Invicta
HOLDINGS LIMITED

**Innovative solutions** that
empower industries,
for a **sustainable future**

# INTEGRATED ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH

# 2026

# CONTENTS



## NAVIGATING OUR REPORT

**6 Capitals**

- Financial capital
- Social and relationship capital
- Manufactured capital
- Intellectual capital
- Natural capital
- Human capital

**Stakeholders**

- Suppliers
- Customers
- Shareholders
- Communities
- Funders
- Employees
- Governments

**The Divisions**

- Replacement Parts, Services & Solutions – Industrial ("RPI")
- Replacement Parts, Services & Solutions – Earthmoving Equipment ("**RPE**")
- Kian Ann Group ("**KAG**") (part of RPE)
- Capital Equipment & Related Parts & Services ("**CE**")
- Replacement Parts, Services & Solutions – Auto-Agri ("**RPA**")

01

# ABOUT OUR REPORT

*This Report aims to provide stakeholders with a view of the most important material matters relating to the performance and strategic context of the Group*

# ABOUT OUR **REPORT**

This Integrated Annual Report ("**Report**") for the financial year 1 April 2025 to 31 March 2026 ("**FY2026**") aims to provide stakeholders with a clear, concise and balanced view of the most material issues that influenced the Group's performance and operating context during the year. The Report also outlines the Group's governance structures and highlights key factors that could impact future performance over the short- to medium-term (one to three years) and medium- to long-term (three to five years).

Material matters were identified through a formal materiality determination process applying double materiality, which assessed both the financial impact of matters on the Group (financial materiality) and the Group's impact on the broader economy, society and environment (impact materiality), as now required under the King V Report on Corporate Governance™ for South Africa, 2025 ("**King V™**"). We have sought to strike an appropriate balance between transparency and the need to protect commercially sensitive information that, if disclosed, could be to the Group's detriment.

This Report is prepared with reference to the six capitals outlined in the International Integrated Reporting Framework ("**IIRF**") and is guided by King V™. Additional detail is available in the Group's King V™ Application Statement and the Audited Annual Consolidated Financial Statements ("**AFS**"), both published on the Invicta Holdings website.

## Scope and Materiality

Invicta Holdings Limited ("**Invicta**" or "**the Group**") is a JSE-listed industrial holding company and one of Southern Africa's leading distributors of replacement parts, engineering consumables and capital equipment. The Group strives to be a leading supplier of industrial products in Southern Africa and selected international markets, often offering exclusive products together with readily available technical and solution-based services.

The Group operates across five reporting segments, spanning multiple geographies including South Africa, Asia, Europe and North America:

| # | Segment | Abbreviation | Constituent Businesses |
|---|---|---|---|
| 1 | Replacement Parts for Industrial Equipment | RPI | BMG Network, Industri, OST & Belt Brokers |
| 2 | Replacement Parts for Earth Moving Equipment | RPE | ESP, NWB, Spaldings & Kian Ann Group (KAG; reported separately) |
| 3 | Replacement Parts for Auto and Agri | RPA | Universal Parts Group, Driveshaft Parts Group & UPG UK & Ireland |
| 4 | Capital Equipment and Related Services | CE | Doosan (Develon), HPE Africa (Hyundai), Criterion Equipment & Shamrock Handling |

## The Six Capitals

This Report is prepared with reference to the six capitals outlined in the IIRF, to ensure appropriate and meaningful disclosure. The following icons are used throughout the Report to indicate the relevant capitals:

- **Financial capital**
- **Manufactured capital**
- **Natural capital**
- **Social and relationship capital**
- **Intellectual capital**
- **Human capital**

In line with King V™, the Group has applied double materiality, assessing both the financial impact of matters on the Group (financial materiality) and the Group's impact on the broader economy, society and environment (impact materiality). Each material matter is outlined separately in "Our Operating Environment".

To ensure relevance and accessibility, this Report is concise and focused, with additional detail available in the following supporting documents published on the Invicta Holdings website:

» the Group's King V™ Application Statement; and
» the Audited Annual Consolidated Financial Statements, incorporating the Directors' Report.

# ABOUT **OUR REPORT** continued

## Forward-Looking Statements

This Report may contain forward-looking statements which, by their nature, involve inherent risks and uncertainties, as they relate to future events and circumstances beyond the Group's control. Accordingly, the Directors advise readers to exercise caution when interpreting any such statements.

## Standards and Assurance

The Audit Committee has reviewed this Report and the AFS, and has recommended them to the Board for approval, which the Board has granted. The Social and Ethics Committee has similarly reviewed and recommended the Sustainability Report, which has also been approved by the Board.

In preparing this Report and its supplements, the Audit Committee has relied on assurance provided by Group management, the internal audit function, and the external auditors. The Group has applied the requirements of South African Law, the JSE Listings Requirements and IFRS, as applicable.

The Board has also been guided by the IIRF and the King V™.

## Scope, Boundaries and Reporting Principles

This Report covers the operations of Invicta Holdings Limited and its subsidiaries for the period 1 April 2025 to 31 March 2026. Where applicable, references to associates and joint ventures are included to the extent of Invicta's influence or interest.

The content of this Report has been informed by a formal materiality determination process to ensure that the most relevant financial and non-financial issues are addressed. In line with the IR Framework, the Report applies key guiding principles, including stakeholder inclusiveness, connectivity of information, strategic focus, and future orientation. In line with King V™, the Group has applied double materiality, assessing both the financial impact of matters on the Group and the Group's impact on the broader economy, society and environment.

## Board Approval and Responsibility

The Board confirms that it is operating in conformity with its Memorandum of Incorporation. The Board of Invicta acknowledges its responsibility for the integrity of the information presented in this Report and its supplements, and confirms that it has applied its collective mind to their preparation and presentation. Signed on behalf of the Board:

**Dr Christo Wiese**
*Chairman*

**Steven Joffe**
*Chief Executive Officer*

# PERFORMANCE **HIGHLIGHTS**

*Invicta is pleased to present a resilient set of results, reflecting the robust and consistent nature of our core operations.*
**Increasing headline earnings per share by 1% from 534 cents to 540 cents.**

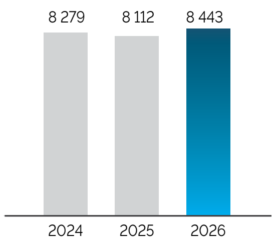
PROFIT FOR THE YEAR DOWN **36%** TO **R503M**

TOTAL NET ASSET VALUE PER ORDINARY SHARE UP **7%** TO **R63.70**

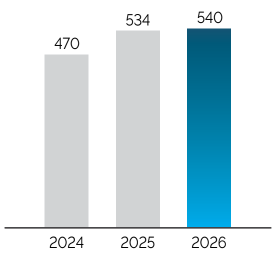
SHARE PRICE AT 31 MARCH 2026 **R36.99**

CASH GENERATED FROM OPERATIONS **R464M**

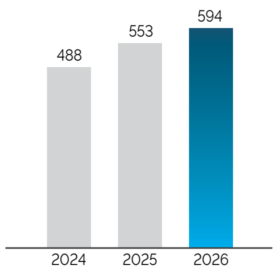
**Revenue**
(R'm)



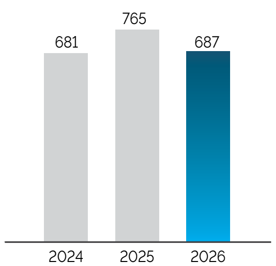

**Headline earnings per share** (cents)



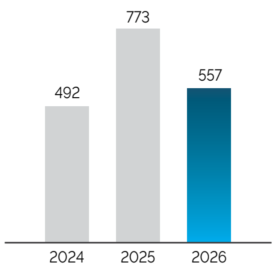

**Sustainable headline earnings per share** (cents)



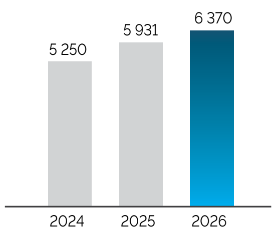

**Operating profits before net finance income on financing transactions and foreign exchange movements** (R'm)




**Basic earnings per share** (cents)




**Net asset value per ordinary share** (cents)




*2024 includes both continuing and discontinued operations.*

| **Headline earnings** | 2026 R'000 | 2025 R'000 | % change |
|---|---|---|---|
| Profit attributable to owners of the parent – ordinary shares | **491 150** | 745 328 | |
| *Adjustments for:* | | | |
| Profit on disposal of property, plant and equipment | **(2 802)** | (4 978) | |
| Less: Taxation thereon | **776** | 1 334 | |
| Less: Other shareholders interest thereon | **144** | 11 | |
| Loss on disposal of property, plant and equipment | **2 185** | 467 | |
| Less: Taxation thereon | **(568)** | (124) | |
| Less: Other shareholders interest thereon | **(8)** | (5) | |
| Profit on disposal of investment property classified as held for sale | | (21 103) | |
| Less: Taxation thereon | | 7 125 | |
| Profit on disposal of subsidiary | **(2 928)** | (20 486) | |
| Profit on disposal of associate | **(12)** | | |
| Less: Taxation thereon | **3** | | |
| Profit on disposal of agency rights | **(16 466)** | | |
| Less: Taxation thereon | **3 557** | | |
| Loss on disposal of investment property | | 609 | |
| Loss on disposal of subsidiary | | 3 173 | |
| Impairment of property, plant and equipment | **136** | 5 021 | |
| Less: Taxation thereon | **(41)** | (130) | |
| Impairment of investment in associate | **263** | | |
| Less: Taxation thereon | **(71)** | | |
| Gain from a bargain purchase for KMP Far East. Ltd – included in equity-accounted earnings | | (3 035) | |
| Profit on disposal of property, plant and equipment – included in equity-accounted earnings, post taxation | **(16)** | (198 867) | |
| Loss on disposal of property, plant and equipment – included in equity accounted earnings, post taxation | **300** | | |
| **Headline earnings** | **475 602** | 514 340 | (8) |

02

# OUR BUSINESS

# LETTER FROM THE **CHAIRMAN**

Dr Christo Wiese

## A Perspective on the Year Under Review

*Reflecting on the past financial year to March 2026 comes with a mix of relief, hard-won pride, and constructive caution. The period under review unfolded against a backdrop of persistent global uncertainty and pronounced regional headwinds. Geopolitical tensions, volatile currency markets, and shifting international trade policies have continued to test business resilience across all sectors.*

In South Africa and our broader operational territories, structural inefficiencies, logistical constraints, and elevated input costs placed pressure on market demand and corporate margins. Yet, it is precisely during times of heightened global complexity that the true character and structural integrity of a business are laid bare. Against this demanding backdrop, the Group demonstrated strong operational discipline and strategic agility. While our reported profitability was impacted by the absence of the significant non-recurring gains recorded in the prior financial year, I am pleased to report that sustainable headline earnings per share increased by 7%. This solid underlying performance highlights the benefits of our structural diversification, cost management, and focus on day-to-day operational execution.

At Invicta, our core business is inherently defensive. The distribution and supply of industrial components, consumable parts, and heavy equipment are fundamental to sustaining economic activity, regardless of cyclical volatility.

This defensive foundation, paired with our drive into international markets, has allowed us to weather the current headwinds and deliver another year of meaningful strategic progress.

## Strategic Milestone – 50% International Income Achieved

A defining milestone of the 2026 financial year is that approximately 50% of our Group income is now generated from operations outside South Africa. This achievement marks a significant step forward in our long-term strategic trajectory.

Geographic diversification and the pursuit of sustainable, multi-currency earnings remain core pillars of our growth ambition. Reaching this milestone materially reduces our structural reliance on any single market, strengthens the resilience of our earnings base, and provides a robust platform from which to pursue sustainable, long-term shareholder value creation.

| REVENUE | DIVIDEND PER SHARE | SUSTAINABLE HEPS |
|---|---|---|
| ↑ 4% TO | ↑ 9% | ↑ 7% |
| **R8.4 BILLION** | **125 CENTS** | **594 CENTS** |

# LETTER FROM THE **CHAIRMAN** continued

## Strategic Execution and Capital Allocation

Our growth objective is firmly coupled with a disciplined approach to capital deployment. Management remains focused on optimising our existing core assets while actively seeking complementary businesses that enhance our global competitive edge.

Key actions executed during the year include:

- **Expanding our UK Footprint:** The acquisition of Spaldings represents a key step in broadening our presence in the United Kingdom and strengthening our established replacement parts platform.
- **Returning Value to Shareholders:** In line with our capital allocation framework and our commitment to unlocking shareholder value, we continued the implementation of our share repurchase programme, returning R188 million to shareholders via buybacks.
- **Portfolio Optimisation:** We continue in pruning non-core or underperforming operations to improve overall Group returns. To this end, we completed the disposal of MacNeil Plastics shortly after the year-end, allowing management to tighten its strategic focus on high-return core operations.

## Financial Position and Risk Management

The structural work undertaken over recent years to rationalise our capital structure and strengthen the balance sheet continues to serve us well. The Group's financial position remains sound.

During the year, net debt experienced an incremental increase, driven primarily by targeted acquisition activity and temporarily higher working capital requirements. This rise in working capital was partially influenced by the strategic settlement of a significant offshore creditor and necessary investment in operational capacity to support our expanded footprint.

Despite these liquidity pressures, proactive funding and cash management ensured the Group maintained a satisfactory and robust liquidity position. The Board continues to prioritise rigorous risk management, with a sharp focus on mitigating currency volatility, navigating supply chain disruptions, monitoring credit risk, and ensuring the seamless execution of our international initiatives.

## Outlook and Priorities

As we enter the 2027 financial year, our outlook can best be described as cautious but constructively optimistic. While certain foundational sectors, including mining, are showing early signs of cyclical recovery, the broader global external environment remains fluid and unpredictable.

The risks ahead are real, ranging from evolving tariff and trade restrictions, to localised constraints on cash repatriation. However, having a structurally resilient business model gives us the necessary stability to respond to difficult situations while maintaining the capacity to implement our broader expansion strategy.

Moving forward, the mandate given to our management team remains clear:

- Drive operational turnaround and improve performance in underperforming business units.
- Accelerate cash generation and optimise working capital efficiency across all divisions.
- Maintain strict discipline in capital allocation.
- Advance selective growth initiatives that align cleanly with our international distribution model.

## Appreciation

At Invicta, we remain firm in our belief that our people are the ultimate cornerstone of our success. Their dedication, ingenuity and teamwork have once again enabled us to navigate a volatile year.

On behalf of the Board, I wish to extend my sincere thanks to our executive management team, led by Steven Joffe, and to all our employees globally for their resilience and hard work. I also express our deep appreciation to our shareholders, suppliers, customers and business partners for their continued loyalty and support.

**Dr Christo Wiese**
*Chairman*

# **INVICTA** AT A GLANCE

*Invicta aims to provide innovative solutions that empower industries for a sustainable future*

Invicta's primary business is the management and optimisation of the performance of its investments. Some of the key industries in which we invest include general industry, auto-agricultural and earthmoving equipment. Our business segments are primarily involved in the supply and distribution of replacement parts, services and solutions to the industrial and auto-agri industries, as well as capital and earthmoving equipment sectors.

## Our Purpose

We manage and optimise the performance of our investments.

**Why we exist**

## Our Strategy

To deliver sustainable, value-accretive growth to our stakeholders by continuing to build the Group in a stable and sustainable manner.

## Our Vision

To be a leading global distributor of industrial consumables and engineered aftermarket solutions.

**Where we see ourselves in the future**

## Our Investment Philosophy

We invest in businesses that generate consistent, predictable, and sustainable above-market returns from a diversified portfolio of industrial holdings, with strong aftermarket positioning.

## Our Mission

To create superior value for all our stakeholders, which include our shareholders, suppliers, customers and employees.

**How we are achieving our purpose**

## Our Culture and Values

We are driven by integrity, customer-centricity, continuous improvement, and accountability. Our ethos is "progressing with purpose".

**The principles that underpin our culture and guide our actions**

## Why Invest in Us?

- Our operations are embedded in essential industries such as manufacture, mining, agriculture, transportation, and construction.
- We have a geographic footprint in 16 countries across five continents, with manufacturing facilities in China and distribution platforms in Europe, North America, Southeast Asia and Southern Africa.
- Kian Ann Group serves as a strategic international growth platform, recently expanding in the US and UK.
- Our aftermarket focus ensures resilience, recurring revenue, and lifecycle value for customers.
- We remain disciplined on working capital, gross margin optimisation, cost control, and capital allocation to deliver attractive shareholder returns.

# GROUP OPERATIONAL **STRUCTURE**

### 1. Replacement Parts for Industrial Equipment ("**RPI**")

- Comprises BMG, Industri, OST, Beltbrokers.
- Distributor of engineering consumable products, technical services and 360-degree solutions across Africa.
- RPI's competitive edge stems from a multinational network that includes 117 BMG branches and an additional 92 vendor-managed inventory ("**VMI**") consignment sites strategically located to service customer needs.
- Activities include international and local sourcing of leading global brands, distribution of premium engineering components and consumable products, technical support, value-added assembly, and bespoke manufacturing of components into customised systems and solutions.

### 2. Replacement Parts for Auto and Agri ("**RPA**")

- Supplier of imported and locally sourced automotive and agricultural aftermarket replacement parts and kits.
- Euro Driveshafts forms part of RPA and consolidates the operations in the United Kingdom, Poland and Ukraine.
- UPG UK & Ireland operates within the RPA segment, distributing automotive aftermarket parts to motor factors. Following a strategic repositioning, UPG UK & Ireland now distributes automotive aftermarket parts directly to motor factors (dealers) rather than to the end market.
- Driveshaft Parts, based in Spain, extends the Group's European footprint within the RPA segment.

### 3. Replacement Parts for Earthmoving Equipment ("**RPE**")

- Comprises ESP, NWB and Spaldings.
- ESP is a supplier of aftermarket replacement spare parts, ground-engaging tools and undercarriage parts for earthmoving equipment in Southern Africa.
- NWB, based in the United Kingdom, supports the Group's strategy of growing in developed markets. NWB supplies consumable parts to the earthmoving and agricultural machinery aftermarkets.
- Spaldings, acquired in September 2025, is a UK-based supplier of aftermarket parts for earthmoving and agricultural machinery, extending the RPE segment's footprint in developed markets alongside NWB.

### 4. Capital Equipment and Related Services ("**CE**")

- Comprises DISA Equipment (Develon), HPE, Criterion and Shamrock, and Humulani Marketing (central support services).
- Distributes earthmoving and materials handling equipment and related parts through operations in Southern Africa, serving the Mining, Earthmoving, Materials Handling/ Logistics, and Construction sectors.
- Provides aftermarket support through dedicated workshops, spare parts and service offerings, ensuring equipment uptime and lifecycle value.

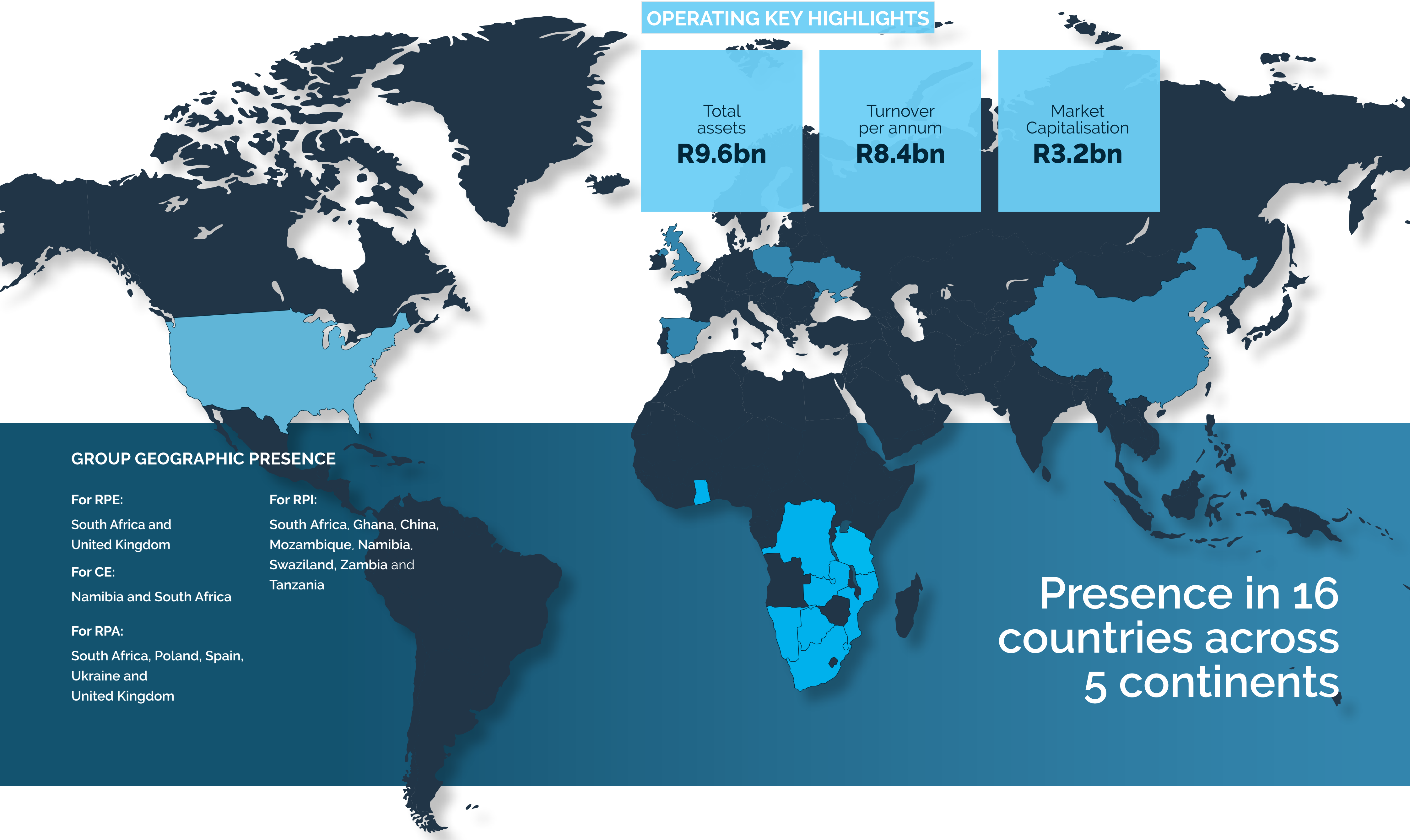
### 5. Kian Ann Group ("**KAG**")

- KAG is a strategic growth platform and during FY2026, completed the Safe Harbor acquisition which contributed to revenue growth.
- One of Asia's largest independent distributors of heavy machinery and diesel engine components.
- Global distribution of parts used in excavators, bulldozers, wheel loaders, motor graders, trucks, trailers, power generation sets, and marine engines.
- Operates across Singapore, China, Malaysia, Thailand, India, the United Kingdom, the United States and Canada.
- Kian Chue Hwa Industries ("**KCHI**") is an automotive business based in Singapore operating under KAG.
- Kunshan Kensetsu Buhin Co. Ltd ("**KKB**"), based in China, manufactures rollers, track chains, idlers and sprockets for undercarriage systems, servicing both internal requirements and global OEM clients.
- USA distribution is conducted through KTSU and KSP, accelerating growth in undercarriage distribution for heavier machinery across the North American market.
- KMP, now operating under KAG, has a presence in the UK, USA, Singapore and Malaysia and extends the Group's reach in aftermarket core engine parts for earthmoving equipment.

