4sight Holdings Limited

INTEGRATED REPORT 2018

FOR THE YEAR ENDED 31 DECEMBER

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FINANCIAL HIGHLIGHTS

OPERATING RESULTS OF THE GROUP

Figures in USD	Audited 12 month period ended 31 December 2018	Revised profit Forecast year ended 31 December 2018	Audited 6 month period ended 31 December 2017
Turnover	44 538 909	43 716 698	11 980 920
Operating Profit (including Impairments)	407 024	4 931 318	2 353 945
(Loss) Earnings	(1 235 356)	3 041 080	1 832 044
Headline Earnings	5 487 187	3 041 080	1 820 203

ORDINARY SHARE PERFORMANCE

Figures in USD Cents	Audited 12 month period ended 31 December 2018	Revised profit Forecast year ended 31 December 2018	Audited 6 month period ended 31 December 2017
(Loss) Earnings per share	(0.25)	0.67	0.51
Diluted (Loss) / Earnings per share	(0.16)	0.66	0.49
Headline Earnings per Share	1.13	0.67	0.50
Diluted Headline Earnings per Share	0.72	0.66	0.49

The revenue grew to USD 44.5 million for the year ended 31 December 2018 from USD 11.98 million in the prior period and USD 43.72 million, per the revised profit forecast; due to the acquisitions.

A substantial portion of the revenue was derived from the Platform Cluster, which was not reflected in the prior year, contributing USD 16 million for the year ended 31 December 2018.

Other income includes reversal of the deferred liability associated with the Age Technologies profit warranty of USD 2.95 million.

The actual results compared to the revised forecast were primarily impacted by once-off operating expenses (non-cash flow in nature) of USD 6.7 million as follows:

Adjustment for:	**USD**
Impairment of investment in Age Technologies	(5 913 200)
Impairment of investment in VLS	(838 034)

Earnings before interest, tax, depreciation, amortisation and impairment (EBITDAI) was USD 5.1 million for the year.

Headline earnings per share of USD 1.13 cents exceeded the prior period ended 31 December 2017 of USD 0.50 cents and the revised forecast of USD 0.67 cents per share.

The per share information is based on 486 807 063 weighted average shares in issue.

Finance costs, comprised:

- interest on mortgage bonds on the two properties acquired in November 2017 and being accounted over a 12-month period; and
- interest on deferred vendor liabilities amounted to a non-cash finance cost of USD 515 307. This finance cost is directly related to the vendors' earn-out periods and is non-cash flow in nature.

CHAIRMAN'S STATEMENT

It is with much pride that I present the second full year integrated results for 4Sight Holdings. The period has been characterized by a combination of acquisitions and organic growth.

The management team has done an excellent job in building on the foundations of our 2017 listing, to ensure the Group is delivering industry leading Fourth Industrial Revolution ("Industry 4.0", "4IR") solutions to customers.

The Digital Transformation journey that our teams are embarking on with customers is further entrenching 4Sight Holdings as a global participant in the Industry 4.0 economy.

REVIEW OF THE GROUP'S FINANCIAL PERFORMANCE

Our 2018 results reflect our continued focus on providing key Industry 4.0 technologies, products and services through our Clusters and Subsidiaries to the business market. This is coupled with building our key strategic partnerships with leading technology and software providers.

We saw growth in revenue to USD 44.54 million from USD 11.98 million in the prior period and USD 43.72 million per the revised profit forecast. The headline earnings per share of USD 1.13 cents exceeded the prior period ended 31 December 2017 of USD 0.50 cents; and the revised forecast of USD 0.67 cents per share. Earnings before interest, tax, depreciation, amortisation and impairment ("EBITDAI") was USD 5.1 million for the year.

It should be noted that the 2018 financial results contain two impairments. Firstly, Age Technologies Proprietary Limited ("Age Technologies") did not achieve their profit warranty for the year ended 31 December 2018, which resulted in their goodwill being impaired. Secondly, the goodwill of Visualitics (Proprietary) Limited ("VLS"); has also been impaired, due to non-performance. This resulted in a reduction in earnings per share of USD 1.39 cents.

The main contributions to the growth in revenue were our new acquisitions in 2018, which allowed the business to bolster the Mining, Manufacturing, Energy and Chemicals (MMEC) Cluster as well as formalise our newest Cluster, the Platform Systems Cluster. The Telecommunications and Media Cluster continued to be the largest contributor to the group with 42% of revenue in 2018.

FUTURE OUTLOOK AND STRATEGIC THRUST

As was set out in the 2017 Integrated Report, our objective is to capture the multiple and varied opportunities of the digital economy through Industry 4.0. solutions. We continue to drive towards this objective through our various acquisitions in 2018 as well as the organic growth, integrated solution development and expansions into new markets in the latter half of 2018.

Our teams have invested a lot of time in customer education on the possibilities and benefits of Industry 4.0 solutions. In many cases, digital transformation journeys are now strategic imperatives for many of our customers.

With our focus on "data" and "people", 4Sight Holdings is in a prime position to be the forerunner in the Industry 4.0 economy both locally and internationally.

The outlook for 2019 remains strong with our team dedicated to our organic growth strategy; as well as building and leveraging the network of strategic global partnerships that we have within the Group.

GOVERNANCE STRUCTURE AND SUSTAINABILITY

4Sight Holdings continues to embrace the principles of being a good corporate citizen. It remains our goal to use our frameworks, policies and standards to ensure that the Group operates efficiently and effectively with a transparent risk framework for all our stakeholders. The Group's vision is to be our customers' "**Digitalisation partner of choice**" for Industry 4.0 solutions. We will achieve this by empowering all our people to implement and deploy the principles of good governance in our ongoing relationships with our customers, shareholders, employees, suppliers and partners.

The Board supports the management team's effort to foster an operating culture which is based on robust sustainable principles of governance, values and performance. The Company's Audit and Risk Committee continues to perform the key function of providing an objective and independent review of the organisations' finance and accounting control mechanisms and to monitor the adequacy and effectiveness of the Group's risk management systems. The Social and Ethics Committee continues to assist the Board in assessing the Company's corporate citizenship, sustainability and ethics.

BOARD OF DIRECTORS

The Board is responsible for providing effective and ethical corporate governance. It determines the Company's strategy and ensures that it is properly managed. It also monitors and evaluates the implementation of strategies, policies, business plans and management performance.

At year end, the Board comprised of three Executive Directors and three Independent Non-Executive Directors. Several changes have been made during 2018. We welcomed Selvida Naiken as an Independent Non-Executive Director to the Board; simultaneously, we bid farewell to Conal Lewer-Allen, who held the position of Non-Executive Director.

Mr. Vincent Raseroka has been appointed as the Chief Executive Officer and new Executive Director effective from 1 January 2019. Vincent comes with a wealth of knowledge and business experience having held senior management and executive positions at numerous multi-national companies over the last 25 years.

Given the organic growth and strategic partnership strategy for the Company going forward, additional appointments could be considered to widen the range of experience, skills, expertise and execution of the Board.

DIVIDENDS

The Board has agreed on a formal dividend pay-out policy of at least 6.6 times cover, being at least 15% of headline earnings of the consolidated Group of companies. A dividend will be paid out unless the Board is of the opinion that a lower dividend is to be declared because of the necessity to apply the Group's cash resources to any planned acquisitions; or that it is in the interest of the Company to build up cash reserves for foreseeable unfavourable market or economic conditions.

No dividend is therefore to be declared for the year ended 31 December 2018, due to the decision of the Board to build up the working capital available to the Group.

ANNUAL GENERAL MEETING

Our Annual General Meeting will be held on 17 June 2019 and the notice of the meeting appears on page 128.

GRATITUDE

As our business continues to grow, especially as we are operating in a new and exciting growth market, our success can be attributed to the hard work and effort of our whole team of highly skilled and experienced people.

I would like to express my gratitude to my fellow Board members for their support and wisdom during 2018. To the Executive team, Management team and all our employees, thank you for your leadership, dedication, loyalty and hard work in 2018.

To our new CEO - Vincent, I am excited to be working with you and look forward to seeing the positive impact you will have on our business.

Equally, I am grateful for the confidence of our customers, investors, service providers and strategic partners who trust us to make 4Sight Holdings a successful business. Onwards and upwards into 2019.

Dr Rama Sithanen
Independent Non-Executive Chairman

CEO'S REPORT

THE FUTURE AND INDUSTRY 4.0

It is with great pleasure that I write my first report for 4Sight Holdings. Our Group was founded on the belief that digital transformation is a necessity for any business hoping to thrive in the Fourth Industrial Revolution

As the new Group CEO, I am excited to be part of this profound journey that will transform business and the world as we know it. As part of my agenda for the next few years, I aim to grow the Group whilst educating both private and public sectors in South Africa on what Industry 4.0 is and how it will benefit the country.

The key cornerstones of my strategy will be youth development through real transformation, the development of our business Clusters through strategic partnerships and ensuring 4Sight Holdings and our subsidiaries are the digitalisation partner of choice for businesses in and outside South Africa.

Our subsidiaries and employees are our greatest assets. They position 4Sight Holdings as the catalyst for the type of digital transformation that will lead our customers and the country to the forefront of the Industry 4.0 economy

As a multi-national diversified investment holding Group, 4Sight leverages our global network to create local impact that empowers businesses to make better decisions in the modern digital economy. We do this by investing worldwide in technology providers who develop Industry 4.0 (4IR) solutions for various verticals.

The advent of data, connectivity and technology is empowering organisations to embark on imperative transformation initiatives to achieve key business outcomes. At the center of this digital transformation journey is always people, regardless of whether it's employees, consumers, or the man on the street. We need to provide private and public sector communities with modern technology means to be able to function in today's world, while upskilling and transforming them for the modern digital world.

A major challenge for our country remains economic inclusivity across our population, industries, private and public sectors. We need to be able to step out of our comfort zones; partner and collaborate with different industries, stakeholders and institutions to develop programs to assist Small to Medium Businesses and allow the average person to grow, in the new Industry 4.0 economy.

It is my firm belief that 4IR should not be limited to computers and businesses - we should be looking at the bigger picture. The Industry 4.0 economy has got substantial legitimacy to initiate a proactive change in our constitution to make it a right to have access to new technologies as the world digitally transforms. As South African President Cyril Ramaphosa has indicated, we as South Africans effectively and with greater urgency, need to harness technological change in pursuit of inclusive growth and social development.

Industry 4.0 should be seen as our potential to grow the economy and not as a threat to jobs.

The Fourth Industrial Revolution will change the world and how we operate in every area of our lives. At 4Sight Holdings, we are looking forward to the change, and are doing our bit to ensure a peaceful transition where we build a better future for all. The Industry 4.0 economy has the potential to solve a lot of issues that South Africa currently faces. We are embracing the change, which will be built on strategic partnerships across the board.

BUSINESS OPERATIONS

At inception we focused on acquisitions specialising in digitisation solutions for the telecommunications and media sector. We have subsequently made further acquisitions as anticipated in the prospectus and announced on SENS during 2017 and 2018.

The Group has over 400 permanent employees across all our subsidiaries who service over 3,000 customers across 30 countries. Our subsidiaries operate in several regions including Europe, Middle East and Africa (EMEA), which currently represents most of the Group's revenue. Other regions including the Americas, and Asia Pacific also contributes to Group revenue and income from our associates in those regions.

OUR 2018 ACQUISITIONS

Through our various acquisitions, we have secured competencies in key Industry 4.0 technologies and services including:

- Cloud based telephony services;
- Simulation solutions;
- Business software (ERP);
- Business Process Management (BPM);
- Human Resource Management (HRM);
- Data Analytics and Advisory;
- Business Intelligence (BI);
- Platform and system development, integration and implementation services;
- Distribution channels for Microsoft's range of cloud applications;
- Cyber security solutions;
- Governance, Risk and Compliance (GRC) solutions and consultancy services.

Our focus in 2019 will be on growing our Clusters organically and leveraging off the synergies between the Cluster subsidiaries.

CLUSTER OVERVIEW

We assess the performance of the Clusters based on operating profit. Our subsidiaries offer different products and services and are managed separately as they require different technology and marketing strategies. Our subsidiaries continue to operate under their own unique brands, culture and values. This also allows us to harness their entrepreneurial spirit.

MMEC Cluster:

With the growing need for operational improvements and social economic conditions present in many emerging markets, the demand for digital transformation solutions for industrial businesses is growing into an organisational imperative. Although the MMEC Cluster generated an operating profit of USD 394,072 for 2018; I believe that our MMEC Cluster with its industrial customer focused digital transformation framework, has the most opportunity to grow its business within our group.

Telco Cluster:

Our Telco Cluster has experienced normal growth with an operating profit of USD 3,259,955 in 2018. This was achieved regardless of the deflationary revenue growth the telecoms sector is currently facing. With expansions in new markets, our telco Cluster subsidiaries are well positioned to work with mobile operators in their various digital transformation initiatives.

Platform Cluster:

Lastly our newest member to the 4Sight Holdings family, the Platform Systems Cluster, has performed consistently in 2018 with operating profit of USD 2,307,609; built on strong business in the SMME, large enterprise and public sector space. A strategic focus on the modern digital workforce coupled with strong industry partnerships has allowed our Platform Cluster to expand its digital offerings, further adding to its strong business performance.

Our business performance is driven by each Cluster and turnover contributions are as follows:

- Mining and Manufacturing (MMEC): 22%
- Telecommunications and Media: 42%
- Platform Systems: 36%

HIGHLIGHTS

During 2018 we had several key highlights in our business. Achievements that stood out included:

- Our acquisitions of AccTech Systems, Dynamics Africa and Simulation Engineering Technologies, all of which achieved their profit warranties for the period ended 31 December 2018;
- In our Telco Cluster, Digitata Networks technology and Intellectual Property has been deployed and is commercially active in Tier 1 and Tier 2 mobile operators, within the Americas;
- The consolidation of the MMEC Cluster's full end-to-end digital transformation framework including its low risk self-funding methodology for industrial customers.
- AccTech received awards for the Sage MEA Partner of the year and the Microsoft Hybrid Cloud Partner of the year.

TRANSFORMATION

Transformation is a key strategic driver for us. As South Africa continues to grow towards a fully inclusive society that is reflective of our nation, all businesses in South Africa need to follow the same path. 4Sight Holdings is no different and the next 12-18 months will be crucial for us as our business continues to grow in South Africa.

My goal is to grow our business into a fully inclusive organisation that reflects the makeup of our country. We will aim our focus on developing the youth in the business and pledging to ensure good governance is at the heart of our organisation. This entails passing the baton for driving and growing our business to qualified young individuals who can step up as role models of the future.

The biggest beneficiaries of Industry 4.0 will be the youth of our country. The youth need to take control and handle this space to define how we all play now and in the future. 4Sight Holdings is uniquely positioned to take advantage of Industry 4.0 and empower the future business leaders of our country to embrace the Industry 4.0 economy.

STRATEGIC PARTNERSHIPS

Partnerships with key technology vendors continue to empower our subsidiaries to bring forth best in breed Industry 4.0 solutions to customers. For our teams to stay abreast of global technology developments and solutions as well as upskill ourselves, we need to embrace technology partners (both locally and internationally) to make sure that our solutions are built for a global customer base.

Through our subsidiaries, we have strategic partnerships with **AspenTech** (the world's leading industrial software provider), **Simio** (A leading industrial software simulation technology), **Microsoft** (the world's leading software provider) and **Sage** (a leading business and accounting software provider).

Partnerships don't start and stop with technology providers. We must also change paradigms by leveraging customer relationships. This means building a solution for a customer that can be taken to the market with other customers, fostering those partnerships.

Other partnerships include engaging with academic institutions and participating in industry bodies. This allows us access to young talent as well as to participate in bigger debates on what 4IR can do for communities. We know that we don't have all the solutions but are more than willing to partner with others to complement our existing suite of products and solutions.

STRATEGIC OBJECTIVES

The Group's strategic initiatives for 2018 were to build on our various acquisitions and then formalise our operating Clusters. This has been completed and the latter half of 2018 was focused on developing commercial and business development channels, advancing integrated solutions within and across our reporting Clusters and driving our digital transformation message with customers.

To ensure we build on our successes and learnings from 2018, we have outlined seven strategic objectives that will guide our efforts in 2019, namely:

- Focus on organic growth in our Clusters;
- Grow our strategic partnerships;
- Deliver cross-subsidiary integrated solutions;
- Continue cross-selling within and across our Clusters;
- Develop new market opportunities and sales channels;
- Build our BEE vehicle, resources and credentials;
- People development within our group.

We will not be focused on acquisitions in 2019. Our Clusters are in a strong position to grow their portfolio of products and services, customers and revenues, due to several key factors, including:

- Providing innovative solutions to customers;
- Leveraging our intellectual property within the Group;
- Development of people-focused Industry 4.0 solutions;
- Experienced resources (both business and technical) across our Group;

- Our strong relationships with strategic partners;
- Digital Transformation initiatives that have "Data" and "People" at the core of our business.

LOOKING AHEAD

The next 12-18 months will be focused on organic financial growth; as well as growing our skills and expertise through our strategic partnerships. As a key management priority, we will conclude our BEE transaction in 2019. This will further allow our businesses to participate both in the private and public sector in South Africa, in order to deliver our Industry 4.0 solutions.

With our MMEC Cluster engaged in several current, large-scale or planned projects for 2019, I am excited about the meaningful difference our integrated industrial solutions will bring to our Mining, Manufacturing, Energy and Chemicals customers.

As mobile operators navigate their own changing businesses, I am optimistic with the prospects and business opportunities that our Telco Cluster is deploying in markets outside of their traditional emerging market customers.

As the Platform Cluster continues to deploy modern digital work place solutions and exciting new platforms - I look forward to continuing data enablement and digital transformation strategies with their customers, through key partnerships with the likes of Microsoft and Sage.

Being a 'young' business, having just listed in 2017; we acknowledge that there will always be challenges. However, these challenges present opportunities. Now is the time to take advantage of the current landscape and identify collaboration within our group to enable our Digital Transformation initiatives with our customers.

WHY INVEST WITH US?

The two most important resources for Industry 4.0 are people and data. Our Clusters' solutions focus on the union of these two vital resources. We firmly believe that data is the "currency" of Industry 4.0 with people utilising this "new currency" to gain meaningful insights to make better and more informed business decisions. This has allowed our Clusters to build positive business value propositions with their customers' data management, technology and people-focused solutions.

Through our subsidiaries, 4Sight Holdings is now positioned as the "Digitalisation partner of choice", for customers to embark on and take advantage of the Fourth Industrial Revolution journey.

GRATITUDE

Success, growth and development doesn't happen in isolation. It is achieved through combined team efforts both internally and externally. I would like to thank our strategic partners for the faith you have shown in us for 2018. At the same time, a big thank you goes to our customers who have continued to show their support for us.

Lastly, all our people, from our subsidiaries through to the executive management team at 4Sight Holdings, thank you for all the support you have provided our business. Our success, growth and development are due to the hard work, long hours and commitments you have made to our business. Many thanks also goes to the President of South Africa, who has been vocal in expressing the importance of 4IR to the future of our country and the world.

Vince Raseroka
Chief Executive Officer
4Sight Holdings

BUSINESS OVERVIEW

ABOUT 4SIGHT HOLDINGS

As a multi-national diversified investment holding Group, we leverage our subsidiaries' extensive product and services portfolio of Industry 4.0 technology solutions, to create impact that empowers customers to make better and more informed decisions in the modern digital economy.

Our business model is to enable our subsidiaries to take advantage of various products and solutions within our Group of companies, to deliver digital transformation solutions to their customers. This is supported by investing worldwide in companies that focus on:

- Software-as-a-Service (SaaS) business models
- Products and services that are mission critical to customers
- Product and services that customers cannot do without (in a changing digital world)
- Focus on the principles driving the Fourth Industrial Revolution

Our subsidiaries focus on a cross section of established, new and emerging technologies. This includes (but is not limited to) Autonomous and Artificial Intelligence (AI) solutions with Machine Learning, Big Data, Cloud and Business Intelligence solutions, Simulation, Augmented and Virtual Reality solutions.

These technologies manifest in the various solutions we deliver to customers in the telecommunications, mining, manufacturing, energy, chemicals, private and public sector.

4Sight Holdings is now positioned as the **"Digitalisation partner of choice"** for customers to embark on and take advantage of the Fourth Industrial Revolution journey.

CLUSTER OVERVIEW

The Executive Directors assess the performance of the operating Clusters based on the measure of operating profit. The Group has three strategic reportable Clusters. These Clusters (or divisions) offer different products and services and are managed separately as they require different technology and marketing strategies.

The three reportable Clusters consist of "Mining, Manufacturing, Energy and Chemicals", "Telecommunications and Media" and from 2018 "Platform Systems"; now classified as the **Telco Cluster; Mining & Manufacturing (MMEC) Cluster**; and the **Platform Cluster** within the 4Sight Group.

The following summary describes the operations of each reportable Cluster.

The Mining, Manufacturing, Energy & Chemical Cluster

Provides key 4IR technologies and services needed to help industrial customers with their full end-to-end digital transformation journey, while following a cost effective and low risk self-funding methodology. This allows customers to remain competitive in the digital economy while making sure any digital initiative has a 6 month or better return on investment (ROI).

The Telecommunications and Media Cluster

Enables our Subsidiaries to link telephony customers and service providers in the digital economy. This Cluster focuses on providing Industry 4.0 solutions to the telecommunications industry across the areas of service revenue management through our intelligent pricing solution, customer engagement through gamification, a suite of mobile network management products as well as cloud-based office and call centre telephony solutions.

The Platform Systems Cluster

Enables the creation of an ecosystem where 4Sight subsidiaries, partners, and alliances can build, run and grow their Industry 4.0 offerings. This transcends into the value that can be created for customers embarking on their digital transformation journey. The Platforms Cluster is focused on driving digitised business operations, adoption of technology platforms and ensuring that data management is correctly executed through digital and advisory services.

MINING, MANUFACTURING, ENERGY & CHEMICALS (MMEC) CLUSTER

The Mining, Manufacturing, Energy and Chemicals Cluster has continued to grow in 2018 and now consists mainly of six key subsidiaries namely BluESP, Age Technologies, Simulation Engineering Technologies, Ntsika, One Source Africa and Strategix SAS.

This Cluster consists of the following subsidiaries:

BluESP Proprietary Limited ("BluESP")

BluESP is a leading engineering technology company, focussing on delivering software solutions to industrial customers. These solutions enable companies to operate their processing plants or manufacturing processes optimally, maximising revenues, eliminating inefficiencies and minimising costs.

BluESP is an AspenTech partner and brings their technologies to the African market. BluESP also sells and supports the Aspen Engineering Suite that enable seamless workflow in the design and costing of new processes for industrial customers. BluESP was acquired in the prior period with effect from 1 November 2017.

Age Technologies Proprietary Limited ("Age Technologies")

AGE Technologies is a leading system integration company, specializing in automation, electrical and green energy engineering projects across Africa. Within the Group, AGE is responsible to link the customer's physical plant to the digital world.

Digitisation is achieved by utilizing world class leading IoT (Internet Of Things) devices and automation solutions, improving operational efficiencies and driving innovation. Engineering services include consulting, design, system development, commissioning and support. The Group currently operates in 20 countries. Age Technologies was acquired in the prior period with effect from 1 November 2017.

Simulation Engineering Technologies Proprietary Limited ("SET")

SET is a world-leading computer simulation consulting and software company that specialises in creating accurate discrete-event and continuous computer simulation models of complex systems. SET operates in the mining, rail, logistics, manufacturing and service industries. SET is also the African distributor of Simio Software for industrial simulation development. SET was acquired with effect from 1 April 2018.

Xwes Proprietary Limited T/A Ntsika ICT Security ("Ntsika")

IT/OT convergence is creating a major risk for cyber security threats in today's businesses, therefore it is critical to address as part of your digital journey.t. Ntsika is an Internet of Things ("IoT") cyber security start-up, specialising in building security solutions addressing risk appropriate multifactor authentication, secure and encrypted communications and early warning threat detection solutions for industrial control system and IoT deployments.

Strategix Applications Solutions Proprietary Limited ("SAS")

SAS are the developers of the xGRC Software Suite which provides an integrated management system for governance, risk and compliance (GRC), health, occupational health, safety, environment and quality; based on the various ISO Standards for industrial and other sector customers. This assists customers in digitising governance, risk and compliance, as part of the Digital Transformation strategy.

Combined Source Trading Proprietary Limited (Trading as One Source Africa) - ("OSA")

OSA provides strategic advisory and implementation services to enterprises across innovation, affordability and effectiveness of governance, risk and compliance systems. This includes best practice services to grow their respective business entities. OSA helps customers with quantitative risk opinions from data analytics rather than subjective opinions.

TELECOMMUNICATIONS AND MEDIA CLUSTER

The Telco Cluster was originally acquired through the Digitata acquisition ahead of our listing. This was done based on 4Sight's strategy of delivering Industry 4.0 solutions. The Digitata acquisition allowed us to enter the telecommunications industry through Digitata's established customer base, using their products and services.

In summary, Digitata's suite of products, services and machine learning algorithms empower mobile operators across the world to:

- Improve service revenue and customer retention through the intelligent pricing of mobile voice and data products;
- Deliver a suite of network-centric, site-centric & multi-centric solutions to mobile operators that are vendor and technology agnostic;
- Deployment of two-way interactive digital customer engagement solutions to mobile operators and brands using gamification.

The original business, Digitata, has been operating for more than 11 years.

This Cluster consists of the following product streams:

Digitata Intelligent Pricing

Digitata's suite of intelligent mobile voice and data products intelligently transforms pricing for mobile operators. By using Big Data and machine learning algorithms, mobile operators can make better and more informed decisions regarding product pricing to meet and exceed business objectives. This is enabled through Vaitom, Digitata's Intelligent Pricing Platform.

Digitata Networks

Digitata Networks offers mobile operators a suite of subscriber-centric, network-centric, site-centric & multi-centric solutions to monitor, audit, control and automate mobile technologies (2G, 3G, 4G) across multi-domains (RAN, CS-Core, PS-Core, TX), OEM independent.

Digitata Insights

Enables intelligent digital transformation for mobile operators and brands by applying gamification to customer engagement to drive specific human behaviour. This allows clients to gain meaningful insights into how their customers engage with their products and services.

Fleek Consulting Proprietary Limited ("Fleek")

Fleek provides the ability to digitise and optimise business-to-consumer communication touch points through fixed line networks, using "Voice-over-Internet Protocol (VOIP) in a cloud-based call centre and Private Branch Exchange (PBX) solution environment. Fleek provides cloud-based telecoms solutions to small, medium-sized businesses and corporate environments across South Africa. Revenue is generated based on a flat fee "software-as-a-service" model through direct and indirect sales channels.

With effect from 1 January 2018, the Telco Cluster acquired 87% of Fleek Consulting Proprietary Limited.

PLATFORM SYSTEMS CLUSTER

The Platform Cluster was established in 2018 following the acquisitions of AccTech, Dynamics Africa and Casewise, along with the inclusion of GLOvent.

The Cluster creates an ecosystem where partners and alliances can build and grow their products and services; with a focus on accelerating their digital transformation journey.

This Cluster consists of the following subsidiaries:

AccTech Systems Proprietary Limited ("AccTech")

AccTech has been servicing the private and government sectors with Enterprise Resource Planning (ERP) products since 1994, with over 1 200 customers and 35 600 users internationally (80% in RSA). The AccTech offering is geared towards Industry 4.0 and Digital Transformation of its customers. This business transformation journey includes engaging customers, empowering employees, transforming products and optimising operations.

The main products and services include business software (ERP), Business Process Management (BPM), Human Resource Management (HRM), Data Analytics and Advisory, Business Intelligence (BI), implementation services, software development and system support.

AccTech's innovation is driven in the Microsoft Azure Platform as well as with key intellectual property in AccTech's integration software. AccTech runs an extensive Alliance programme in Africa, with business operations on a franchise agreement as AccTech Namibia, Botswana, Malawi, Zambia, Copperbelt, Tanzania, Kenya and Ghana. In 2018, AccTech received the award for the Sage MEA Partner of the year and the Microsoft Hybrid Cloud Partner of the year.

Casewise South Africa Proprietary Limited ("Casewise")

Casewise specialises in enterprise architecture, enterprise data modelling and design; the cornerstones of enabling digitisation of physical assets. These data management tools form the basic design and deployment tools of analysing, constructing, and deploying data in Industry 4.0 applications.

Dynamics Africa Services Proprietary Limited ("Dynamics Africa")

Dynamics Africa has been appointed by Microsoft as an indirect Cloud Solutions Provider (CSP) for the regions Middle East, Central Europe and Africa regions. The CSP program allows for the distribution of Microsoft's range of cloud applications, including Office 365, Dynamics Africa 365 and Microsoft Azure to its dedicated partners across the globe.

