

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

CONCLUSION OF SHAREHOLDERS AGREEMENT WITH RESPECT TO THE ACQUISITION OF KIAN ANN ENGINEERING LIMITED THROUGH INVICTA ASIAN HOLDINGS PTE. LTD ("INVICTA ASIAN HOLDINGS")

INTRODUCTION

Invicta shareholders ("Shareholders") are referred to the announcement released on the Stock Exchange News Service ("SENS") on 4 February 2013 wherein they were advised of the Kian Ann Engineering Limited ("Kian Ann") transaction (the "Transaction"). Following the successful acquisition of Kian Ann through a scheme of arrangement by an indirect wholly-owned subsidiary of Invicta, Invicta Asian Holdings, the board of Invicta hereby advises Shareholders that Invicta Offshore Holdings, a wholly owned subsidiary of Invicta through which Invicta holds its investment in Invicta Asian Holdings, concluded a shareholders' agreement based on terms agreed as part of the Transaction ("the Agreement") with the following shareholders and directors of Invicta Asian Holdings:

- Mr Law Peng Kwee ("LPK") holding 20.0%
- Mr Kevin Law Cher Chuan ("LCC") holding 2.5%
- Mr Loy Soo Chew ("LSC") holding 2.0% and an additional 0.5% in terms of a performance share based scheme totalling 2.5%.
("collectively Key Management")

This announcement is made for information purposes as the terms of the Agreement were agreed prior to the Transaction.

KEY TERMS OF THE AGREEMENT INCLUDE, INTER ALIA, PROVISIONS RELATING TO THE FOLLOWING:

- a) the appointment of the board of directors of Invicta Asian and how voting is to be conducted at meetings thereof;
- b) the holding of shareholders' meetings and how voting will be conducted thereat;
- c) the administration of Invicta Asian;
- d) minority protection;
- e) information rights of the parties;
- f) pre-emptive rights and first right of refusal;
- g) transfer of shares provisions;
- h) tag along provisions;

- i) drag along provisions;
- j) exit options including an Invicta call option and Key Management put options over the total Key Management shareholding of 25% in Invicta Asian Holdings which are based on similar values offered to Kian Ann shareholders as part of the scheme of arrangement;
- k) compulsory transfer and deemed offer provisions;
- l) termination and the consequences of termination;
- m) non-compete provisions relating to the business of Invicta and Kian Ann; and
- n) entering into employment contracts with Key Management.

KEY TERMS OF THE EXIT OPTIONS ARE:

Valuation

The value of the exit options shall be the higher of a price-to-earnings ratio of 6.96 applied to the effective average of Kian Ann's consolidated sustainable earnings for the 2 financial years immediately preceding the exercise date or SGD124,343,318, being the consolidated net asset value of Kian Ann on completion of the scheme of arrangement on 1 February 2013, plus any accumulated retained profits or minus any accumulated losses (as the case may be) but excluding any property revaluation surpluses or losses.

Exercise date

LPK option

LPK is granted a put option and Invicta a call option which shall be exercisable from 2017 which require Invicta to acquire all or part (in tranches representing not less than 5% of the issued share capital) of LPK's equity stake in Invicta Asian Holdings provided LPK or Invicta has served notice of exercise of the respective put or call option within one month of the audited accounts of Invicta Asian Holdings being finalised for the immediate preceding year.

LCC and LSC options

LCC and LSC are granted a put option and Invicta a call option which shall be exercisable from 2018 which require Invicta to acquire all or part (in tranches representing not less than 1% of the issued share capital) of their equity stakes in Invicta Asian Holdings provided that LCC and LSC or Invicta have served notice of exercise of their respective put or call options within one month of the audited accounts of Invicta Asian Holdings being finalised, two years prior to exercise.

In the event of a change of control the put options granted to LPK, LCC and LSC shall accelerate and can be exercised following the notice of exercise of the put option provided the notice of exercise of the put option has been served within three months of the change of control. A change of control is defined to have happened if more than 51% of the share capital of Invicta Offshore Holdings is acquired by a new entity or there is a change in the majority of the executive directors of Invicta.

The value of the put options granted to LPK, LCC and LSC amounting to ZAR380 million was included in the initial categorisation calculation for the Transaction in terms of the SENS announcement on 15 October 2012. A put option liability to the

same amount was recognised and disclosed in Invicta's integrated annual report 2013.

Cape Town
1 November 2013

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