## The Group comprises 5 operational divisions

This structure reinforces the Group's strategic focus on geographic and sector diversification, operational excellence, and aftermarket leadership across its global footprint.

# GEOGRAPHIC **PRESENCE**



## OPERATING KEY HIGHLIGHTS

| Total assets | Turnover per annum | Market Capitalisation |
|---|---|---|
| **R9.6bn** | **R8.4bn** | **R3.2bn** |

## GROUP GEOGRAPHIC PRESENCE

**For RPE:**

South Africa and United Kingdom

**For CE:**

Namibia and South Africa

**For RPA:**

South Africa, Poland, Spain, Ukraine and United Kingdom

**For RPI:**

South Africa, Ghana, China, Mozambique, Namibia, Swaziland, Zambia and Tanzania

Presence in 16 countries across 5 continents

# HISTORY OF THE GROUP **THROUGH THE AGES**

## 1960 to 1980

- Incorporated as West Rand Organ Company (Pty) Ltd.
- Listed on the JSE in 1987 as "Skirtskip Clothing Limited".
- Disposes of its interest in clothing manufacturing in 1989 and acquired companies involved in the engineering, textile and leisure industries.
- Changes its name to "Nova Constantia Limited".

## 1990

- Divests of its textile interest.
- Acquires the retail bearing and transmission businesses of Invicta Bearing Company. At that time, the Company's divisions included industrial consumables, engineering, sports goods and telecommunications, but bearings soon became the core business.
- Changes name to "Invicta Holdings Limited".
- Acquires Autobax, CSE Equipment Company and Engine Parts.

## 2000

- Bearing Man Ltd ("BMG") becomes part of Invicta and de-lists from the JSE.
- BMG acquires OST and establishes its hydraulic business and fastener division.
- CEG acquires New Holland SA, Doosan Construction Equipment and TCM Forklifts.
- Creates a 25% BEE shareholding for its South African operations.
- Acquires a 60% stake in Tiletoria.

## 2010

- Acquires MacNeil Distributors.
- Creates Building Supply Group (which is subsequently sold in 2017).
- Acquires Kian Ann ("KAG") and delists it from the Singapore Stock Exchange.
- KAG establishes subsidiaries in Thailand and acquires stakes in Steve Woods Ltd in the UK as well as North American Tractor and Excavator Parts in Canada as well as Kunshan Kensetsu Buhin Co Ltd in China, and enters into a joint venture with SKL Equipment in India.
- CEG establishes Landbou Agriculture Aftermarket Spare Parts.
- CEG division takes shape with acquisitions of ESP, High Power Equipment Africa ("HPE") – Hyundai Earthmoving Equipment and related services, and Shamrock Handling Concepts.
- ESG division takes shape with acquisitions of Man-Dirk, Hansen and Hyflo, Rustenburg Engineering Forge Industrial Group, Driveshaft Parts and Europe Driveshaft.

## 2020

- Disposes of certain Capital Equipment businesses to CNH Industrial SA (Pty) Ltd.
- KAG introduces a strategic partner and acquires an interest in a leading roller manufacturer in China while expanding in North America ("KTSUA").
- Acquires Driveshaft Parts in South Africa and Poland, now integrated into UPG under RPA.
- Group restructures into segments: RPE, RPI, RPA, CE and KAG.
- RPE acquires KMP, a UK and US-based aftermarket parts supplier.
- RPA restructures to align UPG offshore operations and acquires UPG UK & Ireland and sets up operations in Spain.
- Establishes KSP through KAG in the USA to grow undercarriage machinery distribution alongside KTSUA. Acquires Safe Harbor in the USA through KAG.
- Strategic focus on generating 50% of earnings from outside South Africa by FY2027.

# INVICTA'S **BUSINESS MODEL**

Our business model is built on specific capital allocation, strategic diversification, and long-term value creation, through operational excellence, geographic expansion, and investment optimisation. The Group leverages its multi-sector footprint, deep technical expertise, and supply chain strength to deliver sustainable performance across varying market cycles. This model integrates the six capitals as inputs, aligns strategy with external realities and internal capabilities, and delivers measurable outcomes that benefit all stakeholders. In line with the International Reporting Framework, the model follows the prescribed flow of inputs through business activities to outputs and outcomes.

## 1 **INPUTS** > The Six Capitals

### Financial Capital

- Cash generation by resilient, cash-positive businesses.
- Strong investment and acquisition pipeline with disciplined selection processes.
- Balanced capital structure and prudent gearing.
- Established supply facilities and international procurement capacity.
- Revenue of R8.4 billion and cash generated from operations of R464 million in FY2026, reflecting the resilience of the Group's capital base.

### Manufactured Capital

- Strategic property holdings across key operations.
- Assembly and production at BMG operations in South Africa.
- Manufacturing through joint ventures in China (e.g. KKB under Kian Ann Group).
- Global distribution network with a presence in Africa, Asia, Europe and North America.
- Field engineering, customer site services, and logistics solutions.
- Inventory and business management systems and strategic inventory holdings.

### Natural Capital

- Indirect use of base materials and energy via suppliers and OEMs.
- Support for food security and sustainable agriculture through product solutions.
- Supply of energy-efficient technologies and climate-conscious solutions.

### Social and Relationship Capital

- Social licence to operate in diverse, regulated markets.
- Longstanding partnerships with leading global OEMs and agencies.
- Strong customer and supplier relationships built on trust and service excellence.
- Active community upliftment and enterprise development through the Trusts.

### Intellectual Capital

- Access to leading international brands and agencies (over 400).
- Technical and market knowledge embedded in workforce and processes.
- Digitisation and system improvements (e.g. GTI FL!P platform, internal ERP improvements).
- Innovation in distribution, procurement, and product delivery models.

### Human Capital

- Skilled, experienced workforce across geographies and industries.
- Embedded culture of integrity, entrepreneurship, and accountability.
- Hands-on leadership with deep operational involvement.
- National and regional support centres with technical experts and customer-facing teams.
- Over 3 000 employees across the Group, spanning operations in 16 countries.

## 2 **BUSINESS ACTIVITIES** > Operational Functions

**Source**

**Fund**

**Operate**

**Grow**

**Expand**

### External Environment

- Currency volatility, particularly ZAR-linked input costs.
- Energy reliability and cost, logistics inefficiencies and regulatory delays.
- Geopolitical volatility and uncertainty.
- Bureaucracy and trade barriers across global markets.
- Inflationary pressures and global demand fluctuations.

### Invicta's Core Business Focus

Invicta's primary business is the management and optimisation of a diversified portfolio, with investment exposure across industrial consumable parts, auto-agricultural aftermarket components, and earthmoving equipment parts and services.

# INVICTA'S **BUSINESS MODEL** continued

## 3 STRATEGY

### Internal Strategy

- Diversify and optimise returns across portfolio companies.
- Evolve geographic and product-based diversification.
- Enhance distribution and aftermarket excellence.
- Drive localised B-BBEE local growth strategies through empowerment vehicles.
- Formalise succession planning and talent pipeline development.
- Modernise business processes to scale with Group complexity.
- Maintain agile response to macroeconomic shifts.
- Strengthen ESG compliance and reporting frameworks.
- Improve working capital efficiency and leverage balance sheet capacity.
- Advance employee development and leadership capability.

## 4 **OUTCOMES** > The Six Capitals

### Financial Capital

- Sustained shareholder value creation.
- Enhanced return on equity and strong cash flow management.
- Diversified risk profile with improved financial governance.
- Headline earnings per share of 540 cents in FY2026 (FY2025: 534 cents), reflecting sustained value creation for shareholders.

### Manufactured Capital

- Expansion of footprint in America and Asia (via KAG).
- Infrastructure investment to support distribution and customer delivery.
- Scalable manufacturing and assembly to support African and global demand.

### Natural Capital

- Contribution to sustainable food production and clean technologies.
- Indirect climate change mitigation through low-emission equipment and energy-efficient products.

### Social and Relationship Capital

- Education and community investment through the trusts, HET and HEIT.
- Supplier and customer loyalty enhanced by consistent value delivery.
- Continued improvement in transformation credentials and stakeholder trust.

### Intellectual Capital

- Institutional knowledge transfer across operating companies.
- Adoption of smart systems and digitisation to support operational agility.

### Human Capital

- High retention of experienced staff.
- Increased technical certification and skills training.
- Leadership pipeline development and mentorship structures.

## 5 **OUTPUTS** > Key Products and Services

### At Group Level

- Improve total shareholder return
- Investment in education, enterprise development, and transformation
- Growth in diversified income streams and business geographies
- Sustainable performance despite external volatility

### At Divisional Level

- Broad range of industrial and automotive products supplied.
- Over 400 local and international brands represented.
- Value-added customer solutions with technical and aftersales support.
- Increased employment in rural communities through retail and distribution sites.
- Strong environmental stewardship in product and facility design.
- Expansion of local manufacturing and value addition capabilities.

# OUR LEADERS

## Dr. Christo Wiese (84)

R N

*Chairman*

**Qualifications:** BA, LLB, DCom (h.c.)
**Years of service as an Invicta Director:** 29

Dr. Wiese was appointed as a Non-Executive Director of Invicta in October 1997 and served as Chairman from October 1997 to April 2000. Dr. Wiese was re-appointed as non-executive Chairman in January 2006 and is currently also the Chairman of Tradehold Limited and a Non-Executive Director of Shoprite Holdings Limited and Brait SE.

## Steven Joffe (55)

I S

*Chief Executive Officer*

**Qualifications:** BCom (Hons Taxation) and HDip (Company Law), CA(SA)
**Years of service as an Invicta Director:** 6

Mr. Joffe joined Invicta as CEO on 1 January 2020. Mr. Joffe previously served as CEO of enX Group Limited, Wild Rose Management (Pty) Ltd, and Gold Reef Casino Resorts Limited.

## Nazlee Rajmohamed (60)

*Chief Financial Officer*

**Qualifications:** BCom, PGDA, CA(SA)
**Years of service as an Invicta Director:** 8

Ms. Rajmohamed joined Invicta on 1 July 2018 as Group CFO. Ms. Rajmohamed has over 24 years of executive experience, having held senior positions within the TOTAL Société Anonyme Group in South Africa, Nigeria, and France, and at MTN Group Limited, where she served as Executive Group Finance.

## Craig Barnard (62)

*Executive Director*

**Qualifications:** CA(SA), MBA, ACIS
**Years of service as an Invicta Director:** 19

Mr. Barnard joined Invicta Holdings in 1998 as Financial Manager after holding positions at Sappi and Group Five. He was appointed as a Director of CSE Equipment Company in 1999 and became Invicta's Company Secretary in 2002. In June 2007, he was appointed as an Executive Director of Invicta Holdings. Mr. Barnard resigned as Company Secretary in January 2014, continuing as Financial Director and Commercial Director. In 2018, he stepped down as Financial Director and continued in his role as Commercial Director.

## Jacob Wiese (45)

I

*Non-Executive Director*

**Qualifications:** BA (Value and Policy Studies), LLB, MIEM (Bocconi, Italy)
**Years of service as an Invicta Director:** 16

Mr. Wiese obtained his BA degree and worked at Lourensford Wine Estate, managing leisure and tourism activities. He completed his Master's degree in International Economics and Management and his LLB degree. He completed his pupillage at the Cape Bar and was admitted as an advocate of the High Court. Mr. Wiese was appointed as a Non-Executive Director of Invicta Holdings in July 2010. He also serves as a Non-Executive Director on the boards of Shoprite Holdings, Collins Property Group, and Fairvest Limited.

**Board Committees**

A Audit and Risk Committee  N Nominations Committee  I Investment Committee  R Remuneration Committee  S Social and Ethics Committee  ● Committee Chairman

# OUR LEADERS continued

## Frank Davidson (61)

A I

*Independent Non-Executive Director*

**Qualifications:** BCom, BAcc, CA(SA)

**Years of service as an Invicta Director:** 6

Mr. Davidson is a chartered accountant with over 30 years of experience as a business owner and executive. Mr. Davidson has worked in wealth management for more than 20 years and is currently engaged in private equity.

## Rashid Wally (82)

A N R S

*Independent Non-Executive Director*

**Years of service as an Invicta Director:** 13

Mr. Wally has over 38 years of experience in the information technology sector, having held senior executive positions with IBM in Africa, Europe, the Middle East, and South East Asia, including Lenovo in Africa. Mr. Wally was Chairman of the Board and member of the Audit and Risk Committee of Mango Airlines and is currently Chairman of Fastjet PLC and serves on its Audit and Risk Committee.

## Lance Sherrell (60)

S

*Non-Executive Director*

**Qualifications:** BCom

**Years of service as an Invicta Director:** 16

Mr. Sherrell is a Director and shareholder of the SMG Group (BMW). Mr. Sherrell studied commerce at the University of Cape Town and has been involved in the hospitality and motor trade industries for over 15 years. Mr. Sherrell represented South Africa as a rugby player in the national team in 1994.

## Iaan van Heerden (54)

A I N R

*Non-Executive Director*

**Qualifications:** BLC, LLB, LLM *(cum laude)*, Higher Diploma in International Tax

**Years of service as an Invicta Director:** 6

Mr. van Heerden served as an Investment Banking Director at Rand Merchant Bank and has over 21 years of experience in investment banking, mergers and acquisitions, tax, and corporate law. Mr. van Heerden 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.

## Mpho Makwana (55)

A N R S

*Independent Non-Executive Director*

**Qualifications:** BAdmin (University of Zululand), BAdmin. Hons (University of Pretoria), EDP Certificate (Kellogg School of Management), Postgraduate Diploma, Retail Management (Stirling University, UK))

**Years of service as an Invicta Director:** 6

Mr. Makwana is a seasoned business leader with over 35 years of executive experience across state-owned and JSE-listed environments. He is Trustee of Delta Property Fund Limited, a JSE-listed REIT and an Independent Non-Executive Director of AVBOB and Platinum Group Metals Limited, which is dual listed on the TSX and NYSE. His board committee experience spans Audit and Risk, Nominations and Governance, IT, ESG, Climate Risk Mitigation and Remuneration Committees. Committed to public benefit, he chairs the Boards of Trustees of the Nelson Mandela Children's Fund and the WWF Nedbank Green Trust, and serves as an Adjunct Professor at UNISA CEMS. In May 2026 he received an honorary Doctor of Business Administration degree.

### Board Committees

A Audit and Risk Committee | N Nominations Committee | I Investment Committee | R Remuneration Committee | S Social and Ethics Committee | Committee Chairman

# 03

# OUR OPERATING ENVIRONMENT

*All operations undertaken within the Group align with Invicta's ethos as a socially responsible investor*

# STAKEHOLDER ENGAGEMENT AND RELATIONSHIPS

*Invicta remains committed to building inclusive, transparent, and mutually beneficial relationships with all our stakeholders. Our approach is grounded in our values and supported by ethical leadership, responsible business practices, and open dialogue. We recognise that our long-term success is built on meaningful engagements with those who impact or are impacted by our operations, including employees, customers, suppliers, funders, shareholders, regulators and the broader communities in which we operate.*

We continuously assess our stakeholder priorities to ensure our strategy and operations remain relevant, responsive, and resilient.

In line with King V™ Principle 13 (stakeholder-inclusive approach), the Board adopts a stakeholder-inclusive approach to governance and ensures that stakeholder needs and expectations inform strategic decision-making and governance deliberations. Our stakeholder engagement process is underpinned by a materiality assessment that identifies and prioritises those stakeholders with the most significant impact on, and those most significantly impacted by, the Group's activities. The outcomes of our stakeholder engagement are considered by management and reported to the Board and relevant sub-committees to support informed and balanced decision-making in the long-term interests of the Group and its stakeholders.

## Our Stakeholder Relationships Explained

### Communities

Focus on building sustainable social value by reinvesting in the communities in which we operate

### Customers

Focus on their product and service needs and growing our share of their spend

### Suppliers

Focus on creating strong channels to market for their products and grow their share of the market

### Funders

Focus on the balanced use of external funding to facilitate growth

### Shareholders

Focus on delivering superior financial performance

### Governments

Focus on compliance with all applicable laws and regulations

### Employees

Focus on attracting, developing and retaining quality employees

# STAKEHOLDER ENGAGEMENT AND RELATIONSHIPS continued

## Our Stakeholders

*Our Stakeholder Relationships*

### EMPLOYEES

#### Needs and Expectations

- Fair treatment, respect and dignity.
- Market-related compensation and performance incentives.
- Career development and training opportunities.
- Clear communication and feedback.
- Safe and healthy work environment.

#### How We are Responding

- Code of Ethics guides respectful, inclusive conduct.
- Market-aligned remuneration structures.
- Accredited training and bursary programmes.
- Regular performance reviews and feedback.
- Compliance with labour, and health and safety regulations.
- Structured change management and transition support during organisational restructuring.

#### Method of Engagement

- Internal newsletters and broadcast emails.
- Video updates from leadership.
- Daily engagement with line managers.
- In-house accredited learning programmes.
- HR management and monitoring of employee issues.

### CUSTOMERS

#### Needs and Expectations

- Product quality and reliability.
- Competitive pricing.
- Technical and field support.
- Availability and timely delivery.
- Strong product knowledge.
- Ongoing service and after-sales support.

#### How We are Responding

- Customer-centric system design and processes, with continuous product improvement.
- Vendor-managed inventory solutions.
- Feedback-driven service improvements.

#### Method of Engagement

- Face-to-face visits.
- Social media and digital marketing.
- Website and product portals.
- Dedicated support teams and product training.
- After-sales check-ins.

### SUPPLIERS

#### Needs and Expectations

- Accurate demand forecasting.
- Clear product requirements.
- Reliable payments and ordering processes.
- Long-term business stability.
- Technical collaboration and responsiveness.

#### How We are Responding

- Timely payments and order placement forecasting alignment and supplier feedback.
- Close technical engagement on product issues.
- Regular performance and quality reviews.

#### Method of Engagement

- Continuous dialogue with production and procurement teams.
- Feedback sessions and supplier reviews.
- Technical troubleshooting support.

# STAKEHOLDER ENGAGEMENT AND RELATIONSHIPS continued

## FUNDERS

### Needs and Expectations

- Financial performance and stability.
- Risk management and governance.
- Sustainable growth strategy.
- Transparent reporting.
- ESG performance and succession planning.
- ESG-linked lending criteria and sustainability performance metrics.

### How We are Responding

- Regular financial and operational updates.
- Covenant compliance and disclosure.
- Long-term strategy articulation and scenario planning.

### Method of Engagement

- Integrated Annual Report.
- Interim and annual financial results.
- SENS announcements.
- Investor and funders presentations and meetings/calls.

## SHAREHOLDERS

### Needs and Expectations

- Shareholder value and returns.
- Transparent governance.
- Strategic clarity and execution.
- Risk oversight.
- ESG and compliance.
- Responsible capital allocation and portfolio management (acquisitions and disposals).

### How We are Responding

- Strategic execution and disciplined capital allocation.
- Effective governance through Board and sub-committees.
- Transparent and timely reporting.

### Method of Engagement

- Integrated Annual Report.
- Annual General Meeting.
- SENS announcements.
- Investor roadshows and presentations.

## GOVERNMENTS & REGULATORS

### Needs and Expectations

- Legal and regulatory compliance.
- Tax collection and reporting.
- Transformation and employment equity.

### How We are Responding

- Robust compliance framework and systems.
- Dedicated tax and legal teams.
- Regular reporting and disclosure.

### Method of Engagement

- Regulatory returns (JSE, EE, BEE, tax)
- Integrated Annual Report.
- Engagements with regulatory authorities .
- King V™ Disclosure Framework (FY2026).

## COMMUNITIES

### Needs and Expectations

- Job creation and skills development.
- Educational and social upliftment.
- Meaningful community investment.
- Responsible business conduct in host communities across all countries of operation.

### How We are Responding

- Local hiring and enterprise development.
- CSI and bursary programmes.
- Youth training and learnerships.

### Method of Engagement

- Community partnerships and outreach.
- Local media and campaign messaging.
- On-the-ground CSI initiatives.

# TRENDS THAT SHAPE US

## 1 Persistent Global Supply Chain Volatility

### Context

**Global supply chain volatility remains a structural condition driven by geopolitical fragmentation, trade weaponisation, and resource constraints.**

### Impacts/Effects

- Freight rates increases and lead times remain long.
- Ongoing unpredictability in factory output and shipping schedules.
- Specific component shortages, e.g. semiconductors and electronics.

### Our Strategic Response

- Continue to hold higher inventory to mitigate delays.
- Strengthen demand forecasting and order planning.
- Enhance after-sales service to support clients during delays.
- Warehouse and operational relocation to optimise supply.

### Our Opportunities/Future Outlook

- Improved market and customer perspective through consistent availability of inventory.
- Stronger supplier and logistics partnerships built on visibility and collaboration.
- Leverage data to optimise replenishment cycles.
- Shipping delays of over two months for key equipment brands impacting SA selling cycles; trans-shipments increasing financing costs.
- Chinese brand disruption accelerating across capital equipment and forklift segments, driving margin compression through price competition.

| Capitals Impacted | Associated Risks |
|---|---|
| | R2 R4 R8 |

## 2 Shift Toward Aftermarket Parts and Extended Asset Life

### Context

**The shift toward aftermarket parts and extended asset life is a direct response to the prohibitive costs and lead-time uncertainties of new capital equipment. Industrial operators are increasingly prioritising the "rebuild vs. replace" model to maintain operational continuity amid global volatility.**

### Impacts/Effects

- OEM lead times remain extended.
- Customers opting to repair rather than replace equipment.
- Higher consumption of spare parts.

### Our Strategic Response

- Source reliable aftermarket alternatives.
- Expand spare parts inventory, especially for high-consumption items.
- Focus on quality assurance for non-OEM components.