GLOVent Solutions Proprietary Limited ("GLOvent")

Enhances community lifestyle by applying state-of-the-art technology that provides innovative solutions which improves community management efficiency and overall community living experience. GLOvent focuses on providing smart property solutions in the Industry 4.0 economy, ranging from smart utility management to communication and billing services.

PROVIDING SERVICES FOR THE INDUSTRY 4.0 ECONOMY

As indicated above, our business model is to enable our subsidiaries to take advantage of various products and solutions within our Group of companies, to deliver digital transformation solutions to their customers.

As we see the Industry 4.0 economy continue to grow across industry and both in the public and private sector, across our subsidiaries, we deliver the following digital solutions:

Automation
Implement and integrate all sensors, instrumentation and SCADA systems for the automation and digitization of operational environments to render needed data to transform the operational environment.

Digital Transformation Enablement

Digital platforms assist the client in the journey towards a digital business or customer engagement with change management, simulation engineering, modern workplace support, customer journeys and gamification.

Intelligent Algorithms

Algorithms build on intellectual property to deliver distinct services to customers such as intelligent pricing, real-time optimization, or prescriptive maintenance. Core AI platforms reside in this service offering.

Cloud Computing

Platforms that aggregate, develop and manage cloud applications, infrastructure and resources.

Platform Integration
Integration software to expose any system's data via Application Programming Interfaces (API) for integration purposes.

Performance, Risk and Security.

Secure any digitisation effort in the business, measure the performance of transformation, manage the risks, compliance and governance of people, processes, machines and the environment.

Enterprise Operations

All enterprise resource planning (ERP), customer relationship management (CRM), Health, safety, quality and environmental (SHEQ) systems and Supply chain management (SCM) systems.

Operations Management

Aggregation of technologies such as manufacturing-execution systems, maintenance, and asset optimisation onto the same platform for push-through to ERP systems to manage your environment in real-time.

Business Intelligence and Data Analytics

Reporting and analytics on data. Includes all elements from data strategy to converged data streaming in warehouses, lakes, cubes and marts.

Augmented and Virtual Reality

AR is a interactive experience of a real-world environment where the objects reside in the real-world. VR is an interactive computer-generated experience taking place within a simulated environment and not in the real world.

STRATEGIC PARTNERSHIPS

As mentioned in the CEO's report, partnerships with key technology vendors continue to empower our subsidiaries to bring further best in breed Industry 4.0 solutions to customers.

For our teams to stay abreast of global technology developments and solutions as well as upskill ourselves, we need to embrace technology partners (both locally and internationally) to make sure that our solutions are built for a global customer base.

Through our subsidiaries, we have strategic partnerships with:

AspenTech

As the world's leading industrial software provider, AspenTech is a world leader in operational technology. BluESP is AspenTech's partner in Africa and brings their technologies to the African market.

Simio

As the African distributor for Simio, a leading industrial software simulation technologies, our subsidiary, SET is positioned to bring simulation technology to industrial customers across Africa.

Microsoft

AccTech was awarded the Microsoft Azure Hybrid Cloud partner of the year award for 2018. This is due to their understanding of Digital Business Operations, People and Customer enablement, that is supported across the Microsoft technology stack.

Sage

AccTech was also announced as the Sage EMEA partner of the year for 2018.

GROUP ACQUISITIONS

The Group made various acquisitions during the 2018 Financial year.

Acquisitions included:
- Foursight Holdings Proprietary Limited ("Foursight SA"):
  - Fleek Consulting Proprietary Limited ("Fleek")
  - Casewise South Africa Proprietary Limited ("Casewise")
  - Visualitics Proprietary Limited and its subsidiaries ("VLS")
- AccTech Systems Proprietary Limited ("AccTech");
- Dynamics Africa Services Proprietary Limited ("Dynamics Africa");
- Simulation Engineering Technologies Proprietary Limited ("SET");
- Xwes Proprietary Limited T/A Ntsika ICT Security ("Ntsika");
- Strategix Applications Solutions Proprietary Limited ("SAS");
- Combined Source Trading Proprietary Limited T/A One Source Africa - ("OSA").

The acquisitions listed previously were successfully completed, however, the acquisition of Curo Health Proprietary Limited was terminated by mutual consent.

GROUP PROSPECTS

Pursuant to the listing of 4Sight and the various acquisitions concluded, the Group has now settled and is harnessing the synergies of the underlying businesses.

As certain of the 2018 acquisitions were only consolidated from 1 April 2018, the impact of these acquisitions for the full financial year, will only be realised for the year ending 31 December 2019. In 2019, the Group will also look to grow its operations in the Americas and Asia through the Telco Cluster and the joint venture in China.

Mining, Manufacturing, Energy and Chemicals Cluster

As the importance of Industry 4.0 continues to grow, the demand for digital transformation solutions for industrial customers is growing into an organizational imperative. Building on the foundations of 2018, our subsidiaries in the mining and manufacturing Cluster are uniquely positioned in 2019 to continue addressing the digital transformation agenda head on with executives in our industrial customers.

What remains a cornerstone of the Clusters approach is to **visualize** the business problem, **digitize** the relevant processes, **analyze** the data and lastly **optimize** by applying the relevant technology to enable and sustain the improvement. This approach enables them to accelerate their customers from hindsight to insight and ultimately "4Sight".

The Clusters activities in 2019 will be categorised by further cross-subsidiary integrated solution development including (but not limited to) Digital Twin Simulation, Big data Analytics, Machine Learning and Artificial Intelligence. These solutions enable our industrial customers to deliver the following benefits from their Digital Transformation initiatives:

- Maximise revenues, reducing costs, mitigating risk and maximising asset life;
- Deliver operational improvements and ensure asset reliability; and
- Drive innovation with customers to help disrupt their markets.

Partnerships with key technology vendors continue to empower our subsidiaries to bring further best in breed industry 4.0 solutions to our customers, namely:

- As AspenTech's partner in Africa, BluESP brings their technologies to the African market.
- As the African distributor for Simio, SET is uniquely positioned to bring simulation technology to industrial customers across Africa.
- Augmented and virtual reality is no longer the domain of the consumer market. Through a strategic partnership with Dondoo Studios, our Cluster can bring AR and VR, rapid prototyping and training solutions, to industrial customers.

Our key differentiator is the combination of capabilities and technologies across our subsidiaries within the Cluster.

We use specific technologies like Digital Twin simulation to evaluate the whole value chain of our customer. This allows us to find the biggest opportunity for improvement, select the relevant 4IR technologies to enable and sustain the improvement; and deliver a better than 6-month ROI.

With several current and new large-scale projects ongoing or planned for 2019, we are excited about the meaningful difference our integrated industrial solutions will bring to our mining, manufacturing, energy and chemicals customers.

Telecommunications and Media Cluster

Within the Telco Cluster, our subsidiaries (Digitata and Fleek) continue to grow their portfolio of products and services to meet and exceed the requirements of their customers.

As Digitata continues to expand their global footprint of mobile operator customers, their focus has been historically on solving isolated problems in the fields of operations, revenue and end customer engagement.

However, through the multitude of solutions that Digitata continues to develop and evolve, this subsidiary is positioned to create a complete "digital twin" of the operational, revenue and end-customer aspects of mobile operators.

This three-pronged approach will continue to address the key business requirements for mobile operators around the world, namely:

- Growing mobile data subscribers and revenues;
- Ensuring legacy revenue sources (voice) maintain current revenue levels;
- Efficiently managing network operations and assets to reduce operating costs;
- Reducing management complexity in multi-vendor and technology environments through greater visibility of the network; and
- Building strong relationships with mobile subscribers through digital engagement and services.

Digitata is uniquely positioned with the digital twin strategy to accelerate and partner with mobile operators on their operational, revenue and end-customer digital transformation journeys. This unique position has allowed Digitata to expand their markets beyond their traditional emerging market customers. As this expansion continues to gain momentum, solid opportunities are developing in previously untapped markets like North America, Asia and Europe.

Fleek's focus is on customer centricity across client engagement, service delivery and commercial offerings. This has manifested in Fleek's continued evolution of their products and services.

As we know, telephony is vital part of many customers business operations. With technology advancements, digitising and optimising business-to-consumer communication touch points through fixed line networks, using "Voice-over-Internet Protocol (VOIP) is critical for many of Fleek's customers.

Fleek's cloud-based call centre and Private Branch Exchange (PBX) solutions will see a series of new and innovative product features delivered to customers in South Africa during 2019. This subsidiary is poised to grow both within its current customer network as well as expand its customer base.

Platform Systems Cluster

Through our acquisitions in 2018, the Platform Systems Cluster was formed. This Cluster's goal is to create an ecosystem where 4Sight subsidiaries, partners, and alliances can build, run and grow their Industry 4.0 offerings. This transcends into the value that can be created for customers embarking on their digital transformation journey.

Moving into 2019, the Platforms Cluster is focused on driving digitised business operations, adoption of technology platforms and ensuring that data management is correctly executed through digital and advisory services.

The cornerstone of this approach is our subsidiaries customer focused "Data Enablement Strategy". The strategy starts with taking customers on a journey towards data maturity to enable them to extract real value from their data assets. This journey towards data maturity is at the core of the data enablement strategy.

This approach addresses key digital transformation requirements for customers, including (but not limited to):

- Deploying new generation ERP solutions supporting the development of an organisation's most important resource, their people. Focus areas include streamlining processes, improving employee experience, boosting productivity and collaboration resulting in innovation.
- Implementation of data enablement strategies and programs to ensure the right information from accurate data is available to assist organisations with timeous decisions based on structured, historical and current data analytics.
- Adoption of modern technologies and platforms, for example Microsoft Azure, to take advantage of economies of scale and rapid technology advancements, i.e. Provision solutions anytime; self-service anywhere in the world 24/7; Pay for what you use, and fully automate across technology stacks.
- Safely and securely managing data from multiple sources into central locations using cloud and other technologies.

Our subsidiary, AccTech, was awarded the Microsoft Azure Hybrid Cloud partner of the year award for 2018. This is due to their understanding of Digital Business Operations, People and Customer enablement, that is supported across the Microsoft technology stack. AccTech was also announced as the Sage EMEA partner of the year for 2018.

In addition, Dynamics Africa, has been appointed by Microsoft as one of seven indirect Cloud Solutions Providers (CSP) in the Middle East Africa regions. Its program allows for the distribution of Microsoft's range of cloud applications, including Office 365, Dynamics Africa 365 and Microsoft Azure, to its dedicated partners across the globe.

We see our platform Cluster continuing and further accelerating their data enablement and digital transformation strategies with customers through key partnerships with the likes of Microsoft and Sage.

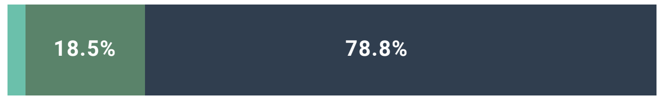
In summary, the two most important resources for Industry 4.0 are people and data. Our Clusters solutions focus on the union of these two vital resources.

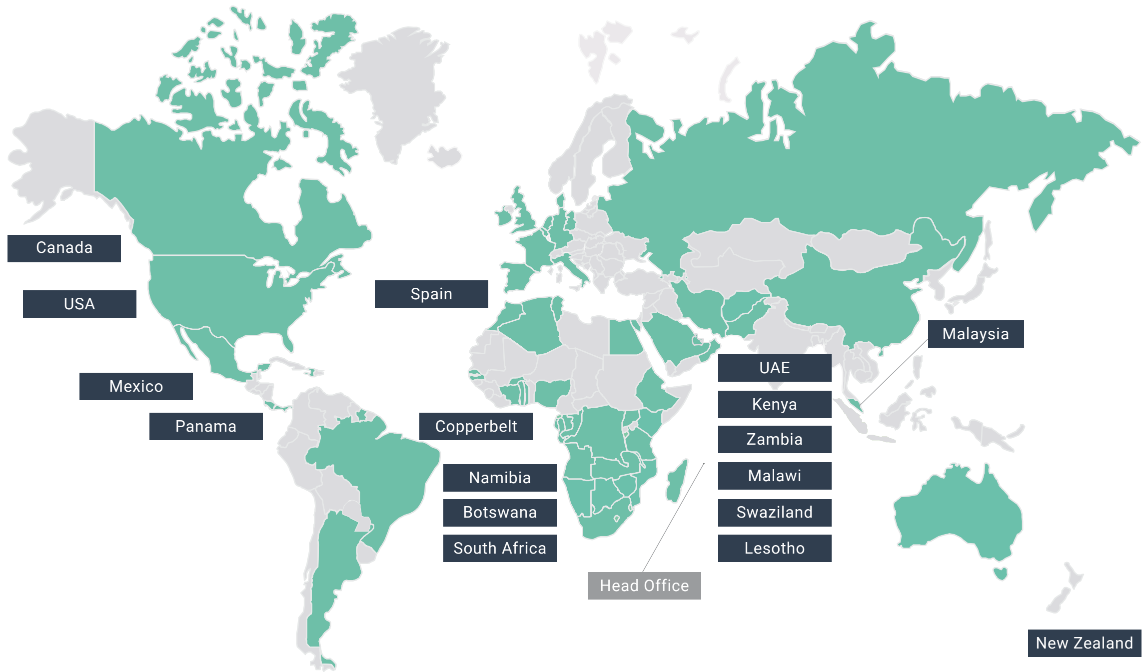
We firmly believe that data is the "currency" of Industry 4.0 with people utilising this "new currency" to gain meaningful insights to make better and more informed business decisions. We look forward to customers continuing to see positive business value from our data management, technology and people focused solutions, in 2019 and beyond.

OUR FOOTPRINT

2018 Revenue breakdown:

The Americas:	2.7%
Europe, Middle East and Australasia:	18.5%
Africa:	78.8%





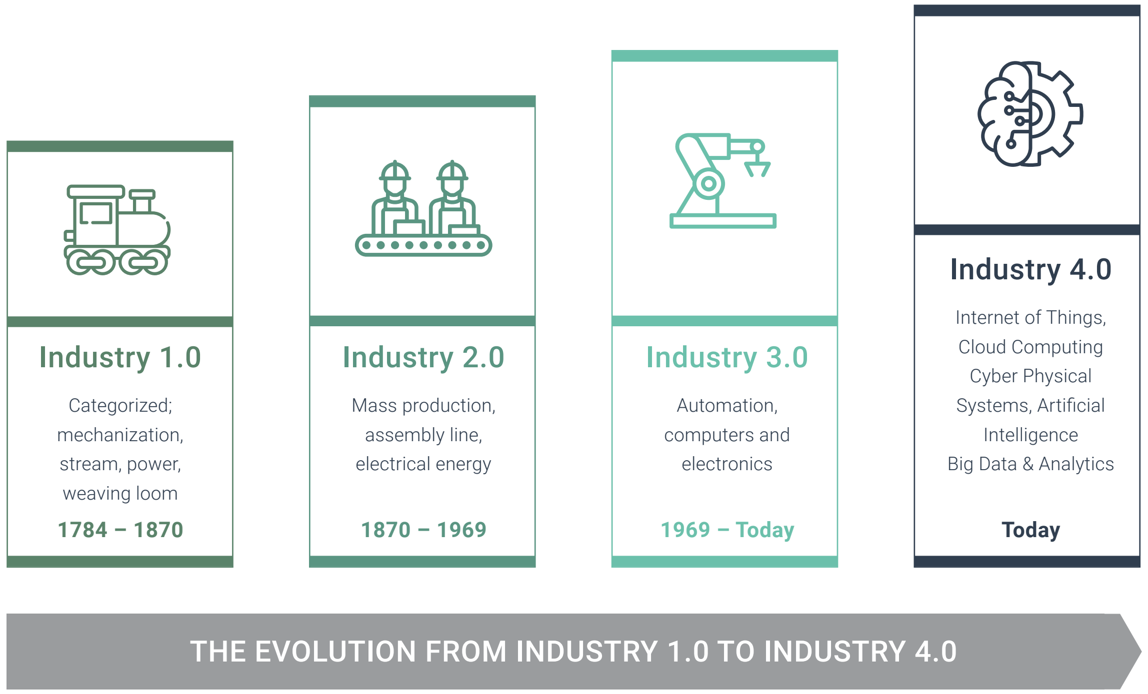
Head Office   Local 4Sight presence   Customer presence

THE INDUSTRY 4.0 ECONOMY

The Fourth Industrial Revolution (known as Industry 4.0 or 4IR) has emerged as the latest phase of technological and industrial advancement in modern human history.

In a period of just over 200 years, the world has evolved from steam-powered machinery to a world of interconnected systems consisting of billions of connected devices.

Figure 1: Evolution to the Fourth Industrial Revolution



Data, Data and more Data

Structured and unstructured data from all data sources is the foundation of Industry 4.0. Data is being created and stored across businesses and consumer markets every day.

The International Data Corporation (IDC) predicts that the collective sum of the world's data will grow from 33 zettabytes (ZB) in 2018 to approximately 175ZB by 2025 (a zettabyte is a trillion gigabytes or 152 million years of HD video). The IDC further predicts that the average person will produce nearly 5,000 digital interactions per day by 2025, up from the 700 to 800 or so that people average today. In a recent survey, the IBM Institute for Business Value found that 88% of companies identified "transaction" (i.e. interactions) as the top data source for collecting and analysing activities. This all points to the sheer opportunity that data presents in Industry 4.0.

Due to the vast amounts of data, there has been rapid advances in Big Data and Analytics. Data is making it possible for organisations to evolve at a faster rate because they can identify, understand and use previously untapped data. Businesses can make accurate and more informed decisions with the data at their fingertips.

Data is the currency of Industry 4.0 and is now one of the world's most sought-after resources.

To take advantage of all this newly acquired and untapped data, high speed data networks and connectivity are required. Depending on the environment, connectivity can be mobile networks, fixed links, fibre, Wi-Fi, satellite and/or radio links. Data and connectivity work hand in hand to ensure and enhanced data processing operations can take place.

The Technologies

With data and connectivity in place, the key technologies shaping Industry 4.0 include cloud computing, Internet of Things (IoT), advanced data analytics, augmented reality and simulation (amongst numerous others). The size of the component and IoT markets of Industry 4.0 should not be underestimated.

KPMG has estimated that the components markets of Industry 4.0 could be worth more than USD 4 trillion by 2020. This is above the expected value of the IoT market, which Gartner has estimated will be worth almost USD 3.7 trillion by 2020.

Questions that executives should ask themselves when embarking on Industry 4.0 initiatives include:

1. What and where is my data?
2. How will this data be stored and transferred?
3. What technologies are available to better use the available data?
4. What business outcomes do I want to achieve?

Industry 4.0 Initiatives

The next critical step is selecting and utilising the appropriate technologies to execute desired initiatives that take advantage of the available data and connectivity. Industry 4.0 technologies can now be used to their full potential, enabling organisations to implement various initiatives, including:

- Vertically and horizontally integrating multiple systems;
- Enabling accurate and more informed decision making;
- Initiating proactive business improvement projects;
- Improving governance and compliance across the organisation;
- Allowing the organisation to embark on a digital transformation journey.

The Digital Transformation Journey

An organisation's digital transformation journey can manifest in many forms depending on the environment in which the transformation is required.

There are three main reasons for business digital transformation, namely business improvement, retention and reduction.

This enables businesses to create digital experiences, reinvent productivity and processes and build new intelligent platforms.

Digital transformation isn't solely focused on digitising analogue processes. It also focuses on how the human aspect is transformed, both for employees and end-customers.

That is why any digital transformation journey considers four key pillars, namely: customer engagement, empowering employees, optimising operations and transforming product and service offerings.

Figure 2: Digital Transformation Strategies

Reasons for Digital Transformation	Pillars of Digital Transformation			
	Employees	Customers	Operations	Offerings
Improve: Revenue, Productivity and Compliance	**Improve efficiency and effectiveness through modern work place** e.g. Collaboration, Cyber Security	**Increased perceived value and experience** e.g. Intelligent Pricing, Data Analytics, Chatbots, Gamification	**Increased quality and throughput** e.g. Simulation, Advanced Process control	**Reinvent offerings or the way you offer it** e.g. Additive Technologies, Augmented Reality, E-commerce
Retain: Revenue, Cost and Productivity	**Provide a modern work place** e.g. Workflow, Remote working, Real time information	**Continuously improve and innovate** e.g. access to Real time information, Enhanced scheduling, Virtual Reality	**Sustain and maintain** e.g. Prescriptive maintenance, Enterprise Operations, Reporting Real time	**Re-package and enhance offerings** e.g. Analytics, Tracking and Visibility
Decrease: Cost and Risks	**Automate some tasks** e.g. Advanced Robotics, Cloud Computing	**Delivering what is required in more cost effective ways** e.g. Vertical and Horizontal Integration	**Automation** e.g. Industrial IoT, Augmented Reality, Advanced Process Control	**Sunset some outdated non-profit offerings** e.g. Outsourced

Business Outcomes

By empowering an organisation to execute Industry 4.0 initiatives within a digital transformation journey, the business can achieve key outcomes, including increasing revenue, reducing costs, developing the modern digital workplace, improving efficiencies, mitigating risk and driving an innovation economy within the business.

For example, we are now operating in an era where an organisation can create a "digital twin" of a physical object or system. These virtual replicas can be used by executives to run simulations before actual devices, factories, or systems are built and deployed, allowing them to plan capital for projects without experiencing any downtime. This is positively changing the way organisations are executing initiatives to improve their businesses.

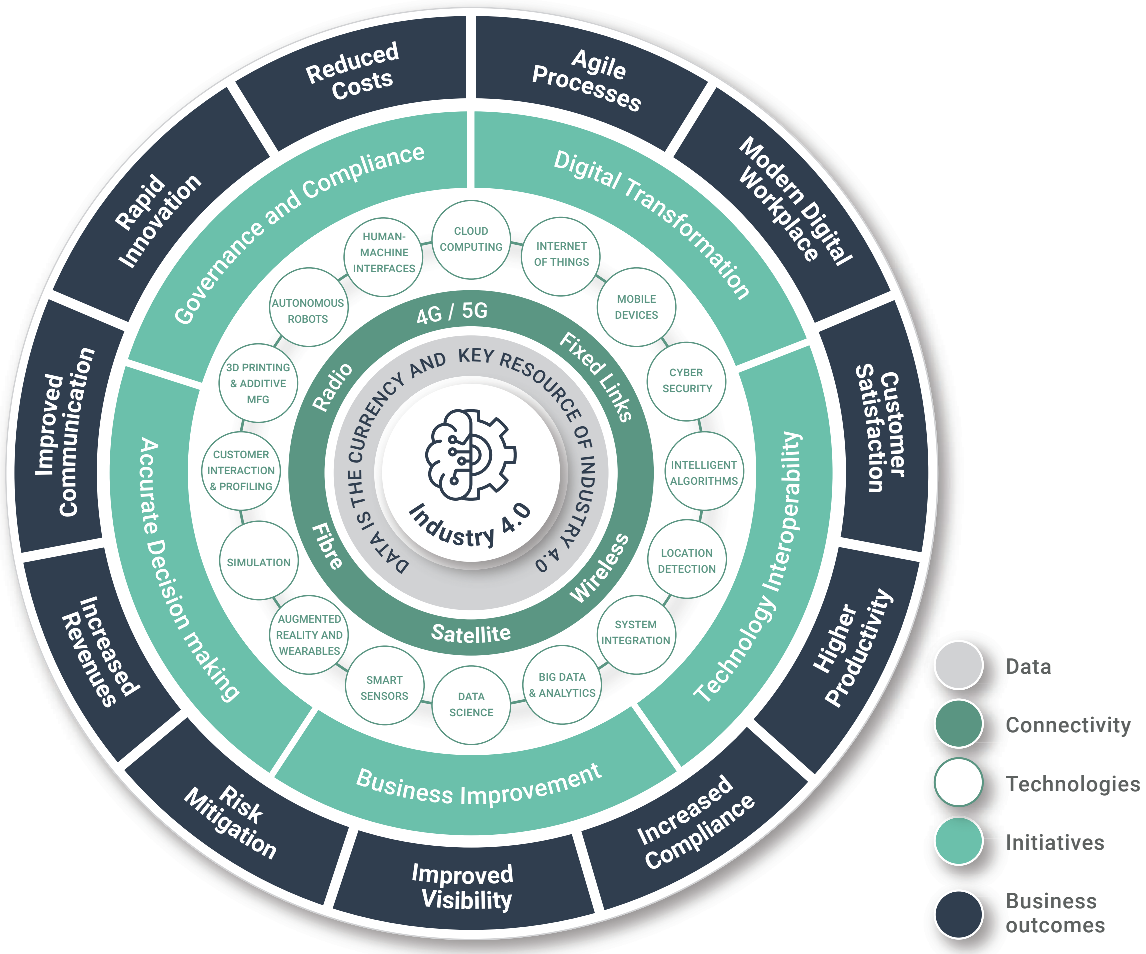
The Building Blocks of Industry 4.0

In summary, Industry 4.0 is established on key building blocks, the first of which is structured and unstructured data from all sources. This can be coupled with connectivity to ensure intelligent data and processing operations can take place. With data and connectivity in place, key technologies (e.g. cloud computing) can be used by an organisation to execute critical transformation initiatives to achieve desired business outcomes (e.g. a modern digital workplace).

Working together, the combination of data, connectivity, technologies, initiatives and identified business outcomes allow organisations to make better and more informed decisions.

This is Industry 4.0.

Figure 3: The building blocks of Industry 4.0



Sources: PwC, BCG, Internal 4Sight Subsidiary Methodologies.

Transcending Industries and Sectors

The applications of Industry 4.0 are no longer the exclusive domain of one or two industries. Digital transformation, business improvement projects and other initiatives are transcending multiple industries. As an example, the group CEO of MTN (Africa's largest mobile operator group) recently indicated:

"In the 22 markets MTN operates, we prioritise internet access for all; notably availability & affordability. This is key in driving the continent towards the 4th Industrial Revolution." *

This categorises the shift that many industries are making towards embracing Industry 4.0 regardless of whether they are in production, manufacturing or providing any type of product or service to customers.

At the same time, Industry 4.0 is transcending the private sector and entering the public sector with governments recognising the impact that Industry 4.0 will have on their citizens. During the 2019 State of the Nation address, South African President Cyril Ramaphosa announced he has appointed a presidential commission on the Fourth Industrial Revolution. President Ramaphosa indicated:

"To ensure that we effectively and with greater urgency harness technological change in pursuit of inclusive growth and social development, I have appointed a presidential commission on the fourth industrial revolution" **

With the private and public sector embracing Industry 4.0, the employee, customer and citizen are central to the growth of the Industry 4.0 economy.

Embracing the Industry 4.0 Economy

Most businesses are focused on building smarter operations through digital transformation, progressing from hindsight to insight. This investment requires a significant focus on making sure that human beings are at the centre of the transformation process.

Data empowers people with greater access to information, engagement, communication, content and insights. From the employee in the field to the executive boardroom, data empowers individuals by augmenting, upskilling and transforming traditional job functions. This is the era of the modern digital workforce. The human element is coupled with technology ensuring that, operational technologies, cloud computing and IoT, integrate into existing information technology infrastructure safely and securely.

Driven by developments in IoT technology (across industries), machine learning, natural language processing and block chain technologies, our processing, management and understanding of data is continually improving. This is giving rise to the development of autonomous intelligence solutions.

Our subsidiaries are navigating this new digital economy with customers. Through their digital transformation initiatives, customers are evolving their businesses through data driven decision making to embrace the Industry 4.0 economy.

The journey towards "business services of the future", "communication and media provider of the future", and "industrial business of the future" has started. With the public sector's focus on 4IR in South Africa, even the "public service of the future" is a possibility.

Our goal is to progress an organisation past insight and into the realm of "4Sight". That is, the ability to understand the insights created by data and new technologies to make continuous and meaningful business decisions for the future.

The Industry 4.0 economy is here.

Sources:
* https://twitter.com/MTNGroup/status/1105474556066779138
** https://www.businesslive.co.za/bd/national/2019-02-07-ramaphosa-appoints-body-to-make-sa-a-contender-in-digital-revolution-space/

KING IV PRINCIPLES

The Board will endeavour to comply with the 16 relevant Principles set out in King IV where, in the view of the Board, they apply to the business.

Principle 17 is not applicable to the business of the 4Sight Group. The Principles embody the aspirations of the journey towards good corporate governance.The 16 King IV Principles and the extent of the Group's compliance are set out in the table below. Principle 17 is not applicable to the business of the 4Sight Group.

