reserve N\$'000	Contingency reserve N\$'000	Retained earnings N\$'000	Total equity N\$'000
Balance at 1 April 2011	129	-	22 036	11 708	32 772	66 645
Total comprehensive income for the year						
Profit for the year			39 901		22 130	62 031
Revaluation of land and buildings sold during the year (net of deferred taxation)			(15 694)		15 694	-
Transfer from contingency reserve				(2 512)	2 512	-
Dividends to equity holders					(10 000)	(10 000)
Total changes			24 207	(2 512)	30 336	52 031
Balance at 1 April 2012	129	-	46 243	9 196	63 108	118 676
Total comprehensive income for the year						
Loss for the year					(9 412)	(9 412)
Transfer to contingency reserve				3 310	(3 310)	-

Cancellation of ordinary par value shares	(129)					(129)
Issue of ordinary no par value shares		129				129
Dividend to equity holders					(30 000)	(30 000)
Total changes	(129)	129	-	3 310	(42 722)	(39 412)
Balance at 31 March 2013		129	46 243	12 506	20 386	79 264

ABRIDGED SUMMARISED SEGMENTAL ANALYSIS FOR THE YEAR ENDED 31 MARCH 2013

Business segment	Motor retail 2012	Furniture retail 2012	Insurance & Finance 2012	Head Office 2012
Segment revenue				
Sales of goods	410 671	53 148	-	-
Rental income	10	259	608	-
Finance income	239	4 627	27 345	-
Management fees	-	-	-	3 293
Insurance premium income	-	-	26 996	-
Total revenue from external customers	410 920	58 034	54 949	3 293
Inter-segment revenue	3 897	875	1 794	-
Total segment revenue	414 817	58 909	56 743	3 293
Segment result				
Operating profit before financing costs	7 912	5 782	19 167	48 690
Financing costs	(4 702)	(3 174)	(340)	(4 388)
Profit before taxation	3 210	2 608	18 827	44 302
Taxation	(549)	(1 233)	(1 116)	-
Net profit for the year	2 661	1 375	17 711	44 302
Segment assets	245 546	131 900	630 537	140 846
Segment liabilities	186 067	99 423	625 224	44 879
Cash flows from operating activities	(19 862)	(6 466)	137 599	44 495
Cash flows from investing activities	22 957	12 621	(157 000)	(37 632)
Cash flows from financing	(6 517)	(6 385)	42 065	(6 569)

activities				
Capital expenditure	(1 246)	(593)	(451)	-

Business segment	Eliminations	Consolidated
	2012	2012
Segment revenue		
Sales of goods	1 125	464 944
Rental income	4	882
Finance income	(8 687)	23 524
Management fees	(3 293)	-
Insurance premium income	-	26 996
Total revenue from external customers	(10 850)	516 346
Inter-segment revenue	(6 566)	-
Total segment revenue	(17 416)	516 346
Segment result		
Operating profit before financing costs	(53 813)	27 738
Financing costs	8 338	(4 266)
Profit before taxation	(45 475)	23 472
Taxation	1 556	(1 342)
Net profit/(loss) for the year	(43 919)	22 130
Segment assets	(317 703)	831 126
Segment liabilities	(243 143)	712 450
Cash flows from operating activities	(196 761)	(40 995)
Cash flows from investing activities	161 709	2 655
Cash flows from financing activities	32 738	55 332
Capital expenditure	(6 611)	(8 901)

Business segment	Motor	Furniture	Insurance	Head Office
------------------	-------	-----------	-----------	-------------

	retail 2013	retail 2013	& Finance 2013	2013
Segment revenue				
Sales of goods	356 632	57 372	-	-
Rental income	134	230	-	-
Finance income	-	5 601	31 190	-
Management fees	-	-	-	725
Insurance premium income	-	-	25 952	-
Total revenue from external customers	356 766	63 203	57 142	725
Inter-segment revenue	4 730	1 000	1 454	-
Total segment revenue	361 496	64 203	58 596	725
Segment result				
Operating profit before financing costs	(6 353)	6 159	13 491	23 757
Financing costs	(4 688)	(3 054)	-	(5 118)
Profit before taxation	(11 041)	3 105	13 491	18 639
Taxation	2 216	(730)	(229)	(6)
Net profit/(loss) for the year	(8 825)	2 375	13 262	18 633
Segment assets	192 083	117 140	761 878	112 747
Segment liabilities	145 198	83 888	729 803	86 932
Cash flows from operating activities	29 052	(1 401)	99 940	17 902
Cash flows from investing activities	(33 783)	(19 572)	(62 646)	(27 485)
Cash flows from financing activities	12 407	20 574	13 244	(5 460)
Capital expenditure	(13 843)	(6 603)	(13)	(10 288)