### Our Opportunities/Future Outlook

- Expand market share in the aftermarket parts segment.
- Build customer loyalty by supporting asset longevity.
- Develop proprietary branded parts where feasible.

| Capitals Impacted | Associated Risks |
|---|---|
| | R2 R3 |

# TRENDS THAT SHAPE US continued

## 3 Inflation and Input Cost Pressure

### Context

**Inflation and input cost pressure persist as structural features of the operating environment, driven by elevated freight, energy and labour costs, currency volatility and the higher cost of capital. For import-dependent distribution businesses, margin protection now depends on pricing agility and disciplined cost management rather than cyclical relief.**

### Impacts/Effects

- Rising costs across freight, fuel, materials and labour.
- Ongoing currency volatility impacting imports.

### Our Strategic Response

- Renegotiate supplier terms to offset cost pressures.
- Tighten forex risk management practices.
- Identify efficiencies in logistics and procurement.

### Our Opportunities/Future Outlook

- Strengthen supplier relationships for preferential pricing.
- Explore local sourcing and regional consolidation.
- Enhance value proposition through cost-effective solutions.

| Capitals Impacted | Associated Risks |
|---|---|
| | R3 R5 |

## 4 Trade Restrictions and Geopolitical Risk

### Context

**Trade restrictions and geopolitical risk have become permanent features of the global trading system, driven by tariff escalation, retaliatory measures and the realignment of trade blocs. The predictability that once underpinned global sourcing models has given way to a fragmented landscape requiring continuous adaptation.**

### Impacts/Effects

- Tariffs and import duties affecting specific product categories.
- Regulatory fragmentation across jurisdictions.
- Punitive tariffs being imposed on specific countries in ongoing trade disputes.

### Our Strategic Response

- Diversify sourcing from low-tariff or free-trade countries.
- Assess cost-benefit of regional warehousing and assembly.
- Monitor geopolitical trends to anticipate disruption.

### Our Opportunities/Future Outlook

- Expand supplier base into strategic trade zones.
- Optimise product flow to reduce exposure to duties.
- Agility in adapting sourcing models based on trade developments.

| Capitals Impacted | Associated Risks |
|---|---|
| | R2 R3 |

# TRENDS THAT SHAPE US continued

## 5 Digital Transformation and Customer Expectations


### Context

**Digital transformation is being driven by a decisive shift in customer expectations, with industrial buyers now demanding the real-time visibility, self-service and responsiveness of consumer platforms. Digital capability has moved from competitive differentiator to a baseline condition of market participation.**

### Impacts/Effects

- Customers increasingly expect real-time visibility, digital service and e-commerce access.

### Our Strategic Response

- Invest in digital platforms for customer self-service and order tracking.
- Improve internal systems to drive real-time inventory and logistics visibility.

### Our Opportunities/Future Outlook

- Differentiate through a seamless digital customer experience.
- Strengthen competitive edge with responsive data-driven operations.
- Develop integrated ERP solutions with partners to support inventory turnover.
- Leverage Group-wide digital platforms to achieve real-time stock visibility and five-month cover re-order discipline across all segments.

| Capitals Impacted | Associated Risks |
|---|---|
| | R3 R5 |

## 6 Artificial Intelligence and Technology-led Disruption


### Context

**Artificial intelligence has moved from experimentation to mainstream enterprise adoption, driven by rapid advances in capability and falling barriers to deployment. The technology presents a dual imperative: competitive necessity in operations, and a formal governance obligation under King VTM for responsible board-level oversight.**

### Impacts/Effects

- Rapid adoption of AI tools across distribution, logistics and customer service creating competitive disruption.
- King V™ Principle 10 requires Board-level governance of emerging technologies; AI governance not yet formally embedded.

### Our Strategic Response

- Develop an AI governance framework aligned to King V™ Principle 10 to guide responsible adoption across the Group.
- Pilot AI-powered tools in demand forecasting, customer service and inventory optimisation to drive operational efficiency.

### Our Opportunities/Future Outlook

- Early movers in AI adoption will gain significant operational and competitive advantage across multi-geography distribution businesses.

| Capitals Impacted | Associated Risks |
|---|---|
| | R2 R3 |

# TRENDS THAT SHAPE US continued

## 7 Environmental and Regulatory Pressures


### Context

**Environmental pressure is hardening from voluntary commitment into binding regulation and commercial requirement, driven by carbon border measures, mandatory disclosure standards and ESG-linked procurement. Environmental performance is now a condition of market access rather than a reputational consideration.**

### Impacts/Effects

- Growing demand for sustainable products and ESG-compliant operations.
- Carbon pricing and emissions scrutiny increasing in certain markets.

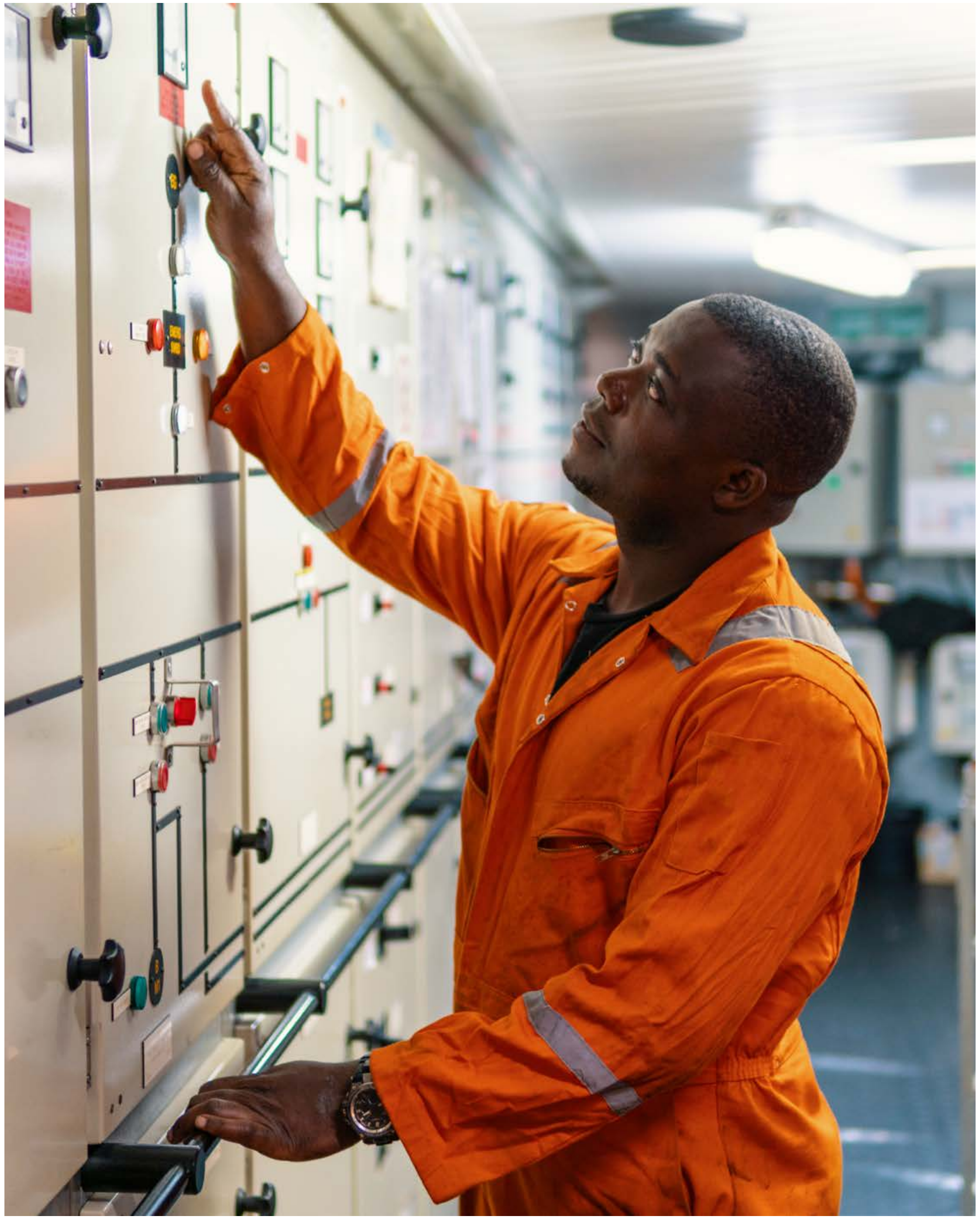
### Our Strategic Response

- Introduce more fuel-efficient and environmentally friendly products.
- Track carbon footprint and integrate ESG factors into procurement.

### Our Opportunities/Future Outlook

- Meet growing customer demand for responsible sourcing.
- Align with future regulatory requirements and investor expectations.

| Capitals Impacted | Associated Risks |
| --- | --- |
| | R3 R5 |



# RISKS AND OPPORTUNITIES

## Risk Governance

The Board is ultimately responsible for risk governance across the Group and is committed to maintaining robust risk management practices in alignment with corporate governance standards and ethical leadership. While the Board has overall responsibility for risk management within the Group, the Audit and Risk Committee and Executive Committee (supported by the boards of subsidiary companies, executive committees, and management at operational level) assist the Board in discharging its responsibility for the governance of risk by identifying, monitoring, and managing risks on an ongoing basis.

At Invicta, risk management is embedded in the way we do business. It begins with an understanding of the Group's key value drivers and involves identifying both risks and opportunities that could influence strategic and operational outcomes. This process includes the consideration of environmental, economic, social, and geopolitical factors, as well as business processes across the Group. Risk management is coordinated across Invicta's subsidiaries and divisions to balance growth with responsible risk-taking to support long-term shareholder value.

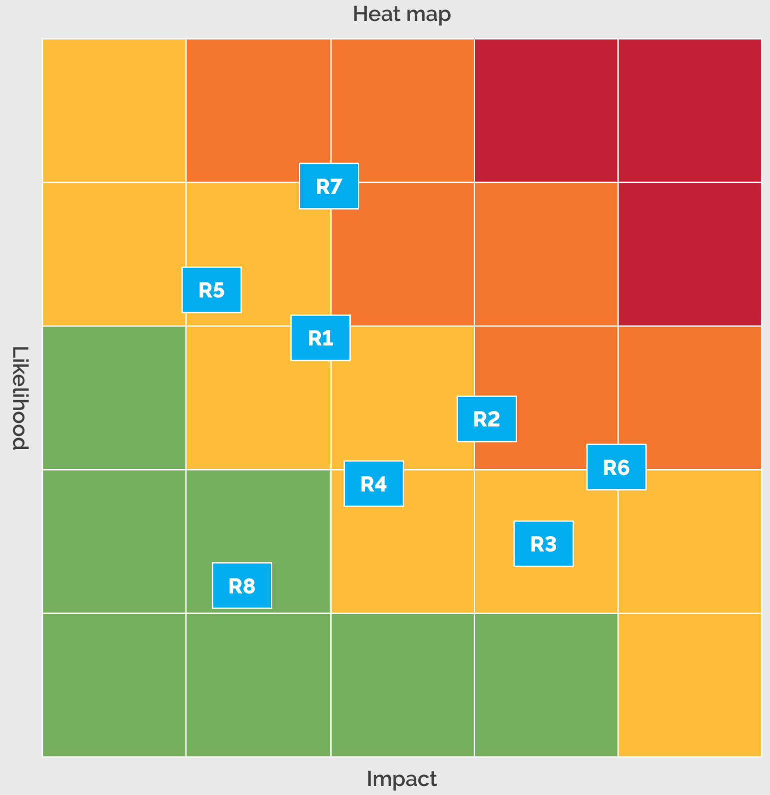
## Our Risk Management Approach

The Group applies a dual bottom-up and top-down approach to ensure comprehensive risk identification and management. The bottom-up approach is supported by workshops with divisional management to identify and prioritise risks. The top-down approach involves a review and assessment of whether all risks are comprehensively identified and prioritised and properly addressed to accomplish the Group's strategic objectives.

The Enterprise Risk Management ("**ERM**") process continues to mature, with improvements in risk identification, assessment, and mitigation at the entity, segment and Group levels. Risk owners are trained to actively lead the management of risk in their areas of expertise. The process of risk management is ongoing, and the risk registers are live documents which are maintained and updated through regular, facilitated risk workshops.

The Board is satisfied that risk governance arrangements during the year under review supported effective decision-making, operational resilience and the achievement of the Group's objectives.

### Risk Heat Map




### Risk

- R1 De-industrialisation of South Africa
- R2 Global and local supply chain issues
- R3 Execution of acquisition strategy
- R4 Working capital management
- R5 Information technology
- R6 South African electricity and water supply and stability
- R7 Reputational damage
- R8 Geo-political developments and trade dynamics

# RISKS AND OPPORTUNITIES continued

## Our Major Strategic Risks

Our risks are identified with reference to the strategic objectives and current operations of the Group. The Group's major strategic risks are those that both have a "high" or "significant" inherent impact and probability of occurrence on the strategic objectives or operations of the Group and have an "extreme", "high" or "moderate" residual risk profile. While the other risks are monitored on an ongoing basis, the Board has prioritised the management of the risks that satisfy the above criteria. These risks are identified through a dual approach: facilitated bottom-up workshops with divisional management to identify and rank operational risks, combined with a top-down review by management and Exco to confirm comprehensive coverage and alignment with strategic objectives. Residual risk ratings are assessed annually, with independent facilitation provided by BDO Risk Advisory Services. In line with JSE Listings Requirements, the risks below are grouped thematically by strategic objective. For FY2026, the Group presents eight major strategic risks, compared to ten in FY2025, following the removal of "Loss of technical and key management skills" from the top risk register after the February 2026 risk assessment.

### **Strategic Objective:** Protecting and Growing Shareholder Wealth

### Risk 1 R1

**De-industrialisation of South Africa:** Lack of competitiveness/low productivity could lead to a decline in industrial production in South Africa, with flat or declining impact on Group revenue and profitability. Major steel-making operations shut down in 2025, bringing the risk that government interventions to protect local industries could lead to greater production inefficiencies, hampering South Africa's ability to compete.

**Control**
- Diversification geographically to growing industrial markets.
- Diversification within South Africa to high-growth products and markets.

**Associated opportunity**
- Build a diversified industrial portfolio which meets the Group's strategic goals.

### Risk 2 R2

**Global and local supply chain issues:** Global supply chain issues result in the inability to obtain inventory, leading to loss of sales and business. This includes issues arising from unforeseeable events/"**acts of God**" that impact customers, suppliers, or our own operations, as well as issues arising from the loss of a supplier, which could result from failure to meet expectations or contractual obligations. Local supply chain issues include delays at local ports and ineffective rail transport.

**Control**
- Adjust working capital levels and procurement processes to compensate for changes in lead times.
- Operational disaster management plans are in place, which empower the management teams to be fast, flexible and efficient in their response to unforeseeable events/**"acts of God"**.
- The Group maintains a diverse customer base across industry, product, and location.
- Virtual management of operations has been optimised.
- Operations carry adequate inventory to allow sufficient time to react, with some suppliers able to shift manufacturing to different cities and/or countries.
- Maintaining strong relationships supported by transparent and timely communication on markets.
- Extending the number of key suppliers to limit the risk associated with any one supplier.

**Associated opportunity**
- New supplier and customer relationships beyond the existing relationships that the Group enjoys.
- The correct disaster management plans and inventory levels allow us to capture additional business opportunities.
- Secure competing products from new suppliers using our strong market presence.

### Risk 3 R3

**Execution of acquisition strategy:** Acquisitions perform below expectations because of the transition time taken to optimise operations, extract value, and thus expose the Group to unanticipated risks.

**Control**
- Oversight from the Investment Committee.
- The existence of well-established processes and an experienced management team create downside protection through due diligence and agreement structures.

**Associated opportunity**
- Good acquisitions are earnings-enhancing.

### Risk 4 R4

**Working capital management**: Exchange rate volatility and supply chain pressures heighten the risk of over/understocking and consequent inventory obsolescence/stockouts, as well as foreign exchange exposure on debtors and creditors denominated in foreign currencies. For FY2026, this risk has been broadened to include credit risk on internal financing arrangements, including the risk of impairment of loans extended to AME entities, which represent a material working capital exposure at Group level.

**Control**
- Strict monitoring of procurement decisions at Group CEO and divisional Exco level. Working capital performance is reviewed at each divisional board and Exco meeting, with escalation to Group level where thresholds are exceeded.
- Adherence to policy on taking forward cover for known foreign currency transactions.

**Associated opportunity**
- Structural discipline will create the opportunity to outperform the market and be the supplier of choice.

# RISKS AND OPPORTUNITIES continued

## Our Major Strategic Risks continued

**Strategic Objective:** Protecting and growing shareholder wealth

### Risk 5

R5

**Information technology and related risks:** The Group is exposed to the risk of prolonged downtime or data loss arising from cybersecurity breaches, failures of critical systems, including the ERP, Microsoft platforms, and other enterprise applications, and disruptions to external infrastructure, such as undersea cable networks. For FY2026, this risk has been expanded to include the risk that critical systems become outdated and no longer meet business requirements. In particular, the implementation of the new Warehouse Management System ("**WMS**") at RPI is in focus, as any failure or significant delay would carry a material operational and financial impact for the Group.

**Control**

- Close monitoring and management of software updates and supplier support.
- At AME divisional level, operational teams carry primary responsibility for system readiness, with regular reporting to divisional Exco and escalation to Group management where material risks are identified.
- Robust disaster recovery plans that are tested regularly.
- Continually evolving cybersecurity measures to meet new cyber-security challenges, supported by penetration testing and staff training.
- Development of a cybersecurity strategy supported by a policy to guide response to cybersecurity breaches.

**Associated Opportunity**

- The ability to operate under conditions where others fail.

### Risk 6

R6

**South African electricity and water supply and stability:** Despite greater stability in the supply of utilities, the *ad hoc* unplanned interruptions are a constraint on GDP and impact the activities of key customer industries such as mining. The higher cost of these services results in a higher operating cost for the business.

**Control**

- Deployment of alternative power independent of the national grid to key sites.

**Associated opportunity**

- Grow our business by moving into the supply of alternate energy products and/or parts.

**Strategic Objective:** Undertake an ethical, transparent and sustainable business

### Risk 7

R7

**Reputational risk:** The Group is exposed to reputational damage arising from product or governance failures, non-compliance with regulatory standards, including the JSE Listings Requirements or failure to meet obligations across the multiple jurisdictions in which it operates. Regulatory complexity continues to increase, with ongoing requirements including Financial Intelligence Centre ("**FIC**") compliance and energy performance obligations applicable to the Group's properties in South Africa.

For FY2026, the scope of this risk has been broadened to reflect risks identified through the annual risk assessment process. These include: exposure to substandard product quality, which, despite a low probability of occurrence, carries a high potential reputational impact; litigation risk arising from disputes with principals; the risk of inadequate insurance coverage, specifically in relation to the BMG warehouse facility; and the risk of disruption from a pandemic or natural disaster affecting the Group's operations, customers or supply chain. Each of these has been assessed as carrying a reputational dimension at Group level and is managed accordingly within this risk category.

**Control**

- Reputational risk oversight is exercised by the Social and Ethics Committee.
- The Group has a strong governance framework, including ISO certification at appropriate levels and its code of ethics.
- External consultants are engaged where specialist knowledge is required.
- Standard Operating Procedures and regular training support execution.
- The Group has strong Non-Executive Director and appropriately qualified and experienced Executive Directors.

**Associated opportunity**

- The Group will be a preferred partner for companies that value ethical business practices, creating a business that is sustainable in the long term.

**Strategic Objective:** Geographical diversification

### Risk 8

R8

**Geo-political developments and trade dynamics risks:** Escalating global tensions, increasing polarisation among leading economies, and prolonged regional conflicts have created a volatile geopolitical climate. These developments are reshaping trade relationships, heightening security concerns, and challenging long-standing multilateral frameworks. As a result, global businesses are facing greater exposure to supply chain disruptions, regulatory uncertainty, and trade realignment risks.

For the Group, these dynamics give rise to several specific risk considerations:

- Disruptions to the Group's supply chain and access to key customer markets.
- Foreign exchange constraints, including dollar shortages in certain regions where we operate.
- Tariff regimes affecting imports from our manufacturing base into key international markets.
- Additional import duties – such as those affecting steel and aluminium – which may reduce demand from customers reliant on export markets.
- Increased vulnerability to shifts in bilateral trade agreements, including the potential loss of preferential access to strategic markets.
- Elevated uncertainty in entering new jurisdictions, as trade and security alignments continue to evolve away from predictable, rules-based global systems.

**Control**

The Group's operations are spread across various jurisdictions to mitigate this risk.

The Group's access to local insights and knowledge is supported by its local offices.

The Group manages this risk through geographical diversification of operations, with local offices in AME markets providing on-the-ground intelligence on regulatory, trade and political developments.

Where tariff regimes or import duties affect specific product categories, the Group actively diversifies its sourcing base, including from low-tariff or free-trade countries, and assesses the cost-benefit of regional warehousing and assembly to optimise product flow and reduce duty exposure.

The Group's treasury and foreign exchange policies govern exposure to currency constraints in affected regions. The Investment Committee evaluates geopolitical and regulatory risk as part of the due diligence process for all new market entries and acquisitions.

Country-specific operational risks are actively managed at divisional level, with escalation to Group management where material changes in the trade or political environment require strategic intervention.

**Associated opportunity**

The Group's growing global footprint creates opportunities for new supplier and customer relationships beyond the existing relationships that the Group enjoys.

The Group's current footprint positions it to identify further opportunities for geographical diversification allowing it to follow shifting global trading patterns, with agility and insight.

04

# OUR STRATEGY

# REFLECTIONS FROM OUR CEO

Steven Joffe

**Five years**

of balance sheet work positioned us for precisely this kind of year

**HEPS up 7%**

to 594 cents

Gross profit margin of 33.1%

**up from 32.6%**

*FY2026 was a year defined by external pressure and internal resolve. Sustained Rand strength affected the translation of our foreign operations, while US trade tariffs on Chinese-manufactured goods and the supply chain disruption triggered by the Middle East conflict created headwinds across nearly every market in which we operate. That we were able to deliver sustainable headline earnings per share of 594 cents, up 7% on the prior year, reflects both to the quality of our diversified operations and the discipline of our management teams.*

## Operating Context and Strategic Response

The operating environment did not ease as the year progressed. Currency volatility, with the Rand fluctuating between R15.97 and R19.77 to the Dollar, required active currency and exchange rate management, along with careful inventory positioning. US tariffs affected Kian Ann's USA distribution business ("**KTSU**") materially, contributing to a 15.4% decline in KTSU's sales, although the subsequent reversal of the IEEPA tariffs partially offset this. The Middle East conflict resulted in extended lead times and increased freight costs, and required the Capital Equipment segment to accelerate local stockholding of critical parts.