Principle	Description	Compliance status	Extent of compliance
1	The governing body should lead ethically and effectively.	Comply	The Group is relatively newly established and the Board has only recently been appointed. The Board will ensure that the Group's leadership will operate in an ethical manner and has finalised a code of ethics for the Group, which will be reviewed annually.
2	The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	Comply	The Board supports the establishment on an ethical culture throughout the Group. This is one of the essential elements of the Group's code of ethics.
3	The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen	Comply	The Board sets the direction for good corporate citizenship, including compliance with the laws of Mauritius and South Africa (where applicable), leading standards, its own policies and procedures, as well as congruence with the Group's purpose, strategy and conduct. The Board furthermore oversees and monitors the Group's status as a good corporate citizen in such areas as the workplace, economic behaviours and results, societal and environmental impacts. The concept of responsible corporate citizenship is integrated into the group strategy, and its principles underpin all key aspects of the business.

KING IV PRINCIPLES – CONTINUED

Principle	Description	Compliance status	Extent of compliance
4	The governing body should appreciate that the organisation's core purpose, risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.	Comply	The Board assumes responsibility for the group's performance by steering the strategy and setting its core purpose and values. The formulation and development of the group's strategy is delegated to management, but the strategy is constructively challenged by the Board with due reference to, inter alia, risks and opportunities, resources, the six capitals, the legitimate expectations of shareholders and the long-term sustainability of the organisation.
5	The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short, medium and long-term prospects.	Comply	The Board takes responsibility for setting the direction, approach and conduct for the Group's reporting and approves the reporting frameworks to be used. It furthermore oversees compliance with legal reporting requirements and aims to ensure that reports meet the reasonable and legitimate needs of material stakeholders to enable them to make informed assessments of the Group's performance and its short, medium and long-term prospects.
6	The governing body should serve as the focal point and custodian of corporate governance in the organisation.	Comply	The Board has and is still implementing policies throughout the Group which ensure that the Group's corporate governance procedures are adequate and consistently applied.
7	The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.	Comply	All members of the Board have the requisite skills and knowledge from diverse backgrounds. At Year end, the Board comprised of three Executive Directors and three Independent Non-Executive Directors.

Principle	Description	Compliance status	Extent of compliance
8	The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with the balance of power and the effective discharge of its duties.	Comply	The independent Directors have been appointed to ensure that a greater level of independence is maintained in all business matters of the Board. In addition, the role of the CEO and Chairman are separated to ensure a balance of power and effective discharge of duties.
9	The governing body should ensure that the evaluation of its own performance and that of its Committees, its Chair and its individual members, support continued improvement in its performance and effectiveness.	Comply	The Board has sub-committees in place. Each Committee has its own charter which sets out rules for the Committee and its members and allows for members to be assessed annually.
10	The governing body should ensure that the appointment of and delegation to management contribute to role clarity and the effective exercise of authority and responsibilities.	Comply	Service agreements have been signed by all Executive Directors. These set out roles and responsibilities and the effective exercise of authority by each Director. The Board has furthermore satisfied itself that key management functions are led by competent and appropriately authorised individuals and are adequately resourced. To this end, a delegation of authority framework has been approved. The Board will in due course ensure that an adequate succession plan is developed and approved.
11	The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.	Partially comply	The Audit and Risk Committee has undertaken to set the approach for risk governance in a manner that ensures adequate evaluation of opportunity and risk and supports the Group in setting and achieving its strategic objectives. As a fairly newly formed Group controls are implemented as the group is growing, to include new acquisitions. A fully functioning Internal Audit is still to be implemented.

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KING IV PRINCIPLES – CONTINUED

Principle	Description	Compliance status	Extent of compliance
12	The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.	Partially comply	The Board will set the approach and approve the policy for technology and information governance, including adoption of appropriate frameworks and standards, but the implementation of effective IT governance will be delegated to management. The Board, together with the Audit and Risk Committee, oversees the governance of information technology (IT). The Board is aware of the importance of technology and information in relation to the Group's strategy.
13	The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.	Comply	The Group is governed by the Mauritius Companies Act and is governed by the JSE Listings Requirements for the duration of its listing on AltX. The Board undertakes to comply with any laws that the Group is required to comply with from time to time.
14	The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.	Comply	4Sight Holdings has a remuneration policy in place to ensure that management is appropriately remunerated. The Board will assess market trends in remuneration and adjust the Group's remuneration policy if need be. The policy is tabled for shareholder approval at the Annual General Meeting of the Group to ensure further transparency.
15	The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.	Comply	The Board has delegated to the Audit and Risk Committee oversight to ensure an effective internal control environment, integrity of information for management decision making and external reporting. The Board will furthermore ensure that a combined assurance model is applied that covers significant risks and material matters through a combination of the organisation's line functions, risk and compliance functions, internal auditors, external auditors and other regulatory service providers so as to enable it to assess the integrity of information and reports and form an opinion on the effectiveness of the control environment. The risk appetite of executive management, the Audit and Risk Committee and Board will determine areas of strategic and business focus, which in turn determines the level of assurance considered appropriate for identified business risks and exposures. To plan and coordinate assurance, the Group has and will design and implement a combined assurance framework, incorporating a number of assurance services, to cover adequately its significant risks and material matters so that these enable an effective control environment, support the integrity of information used as well as the integrity of the group's external report.
16	In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.	Comply	Whilst the effective management of stakeholder relationships will be delegated to management, the Board will ensure that a policy providing for the management of stakeholder relationships is adopted. The Group has a website where all financial reports, business updates and any other information is available to ensure that stakeholders are kept abreast with the Group's developments.

GROUP DIRECTORS

DR RAMA SITHANEN

Non-Executive Director, Chairman

Qualifications:
He holds a BSc (Hons) Economics with First Class, an MSc Economics with Distinction from the London School of Economics and a PhD in Political Science from Brunel University, UK.

His professional career of 40 years is split among public sector, private sector and international consultancy and advisory work.

He was Minister of Finance of Mauritius for 5 years and Deputy Prime Minister and Minister of Finance for another 5 years.

He has acted as an international consultant and an adviser, working in Africa and the Indian Ocean, advising Governments and public sector bodies on public policies.

He was Chairman of the Rwanda Development Board between 2013 and 2017. He has held senior positions in the private sector.

He is currently the Chairman and Director of Sanne Mauritius , a leading provider of alternative asset and corporate business services to global institutions and international companies.

GEOFFREY CARTER

Non-Executive Director

Qualifications:
BA LL.B (University of Natal)

Geoffrey has been admitted as an Attorney of the High Court of South Africa and serves as Non-Executive Director for numerous companies. He also has his own law firm, Carter and Associates. Geoffrey has been involved in the regulatory, compliance and legal services industry for many years

SELVIDA NAIKEN

Non-Executive Director

Qualifications:
MBA with a specialization in Marketing (University of Mauritius); ACCA Qualified; Certificate in Quality Assurance; Certificate in Corporate Governance; Diploma in Social Work (University of Mauritius)

Selvida currently serves as the Executive Director at Sotravic Ltee. She has a wealth of experience in Management and leadership, as well as in the application of International Financial Reporting Standards (IFRS), International Auditing Standards (ISA) and Corporate Governance Codes.

VINCENT RASEROKA

Executive Director, Group Chief Executive Officer

Qualifications:
BA (Hons) Admin Economics (Fisk University); Senior Executive Program (Stanford University); Strategic Marketing (Shell International); Job of CEO Certificate (Singapore Institute of Management)

Vincent is a respected businessman in South Africa, serving several large corporates in various roles.
He has wide experience in management, leadership, entrepreneurship and business

JACQUES HATTINGH

Financial Director

Qualifications:
CA (SA)

Jacques serves as Group Chief Financial Officer for 4Sight Holdings Limited. He has over 17 years worth of experience in Management and Finance. Jacques also sits in the board of various companies within the Digitata Group

MARTINUS PHILLIPUS NEETHLING

Executive Director

Qualifications:
BSc Information Technology (University of Pretoria); numerous GSM and Information Technology courses

Tinus holds directorship on various multi national companies, whilst currently fulfilling the role of Chief Executive Officer of Digitata, a subsidiary of 4Sight Holdings. Tinus provides strategic leadership and guidance to accomplish our long-term growth goals, priorities and planning.

GARY PIERRE LAURYSSEN

Executive Director

Qualifications:
BCom (University of South Africa)

Gary has a wealth of knowledge in Corporate Finance and Private Equity investments. He specializes in adding value, raising capital and general strategy development in his role as the Executive of Mergers and Acquisitions in the 4Sight Holdings Limited Group.

SOCIAL AND ETHICS COMMITTEE REPORT

BACKGROUND

4Sight Holding's Social and Ethics Committee is a Committee which assists the Board in monitoring the Group's corporate citizenship, sustainability and ethics. 4Sight Holdings is a listed holdings Company, specialising in Industry 4.0 technology solutions. The focus is primarily on developing business opportunities worldwide through a number of verticals. However, a large part of the business is based in Africa, including South Africa.

4Sight Holdings values its reputation and is committed to maintaining the highest level of ethical standards in the conduct of its business affairs. The actions and conduct of our staff as well as others acting on the Company's behalf remains key to maintaining these standards.

It is in this regard and in accordance with the King IV Report on sound Corporate Governance that a Social and Ethics Committee was established by the Board to consider and monitor the moral and ethical conscience of 4Sight Holdings.

This report is presented in accordance with the requirements of King IV and forms part of the Integrated Report.

ROLE OF THE COMMITTEE

The Committee acts in terms of the delegated authority of the Board and assists the Directors in monitoring the group's activities and disclosures in terms of legislation, regulation and codes of best practices relating to:

- Ethics;
- Sustainable development and sustainability;
- Stakeholder engagement, including employees, customers, suppliers, communities and the environment; and
- Strategic empowerment and transformation.

The Committee is still in the process of developing a Code of Ethics that reflects the Group's core values and also embraces the principles as set out in King IV, where applicable. The Committee met on 3 December 2018 in Mauritius.

RESPONSIBILITIES OF THE COMMITTEE

The responsibilities of the Committee are as follows:

- monitor activities relating to social and economic development, good corporate citizenship, the environment, and health and public safety;
- ensure appropriate short, medium and long-term targets are set by management;
- monitor progress on strategic empowerment and performance against targets;
- monitor changes in the application and interpretation of empowerment charters and codes, where applicable; and
- monitor functions required in terms of various regulations.

COMPOSITION AND FUNCTIONING

During the period under review, the Committee was constituted as follows:

- Dr R Sithanen (Independent Non-Executive) as Chairman of the Committee;
- Mr G.L. Carter (Independent Non-Executive).

The Committee will receive feedback from management on other Committees and will report on any significant matters to the Board in terms of its mandate. The members of the Committee are nominated and appointed by the Board.

The Committee was only constituted during 2018 and only met once during the period under review. The effectiveness of the Committee is to be assessed every two years as part of the annual Board and Committee self-evaluation process. The Committee will be assessed during 2019.

ACTIVITIES OF THE COMMITTEE

The responsibilities and functions of the Committee will be aligned with the functions as set out in the South African Companies Act, which has been used as a guide in the absence of such legislation in Mauritius. These activities will be, inter alia, as follows:

To monitor the Group's activities, with regard to any relevant legislation, other legal requirements or prevailing codes of best practice, with regard to matters relating to:

- Social and economic development, including the Group's standing in terms of the goals and purposes of:

(aa) the 10 principles set out in the United Nations Global Compact Principles ("UNGCP");
(bb) the Organisation for Economic Co-operation and Development ("OECD") recommendations regarding corruption;
(cc) the South African Employment Equity Act (where applicable in the group); and
(dd) the South African Broad-Based Black Economic Empowerment Act (where applicable in the group).

- Good corporate citizenship, including the Group's:

(aa) promotion of equality, prevention of unfair discrimination, and reduction of corruption;
(bb) contribution to development of the communities in which its activities are predominantly conducted or within which its products or services are predominantly marketed; and
(cc) record of sponsorship, donations and charitable giving.

- The environment, health and public safety, including the impact of the Group's activities and of its products or services.

- Consumer relationships, including the Group's advertising, public relations and compliance with consumer protection laws; and

- Labour and employment, including:

(aa) the Group's standing in terms of the International Labour Organization Protocol on decent work and working conditions;
(bb) the Group's employment relationships and its contribution toward the educational development of its employees;
(cc) to draw matters within its mandate to the attention of the Board as occasion requires; and
(dd) to report, through one of its members, to shareholders at the Group's annual general meeting on the matters within its mandate.

No incidents have been reported during the period with regards to compliance. However, the Group has identified some potentially inappropriate conduct and is currently consulting with its attorneys to investigate and take action to protect the group's and stakeholders' interests.

Dr R Sithanen
Chairman
29 March 2019

CORPORATE GOVERNANCE REPORT

The Directors of 4Sight Holdings endorse the philosophies and principles of King IV and recognise their responsibility to conduct the affairs of 4Sight Holdings with integrity and accountability in accordance with generally accepted corporate practices. This includes steering the Group and setting strategic direction, planning and approving policies, overseeing matters of the Group and ensuring accountability.

From the listing of the Company on AltX, 4Sight Holdings is obliged to comply with paragraph 3.84 and section 21 of the JSE Listings Requirements which deals with certain corporate governance matters extracted from the King Code. The Directors have, accordingly, established procedures and policies appropriate to 4Sight Holdings' business in keeping with its commitment to best practices in corporate governance. These procedures and policies will be reviewed by the Directors from time to time.

The Directors of 4Sight Holdings have adopted the principles of King IV to the extent required. The Board embraces the principles of fairness, accountability, responsibility and transparency.

The formal steps taken by the Directors in ensuring that King IV is complied with are as follows:

DIRECTORS AND COMPANY SECRETARY

The Board

During the year under review, the Board of Directors have met as follows.

Director	23 March 2018 Mauritius	15 June 2018 Mauritius	18 September 2018 Mauritius	10 October 2018 Telecon	4 December 2018 Mauritius
V. Raseroka	Note 1	Note 1	Note 1	Note 1	Note 1
J. Hattingh	Attended	Attended	Attended	Attended	Attended
M.P. Neethling	Attended	Attended	Attended	Attended	Attended
G.P. Lauryssen	Attended	Attended	Attended	Attended	Attended
Dr R. Sithanen	Attended	Attended	Attended	Not Attended	Attended
G.L. Carter	Attended	Attended	Attended	Attended	Attended
A.C.J van Rensburg	Attended	Attended	Attended	Recused	Note 2
C.K. Lewer-Allen	Attended	Attended	Note 2	Note 2	Note 2
S. Naiken	Note 1	Note 1	Note 1	Note 1	Note 1

Note 1 – V Raseroka and S Naiken were not yet appointed as Board members

Note 2 – No longer a Board member at date of meeting

The minutes of the meetings were kept by the Company secretary and they have formal record of all conclusions reached by the Board on matters referred to it for discussion. A representative of the designated advisor was also an attendee at the Board meetings.

The Board will continue to endeavor to meet at least four times a year, shall meet regularly and disclose the number of meetings held each year in its annual report, together with the attendance at such meetings. Should the Board require independent professional advice, such advice will be sought by the Board at the Group's expense.

All Directors have access to the advice and services of Amicorp (Mauritius) Limited, who fulfils the role of Company Secretary. The Board is of the opinion that Amicorp (Mauritius) Limited has the requisite attributes, experience and qualifications to fulfil its commitments effectively. This assessment is based on the experience, qualifications and competency of the employees of the Group.

Directors are expected to maintain their independence when deciding on matters relating to strategy, performance, resources and standards of conduct. All the Board members with the exception of the two recently appointed Directors namely: V. Raseroka and S. Naiken have undergone the Directors Induction Programme facilitated by the Institute of Directors of South Africa. Arrangements will be made for them to attend during 2019. Further training will be performed on an on-going basis to ensure that Directors remain abreast of changes in regulations and the commercial environment.

The Board is responsible for relations with stakeholders, as well as being accountable to them for the performance of the Group and reporting thereon in a timely and transparent manner.

Chairman and Chief Executive Officer

The offices of Chairman and Chief Executive Officer are separated with V. Raseroka appointed as Chief Executive Officer and Dr R. Sithanen as the Independent Non-Executive Chairman.

Board balance

The Board includes both Executive and Non-Executive Directors in order to maintain a balance of power and ensure independent unbiased decisions and that no one individual has unfettered powers of decision making. The Board of Directors of 4Sight Holdings consists of the following Directors:

Executive

- V. Raseroka (Chief Executive Officer appointed in 2019)
- J. Hattingh (Group Financial Director)
- M.P. Neethling (Executive Director)
- G.P. Lauryssen (Executive - Mergers and Acquisitions)

Independent Non-Executive Directors

- Dr. R Sithanen (Chairman)
- G.L. Carter
- S. Naiken

Delegation of duties

Directors have the authority to delegate certain of their duties, either externally or internally, in order that they perform their duties fully. The Chief Executive Officer shall review these delegations and report on this to the Board.

Appointments to the Board

Any member of the Board can nominate a new appointment to the Board, which will be considered at a Board meeting. The nominated Director's expertise and experience will be considered by the Board as a whole in a formal and transparent manner, as well as any needs of the Board in considering such appointment. A nomination Committee has not been appointed due to the current size and nature of the business and the Board is assisted by the Remuneration Committee in this regard.

A general meeting of the Directors shall have the power from time to time to appoint anyone as a Director, either to fill a vacancy, or as an additional Director. The Company's Constitution does not provide for a maximum number of Directors.The appointments of V. Raseroka and S. Naiken, in 2019, have been made and is subject to approval at the Group's next general or Annual General Meeting.

DIRECTORS' REMUNERATION

Remuneration policy

The remuneration policy in place is to remunerate Executive Directors primarily on a Total Guaranteed Package (TGP) which includes base salary and benefits that accrue on a monthly basis, short-term incentives (STI) through cash bonuses, as well as Long-term incentives(LTI) by way of share Incentives.

King IV sets out the basis and codes of good practice for governance of executive remuneration, on which this Remuneration Policy is based.

Objectives

The objectives of the Remuneration Policy are to:

- Define general guidelines for the Company's remuneration of Non-Executive, Executive Directors and Senior Executives;
- Ensure that the right calibre of Executives and Senior Executives is attracted, retained, motivated and rewarded for individual performances and contribution to the Group;
- Remunerate Directors and Executives fairly and responsibly; and
- Align the interest of Executive Directors and Senior Executives with the interest of shareholders, business strategy and sustainability of the Group.

Executive Directors and Senior Executives

Executive Directors' and Senior Executives' remuneration comprise of a:

- TGP which incorporates a Basic Salary and Benefits;
- STI which includes short-term bonus awards for achieving annual performance targets; and
- Share incentives as a LTI reward.

Basic Salary

Basic salary is a fair salary based on the industry norms and Group performance. The basic salaries are reviewed on an annual basis.

Benefits

Benefits will comprise of fringe benefits, allowances and retirement benefits.

Bonuses

Bonuses are discretionary cash based annual performance rewards determined by performance scorecards having regard to the financial targets of the Group and personal targets of the Executive Directors and Senior Executives.

The bonuses will further take into account the trading conditions and financial year-end results of the Group.

Share Incentives

Share Incentives will be awarded in terms of the Share Incentive Scheme adopted by the Company and is equity based.

Financial targets are approved by the Board annually in advance taking cognisance of operational targets for the Company with respect to:

- Growth rate
- Operating profit
- Return on capital
- Cash flow

Non-Executive Directors

Non-Executive Directors remuneration will comprise of:

- Directors Fees
- Additional fees

Directors Fees

Directors' fees are payable in the form of a retainer for attendance at Board and Committee meetings and work associated therewith.

Additional Fees

Additional fees are payable for additional time spent on behalf of the Company based on market related rates.

Service contracts and compensation

4Sight Holdings has entered into normal service contracts with all of its Executive Directors. All Non-Executive Directors are subject to retirement by rotation and re-election by 4Sight Holdings shareholders at least once every three years in accordance with the Constitution.

Remuneration Committee

A Remuneration Committee has been established. It comprises of Mr G.L. Carter and Dr. R Sithanen and they have met on 3 December 2018. Ms S. Naiken will be appointed to this Committee in 2019.

Implementation Report

The remuneration of Directors is set out in note 36 of the Annual Financial Statements. No bonuses or LTI's were awarded for the year under review.

Accountability and audit

Incorporation

The Company is duly incorporated in Mauritius and operates in conformity with its Constitution and all laws of Mauritius.

Financial reporting

The Board is responsible for the Group's systems of internal financial and operational control, as well as for maintaining an appropriate relationship with the Group's auditors. The Board is also responsible for presenting a balanced and understandable assessment of the Company's financial position with respect to all financial and price sensitive reports on the Company.

Internal control

The Directors conduct an annual review of the Group's internal controls and reports their findings to shareholders. This review covers financial, operational and compliance controls, as well as a review of the risk management policies and procedures of the Company.

During the year an external party conducted a review on a substantial portion the Group's internal controls and no reportable findings has been noted. Progress has been made in documenting systems, procedures and controls as well as implementing improved controls in the companies acquired by the group, where required.

Audit and Risk Committee

A combined Audit and Risk Committee has been established, whose primary objective is to provide the Board with additional assurance regarding the efficacy and reliability of the financial information used by the Directors, to assist them in discharging their duties. The Committee is also required to provide independent oversight of, amongst others:

- The effectiveness of the organisation's assurance functions and services, with particular focus on the combined assurance arrangements, (including external assurance service providers), internal audit and the finance function; and
- The integrity of the Annual Financial Statements and, to the extent delegated by the Company, other external reports issued by the organisation. The Audit and Risk Committee has the power to make decisions regarding its statutory duties and is accountable for its performance in this regard. In addition to its statutory duties, the Audit and Risk Committee is responsible for, inter alia, the following:
- The recommendation of the Company's annual financial statements to the Board for approval;
- Risk governance and ensuring that it dedicates sufficient time to this responsibility;
- Overseeing the management of financial and other risks that affect the integrity of external reports issued by the organisation; and
- Ensuring that the Financial Director has the appropriate expertise and experience.

The following Non-Executive Directors have been appointed to the combined 4Sight Audit and Risk Committee:

- G.L. Carter (Chairman)
- Dr R. Sithanen (Member)
- S. Naiken (Member)

During the year under review, the Audit and Risk Committee has met as follows:

Member	20 March 2018 Mauritius	14 June 2018 Mauritius	17 September 2018 Mauritius	3 December 2018 Mauritius
Dr R. Sithanen	Attended	Attended	Attended	Attended
G.L. Carter	Attended	Attended	Attended	Attended
C.K. Lewer-Allen	Attended	Attended	Note 1	Note 1
S. Naiken	Note 2	Note 2	Note 2	Note 2

Note 1 – Not part of the Audit and Risk Committee anymore

Note 2 – S Naiken was not yet appointed as an Audit and Risk Committee Member

The minutes of the meetings were kept by the Company Secretary and they have formal record of all conclusions reached by the Audit and Risk Committee on matters referred to it for discussion. The Designated Advisor was also an attendee at the Audit and Risk Committee Meetings.

The Audit and Risk Committee will meet a minimum of two times per annum to consider and approve interim and year end results but meets as often as deemed necessary.

CODE OF ETHICS

4Sight Holdings subscribes to the highest ethical standards and behaviour in the conduct of its business and related activities.

Social and Ethics Committee

The following persons have been appointed to the Social and Ethics Committee:

- Dr. Ramakrishna Sithanen (Chairman)
- Geoff Carter (Member)

J Hattingh attended the meetings and V. Raseroka will be appointed to the Committee in 2019.

External auditors

The auditors of the Group are Nexia SAB&T and they have performed an independent and objective audit of the Group's financial statements. The statements are prepared in terms of the International Financial Reporting Standards ("IFRS"). Interim reports are not audited.

Relationships with shareholders

It is the plan of 4Sight Holdings to meet with its shareholders and investment analysts to provide presentations on the Company and its performance in due course.

The Board shall ensure that shareholders are supplied with all the necessary information in order to make considered use of their votes and assess the corporate governance of the Company.

Promotion of gender diversity

In terms of paragraph 3.84(i) of the JSE Listings Requirements, the Board is required to have a policy on the promotion of gender diversity at Board level. Accordingly, the Board approved its Gender Diversity Policy on 13 September 2017.

The Company fully supports the inclusion of female members on its Board and has adopted a simple policy that will seek to prefer the appointment of female candidates to its Board and in the event that two candidates of equal competency or experience are identified for appointment, the female candidate will be nominated.

Subsequent to year end, the Board appointed a female member, namely Ms S. Naiken.

Race diversity policy

In terms of paragraph 3.84(j) of the JSE Listings Requirements, companies are required to have a policy on the promotion of race diversity at board level. The Company supports this and has adopted such a policy on 13 September 2017 and the Board will endeavour to seek skilled professionals in order to promote race diversity. Such appointments will be considered as and when a new Board member is required. During the year under review, Mr V. Raseroka was appointed as Chief Executive Officer.

Dealing in securities

The Board has established procedures regarding the legislation which regulates insider trading, whereby there is a closed period from the date of the financial year end, being 31 December, to the earliest publication of the preliminary report, the abridged report or the provisional report in the case of results for a full period and from the date of the interim period end to the date of the publication of the first and second interim results as the case may be, which periods are known as closed periods.

In accordance with the JSE Listings Requirements, no Director nor the Company Secretary shall deal in the securities of the Company during a closed or prohibited period as well as whilst the Company is trading under a cautionary announcement.

All Directors and the Company Secretary shall obtain clearance to deal from the Chairman of the Company prior to dealing, and the Company Secretary shall keep a register of such clearances in terms of the JSE Listings Requirements.

The Company Secretary or such person as may be nominated by him from time to time shall keep a record of all dealings by Directors in the securities of the Company.

COMPANY SECRETARY

The Board has considered and satisfied itself on the competence, qualifications and experience of the Company Secretary bearing in mind that the new Company Secretary has only been appointed since August 2018.

The Directors will assess the on-going competency of the Company Secretary on an annual basis and in compliance with section 3.84(h) of the JSE Listing Requirements. Moreover, the Board confirms that there is an arm's length relationship between itself and the Company Secretary and this position will be assessed on an annual basis.

The Board is of the opinion that the Company Secretary has the requisite attributes, experience and qualifications to fulfil its commitments effectively.

FINANCIAL DIRECTOR

The Group Financial Director, J. Hattingh, is a full time Executive Director. The Audit and Risk Committee has confirmed his experience and expertise and has issued a confirmation thereof to the JSE. He has assumed the formal responsibilities required of him in terms of JSE Listings Requirements and any relevant provisions of the Mauritian Companies Act.

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2018

CONTENTS

GENERAL INFORMATION

Country of incorporation and domicile
Mauritius

Nature of business and principal activities
Investment holding in Mining, Manufacturing, Energy & Chemicals sector, the Telecommunications and Media sector and the Platforms Systems sector operating internationally.

Directors
V. Raseroka
M.P. Neethling
J. Hattingh
G.P. Lauryssen
S. Naiken
Dr R. Sithanen
G.L. Carter

Registered office
c/o Amicorp (Mauritius) Limited
6th Floor, Tower 1 NeXTeracom Building
Cybercity
Ebene
Mauritius

Business address
Ground Floor, Tower 1 NexTeracom Building
Cybercity
Ebene
Mauritius

Bankers
Investec Bank Limited
Afrasia Bank Limited
Standard Bank of South Africa Limited

Auditor
Nexia SAB&T

Secretary
Ic/o Amicorp (Mauritius) Limited

Legal advisors
Cliffe Dekker Hofmeyr

Level of assurance
These consolidated financial statements have been audited in compliance with the applicable requirements of the Mauritian Companies Act of 2001.

Preparer
The consolidated financial statements were internally compiled by:
J. Hattingh (Financial Director)

Issued
29 March 2019

REPORT OF THE COMBINED AUDIT AND RISK COMMITTEE

INTRODUCTION

The Board of Directors has a combined Audit and Risk Committee ("the Audit Committee" or "the "Risk Committee") due to the nature and current size of the Company, which has been constituted by the Board in accordance with Section 131(1) of the Mauritian Companies Act ("the Act").

The Audit Committee is constituted as a delegated Committee of 4Sight Holdings Limited ("the Company") in respect of its duties in terms of the JSE Listings Requirements, King IV and a Committee of the Board in regard to all other duties assigned to it by the Board of Directors of the Company. The Audit Committee was newly constituted on 24 August 2017 ahead of the listing on the JSE on 19 October 2017.

COMPOSITION

The Audit Committee consisted of the following Non–Executive Directors for the twelve months ended 31 December 2018 and to the date of this report:

Member		Date of appointment	Date of resignation	Attendance for the period under review
G Carter	(Independent Non-Executive Chairman)	24 August 2017	-	100%
R Sithanen	(Independent Non-Executive Member)	24 August 2017	-	100%
C Lewer-Allen	(Non-Executive Member)	24 August 2017	15 June 2018	100%
S Naiken	(Independent Non-Executive Member)	11 December 2018	-	N/A

The Chairman of the Board is a member of the Audit Committee but is not the Chairman of the Audit Committee. A representative of the designated advisor attends all Audit Committee meetings in accordance with the JSE Listings Requirements.

