

**Nictus Holdings Limited**

Incorporated in the Republic of Namibia

Registration number: 1962/1735

NSX share code: NHL

ISIN code: NA000A1J2SS6

("Nictus" or "the Company")

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**Details of acquisition**

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In accordance with section 9.20 (a) of the NSX Listings Requirements (the "**Listing Requirements**"), Nictus' shareholders are advised that Nictus has concluded the following transaction, on the terms and subject to the conditions set out further herein.

**Particulars of the transaction:**

Nictus will, subject to the successful concluding of commercial agreements (the "**commercial agreements**"), acquire all the shares held by Magister Limited ("**Magister**") in Trentyre (Namibia) (Proprietary) Limited ("**Trentyre**"). The effective date of the transaction will coincide with approval from the Namibian Competition Commission, which is expected to be in March 2014. Both the concluding of the commercial agreements and approval from competition authorities are conditions precedent to the transactions.

Nictus intends to further enter into the commercial agreements with Goodyear South Africa Proprietary Limited ("**Goodyear**") to continue with the normal business of Trentyre, being one of the largest tyre service providers in Namibia, the concluding of the agreements constituting a suspensive condition to the acquisition. The commercial agreements will secure Trentyre's rights to continue operating as the distributor and retailer of Goodyear products, as well as operating as an authorised Arctic retreader in Namibia.

**Description of Trentyre's business:**

Trentyre is one of the largest tyre service providers in Namibia and was established in 1986. It sells / manufactures new multi-brand tyres, retreaded tyres, wheels and allied services to cater for its customer needs. Trentyre's objective is to minimise the tyre operation cost per kilometre/hour for customers by providing a full package of products and services and ensuring maximum tyre life, safety and fleet efficiency. It is known as the pioneer and innovator of the "Total Service Package" to all truck, mining and construction groups in Namibia.

Trentyre conducts its business via an extensive countrywide branch and retread factory network, on-site facilities and a 24/7 after hour services. All major vendors of Trentyre are entrenched within the global Goodyear Group, which ensures business continuity and consistency in the quality of product.

Trentyre further boasts four fuelling stations, strategically positioned throughout Namibia, which brings another value chain to the table.

**Consideration**

Both Magister and Nictus agreed on a valuation model and on the variable inserted into such model. The parties agreed that, based on valuation information dated August 2013, Nictus would acquire Trentyre for the amount of N\$34 500 000 (thirty four million five hundred thousand Namibia Dollars). Immaterial up- or downward adjustments will be made to the purchase price having regard to the business activities of Trentyre between August 2013 and date of this announcement.

### **Net assets and net tangible assets per share**

It is expected that the effect of the transaction on net assets, based on the unaudited pro forma financial results, will be an increase of 31.46 cents per share, and on net tangible asset the increase will be 27.37 cents per share.

### **Earnings per share and headline earnings per share**

It is expected that the effect of the transaction on earnings per share, based on profit or loss in the unaudited pro forma financial results, will be an increase of 65.18 cents, and a headline earnings per share increase of 11.43 cents, using the weighted average number of shares for the calculation.

### **Rationale for the transaction**

The board has conducted a detailed due diligence of Trentyre and has concluded that the acquisition thereof (i) falls within the vision and mission of the Nictus Group, (ii) is a sound business investment and (iii) has the potential to form synergies with some or all of the existing trading companies forming part of the Nictus Group.

The acquisition of Trentyre by Nictus will also see the transfer of a foreign owned business, operating in Namibia, vest in the ownership of Nictus, a truly Namibian company trading as such on the NSX. Since the transaction is a share purchase, employees and management will remain intact as is and stakeholder relations will continue unaffected, which in turn will ensure business continuity.

Following the successful listing of Nictus on the NSX on 21 September 2012, the board considers the acquisition to flow from a renewed strategic focus on the Namibian economy, resulting in a more dynamic approach. Nictus' management focus remains on the optimisation of returns in all segments and the enhancement of shareholders' equity.

### **Trentyre to become a subsidiary of Nictus**

Nictus is aware that the acquisition will result in Trentyre becoming a subsidiary of Nictus and confirms that the articles of association of Trentyre will, following the implementation thereof, be amended to conform to Schedule 10 of the Listing Requirements.

Windhoek

29 November 2013

#### **Sponsor on the NSX**

Simonis Storm Securities (Proprietary) Limited  
(Member of the NSX)