Management responded with agility. We converted certain branches to agencies to reduce fixed costs, tightened expense control across all segments and maintained pricing discipline that held gross profit margin at 33.1%, up from 32.6% in the prior year. The balance sheet strength we built over the preceding five years meant we could absorb these conditions without compromising our strategic agenda.

## Strategic Delivery

The Group achieved its long-stated objective of generating approximately 50% of income from operations outside South Africa. This geographical diversification materially reduces our dependence on any single market and positions the Group for the next phase of growth.

Revenue grew 4% with the inclusion of Spaldings, acquired effective 1 September 2025 for GBP 10.5 million. Spaldings is a well-established UK distributor of agricultural and ground care parts, and its acquisition extends our RPE platform into Europe with its established customer base, a profitable operating model and clear integration opportunities across the broader Group. The Capital Equipment segment delivered net profit after tax of RR89.7 million, 22% ahead of the prior year, with an EBT margin of 8.9%. RPI protected its bottom line through cost discipline, despite top-line pressure, delivering profit before tax of R273.8 million. RPA and the Kian Ann businesses faced the most difficult conditions; both are subject to focused management attention and specific improvement plans for FY2027.

We repurchased 5.6 million shares for R188 million during the year, returning value to shareholders in a manner consistent with our capital allocation framework. The Group also continued to evaluate acquisition opportunities aligned to our geographic diversification strategy. Our disciplined approach of ensuring a strategic fit, earnings quality and appropriate pricing, continues to guide our capital allocation decisions in this regard.

# REFLECTIONS FROM OUR CEO continued

## People, Culture and Sustainability

Our people remain the cornerstone of the Group's success. FY2026 brought meaningful leadership transitions across several of our businesses, and we thank departing leaders for their long service and welcome those who have stepped into new roles. Continuity of institutional knowledge and the deliberate development of our leadership pipeline, remain priorities as the Group grows in scale and complexity.

We remain committed to operating responsibly across our geographic footprint. Our investment in the Invicta trusts, our B-BBEE commitments and our environmental stewardship obligations, are reported in the Sustainability section of this report. The Group's socio-economic contribution, employee wellbeing initiatives and transformation progress, are matters the Board and management take seriously and continue to advance.

## Outlook

We enter FY2027 with measured confidence. The recovery in commodity prices, evident in the final quarter, gives grounds for improved mining sector activity. The Capital Equipment segment is well-stocked and positioned to benefit from this. Structural improvements across RPI, the Spaldings full-year contribution and, the anticipated commissioning of the new Warehouse Management System in Q2 FY2027 each represent meaningful operational catalysts.

The uncertainties, however, are real: steel tariffs, Middle East conflict logistics disruptions, African subsidiary cash repatriation constraints and currency volatility, remain live risks that we continue to manage proactively. What gives me confidence is that Invicta has demonstrated, through a year of genuine difficulty, that our business model works, our teams deliver and our balance sheet is fit for purpose.

I finally want to thank our Board, management teams, employees, shareholders and other stakeholders for their continued trust and commitment.

**Steven Joffe**
*Group Chief Executive Officer*

June 2026

# **REFLECTIONS** FROM OUR **CFO**

Nazlee Rajmohamed

Net asset value per ordinary share

**6 370 cents**

**R283 million**

returned to shareholders through dividends and share buybacks

Cash and cash equivalents of

**R757 million**

*The Group aims to provide its shareholders with a sustainable above-market return from its diversified industrial consumables, capital equipment and replacement parts businesses, leveraging both existing operations and targeted acquisitions.*

The focus of our operational and management efforts remains on the correct allocation of capital, and efficient working capital management. The Group has remained cautious in terms of capital allocation and has continued to provide increased value to shareholders through the repurchase of its ordinary shares.

The year's performance has delivered R491 million profit attributable to ordinary shareholders. Headline earnings were R476 million, with headline earnings per share at 540 cents compared to the 534 cents per share delivered last year. Sustainable headline earnings per share increased by 7% to 594 cents.

This is a resilient performance against the backdrop of what can only be described as a particularly difficult operating environment for most of the year. The tariffs imposed by the USA more specifically on Chinese manufactured goods, the logistic disruptions, and increase in fuel costs caused by the Middle East conflict, have either affected our inbound product supply chain or our outbound markets, or both.

## Capital Allocation

Our overall strategy remains that of diversification into growth industries and markets, with the focus being on jurisdictions that meet our geopolitical and regulatory benchmarks, and are aligned to the business sectors that we currently operate in. The capital allocation actions this year comprised the acquisition of Spaldings and the continuation of the share buy-back programme. The disposal of MacNeil Plastics and the related property company, although completed soon after year end, was also negotiated during the year.

Spaldings, based in the United Kingdom, was purchased on 1 September for GBP 10.5 million. Spaldings operates in the aftermarket distribution of agricultural and ground care parts in the United Kingdom and Europe, and its acquisition provides a platform for the Group to grow its global replacement parts for earthmoving equipment "RPE" business. This acquisition was initially funded from South Africa pending the establishment of an offshore funding line. The offshore funding line will be useful for further offshore acquisitions, should such opportunities arise.

The Group acquired 5 574 764 of its ordinary no par value shares for R188 million. These shares, less the 273 225 ordinary shares issued to Directors and 8 780 shares still held as Treasury shares at the end of the year, were subsequently cancelled.

The disposal of MacNeil Plastics and the related property company was effective on 15 April in the new financial year and is disclosed as held-for-sale on 31 March 2026. Several other acquisitions were considered but were not completed in the year for various reasons, from pricing expectations of the sellers to business sustainability/quality considerations.

## Working Capital Management

The net working capital utilised by the Group has increased by R438 million, largely due to settlement of a specific foreign creditor who granted extended terms on a large capital equipment purchase, but which fell due before year end, and further through the expansion of the CE capital equipment financing book to R583 million.

» **Inventory turnover** remains a key management focus area with inventory turn being one of the key operational performance measures. Inventory remained largely flat at R2 966 million, despite the inclusion of the inventory carried at Spaldings of R150 million.

» **Trade and other receivables** at R1 402 million have increased by R59 million, with Spaldings bringing in an additional R102 million. The trade and other receivables as a percentage of revenue remained flat at 17%.

» **New investment in finance leases** undertaken in the year increased by R200 million, bringing the total value to R583 million. Our continued success in managing these types of deals has improved our net financing income from financing transactions to R25 million. The related finance lease liabilities increased by R57 million as the re-financing of a specific transaction occurred after year end.

» **Trade and other payables** decreased by R259 million to R1 351 million, despite the addition of R124 million from Spaldings. This reflects the large offshore creditor payment made just before year end.

# REFLECTIONS FROM OUR CFO continued

## Trading Performance

We have delivered revenue growth of 4% with the inclusion of Spaldings, while improving our gross profit percentage to 33.1% from 32.6% despite difficult trading conditions. Selling administration and distribution costs were 10% higher. Excluding Spaldings, the increase in selling administration and distribution costs were contained at 2%. Spaldings is a seasonal business which is performing in line with budget and is expected to deliver profits once the results include the European spring to summer cycle. The estimated credit losses recognised of R48 million highlight the difficulties experienced by some of our associates who service small localities with one or two key customers. The route to market via these associates is under strategic review. It further reflects the impact of applying consistent provision policies over a period where certain regional trade debtors are paying more slowly.

**Net finance costs** have decreased by R7 million. The net debt of R1.4 billion at year represents an increase over the prior year of R467 million and is being carefully managed to ensure optimal funding of activities. The increase is primarily due to Spaldings related debt now carried in the UK of R203 million and stop-gap usage of the revolving credit facilities for operational requirements which were settled after year end.

**Net cash and cash equivalents** at R757 million reflect a pleasing position following the acquisition, share repurchases, and dividend payments made to shareholders.

**Equity accounted earnings from joint ventures of** R128 million relates to our investment in Kian Ann, which has yielded a return on investment of 7%, but was down on the prior year due to the market uncertainty caused by the tariffs imposed on China by the USA, out of which the bulk of their products originate, and into which market the bulk of their products go.

**Basic earnings per share** of 557 cents were achieved compared to 773 cents in the prior year.

Headline earnings per share were 540 cents compared to 534 cents in the prior year.

**Sustainable headline earnings per share** increased to 594 cents compared to 553 cents in the prior year, which is a pleasing achievement under the effects of the current geopolitical factors on the microeconomic environment. Sustainable headline earnings are calculated after having regard for one off non-operational items that are not specifically dealt with in the headline earnings per share. The major impact in the current year was due to purchase price adjustment costs and acquisition related costs incurred for Spaldings.

Overall, the year has proven to be difficult with a concerted effort needed by both the operations and head office to ensure we are able to deliver an improved sustainable headline earnings per share.

## Value-Added Statement

for the year ended 31 March 2026

| Continuing operations | 2026 R'000 | 2025 R'000 | % change |
|---|---|---|---|
| Revenue | 8 442 746 | 8 111 903 | 4 |
| Cost of goods and services | (6 326 930) | (5 991 592) | 6 |
| **Value added** | 2 115 816 | 2 120 311 | 0 |
| Income from investments | 233 013 | 447 537 | (48) |
| **Wealth created** | 2 348 829 | 2 567 848 | (9) |
| **Wealth distribution:** | | | |
| **Employees** | | | |
| Salaries, wages and benefits | 1 323 275 | 1 235 373 | 7 |
| **Providers of capital** | | | |
| Dividends to shareholders | 105 986 | 165 978 | (36) |
| Finance costs | 206 788 | 200 523 | 3 |
| | 312 774 | 366 501 | (15) |
| **Government** | | | |
| Corporate tax | 187 596 | 210 478 | (11) |
| **Wealth retained for future expansion and growth** | | | |
| Amortisation of intangibles and depreciation of property, plant and equipment | 184 402 | 165 845 | 11 |
| Retained income | 340 782 | 589 651 | (42) |
| | 525 184 | 755 496 | (30) |
| **Wealth distributed** | 2 348 829 | 2 567 848 | (9) |

# LETTER FROM THE **LEAD INDEPENDENT Director**

Mpho Makwana

*Good governance is a daily commitment – to our shareholders, to our people, to the communities we serve, and to the generations who will inherit the consequences of the decisions we make today.*

FY2026 is a meaningful year for Invicta. It marks our first year of reporting under King V™, adopted by the Board on an early-adoption basis, and reflects a genuine commitment to holding ourselves to a higher standard of transparency and accountability. I write in my capacity as Lead Independent Director and as Chairman of both the Remuneration Committee and the Social and Ethics Committee.

## Remuneration Governance

The Remuneration Committee gave careful consideration to the remuneration policy and the FY2026 Implementation Report during the year. We examined the structure of the Group's remuneration framework, the performance outcomes delivered, and the extent to which remuneration outcomes were proportionate, fair and aligned with sustainable value creation. The Committee is satisfied that remuneration practices during FY2026 were responsible and consistent with the approved policy, and that they appropriately balanced the interests of executives, employees and shareholders.

I also draw shareholders' attention to an important regulatory development. With the commencement of sections 30A and 30B of the Companies Act on 22 May 2026, the votes on Invicta's Remuneration Policy And Implementation Report are no longer advisory. They are now binding ordinary resolutions.
The Committee welcomes this change, which is consistent with our belief that shareholders deserve a meaningful voice on remuneration. Should 25% or more of votes cast on either resolution be against the adoption of the policy and report, we will engage directly with dissenting shareholders to understand their concerns and respond in good faith.

The committee will continue to refine Invicta's approach to remuneration in the year ahead, with a particular focus on strengthening the connection between incentive structures and the Group's long-term sustainability commitments.

## Social, Ethics and Environmental Oversight

The Social and Ethics Committee holds a mandate which the committee takes seriously: to ensure that how Invicta conducts itself – in its treatment of people, its impact on communities, and its stewardship of the environment – reflects the values the Board has committed to uphold.

On ethics, the Group's conduct frameworks remained in operation throughout FY2026. The Code of Ethics and Conduct, our conflict of interest and gift declaration arrangements, and the anonymous whistleblowing hotline each continue to function as intended. The Committee reviewed these arrangements and is satisfied that they operated appropriately during the year. A culture of ethical conduct is built through consistency, and the evidence of that consistency across a geographically diverse group is encouraging.

On the environment, FY2026 delivered meaningful progress. BMG World achieved Net Zero Waste Certification – a milestone that reflects sustained operational commitment and sets a benchmark for the broader Group. The same site achieved a 23% renewable energy contribution through on-site solar generation, reducing reliance on grid electricity and improving operational resilience. Across the Group, waste diverted from landfill increased by 9% to over 403 000 cubic metres, spill response training was extended to more than 80 branches, and no major environmental incidents were recorded during the year. The Group has set a long-term target to reduce reliance on grid electricity by 15% by FY2030, and the foundations laid this year gives the Committee confidence in that trajectory.

On transformation and community, Invicta's B-BBEE trajectory continued to improve. The Youth Employment Service programme maintained a strong absorption rate into permanent employment, and the Heartland Education Trust Continued to support young people in meaningful ways. The committee is also encouraged by the small acts that reflect a genuine circular economy mindset – scrap steel recycling contributing to wheelchair donations, offcut materials donated to the SPCA. Responsible business and care for community are not at odds with Invicta, they belong together.

## Looking Ahead

In FY2027, both the SEC and Remuneration Committees will build on the progress made this year. The Remuneration Committee will focus on active shareholder engagement under the new binding vote regime and on further aligning the linkage between remuneration and long-term value creation. The Social and Ethics Committee will work to extend the environmental ambition demonstrated at BMG World more broadly across the Group and to sustain our commitments to transformation, community and ethical culture.

I want to thank my fellow committee members and the management team for the quality and candour of the work brought before both committees during the year. And I want to acknowledge, sincerely, every person across the Invicta Group whose daily choices make our governance commitments more than words on a page.

**Mpho Makwana**
*Lead Independent Director*

# OUR **SUSTAINABILITY JOURNEY**

*Sustainability remains a key strategic pillar for Invicta Holdings and is integrated into the Group's long-term value creation approach. As a diversified industrial group operating across engineering, manufacturing, distribution and capital equipment sectors, the Group recognises its responsibility to manage environmental impacts, invest in its people and, maintain strong governance while supporting resilient and sustainable industrial development.*

During FY2026, the Group continued to strengthen its ESG governance framework through the operation of a dedicated ESG function and the centralised ESG reporting system. These initiatives support improved environmental oversight, enhanced data integrity, and greater consistency in reporting across the Group.

## OUR FY2026 HIGHLIGHTS

**35 847.23 Kl OF WATER USED**

**TOTAL INCREASE IN CARBON EMISSIONS IS 2 017.87 $tCO_2e$**

**1 083 364 kWh OF RENEWABLE ENERGY GENERATED**

**94% OF WASTE GENERATED IS RECYCLED**

**94 YES LEARNERS RECRUITED INTO LEARNERSHIPS**

**189 BURSARIES AWARDED TO EMPLOYEE'S CHILDREN**

## Our Sustainability Framework

During FY2026, the Group continued to strengthen its ESG governance framework through the operation of a dedicated ESG function and the centralised ESG reporting system. These initiatives support improved environmental oversight, enhanced data integrity, and greater consistency in reporting across the Group.

### ENVIRONMENTAL

FOCUS AREAS:

- Energy efficiency and consumption
- GHG emissions
- Water usage
- Waste generation

### SOCIAL

FOCUS AREAS:

- Our workforce
- Training and development
- Health on benefits and equity socio-economic development

### GOVERNANCE

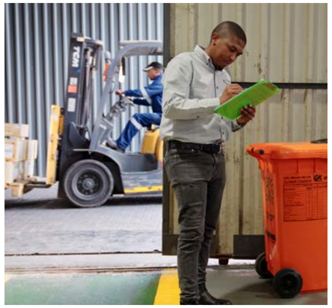
FOCUS AREAS:

- Board oversight of sustainability
- Corporate governance
- B-BBEE fraud and corruption

# OUR **SUSTAINABILITY JOURNEY** continued

## ESG Framework – Four Strategic Pillars

The Group's sustainability approach is structured around four interdependent pillars: Strategy, Operations, Reporting, and Innovation. These pillars provide an integrated structure for managing environmental performance, embedding sustainability into decision-making, ensuring transparent disclosures, and enabling continuous improvement through innovation.

| Operations | Strategy | Reporting | Innovation |
|---|---|---|---|
|  |  |   |  |
| **Improving environmental performance across operations** | **Aligning ESG priorities with long-term value creation** | **Strengthening transparency, accountability and data quality** | **Encouraging sustainability through operational improvement and employee engagement** |
| Energy efficiency and decarbonisation. Water stewardship and operational resilience. Waste management and environmental protection SHEQ integration. | ESG governance integration. Climate transition preparedness. Risk and sustainability alignment. Stakeholder and regulatory alignment. | Centralised ESG reporting platform. GRI-aligned disclosures. Assurance readiness. Enhanced data verification. | Circular economy initiatives. Waste reduction and resource recovery. Hybrid fleet adoption. Employee-led sustainability initiatives. |

These pillars are supported by integrated governance structures including Board and Executive oversight, ESG governance, risk and sustainability management, SHEQ integration, regulatory compliance and King V™ alignment, that are designed to deliver long-term sustainability outcomes: improved operational resilience, reduced environmental impact, enhanced resource efficiency, strengthened ESG governance and, improved reporting maturity.

# OUR **SUSTAINABILITY JOURNEY** continued

## Reporting Framework Alignment

Environmental and sustainability performance disclosures in this report are prepared in accordance with, or with reference to, the following frameworks and requirements:

- JSE Sustainability Disclosure Guidance and accompanying Climate Change Disclosure Guidance.
- King V™ Report on Corporate Governance for South Africa.
- GRI Topic Standards: GRI 302 (Energy), GRI 303 (Water and Effluents), GRI 305 (Emissions), GRI 306 (Waste).
- National Environmental Management Act 107 of 1998 ("**NEMA**").
- National Environmental Management: Waste Act 59 of 2008 ("**NEMWA").**
- National Water Act 36 of 1998 ("**NWA**").
- National Energy Act 34 of 2008.
- UN Sustainable Development Goals (SDG Framework).

FY2026 represents a transitional reporting year, as further operations continue to be integrated into the Group's ESG reporting framework. The implementation of the centralised system has established a stronger foundation for future comparability, improved reporting maturity, and enhanced assurance readiness.

## E – Environmental Stewardship

The Group applies an integrated resource management approach across energy, water and waste streams. This approach reflects the interconnected role that these resources play in operational efficiency, environmental risk management, emissions reduction, and circular economy advancement.

## Energy Performance and Decarbonisation

Energy management forms a central component of the Group's decarbonisation strategy and operational resilience planning. The Group continues to invest in lower-carbon technologies, renewable energy infrastructure and improved energy efficiency measures to reduce reliance on grid electricity.

## Strategic Target

The Group has established a long-term objective to reduce reliance on grid electricity by 15% by FY2030, using FY2026 as the baseline year.

## FY2026 Performance Highlights

- Full commissioning of the Battery Energy Storage System ("**BESS**") at BMG World.
- Generation of approximately 0.93 GWh of renewable energy through on-site solar installations.
- Installation of additional solar parking bay infrastructure at BMG World: PCS (250 kVA), battery storage (600 kWh) and PV arrays (150 kW + 140 kW).
- 12 additional hybrid vehicles introduced in FY2026 (10 introduced in FY2025; 22 total to date).
- Energy Performance Certificates ("**EPCs**") obtained for BMG World and HPE Africa.
- 23% renewable energy contribution achieved at BMG World.
- No major environmental incidents recorded during the reporting period.

# OUR **SUSTAINABILITY JOURNEY** continued

## Energy Consumption by Division (FY2026)

| Division | Total Energy Consumed (kWh) | Notes |
|---|---|---|
| CE | 694 213.75 | Full reporting coverage |
| RPA | 381 149.00 | 10 branches reporting |
| RPE | 30 981.56 | 8 branches reporting |
| RPI | 2 490 987.41 | Excludes BMG branch network (phased onboarding) |
| **Group Total** | **3 597 331.72** | *Partial coverage – FY2026 baseline year* |

## Renewable Energy Contribution – BMG World

BMG World represents one of the Group's largest operational energy users and a key site for renewable energy integration. During FY2026, the site achieved an average 32% renewable energy contribution, supported by on-site solar photovoltaic generation.

| Period | Solar (kWh) | Grid (kWh) | Total (kWh) | Renewable % |
|---|---|---|---|---|
| FY 2026 (Apr 25-Mar 26) | 1 083 364.30 | 2 350 984.00 | 3 434 348 | 32% |
| FY 2025 (Apr 24-Mar 25) | 996 606.47 | 1 413 017.47 | – | 41% |

The 32% renewable contribution indicates that nearly one-quarter of total electricity demand at BMG World was supplied through on-site renewable generation. This reduces exposure to Eskom grid electricity emissions, improves operational resilience during load shedding, and supports the Group's long-term decarbonisation trajectory.

## Greenhouse Gas ("GHG") Emissions – Scope 1 and Scope 2

The Group quantifies GHG emissions in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, focusing on Scope 1 (direct emissions) and Scope 2 (indirect energy-related emissions). FY2026 represents the Group's first structured baseline for consolidated emissions reporting.

| Division | Scope 1 ($tCO_2e$) | Scope 2 ($tCO_2e$) | Total ($tCO_2e$) | % of Group Total |
|---|---|---|---|---|
| CE | 588.39 | 701.16 | 1 289.55 | 11.4% |
| RPA | 571.99 | 384.96 | 956.95 | 8.5% |
| RPE | 348.50 | 31.29 | 379.79 | 3.4% |
| RPI | 6 151.89 | 2 515.90 | 8 667.79 | 76.7% |
| **Group Total** | **7 660.77** | **3 633.31** | **11 294.08** | **100%** |

Scope 1 emissions are calculated using fuel consumption data (fleet vehicles, forklifts, mobile equipment, stationary combustion sources) at 2.66 $kgCO_2e$ per litre (diesel) and 2.35 $kgCO_2e$ per litre (petrol), sourced from DEFRA 2023 Emission Factors (Version 1.1).

Scope 2 emissions are calculated using purchased electricity consumption at 1.01 $tCO_2e$/MWh, sourced from the Eskom Integrated Report (2023). A location-based approach is applied. On-site renewable generation is reported separately; a gross accounting approach is therefore applied to Scope 2.

Key reporting limitations: partial onboarding of smaller branches into the ESG platform; landlord-controlled utility billing at certain leased sites; incomplete metering infrastructure; limited integration of renewable energy systems into consolidated emissions accounting. Comparisons with FY2025 actuals are not available as FY2026 is the first consolidated baseline year.

## Water Stewardship and Security

Water stewardship remains a strategic priority within South Africa's water-constrained operating environment. The Group focuses on water security, efficient usage, pollution prevention and operational resilience through targeted infrastructure improvements.