The Board has approved the Audit Committee terms of reference and is satisfied that Audit Committee members have recent and relevant financial experience to carry out their duties and responsibilities.

STATEMENT OF AUDIT COMMITTEE RESPONSIBILITIES

FOR THE 12 MONTHS ENDED 31 DECEMBER 2018

ROLE AND WORK OF THE AUDIT COMMITTEE

The role of the Audit Committee is to assist the Board by performing an objective and independent review of the functioning of the organisation's finance and accounting control mechanisms. It exercises its functions through close liaison and communication with management and the external auditors.

The Committee convened 4 times during the reporting year in Mauritius from 1 January 2018 to 31 December 2018. These meetings were held to closely monitor and guide the Company's plans and progress pursuant to the formation of the group and its transition to a public listed company.

During the prior year under review, the Company considered the control environment of the group, which was assessed as being strong for the existing group included at the time of listing, whilst the control environment for the acquisitions post listing needed improvement. A new financial manager was appointed to assist the Financial Director from 1 April 2018 with positive results. The Audit Committee will continue to monitor the situation.

The Chief Executive Officer, Financial Director and other members of management attend Audit Committee meetings as necessary, at the invitation of the Chairman of the Audit Committee.

AUDIT COMMITTEE TERMS OF REFERENCE

The Committee is guided by its terms of reference, dealing with membership, structure and levels of authority and has the following responsibilities:

- To review the internal control structures including financial control, accounting systems and reporting.
- To review the Group's statement on internal control systems prior to endorsement by the Board and in particular review:
  - o The procedures for identifying business risks and controlling their impact on the Group;
  - o The Group's policies for preventing and detecting fraud;
  - o The Group's policies for ensuring that the Group complies with relevant regulatory and legal requirements;
  - o The operational effectiveness of the policies and procedures;
  - o The Group's data protection and intellectual property rights;
  - o The Group's foreign currency exposure; and
- To review any dividend declarations provided there is sufficient capital adequacy.
- To review the quality of reporting to shareholders (to the extent practicable) of corporations in which the Company is invested to satisfy itself of the validity thereof.
- Liaison with external auditors and internal auditors (when appointed);
- Monitoring and ensuring compliance of the Group with the laws and regulations of applicable statutes and of controlling bodies and all legal requirements.
- Liaison and coordination with the work of the Social and Ethics Committee.

RESPONSIBILITIES AND INDEPENDENCE AND SUITABILITY OF EXTERNAL AUDITOR

The Audit Committee addressed its responsibilities coherently in terms of the Charter during the 2018 financial period. One of these responsibilities is the assessment of the independence and suitability of the auditor. The Committee is satisfied that the auditor is independent of the Company. It has further satisfied itself that the audit firm and designated auditor are accredited to appear on the Johannesburg Stock Exchange ("JSE") list of accredited auditors and that the designated auditor is not on the JSE's list of disqualified audit partners. The Audit Committee has also reviewed the relevant documentation to consider the suitability of the audit firm and designated auditor as stipulated in paragraph 3.84(h)(iii) of the JSE Listings Requirements. Mr Tertius de Kock, is the current appointed designated partner and his re-appointment will be subject to the approval of 4Sight Holdings' shareholders at the Annual General Meeting.

NON-AUDIT SERVICES POLICY

The Audit Committee approves non-audit services, where utilised. During the period under review, Nexia SAB&T did not perform any non-audit services.

INTERNAL FINANCIAL CONTROLS

The Committee is of the opinion that the Company's system of internal financial controls is sound and forms a basis for the preparation of reliable financial statements. The Financial Director was formerly the Financial Director of Digitata Limited, the major subsidiary of the group, which has strong internal financial controls and a new financial manager based in South Africa is also suitably qualified. In addition, various policies and procedures have been drafted and subsequently approved. The Audit Committee is satisfied with the improvement of the internal financial controls and systems of the acquisitions subsequent to listing. Internal financial controls are discussed at each Audit Committee meeting.

The Company has engaged the services of internal auditors and an internal audit was conducted on two material subsidiaries with no reportable areas of concern. The internal audit will be expanded in the forthcoming year.

The Committee will continue to consider the requirement for internal audit as a standing agenda item. The Committee is satisfied that it has complied with its legal, regulatory and other responsibilities.

EXPERTISE AND EXPERIENCE OF THE FINANCIAL FUNCTION

The Committee has considered the competence, qualifications and experience of the Financial Director in terms of section 3.84(h) of the JSE Listing Requirements and is satisfied therewith.

REVIEW OF FINANCIAL STATEMENTS

Management has reviewed the financial statements with the Audit Committee, and the Audit Committee members have reviewed them without management or external auditors being present. The Audit Committee also considered the recently issued 2018 Proactive Monitoring Report in accordance with the JSE Listings Requirements and quality of the accounting policies were discussed with the external auditors. The Audit Committee also considered the going concern, solvency and liquidity of the Group, further details of which are included in the Directors' Report.

APPROVAL OF REPORT

The Audit Committee confirms from 1 January 2018 to 31 December 2018 that they have functioned in accordance with their terms of reference and as required by the Act and that the report has been approved by the Directors of the Board.

APPROVAL OF FINANCIAL STATEMENTS

The Audit Committee reviewed and recommended the financial statements for approval by the Board of Directors and considers the financial statements of the Company and its subsidiaries to be a fair presentation of its financial position on 31 December 2018 and of the results of the operations, changes in equity and cash flows for the period then ended, in accordance with International Financial Reporting Standards, the Act and the JSE Listings Requirements.

On behalf of the Audit Committee

G Carter
Chairman
29 March 2019

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The Directors are required in terms of the Mauritian Companies Act of 2001 to maintain adequate accounting records and are responsible for the content and integrity of the consolidated financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated financial statements fairly present the state of affairs of the Group as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditor is engaged to express an independent opinion on the consolidated financial statements.

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the Directors to meet these responsibilities, the Board of Directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Directors have reviewed the Group's cash flow forecast for the foreseeable future and, in light of this review and the current financial position, they are satisfied that the Group has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the Group's consolidated financial statements.

The consolidated financial statements have been examined by the Group's external auditor and their report is presented in this report.

The consolidated financial statements have been prepared on a going concern bases and have been approved by the Board of Directors on 29 March 2019. These were signed on the Board's behalf by V. Raseroka and J. Hattingh.

Approval of financial statements

V. Raseroka
(Chief Executive Officer)

J. Hattingh
(Financial Director)

DIRECTORS' REPORT

The Directors have pleasure in submitting their report on the consolidated financial statements of the Group for the year ended 31 December 2018.

INCORPORATION

4Sight Holdings Limited (the "Company") was incorporated in the Republic of Mauritius on 28 June 2017 and obtained its certificate to commence business on the same day.

The Company is domiciled in the Republic of Mauritius. The registered office is situated at 6th Floor, Tower 1, Nexteracom building, Ebene, Republic of Mauritius.

NATURE OF BUSINESS

The company is an investment holding entity incorporated in Mauritius focused on Industry 4.0 solutions with information technology interests through its subsidiaries.

Our subsidiaries focus on a cross section of established, new and emerging technologies. This includes (but is not limited to) Autonomous and Artificial Intelligence (AI) solutions with Machine Learning, Big Data, Cloud and Business Intelligence solutions, Augmented and Virtual Reality solutions. These technologies manifest in the various solutions we deliver to customers in the telecommunications, mining, manufacturing, energy, chemicals, private and public sector. The holding company does not trade, and all of its activities are undertaken through its principal subsidiaries. The majority of the Group's operations are based in Mauritius and South Africa, with the group operating in some 30 countries.

REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Mauritian Companies Act of 2001.

Full details of the financial position, results of operations and cash flows of the Group are set out in these consolidated financial statements.

SHARE CAPITAL

Refer to note 13 of the consolidated financial statements for detail of the movement in issued share capital.

DIVIDENDS

The Board has agreed a formal dividend pay-out policy of at least 6.6 times cover, being at least 15% of headline earnings of the consolidated group of companies, unless the Board is of the opinion that a lower dividend is to be declared because of the necessity to apply the Group's cash resources to any planned acquisitions or that it is in the interest of the Group to build up cash reserves for foreseeable unfavourable market or economic conditions. However, no dividend is to be declared for the initial period ended 31 December 2018 due to the current acquisition strategy.

DIRECTORATE

The Directors in office at the date of this report are as follows:

Directors	Office	Designation	Nationality	Changes
V. Raseroka	Chief Executive Officer	Executive	South African	Appointed 1 Jan 2019
M.P. Neethling		Executive	South African	Appointed 28 June 2017
J. Hattingh	Finance Director	Executive	South African	Appointed 28 June 2017
G.P. Lauryssen		Executive	South African	Appointed 28 June 2017
S. Naiken		Non-executive Independent	Mauritian	Appointed 11 December 2018
Dr R. Sithanen	Chairman	Non-executive Independent	Mauritian	Appointed 24 August 2017
G.L. Carter		Non-executive Independent	South African	Appointed 24 August 2017
A.C.J van Rensburg	Chief Executive Officer	Executive	South African	Appointed 28 June 2017 Resigned 21 November 2018
C.K. Lewer-Allen		Non-executive	Swedish	Appointed 24 August 2017 Not re-elected 15 June 2018

S. Naiken, J. Hattingh and Dr R. Sithanen are resident in Mauritius.

DIRECTORS' INTERESTS IN SHARES

As at 31 December 2018, the Directors and former Directors of the company held direct and indirect beneficial interests in 18% (2017:24%) of its issued ordinary shares, as set out below.

Directors	2018 Direct	2018 Indirect	2017 Direct	2017 Indirect
Prof. A.C.J van Rensburg	-	-	-	17 300 000
M.P. Neethling	8 949 945	32 044 565	8 949 945	32 044 565
J. Hattingh	-	4 228 741	-	4 228 741
G.P. Lauryssen	-	-	-	16 895 000
C.K. Lewer-Allen	-	-	-	20 366 595
	8 949 945	**36 273 206**	**8 949 945**	**90 834 901**

Interests in shares

The register of interests of Directors and others in shares of the company is available to the shareholders on request.

During the year the company acquired 100% of Foursight Holdings (Pty) Ltd in a related party acquisition. Messrs A.C.J van Rensburg and G.P Lauryssen were issued 5 251 000 shares and 5 232 896 shares respectively, which are indirectly held. G.P Lauryssen's indirect interest reduced to nil due to a minor child becoming a major during the year under review.

Messrs A.C.J van Rensburg and C.K. Lewer Allen resigned before the year end. There have been no other changes in beneficial interests of the Directors as at 31 December 2018 that occurred between the end of the reporting period and the date of this report.

NON-CURRENT ASSETS

The nature of the changes in non-current assets has been fully disclosed in the notes to the financial statements.

INTERESTS IN SUBSIDIARIES, ASSOCIATES AND JOINT ARRANGEMENTS

Details of material interests in subsidiary companies are presented in the consolidated financial statements in note 6.

EVENTS AFTER THE REPORTING PERIOD

Refer to note 41 of the consolidated financial statements for detail of the events after reporting period.

GOING CONCERN

The Directors believe that the Group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated financial statements have been prepared on a going concern basis. The Directors have satisfied themselves that the Group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Directors are not aware of any new material changes that may adversely impact the Group. The Directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Group.

SECRETARY

The company secretary is Amicorp (Mauritius) Limited.

Business address:
6th Floor
Tower I, Nexteracom Building
Ebene, Republic of Mauritius

STATEMENT OF DISCLOSURE TO THE COMPANY'S AUDITOR

With respect to each person who is a Director on the day that this report is approved:

- there is, so far as the person is aware, no relevant audit information of which the company's auditor is unaware; and
- the person has taken all the steps that he ought to have taken as a Director to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

TERMS OF APPOINTMENT OF THE AUDITOR

Nexia SAB&T were appointed as the company's auditor at the general meeting held on 28 June 2017. Shareholders wishing to inspect a copy of the terms on which the company's auditor is appointed and remunerated may do so by contacting the Company Secretary.

DATE OF AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The consolidated financial statements have been authorised for issue by the Directors on 29 March 2019. No authority was given to anyone to amend the consolidated financial statements after the date of issue.

We, the Directors of 4Sight Holdings Limited, confirm to the best of our knowledge that this Public Interest Entity has complied with all its obligations and requirements under the Code of Corporate Governance ("the Code") under Section 75(3) of the Financial Reporting Act for the period 1 January 2018 to 31 December 2018.

Approval of consolidated financial statements

V. Raseroka
(Chief Executive Officer)
29 March 2019

J. Hattingh
Financial Director
29 March 2019

SECRETARY'S REPORT

AMICORP (MAURITIUS) LIMITED.

6TH FLOOR, TOWER I, NEXTERACOM BUILDING, EBENE, MAURITIUS, REPUBLIC OF MAURITIUS

Secretary's certificate for the year ended 31 December 2018

Secretary's certificate under section 166(d) of the Mauritius Companies Act 2001

In accordance with section 166 (d) of the Mauritius Companies Act 2001, we certify that to the best of our knowledge and belief, the company has filed with the Registrar of Companies, all such returns as are required by the Company under the Mauritius Companies Act 2001.

For an on behalf of:
Amicorp (Mauritius) Limited
Corporate Secretary
29 March 2019

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of 4Sight Holdings Limited

Qualified Opinion on Consolidated Financial Statements and Unqualified Opinion on the Separate Financial Statements

OPINION

We have audited the consolidated and separate financial statements of 4Sight Holdings Limited and its subsidiaries (the Group), which comprise the consolidated and separate statement of financial position as at 31 December 2018, and the consolidated and separate statement of profit or loss and comprehensive income or loss, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2018, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, and the requirements of the Mauritius Companies Act, 2001.

In our opinion the separate financial statements present fairly the separate financial position of 4Sight Holdings Limited as at 31 December 2018, and its separate financial performance and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Mauritius Companies Act, 2001.

BASIS FOR QUALIFIED OPINION ON CONSOLIDATED FINANCIAL STATEMENTS AND UNQUALIFIED OPINION ON THE SEPARATE FINANCIAL STATEMENTS.

Acquisition of Visualistics (Pty) Ltd and its subsidiaries

As per Note 31 to the consolidated financial statements, 4Sight Holdings Limited made a number of acquisitions during the year under review which included Visualistics (Pty) Ltd and its related subsidiaries. We were unable to obtain sufficient and appropriate audit evidence to verify the at acquisition balances of Visualistics (Pty) Ltd and its subsidiaries included as part of these acquisitions and the subsequent consolidation balances of these companies.

Consequently, we were unable to determine whether any adjustments were necessary to the total identifiable net liabilities of USD88,754 and goodwill of USD838,034 as disclosed in note 31 and the effect of the consolidated balances on the Statement of Financial Position and Statement of Profit or Loss and Comprehensive Income or Loss, as disclosed in note 41 to the consolidated financial statements.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report.

We are independent of the Group in accordance with the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements and our opinion on the separate financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of goodwill and intangibles assets with an indefinite useful life (Group)	
Under IFRSs, the Group is required to annually test for impairment of the amount of goodwill and intangibles assets with an indefinite useful life as disclosed in note 4 and 5 to the consolidated financial statements. This impairment test was significant to my audit because the balance of USD32.7 million (2017: USD 23.8 million) and USD10.4 million (2017: USD8.4million) as of 31 December 2018 is material to the consolidated financial statements. In addition, management's assessment process is complex and highly judgmental and is based on assumptions, specifically relating to the growth rate, operating margins, and discount rate, which are affected by expected future market or economic conditions.	Our audit included the testing of the impairment of goodwill and indefinite useful life intangible assets on the key assumptions made by the Directors. Our procedures included: • Analysing the future projected cash flows used in the models to determine whether they are reasonable and supportable given the current economic climate and expected future performance of the cash generating unit to which the goodwill relate; • Comparing the projected cash flows, including the assumptions relating to revenue growth rates and operating margins, against historical performance to test the reasonableness of the Directors' projections; and; • Evaluating the inputs used by the Directors in determining the discount rate against independent sources. We considered the goodwill and indefinite useful life intangible assets impairment assessment disclosures to be appropriate.

Key audit matter	How our audit addressed the key audit matter
Revenue (Group)	
The Group generated revenue amounting to USD44.5 million (2017: USD 11.9 million) as disclosed in note 20 to the consolidated financial statements, through the provision of hardware, software and continuous maintenance services over a variable period comprising both short and long-term periods. The recognition and measurement of the revenue is based on complex principles due to the varying terms and conditions, which increases the risk associated with the completeness and occurrence of revenue recognised. Furthermore the varying terms and conditions of the revenue recognition process involves making critical judgements relating to the recognition and measurement of the performance obligations, based on the unique terms and conditions of the services being provided.	Our audit work included the testing of revenue for completeness and occurrence, through the following procedures: • Performed walkthroughs of the material revenue classes of transactions and evaluated the design and implementation of controls in this area; • Reviewed the contractual agreements entered into over prolonged periods to verify the assumptions applied in determining performance obligations; • Selected a sample of contracts to test whether the measurement and recognition of the revenue generated for the period is recorded completely and occurred. We considered revenue disclosures to be appropriate.

Key audit matter	How our audit addressed the key audit matter
Allowance for expected credit losses	
The Group reflected USD14.2 million (2017: USD10.2 million) worth of trade and other receivables as disclosed in note 10 to the consolidated financial statements against which an allowance for expected credit losses of USD0.8 million (2017: USD0.06 million) has been recognised. The Group applied the "simplified approach" for trade receivables. Under the simplified approach the allowance combines the historic loss rate with forward looking assumptions which take managements view of the future of the customer, along with other factors into account. Our audit approach focused on these as they require significant management judgement in developing and implementing new accounting models to measure the expected credit losses (ECL).	We obtained an understanding of the relevant controls management had in place and newly implemented in relation to the adoption of the new standard and tested for implementation. The following procedures were performed specific to trade receivables: • We obtained an understanding of the Groups process for estimating the ECL; • We tested the application of any specific allowance for expected credit losses for customer; • We tested the calculation of the historic loss rate; • For forward looking assumptions for the Group, we held discussions with management and corroborated the assumptions using both internal and external information; • We tested the macroeconomic assumptions applied in the ECL model and verified these to external sources; and • Recalculated the loss rate for different buckets. We considered impairment loss against trade receivables disclosures to be appropriate.

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate, which we obtained prior to the date of this report and the Annual Report. Other information does not include the consolidated and separate financial statements and our auditor's report thereon. Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, cider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Mauritius Companies Act, 2001, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the group and / or Company or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and / or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any

significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 04 December 2015, we report that Nexia SAB&T has been the auditor of 4Sight Holdings Limited for 2 years.

Nexia SAB&T

Nexia SAB&T
Director: T.J. de Kock
119 Witch-Hazel Avenue, Highveld Technopark, Centurion
29 March 2019

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

Figures in US Dollar	Note(s)	Group 31 December 2018	Group 31 December 2017	Company 31 December 2018	Company 31 December 2017
Assets					
Non-Current Assets					
Property, plant and equipment	3	2 853 791	3 048 548		-
Goodwill	4	32 787 261	23 803 478		-
Intangible assets	5	13 348 700	10 487 844		-
Interest in subsidiaries	6	-	-	55 168 895	42 987 097
Investment in associates	7	202 994	-	-	-
Deferred tax	8	1 025 252	1 169 489	4 675	973
		50 217 998	**38 509 359**	**55 173 570**	**42 988 070**
Current Assets					
Inventories	9	80 291	144 862	-	-
Trade and other receivables	10	14 241 733	10 246 173	-	297 653
Loans to group companies	11	-		1 532 768	580 494
Contract assets	20	321 523	-	-	-
Other financial assets		20 132	24 940	-	-
Current tax receivable		230 822	73 564	-	-
Cash and cash equivalents	12	3 916 300	4 462 558	22 223	309 929
		18 810 801	**14 952 097**	**1 554 991**	**1 188 076**
Total Assets		**69 028 799**	**53 461 456**	**56 728 561**	**44 176 146**
Equity and Liabilities					
Equity					
Equity Attributable to Equity Holders of Parent					
Share capital	13	50 510 998	41 295 921	50 510 998	41 295 921
Reserves	14&15	(4 147 343)	(2 960 141)	-	-
Retained Income/ (accumulated loss)		735 330	1 832 044	(4 240 688)	(60 648)
		47 098 985	40 167 824	46 270 310	41 235 273
Non-controlling interest	16	(157 424)	(87 550)	-	-
		46 941 561	**40 080 274**	**46 270 310**	**41 235 273**
Liabilities					
Non-Current Liabilities					
Other financial liabilities	17	5 358 347	3 720 160	3 974 005	2 864 830
Deferred income	18	-	698 948	-	-
Contract liabilities	20	58 431	-	-	-
Deferred tax	8	134 010	147 934	-	-
		5 550 788	**4 567 042**	**3 974 005**	**2 864 830**
Current Liabilities					
Trade and other payables	19	6 904 671	5 460 147	57 441	76 043
Other financial liabilities	17	7 323 334	559 712	6 426 805	-
Deferred income	18	-	2 549 991	-	-
Contract liabilities	20	2 081 789	-	-	-
Bank overdraft	12	150 421	244 290	-	-
Current tax payable		76 235	-	-	-
		16 536 450	**8 814 140**	**6 484 246**	**76 043**
Total Liabilities		**22 087 238**	**13 381 182**	**10 458 251**	**2 940 873**
Total Equity and Liabilities		**69 028 799**	**53 461 456**	**56 728 561**	**44 176 146**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME / LOSS

FOR THE PERIOD ENDED 31 DECEMBER 2018

Figures in US Dollar	Note(s)	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017
Revenue	20	44 538 909	11 980 920	-	-
Cost of sales	21	(15 893 077)	(2 582 125)	-	-
Gross profit		**28 645 832**	**9 398 795**	**-**	**-**
Other income	22	3 464 518	69 195	3 302 061	10 458
Operating expenses		(31 703 326)	(7 114 045)	(6 970 496)	(42 901)
Operating profit (loss)	23	**407 024**	**2 353 945**	**(3 668 435)**	**(32 443)**
Investment income	24	89 585	21 713	-	-
Income from equity accounted investments		171 539	-	-	-
Finance costs	25	(718 408)	(63 596)	(515 307)	(29 178)
Profit (loss) before taxation		**(50 260)**	**2 312 062**	**(4 183 742)**	**(61 621)**
Taxation	26	(1 031 169)	(219 918)	3 702	973
Profit (loss) for the period		**(1 081 429)**	**2 092 144**	**(4 180 040)**	**(60 648)**
Other comprehensive income (loss):					
Items that may be reclassified to profit or loss:					
Exchange differences on translating foreign operations		(1 385 411)	256 982	-	-
Other comprehensive income (loss) for the period net of taxation	27	**(1 385 411)**	**256 982**	**-**	**-**
Total comprehensive income (loss) for the period		**(2 466 840)**	**2 349 126**	**(4 180 040)**	**(60 648)**
Profit (loss) attributable to:					
Owners of the parent		(1 235 356)	1 832 044	(4 180 040)	(60 648)
Non-controlling interest		153 927	260 100	-	-
		(1 081 429)	**2 092 144**	**(4 180 040)**	**(60 648)**
Total comprehensive income (loss) attributable to:					
Owners of the parent		(2 422 558)	2 089 026	(4 180 040)	(60 648)
Non-controlling interest		(44 282)	260 100	-	-
		(2 466 840)	**2 349 126**	**(4 180 040)**	**(60 648)**
Earnings per share					
Per share information in USD cents					
Basic (loss) / earnings per share (c)	28	(0.25)	0.51	-	-
Dilutive basic (loss) / earnings per share (c)	28	(0.16)	0.49	-	-

STATEMENT OF CHANGES IN EQUITY

Figures in US Dollar	Share capital	Listing expenses	Treasury shares	Total share capital	Foreign currency translation reserve	Non-distributable reserves	Total reserves	Retained Income/ (accumulated loss)	Total attributable to equity holders of the group / Company	Non-controlling interest	Total equity
Group											
Profit for the period	-	-	-	-		-	-	1 832 044	1 832 044	260 100	2 092 144
Other comprehensive income		-	-	-	256 982	-	256 982	-	256 982	-	256 982
Total comprehensive income for the period		**-**	**-**	**-**	**256 982**	**-**	**256 982**	**1 832 044**	**2 089 026**	**260 100**	**2 349 126**
Issue of shares	41 717 755	(421 834)	-	41 295 921	-	-	-	-	41 295 921	-	41 295 921
Acquisition of minority interest		-	-	-	-	(3 217 123)	(3 217 123)	-	(3 217 123)	(3 508 223)	(6 725 346)
Business combinations	-	-	-	-		-	-	-	-	3 160 573	3 160 573
Balance at 31 December 2017	**41 717 755**	**(421 834)**	**-**	**41 295 921**	**256 982**	**(3 217 123)**	**(2 960 141)**	**1 832 044**	**40 167 824**	**(87 550)**	**40 080 274**
Adjustment on initial application of IFRS 15, net of taxes				-			-	138 642	138 642		138 642
Restated balance at 1 January 2018	**41 717 755**	**(421 834)**	**-**	**41 295 921**	**256 982**	**(3 217 123)**	**(2 960 141)**	**1 970 686**	**40 306 466**	**(87 550)**	**40 218 916**
Profit (loss) for the period 2018		-	-	-	-		-	(1 235 356)	(1 235 356)	153 927	(1 081 429)
Other comprehensive loss	-	-	-		(1 187 202)	-	(1 187 202)	-	(1 187 202)	(198 209)	(1 385 411)
Total comprehensive loss for the period	**-**	**-**	**-**	**-**	**(1 187 202)**		**(1 187 202)**	**(1 235 356)**	**(2 422 558)**	**(44 282)**	**(2 466 840)**
Issue of shares	10 010 507	(41 862)	(753 568)	9 215 077			-		9 215 077		9 215 077
Acquisition of minority interest			-								
Business combinations	-	-	-				-		-	(4 577)	(4 577)
Dividend Paid										(21 015)	(21 015)
Balance at 31 December 2018	**51 728 262**	**(463 696)**	**(753 568)**	**50 510 998**	**(930 220)**	**(3 217 123)**	**(4 147 343)**	**735 330**	**47 098 985**	**(157 424)**	**46 941 561**
Note(s)	13	13	13	13	14	15				16	
Company											
Loss for the period 2018	-	-	-	-		-	-	(60 648)	(60 648)	-	(60 648)
Total comprehensive Loss for the period		**-**	**-**	**-**	**-**	**-**	**-**	**(60 648)**	**(60 648)**	**-**	**(60 648)**
Issue of shares	41 717 755	(421 834)		41 295 921	-	-	-	-	41 295 921	-	41 295 921
Balance at 31 December 2017	**41 717 755**	**(421 834)**		**41 295 921**	**-**	**-**	**-**	**(60 648)**	**41 235 273**	**-**	**41 235 273**
Loss for the period 2018	-	-	-	-		-	-	(4 180 040)	(4 180 040)		(4 180 040)
Total comprehensive Loss for the period		**-**	**-**	**-**	**-**	**-**	**-**	**(4 180 040)**	**(4 180 040)**	**-**	**(4 180 040)**
Issue of shares	10 010 507	(41 862)	(753 568)	9 215 077		-	-		9 215 077		9 215 077
Balance at 31 December 2018	**51 728 262**	**(463 696)**	**(753 568)**	**50 510 998**	**-**	**-**	**-**	**(4 240 688)**	**46 270 310**	**-**	**46 270 310**
Note(s)	13	13	13								

STATEMENT OF CASH FLOWS

Figures in US Dollar	Note(s)	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017
Cash flows from operating activities					
Cash used in operations	29	2 398 637	(2 071 979)	(142 008)	(254 053)
Investment income		89 585	21 713	-	-
Finance costs		(288 677)	(63 596)	-	(29 178)
Tax paid	30	(942 093)	(320 830)	-	-
Net cash from operating activities		**1 257 452**	**(2 434 692)**	**(142 008)**	**(283 231)**
Cash flows from investing activities					
Purchase of property, plant and equipment	3	(223 537)	(40 602)	-	-
Proceed on disposal of property, plant and equipment	3	66 903	31 581	-	-
Purchase of intangible assets	5	(1 558 108)	(780 423)	-	-
Business combinations	31	468 740	3 172 350	-	-
Acquisition of subsidiary investments	32	-	-	(74 218)	(2 835 649)
Loans advanced to group companies		-	-	(29 618)	(580 494)
Other financial assets received		-	4 010 022	-	-
Net cash from investing activities		**(1 246 002)**	**6 392 928**	**(103 836)**	**(3 416 143)**
Cash flows from financing activities					
Proceeds /(expenditure) on share issue		(41 862)	1 144 473	(41 862)	1 144 473
Dividends paid		(21 015)	-	-	-
Proceeds from other financial liabilities		1 016 165	4 347 977	-	2 864 830
Repayment of other financial liabilities		(442 445)	(1 990 471)	-	-
Acquisition of additional shares in subsidiary from non-controlling interest		-	(3 297 250)	-	-
Net cash from financing activities		**510 843**	**204 729**	**(41 862)**	**4 009 303**
Total cash movement for the period		**522 293**	**4 162 965**	**(287 706)**	**309 929**
Total cash at the beginning of the period		4 218 268	-	309 929	-
Effect of translation of foreign entities		(974 682)	55 303	-	-
Total cash at end of the period	12	**3 765 879**	**4 218 268**	**22 223**	**309 929**

ACCOUNTING POLICIES

1. CORPORATE INFORMATION

4Sight Holdings Limited is a public Company incorporated and domiciled in Mauritius. The Company was incorporated on 28 June 2017.