Business segment

Eliminations

Consolidated

	2013	2013
Segment revenue		
Sales of goods	1	414 005
Rental income	-	364
Finance income	(10 759)	26 032
Management fees	(725)	-
Insurance premium income	(3 582)	22 370
Total revenue from external customers	(15 065)	462 771
Inter-segment revenue	(7 184)	-
Total segment revenue	(22 249)	462 771
Segment result		
Operating profit before financing costs	(41 418)	(4 363)
Financing costs	8 965	(3 895)
Profit before taxation	(32 452)	(8 258)
Taxation	(2 405)	(1 154)
Net loss for the year	(34 857)	(9 412)
Segment assets	(269 406)	914 442
Segment liabilities	(210 642)	835 178
Cash flows from operating activities	(190 953)	(45 460)
Cash flows from investing activities	135 747	(7 739)
Cash flows from financing activities	55 208	95 973
Capital expenditure	1 884	(28 863)

## ACCOUNTING POLICIES

### Basis of preparation

The abridged summarised consolidated annual financial statements have been prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards (IFRS), in compliance with IAS34: Interim Financial Reporting and the manner as required by the Companies Act of Namibia, 2004 and the Listing Requirements of the Namibian Stock Exchange. The accounting policies are consistent with those applied in the consolidated financial statements for the year ended 31 March 2012, other than the new standards and interpretations adopted, being IAS 12 - Deferred tax: Recovery of



underlying assets, IFRS 1 - Severe hyperinflation and removal of fixed dates for first-time adopters, and IFRS 7 - Transfers of financial assets. The impact of these adopted standards and interpretations are not material on the Group.

#### RELATED PARTIES

The company has related party relationships with its subsidiaries, fellow subsidiaries, associates and with its directors and executive officers.

#### RECONCILIATION BETWEEN EARNINGS AND HEADLINE EARNINGS:

	2013	2012
(Loss) / Profit for the year	(9 412)	22 131
Profit on disposal of property, plant and equipment	(159)	(30)
Fair value adjustment on investment property	-	(7 025)
Goodwill impairment loss	-	1 647
Headline (loss) / earnings	(9 571)	16 723
Headline (loss) / earnings per share (cents)	(30.60)	6 689.20

	2013	2012
	N\$'000	N\$'000
TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL		
Short-term employee benefits	9 970	10 855

#### TRANSACTIONS WITH RELATED PARTIES

PREMIUMS RECEIVED	1 366	2 744
-------------------	-------	-------

#### RESPONSIBILITY FOR CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

Accounting policies have been applied consistently with those of prior year. The annual consolidated financial statements for the year ended 31 March 2013 have been audited by SGA Chartered Accountants and Auditors, and their unqualified audit opinion is available for inspection at the registered office of the company.

#### SUBSEQUENT EVENTS

There were no events after the reporting period which affected the presentation of the consolidated annual financial statements for the year ended 31 March 2013.

#### CHAIRMAN'S REPORT

##### Overview

It is with great pride that I present to you the first annual report of Nictus Holdings Limited.

In line with the Board's extensive strategic review of the Group, it concluded that the time was right for Nictus Holdings to return to its roots, and for the Namibian operations to be separately listed on the Namibian Stock Exchange

(NSX). Nictus listed on the Namibian Stock Exchange (NSX) on 21 September 2012 as a primary listing.

The unbundling from the South African operations and simultaneous listing of Nictus Holdings Limited on the NSX has paved the way for strategic flexibility of the Namibian operations. This will enable this company to embark on its own growth strategy within the Namibian commercial and regulatory environment.

A strategic implementation, as noted above does, however, come at a large cost and no matter how confident we are that the ground work has been done for growth of the Group, the costs (albeit a once-off cost) will negatively impact our profits this year.

That being said, I foresee the focus shifting towards the Namibian operations to optimise the structures that have been put in place, which include the following operational pillars:

- an experienced management team with a proven track record
- a strong local team for each segment
- inter-group synergy between the different segments
- leading positions in attractive markets with well established, recognised names that give us a balanced portfolio.

#### The Future View

Nictus Holdings will actively implement the Group's vision statement of being an independent, diversified investment holding company that creates above-average value for its shareholders through sustainable growth. In all three segments (motor, furniture and insurance), the primary focus will be on growing the businesses and the objective is that all segments contribute equally to the profitability of the Group.