## Strategic Target

The Group has adopted a long-term objective to reduce municipal water consumption by 15% by FY2030, using FY2026 as the baseline year.

# OUR **SUSTAINABILITY JOURNEY** continued

## Water Consumption by Division (FY2026)

| Division | Total Water Consumed (kL) | Notes |
|---|---|---|
| CE | 2 093.41 | 15 branches reporting |
| RPA | 2 728.00 | 10 branches reporting |
| RPE | 652.82 | 8 branches reporting |
| RPI | 30 373.00 | Excludes BMG branch network; 10 participating sites |
| **Group Total** | **35 847.23** | *Partial coverage – FY2026 baseline year* |

## Water Security and Efficiency Measures

- Installation of backup water storage systems and integration of municipal backup systems.
- Rainwater harvesting for selected non-potable applications.
- Leak detection and preventative maintenance programmes.
- Water-saving infrastructure: installation of smaller geysers near usage points.
- Water recycling systems within selected spray booth operations.
- Upgrades to oil separator systems to reduce hydrocarbon contamination risk.
- Hazardous materials handling assessments and mitigation controls.
- National surveys conducted to assess consumption practices and establish FY2026 baseline.
- Training sessions and internal water conservation awareness campaigns.

Reporting challenges include limited branch-level consumption visibility, landlord-controlled municipal billing, and inconsistent metering infrastructure at smaller sites. Rainwater harvesting volumes are not currently recorded separately from municipal consumption due to metering limitations.

## Waste Management and Circular Economy

Waste management and circular economy integration remain key components of the Group's environmental strategy. The Group applies the waste management hierarchy approach, prioritising prevention, reduction, reuse, recycling, recovery and responsible disposal. FY2026 represents the Group's first consolidated baseline year for structured waste reporting.

## Net Zero Waste Certification

The Group's largest operational site, BMG World, achieved Net Zero Waste Certification during FY2026 through strong diversion performance and responsible offsetting of residual waste streams. At selected operational facilities, waste diversion rates exceeding 70% were achieved through improved source separation and recycling initiatives.

## Waste Programme Performance (FY2025 to FY2026)

| Environmental Benefit | FY2025 | FY2026 | Change | Basis |
|---|---|---|---|---|
| Waste diverted from landfill ($m^3$) | 368 305 | **403 041** | **+9%** | Service provider equivalency |
| $CO_2$ savings ($m^3$ equivalent) | 379 489 | **390 921** | **+3%** | Service provider equivalency |
| Water saved (litres) | 3 100 000 | **3 300 000** | **+6%** | Service provider equivalency |
| Trees saved | 2 049 | **2 160** | **+5%** | Service provider equivalency |
| Energy saved (kWh) | 2 324 605 | **2 362 492** | **+1.6%** | Service provider equivalency |

Environmental savings reflected above are based on waste service provider equivalency calculations and represent estimated environmental benefits associated with landfill diversion and recycling activities. The 9% increase in waste diverted from landfill was achieved despite the programme not yet being expanded beyond its current pilot footprint, reflecting improved diversion rates at existing participating sites.

# OUR **SUSTAINABILITY JOURNEY** continued

## Circular Economy Integration

Circular economy principles continue to be embedded across operations through initiatives focused on reuse, refurbishment, repair, recycling and lifecycle extension:

- Reuse of pallets, packaging materials, and boxes contributing to reduced procurement and disposal costs.
- Internal reuse of belting offcuts and wood materials.
- Recycling and recovery of scrap materials, including strategic recycling partnerships for conveyor belts.
- Gearbox repairs and refurbishment services.
- Forklift maintenance and refurbishment.
- Leasing and service-based equipment utilisation models extending equipment lifecycle.
- Spill kit training programme rolled out across more than 80 branches.
- Scrap steel recycling proceeds contributed to wheelchair donation initiatives (social value linkage).
- Donation of industrial offcuts and reusable materials to community organisations including the SPCA.



*Photo: Roland Bontinck (Operations Manager – BMG), Jessica Gordon (Operations Manager – Sweetheart Foundation), Robin Briggs (BMG CEO)*

## Hazardous Materials and Environmental Protection

The safe handling and management of hazardous materials remains critical to protecting employees, communities, and the environment. Spill prevention and response training was delivered to more than 80 branches during FY2026 through a standardised training programme covering spill containment, safe handling, and hazardous waste disposal.

- Bunded storage areas and spill containment systems.
- Oil separators and controlled spray booth infrastructure.
- Internal SHEQ oversight and external compliance audits.
- Environmental management systems aligned to ISO 14001 principles at applicable operations.

No major environmental incidents were recorded during the reporting period.

# OUR **SUSTAINABILITY JOURNEY** continued

## Reporting Coverage (FY2026)

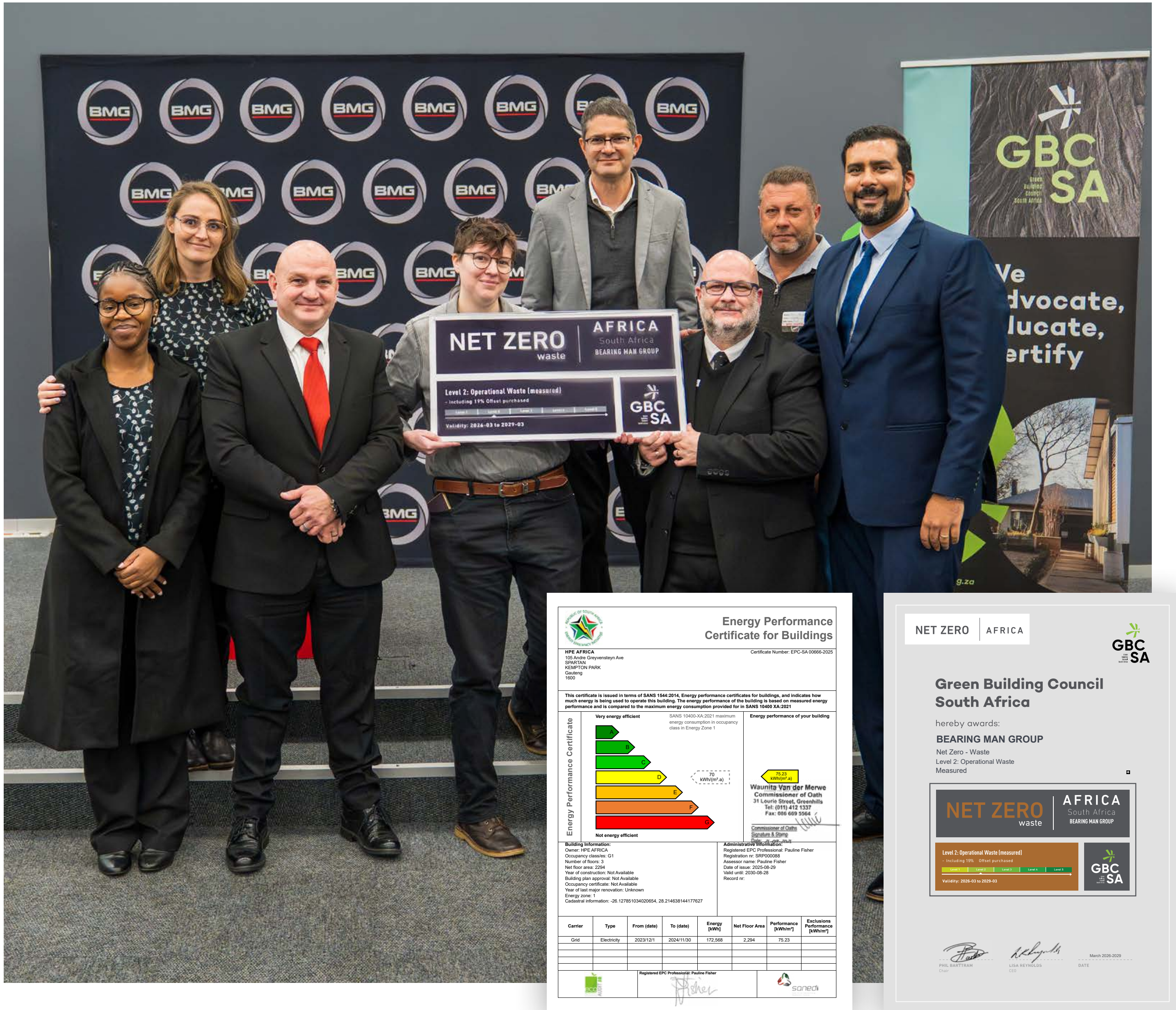
FY2026 is Invicta's first year of structured and consolidated environmental data collection across the Group. As with any first-year reporting programme, coverage varies across environmental metrics and business divisions as reporting processes continue to mature.

Reporting coverage reflects the proportion of branches that submitted data for each environmental metric during the reporting period. Variations in coverage primarily reflect the phased implementation of the Group's centralised reporting platform rather than an absence of environmental management activities.

The RPI division illustrates this transition most clearly. With a network of 117 branches, onboarding to the centralised reporting system is being implemented in phases. During FY2026, reporting was limited to participating cites, resulting in lower overall coverage when measured across the entire branch network. Coverage will improve as additional branches are incorporated into the reporting process in future reporting periods.

Some environmental metrics also have inherently low applicability across the Group's operations. For example, central heating is generally not utilised within Invicta's South African industrial facilities and is therefore not considered a material operational metric. Similarly, air travel is currently concentrated within specific divisions where centralised booking systems provide reliable data. The materiality and reporting approach for travel-related emissions will continue to be assessed as reporting processes mature.

Invicta will continue expanding reporting coverage during FY2027 through the phased rollout of the ESG reporting platform, improved data collection processes and increased participation across all operating divisions.



# OUR **SUSTAINABILITY JOURNEY** continued

## What the Coverage Data Tells Us

Fleet data the primary driver of Scope 1 emissions, is the Group's most consistently reported metric, with coverage of between 80% and 99% across all divisions. This gives the Group reasonable confidence in the reliability of its Scope 1 emissions baseline for FY2026, notwithstanding the portions of the RPI branch network not yet onboarded.

Electricity data the primary driver of Scope 2 emissions is more variable. Coverage across non-RPI divisions averages approximately 64%, constrained mainly by landlord-controlled utility billing at leased sites where municipal accounts are managed by building owners rather than the Group. Within the 10 participating RPI sites, electricity coverage reaches 40%. Improving electricity data completeness is the Group's highest FY2027 priority for environmental reporting, as it directly underpins the reliability of the Scope 2 baseline and the Group's 15% grid reduction target.

Water and waste metrics show the lowest coverage across divisions, reflecting both the landlord billing constraint and the earlier stage of rollout for these data streams within the centralised ESG system. Hazardous waste is a notable exception for CEG (67% coverage) and RPI's participating sites (60%), where the material nature of hazardous materials handling in those operations has driven earlier data infrastructure investment.

The forklifts metric reflects the operational character of each division. RPE, which operates heavy earthmoving and capital equipment, reports forklift data at 88% coverage because that equipment is central to its core operations. Across the broader RPI distribution branch network, forklifts are present but not yet centrally tracked, producing a Group-level coverage rate of 1% across all 117 branches.


## Our Commitment to Improving Coverage

The Group is transparent about the current limitations of its environmental data. FY2026 is expressly designated as a baseline year: coverage percentages will improve materially as the centralised ESG platform is extended to additional branches, landlord billing arrangements are renegotiated where practicable, and site-level metering infrastructure is strengthened. The FY2027 priorities – expanded ESG system onboarding, improved electricity and water data capture, and branch-level waste reporting – are directly informed by the gaps identified in this table.

Readers should interpret the environmental consumption and emissions data presented in this section in light of the coverage levels disclosed here. Where coverage is partial, the figures reported represent a minimum floor of actual Group consumption or emissions rather than a complete picture of the Group's total environmental footprint.

## Looking Ahead – Environmental Priorities (FY2027)

- Further expansion of hybrid fleet vehicles across divisions.
- Additional solar and battery storage installations at identified rollout sites.
- Pilot EV integration into logistics fleet.
- Improved renewable energy reporting – expand metering and ESG system integration.
- Introduce energy intensity metrics (energy per revenue/m²) for divisional benchmarking.
- Implement greywater recycling and expand rainwater harvesting across key sites.
- Extend Net Zero Waste Certification to additional sites
- Expand circular economy partnerships for complex waste streams.
- Strengthen branch-level data collection and ESG system onboarding.
- Develop formal Group Waste Management Policy aligned with circular economy principles.

# OUR **SUSTAINABILITY JOURNEY** continued

## S – Human capital

Invicta regards its people as critical enablers of long-term value creation. Our human capital initiatives for FY2026 reflect a continued focus on talent development, diversity and inclusion, workforce wellbeing and operational resilience. At 31 March 2026, the Group employed 2 790 individuals across its four South African operating divisions, an increase of 2.1% from 2 736 at the close of FY2025.

## Workforce Profile

### Divisional and Group Headcount (31 March 2026)

| Category | Group Total | RPI | RPA | CEG | ESP | FY2025 Comparative |
|---|---|---|---|---|---|---|
| **Total Headcount** | **2 790** | 2 302 | 113 | 256 | 119 | 2 736 |
| Permanent | 2 668 | 2 188 | 112 | 253 | 115 | 2 275 |
| Temporary | 122 (4.4%) | 114 | 1 | 3 | 4 | 96 |
| Female | **791** | 657 | 25 | 86 | 23 | ~28% |
| Male | 1 999 | 1 645 | 88 | 170 | 96 | ~72% |
| African | 1 488 | 1 204 | 61 | 147 | 76 | ~80%+ |
| **HDI Total** | **1 977 (70.8%)** | 1 676 | 87 | 138 | 76 | 2 229 **(81.46%)** |

## Key Workforce Observations

- Female representation increased to 31.4% of total workforce (FY2025: approximately 28%), reflecting sustained progress in a historically male-dominated industry.
- HDI employees represent 70.8% of the total Group workforce, underscoring alignment with national transformation objectives.
- 95.6% of the workforce holds permanent employment, reflecting the Group's commitment to stable and secure employment.
- Women in management: 279 of 922 management roles (30.3%) Having exceeded the Group's original 2028 target of 15% female representation in management ahead of schedule, the Board has revised the target upward to 30% by 2028, with a focus on African female representation at senior management levels.
- RPI remains the largest division by headcount, contributing 82.4% of total Group employment.

## Youth Employment Service ("YES") Programme

The YES programme has now entered its fifth year and continues to deliver meaningful results for young South Africans and for the Group. In FY2026, 94 learners were onboarded into learnerships in Business Administration and Warehousing, with an effective commencement date of 1 February 2026.

- **FY2026 cohort**: 94 learners onboarded (commencement 1 February 2026).
- **Absorption rate:** 63.09% of FY2025 participants were permanently absorbed into the Group. The FY2026 absorption rate will be measured and reported in FY2027, once learners have completed their full learnership period.
- **Cumulative impact:** Since inception, over 216 programme participants have been permanently employed across the Group.

# OUR **SUSTAINABILITY JOURNEY** continued

## Skills Development and Training

Skills development remains a core pillar of Invicta's human capital strategy and a significant B-BBEE scorecard lever. The Group continues to invest materially ahead of the legislated 1.5% of payroll requirement.

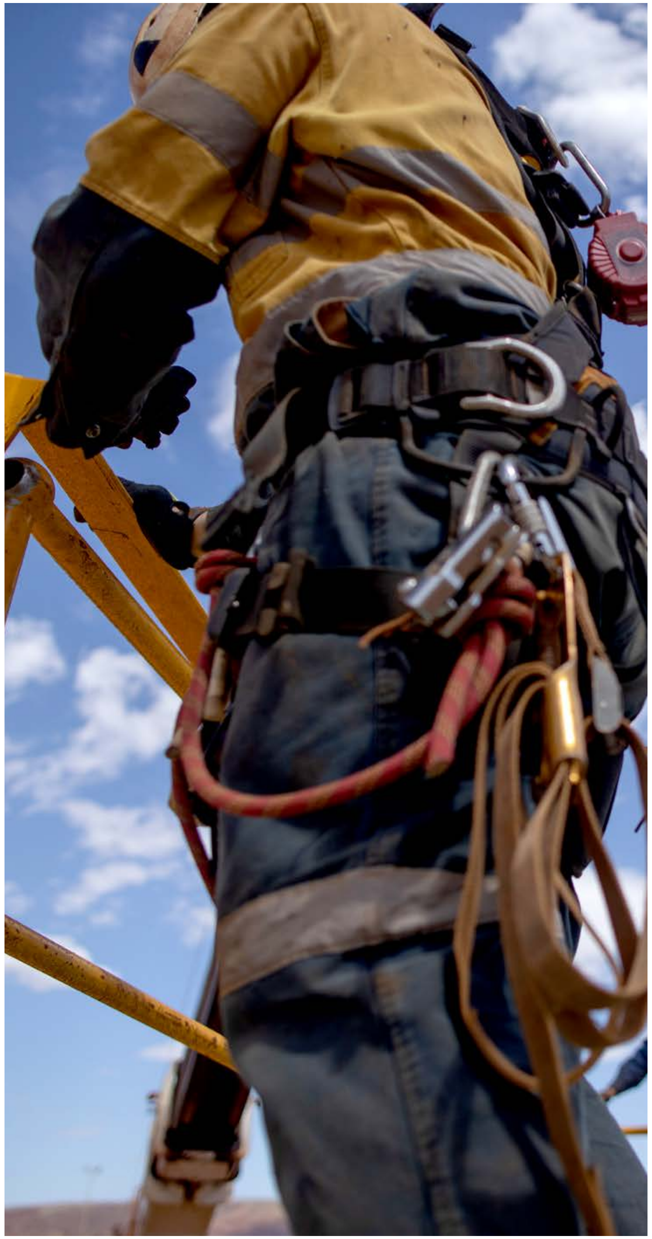
| Metric | FY2026 Actual | Target |
|---|---:|---:|
| **Total Skills Development Spend** | R22 927 977.20 | 1.5% payroll |
| FY2027 Target (RemCo approved) R18 million | — | R27 million |
| Total Training Hours | 11 640 | 10 000 |
| Training Hours per Employee | 216 | 180 |

## Key Skills Development Initiatives (FY2026)

The following skills development initiatives were implemented during the year under review:

- **People with Disabilities ("PWD") Learnership:** The Group supported a cohort of 50 PWD learners with training costs and monthly stipends to complete a Business Administration NQF 3 qualification. Total investment for the FY2026 cohort amounted to R3.9 million.
- **Branch Trainee Programme:** The Group's three- to four-year branch trainee development programme reached completion during the year under review, equipping participants with the technical skills and operational experience required for a successful career within the Group.
- **Graduate Programme:** The graduate programme, which onboards historically disadvantaged unemployed graduates to address the Group's need for skilled and competent employees, reached completion in the year under review.
- **Lead Me Leadership Programme ("BMG"):** Following the successful rollout to senior managers in the prior year, the programme was extended to middle managers across BMG during FY2026.
- **SHL Psychometric Integration:** SHL psychometric assessments continued to be utilised across recruitment, development and, succession planning processes. The Sales Transformation programme, targeting in excess of 300 employees, remained a key component of this initiative.
- **Bursaries:** The Group awarded 189 bursaries to employees and their children, representing a total investment of R3,374,203.78 in support of employee growth and development. CEG supported 39 staff members and their children through bursaries and SARS-compliant scholarship programmes targeted at lower-income earners . ESP supported 17 staff members through its SARS-compliant scholarship programme.
- **Employee Wellness: Medical and Mental Health Services:** The Group continued to provide free medical and mental health services to employees without medical aid coverage. Total expenditure for FY2026 amounted to R858 894. The Group's Employee Wellness Programme ("**EWP**") further provides free psychological counselling services to all staff and their immediate family members, complementing the medical support provided above.

# OUR **SUSTAINABILITY JOURNEY** continued



## Employee Turnover

The Group monitors employee turnover at divisional level. Turnover data for FY2026 (1 April 2025 to 31 March 2026), with FY2025 comparatives where available, is presented below. Termination figures exclude transfers between Group entities and employees whose fixed-term contracts reached their stipulated end dates.

| Metric | CE & RPE FY2026 | RPI & RPA FY2026 | Group FY2026 |
|---|---|---|---|
| Total terminations (excl. transfers) | 34 | 341 | 382 |
| Annualised turnover rate | 13.3% | (15.8%) | 14.64% |
| Primary reason for leaving | Better remuneration (23.5%) | Better remuneration (31%) | Better remuneration (33.23%) |

*Note: Termination figures exclude inter-Group transfers and employees whose fixed-term contracts reached their stipulated end date.*

## Health, Safety and Wellbeing

The health and safety of all employees and contractors is non-negotiable for Invicta. The Group operates in accordance with the Occupational Health and Safety Act ("**OHSA**") and applicable sector regulations.

| H&S Metric | FY2025 Employees | FY2026 Employees |
|---|---|---|
| Fatalities | 0 | 0 |
| Lost Time Injuries ("**LTIs**") | 22 | 33 |
| LTIFR (per 200 000 hrs) | 0.81 | 1.20 |
| Total Recordable Injuries | 63 | 56 |
| TRIFR (per 200 000 hrs) | 2.31 | 2.04 |
| Near Misses Reported | 0 | 0 |

# OUR **SUSTAINABILITY JOURNEY** continued

## B-BBEE and Transformation

Transformation remains central to Invicta's license to operate in South Africa. The Group's B-BBEE status is verified annually by an accredited verification agency.