The consolidated and separate financial statements for the period ended 31 December 2018 were authorised for issue in accordance with a resolution of the Directors on 29 March 2019.

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below.

1.1 Basis of preparation

The consolidated and separate financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS"), International Financial Reporting Interpretations Committee ("IFRIC") interpretations and South African Institute of Chartered Accountants ("SAICA") Reporting guides issued and effective at the time of preparing these consolidated and separate financial statements, the Mauritian Companies Act and the JSE Limited Listing Requirements.

The consolidated and separate financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in US Dollars, which is the Company's functional currency.

1.2 Consolidation

Basis of consolidation

Where the Company has control over an investee, it is classified as a subsidiary.

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of the net assets of the subsidiary is recorded in equity, as a non-distributable reserve. Gains or losses on disposals to non-controlling interests are also recorded in equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for the non-controlling interest.

Consolidation procedures

Adjustments are made when necessary to the financial statements of subsidiaries to bring their accounting policies in line with those of the Group. All intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Any retained interest in the entity is remeasured at fair value.

Investments in subsidiaries in the separate financial statements

In the Company's separate annual financial statements, investments in subsidiaries are carried at cost less any accumulated impairment. The cost of an investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Company; plus
- any costs directly attributable to the purchase of the subsidiary.

Business combinations

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity that are recognised within equity.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are generally recognised at their fair value. Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. Non-controlling interests are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

1.3 Property, plant and equipment

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Group, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost. Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Group. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

Item	Depreciation method	Average useful life
Buildings	Straight line	30
Land	Straight line	Indefinite
Plant and equipment	Straight line	10
Furniture and fixtures	Straight line	6
Motor vehicles	Straight line	5
Office equipment	Straight line	5 - 6
IT equipment	Straight line	2 - 3
Lease hold improvement	Straight line	3-5

The residual value, useful life and depreciation method of each asset is reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.4 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. Goodwill is not amortised but is tested at least annually for impairment.

If goodwill is assessed to be impaired, that impairment is not subsequently reversed. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that are expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal. Goodwill arising on the acquisition of foreign entities is considered an asset of the foreign entity. In such cases the goodwill is translated to US Dollar at the end of each reporting period with the adjustment recognised in equity through to other comprehensive income.

1.5 Intangible assets

Intangible assets are initially recognised at cost. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for as a change in accounting estimate.

Intangible assets with an indefinite useful life are not amortised. Instead, they are tested for impairment annually and whenever there is an indication that the asset may be impaired. If the asset is subsequently assessed as having a finite life, it is tested for impairment and the remaining carrying amount is amortised over its useful life.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are accounted for on the same basis as intangible assets that are acquired separately.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Patents, trademarks and other rights	Indefinite
Computer software	18 - 36 months

1.6 Investment in Associates

Associates are those entities over which the Group has significant influence. In the separate Company financial statements, investments in associates are recognised initially at cost. Subsequently, the investments are measured at cost less any accumulated impairment, if any.

The Group's investments in associates are accounted for using the equity method of accounting. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

On acquisition of the investment in the associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired. When a Group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

1.7 Financial instruments

Financial instruments comprise loans receivable (Inter-group loans and other financial assets), trade and other receivables (excluding prepayments), cash and cash equivalents, trade and other payables (excluding indirect taxation payable), other financial liabilities and bank overdrafts.

Recognition

Financial assets and liabilities are recognised in the group's statement of financial position when the group becomes a party to the contractual provisions of the instruments.
Financial assets are classified as current if expected to be realised or settled within 12 months from the reporting date; if not, they are classified as non-current.
Financial liabilities are classified as non-current if the group has an unconditional right to defer payment for more than 12 months from the reporting date.

1.7 Financial instruments (continue)

Classification

The group classifies financial assets on initial recognition as measured at amortised cost as the group's business model and objective is to hold the financial asset in order to collect the contractual cash flow and the contractual terms allows for cash flows on specified dates for the payment of the principal amounts outstanding.

Financial assets	Classification in 2018 (IFRS9)	Classification in 2017 (IAS32)
Loans to group companies	Financial asset at amortised cost	Loans and receivables at amortised cost
Other financial assets	Financial asset at amortised cost	Loans and receivables at amortised cost
Trade and other receivables	Financial asset at amortised cost	Loans and receivables at amortised cost
Cash and cash equivalents	Financial asset at amortised cost	Loans and receivables at amortised cost

The financial liabilities are classified at amortised.

Financial liability	Classification in 2018 (IFRS9)	Classification in 2017 (IAS32)
Trade and other payables	Financial liability at amortised cost	Financial liability at amortised cost
Other financial liabilities	Financial liability at amortised cost	Financial liability at amortised cost
Bank overdraft	Financial liability at amortised cost	Financial liability at amortised cost

Measurement on Initial recognition

All financial assets and liabilities are initially measured at fair value, including transaction costs.
A trade receivable without a significant financing component is initially recognised at the transaction price.

Subsequent measurement

Financial assets held at amortised cost are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Foreign exchange gains and losses and impairments are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Financial liabilities are subsequently measured at amortised cost using the effective interest method

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.
Financial liabilities are derecognised when the obligations specified in the contracts are discharged, cancelled or expire. On derecognition of a financial asset/liability, any difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

Impairment of Financial Assets not carried at Fair value – IFRS 9

Under IFRS 9 the group calculates its allowance for credit losses as expected credit losses (ECLs) for financial assets measured at amortised cost and contract assets. ECLs are a probability weighted estimate of credit losses.

To calculate ECLs the group segments/groups trade receivables by customer type and ageing. The group applies the simplified approach to determine the ECL for trade receivables and contract assets. This results in calculating lifetime expected credit losses for trade receivables and contract assets. ECLs for trade receivables is calculated using a provision matrix.

Impairment of Financial Assets not carried at Fair value – IAS 32

At each reporting date the Group assessed all financial assets measured at amortised cost to determine whether there is any objective evidence of impairment, for example significant financial difficulties of the debtor, probability that the debtor will enter insolvency and default of payment, increase in the number of delayed payments in the portfolio past the average credit period of 90 days, as well as observable changes in national or local economic conditions correlate with default on receivables.

Significant financial assets are assessed individually. Those where there is no objective evidence of impairment are assessed for impairment again but on a collective basis Impairment losses are recognised in profit or loss. The amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial assets original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of the trade receivables where the carrying amount is reduced through the use of an allowance account. Where financial assets are impaired through the use of a allowance account, the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off, are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Fair value measurements for financial instruments not measured at fair value

Financial assets and financial liabilities at amortised cost – The carrying value of current receivables and liabilities measured at amortised cost approximates their fair value.
The fair values of the majority of the non-current liabilities measured at amortised cost are also not significantly different to their carrying values, due to the market related interest rate applied to the financing instrument.

1.8 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Current and deferred taxes are recognised as an income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.9 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset. This liability is not discounted.

1.8 Inventories

Inventories are measured at the lower of cost and net realisable value on the first-in-first-out basis.
Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

1.10 Impairment of non-financial assets

Frequency of testing

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication of impairment. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Goodwill and intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Calculating impairment

When an impairment calculation is performed, the recoverable amount is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

If there is an indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased, the recoverable amounts of those assets are estimated. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, provided that the increased carrying amount does not exceed the carrying amount that would have been determined had no previous impairment loss been recognised for the asset (or cash-generating unit). A reversal of an impairment loss is recognised immediately in profit or loss.

1.11 Share capital and equity

Ordinary shares are recognised at no par value and classified as 'share capital' in equity.

1.12 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.13 Other income

Other income is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided which are not part of the normal course of business, net of value added tax. Other income is recognised when the risk and rewards have been transferred.

1.14 Revenue (prior year)

Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

The Group's revenue consists of:
- Sale of goods through the sale of equipment
- Rendering of services through right of use of licences, installation and maintenance support services

The following specific criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all the risks and rewards have transferred.

Rendering of services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised by reference to the stage of completion of the transaction at the end of the reporting period.

1.15 Related parties

Related parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial and operational decisions. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, and this includes all Directors, both executive and non-executive, of the Group.

1.16 Borrowing costs

All borrowing costs are recognised as an expense in the period in which they are incurred.

1.17 Translation of foreign currencies

Functional and presentation currency

Items included in the consolidated financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates (functional currency).

The consolidated financial statements are presented in US Dollar which is the Group functional and presentation currency.

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in US Dollars, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous consolidated financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity.

When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in US Dollars by applying to the foreign currency amount the exchange rate between the US Dollar and the foreign currency at the date of the cash flow.

Investments in foreign subsidiaries

The results and financial position of a foreign operation is translated into the functional currency using the following procedures:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognised to other comprehensive income and accumulated as a separate component of equity.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially to other comprehensive income and accumulated in the translation reserve. They are recognised in profit or loss as a reclassification adjustment through other comprehensive income on disposal of net investment.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation.

The cash flows of a foreign subsidiary is translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

1.18 Earnings per share

The group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributed to ordinary shareholders and the weighted average number of ordinary shares outstanding.

1.19 Revenue contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The group recognises revenue when it transfers control over a product or services to a customer.

Significant Judgments

Our contracts with customers often include promises to transfer multiple products and services to a customer, for instance goods, software and support and maintenance. Determining whether products and services are considered distinct performance obligations that should be accounted for separately versus together may require significant judgment. When a software based service includes both on-premises software licenses and services and support, judgment is required to determine whether the software license is considered distinct and accounted for separately, or not distinct and accounted for together with the support and maintenance and recognized over time. Certain direct tariff solution software, depend on a significant level of integration, interdependency, and interrelation between the desktop applications and various other services, and are accounted for together as one performance obligation.

Judgment is required to determine the stand alone selling price in a integrated product offering where various distinct performance obligations exist.

Nature of significant revenue streams

The Group's revenue streams consists of the major products and services lines set out below, which includes a description of the principle activities from which the Group generates its revenue, significant judgments applied in assessing the timing of measurement of performance obligation and the transaction price allocated to performance obligations. These product and service lines are applied across all segments, including Telco and Media, Mining and manufacturing, and Platform.

- Major product lines over a point in time

Products and services	Nature, timing of satisfaction of performance obligations and significant payment terms
Software licence as a Service with Support and maintenance	Certain software licensing programs include on-premises licenses combined with continuous Software Support and Maintenance. Software licence as a service with support and maintenance conveys rights to use of the licenced software and upgrades released over the contract period and provides support, tools, and training to help customers deploy and use products more efficiently. Revenue allocated to software licence as a service with support and maintenance offered as a service over time, is generally recognised over the contract period as customers simultaneously consume and receive benefits from control over the software licence together with periodic support and maintenance services.
Consulting	Revenue related to consulting services over a period of time comprises mostly long term contractual agreements to delivery support and maintenance services on a periodic basis. Revenue from consulting services over a period of time is recognized over the contract period.

- Major product lines at a point in time

Products and services	Nature, timing of satisfaction of performance obligations and significant payment terms
Licences	Licenses for on-premises software provide the customer with a right to use the software as it exists when made available to the customer. Customers may purchase perpetual licenses or subscribe to licenses, which provide customers with the same functionality and differ mainly in the duration over which the customer benefits from the software. Revenue from distinct on-premises licenses is recognized upfront at the point in time when the software is made available to the customer.
Installation and implementation services	Revenue from installation and implementation services is recognised once the installation and implementation is complete, and the customer takes ownership of the product.
Consulting	Revenue related to consulting services comprises mostly specialised resources based on consumption. Revenue from consulting services is recognized as services are provided.
Support and maintenance	Revenue related to support and maintenance services comprises mostly support services or maintenance required on existing software. Revenue from support and maintenance services is recognized as ad-hoc services are provided and the necessary repairs, maintenance or equivalent services has been completed to the customer's satisfaction.
Physical goods	Revenue from physical goods is recognised at the point in time when ownership of the goods are transferred, and the customer takes control of the goods.
Revenue share	Revenue from revenue sharing is recognised as and when the gaming solutions is utilised by subscribers of a customers network. Revenue from revenue sharing is also recognised when cost savings is achieved by customers utilising our solutions.

Contract assets

Timing of revenue recognition may differ from the timing of invoicing to customers. We record a contract asset when rrevenue is recognised prior to invoicing.

Contract liabilities

Timing of revenue recognition may differ from the timing of invoicing to customers. We record a contract liability where the consideration relating to the revenue has been received prior to the performance obligation having been met.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. NEW STANDARDS AND INTERPRETATIONS

2.1 STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

The Group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Group's accounting periods beginning on or after 01 January 2019 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IFRS 16 Leases: IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. A lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognizes depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows.	01 January 2019	The Group had embarked on a project to consider the impact of the changes in the standard on the Group's financial statements. The project is still on-going as at the date of this report.

The Group expects to adopt all relevant standards and interpretations as and when they become effective.

2.2 CHANGE IN ACCOUNTING POLICIES

The group has adopted all new accounting standards that became effective in the current reporting period. The following standards had an impact on the group:
- IFRS 9 Financial Instruments (IFRS 9); and
- IFRS 15 Revenue from Contracts with Customers (IFRS 15).

The changes in accounting policies were applied in accordance with the modified retrospective approach.

2.3 ADOPTION OF IFRS9

IFRS 9 was issued by the IASB in July 2014 and is effective for accounting periods beginning on or after 1 January 2018. IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement and introduces new requirements for:

1) the classification, measurement and derecognition of financial assets and financial liabilities;
2) the impairment of financial assets and financial liabilities; and
3) general hedge accounting.

The Group has adopted the modified retrospective approach in applying IFRS 9 whereby no comparative figures are restated but instead, a cumulative catch-up adjustment is recognised, if necessary, in opening retained earnings.

Classification, measurement and derecognition

There has been no change in the classification of the Group's financial assets and financial liabilities.

Impairment model

IFRS 9 introduces an expected credit loss model as opposed to an incurred credit loss approach in recognising any impairment of financial assets. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The above change in accounting policy has not resulted in a material difference for the year ended 31 December 2018 by performing the 2018 provision calculation based on the IFRS 9 requirements and consequently the opening retained earnings has not been adjusted.

Impairment assessment

Before the adoption of IFRS 9 the group calculated the allowance for credit losses using the incurred loss model. Under the incurred loss model, the group assessed whether there was any objective evidence of impairment at the end of each reporting period. If such evidence existed the allowance for credit losses in respect of financial assets at amortised cost were calculated as the difference between the asset's carrying amount and its recoverable amount, being its present value of the estimated future cash flows discounted at the original EIR.

Under IFRS 9 the group calculates the allowance for credit losses based on ECLs for financial assets measured at amortised cost. The group applies the simplified approach to determine the ECL for trade receivables and contract assets. This results in calculating lifetime ECLs for trade receivables and contract assets. ECLs for trade receivables is mainly calculated using a provision matrix.

2.4 ADOPTION OF IFRS 15

The Group adopted the new standard of recognising revenue from contracts with customers, effective for years beginning 1 January 2018. This standard combines, enhances and replaces specific guidance on recognising revenue from contracts with customers with a single standard. IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled for transferring goods or services to a customer

It defines a new 5 step-model to recognise revenue from customer contracts, which requires:

- The identification of the contract with customers;
- Identify the performance obligation in the contract;
- Determining the transaction price;
- Allocating the transaction price to the performance obligation; and
- Recognising the revenue as the performance obligation has been met.

Effect of adopting IFRS 15

The group undertook a review of the main types of commercial arrangements used with customers under this model and has concluded that the application of IFRS 15 had the main following effects.

- The recognition of revenue from the sale of third-party licensed software over extended periods, has been aligned with the performance obligation towards the customers which allows for the revenue recognition at a point in time and not as a transfer of risk and reward over a period of time. The group has recognised revenue from these licenses at an earlier point in time and therefore revenue has increased and deferred revenue (which is now named contract liabilities) has decreased.
- Due to the Groups right to consideration from customers for services rendered which is conditioned and as a result certain trade receivables has been reclassified to contract assets.
- The Group has a continuing obligation to render services to customers of the Group for which consideration has already being received. This has resulted in deferred income being reclassified to contract liabilities.

The effect of the adoption of IFRS 15 is disclosed below:

Figures in US Dollars	At January 2018	Recognition of contract assets/ liabilities	Recognition of contract liabilities as revenue	Closing balance at 1 January 2018
Deferred income	(3 248 939)	3 248 939	-	-
Contract liabilities	-	(3 248 939)	660 559	(2 588 380)
Trade and other receivables	10 246 173	(23 619)	(468 001)	9 754 553
Contract assets	-	23 619	-	23 619
Deferred tax	1 025 252	-	(53 916)	971 336
Retained income	1 832 044	-	138 642	1 970 686

Transition to IFRS 15

The Group has adopted the modified retrospective approach in applying IFRS 15 whereby no comparative figures are restated but instead, a cumulative catch-up adjustment is recognised, if necessary, in opening retained earnings.

3. PROPERTY, PLANT AND EQUIPMENT

Group	2018			2017		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	153 423	(38 966)	114 457	62 755	(22 275)	40 480
IT equipment	622 956	(440 830)	182 126	470 907	(308 368)	162 539
Land and buildings	2 338 899	-	2 338 899	2 722 201	-	2 722 201
Motor vehicles	182 105	(121 394)	60 711	195 976	(103 031)	92 945
Office equipment	152 472	(45 854)	106 618	51 459	(28 851)	22 608
Plant and equipment	13 813	(8 197)	5 616	15 944	(8 169)	7 775
Lease hold improvement	59 518	(14 154)	45 364			
Total	**3 523 186**	**(669 395)**	**2 853 791**	**3 519 242**	**(470 694)**	**3 048 548**

Reconciliation of property, plant and equipment - Group - 2018

	Opening balance	Additions	Additions through business combinations	Disposals	Foreign exchange movements	Depreciation	Total
Furniture and fixtures	40 480	2 342	129 675	(35)	(30 199)	(27 806)	114 457
IT equipment	162 540	116 074	61 377	-	(25 403)	(132 462)	182 126
Land and buildings	2 722 201	-	-	-	(383 302)	-	2 338 899
Motor vehicles	92 945	32 135	16 689	(28 004)	(16 618)	(36 436)	60 711
Office equipment	22 608	71 032	53 304	(76)	(15 656)	(24 594)	106 618
Plant and equipment	7 775	11	1 081	(903)	(1 098)	(1 250)	5 616
Leasehold improvement	-	1 943	57 575	-	(9 952)	(4 202)	45 364
Total	**3 048 549**	**223 537**	**319 701**	**(29 018)**	**(482 228)**	**(226 750)**	**2 853 791**

Reconciliation of property, plant and equipment - Group - 2017

	Opening balance	Additions	Additions through business combinations	Disposals	Foreign exchange movements	Depreciation	Total
Land and buildings	-	-	2 542 963	-	179 238	-	2 722 201
Plant and equipment	-	-	9 343	-	571	(2 139)	7 775
Furniture and fixtures	-	10 155	29 683	-	4 754	(4 112)	40 480
Motor vehicles	-	-	108 179	-	12 950	(28 184)	92 945
Office equipment	-	-	26 796	-	1 859	(6 047)	22 608
IT equipment	-	30 449	196 965	(17 650)	8 273	(55 498)	162 539
	-	40 604	2 913 929	(17 650)	207 645	(95 980)	3 048 548

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

Figures in US Dollar	Note(s)	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

Property, plant and equipment encumbered as security

The following assets have been encumbered as security for the secured long-term borrowings.
Refer to note 17:

Buildings The building is secured under the Absa Bank Limited and Standard Bank of South Africa Limited loan.		2 035 235	2 368 773	-	-
Motor vehicles The motor vehicles are secured by various installment sales agreements.		80 685	8 759	-	-

Fair value of building

Fair value of the building carried at cost		2 363 697	2 751 596	-	-

Details of properties

Portion 1 of Erf 1781 Fourways

This property is secured over a mortgage bond with Standard Bank of South Limited.
Refer to note 17.

- Opening balance		2 202 091	-		
- On acquisition of subsidiary: 1 July 2017			2 057 099	-	-
- Foreign exchange movements		(310 068)	144 992	-	-
		1 892 023	**2 202 091**	**-**	**-**

Portion 3 of Erf 1781 Fourways

This property is secured over a mortgage bond with Standard Bank of South Limited.
Refer to note 17.

- Opening balance		34 244	-	-	
- On acquisition of subsidiary: 1 July 2017			31 989	-	-
- Foreign exchange movements		(4 822)	2 255	-	-
		29 422	**34 244**	**-**	**-**

Portion 228 of Stand 529 Jukskei Park Township

- Opening balance		353 428	-	-	
- On acquisition of subsidiary: 17 October 2017			330 157	-	-
- Foreign exchange movements		(49 765)	23 271	-	-
		303 663	**353 428**	**-**	**-**

Figures in US Dollar	Note(s)	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

Stand 1311 Alberton North

This property is secured over a mortgage bond with ABSA Bank Limited.
Refer to note 17.

- Opening balance		132 438	-	-	
- On acquisition of subsidiary: 17 October 2017			123 718	-	-
- Foreign exchange movements		(18 648)	8 720	-	-
		113 790	**132 438**	**-**	**-**

The current residual value of the land and buildings exceeded the cost and hence no depreciation charge was recognised for the current financial period. The residual values are reviewed annually.

The Group had no outstanding contractual commitments to acquire additional items of property, plant and equipment at the end of the respective reporting periods.

Registers with details of land and buildings are available for inspection by shareholders or their duly authorised representatives at the registered office of the Company and its respective subsidiaries.

4. GOODWILL

Group	2018			2017		
	Valuation	Accumulated impairment	Carrying value	Valuation	Accumulated impairment	Carrying value
Goodwill	39 538 495	(6 751 234)	32 787 261	23 803 478	-	23 803 478
Total	**39 538 495**	**(6 751 234)**	**32 787 261**	**23 803 478**	**-**	**23 803 478**

Reconciliation of goodwill - Group - 2018

	Opening balance	Additions through business combinations	Impairment	Total
Goodwill	23 803 478	15 735 017	(6 751 234)	32 787 261
Total	**23 803 478**	**15 735 017**	**(6 751 234)**	**32 787 261**

Reconciliation of goodwill assets - Group - 2017

	Opening balance	Additions through business combinations	Impairment	Total
Goodwill	-	23 803 478	-	23 803 478
Total	**-**	**23 803 478**	**-**	**23 803 478**

Reconciliation of goodwill per company - 2018

	Group	
Figures in US Dollars	December 2018	6 months ended 31 December 2017
Goodwill		
Age Technologies (Pty) Limited	-	5 913 200
BluESP Holdings (Pty) Limited	3 369 882	3 369 882
Digitata Limited	12 531 868	12 531 868
Digitata South Africa (Pty) Limited	1 988 528	1 988 528
Foursight Holdings (Pty) Limited	286 743	-
Casewise South Africa (Pty) Limited	1 369 189	-
Corporate Life Style Management (Pty) Limited	92 228	-
Fleek Consulting (Pty) Limited	1 888 954	-
Simulation Engineering Technologies (Pty) Limited	3 391 601	-
Strategix Application Solutions (Pty) Limited	220 863	-
AccTech Systems (Pty) Limited	5 690 961	-
Dynamics Africa Services (Pty) Limited	1 849 064	-
Combined Source Trading (Pty) Limited	107 380	-
Total	**32 787 261**	**23 803 478**

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination. For the purposes of goodwill impairment assessment, the CGUs are reflected below.

Age Technologies (Pty) Ltd

In 2017 4Sight Holdings Limited acquired a 100% interest in Age Technologies JHB (Pty) Ltd, a supplier of hardware components, with effect from date of listing. The transaction was a strategic purchase to acquire the hardware supply capabilities to complete the circle of a Group holistic information technology service provider in the mining and manufacturing sector.

BluESP Holdings (Pty) Ltd

In 2017 4Sight Holdings Limited acquired a 100% interest in BluESP Holdings (Pty) Ltd, a supplier of software development services and information technology, with effect from date of listing. The transaction was a strategic purchase to incorporate under a single Group, the software development and service rendering capabilities of a holistic information technology service provider in the mining and manufacturing sector.

Digitata Limited and its subsidiaries

In 2017 4Sight Holdings Limited acquired 100% of the issued share capital in Digitata Limited, a Mauritius based technology Group on 1 July 2017. The transaction was a strategic purchase to incorporate under a single Group, the software development and service rendering capabilities of a holistic Information Technology service provider. This included Digitata South Africa (Pty) Ltd, a subsidiary of Digitata Limited, which held goodwill of $1 988 528 acquired from various acquisitions performed by the company prior to acquisition by 4Sight Holdings Limited.

Simulation Engineering Technologies (Pty) Ltd ("SET")

SET is an independent consulting company that specialises in creating accurate discrete-event computer simulation models of complex systems in the mining, rail, logistics, manufacturing, and service industries. SET was established in 2004, and its senior staff have been in the simulation industry since 1995. SET has over 50 years of collective experience in conducting simulation studies in the aforementioned industries.SET's professional services include the application of various industrial engineering techniques and principles such as process simulation, production scheduling, warehouse slotting optimisation, capacity planning, operations improvement, systems optimisation, work studies, and training. SET is also a supplier of various simulation, scheduling, and optimisation software packages in Africa and the Middle East, with strategic partnerships across the globe.

Visualitics (Pty) Ltd ("Visualitics")

Visualitics is a company that offers change management services to international customers in the areas of business engineering, enterprise transformation, and re-engineering.

Corporate Lifestyle Management Proprietary Limited ("CLM"),

CLM is a company that focusses on healthcare analytics in the areas of risk models, data management, and healthcare models.

Casewise South Africa (Pty) Ltd ("Casewise")

Casewise specialises in enterprise architecture and enterprise data modelling and design – the cornerstones of enabling digitisation of physical assets. These data management tools form the basic design and deployment tools of analysing, constructing, and deploying data in Industry 4.0 applications.

AccTech Systems (Pty) Ltd ("AccTech") & Dynamics Africa Services (Pty) Ltd ("Dynamics")

AccTech has been servicing the private and government sectors on enterprise resource planning (ERP) products since 1994, with over 1 200 customers and 35 600 users locally and internationally (80% of them in RSA). AccTech has offices in 15 African cities and 300 staff (180 in the Pretoria head office), all within Africa's reach. The main products and services include business software (ERP), business process management (BPM), human resource management (HRM), business intelligence (BI), implementation services, software development, and system support. These products and services are delivered to customers in various industries such as finance, mining, manufacturing, distribution, logistics, property management, state-owned organisations, not-for-profits, and retail. Of the users, 12 000 are on AccTech's own BPM solution, 12 000 are on Sage ERP products, 5 000 are on third-party products, and 6 600 users are on human capital and customer relations management (CRM) solutions from Sage and Microsoft. Dynamics Africa has been appointed by Microsoft as an Indirect cloud solutions provider (CSP) for the Middle East, Central Europe, and Africa regions. The CSP program allows for the distribution of Microsoft's range of cloud applications, including Office 365, Dynamics Africa 365, and Microsoft Azure to its dedicated partners across the globe.

Strategix Applications Systems (Pty) ("STRATEGIX')

STRATEGIX is a software development company that has digitised SHEQ solutions, integrated management systems, integrated business continuity management systems, and occupational health and wellness management solutions, as well as integrated environmental sustainability systems.

Onesource Africa (Pty) Ltd ("Onesource Africa")

OneSource Africa supplies governance, risk and compliance (GRC) services to a range of local and international companies. Its business model is not just based on traditional consulting services, but also includes outsourced services related to a range of business management services. Its ability to innovate, implement, and deliver using technology forms the basis of the rationale for its acquisition. With the suite of GRC software, together with the deep subject knowledge and implementation skills within OneSource Africa, it will lay the foundation for 4Sight's mission to enable people to make decisions in the digital economy; and key to that is the digital transformation brought about by cloud technologies.