Each segment is a successful and established business enterprise within Namibia and is considered a major role player within its defined market. The synergy between the segments adds value and is considered a major success factor. The philosophy of sustainability ensures that financial growth is matched by the development of human capital to manage and sustain growth.

"Taking action with a strategic focus" is the motto of the Nictus Holdings Group and lies at the very core of the Nictus Holdings Group's mission statement. The Board holds the view that the unbundling will bring about a renewed strategic focus on the core business within the Group. Creating a diverse Namibian Group where there is a strategic focus on the Namibian economy will result in a more dynamic approach. Management's focus, which was previously divided between the Namibian and South African operations, will now be on Namibia alone ensuring that returns can be optimised in the operating segments.

Current circumstances in the Namibian economy indicate challenges ahead. These include the drought and uncertainty in the mining sector, particularly reduced uranium mining. Although the impacts are uncertain, Nictus believes that the unbundling exercise, and the focus on the three core segments, will enable it to manage the challenges tactically and in a focused manner.

Furniture segment:

The Nictus brand is well known throughout Namibia, and further expansion of the Nictus Furnishers brand will be a continuous focus area.

Providing high quality exclusive furniture, at an affordable price to customers, is the focus point. Continuously searching for new suppliers and negotiating exclusive product ranges with current suppliers will ensure profitable growth in the furniture segment.

A new furniture outlet will be opened in Ongwediva in August 2013, and we believe that this will enable us to broaden our customer base throughout Namibia.

Insurance segment:

The insurance segment will continue to provide unique insurance solutions to its clients. The insurance segments' Alternative Risk Transfer insurance product offers clients the opportunity to manage their own risk. Service excellence and creation of innovative solutions will remain the key to enhance our insurance brand.

Motor segment:

Increasing the motor segment's footprint throughout Namibia will remain the focus. After the new branches opened in northern Namibia (Otjiwarongo and Oshakati), and branches at the coast (Walvis Bay and Swakopmund) were taken over, it remains a challenge turning these branches into sustainable centres. Optimising the economies of scale within the various branches is an area that can still be improved upon and this will result in better financial results within the motor segment.

The phasing out of the historic Isuzu ranges impacted negatively on this segment. Limited old stock was available and customers were hesitant to purchase the old models in anticipation of the new product ranges. The insufficient stock supply of newly launched General Motors products contributed to sales falling below expectation and this also impacted negatively on profits.

Management is very positive about the new product ranges that were launched recently, and the expectation is that these products will be received positively in the market.

Lastly I can add that a state of the art premises is in the process to be developed in Ongwediva in order to serve our northern clients' needs.

Directorate

The board consists of four executive directors and one non-executive director, Wilmar Fourie, who joined the Nictus Holdings Group in 2007. The executive directors are: Frans van Staden, who joined the group in 1996; Philippus Tromp, who joined in 2003; Nico Tromp, who joined in 1974 and I, who joined in 1997. The experience of more than eighty years between these five Namibians speak for itself. Nictus Holdings and its shareholders can be assured that this team

understands the Namibian economy and will provide a good base for future growth and development of the company.

I want to thank the shareholders for the trust placed in the Board of Nictus Holdings.

#### Corporate Governance

The Group is fully committed to the principles of good corporate governance through transparency, integrity and accountability.

#### Appreciation

I wish to thank my fellow board members, for their co-operation and their efforts to focus on the core issues, as well as our customers and all other stakeholders for their support.

Finally I wish to thank the Lord Almighty, without whom the Group could not exist.

JJ Retief

Chairman: Nictus Holdings Limited Group

#### ANNUAL REPORT AND NOTICE OF ANNUAL GENERAL MEETING

As the annual report for the year ended 31 March 2013 ("the annual report") was posted to shareholders within 3 months of Nictus's year end, this announcement is not required to appear in the press and will not be sent to shareholders.

The annual report contains a notice convening the annual general meeting of Nictus shareholders for the year ended 31 March 2013 ("the AGM"). The AGM will be held in the 1<sup>st</sup> floor boardroom at the Nictus Building, 17 Lüderitz street, Windhoek on Thursday 22 August 2013 at 14h30.

The Notice of Annual General Meeting and Annual Financial Statements are to be posted to shareholders on 28 June 2013.

Accordingly, the last day to trade in order to be eligible to participate and vote will be Wednesday, 14 August 2013.

JJ Retief

Chairman

25 June 2013

Sponsor on the NSX: Simonis Storm Securities (Pty) Ltd (Member of the NSX)