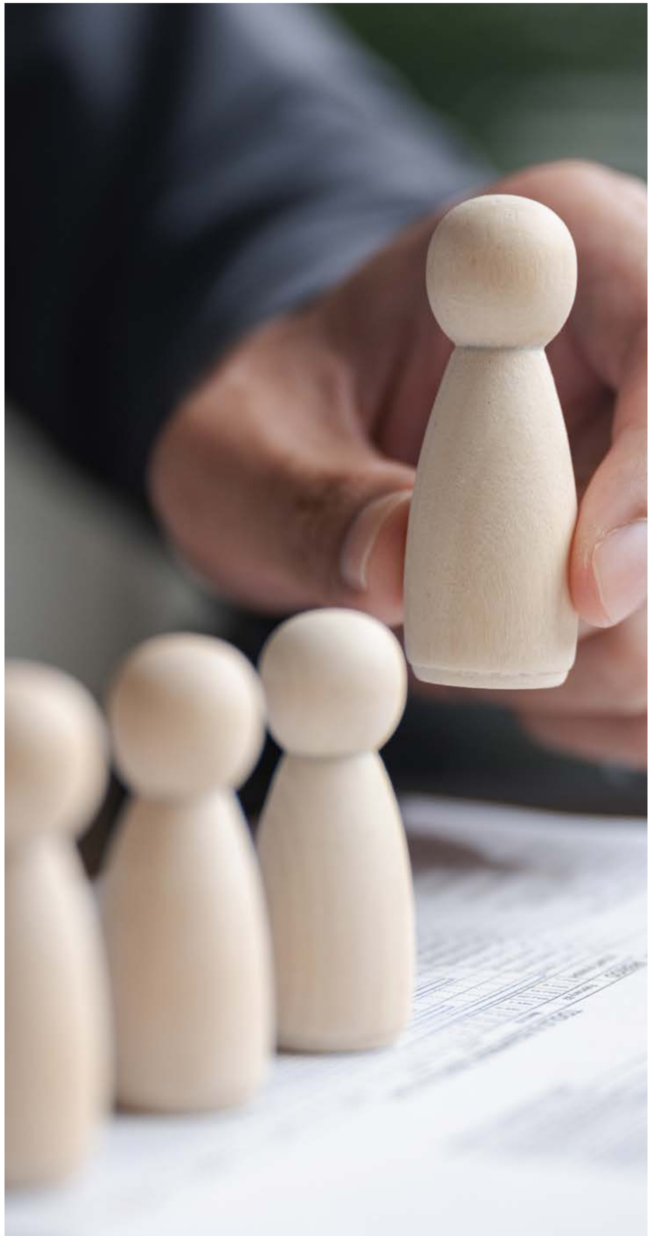
| Entity | FY2026 Level | FY2025 Level |
|---|---|---|
| Invicta Holdings Limited | Level 2 | Level 2 |

The following highlights further demonstrate the Group's transformation progress during the year under review:

- **Skills development spend** increased by 47% year-on-year, from approximately R15 million in FY2025 to R22 million in FY2026.
- **YES Programme** – 94 learners were onboarded in FY2026 (FY2025: 82 learners).
- **Paterson Grading System** – 80% of all Group positions have been graded, supporting transparency and equity in remuneration across the Group.
- **Group minimum wage** – Where employment is not regulated by the Motor Industry Bargaining Council or the Metal and Engineering Industries Bargaining Council, a Group minimum wage of R6 500 per month applies.

## Looking Ahead – Human Capital Priorities (FY2027)

- Deepen diversity and inclusion across all management levels, with particular focus on African female representation in senior roles.
- Expand the YES programme footprint and target improved absorption rates from the FY2026 cohort, which will be measurable from FY2027.
- Introduce digital automation in HR processes to improve operational efficiency and ESG data quality.
- Identify critical talent and implement targeted career growth and succession planning strategies to support long-term organisational capability.
- Develop a more rigorous analytical framework for exit interviews to inform employee retention strategies, including a structured initiative aimed at re-engaging and retaining regrettable talent losses.
- Implement a formal employee engagement programme to foster visible leadership, transparency and collaboration across the Group.
- Implement a two-tiered formal succession planning framework for the executive and senior management team, in execution of the Remuneration Committee mandate.
- Maintain the Group's Level 2 B-BBEE rating for Invicta South Africa and Invicta Holdings Limited, supported by a transition to a new verification agency.
- Strengthen health and safety reporting through quarterly LTIFR and TRIFR tracking, with contractor safety data reported separately.



# OUR **SUSTAINABILITY JOURNEY** continued

## G – Governance

Following on from the Group's environmental stewardship and human capital commitments, Invicta Holdings continues to prioritise strong governance as the foundation of long-term sustainability and stakeholder trust. Our approach to governance supports responsible leadership, ethical conduct, compliance with all applicable laws and the promotion of economic inclusion.

We recognise that good governance does more than ensure regulatory compliance – it drives resilience, safeguards reputation, and enhances our ability to deliver value to all stakeholders.

## Corporate Governance

The Board of Directors, through its Audit and Risk Committee, ensures that Invicta and its subsidiaries uphold the highest standards of corporate governance. The committee oversees compliance with all applicable legislation, regulations, and codes of best practice. The Group continues to embed the statutory compliance framework developed in FY2024, with monitoring and assessments across entities ongoing.

| | FY2026 Progress | FY2027 Goal |
|---|---|---|
| **Corporate Governance** | Operationalisation of the compliance framework underway; King V™ adopted on an early-adoption basis for FY2026; formal evaluation of framework effectiveness completed. | Maintain substantive compliance across the Group; further entrench a culture of accountability and ethical business conduct. |
| **B-BBEE** | Invicta Holdings Limited achieved Level 2. | Achieve Level 2 for Invicta Holdings Limited. |
| **Fraud and Corruption** | Anonymous whistleblowing hotline maintained and strengthened; enhanced employee awareness campaigns and response protocols. | Continuous monitoring and improvement of reporting and investigative systems. |
| **King V™ Transition** | King V™ effective for JSE-listed companies for financial years commencing on or after 1 January 2026. Invicta adopted early for FY2026. King V™ Application Statement prepared. | Full application of King V™ recommended practices; Application Statement to be published in the FY2026 IAR. |

A detailed report on corporate governance, Board composition, committee membership and activities, remuneration governance, and the King V™ Application Statement is provided in the Corporate Governance section of this Integrated Annual Report.

## Consolidated SDG Alignment (FY2026)

| SDG | Goal | FY2026 Invicta Linkage |
|---|---|---|
| 4 QUALITY EDUCATION | **Quality Education** | YES Programme (94 learners), bursaries, learnerships, PWD skills development, graduate programme. |
| 5 GENDER EQUALITY | **Gender Equality** | 31.4% female workforce; 30.3% women in management; 2028 representation target exceeded ahead of schedule. |
| 6 CLEAN WATER AND SANITATION | **Clean Water and Sanitation** | 15% municipal water reduction target by FY2030; decentralised storage infrastructure; oil separator upgrades. |
| 7 AFFORDABLE AND CLEAN ENERGY | **Affordable and Clean Energy** | 23% renewable energy at BMG World; solar + BESS infrastructure; 15% grid reduction target by FY2030; 12 additional hybrid vehicles. |
| 8 DECENT WORK AND ECONOMIC GROWTH | **Decent Work and Economic Growth** | 95.6% permanent employment; Group minimum wage R6,500/month; bargaining council compliance; R22 million skills development spend. |
| 10 REDUCED INEQUALITIES | **Reduced Inequalities** | 70.8% HDI workforce; B-BBEE compliance; Paterson Grading System – 80% of jobs graded; R22 million skills development spend. |
| 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | **Responsible Consumption and Production** | Net Zero Waste Certification at BMG World; 403,041 $m^3$ diverted from landfill; circular economy integration; material reuse programmes. |
| 13 CLIMATE ACTION | **Climate Action** | 11 294 $tCO_2e$ baseline established; decarbonisation pathway; EPC certifications; hybrid fleet expansion; Scope 1 & 2 reporting. |
| 17 PARTNERSHIPS FOR THE GOALS | **Partnerships for the Goals** | HET community partnerships; waste recycling partnerships (SPCA, wheelchair initiatives); bargaining council collaboration. |

# INVESTMENT IN OUR **COMMUNITIES AND EMPLOYEES**

*Invicta channels dividends from its operating subsidiaries into two dedicated empowerment vehicles: the Humulani Employee Investment Trust ("HEIT"), established in 2007, and the Humulani Empowerment Trust ("HET"), established in 2011. Together, these Trusts are the Group's primary mechanism for translating financial performance into shared value for its employees and the communities surrounding its operations. The Trusts' activities support the Group's B-BBEE credentials and its obligations as a responsible corporate citizen, under the oversight of the Social and Ethics Committee.*

## Humulani Employee Investment Trust and Humulani Empowerment Trust

While the HEIT operates as an employee share scheme for historically disadvantaged individuals ("**HDIs**") employed within the Group, the HET invests in impactful initiatives that empower employees and/or their immediate families, as well as the broader communities surrounding the Group's operational footprint. The HET's activities are funded through dividends declared by Invicta South Africa Holdings Proprietary Limited.

Projects supported by the HET are carefully vetted and overseen by an independent board of trustees comprising Alana Bond (Chairman), Thandiwe Sylvia January McLean, Dudu Msomi, Jo-anne Danster, and Tembisa Marele who are responsible for ensuring alignment with the Trust's founding objectives. The trustees play an active role in guiding and monitoring the outcomes of each initiative.

# FY2026 HIGHLIGHTS

**R3 877 503**

distributed to HDI employees via HEIT

**R17 268 380**

deployed through HET community initiatives

In FY2026, the HEIT distributed R3 877 502.96 to 1 020 qualifying HDI employees who have completed a minimum of five years' service-a deliberate design that rewards loyalty and reinforces a shared sense of ownership in the Group's success.

The HET's investment portfolio expanded significantly in FY2026, growing from seven projects (R7.1 million) in FY2025 to nine active partnerships (R17.3 million). This growth reflects the strong financial performance of the Group, which resulted in a materially larger dividend distribution to the Trust. The trustees elected to deploy the increased capital directly into the communities the Trust chose to serve, deepening investment in existing partners with proven models and broadening into new priority areas most notably disability-inclusive education and vocational pathways for neurodiverse youth.

## HET Community Investment Portfolio: FY2026

### Afrika Tikkun – Ignite

Afterschool education & youth development

**R2 300 000**

94% matric pass;
3 604 learners

### Global Teachers Institute

Teacher internship & development

**R1 400 000**

109 interns;
416 distinctions

### Para'demics Education Centre

Disability-inclusive education

**R265 000**

36 beneficiaries;
12 caregivers employed

### Ruth First Jeppe Memorial Trust

Girls' high school scholarships

**R469 800**

15 girls matriculated since 2017

### Imbeleko Foundation – BLAP

Rural blended learning afterschool

**R1 000 000**

100% matric pass;
472 learners

### OLICO Maths Education NPC

Maths education (primary & high school)

**R1 600 000**

96% matric pass;
90% pure maths pass

### Rays of Hope – ROSE-ACT

After-school education support

**R1 000 000**

+6.3pp numeracy;
300 textbooks; 4 smart boards

### Vuyolethu's Haven – Siyasebenza Vocational Pathways

Autism inclusion & vocational pathways

**R1 200 000**

20–25 pilot learners;
1 000+ community reach

### Puku Children's Literature

Multilingual children's literacy

**R1 869 168**

77 workshop participants;
10 editors developed

# PROJECTS FUNDED BY THE HET IN FY2026

*The following is a summary of the nine initiatives funded during FY2026:*

## 1. Afrika Tikkun Ignite Programme

The Ignite Programme delivers holistic afterschool development across five centres in Gauteng and the Western Cape, with HET's grant directed at the Phuthaditjaba Centre in Alexandra.

- 3 604 learners enrolled; 94% matric pass rate (up 4% year-on-year); 443 subject distinctions.
- 82% average attendance and 75% learner retention from FY2025.
- 966 outreach school learners supported (93% pass rate).

**HET Funding: R2 300 000**

## 2. Global Teachers Institute ("GTI")

GTI supports the intern Future Leaders across six South African provinces and conducted a three-month teacher development exchange in Kibera, Kenya.

- 109 intern Future Leaders supported across six regions; 416 total distinctions earned.
- Memorandums of Understanding ("**MoUs**") concluded with University of Johannesburg and North-West University for structured school-based pathways.
- New MoU signed with DBE and Mpumalanga Department of Education ("**DoE**") targeting 30–60 FunZa Lushaka bursary recipients in 2026.

**HET Funding: R1 400 000**

## 3. Para'demics Edu Centre

Para'demics operates in Freedom Park, Johannesburg, delivering disability-inclusive education and care through a home-based caregiver model that eliminates transport barriers for families of children with disabilities.

- 36 direct beneficiaries supported; 12 caregivers trained and employed across six low-income communities.
- Sensory room established; all 36 beneficiaries transported to routine healthcare check-ups.
- Organisation matured from home-based care initiative (2020) to a fully structured disability-compliant centre.

**HET Funding: R247 032**

# PROJECTS FUNDED BY THE HET IN FY2026 continued

*The following is a summary of the nine initiatives funded during FY2026:*

## 4. Ruth First Jeppe Memorial Trust

The Ignite Programme delivers holistic afterschool development across five centres in Gauteng and the Western Cape, with HET's grant directed at the Phuthaditjaba Centre in Alexandra.

- 9 current HET-sponsored learners (Grades 9–12); 15 HET-sponsored girls matriculated since 2017.
- 97 total programme alumnae tracked; five in higher education at Wits, UP, UWC, and University of London.
- 2026 cohort excelling: multiple learners in maths Olympiad rounds and top-10 academic rankings.

**HET Funding: R469 800**

## 5. Imbeleko Foundation – Blended Learning Afterschool Programme ("BLAP")

BLAP operates across five deep-rural high schools in KwaNyuswa, KwaZulu-Natal, with expansion into KwaXimba planned for FY2027.


- 472 learners enrolled (target was 225, exceeded ×2.1); 95% average attendance; 24 895 meals served.
- 100% matric pass rate and 99% bachelor pass rate – Class of 2025; 82+ subject distinctions.
- Mathematics improvement of +8–35 percentage points across all five schools.

**HET Funding: R1 000 000**

## 6. OLICO Maths Education NPC

OLICO provides high-quality mathematics education to under-resourced learners across Gauteng, the Western Cape, and Limpopo, with HET's grant directed at deepening impact in Alexandra, Johannesburg.

- 2 298 high school learners supported; 249 Grade 12 learners – OLICO's largest matric cohort to date.
- 96% matric pass rate; 90% pure maths pass rate; 72% bachelor-level pass; 80th percentile nationally.
- Learner score 2–3× more likely to achieve above 50–60% in maths than peers in no-fee schools.

**HET Funding: R1 600 000**

# PROJECTS FUNDED BY THE HET IN FY2026 continued

*The following is a summary of the nine initiatives funded during FY2026:*

## 7. Rays of Hope – ROSE-ACT Programme

Rays of Hope is one of Alexandra Township's most established community development institutions, with over 30 years of operation. The ROSE-ACT programme delivers centre-based afterschool education support.

- 300 mathematics textbooks and 230 early reading books procured and distributed; 7 classrooms established; 4 smart boards installed.
- Grade 9 numeracy improved by 6.3 percentage points (Term 1 to Term 4).
- Dedicated library established as a reading hub; 10 new tutors recruited and trained.

**HET Funding: R1 000 000**


## 8. Vuyolethu's Haven – Siyasebenza Vocational Pathways

Vuyolethu's Haven delivers autism awareness, teacher training, and parent support in Gauteng, with the Siyasebenza pilot programme opening structured vocational pathways for neurodiverse learners.

- 250 children and young people with autism reached; 400 parents and caregivers supported; 200 educators trained.
- Siyasebenza pilot launched – 20–25 pilot learners; three vocational pathways designed; 4–6 school-based facilitators trained.
- North West expansion underway; M&E framework in place to determine readiness to scale.

**HET Funding: R1 200 000**


## 9. Puku Children's Literature

Puku promotes multilingual children's literacy across all official languages, conducting workshops in partnership with UNISA and Funda Community College in Gauteng.

- 77 workshop participants trained; two workshops delivered (24 at UNISA, 53 at Funda Community College) – 90%+ rated both as excellent.
- Ten new multilingual Senior Editors and Facilitators developed; book reviews received across all 11 official languages.
- UNISA MOU renewed; agreement reached to formalise Puku's workshop as an accredited UNISA Short Learning Programme.

**HET Funding: R1 869 168**

# PROJECTS FUNDED BY THE HET IN FY2026 continued

## Looking Ahead

The FY2026 portfolio demonstrates that the HET's long-term, relationship-based investment model is generating measurable and compounding impact. Several strategic themes will shape the Trust's approach in FY2027:

- Scale and reach: Imbeleko (target 600 learners), OLICO (2 500+ learners), GTI (30–60 Funza Lushaka bursary recipients), and Afrika Tikkun's expanding partner school network.
- Alexandra concentration: OLICO, Afrika Tikkun, and Rays of Hope create complementary primary-to-matric pathways in a single high-priority community.
- Government partnerships: GTI's DBE/Mpumalanga DoE MoU, OLICO's provincial collaboration, and Imbeleko's SETA-accredited facilitator pathways point toward systemic sustainability.
- Rural education: Imbeleko's KwaNyuswa model and OLICO's Limpopo expansion continue to demonstrate that quality outcomes are achievable in deep-rural, high-poverty contexts.
- Disability inclusion: Para'demics' caregiver model and Vuyolethu's Haven's Siyasebenza pilot represent HET's commitment to neurodiverse and disabled young people, with expansion planned for FY2027.

**The Trusts look forward to continuing to support a range of initiatives across the broad spectrum of needs and opportunity in South Africa.**

05

# CORPORATE GOVERNANCE

*The Board regards sustainability as a business opportunity that guides strategy formulation.*

*The purpose of the Board is to provide strategic direction and management to Invicta and its divisions and to maximise shareholders' wealth.*

# OUR APPROACH TO **GOVERNANCE**

## Our Governance Philosophy and Framework

**The Board remains the focal point and custodian of corporate governance across the Group, providing strategic direction and oversight that supports long-term value creation.**

It continues to fulfil this mandate by:

» Exercising ethical, effective, and accountable leadership in shaping strategy and overseeing performance.

» Ensuring transparency and responsibility through robust reporting and disclosure practices.

The Board actively aligns the Group's business practices with the interests of its stakeholders, underpinned by sound governance principles. Recognising the evolving operating landscape, it integrates environmental, social, and governance ("**ESG**") considerations into decision-making, reinforcing the Group's commitment to sustainability.

A holistic approach to governance, risk management, sustainability, and performance has been adopted, enabling informed, balanced oversight. The Board supports a culture of openness and trust and encourages Directors to raise concerns in the spirit of constructive engagement.

Directors have unrestricted access to Group records, management, and property. Non-Executive Directors continue to engage with management outside of formal meetings to ensure informed contributions and effective oversight.

During FY2026, the Board's key areas of focus included oversight of the Group's acquisition pipeline and strategic repositioning, financial performance and capital allocation, risk governance, the King V™ transition, and the Group's ESG programme. The Board operates in accordance with an approved Annual Work Plan that structures oversight across strategy, financial performance, risk governance, audit and sustainability matters throughout the year. Strategic decisions are made through a structured process in which management presents proposals to the Board, initially to the Investment Committee, which proposals are supported by analysis, risk assessments and financial modelling. The Board deliberates and, where required, refers matters to the relevant committee for review before a final decision is taken.

Key decisions are documented in Board minutes and, where material, communicated to shareholders in accordance with JSE Listings Requirements. Looking ahead, the Board's focus areas for FY2027 include embedding the King V™ governance framework, deepening ESG disclosure, and continuing to evaluate the Group's geographic diversification strategy.

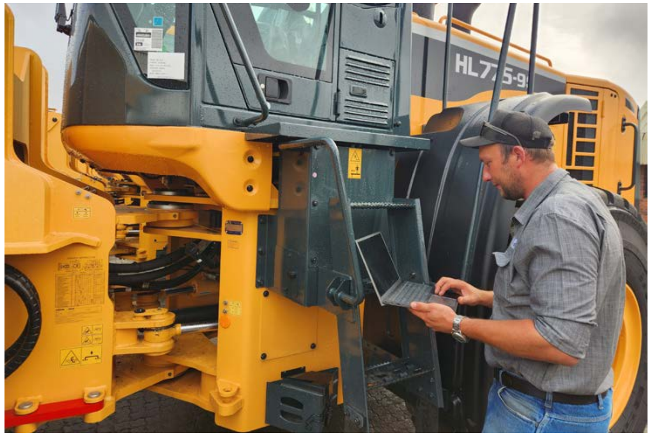
During the year under review, the Group engaged Merchantec to support its preparation for King V™ alignment. This included a governance maturity review, an update of the Board Charter, committee charters and key governance policies, and a King V™ temperature check. The revised Board Charter was approved at the March 2026 Board meeting. The review programme is ongoing, with further enhancements to be tabled in phases.

The Board confirms that it has discharged its responsibilities during the financial year ended 31 March 2026 in accordance with its Board Charter and applicable legal, regulatory and governance requirements. The Board is satisfied that it collectively possesses the appropriate mix of skills, experience and knowledge to lead the organisation ethically and effectively. It supports a culture of openness, transparency and continuous improvement and is committed to the ongoing development of its members to ensure governance remains effective in a changing environment.

## Ethics

Integrity and ethical conduct are central to how Invicta operates. The Board sets the ethical tone for the Group, ensuring that ethics are embedded in decision-making, leadership behaviour and oversight at all levels. This responsibility is exercised through the Social and Ethics Committee, which met twice during FY2026 and oversees the Group's ethics governance, corporate citizenship and sustainability matters.

The Group's ethics framework includes a code of ethics and conduct, conflict of interest and gift declaration arrangements and a confidential whistleblowing mechanism available to all employees and stakeholders. Whistleblowing trends are monitored by the Committee as a standing agenda item. The Board is satisfied that these arrangements operated effectively during the year under review, and that the Group conducts itself as a responsible corporate citizen. During FY2026, the Committee oversaw several meaningful developments: a structured ethics training programme, facilitated by the Ethics Institute, was launched in December 2025, beginning with the Executive Committee and rolling out across management and staff; a King V™-aligned committee self-assessment was adopted; and an ESG governance and reporting framework, including a quarterly dashboard, was established to provide structured monitoring of the Group's environmental, social and governance performance.



# OUR **GOVERNANCE** STRUCTURES

## Committees

The Board maintains effective control over the Group through well-established governance structures, including four standing committees. These committees support the Board in fulfilling its responsibilities, but do not diminish the Directors' collective accountability, which remains in accordance with the Companies Act, JSE Listings Requirements, and the principles of King V™.

Each committee operates under a formal charter that sets out its mandate, authority, and reporting responsibilities. Committees report to the Board in line with the frequency and requirements specified in their respective charters, ensuring governance oversight remains robust, transparent, and responsive.

The composition and key responsibilities of each committee are set out below:

During FY2026, the Audit and Risk Committee focused on the integrity of financial reporting, oversight of the external and internal audit functions, and monitoring of top strategic risks including the King V™ transition and IT governance. The Remuneration Committee reviewed and applied the remuneration policy, approved executive performance assessments and considered market benchmarking data. The Social and Ethics Committee oversaw ethics governance, ESG performance, environmental sustainability, transformation and human capital matters. The Investment Committee reviewed acquisition and strategic investment proposals in line with the Group's diversification strategy.

The Board is satisfied that the delegation of responsibilities to its committees supports effective governance and does not detract from the Board's accountability.