Annual impairment assessment

The recoverable amounts of the cash generating units ("CGUs") related to goodwill are determined from value in use calculations, which are higher than the fair value less cost to sell. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period.

Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on historical and industry growth forecasts. Changes in selling prices and direct costs are based on historical information and expectations of future changes in the market.

Cash flow forecasts are derived from the most recent financial budgets of each CGU approved by management. The cash flows are forecast for the following five years based on an estimated and very conservative growth rate of between 8% to 11% (2017: 8% to 10%).
This rate does not exceed the average long-term growth rate for the relevant markets. A pre-tax discount rate of between 17.5% to 21% (2017: 18% to 20%) was used for the value in use calculations after the impact of the industry related risk, specific to each CGU.

The following other key assumptions were included in the financial budgets to determine the future cash flows:

- Maintaining the budgeted levels of overheads; and
- Growth of new business and enterprise development funding through the capital raising and acquisition synergies.

Impairment of goodwill

The above impairments assessments has resulted in the impairment of two separate CGU's. These CGU's are AGE Technologies JHB (Pty) Ltd and Visualitics (Pty) Ltd which was impaired by $5 913 200 & $ 838 044 respectively. The main assumptions applied which resulted in the respective impairment was:

AGE Technologies JHB (Pty) Ltd was as a result of not achieving profitability for the last 2 periods and future cash flow forecasts indicating that future earn outs are not expected to be achieved.

Due to the legal dispute as disclosed in note 41, the Group has decided to discontinue the operations related to Visualitics (Pty) Ltd which resulted in the impairment of the goodwill as no future expected cash flows will be generated from this CGU.

5. INTANGIBLE ASSETS

Group		2018			2017	
	Cost	Accumulated Amortisation	Carrying value	Cost	Accumulated Amortisation	Carrying value
Computer software	12 797 857	(9 857 022)	2 940 835	11 167 408	(9 061 110)	2 106 298
Patents and trademarks	10 407 865	-	10 407 865	8 381 546	-	8 381 546
Total	**23 205 722**	**(9 857 022)**	**13 348 700**	**19 548 954**	**(9 061 110)**	**10 487 844**

Reconciliation of intangible assets - Group - 2018

	Opening balance	Additions	Additions through business combinations	Foreign exchange movements	Amortisation	Total
Computer software	2 106 298	1 558 108	28 739	(39 569)	(712 740)	2 940 835
Patents and trademarks	8 381 546	-	2 026 319	-	-	10 407 865
Total	**10 487 844**	**1 558 108**	**2 055 058**	**(39 569)**	**(712 740)**	**13 348 700**

Reconciliation of intangible assets - Group - 2017

	Opening balance	Additions	Additions through business combinations	Foreign	Amortisation exchange movements	Total
Computer software	-	780 464	1 743 735	19 437	(437 338)	2 106 298
Patents and trademarks	-	-	8 381 546	-	-	8 381 546
Total	**-**	**780 464**	**10 125 281**	**19 437**	**(437 338)**	**10 487 844**

Pledged as security

Carrying value of intangible assets pledged as security (Refer to note 17)				
Computer Software purchased	42 212	71 029	-	-

Intangible assets with indefinite lives:

Patents and trademarks	10 407 863	8 381 546	-	-

Indefinite life intangible assets consist of patents and trademarks acquired through business combinations. The recoverable amounts of cash generating units ("CGUs") related to indefinite useful life intangible assets are consistent with those disclosed under note 4 - Goodwill as these assets relates to the same CGU. Accordingly the assumptions disclosed under note 4 applies to these assets.

The intangible assets acquired in Digitata Limited & AccTech Systems (Pty) Ltd relate to patents and trademarks is considered an intangible asset with an indefinite useful life, based on all relevant factors considered, there is no foreseeable limit to the period over which the assets is expected to generate net cash flows.

6. INTERESTS IN SUBSIDIARIES

The following table lists the entities which are controlled directly by the Company, and the carrying amounts of the investments in the Company's separate financial statements.

Company Total *				**55 168 895**	**42 987 097**
Name of company Figures in US Dollar	Held by	Country	% holding	Carrying amount 2018	Carrying amount 2017
Digitata Limited	4Sight Holdings Limited *	Mauritius	100.00 %	33 000 000	33 000 000
AGE Technologies JHB (Pty) Limited	4Sight Holdings Limited *	South Africa	100.00 %	-	5 851 664
BluESP Holdings (Pty) Limited	4Sight Holdings Limited *	South Africa	100.00 %	3 407 597	3 407 597
BluESP (Pty) Ltd	4Sight Holdings Limited *	South Africa	18.00 %	727 836	727 836
BluESP (Pty) Ltd	BluESP Holdings (Pty) Ltd	South Africa	82.00 %	542 768	542 768
Digitata Insights Limited	Digitata Limited	Mauritius	72.53 %	145	145
Digitata South Africa (Pty) Ltd	Digitata Limited	South Africa	100.00 %	10 338 103	10 338 103
Digitata Latin America Incorporated	Digitata Limited	Panama	100.00 %	10 000	10 000
Digitata (Seychelles) Ltd	Digitata Limited	Seychelles	95.00 %	19	19
Adansonia SEA SDN. BHD.	Digitata Limited	Malaysia	95.00 %	-	-
Transaction Path Limited	Digitata Limited	Mauritius	100.00 %	-	-
Battler Investments (Pty) Ltd	Digitata South Africa (Pty) Ltd	South Africa	100.00 %	2 435 575	2 435 575
Digitata Networks (Pty) Ltd	Digitata South Africa (Pty) Ltd	South Africa	70.69 %	2 000 000	2 000 00
Rorotika Mobile (Pty) Ltd	Digitata South Africa (Pty) Ltd	South Africa	100.00 %	28	28
Glovent Solutions (Pty) Ltd	Digitata South Africa (Pty) Ltd	South Africa	73.00 %	1 652 580	1 652 580
GloInt Limited	Digitata Limited	Mauritius	63.27 %	63	63
Foursight Holdings (Pty) Ltd	4Sight Holdings Limited *	South Africa	100%	18 033 462	-
Casewise South Africa (Pty) Ltd	Foursight Holdings (Pty) Ltd	South Africa	100%	1 427 521	
Visualitics (Pty) Ltd	Foursight Holdings (Pty) Ltd	South Africa	100%		
Corporate Life Style Management (Pty) Ltd	Foursight Holdings (Pty) Ltd	South Africa	51%	89 563	
Fleek Consulting (Pty) Ltd	Foursight Holdings (Pty) Ltd	South Africa	87%	1 801 111	
Simulation Engineering Technologies (Pty) Ltd	Foursight Holdings (Pty) Ltd	South Africa	70%	3 603 450	
Strategix Application Solutions (Pty) Ltd	Foursight Holdings (Pty) Ltd	South Africa	51%	178 444	
AccTech Systems (Pty) Ltd	Foursight Holdings (Pty) Ltd	South Africa	100%	8 427 022	
Dynamics Africa Services (Pty) Ltd	Foursight Holdings (Pty) Ltd	South Africa	100%	106 755	
XWES (Pty) Limited	Foursight Holdings (Pty) Ltd	South Africa	100%	-	
Combined Source Trading (Pty) Ltd	Foursight Holdings (Pty) Ltd	South Africa	100%	113 863	

Subsidiaries pledged as security

At 31 December 2018 and up to the date of the report none of the subsidiaries have been pledged as security.

Restrictions relating to subsidiaries

There are no significant restrictions to the Group in respect of the ability to access assets & liabilities of the subsidiaries.

Impairment of investments

During the period the investments in AGE Technologies JHB (Pty) Ltd and Visualitics (Pty) Ltd was impaired by $5 851 664 & $ 643 774 respectively. The assumptions applied in these impairments are considered to be in line with those applied in note 4.

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

7. INVESTMENT IN ASSOCIATES

Carrying amount of investments in associates

Digitata Networks Americas LLC	194 925	-	-	-
Aggregated of associates that are not individually material	8 069	-	-	-
	202 994	**-**	**-**	**-**

Opening balance	-	-	-	-
Cost of investments in associates	31 259	-	-	-
Share of comprehensive income / (loss)	171 539	-	-	-
Foreign exchange and other movements	196	-	-	-
Total	**202 994**	**-**	**-**	**-**

	Effective holdings 2018	Effective holdings 2017
Digitata Networks Americas LLC	49%	-
4Sight Holdings South Africa Proprietary Limited	49%	-
Sirbie Proprietary Limited	50%	-

Summarised aggregated financial information of Digitata Networks Americas LLC:

Current assets	195 425
Current liabilities	121 851
Revenue	1 225 707
Profit from operations	795 611
Total comprehensive income	397 805
Groups share of total comprehensive income	**194 925**

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

8. DEFERRED TAX

Deferred tax liability

Temporary differences on property, plant and equipment	(15 544)	-	-	-
Other deferred tax liability	(1 743)	(22 472)	-	-
Contract assets	(79 642)	-	-	-
Prepayments	(37 081)	(125 462)	-	-
Total deferred tax liability	**(134 010)**	**(147 934)**	**-**	**-**

Deferred tax asset

Leave Accrual	166 796	103 043	-	-
Other deferred tax asset	75 984	45 928	-	-
Tax losses available for set off against future taxable income	640 409	660 718	4 675	973
Allowance for credit losses	42 659			
Contract liabilities/income received in advance	99 404	359 800	-	-
Total deferred tax asset, net of valuation allowance recognised	**1 025 252**	**1 169 489**	**4 675**	**973**

Deferred tax liability	(134 010)	(147 934)	-	-
Deferred tax asset	1 025 252	1 169 489	4 675	973
Total net deferred tax asset	**891 242**	**1 021 555**	**4 675**	**973**

Reconciliation of deferred tax asset / (liability)

Opening Balance	1 021 555	-	973	-
Tax loss available for set off against future taxable income	(20 309)	660 718	3 702	973
Originating deductible temporary difference allowance for credit losses	42 659	-	-	-
Originating deductible temporary difference on leave accrual	63 753	103 043	-	-
Originating deductible temporary difference on contract liabilities/income received in advance	(260 396)	359 800	-	-
Originating deductible temporary difference on property, plant and equipment	(15 544)	-	-	-
Originating deductible temporary difference on contract assets	(79 642)	-	-	-
(Taxable) temporary difference on prepayments	88 381	(125 462)	-	-
Other temporary differences	50 785	23 456	-	
	891 242	**1 021 555**	**4 675**	**973**

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

Recognition of deferred tax asset

The Group recognises the net tax benefit relating to deferred income tax assets arising from future deductible temporary differences and past income tax losses. The deferred income tax asset is recognised to the extent it is probable that taxable income will be available from forecast profits to realise the future tax saving. (Refer to note 26 - Taxation, for additional information regarding the estimated tax losses).

The expectation of future profits is based on the continued improvement in the Group's operating results arising from the acquisition initiatives implemented, synergies and cost reduction strategies and the continuation of the Group's capitalisation project. The main objective of the initiative is to ensure the Group's profitability and sustainability.

9. INVENTORIES

Work in progress	-	62 673	-	-
Finished goods	80 291	82 189	-	-
	80 291	**144 862**	**-**	**-**

Inventory pledged as security

No inventory was pledged as security to third parties.

10. TRADE AND OTHER RECEIVABLES

Trade receivables	13 417 884	8 532 560	-	-
Prepayments and deferred expenses	317 787	1 228 166	-	-
Deposits	327 999	90 025	-	-
VAT	31 981	34 763	-	-
Accrued revenue	-	23 619	-	-
Other receivables	146 082	337 040	-	297 653
	14 241 733	**10 246 173**	**-**	**297 653**

Trade receivables past due but not impaired - 2018

Trade Receivables is subject to an expected credit loss approach in recognising any impairments. The ageing of trade receivables with the allowance for credit loss is provided below:

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

Groups	**Current**	**30 days**	**60 days**	**90 days**	**120+ days**	**Total**
Gross trade receivables	9 650 659	1 475 850	518 394	354 062	2 259 796	14 258 761
Allowance for credit loss	(546 324)	-	-	-	(294 553)	(840 877)
	9 104 335	**1 475 850**	**518 394**	**354 062**	**1 965 243**	**13 417 884**

Trade receivables past due but not impaired - 2017

Trade receivables which are less than 3 months past due are not considered to be impaired. The ageing of amounts past due and its related allowance for bad debts is provided below:

Groups	**Current**	**30 days**	**60 days**	**90 days**	**120+ days**	**Total**
Gross trade receivables	6 132 264	1 359 834	148 478	69 224	891 558	8 601 358
Allowance for bad debts	-	-	-	-	(68 798)	(68 798)
	6 132 264	**1 359 834**	**148 478**	**69 224**	**822 760**	**8 532 560**

Currencies

The gross carrying amount of trade receivables are denominated in the following currencies:

Mauritian Rupee	-	1 554	-	-
Namibian Dollar	-	1 259	-	-
South African Rand	5 360 752	1 944 411	-	-
Euro	37 582	41 501	-	-
Australian Dollar	2 903	56 025	-	-
Canadian Dollar	29 711	-	-	-
United States Dollar	7 986 936	6 487 810	-	-
	13 417 884	**8 532 560**	**-**	**-**

11. LOANS TO GROUP COMPANIES

Subsidiaries

Digitata Limited The loan is unsecured, interest free and has no definite date of repayment.	-	-	1 532 768	580 494

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Cash on hand	18 341	22 102	-	-
Bank balances	3 897 959	4 440 456	22 223	309 929
Bank overdraft	(150 421)	(244 290)	-	-
	3 765 879	**4 218 268**	**22 223**	**309 929**
Current assets	3 916 300	4 462 558	22 223	309 929
Current liabilities	(150 421)	(244 290)		-
	3 765 879	**4 218 268**	**22 223**	**309 929**

13. SHARE CAPITAL

Authorised

The Company has unlimited authorised shares capital in line with the Mauritian Companies Act

The Company was incorporated on 28 June 2017 with 1 000 shares. The remaining shares were issued during the period as below:

Reconciliation of number of shares issued:

Opening balance	418 106 476		418 106 476	
On incorporation		41 150 000		41 150 000
Issue of shares – ordinary shares	84 843 038	243 271 630	84 843 038	243 271 630
Issue of shares to Directors – ordinary shares		99 784 846		99 784 846
Issue of shares to acquire subsidiaries		24 800 000		24 800 000
Issue of shares to acquire subsidiaries - capital raise		9 100 000		9 100 000
Treasury shares	(5 460 000)		(5 460 000)	
	497 489 514	**418 106 476**	**497 489 514**	**418 106 476**

Issued

Opening Balance	41 295 921		41 295 921	
418 106 476 Ordinary shares of no par value		41 717 755		41 717 755
84 843 038 Issue of shares	10 010 507		10 010 507	0
5 460 000 Treasury shares	(753 568)		(753 568)	
Share issue costs written off against share capital	(41 862)	(421 834)	(41 862)	(421 834)
	50 510 998	**41 295 921**	**50 510 998**	**41 295 921**

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

14. FOREIGN CURRENCY TRANSLATION RESERVE (FCTR)

The FCTR comprises all foreign currency differences arising from the translation of the financial statements of foreign operations into the Group's reporting currency, US Dollar.

Opening Balance	256 982			
FCTR recognised in other comprehensive income for the year	(1 187 202)	256 982		
Foreign currency translation reserve (FCTR)	(930 220)	256 982	-	-

15. OTHER NON-DISTRIBUTABLE RESERVES (NDR)

The other NDR relates to equity adjustments in the trading of shares in a subsidiary where control has not been lost. The adjustment relates to the acquisition of the remaining minority shares held in the subsidiary, Digitata South Africa (Pty) Ltd.

Opening Balance	(3 217 123)	-	-	-
Purchase consideration paid for minority interest	-	(6 725 346)	-	-
Fair value of minority interest acquired	-	3 508 223	-	-
Non-distributable reserve	**(3 217 123)**	**(3 217 123)**	**-**	**-**

16. NON-CONTROLLING INTEREST

Group

Opening balance	(87 550)	-	-	-
Non-controlling interest recognised in other comprehensive income	(44 282)	260 100	-	-
Business combination (Refer to note 31)	(4 577)	3 160 573	-	-
Dividend Paid	(21 015)			
Acquisition of non-controlling interest		(3 508 223)	-	-
Non-controlling interest	**(157 424)**	**(87 550)**	**-**	**-**

Simulation Engineering Technologies (Pty) Limited declared a dividend of $70 049.
No other subsidiary with non-controlling interest paid a dividend.

The table below summarises the non-controlling interest as at 31 December 2018.

Non-controlling interest		
Glovent Solutions (Pty) Limited	26.30%	26.30%
GloInt Limited	36.73%	36.73%
Digitata Insights Limited	27.47%	27.47%
Digitata (Seychelles) Limited	5.00%	5.00%
Adansonia SEA SDN.BHD.	5.00%	5.00%
Digitata Networks (Pty) Limited	29.31%	29.31%
Corporate Life Style Management (Pty) Limited	49.00%	
Fleek Consulting (Pty) Limited	13.00%	
Simulation Engineering Simulation (Pty) Limited	30.00%	
Strategix Application Systems (Pty) Limited	49.00%	

12 Months Ended 31 December 2018

The following table summarises the changes in the Company's ownership interest as a result of the acquisitions and disposal during the period:

	Opening balance	Share of comprehensive profit/loss for the period	At acquisition equity interest	Movement for the year	Dividend paid	Total
Glovent Solutions (Pty) Limited	(24 693)	(56 889)		(56 889)	-	(81 582)
GloInt Limited	(19 363)	(23 665)		(23 665)	-	(43 028)
Digitata Insights Limited	(99 321)	(52 900)		(52 900)	-	(152 221)
Digitata Networks (Pty) Limited	55 827	43 956		43 956	-	99 783
Adansonia SEA SDN BHD	-	176		176	-	176
Corporate Life Style Management (Pty) Limited	-	3 437	17 303	20 740	-	20 740
Fleek Consulting (Pty) Limited	-	1 473	13 126	14 599	-	14 599
Simulation Engineering Technologies (Pty) Limited	-	53 836	(90 793)	(36 957)	(21 015)	(57 972)
Strategix Application Systems (Pty) Limited	-	(13 707)	55 787	42 080	-	42 080
	(87 550)	**(44 283)**	**(4 577)**	**(48 860)**	**(21 015)**	**(157 425)**

None of the minority interests are considered material requiring further disclosure in accordance with IFRS 12 para 12 as at year end.

6 Months ended 31 December 2017

The following table summarises the changes in the Company's ownership interest as a result of the acquisitions and disposal during the period:

	Glovent Solutions (Pty) Ltd	Digitata Networks (Pty) Ltd	Digitata Insights Ltd	Digitata South Africa (Pty) Ltd
Share of comprehensive profit /(loss) for the period	(24 693)	226 616	63 574	10 272
At acquisition equity and reserves	(78 242)	(506 948)	(162 895)	3 889 632
Subtotal	(102 935)	(280 332)	(99 321)	3 899 904
Purchase of minority interest	78 242	336 159	-	(3 899 904)
	(24 693)	**55 827**	**(99 321)**	**-**

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

	Rorotika Mobile	Batler Investments	GloInt Ltd	Total
Share of comprehensive profit /(loss) for the period	4 496	(802)	(19 363)	260 100
At acquisition equity and reserves	(7 071)	26 097	-	3 160 573
Subtotal	(2 575)	25 295	(19 363)	3 420 673
Purchase of minority interest	2 575	(25 295)	-	(3 508 223)
	-	**-**	**(19 363)**	**(87 550)**

17. OTHER FINANCIAL LIABILITIES

Held at amortised cost

	Group 2018	Group 2017	Company 2018	Company 2017
ABSA Bank Limited This amount relates to borrowing agreements over motor vehicles. The monthly repayment is $5 276 and the interest rate charged is 9.5% per annum. (Refer to note 3).	25 202	123 481	-	-
ABSA Bank Limited The loan is secured by a mortgage over buildings. The rate of interest is 10.25% per annum and the monthly installment is $3 373. The last installment will be paid in August 2025. (Refer to note 3).	173 218	218 894	-	-
Standard Bank of South Africa Limited The loan is secured by a mortgage over buildings. The rate of interest is 10.25% (2017-9.75%) per annum and the monthly installment is $16 714. The last installment will be paid in July 2028. (Refer to note 3).	1 214 733	501 890	-	-
Instalment sale agreement comprise: Instalment sale liability from Wesbank payable over 2-3 years at an interest rate of 11.10% to 11.15% payable in monthly installments of $ 1 309. (Refer to note 3) IEMAS instalment sale liability payable over a period of 5 years at an interest rate of 10.25% payable in monthly instalments of $672. (Refer to note 3)	54 518	-	-	-
Randburg Control Solutions (Pty) Ltd The loan is secured by computer software. The loan will be repaid in 4 annual payments commencing in May 2018. The annual repayment in years 1 and 2 will be $9 163 while in year 3 and 4, the repayment will be $22 637. No interest is levied in year 1 and 2, while the rate of interest in years 3 and 4 will be the prime rate. (Refer to note 5).	53 678	77 639	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017
Blue Sparrow Trust The loan is unsecured, interest free and has no definite date of repayment.	156 668	200 000	-	-
N.L. Jackson The loan is unsecured, interest free and has no definite date of repayment.	117 727	212 747	-	-
M.A. Powell The loan is unsecured, interest free and has no definite date of repayment.	62 793	76 158	-	-
Digitata Investment Trust The loan is unsecured, interest free and has no definite date of repayment.	209 427	4 233	-	-
Strategix Applications Solutions The loan is unsecured, interest free and has no definite date of repayment.	195 919	-	-	-
Other loans	16 988	-	-	-
Deferred vendor liability The amount due to vendors represents the balance of the purchase consideration owing in respect of various acquisitions as indicated above. The liability is settled through the issue of shares on achievement of profit warranties. Deferred vendor payments are recognised when there is a reasonable expectation that the predetermined profit warranties will be achieved. No payments have occurred in the current period. Refer below for further disclosure.	10 400 810	2 864 830	10 400 810	2 864 830
	12 681 681	**4 279 872**	**10 400 810**	**2 864 830**
Non-current liabilities				
At amortised cost	5 358 347	3 720 160	3 974 005	2 864 830
Current liabilities				
At amortised cost	7 323 334	559 712	6 426 805	-
	12 681 681	**4 279 872**	**10 400 810**	**2 864 830**

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017
Reconciliation of the deferred vendor liability				
Acquisition of subsidiaries at nominal value	10 758 738	3 233 906	10 758 738	3 233 906
Net unearned finance charges	(357 928)	(369 076)	(357 928)	(369 076)
Balance at end of year	**10 400 810**	**2 864 830**	**10 400 810**	**2 864 830**
Deferred vendor liabilities will be settled as follows:				
Through the issue of shares	10 758 738	1 956 514	10 758 738	1 956 514
Through distribution of cash resources	-	1 277 392	-	1 277 392
Net unearned finance charges	(357 928)	(369 076)	(357 928)	(369 076)
Present value of purchase consideration	**10 400 810**	**2 864 830**	**10 400 810**	**2 864 830**

Settlement dates for the Acquisition is as follows:	**Shares**	**Cash**	**Total**
31 March 2019	6 426 805	-	6 426 805
31 March 2020	3 974 005	-	3 974 005
	10 400 810	**-**	**10 400 810**

The carrying amounts of financial liabilities at amortised cost are denominate in the following currencies:

South African Rand	12 315 586	4 075 639	-	-
United States Dollar	365 825	204 233	-	-

18. DEFERRED INCOME

Deferred revenue represents advance billing to customers in accordance with contractual agreements, which relates to installation and maintenance services in future financial periods. In accordance with the Groups revenue recognition policies, revenue is recognised on the transfer or risk and reward basis, taking into account fees earned in future financial periods, thus resulting in the revenue being deferred in the statement of financial position.

Non-current liabilities	-	698 948	-	-
Current liabilities	-	2 549 991	-	-
	-	**3 248 939**	**-**	**-**

19. TRADE AND OTHER PAYABLES

Trade payables	3 386 645	3 483 258	14 849	17 823
Value Added Tax	355 875	33 801	-	-
Accrued leave pay	697 766	552 611	-	-
Accrued bonus	-	304 606	-	-
Accrued expenses	1 790 536	523 473	42 592	58 220
Payroll accruals	673 849	562 398	-	-
	6 904 671	**5 460 147**	**57 441**	**76 043**

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017
The carrying amounts of trade payables are denominated in the following currencies:				
Mauritian Rupee	5 002	13 585	2 470	
South African Rand	2 328 765	1 504 679	10 999	16 203
Euro	5 735	1 392 159	-	
United States Dollar	1 047 143	572 835	1 380	1 620
	3 368 645	**3 483 258**	**14 849**	**17 823**

20. REVENUE

Sale of goods	5 315 019	1 038 697	-	-
Licensing and associated services	39 223 890	10 942 223	-	-
	44 538 909	**11 980 920**	**-**	**-**

The group assess disaggregated revenue based on the nature, timing and uncertainty of revenue and cash flows due to economic factors. The group considered the main economic factors which affected the nature, timing and uncertainty of revenue and cash flows to include geographical markets and the point in time of major product lines. The disaggregation of revenue has been disclosed below.

Disaggregation of revenue - Group

	Reportable segments			
For the year ended 31 December in USD	TelcoMedia 2018	MMEC 2018	Platform 2018	Total reportable segments 2018
Primary external geographical markets				
South Africa	4 971 161	7 533 766	13 182 869	25 687 796
Rest of Africa	5 026 829	1 892 375	2 474 933	9 394 137
Americas	993 064	125 731	91 588	1 210 383
Europe Middle East and Australasia	7 527 532	402 806	316 255	8 246 593
Total external revenue	**18 518 586**	**9 954 678**	**16 065 645**	**44 538 909**

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017
Major products/service items				
Licences	7 046 480	3 058 461	1 837 714	11 942 655
Software as a Service	4 770 914	9 407	5 152 893	9 933 215
Consulting	514 965	346 335	7 124 666	7 985 966
Support and Maintenance	3 174 918	239 066	1 253 489	4 667 473
Physical goods	136 807	4 944 714	233 498	5 315 019
Revenue share	1 899 687	1 010 895	366 991	3 277 572
Other revenue	974 815	345 800	96 394	1 417 009
Total external revenue	**18 518 586**	**9 954 678**	**16 065 645**	**44 538 909**
Major products/service items - over a point in time				
Licences	-	-	-	-
Software as a Service	97 917	-	-	97 917
Consulting	-	116 317	-	116 317
Support and Maintenance	233 926	-	-	233 926
Physical goods	-	-	-	-
Revenue share	-	-	-	-
Other revenue	-	-	-	-
Total	**331 843**	**116 317**	**-**	**448 160**
Major products/service items - in a point in time				
Licences	7 046 480	3 058 461	1 837 714	11 942 655
Software as a Service	4 672 997	9 407	5 152 893	9 835 297
Consulting	514 965	230 018	7 124 666	7 869 649
Support and Maintenance	2 940 992	239 066	1 253 489	4 433 547
Physical goods	136 807	4 944 714	233 498	5 315 019
Revenue share	1 899 687	1 010 895	366 991	3 277 573
Other revenue	974 815	345 800	96 394	1 417 009
Total	**18 186 743**	**9 838 361**	**16 065 645**	**44 090 749**

Revenue recognised in relation to contract liabilities.

The following table shows how much of the revenue recognised in the current reporting period relates to carried forward contract liabilities and how much relates to performance obligations that were satisfied previously.

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 12 months ended 31 December 2017
Revenue recognised that was included in the contract liability balance at the beginning of the period – 1 January 2018	3 248 939	-
Recognition of contract liabilities as revenue and associated cost, directly in retained income	(660 559)	-
Closing Balance at 1 January 2018	2 588 380	-
Movements for the period	(418 160)	
Closing balance for the period	2 140 220	

Unsatisfied performance obligations.

Aggregate amount of transaction price allocated to unsatisfied performance obligation	2 140 220	-
Unsatisfied contracts to be recognised during the next reporting period	2 081 789	-
Unsatisfied contracts to be recognised longer than 1 financial year	58 431	-

Management expects that 97% of the transaction price allocated to the unsatisfied contracts as of 31 December 2018 will be recognised as revenue during the next reporting period (USD 2 081 789). The remaining 3% (USD 58 431). will be recognised in the 2020 financial year. For contracts with a term of one year or less, the transaction price is not disclosed above as allowed by IFRS 15.

Assets and liabilities related to contracts with customers

The group has recognised the following assets and liabilities related to contracts with customers:

Contract assets	321 523	-
Non-Current assets	-	
Current assets	321 523	
Contract Liabilities	2 140 220	-
Non-current liabilities	58 431	
Current liabilities	2 081 789	

Significant changes in contract assets and liabilities

Contract assets have increased due to an increase in USD 321 523 included as part of postpaid contracts. The group have considered a loss allowance for contract assets following the adoption of IFRS 9.

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

21. COST OF SALES

Sale of goods	3 638 722	574 637		
Licensing and associated services	8 389 013	2 007 488		
Software as a service	2 270 832			
Commissions	1 304 900			
Travel and other cost of sales	757 611			
Adjustment on initial application of IFRS 15	(468 001)	-		
	15 893 077	**2 582 125**	**-**	**-**

22. OTHER INCOME

Management fees	-	46 222	351 656	10 458
SDL Levy	-	6 050	-	-
Other income	36 297	2 992	-	-
Profit on disposal of fixed assets	39 849	13 931	-	-
Derecognition of deferred vendor liability	2 950 405	-	2 950 405	
Foreign exchange gains	437 967	-	-	
	3 464 518	**69 195**	**3 302 061**	**10 458**

23. OPERATING PROFIT (LOSS)

Operating profit (loss) for the period is stated after charging (crediting) the following, amongst others:

Auditor's remuneration - external

Audit fees	117 990	33 000	22 191	8 000

Remuneration, other than to employees

Consulting services	717 167	363 675	-	21 059

Employee costs

Salaries	19 434 451	4 787 731	327 525	-
Non-executive Director remuneration	40 400	10 800	40 400	10 800
Total employee costs	**19 474 851**	**4 798 531**	**362 925**	**10 800**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – CONTINUED

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

24. INVESTMENT INCOME

Interest income

Bank	89 585	21 713	-	-

25. FINANCE COSTS

Bank overdraft	22 163	3 074		-
Other financial liabilities	180 938			
Other financial liabilities liabilities - Deferred Vendor Liabilities (non-cash)	515 307	60 522	515 307	29 178
Total finance costs	**718 408**	**63 596**	**515 307**	**29 178**

26. TAXATION

Major components of the tax expense (income)

Current

Local income tax - current period	654 464	11 689		
Foreign income tax or withholding tax - recognised in current tax for prior periods	255 401	235 577		
	909 865	**247 266**	**-**	**-**

Deferred

Originating and reversing temporary differences	175 220	(27 348)	(3 702)	(973)
Adjustment on initial application of IFRS 15	(53 916)			
	121 304	**(27 348)**	**(3 702)**	**(973)**

Reconciliation of the tax expense

Reconciliation between applicable tax rate and average effective tax rate.

Applicable tax rate	15.00%	15.00 %	15.00%	15.00 %
Exempt income	908.05%	(1.30)%	11.00%	- %
Lower foreign tax rates	(207.34)%	(4.23)%	0.00%	(12.00)%
Disallowable charges	(2 563.81)%	0.40 %	(26.00)%	- %
Withholding tax charge in the current period	(508.16)%	-%	-%	-%
Additional allowance on development	304.59%			
	(2 051.67)%	**9.87%**	**0.00%**	**3.00%**

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

27. OTHER COMPREHENSIVE INCOME

Components of other comprehensive income - Group - 2018

	Gross	Tax	Net
Items that may be reclassified to profit (loss)			
Exchange differences on translating foreign operations			
Exchange differences arising during the year	(1 428 253)	42 842	(1 385 411)

Components of other comprehensive income - Group - 2017

	Gross	Tax	Net
Items that may be reclassified to profit (loss)			
Exchange differences on translating foreign operations			
Exchange differences arising during the year	264 929	(7 947)	256 982

28. EARNINGS PER SHARE

Earnings per share

Earnings per share is based on the weighted average number of ordinary shares in issue. Dilutive shares comprise 275 843 928 potential ordinary shares relating to the deferred vendor considerations payable on all business combinations and treasury shares.

Basic and Dilutive earnings

Total (loss) / profit for the period (excluding other comprehensive income)	(1 081 429)	2 092 144
Profit attributable to non-controlling interest	(153 927)	(260 100)
Net (loss)/profit attributable to ordinary shareholders	**(1 235 356)**	**1 832 044**

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

Weighted Average Number of Shares in Issue

Weighted average number of shares in issue for the period	486 807 063	360 695 468		
Dilutive Shares	275 843 929	14 235 294		
Weighted average dilutive number of shares in issue for the period	**762 650 992**	**374 930 762**		
Basic earnings per share (cents)	(0.25)	0.51		
Dilutive earnings per share (cents)	(0.16)	0.49		

Headline earnings per share

Headline earnings per share (HEPS) is calculated using the weighted average number of ordinary shares in issue during the period and is based on the earnings attributable to ordinary shareholders, after excluding those items as required by Circular 04/2018 issued by the South African Institute of Chartered Accountants (SAICA).

Headline earnings - 2018

	Gross	Tax effect	Nett
Basic/ dilutive earnings attributable to ordinary shareholders	(245 408)	(989 948)	(1 235 356)
Disposal of property, plant and equipment	(39 849)	11 158	(28 691)
Goodwill impairment	6 751 234	-	6 751 234
	6 465 977	**(978 790)**	**5 487 187**

Headline earnings - 2017

	Gross	Tax effect	Nett
Basic/ dilutive earnings attributable to ordinary shareholders	2 024 621	(192 577)	1 832 044
Disposal of property, plant and equipment	(13 931)	2 090	(11 841)
	2 010 690	**(190 487)**	**1 820 203**

Headline earnings per share (cents)	1.13	0.50	-	-
Dilutive headline earnings per share (cents)	0.72	0.49	-	-

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

29. CASH USED IN OPERATIONS

Profit (loss) before taxation	(50 260)	2 312 062	(4 183 742)	(61 621)
Adjustments for:				
Depreciation and amortisation	939 490	533 318	-	-
Gains on disposals of property, plant and equipment	(39 849)	(13 931)	-	-
Interest income	(89 585)	(21 713)	-	-
Finance costs	718 408	63 596	515 307	29 178
Profit from associates	(171 539)	-	-	-
Impairment of goodwill	6 751 234	-	-	-
Impairment of investment of subsidiary	-	-	6 495 437	-
Derecognition of deferred vendor liability	(2 950 405)	-	(2 950 405)	-
Changes in working capital:				
Inventories	64 571	76 119	-	-
Trade and other receivables	(747 892)	(3 748 022)	-	(297 653)
Trade and other payables	(916 817)	(247 304)	(18 605)	76 043
Deferred income	(1 108 719)	(1 026 104)	-	-
	2 398 637	**(2 071 979)**	**(142 008)**	**(254 053)**

30. TAX PAID

Current tax for the period recognised in profit or loss	(787 506)	(247 266)	-	-
Balance at end of the period	(154 587)	(73 564)	-	-
	(942 093)	**(320 830)**	**-**	**-**

31. BUSINESS COMBINATIONS

During the period under review, the Company has concluded a number of acquisitions in its targeted Industry 4.0 strategy, as follows:

- **Foursight Holdings Proprietary Limited ("Foursight")** for a purchase consideration of USD0.3 million effective from 1 January 2018;
- **Casewise South Africa Proprietary Limited ("Casewise")** for a purchase consideration of USD1.4 million effective from 1 January 2018;
- **Fleek Technologies Holdings Proprietary Limited ("Fleek")** for a purchase consideration of USD1.8 million. It now forms part of the Telco/Property/Media segment effective from 1 January 2018;
- **Visualitics Proprietary Limited ("VLS")** for a purchase consideration of USD0.8 million effective from 1 January 2018;

- **Corporate Lifestyle Management Holdings Proprietary Limited ("CLM")** for a purchase consideration of USD0.07 million effective from 1 January 2018;
- **Simulation Engineering Technologies Proprietary Limited ("SET")** for a purchase consideration of USD3.6 million, of which USD2.2 million remains subject to the achievement of a profit warranty within the next year effective from 1 April 2018
- **AccTech Systems Proprietary Limited ("AccTech")** for a purchase consideration of USD8.4 million, of which USD6.3 million remains subject to the achievement of profit warranties in the next two years from 1 April 2018;
- **Dynamics Africa Services Proprietary Limited ("Dynamics Africa")** for a purchase consideration of USD2.1 million, of which USD1.6 million remains subject to the achievement of profit warranties in the next two years from 1 April 2018;
- **Strategix Applications Solutions Proprietary Limited ("SAS")** for a purchase consideration of USD0.2 million. The remainder of the consideration to be determined based on net profit after tax, multiplied by a price earnings of 8, divided by 3, over the next three years, less the original consideration already paid from 1 April 2018;
- **Combined Source Trading Proprietary Limited (Trading as One Source Africa) - ("OSA")** for a purchase consideration of USD0.1 million. The remainder of the consideration to be determined based on net profit after tax, multiplied by a price earnings of 6, divided by 3, over the next three years, less the original consideration already paid from 1 April 2018 as a subsidiary;
- **Xwes Proprietary Limited T/A Ntsika ICT Security ("Ntsika")** for a purchase consideration to be determined based on net profit after tax, multiplied by a price earnings of 6, divided by 3, over the next three years from 1 April 2018.

For the acquisitions of Foursight, Casewise, Fleek, VLS, CLM, a fairness opinion was obtained. For SET, AccTech, Dynamics Africa, SAS, OSA and Ntsika the value of the companies is subject to earnout.

The ZAR-based investments were accounted for fair value of consideration payable

The aggregate business combinations are disclosed below:

Figures in US Dollar	Casewise	Fleek	VLS	SET
Property, plant and equipment	608	32 705	124 199	76 044
Intangible assets and goodwill	19 277	9 462	-	-
Other financial assets	3 086	25 285	643 644	577 633
Deferred tax asset	-	23 486	19 805	-
Trade and other receivables	21 657	137 299	-	310 884
Inventory	-	-	-	-
Cash and cash equivalents	61 919	93 267	9 325	44 757
Other financial liabilities	(8 564)	(227 594)	(852 474)	(706 676)
Deferred income	-	-	-	-
Bank overdraft	-	-	-	-
Trade and other payables	(39 651)	(194 879)	(33 253)	-
Total identifiable net assets /(liabilities)	**58 332**	**(100 969)**	**(88 754)**	**302 642**
Non-controlling interest	-	13 126	-	(90 793)
Goodwill	1 369 189	1 888 954	838 034	3 391 601
Purchase consideration	**1 427 521**	**1 801 111**	**749 280**	**3 603 450**

Figures in US Dollar	AccTech	DAS	Other immaterial Acquisitions	Total
Property, plant and equipment	70 088	2 245	13 812	319 701
Intangible assets	2 026 319	-	-	2 055 058
Other financial assets	169 474	155 994	865 911	2 441 027
Deferred tax asset	-	-	50 411	93 702
Trade and other receivables	2 034 127	603 166	70 367	3 177 500
Cash and cash equivalents	114 086	147 930	2 911	474 195
Other financial liabilities	(1 031 742)	(16 252)	(1 123 220)	(3 966 522)
Deferred income	-	-	(424)	(424)
Bank overdraft	-	-	(5 455)	(5 455)
Trade and other payables	(646 292)	(635 392)	(18 303)	(1 567 770)
Total identifiable net assets /(liabilities)	**2 736 060**	**257 691**	**(143 990)**	**3 021 012**
Non-controlling interest	-	-	73 090	(4 577)
Goodwill	5 690 961	1 849 064	707 214	15 735 017
Purchase consideration	**8 427 021**	**2 106 755**	**636 314**	**18 751 452**

The contribution to the trading results of the acquired businesses has been accounted from the effective date of the business combination. In determining the purchase consideration paid, the profit history of the relevant business and its growth prospects in the group are considered. The fair value of shares issued as part of the purchase price was determined based on the share price at the effective date.

There were no disposals during the period under review.

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

32. ACQUISITION OF SUBSIDIARY INVESTMENTS

Investment in subsidiaries acquired

Consideration paid

Cash			(74 218)	(2 835 649)
Equity - 323 900 001 ordinary shares in 4Sight Holdings Limited				(40 151 448)
Equity - 84 843 038 ordinary shares in 4Sight Holdings Limited			(10 010 507)	
	-	**-**	**(10 084 725)**	**(42 987 097)**
Net cash outflow on acquisition	-	-	-	-
Cash consideration paid			(74 218)	(2 835 649)

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017

33. COMMITMENTS

Operating leases – as lessee (expense)

Minimum lease payments due

- within one year	277 579	37 328		-
- in second to fifth year inclusive	831 777	37 328		-
	1 109 356	**74 656**		**-**

Operating lease payments represent rentals payable by the Group for certain of its office properties. Leases are negotiated for an average term of three years and rentals are fixed for an average of three years. No contingent rent is payable.

34. CONTINGENCIES

As at year end, there was no litigation pending against the Company or its subsidiaries, which is expected to have a material impact on the results of the Group. The Group has the following ongoing litigation matters:

- The Group has a legal dispute with one of its former Non-Executive Directors, who previously served as a Director and contractor with various companies within the Group.
- The Group has a legal dispute with A.C.J. Van Rensburg, (the previous CEO). The Group has impaired its investment in VLS which was acquired as a related party from the previous CEO.
- The Group has entered into arbitration proceedings against a customer in order to enforce payment in terms of a contract for licenses. An expected credit loss has been provided for against this customer.

The above matters is not expected to have a material impact on the results of the Group going forward.

35. RELATED PARTIES

Relationships	
Subsidiaries	Refer to note 6
Shareholder with significant influence	Digitata Investment Trust
Entity related to Conal Keith Lewer-Allen (Non-executive Director)	Blue Sparrow Trust and Nine Ants AB
Director of subsidiary	N.L. Jackson, M.A. Powell , A.I. Odendaal
Directors emoluments	Refer to note 36
Direct and Indirect interest in Digitata Limited and Digitata South Africa (Pty) Ltd	M.P. Neethling and C.K. Lewer-Allen

Figures in US Dollar	Group 12 months ended 31 December 2018	Group 6 months ended 31 December 2017	Company 12 months ended 31 December 2018	Company 6 months ended 31 December 2017
Related party balances				
Digitata Limited				
Loan accounts - Owing (to) by related parties			1 532 768	580 494
Glovent Investment Holdings (Pty) Ltd				
Other financial assets	20 132	24 940	-	-
Digitata Investment Trust				
Other financial liabilities	(209 427)	(4 233)	-	-
Blue Sparrow Trust				
Other financial liabilities	(156 668)	(200 000)	-	-
Strategix Business Solutions (Pty) Ltd				
Other financial liabilities	(195 919)	-	-	-
M.A. Powell				
Other financial liabilities	(62 793)	(76 158)	-	-
N.L. Jackson				
Other financial liabilities	(117 727)	(212 747)	-	-
Related party transactions				
BluESP (Pty) Ltd				
Consulting fees paid by related parties	-	-	-	1 837
BluESP Holdings (Pty) Ltd				
Consulting fees paid by related parties	-	-	-	8 622
Nine Ants AB				
Consulting and professional fees	-	106 339	-	-
Digitata Limited				
Management fees paid by related parties	-	-	351 656	-

Rental paid to Directors - BPACS - (A company related to AVR Van Rensburg ZAR 192 000
- Double Peak Properties 41 (Company related to TE Zitzke, ML Zitzke and MG Swanepoel ZAR 2 594 100
- SETEC Software - A company related to J Botha ZAR 160 000

Effective 1 January 2018, the 4Sight Group acquired the entire issued share capital and loan account claims of the Foursight South Africa Group ("Foursight").

Foursight was originally created as a public holding Company in 2016 to acquire Industry 4.0 technology companies operating in digitisation implementation, data science, data management, process mining, dashboard technology, enterprise architecture and customer relationship management solution areas, and ultimately listing on the JSE. Initial founders were also secured to fund the initial acquisition and listing strategy.

This process was put on hold when Foursight approached Digitata Limited ("Digitata") to join the Group and, following a request from Digitata, a Mauritian holding company was established for the listing, namely 4Sight Holdings Limited.

Foursight had concluded the acquisition of the following companies:

- 100% of Casewise, which sellers are unrelated to 4Sight Holdings;
- 100% of Visualitics, a company associated with A.C.J. Van Rensburg, a former Director of 4Sight Holdings; and
- 87% of Fleek, a company associated with G.P. Lauryssen, a Director of 4Sight Holdings.

Of the total consideration settled by way of the issue of 36 941 800 shares, associates of A.C.J. Van Rensburg and G.P. Lauryssen received 7 751 000 shares and 6 027 896 shares, respectively.

36. DIRECTORS' EMOLUMENTS

Executive

2018

	Emoluments	Other benefits*	Total
M.P. Neethling	172 656	17 400	190 056
J. Hattingh	149 658	42 000	191 658
G.P Lauryssen	162 000		162 000
Prof A.C.J van Rensburg	195 221		195 221
	679 535	**59 400**	**738 935**

* Other benefits comprise housing and school allowances.

2017

	Emoluments	Other benefits*	Total
M.P. Neethling	84 474	9 000	93 474
J. Hattingh	73 218	21 000	94 218
	157 692	**30 000**	**187 692**

* Other benefits comprise housing and school allowances.

Non-executive

2018

	Directors' fees	Committees fees	Total
Dr R. Sithanen	13 000	4 100	17 100
G.L. Carter	13 000	5 100	18 100
C.K. Lewer-Allen	4 000	1 200	5 200
	30 000	**10 400**	**40 400**

2017

	Directors' fees	Committees fees	Total
Dr R. Sithanen	3 000	600	3 600
G.L. Carter	3 000	600	3 600
C.K. Lewer-Allen	3 000	600	3 600
	9 000	**1 800**	**10 800**

37. FINANCIAL ASSETS BY CATEGORY

The financial assets by category approximates its fair value.
The accounting policies for financial instruments have been applied to the line items below:

Group - 2018

	Financial assets at amortised costs	Total
Other financial assets	20 132	20 132
Trade and other receivables	13 891 965	13 891 965
Cash and cash equivalents	3 897 959	3 897 959
	17 810 056	**17 810 056**

Group - 2017

	Loans and receivables	Total
Other financial assets	24 940	24 940
Trade and other receivables	9 128 106	9 128 106
Cash and cash equivalents	4 440 456	4 440 456
	13 593 502	**13 593 502**

Company - 2018

	Financial assets at amortised costs	Total
Loans to group companies	1 532 768	1 532 768
Cash and cash equivalents	22 223	22 223
	1 554 991	**1 554 991**

Company - 2017

	Loans and receivables	Total
Loans to group companies	580 494	580 494
Trade and other receivables	297 653	297 653
Cash and cash equivalents	309 929	309 929
	1 188 076	**1 188 076**

38. FINANCIAL LIABILITIES BY CATEGORY

The financial liabilities by category approximates its fair value.
The accounting policies for financial instruments have been applied to the line items below:

Group - 2018

	Financial liabilities at amortised cost	Total
Other financial liabilities	12 681 681	12 681 681
Trade and other payables	5 874 949	5 874 949
Bank overdraft	150 421	150 421
	18 707 051	**18 707 051**

Group - 2017

	Financial liabilities at amortised cost	Total
Other financial liabilities	4 279 872	4 279 872
Trade and other payables	4 393 701	4 393 701
Bank overdraft	244 290	244 290
	8 917 863	**8 917 863**

Company - 2018

	Financial liabilities at amortised cost	Total
Other financial liabilities	10 400 810	10 400 810
Trade and other payables	57 441	57 441
	10 458 251	**10 458 251**

Company - 2017

	Financial liabilities at amortised cost	Total
Other financial liabilities	2 864 830	2 864 830
Trade and other payables	76 043	76 043
	2 940 873	**2 940 873**

39. RISK MANAGEMENT

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The group does not have a significant concentrations of credit risk in respect of cash balances as all major banks are used for the group's treasury services.

There are no externally imposed capital requirements.

Financial risk management

As this is the second year of incorporation, the Group has endeavoured to develop and documented financial risk management policies in line with those set out by the acquired subsidiaries. The overall Group risk management policies is continuously reviewed and developed. These policies set out the group's overall business strategies and its risk management philosophy. The Group's overall financial risk management programme seeks to minimise potential adverse effects of financial performance of the Group. The Board of Directors provides written principles for overall financial risk management and written policies covering specific areas, such as market risk (including foreign exchange risk, interest rate risk), credit risk, liquidity risk, cash flow interest rate risk and investing excess cash. Such written policies are reviewed annually by the Board of Directors and periodic reviews are undertaken to ensure that the Group's policy guidelines are complied with. The Group considered all current financial assets and liabilities carrying value to approximate its fair values due to its short term nature. Non-current financial assets and liabilities are issued at country specific market related rates and therefore all non-current financial assets and liabilities approximate its fair values, unless otherwise disclosed in this note.

The Group does not use derivative financial instruments to manage its exposure to interest rate and foreign currency risk.

Market risk exposures are measured using sensitivity analysis indicated below.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet is current and future obligations, both expected and unexpected, without materially affecting its daily operations or overall financial position. The Group manages liquidity risk through an ongoing review of future commitments and credit facilities. Cash flow forecasts are prepared and adequate utilised borrowing facilities are monitored.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Group

At 31 December 2018	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
Other financial liabilities	7 545 296	4 793 248	1 443 610
Trade and other payables	5 874 949	-	-
Bank overdraft	150 421	-	-

At 31 December 2017	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
Other financial liabilities	559 712	2 035 747	1 684 413
Trade and other payables	4 393 701	-	-
Bank overdraft	244 290	-	-

Company

At 31 December 2018	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
Other financial liabilities	6 511 801	4 240 990	-
Trade and other payables	57 438	-	-

At 31 December 2017	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years
Other financial liabilities	-	1 616 953	1 247 877
Trade and other payables	76 043	-	-

Interest rate risk

Interest rate risk consists of fair value interest rate risk (the risk that the fair values of a financial instrument fluctuate because of changes in the market interest rate) and cash flow interest rate risk (the risk that the cash flows fluctuate because of changes in the market interest rate). The Group is exposed to both cash flow and fair value interest rate risk. The Group manages its fair value interest rate risk through pricing in the anticipated future interest rate movements.

Management's expectation for the 2018 financial period is that South African based interest rates will decrease by 100 basis points. A decrease of 25 basis points in interest rates at the reporting date, with reference to the period end exposures, would have increased/(decreased) equity and profit or loss by the annualised amounts shown below. The analysis assumes that all other variables remain constant.

At 31 December 2018, management does not expect the interest rate linked to US Dollar-denominated borrowings to fluctuate over the foreseeable future, and as such has not disclosed a sensitivity analysis in this regard.

At 31 December 2018, if interest rates on South African Rand-denominated borrowings had been 0.25% lower with all other variables held constant, post-tax profit for the period would have been $19 979 more (2017: $3 508).

Cash flow interest rate risk

Financial instrument	Group 2018 Current interest rate	Group 2018 Due in less than a year	Group 2017 Current interest rate	Group 2017 Due in less than a year
Other financial assets [South African Rand denominated]	10.00%	20 132	10.25%	24 940
Bank balances	1.25% to 4.25%	3 897 959	1.5% to 4.5%	4 440 456
Bank overdraft	10.00%	(150 421)	10.25%	(244 290)
Other financial liabilities [South African Rand denominated]	0%-11.15%	2 280 871	0% to 10.25%	(844 265)

Fair value interest rate risk

Financial instrument	Group 2018 Current interest rate	Group 2018 Due in one to two years	Group 2017 Current interest rate	Group 2017 Due in one to two years
Other financial liabilities [South African Rand denominated]	5.59 %	10 400 810	5.59 %	2 864 830

Credit Risk

Credit risk is the risk that the Group's clients or counterparties will not be able or willing to pay interest, repay capital or otherwise fulfil their contractual obligations under loan agreements or other credit facilities. It also arises on bank balances. The credit risk management policy is determined and approved on a group basis for each operating segment.

Credit risk consists mainly of cash deposits, cash equivalents and trade debtors. The Group limits its exposure to credit risk relating to cash deposits and cash equivalents by depositing cash only with major banks with high quality credit standing.

Trade receivables comprise a widespread customer base. Management evaluated credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

The Group has implemented the procedures below for avoiding excessive concentration of credit risk included in the trade and other receivables:

- Maintaining a wider vendor customer base;
- Continually looking for opportunities to expand the client base and product offering base;
- Reviewing the debtor book regularly with the intention of minimising the group's exposure to bad debts;

Expected credit loss risk

The group has the following financial assets subject to the ECL model:

- Trade receivables;
- Loans from group companies;
- Other financial assets;
- Contract assets; and
- Cash and cash equivalents.

Included in loans from group companies are amounts receivable from related parties to which the group has applied the general impairment model. The group has considered the financial performance, external debt and future cash flows of the related parties and concluded that the credit risk relating to these receivables are limited and consequently the probability of default relating to these balances are low, with no historic credit loss identified.

Simplified parameter-based approach – ECL is calculated using a formula incorporating the following parameters: Exposure at Default (EAD), Probability of Default (PD), Loss Given Default (LGD) discounted using the Effective Interest Rate (EIR) (i.e. PD x LGD x EAD = ECL). Exposures are mainly segmented by customer type and macro-economic factors. The probability of a customer defaulting as well as the realised loss with defaulted accounts has been determined using historical data (12 months and 48 months respectively). The EIR represents a weighted average rate which is representative of the portfolio of customers and incorporates a risk-free rate plus a risk premium on initial recognition of the trade receivables.

The group has considered quantitative forward looking information such as inflation rate, country risk premium, political risk premium and macro-economic factors. Qualitative assessments
has also been performed, of which the impact was found to be immaterial.

The carrying values of the trade and other receivables and cash and cash equivalents comprise the group's maximum exposure to credit risk. Financial assets exposed to credit risk at the period end date were as follows:

Financial instrument	Group 2018	Company 2018	Group 2017	Company 2017
Trade and other receivables	13 891 965	-	9 128 106	297 653
Other financial assets	20 132	-	24 940	-
Bank balances	3 897 959	22 223	4 440 456	309 929
Loans to group companies	-	1 532 768	-	580 494

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to, and actively manages, currency risk through its operations in South Africa, Latin America, and Namibia.

The group does not hedge foreign exchange fluctuations.

Management's expectation for the 2019 financial period is that short term fluctuations in exchange rates will be experienced and that the expectation for exchange rates over the 12 months to 31 December 2018 is that the Rand will continue its slow strengthening. A 10% strengthening of the Rand against the currencies below at the period end date, with reference to the period end exposures, would have increased equity by the amounts shown below. The analysis assumes that all other variables remain constant.

At 31 December 2018, if the currency had strengthened/weakened by 10% against the South African Rand with all other variables held constant, post-tax comprehensive income for the year would have been $210 395 (2017: 130 433) higher/lower, mainly as a result of foreign exchange gains or losses on translation of South African Rand denominated operations.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective Group entities' functional currency has been disclosed in the individual notes.

Foreign currency exposure at the end of the reporting period

Exchange rates used for conversion of foreign items were:

	2018	2017
Mauritian Rupee/US Dollar	34 41	33.71
South African Rand/US Dollar	14.40	12.37

40. GOING CONCERN

The Directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated financial statements have been prepared on a going concern basis. The Directors have satisfied themselves that the Group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Directors are not aware of any new material changes that may adversely impact the Group. The Directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group.

41. EVENTS AFTER THE REPORTING PERIOD

4Sight South Africa is black empowered

4Sight South Africa Proprietary Limited, formerly Rorotika Mobile Proprietary Limited; which is 51% black owned; is currently in negotiations to acquire certain companies to expand its operational strategy in South Africa.

Acquisition of AccTech Namibia

The acquisition of AccTech Namibia was signed in March 2019 and is still subject to conditions precedent. This acquisition will expand the Group's operations in the Southern African region.

Discontinuation of Visualitics

Following the legal dispute with one of its former Executive Director and subsequent to year-end a strategic decision has been made to discontinue its operations relating to Visualitics and with certain of its related entities. As a result, the operations disclosed at 31 December 2018 as indicated below, will be phased out in the 2019 financial year:

Components included in the consolidated financial statements	**Balance as at 31 December 2018**
Property plant and equipment	89 427
Deferred tax asset	48 613
Inventory	12 443
Trade and other receivables	59 805
Cash and cash equivalents	7 937
Trade and other payables	(180 223)
Carrying Value	**38 002**
Revenue	275 205
Cost of sales	(188 297)
Gross profit	**86 908**
Other income	1 276
Operating expenses	(591 182)
Operating loss	**(502 998)**
Investment income	55
Loss before taxation	**(502 943)**
Taxation	15 533
Loss for the period	**(487 410)**

Property plant and equipment consists of computer equipment, office equipment and furniture and fittings. Deferred tax assessed is as a result of the assessed loss in the current and prior periods.

Visualitics is presented in the platform systems Cluster and the South Africa region in terms of IFRS 8 Operating Segments.

The carrying value has not been reassessed as the assessment is still ongoing

42. SEGMENT REPORTING

The Executive Directors assess the performance of the operating Clusters based on the measure of operating profit. The Group has three strategic reportable Clusters. These Clusters (or divisions) offer different products and services and are managed separately as they require different technology and marketing strategies.