**Board of Directors**

**Board committees**

| Audit and Risk Committee | Remuneration Committee | Social and Ethics Committee | Investment Committee |
|---|---|---|---|
| Provides oversight of integrated and financial reporting, internal controls, risk management, regulatory compliance, and financial sustainability. Also monitors the safeguarding of Group assets and related assurance processes. | Reviews and maintains fair and responsible remuneration policies for Directors, executives, and employees to support long-term performance and retention. | Oversees the Group's ethical conduct and monitors the impact of its activities on the environment, employees, communities, and other stakeholders, in support of responsible corporate citizenship. | Reviews and advises on investment matters, including acquisitions and mergers, to ensure alignment with the Group's strategic objectives. |
| *Refer to the AFS for the Audit and Risk Committee Report.* | *Refer to the Remuneration Report* | | |
| Chairman: **Rashid Wally** | Chairman: **Mpho Makwana** | Chairman: **Mpho Makwana** | Chairman: **Jacob Wiese** |
| Frank Davidson<br>Mpho Makwana<br>Iaan van Heerden | Christo Wiese<br>Rashid Wally<br>Iaan van Heerden | Rashid Wally<br>Lance Sherrell<br>Steven Joffe | Frank Davidson<br>Iaan van Heerden<br>Steven Joffe |

# OUR **GOVERNANCE** STRUCTURES continued

Directors are expected to attend all scheduled meetings as set out in the Board charter and/or applicable committee charter and other *ad hoc* meetings which may be required from time to time. The table below reflects the high levels of engagement and commitment within the Board and its various committees:

| | Board | | Audit Committee | | Remuneration Committee | | Social and Ethics Committee | | Investment Committee | |
|---|---|---|---|---|---|---|---|---|---|---|
| Number of members | 10 | | 4 | | 4 | | 4 | | 4 | |
| Number of meetings per workplan or Charter | 4 | | 4 | | 2 | | 3 | | As required | |
| Number of meetings held in the FY2026 | 5 | | 5 | | 2 | | 3 | | 2 | |
| | Meetings Attended | % | Meetings Attended | % | Meetings Attended | % | Meetings Attended | % | Meetings Attended | % |
| Christo Wiese | 5/5 | 100 | | | 1/2 | 50 | | | | |
| Steven Joffe | 5/5 | 100 | | | | | 3/3 | 100 | 2/2 | 100 |
| Nazlee Rajmohamed | 5/5 | 100 | | | | | | | | |
| Mpho Makwana | 5/5 | 100 | 4/5 | 80 | 2/2 | 100 | 3/3 | 100 | | |
| Rashid Wally | 5/5 | 100 | 5/5 | 100 | 2/2 | 100 | 3/3 | 100 | | |
| Frank Davidson | 5/5 | 100 | 5/5 | 100 | | | | | 2/2 | 100 |
| Iaan van Heerden | 5/5 | 100 | 5/5 | 100 | 2/2 | 100 | | | 2/2 | 100 |
| Jacob Wiese | 4/5 | 80 | | | | | | | 2/2 | 100 |
| Lance Sherrell | 5/5 | 100 | | | | | 2/3 | 66.7 | | |
| Craig Barnard | 5/5 | 100 | | | | | | | | |

## Management

Responsibility for the day-to-day operations of the Group is delegated to the Group Executive Committee, under the leadership of the Group CEO, Steven Joffe. There is a clear separation between the roles of the CEO and the Chairman of the Board, in line with governance best practice. These roles are held by different individuals, ensuring independent oversight and strategic balance.

The Group follows a decentralised, divisionalised structure. Each division operates with its own executive committee and is supported by a dedicated finance and administration infrastructure. Where appropriate, divisions leverage shared services to enhance efficiency and collaboration.

The Group CEO, Group CFO, and Commercial Director remain actively involved in the activities of the divisions. These Executive Directors also participate on the boards of subsidiary companies, ensuring alignment with Group strategy and oversight of operational performance.

Management engages with the Board through Board meetings, divisional CEO presentations and ad hoc briefings on material developments. The Group CEO presents a CEO Report at each meeting covering financial performance, strategic progress, operational matters and key risks. Material decisions including acquisitions, disposals and significant capital commitments are brought to the Board for approval, supported by management's analysis and, where appropriate, independent expert advice.

## The Company Secretary

The Board is supported by the Group Company Secretary and Legal Counsel, Sade Lekena, who provides independent advice and guidance on corporate governance, legal compliance, and Board procedures. Sade reports to the Group CEO and is not a member of the Board, ensuring an arm's-length relationship.

The Board has assessed and is satisfied with the Company Secretary's qualifications, experience, competence, and independence. The Board also retains access to external legal and governance expertise when required and is confident that the current arrangements are effective and support sound governance.

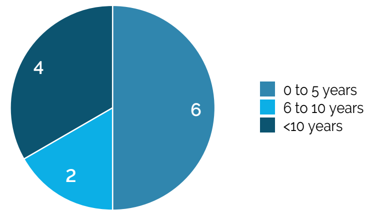
# OUR BOARD **PROFILE**

## Tenure and Succession

The Board values the retention of institutional knowledge, skills and experience of the Non-Executive Directors, while also recognising the importance of renewal. Regular assessments are undertaken to evaluate Board composition, and succession planning remains a standing priority. When appropriate, new Directors are appointed to ensure the Board continues to evolve in line with the Group's needs and governance best practices.

Taking into account the tenure and experience of existing members, the Board is satisfied that it retains an appropriate balance of skills, continuity, and oversight capability to govern effectively. While formal succession plans are not currently in place, succession planning is actively considered as part of the Board's deliberations on composition and continuity and the development of a more structured framework remains a governance priority.

**Tenure**




## Independence

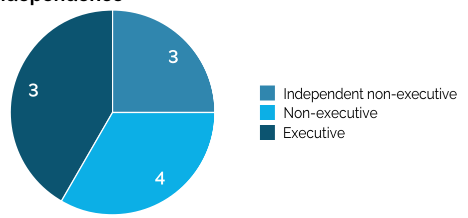
As at 31 March 2026, the Board comprised ten Directors, of whom three were classified as independent Non-Executive Directors In reaching its independence conclusions, the Board considered each Director's tenure, shareholding and other relationships with the Group, and is satisfied that its classifications are appropriate. Where Directors have served for extended periods, the Board has satisfied itself that independence of judgement is maintained.

Although independent Directors are in the minority, the Board is satisfied that the balance of power and authority is maintained through robust engagement, diverse perspectives, and open deliberation, with a further four Non-Executive Directors.

While the Chairman is not classified as independent, the presence of a strong Lead Independent Director, provides the necessary counterbalance to ensure objectivity and independent oversight, in line with the principles of King V™.

The Board further confirms that both the Lead Independent Director and the Company Secretary continue to operate independently and provide impartial guidance and oversight.

**Independence**

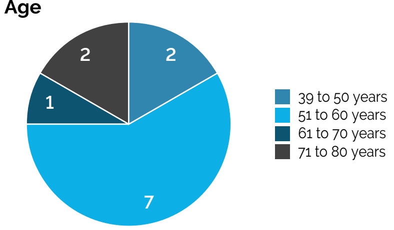



## Board Diversity

The Board is committed to maintaining a composition that supports effective governance and the achievement of the Group's strategic objectives. Guided by its Diversity Policy, appointments consider diversity across gender, race, culture, age, knowledge and experience.

As at 31 March 2026, the Board comprised nine male and one female Director, with women representing 10% of the governing body. The Company Secretary is also female. The Board acknowledges that female representation remains low and is an area of focus in future appointments. Formal measurable diversity targets have not yet been adopted and this remains an area of ongoing development.

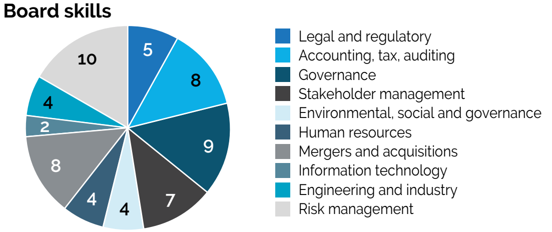
**Age**




## Board Skills and Experience

The Board collectively possesses a broad range of expertise across key areas including legal, financial, commercial, industrial, investment, governance and sustainability. Ongoing assessments are conducted to ensure that the Board's skillset remains aligned with the evolving needs of the Group and its strategic ambitions.

**Board skills**



# REMUNERATION **REPORT**

This Remuneration Report (the "**Report**") has been prepared in accordance with the principles of King V™ and outlines Invicta's approach to remuneration for FY2026. The Report, presented by the Remuneration Committee ("the **Committee**"), focuses primarily on the remuneration of Executive Directors while also providing insight into remuneration governance across the Group.

The Report is structured as follows:

- **Section One: Background Statement** – Context for remuneration decisions and material considerations during the reporting period.
- **Section Two: Remuneration Policy** – Overview of policies applicable to Executive and Non-Executive Directors, Executive Committee members, and broader employee groups.
- **Section Three: Implementation Report** – Application of the remuneration policy during the financial year under review.

## Section One – Background Statement

The remuneration principles adopted in FY2021, namely the benchmarking of executive packages, alignment of incentive structures with market practice, and the formalisation of remuneration governance – have continued to underpin the Group's approach. FY2026 was characterised by exceedingly tough market conditions, both locally and internationally, including the impact of global tariff uncertainty, a strengthening rand and subdued demand across capital equipment and replacement parts markets. Notwithstanding these headwinds, the committee is satisfied that the Group has retained key talent and incentivised performance aligned with shareholder expectations.

The transition to King V™ during FY2026 has been proactively managed. The Group adopted King V on an early-adoption basis, in line with JSE guidance for listed companies and, this Remuneration Report has been prepared in accordance with King V™'s "apply and explain" methodology. The committee confirms that no material exceptions to the recommended practices associated with Principle 11 (Remuneration Governance) were identified during the year under review.

The committee is satisfied that remuneration outcomes during FY2026 were fair and responsible, and that the Group's remuneration practices supported the attraction, retention and motivation of appropriately skilled executives and employees, while promoting responsible outcomes and alignment with shareholder interests. The committee further confirms that remuneration practices are designed to support long-term value creation and are consistent with the Group's strategic objectives and operating context.

The Board confirms that it has applied the recommended practices associated with King V™ Principle 11 (Remuneration Governance), in a manner that is proportionate and appropriate to the Group's size, complexity and operating context. No material exceptions to the recommended practices associated with this principle were identified during the year under review.

## Remuneration Committee Focus in FY2026

The committee maintained oversight of all remuneration structures and ensured that practices were aligned with legislative and corporate governance developments.

Key developments this year included:

- strengthening the alignment of variable pay with clearly defined performance outcomes;
- embedding qualitative performance metrics to promote a more holistic assessment of leadership effectiveness;
- supporting the refinement of the performance management framework to better align behavioural expectations and values-based leadership with reward outcomes;
- overseeing the transition from King IV™ to King V™, including review of shareholder voting arrangements and update of the Remuneration Report, to comply with King V™'s "apply and explain" disclosure framework; and
- overseeing the Group's compliance response to sections 30A and 30B of the Companies Act 71 of 2008, as amended by the Companies Amendment Act 16 of 2024 (proclaimed 22 May 2026), which impose binding obligations on public companies in respect of the Remuneration Policy, Implementation Report and pay gap disclosure. The committee directed management to ensure that the FY2026 Remuneration Report and Notice of AGM are fully compliant with these provisions.

## Remuneration Committee Focus in FY2027

In the coming year, the committee will:

- monitor and embed the findings of the peer and industry benchmarking exercise completed during FY2026, to ensure the long-term incentive ("**LTI**") framework remains competitive and appropriately calibrated;
- review the long-term incentive framework for enhanced alignment with shareholder value creation, informed by the benchmarking exercise completed during FY2026;
- monitor the application of behavioural KPIs within executive performance contracts;
- oversee the development and adoption of a formal executive succession plan, as directed by the committee during FY2026;
- assess the implications of emerging ESG-linked pay metrics and strengthen the narrative linkage between incentives and the Group's strategic and sustainability priorities, in line with King V™ Principle 11 recommended practices; and
- embed the pay gap and remuneration disclosure framework required under sections 30A and 30B of the Companies Act (as amended) into the Group's ongoing remuneration governance and reporting cycle, including the annual presentation of average remuneration, median remuneration, and the pay gap ratio between the top 5% and bottom 5% of employees by total remuneration.

# REMUNERATION **REPORT** continued

## Shareholder Engagement

The committee continues to prioritise transparent and constructive engagement with shareholders on remuneration matters. At the 2025 AGM, all resolutions related to remuneration were passed with the requisite support.

In terms of sections 30A and 30B of the Companies Act 71 of 2008 (as amended by the Companies Amendment Act 16 of 2024, proclaimed 22 May 2026), shareholders will be asked to approve, by way of binding ordinary resolution, each of the following:

- The Remuneration Policy
- The Implementation Report

Approval of the Remuneration Policy and the Remuneration Report by ordinary resolution is required in terms of sections 30A and 30B of the Companies Act respectively. Should either the remuneration policy or the Implementation Report not be approved by ordinary resolution at the AGM, the Remuneration Committee will be required, at the following AGM, to present an explanation of how shareholder concerns were addressed, and the Non-Executive Directors serving on the committee will stand for re-election at that AGM. In addition, in terms of King V™ Principle 11, should 25% (twenty-five percent) or more of the votes cast be against either resolution, the committee undertakes to engage with dissenting shareholders to understand the reasons for their dissent and will disclose the manner and outcome of such engagement in the voting results announcement.

# Section Two – Remuneration Policy

## Remuneration Philosophy

The Group's philosophy remains focused on attracting and retaining the right talent to deliver on strategic priorities and create long-term value for all stakeholders. Key principles include:

- Reward for performance and value creation;
- Fair and responsible pay practices, including equal pay for work of equal value;
- Flexibility and alignment with employee needs, market conditions and strategic goals; and
- Ownership and accountability by line managers in applying reward practices consistently.

Alignment of remuneration outcomes with the Group's strategic priorities and its commitment to an ethical culture, sustainable performance and responsible governance.

## Reward Strategy

The Group's reward strategy is reviewed annually and supports the execution of its business strategy across the short-, medium- and long-term. Remuneration decisions are influenced by:

- Group and individual performance
- Internal equity and relativity
- External market benchmarking
- The broader socio-economic context

All components of pay – fixed, variable and benefits – are managed with a view to sustainability, equity and strategic alignment. The introduction of behavioural metrics into performance management structures reflects a broader shift toward integrated performance culture.

## Elements of Remuneration

The Group seeks to accomplish various objectives through the different elements of remuneration:

| Reward | Target employees | Target percentile | Objective |
|---|---|---|---|
| **Guaranteed remuneration** | All employees receive monthly remuneration. | As a fair and responsible employer, Invicta targets the median of the relevant market for its employees.<br>High performing employees and those with critical skills can be remunerated up to the 75th percentile and above. | Ensure fair remuneration is paid to all employees. |
| **Short-term incentives** | All non-scheduled permanent employees qualify for participation. | The incentive targets are set at a level that rewards superior performance and are affordable and fair to the Group. The incentive schemes are performance-based. Some scheduled employees are part of the industry collective agreement and receive their incentives in terms of these agreements. | Drive Group and business unit performance. |
| **Long-term incentives** | Executives, senior management and other selected employees who possess key skills. | Market median.<br>High performing employees and those with critical skills can be remunerated up to the 75th percentile and above. | Attract and retain executives and key employees.<br>Align with shareholders with a long-term outlook. |

# REMUNERATION REPORT continued

## Guaranteed Remuneration

Guaranteed pay is reviewed annually in line with the Group's remuneration policy and adjusted where appropriate. Third-party benchmarking data and external consultants are utilised to guide decision-making. Salary ranges are tailored to:

- Job complexity and seniority
- Individual performance and contribution
- Prevailing market benchmarks
- Internal pay equity and progression
- Retirement fund and medical aid contributions

## Short- and Long-term Incentives

Variable remuneration aims to reward performance without exposing the Group to undue risk. Key principles include:

- **Defensible differentiation** – ensuring rewards are linked to measurable and pre-defined performance.
- **Regular review** – updating targets to align with evolving strategy and market conditions.
- **Clear performance contracts** – defining goals against which bonuses are measured (baseline vs. stretch targets).

## Executive Remuneration

Executives are remunerated on a total cost-to-company basis, benchmarked externally to ensure competitiveness. There are no post-retirement benefits.

- **Short-term incentive:** Executives may earn 30% to 120% of their cost-to-company based on performance against approved KPIs. STI calculations follow the formula: cost-to-company × applicable bonus % × performance score.
- **Long-term incentive:** Executives participate in the Long-Term Bonus and Share Incentive Right ("**LBSIR**") scheme, which grants share rights at the five-day VWAP. Grant size reflects role benchmarking and individual performance.

## Management and General Staff

- **Guaranteed Remuneration:** Generally targeted at the 50th percentile of the market. Employees under industry councils negotiate terms collectively. Others are remunerated on a cost-to-company or basic-plus-benefits basis by job grade.
- **Short-term incentives:** Performance-linked bonuses range from 8.33% to 120% of CTC, based on divisional metrics such as profitability, working capital and cost control.

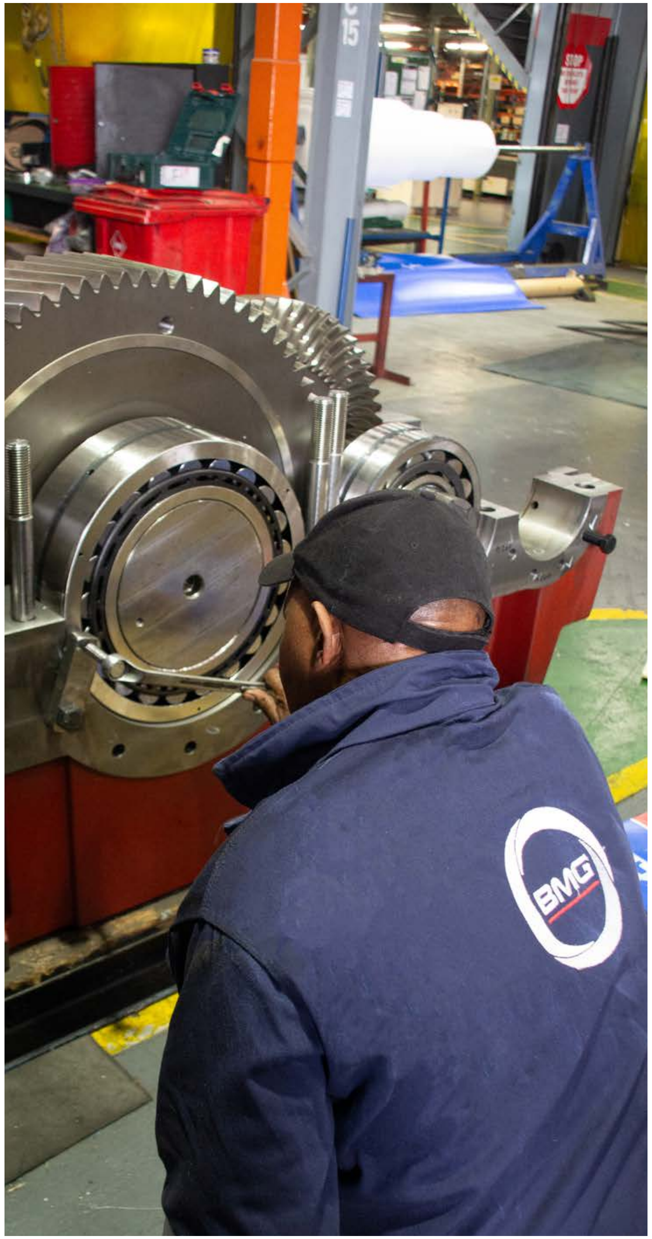
## Non-Executive Directors

Non-Executive Directors are remunerated for their Board and committee roles only and do not receive any form of variable pay. Fees are periodically benchmarked to ensure alignment with the Group's size, complexity and market practice. The Group remunerates Non-Executive Directors on a retainer-based model to promote deeper engagement, support ongoing strategic involvement and enhance operational efficiency.

## Performance Management

Performance is formally assessed annually and used to inform:

- Salary adjustments
- Incentive allocations
- Training interventions
- Succession planning



# REMUNERATION **REPORT** continued

## Section Three – Implementation Report

This section details the application of remuneration policy for the 2026 financial year.

## Guaranteed Remuneration

Executive Directors are remunerated on an all-inclusive basis, including retirement and medical aid contributions. Their packages were reviewed for consistency and market alignment.

The Remuneration Committee approved the following salary mandate for FY2027 on 20 February 2026:

- Junior staff (below R15 000 per month): 4% increase
- Middle management: 3.5% increase
- Non-Executive Directors, Executive Directors and senior management: 3% increase

**Short-term Incentives**

Executive STI awards are based on performance against a scorecard covering:

- Group net profit vs. budget
- Return on net assets
- Revenue growth
- Individual KPIs and behavioural metrics

During FY2026, the Remuneration Committee noted an amendment to the executive incentive framework whereby the turnover growth threshold was removed as a qualifying measure for annual bonus determination. Going forward, executive incentive outcomes will continue to be assessed against the remaining approved performance measures, which are designed to support the Group's strategic objectives, operational performance and long-term value creation.

## Long-Term Bonus and Share Incentive Rights Schemes

During the year under review, Invicta made further awards under its LBSIR to Executive Directors and select senior executives. This scheme is designed to align executive remuneration with long-term shareholder value creation while promoting executive retention.

## Vesting of 2023 Awards

- On 23 March 2026, Bennie Groenewald (186 846 LBSIRs, granted at R26.50), divisional Director, was settled on this date by issuing 28 904 shares net of tax at R36.87 per share.
- On 23 March 2026, LBSIRs also vested and were exercised by Steven Joffe (exercising from a pool of 734 900 LBSIRs, resulting in delivery of 113 683 ordinary shares, net of tax), Craig Barnard (exercising from 254 653 LBSIRs, resulting in 39 393 ordinary shares, net of tax) and Nazlee Rajmohamed (exercising from 234 302 LBSIRs, resulting in 36 245 ordinary shares, net of tax), all at a five-day VWAP of R36.87 per share.

These awards vested upon satisfaction of performance targets approved by the Remuneration Committee and reflect the Group's continued commitment to performance-aligned, long-term remuneration.

The following grants were made during the year, using the five-day volume weighted average price ("**VWAP**") as the grant price:

The allocation for each participant was determined by reference to their cost-to-company ("**CTC**") and an allocation multiple, as approved by the committee on 20 February 2026. The approved CTC, allocation multiples and resulting LBSIR quantities are set out alongside:

| Recipient | Number of LBSIRs | Grant Price | Estimated Value of LBSIRs |
|---|---|---|---|
| Steven Joffe | 1 497 224 | R36.13 | R11 735 436.35 |
| Nazlee Rajmohamed | 246 530 | R36.13 | R1 969 454.21 |
| Craig Barnard | 267 705 | R36.13 | R2 138 614.93 |
| S Lekena (Company Secretary) | 97 066 | R36.13 | R775 431.15 |

## CTC and Allocation Multiples (approved by RemCo, 20 February 2026)

| Participant | Annual CTC (R) | Allocation multiple | Basis for grant size |
|---|---|---|---|
| S Joffe (CEO) | R8 360 853 | 6.47x | CTC × multiple ÷ 5-day VWAP |
| N Rajmohamed (CFO) | R4 261 791 | 2.09x | CTC × multiple ÷ 5-day VWAP |
| C Barnard (Commercial Director) | R4 627 846 | 2.09x | CTC × multiple ÷ 5-day VWAP |
| S Lekena (Company Secretary) | R2 100 000 | 1.67x | CTC × multiple ÷ 5-day VWAP |

These awards are subject to a three-year vesting period, with **85%** contingent on the achievement of performance conditions, and the remaining **15%** forming part of a retention component. The CEO's award is 100% performance-based. Executives have 18 months post-vesting to exercise their rights, after which unexercised LBSIRs will lapse. This applies to both the 2023 vested awards and the 2026 new awards, as approved by the committee on 20 February 2026. A claw back provision for fraud and malus applies to all awards.

# REMUNERATION **REPORT** continued

**Performance Conditions (for 85% of award):**

- **75%** based on cumulative **adjusted headline earnings per share growth** of **CPI + 2%** per annum from the FY2022 adjusted headline earnings per share of 351 cents (being the base year for the 2023 awards as confirmed by the Remuneration Committee on 20 February 2026).
- **25%** based on achieving a **14% return on capital employed ("ROCE") – for 2026 awards. The 2023 awards used 12% return on ordinary shareholders' equity (target: 12%; achieved: 12.34%)** in FY2025. Both performance conditions were met and the Remuneration Committee approved 100% vesting of the 2023 LBSIRs at its meeting on 20 February 2026.

## CEO Retention Scheme

This six-year equity matching scheme aligns shareholder and CEO interests while ensuring executive continuity. Under the scheme:

- The CEO commits to purchase up to 600 000 Invicta shares over six years, matched one-for-one by the Company.
- All purchases are off-market and non-competitive.
- Shares purchased by the Company vest in the CEO the following year, with tax borne by the CEO.
- The Company is entitled to claim a tax deduction for the employment-linked cost.

On 31 March 2026, 100 000 awards granted to Steven Joffe under the CEO Retention Scheme vested and were settled through the delivery of 55 000 ordinary shares, net of applicable taxation, at a deemed price of R37.00 per share.

## Talent Retention

No additional cash-based retention schemes were issued. However, the Group is implementing a focused talent management campaign, including graduate and learner development and succession planning initiatives for senior management.

## Pay Gap and Remuneration Equity Disclosure

In terms of section 30B(3)(c) of the Companies Act 71 of 2008 (as amended by the Companies Amendment Act 16 of 2024, proclaimed 22 May 2026), this Implementation Report discloses the average and median total remuneration of all employees, as well as the remuneration gap between the top 5% and bottom 5% of employees by total remuneration. For purposes of this disclosure, "total remuneration" includes all earnings, including all incentive awards and all Company contributions (including skills development levy, retirement fund and medical aid contributions). Share-based payment expenses have been excluded, consistent with the remuneration disclosed in note 40 of the AFS.

| Pay metric (section 30B(3)(c)) | FY2026 |
|---|---|
| Average total remuneration of all employees | R479 438.96 |
| Median total remuneration of all employees | R297 764.35 |
| Total remuneration of highest-paid employee | R18 427 585.29 |
| Total remuneration of lowest-paid employee | R72 021.85 |
| Remuneration gap: ratio of average total remuneration of top 5% to bottom 5% of employees | 27.9 : 1 |

The disclosure is based on a total South African Group headcount of 2 426 employees. Equity-accounted entities and entities excluded from consolidation are not included in this employee population.[1] The top 5% and bottom 5% comparator groups each comprise 121 employees, being the average of the top 121 and bottom 121 earners by total remuneration respectively.[2]

The Remuneration Committee is committed to fair and responsible pay practices in accordance with King V™ Principle 11 and the Employment Equity Act 55 of 1998. The committee will continue to monitor internal pay equity trends and report on progress against the Group's fair and responsible pay objectives in each subsequent Implementation Report.

1 *Excludes equity-accounted entities (AME Amajuba, AME Emalahleni, AME Kathu, AME Lephalale, AME Madibeng, AME Matjhabeng, AME Rustenburg, AME Sekhukhune, AME Thabazimbi, Givenergy South Africa and Makona Hardware and Industrial) and MacNeil Plastics, which is treated as a discontinued operation and post-balance-sheet event elsewhere in this report. Also, it excludes employees who did not work the full 12 months at an entity, employees working fewer than five days a week, and YES Programme learners, who are engaged under learnerships rather than standard employment contracts. This population basis is consistent with the headcount reported in the Human Capital section, adjusted for the exclusions above.*

2 *Five percent of the 2 426-employee population is 121.3 employees. Consistent with market practice, this has been rounded down to 121 employees for both the top and bottom comparator groups, ensuring the two groups are of equal size and the ratio remains symmetrical.*

## Non-Executive Directors' Fees

The fees paid to each Director are determined on a per routine meeting basis. The Chairmen of the Board and Board Committee received a combination of retainer and fee per routine meeting.

| | |
|---|---|
| Christo Wiese – Chairman | R1 541 053.45 |
| Frank Davidson | R705 502.42 |
| Iaan Van Heerden | R886 298.57 |
| Rashid Wally | R1 329 846.47 |
| Jacob Wiese | R618 198.84 |
| Lance Sherrell | R388 221.42 |
| Mpho Makwana | R1 199 427.08 |

## Proposed Non-Executive Director fees for FY2027

In accordance with the Company's Memorandum of Incorporation and the JSE Listings Requirements, shareholders will be asked to approve the proposed Non-Executive Directors' fees for FY2027 at the Annual General Meeting. The proposed fees, reflecting the 3% increase approved by the Remuneration Committee on 20 February 2026, will be set out in the Notice of Annual General Meeting.

06

# ANNEXURES

# ANNEXURE A: KING V™ DISCLOSURE FRAMEWORK

Invicta has developed this King V™ Disclosure Framework in accordance with the Institute of Directors in South Africa ("**IoDSA**") King V™ Disclosure Framework and the King V™ "apply and explain" disclosure regime. In preparing this Framework, the governing body considered Invicta's existing governance disclosures, governance instruments, and governance practices applied during FY2026, and has structured this disclosure to enable stakeholders to assess the quality of governance in the organisation. To avoid duplication, references are made to information contained in Invicta's external reporting suite.

King V™ is applied proportionately, recognising Invicta's size, complexity, geographic footprint, and operating context, while ensuring that governance supports the achievement of the four governance outcomes: Ethical Culture; Performance and Value Creation; Conformance and Prudent Control; and Legitimacy.

## Our Reporting Suite

Invicta Holdings Limited ("**Invicta**") applies the King V™ principles using an integrated and proportionate approach to governance disclosure. This King V™ Disclosure Framework should be read together with Invicta's broader reporting suite, which provides stakeholders with a holistic view of how value is created, preserved and sustained over time.

To avoid unnecessary duplication, this framework incorporates information by reference to the specific sections of Invicta's public reports and governance disclosures, as permitted and encouraged by the King V™ Disclosure Framework.

## Reporting Suite Available on Invicta's Website

Integrated Annual Report FY2026 primary report providing a holistic overview of Invicta's strategy, performance, governance, risk, sustainability and outlook: https://www.invictaholdings.co.za/

## Annual Financial Statements FY2026

Audited financial information, including the Audit and Risk Committee Report and assurance disclosures: https://www.invictaholdings.co.za/

## Remuneration Report FY2026

Disclosure of remuneration governance, policy and implementation outcomes (included in the Integrated Annual Report): https://www.invictaholdings.co.za/

## Sustainability Report FY2026

Information relating to environmental, social and governance matters, including sustainability initiatives and performance metrics: https://www.invictaholdings.co.za/

## King V™ Disclosure Framework FY2026 (this document)

This framework explains how Invicta applies the King V™ principles and identifies any exceptions to the recommended practices: https://www.invictaholdings.co.za/

# ANNEXURE A: KING V™ DISCLOSURE FRAMEWORK continued

## Statement by the Board on the Realisation of the Governance Outcomes

For the financial year ended 31 March 2026, the Board is satisfied that the application of the King V™ principles and the implementation of the recommended practices, applied proportionately and appropriate to Invicta's context, have supported the creation of value within the economic, social and environmental context in which the Group operates, and have resulted in the following governance outcomes:

## Ethical Culture

The Board is satisfied that an ethical culture is embedded across the Group through the application of a code of ethics and conduct, conflict of interest and gift declaration arrangements, and confidential whistleblowing mechanisms. These frameworks are overseen through the Social and Ethics Committee, and the Board is of the view that they have operated effectively during the year under review.

## Performance and Value Creation

The Board is satisfied that its governance arrangements have supported disciplined execution of strategy, effective capital allocation and sustained operational performance. During FY2026, the Board exercised oversight over strategic priorities, key investments and disposals, financial performance and sustainability initiatives, and is of the view that governance has contributed positively to long-term value creation.

## Conformance and Prudent Control

The Board is satisfied that the Group's risk management, compliance and assurance arrangements have supported a disciplined control environment during the year. Oversight is provided through the Audit and Risk Committee, supported by management and internal assurance functions, and the Board is of the view that material risks and compliance obligations have been appropriately identified, monitored and addressed.

## Legitimacy

The Board is satisfied that the Group has engaged appropriately with its key stakeholders and has conducted its activities as a responsible corporate citizen. Stakeholder engagement, transformation initiatives, and sustainability actions undertaken during FY2026 support the Group's licence to operate and contribute to trust and legitimacy over time.

# ANNEXURE A: KING V™ DISCLOSURE FRAMEWORK continued

## King V™ Application Statement

| Principle | King V™ Principle | Application of Recommended Practices |
|---|---|---|
| **Principle 1** | The governing body leads ethically and effectively as the focal point of corporate governance in the organisation. | **Exemption declaration:**<br>All the practices recommended in support of principle 1 have been implemented except for the following:<br>» Recommended Practice No. 6.<br>The Board is committed to the application of the evaluation of its performance (including its committees, Chairman and individual members) and will investigate ways to conduct the evaluations for the upcoming reporting period.<br>**Specific disclosures:**<br>Characteristics and values of the Board: The Board is satisfied that members individually and collectively, cultivate and exemplify integrity, competence, responsibility, accountability, fairness and transparency.<br>**Overarching governance role and functions:**<br>» The Board is satisfied that it has covered all dimensions of its governance role and fulfilled its responsibilities in accordance with its charter for the reporting period.<br>» A detailed report on the number of Board meetings, activities for the reporting period and planned future areas of focus is included in pages 56–57 of the Company's IAR.<br>Performance evaluation of the Board: An evaluation of the performance of the Board, including its Committees, the Chairman and Members has not been conducted. |
| **Principle 2** | The governing body governs the ethics of the organisation in a way that enables an ethical culture and responsible corporate citizenship. | **Exemption declaration:**<br>All practices in relation to Principle 2 have been fully implemented.<br>**Specific disclosures:**<br>**Organisational ethics:**<br>» The Board is satisfied with the effectiveness of the management of ethics. During the period under review, the SEC commissioned an ethics intervention programme facilitated by the Ethics Institute for the development of a Group Ethics Charter (which was reviewed and approved by the SEC and Board) and the provision of ethics management training for Executive Directors and some management employees.<br>» The Board is satisfied that there are adequate arrangements for the prevention and detection of fraud, corruption and money-laundering and that significant incidents have been appropriately responded to, to manage consequences and prevent future occurrences.<br>**Responsible corporate citizenship:**<br>» The Board is satisfied that the organisation's purpose, values, impacts and outcomes of activities are aligned with its objective of being a responsible corporate citizenship. |

# ANNEXURE A: KING V™ DISCLOSURE FRAMEWORK continued

| Principle | King V™ Principle | Application of Recommended Practices |
|---|---|---|
| **Principle 3** | The governing body ensures that the organisation's purposes, strategy and business model support performance that creates sustainable value within the organisation's economic, social and environmental context. | **Exemption declaration:**<br>The Board confirms that it has applied the recommended practices in a manner that it proportionate and appropriate to the Group's size, complexity and operating context.<br>**Specific disclosures:**<br>Strategy, performance and sustainable value creation: The Board recognises that the Group's strategy, risk, performance and sustainability are inseparable. To this end, it has ensured that its strategy and business model are aligned to deliver performance that is sustainable within its economic, social and environmental context. A detailed description of the Group's purpose, strategy and business model can be found on pages 29-52 of the IAR. |
| **Principle 4** | The governing body ensures that external reports issued by the organisation enable stakeholders to make informed assessment of how the organisation creates, preserves and erodes value within its economic, social and environmental context over the short-, medium- and long-term. | **Exemption declaration:**<br>All practices in relation to Principle 4 have been fully implemented. In addition to the AFS, the following reports, which have been considered and approved by the Board, are available on the website at www.invictaholdings.co.za:<br>» Integrated Annual Report<br>» Report of the Social and Ethics Committee<br>» Remuneration Report |

# ANNEXURE A: KING V™ DISCLOSURE FRAMEWORK continued

<table>
<tr><th>Principle</th><th>King V™ Principle</th><th>Application of Recommended Practices</th></tr>
<tr><td>Principle 5</td><td>The governing body ensures that its composition is balanced with respect to the mix of competencies, diversity and independence that enables it to discharge its obligations objectively and effectively.</td><td>Exemption declaration:<br>All practices in relation to Principle 5 have been appropriately applied.<br><br>Specific disclosures:<br>Composition of the Board:<br>The IAR provides disclosures in relation to the following:<br>» The targets set for gender and race representation in the membership of the Board and the progress made against these targets are in pages 56–57 of the IAR provides disclosures relating to the following:<br>» The categorisation of each Board member as executive, non-executive, or independent. The Board is aware that Rashid Wally has served as Chairman of the Audit and Risk Committee for longer than nine years and has conducted an assessment of his independence. The Board concluded that he continues to be independent.<br>» The qualifications and experience of each Board member.<br>» The period of service of each Board member.<br>» The age of each Board member.<br>» Other Board and professional positions held by each governing body is disclosed.<br>» There have been no resignations, retirement or removal of any Board member during the reporting period.<br>» The Board is satisfied that its composition reflects the appropriate mix of competencies, diversity and independence to fulfil its obligations objectively and effectively.<br><br>Nomination and continual development of members of the Board:<br>» The Board is satisfied with the processes of its nominations of suitable candidates to serve as members of the Board and its support of members' ongoing development.<br><br>Chairman and lead independent member of the Board:<br>» As the Chairman, Dr Christo Wiese is not considered to be independent as he is also a major shareholder. Mr Mpho Makwana is appointed as the lead independent Non-Executive Director to take up the role of the Chairman should there be a conflict.</td></tr>
</table>

# ANNEXURE A: KING V™ DISCLOSURE FRAMEWORK continued

| Principle | King V™ Principle | Application of Recommended Practices |
|---|---|---|
| **Principle 6** | The governing body ensures that arrangements for delegation to committees and individuals within its own structures promote the objective and effective discharge of its own obligations. | **Exemption declaration:**<br>All practices in relation to Principle 6 have been fully implemented.<br>**Specific disclosures:**<br>The Boards delegation to individuals and committees:<br>» The Board is satisfied that its delegation to committees and individuals within its structures promotes the objective and effective discharge of its governance obligations.<br>**Each committee of the Board:**<br>The governance section of the IAR contains a disclosure by each Committee of the Board of its role, responsibilities, functions, composition, members and external advisors/invitees who regularly attend the meetings, the number of meetings held during the reporting period and attendance, key areas of focus and future planned areas of focus and confirmation that it is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference.<br>**Audit Committee**<br>The Audit and Risk Committee ("**ARC**") is satisfied that:<br>» arrangements for combined assurance are effective;<br>» the external auditor is independent of the organisation and has delivered audit quality;<br>» the Committee is satisfied that the CFO and finance function is effective; and<br>» the design and implementation of internal audit financial controls are effective. Any significant weaknesses in internal financial controls that could have resulted in significant financial loss, fraud, corruption or error were effectively addressed.<br>**Remuneration Committee**<br>» In accordance with principle 11, the Remuneration Committee is satisfied that the Company remunerates fairly, responsibly and transparently. A more detailed report on the remuneration practices of the Company will be contained in pages 58–62 of the IAR.<br>**Social and Ethics Committee**<br>» The Board is satisfied that the requirements of Principle 2 and 13 have been fully implemented. |

# ANNEXURE A: KING V™ DISCLOSURE FRAMEWORK continued

| Principle | King V™ Principle | Application of Recommended Practices |
|---|---|---|
| **Principle 7** | The governing body ensures that the appointment and delegation to management promotes operational effectiveness and that the respective roles and decision-making powers of the governing body and management are clearly defined. | **Exemption declaration:**<br>All practices in relation to principle 7 have been fully implemented.<br>**Specific disclosures:**<br>**CEO**<br>» The Board is satisfied that the succession planning in place for the CEO position adequately safeguards leadership continuity and stability of the organisation.<br>**Delegation of management:**<br>» The Company has approved and annually reviews a delegation of authority framework which facilitates operational effectiveness and ensures that there is clear definition on the respective decision-making authorities of management and the Board.<br>» The Board is satisfied that the CEO has implemented succession planning for executive management and other critical position across the Group, to ensure depth and continuity of leadership.<br>**Professional corporate services to the governing body:**<br>» The Board is satisfied that it has adequate access to professional and independent guidance to allow it to fulfil its legal and corporate governance duties and effective functioning. |
| **Principle 8** | The governing body governs risk in a way that enables the organisation to sustain and optimise its strategy and objectives. | **Exception declaration:**<br>All practices in relation to Principle 8 have been fully implemented.<br>**Specific disclosure:**<br>» The Board is satisfied that the risk function, the risk management system and overall internal control framework are effective. |
| **Principle 9** | The governing body governs compliance with applicable laws and adopted policies, non-binding rules, codes and standards in a way that promotes ethics and responsible corporate citizenship. | **Exception declaration:**<br>All practices in relation to Principle 9 have been implemented except for the following:<br>» Recommendation 95. The Board has not yet developed and implemented a Group-wide Group Compliance Management Framework which would provide direction on a system of compliance to ensure that the compliance function is holistic. This will be implemented in the next reporting cycle.<br>**Specific disclosures:**<br>» The Board is satisfied that the system of compliance is effective as no significant regulatory penalties, sanctions or fines for contraventions of, or non-compliance with, statutory obligations – whether against the organisation, governing body or prescribed officers – have been appropriately responded to, to manage consequences and prevent future occurrences. |

# ANNEXURE A: KING V™ DISCLOSURE FRAMEWORK continued

| Principle | King V™ Principle | Application of Recommended Practices |
|---|---|---|
| **Principle 10** | The governing body governs data, information and technology in a way that enables the organisation to sustain and optimise its strategy and objectives. | **Exception declarations:**<br>All practices in relation to Principle 10 have been implemented except for the following:<br>**Specific disclosures:**<br>**Data and Information**<br>» The Board is satisfied that the management and control of data and information are effective, compliant and ethical.<br>» The Board is satisfied that the arrangements for the prevention and detection of information privacy breaches are effective and that significant incidents have been appropriately responded to, to manage consequences and prevent future occurrences.<br>**Technology**<br>» The Board is satisfied that the acquisition, development, use and distribution of technology in and by the organisation are effective, compliant and ethical.<br>» The Board is satisfied that the arrangements for the prevention and detection of cyber-attacks are effective, and that significant incidents have been appropriately responded to, to manage the consequences and prevent future occurrences.<br>» That the Board is satisfied that the ethical, legal and operational risks associated with all known use of disruptive technologies are effectively addressed. |
| **Principle 11** | The governing body ensures that the organisation remunerates fairly, responsibly and transparently to promote sustainable value creation by the organisation within its economic, social and environmental context. | **Exception declarations:**<br>All practices in relation to Principle 11 have been implemented.<br>**Specific disclosures:**<br>**Remuneration**<br>A detailed description on the following disclosures will be contained in the Remuneration Report, which will be contained in pages 58–62 of the IAR.<br>» Key decisions taken on remuneration, including reference to the internal and external factors that influenced these decisions.<br>» The use and justification of remuneration benchmarks.<br>» How the Board ensured that the remuneration of executive management is fair and responsible in relation to overall employee remuneration.<br>» A description of the performance measures and associated targets applied to the achievement of strategic objectives and the sustainable creation of value by the organisation within its economic, social and environmental context, including the relative weighting of each target and the period over which it is measured (if commercially sensitive, targets may be disclosed in arrears).<br>» Whether discretion has been applied by the Board in its decision making on remuneration, the impact of such discretion on pay outcomes and the factors considered when the decision was made.<br>» The results of any votes by shareholders on the remuneration policy, the remuneration outcomes and steps taken to address significant shareholder concerns.<br>The Board is satisfied that the remuneration policy has achieved its stated objectives. |

# ANNEXURE A: KING V™ DISCLOSURE FRAMEWORK continued

| Principle | King V™ Principle | Application of Recommended Practices |
|---|---|---|
| **Principle 12** | The governing body ensures that assurance functions and services promote an effective internal control environment and safeguard the integrity of external reports issued by the organisation. | **Exception declarations:**<br>All practices in relation to principle 12 have been fully implemented.<br>**Specific disclosures:**<br>The Board is satisfied that the assurance functions promote an effective internal control environment. |
| **Principle 13** | The governing body adopts a stakeholder-inclusive approach in the execution of its duties in the long-term best interests of the organisation within its economic, social and environmental context over time. | **Exception declarations:**<br>All practices in relation to Principle 13 have been implemented.<br>**Specific disclosures:**<br>**Stakeholder relationships:**<br>» The Board is satisfied that the management of stakeholder relationships upholds the philosophy of Ubuntu-Botho, responsible corporate citizenship and stakeholder inclusivity.<br>**Shareholder engagement**<br>» The Board is satisfied with the quality of relationship with its shareholders.<br>**Group governance**<br>» A detailed description of the Group governance framework is available in pages 54–57 of the IAR. |

## Board Approval and Publication

The King V™ Disclosure Framework was reviewed and approved by the Board of Invicta Holdings Limited on 24 June 2026 and is published in accordance with the King V™ Disclosure Framework, to be read together with the Group's FY2026 reporting suite.