The three reportable Clusters consist of "Telecommunications and Media", "Mining, Manufacturing, Energy and Chemicals" and from 2018 "Platform Systems"; now classified as the Telco Cluster; Mining & Manufacturing (MMEC) Cluster; and the Platform Cluster within the 4Sight Group.

The following summary describes the operations of each reportable Cluster.

The Mining, Manufacturing, Energy & Chemical (MMEC) Cluster

Provides key 4IR technologies and services needed to help industrial customers with their full end-to-end digital transformation journey, while following a cost effective and low risk self-funding methodology. This allows customers to remain competitive in the digital economy while making sure any digital initiative has a 6 month or better return on investment (ROI).

The Telecommunications and Media Cluster

Enables our subsidiaries to link telephony customers and service providers in the digital economy. This Cluster focuses on providing Industry 4.0 solutions to the telecommunications industry across the areas of service revenue management through our intelligent pricing solution, customer engagement through gamification, a suite of mobile network management products as well as cloud-based office and call centre telephony solutions.

The Platform Systems Cluster

Enables the creation of an ecosystem where 4Sight subsidiaries, partners, and alliances can build, run and grow their Industry 4.0 offerings. This transcends into the value that can be created for customers embarking on their digital transformation journey. The Platforms Cluster is focused on driving digitised business operations, adoption of technology platforms and ensuring that data management is correctly executed through digital and advisory services.

MINING, MANUFACTURING, ENERGY & CHEMICALS (MMEC) CLUSTER

The Mining, Manufacturing, Energy and Chemicals Cluster has continued to grow in 2018 and now consists mainly of six key subsidiaries namely BluESP, Age Technologies, Simulation Engineering Technologies, Ntsika, One Source Africa and Strategix SAS.

BluESP Holdings Proprietary Limited ("BluESP")

BluESP is a leading engineering technology company, focussing on delivering software solutions to industrial customers. These solutions enable companies to operate their processing plants or manufacturing processes optimally, maximising revenues, eliminating inefficiencies and minimising costs.

BluESP is an AspenTech partner and brings their technologies to the African market. BluESP also sells and supports the Aspen Engineering Suite that enable seamless workflow in the design and costing of new processes for industrial customers. BluESP was acquired in the prior period with effect from 1 November 2017.

Age Technologies Proprietary Limited ("Age Technologies")

AGE Technologies is a leading System Integration company, specializing in Automation, Electrical and Green Energy Engineering projects across Africa. Within the Group, AGE is responsible to link the customer's physical plant to the digital world.

Digitization is achieved by utilizing world class leading IoT devices and automation solutions, improving operational efficiencies and driving innovation. Engineering services include consulting, design, system development, commissioning and support. The Group currently operates in 20 countries. Age Technologies was acquired in the prior period with effect from 1 November 2017.

Simulation Engineering Technologies Proprietary Limited ("SET")

SET is a leading computer simulation consulting and software company that specialises in creating accurate discrete-event and continuous computer simulation models of complex systems. SET operates in the mining, rail, logistics, manufacturing and service industries. SET is also the African distributor of Simio Software for industrial simulation development. SET was acquired with effect from 1 April 2018.

Xwes Proprietary Limited T/A Ntsika ICT Security ("Ntsika")

IT/OT convergence is creating a major risk for cyber security threats in today's businesses, therefor it is a critical part to address as part of your digital journey. Ntsika is an Internet of Things ("IoT") cyber security start-up, specialising in building security solutions addressing risk appropriate multifactor authentication, secure and encrypted communications and early warning threat detection solutions for industrial control system and IoT deployments.

Strategix Applications Solutions Proprietary Limited ("SAS")

SAS are the developers of the xGRC Software Suite which provides an integrated management system for Governance, Risk and Compliance (GRC), Health, Occupational Health, Safety, Environment and Quality; based on the various ISO Standards for industrial and other sector customers. This assists customers with a key requirement of their digital transformation strategy to digitise governance, risk and compliance processes.

Combined Source Trading Proprietary Limited (Trading as One Source Africa) - ("OSA")

OSA provides strategic advisory and implementation services to enterprises across innovation, affordability and effectiveness of Governance, Risk and Compliance Systems. This includes best practice services to grow their respective business entities. OSA helps customers with quantitative risk opinions from data analytics rather than subjective opinions.

TELECOMMUNICATIONS AND MEDIA CLUSTER

The Telco Cluster was originally acquired through the Digitata acquisition ahead of our listing. This was done based on 4Sight's strategy of delivering Industry 4.0 solutions. The Digitata acquisition allowed us to enter the telecommunications industry through Digitata's established customer base, using their products and services.

In summary, Digitata's suite of products, services and machine learning algorithms empower mobile operators across the world to:

- Improve service revenue and customer retention through the Intelligent pricing of mobile voice and data products;
- Deliver a suite of network-centric, site-centric & multi-centric solutions to mobile operators that are vendor and technology agnostic;
- Deployment of two-way interactive digital customer engagement solutions to mobile operators and brands using gamification.

The original business, Digitata, has been operating for more than 11 years.

This Cluster consists of the following product streams:

Digitata Intelligent Pricing

Digitata's suite of intelligent mobile voice and data products intelligently transforms pricing for mobile operators. By using Big Data and machine learning algorithms, mobile operators can make better and more informed decisions regarding product pricing to meet and exceed business objectives. This is enabled through Vaitom, Digitata's Intelligent Pricing Platform.

Digitata Networks

Digitata Networks offers mobile operators a suite of subscriber-centric, network-centric, site-centric & multi-centric solutions to monitor, audit, control and automate mobile technologies (2G, 3G, 4G) across multi-domains (RAN, CS-Core, PS-Core, TX), OEM independent.

Digitata Insights

Enables intelligent digital transformation for mobile operators and brands by applying gamification to customer engagement to drive specific human behaviour. This allows its clients to gain meaningful insights into how their customers engage with their products and services.

Fleek Consulting Proprietary Limited ("Fleek")

Fleek provides the ability to digitise and optimise business-to-consumer communication touch points through fixed line networks, using "Voice-over-Internet Protocol (VOIP) in a cloud-based call centre and Private Branch Exchange (PBX) solution environment. Fleek provides cloud-based telecoms solutions to small, medium-sized businesses and corporate environments across South Africa. Revenue is generated based on a flat fee "software-as-a-service" model through direct and indirect sales channels. With effect from 1 January 2018, the Telco Cluster acquired 87% of Fleek Consulting Proprietary Limited.

PLATFORM SYSTEMS CLUSTER

The Platform Cluster was established in 2018 following the acquisitions of AccTech, Dynamics Africa and Casewise, along with the inclusion of GLOvent. The Cluster creates an ecosystem where partners and alliances can build and grow their products and services; with a focus on accelerating their digital transformation journey.

This Cluster consists of the following subsidiaries:

AccTech Systems Proprietary Limited ("AccTech")

AccTech has been servicing the private and government sectors with Enterprise Resource Planning (ERP) products since 1994, with over 1 200 customers and 35 600 users locally and internationally (80% in RSA). The AccTech offering is geared towards Industry 4.0 and Digital Transformation of its customers. This business transformation journey includes Engaging Customers, Empowering Employees, Transforming Products and Optimising Operations.

The main products and services include business software (ERP), Business Process Management (BPM), Human Resource Management (HRM), Data Analytics and Advisory, Business Intelligence (BI), implementation services, software development and system support.

AccTech's innovation is driven in the Microsoft Azure Platform as well as with key intellectual property in AccTech's integration software. AccTech runs an extensive Alliance programme in Africa, with business operations on a franchise agreement as AccTech Namibia, Botswana, Malawi, Zambia, Copperbelt, Tanzania, Kenya and Ghana. In 2018, AccTech received the award for the Sage MEA Partner of the year and the Microsoft Hybrid Cloud Partner of the year.

Casewise South Africa Proprietary Limited ("Casewise")

Casewise specialises in enterprise architecture and enterprise data modelling and design; the cornerstones of enabling digitization of physical assets. These data management tools form the basic design and deployment tools of analysing, constructing, and deploying data in Industry 4.0 applications.

Dynamics Africa Services Proprietary Limited ("Dynamics Africa")

Dynamics Africa has been appointed by Microsoft as an Indirect Cloud Solutions Provider (CSP) for the regions Middle East, Central Europe and Africa regions. The CSP program allows for the distribution of Microsoft's range of cloud applications, including Office 365, Dynamics Africa 365 and Microsoft Azure to its dedicated partners across the globe.

GLOVent Solutions Proprietary Limited ("GLOvent")

Enhances community lifestyle by applying state-of-the-art technology that provides innovative solutions that improve community management efficiency and overall community living experience. GLOvent focuses on providing smart property solutions in the Industry 4.0 economy, ranging from smart utility management to communication and billing services.

The financial information for the three main Clusters is presented below:

Segmental service line - 2018	TelcoMediaProp	Mining and Manufacturing	Platform	Consolidation	Total
Revenue					
- External	18 518 586	9 954 678	16 065 645	-	44 538 909
- Internal	-	-	215 195	(215 195)	-
Operating Profit/ (loss)	3 259 955	394 072	2 307 609	(756 270)	5 205 366
Depreciation and amortisation	(796 894)	(79 644)	(62 387)	(565)	(939 490)
Impairment of Goodwill	-	-	-	(6 751 234)	(6 751 234)
Derecognition of deferred vendor liability	-	-	-	2 950 405	2 950 405
Vendor Liability	-	-	-	(515 307)	(515 307)
Interest-Non-cash item					
Taxation	(504 072)	(89 996)	(447 853)	10 752	(1 031 169)
	1 958 989	**224 432**	**1 797 369**	**(5 062 219)**	**(1 081 429)**

Geographical Clusters

The Group operates primarily in Mauritius and South Africa. These locations have been disclosed (areas such as the Seychelles, Malaysia and other locations are insignificant, and are therefore not shown as a separate Cluster).

The Executive Directors do not monitor assets and liabilities by segment.

Geographical segmental - 2018	South Africa	Mauritius	Consolidation	Total
Revenue				
- External	32 756 316	11 782 593	-	44 538 909
- Internal	6 599 527	1 855 353	(8 454 880)	-
	39 355 843	**13 637 946**	**(8 454 880)**	**44 538 909**
Operating profit/(loss)	3 318 203	1 897 996	(10 833)	5 205 366
Depreciation and Amortisation	(341 327)	(598 163)	-	(939 490)
Impairment of Goodwill	-	(6 751 234)	-	(6 751 234)
Derecognition of deferred vendor liability	-	2 950 405	-	2 950 405
Vendor Liability Interest-Non-cash item	-	(515 307)	-	(515 307)
Taxation	(662 534)	(368 635)	-	(1 031 169)
Net profit/(loss) for the period	**2 314 342**	**(3 384 938)**	**(10 833)**	**(1 081 429)**

Geographical segmental - 2017	South Africa	Mauritius	Consolidation	Total
Revenue				
- External	4 367 405	7 613 515	-	11 980 920
- Internal	3 012 948	779 953	(3 792 901)	-
Operating profit/(loss)	950 042	1 910 038	(14 700)	2 845 380
Depreciation and Amortisation	(99 215)	(434 103)	-	(533 318)
Taxation	(106 469)	(114 235)	786	(219 918)
Net profit/(loss) for the period	**744 358**	**1 361 700**	**(13 914)**	**2 092 144**

The Executive Directors does not monitor assets and liabilities by segment.

Segmental service line - 2017	TelcoMediaProp	Mining and Manufacturing	Consolidation	Total
Revenue				
- External	10 620 892	1 360 028	-	11 980 920
Operating Profit/ (loss)	2 851 271	116 354	(122 245)	2 845 380
Depreciation and amortisation	(517 734)	(15 584)	-	(533 318)
Taxation	(219 249)	(1 642)	973	(219 918)
Net profit / (Loss) for the period	**2 114 288**	**99 128**	**(121 272)**	**2 092 144**

The Executive Directors does not monitor assets and liabilities by segment.

43. PROFIT FORECAST

This is the first full year's results for 4Sight Holdings Limited, since incorporation.

Accordingly, the financial information is not strictly comparative, the results have also been compared to the revised profit forecast published on 9 March 2018 as detailed below:

Figures in US Dollar	Audited 12 months ended 31 December 2018	Revised profit forecast Year ending 31 December 2018	Audited 6 months ended 31 December 2017
Revenue	**44 538 909**	**43 716 698**	**11 980 920**
Cost of Sales	(15 893 077)	(16 818 854)	(2 582 125)
Gross Profit	**28 645 832**	**26 897 844**	**9 398 795**
Other Income	3 464 518	3 545	69 195
Operating Expenses (including impairments)	(31 703 326)	(21 970 071)	(7 114 045)
Operating Profit	**407 024**	**4 931 318**	**2 353 945**
Finance Cost	(718 408)	(317 554)	(63 596)
Investment Income	89 585	33 129	21 713
Income from associates	171 539	-	-
(Loss)/Profit before taxation	**(50 260)**	**4 646 893**	**2 312 062**
Taxation	(1 031 169)	(1 333 606)	(219 918)
(Loss)/Profit after taxation	**(1 081 429)**	**3 313 287**	**2 092 144**
Non-controlling interests	(153 927)	(272 207)	(260 100)
(Loss)/Profit attributable to owners of the parent	**(1 235 356)**	**3 041 080**	**1 832 044**
Per share information:			
(Loss)/Earnings per Share (EPS) (USD cents)	(0.25)	0.67	0.51
Diluted EPS (USD cents)	(0.16)	0.66	0.49
Headline Earnings per Share (HEPS) (USD cents)	1.13	0.67	0.50
Diluted HEPS per Share (USD cents)	0.72	0.66	0.49
Weighted average number of shares in issue	**486 807 063**	**455 048 276**	**360 695 468**
Fully diluted weighted average shares in issue	**762 650 992**	**461 098 276**	**374 930 762**

Shareholders are advised that the revised profit forecast does not include the acquisitions of AccTech, Dynamics, SET, Strategix, and 75% of Onesource and Ntsika; which were acquired after the revised profit forecast was published.

Due to the acquisitions, the revenue grew to USD 44.5 million for the year ended 31 December 2018 from USD 11.98 million in the prior period and USD 43.71 million, per the revised profit forecast.

A substantial portion of the revenue was derived from the Platform Cluster, which was not reflected
in the prior year, contributing USD 16 million for the year ended 31 December 2018.

The other income includes reversal of the deferred liability associated with the Age Technologies profit warranty of USD 2.95 million.

The actual results compared to the revised forecast were primarily impacted by once-off operating
expenses (non-cash flow in nature) of USD 6.7 million as follows:

Adjustment for:	**USD**
Impairment of investment in Age Technologies	(5 913 200)
Impairment of investment in VLS	(838 034)

Earnings before interest, tax, depreciation, amortisation and impairment (EBITDAI) was USD 5.1 million for the year.

Headline earnings per share of USD 1.13 cents (ZAR 15.26 cents) exceeded the prior period ended 31 December 2017 of USD 0.50 cents (ZAR 6.25 cents) and the revised forecast of USD 0.66 cents (ZAR 8.91 cents) per share.

The per share information is based on 486 807 063 weighted average shares in issue.

Finance costs, comprised:

- interest on mortgage bonds on the two properties acquired in November 2017 and being accounted for a 12-month period; and
- interest on deferred vendor liabilities amounted to a non-cash finance cost of USD515,307. This finance cost is directly related to the vendors earn-out periods and is non-cash flow in nature.

Age Technologies did not achieve its profit warranty for the year ended 31 December 2018, the goodwill was therefore impaired. The goodwill of VLS; has also been impaired, due to non-performance. The resultant reduction in earnings per share is USD 1.39 cents (ZAR 18.72 cents).

The net effect of these reflected loss per share of 0.25 USD cent (3.38 ZAR cents), lower than the revised forecast and the prior period.

Income from equity accounted investments arose from the profit share received from Digitata Networks America.

The total comprehensive loss was impacted by the loss on exchange differences on translating foreign operations; as many of our subsidiaries are South African companies.
The group acquired several companies since the start of the period under review, in line with its strategic objectives ahead of the listing on October 2017, resulting in the increase in Goodwill, Intangible Assets and Other Financial Liabilities compared to the period ended 31 December 2017.

The increase in trade and other receivables from 31 December 2017 to 31 December 2018 is due to the acquisitions during the year under review.

Cash and cash equivalents were down 12.24% compared to the prior period. However, the group does not have high fixed asset capital expenditure.

Property, plant and equipment primarily comprises three properties held in South Africa, which house the Digitata South Africa operations, BluESP and Age Technologies respectively.

Intangible assets with a carrying value of USD13.3 million; comprises of Patents, Computer Software and Trade Marks, that were developed by our subsidiaries.

Stated capital increased due to the acquisitions during the period under review as further detailed below. Other Financial Liabilities, both Non-Current and Current, also increased due to the provisioning of the deferred vendor liability being provided for, as a result of the acquisitions in the current period.

ANALYSIS OF ORDINARY SHAREHOLDERS

AS AT 31 DECEMBER 2018

SHAREHOLDERS OF MORE THAN 5% OF TOTAL ISSUED SHARE CAPITAL

	31 December 2018		31 December 2017	
Shareholder	Number of shares	% of issued capital	Number of shares	% of issued capital
The Digitata Investment Trust	50 952 112	10.24%	51 219 767	12.25%
Brian Jonathan Collet	41 565 793	8.36%	41 565 793	9.94%
Desmond Bryan Griggs	41 542 862	8.35%	41 542 862	9.94%
The AD Alta Trust	32 044 565	6.44%	32 044 565	7.66%
The Apex Trust	32 044 565	6.44%	32 044 565	7.66%
The Yotta Trust	32 044 565	6.44%	32 044 565	7.66%
The Pachypodium Trust	30 658 540	6.16%	30 658 540	7.33%
Total ordinary shareholders	**260 853 002**	**52.43%**	**261 120 657**	**62.44%**

CATEGORIES OF SHAREHOLDERS

	31 December 2018		31 December 2017	
Shareholder type	Number of holders	Total shares	Number of holders	Total shares
Public	1 680	401 314 151	1 450	267 101 863
Non-public				
- Directors	2	45 223 251	5	99 784 846
- Shareholders holding more than 10%				
The Digitata Investment Trust	1	50 952 112	1	51 219 767
Total shareholders	**1 683**	**497 489 514**	**1 456**	**418 106 476**

As at 31 December 2018

Shareholder type	Number of holders	Number of shares	% of issued capital
Individuals	1 624	220 707 592	44.36%
Trusts	27	215 035 605	43.22%
Close Corporations	4	8 334 208	1.68%
Companies	28	53 411 749	10.74%
Total ordinary shareholders	**1 683**	**497 489 514**	**100.00%**

As at 31 December 2017

Shareholder type	Number of holders	Number of shares	% of issued capital
Individuals	1 405	163 749 922	39.16%
Trusts	25	195 630 886	46.79%
Close Corporations	6	3 426 755	0.82%
Companies	20	55 298 913	13.23%
Total ordinary shareholders	**1 456**	**418 106 476**	**100.00%**

REGISTERED SHAREHOLDER SPREAD

As at 31 December 2018

Shareholder type	Number of holders	Number of shares	% of issued capital
1 - 1 000	949	240 433	0.05%
1 001 - 10 000	441	1 843 495	0.37%
10 001 - 100 000	210	7 583 645	1.52%
100 001 - 1 000 000	48	18 412 037	3.70%
1 000 001 and over	35	469 409 904	94.36%
Total	**1 683**	**497 489 514**	**100.00%**

As at 31 December 2017

Shareholder type	Number of holders	Number of shares	% of issued capital
1 - 1 000	895	217 039	0.05%
1 001 - 10 000	383	1 622 020	0.39%
10 001 - 100 000	129	4 459 702	1.07%
100 001 - 1 000 000	21	10 218 266	2.44%
1 000 001 and over	28	401 589 449	96.05%
Total	**1 456**	**418 106 476**	**100.00%**

(Prepared based on the share register dated 29 December 2017 and dated 28 December 2018)

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting ("AGM") of shareholders of 4Sight Holdings will be held on 17th June 2019 at 2 PM Mauritian Time (12 PM South African time) at 6th Floor, Tower 1, NeXTeracom Building, Ebene, Mauritius, consider, and if deemed fit, to pass, with or without modifications, the resolutions set out below:

PURPOSE OF THE MEETING

The purpose of the meeting is to present to the shareholders of the Company:

- the group audited financial statements for the year ended 31 December 2018;
- the Directors' report;
- the report of the Audit Committee;
- the report of the Social & Ethics Committee; and
- to deal with any other business that may lawfully be dealt with at the AGM, and to consider and, if deemed fit, to pass, with or without modification, the resolutions set out below:

Ordinary Resolution number 1: Presentation and acceptance of Annual Financial Statements

RESOLVED THAT to receive, consider and adopt the audited company and group financial statements for the year ended 31 December 2018.

Ordinary Resolution number 2.1-2.7: Director appointments

RESOLVED THAT the following Directors, whose vacancy has been filled by the Board appointment be approved by the shareholders:

2.1 Vincent Raseroka (Chief Executive Officer)

2.2 Selvida Naiken (Independent Non-Executive Director)

Ordinary Resolution number 3: Re-appointment of auditors

RESOLVED THAT Nexia SAB&T, the independent auditor of the Company, be re-appointed until the conclusion of the Company's next Annual General Meeting. It is noted that Mr Tertius de Kock is the individual registered auditor who will undertake the audit for the financial year ending 31 December 2019, being the designated auditor.

Ordinary Resolution number 4: Remuneration of auditors

RESOLVED THAT the Board of Directors be authorised to determine the remuneration of the independent auditor.

Ordinary Resolution number 5: Appointment of Audit and Risk Committee member

RESOLVED THAT the following members of the Audit and Risk Committee, who offer themselves for re-election be and are hereby re-elected, each by way of a separate vote in terms of the Terms of Reference of the Audit and Risk Committee:

5.1 Geoffrey Llewellyn Carter
5.2 Selvida Naiken
5.3 Ramakrishna Sithanen

Ordinary Resolution number 6: General authority to allot and issue shares for cash

RESOLVED THAT, subject to the provisions of the South African Companies Act, the Listings Requirements of the JSE and the company's constitution, as a general authority valid until the next Annual General Meeting of the company and provided that it shall not extend past 15 months from the date of this Annual General Meeting, the ordinary shares of the company be and are hereby placed under the control of the Directors who are hereby authorised to allot, issue, grant options over or otherwise deal with or dispose of these shares to such persons at such times and on such terms and conditions and for such consideration whether payable in cash or otherwise, as the Directors may think fit, provided that:

- the shares which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such equity securities or rights that are convertible into a class already in issue;
- this authority shall not endure beyond the next Annual General Meeting of the company nor shall it endure beyond 15 months from the date of this meeting;
- the shares must be issued only to public shareholders (as defined in the Listings Requirements of the JSE) and not to related parties (as defined in the Listings Requirements of the JSE);
- Upon any issue of shares for cash which represent, on a cumulative basis within a financial year, 5% (five percent) of the number of shares in issue prior to that issue, the company shall publish an announcement containing full details of the issue, (including the number of shares issued, the average discount to the weighted average traded price of the shares over the 30 days prior to the date that the price of the issue is agreed in writing between the company and the party/(ies) subscribing for the shares and the effects of the issue on the Statement of Financial Position, net asset value per share, net tangible asset value per share, the Statement of Comprehensive Income, earnings per share, headline earnings per share, and if applicable diluted earnings per share and diluted headline earnings per share), or an explanation, including supporting information (if any), of the intended use of the funds, or any other announcements that may be required in such regard in terms of the Listings Requirements which may be applicable from time to time; - the number of ordinary shares issued for cash shall not, in the current financial year, in aggregate, exceed 50% or 230 254 138 of the Company's issued ordinary shares (including securities which are compulsorily convertible into shares of that class and excluding treasury shares) provided that;

  a) any equity securities issued under the authority during the period contemplated above must be deducted from the 230 254 138 ordinary shares as stated above; and b) in the event of a sub-division or consolidation of issued equity securities during the period contemplated above, the existing authority must be adjusted accordingly to represent the same allocation ratio.
- the maximum discount at which shares may be issued is 10% of the weighted average traded price of the company's shares over the 30 business days prior to the date that the price of the issue is determined or agreed by the Directors of the Company.

In order for this resolution to be adopted, it must be approved by 75% (seventy five percent) of the voting rights exercised on ordinary resolution 6 by shareholders present or represented by proxy at the Annual General Meeting and entitled to exercise voting rights on the resolution is required.

The Directors consider that the passing of Resolutions 1 to 6 is in the best interests of the Company and its shareholders as a whole, and accordingly recommend that you vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Ordinary Resolution number 7: Endorsement of 4Sight's Remuneration policy

RESOLVED THAT the company's remuneration policy as set out in the Remuneration Report, be and is hereby approved.

Explanatory Note:
In terms of King IV dealing with Boards and Directors, companies are required to table their remuneration policy every year to shareholders for a non-binding advisory vote at the AGM. This vote enables shareholders to express their views on the remuneration policies adopted and on their implementation.

Ordinary Resolution number 8: Approval of Non-Executive Directors fees

RESOLVED THAT fees to be paid by the Company to the independent non-executive Directors for their services as Directors per independent non-executive Director per year of service or a pro rata share thereof be approved as follows:

- $3,000 per regular Board meeting attended
- $4,000 for the Board meeting at which the annual financial statements are approved
- An hourly rate is paid for Committee work @ $200 per hour
- All reasonable costs and disbursements are covered by the company

The company's Remuneration Report is contained on pages 38 to 39 of this integrated annual report.

Ordinary resolution 7 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing arrangements. However, the Board will take the outcome of the vote into consideration when considering the company's remuneration policy.

Should more than 25% of the total votes cast be against ordinary resolution 7 the company will issue an announcement on the Stock Exchange News Services ("SENS") inviting shareholders who voted against the resolutions to meet with members of the Remuneration Committee. The process to be followed will be set out in a SENS announcement.

Resolution 1 to 5, 7 and 8 will require the support of more than 50% of the total votes exercisable by members of the Company, present in person or by proxy to pass the resolutions.

Regarding resolution 3, Nexia SAB&T has indicated their willingness to be reappointed as the Company's auditor until the next Annual General Meeting. The Audit Committee has satisfied itself as to the independence of Nexia SAB&T and Mr Tertius de Kock and has also considered the requirements for the reappointment of the audit firm and audit partner in accordance with recent amendments to the JSE Listings Requirements. Further details are set out in the Audit Committee Report on page 44 of this annual report.

Resolution 6 will require the support of more than 75% of the total votes exercisable by members of the Company as this is a requirement of the JSE's Listing Requirements.

Key dates and times for the Annual General Meeting of Shareholders:

Key events	Date
Notice of Annual General Meeting	Friday, 17 May 2019
Record date to be recorded in the register in order to be entitled to vote at the Annual General Meeting	Friday, 7 June 2019
Last day to lodge forms of proxy for the Annual General Meeting by 2PM Mauritian time (12PM South African time)	Thursday, 13 June 2019
Annual General Meeting at 2PM Mauritian time (12PM South African time)	Monday, 17 June 2019

Instructions for members holding shares in certificated form or dematerialised form in "own-name"

A form of proxy is attached for the convenience of any member of the Company holding certificated shares who cannot or does not wish to attend the Annual General Meeting but who wishes to be represented thereat. Forms of proxy may also be obtained on request from the Company's registered office.

Members of the Company holding shares in certificated form or dematerialised form in "own name" may elect to:

- attend and vote at the Annual General Meeting; or alternatively
- may appoint an individual as a proxy (who need not also be a member of the Company to attend, participate in, speak and vote in your stead at the Annual General Meeting by completing the attached form of proxy and returning it to the addresses below, to be received by no later than 2PM Mauritian time (12PM South African time) on 13th June 2018 to:

Link Market Services South Africa (Pty) Limited
13th Floor,
19 Ameshoff Street,
Braamfontein
Johannesburg
2000
South Africa

Or by post to:

Link Market Services South Africa (Pty) Limited
P.O. Box 4844
Johannesburg
2000
South Africa

Alternatively, the form of proxy may be handed to the chairman of the Annual General Meeting at the Annual General Meeting or at any time prior to the commencement of the Annual General Meeting. Please note that your proxy may delegate his/her authority to act on your behalf to another person, subject to the restrictions set out in the attached form of proxy. Please note that the completed form of proxy must be delivered to the addresses above or handed to the chairman of the Annual General Meeting prior to the dates and times indicated, before your proxy may exercise any of your rights as a member of the Company at the Annual General Meeting. Please note that any member of the Company that is a company may authorise any person to act as its representative at the Annual General Meeting.

Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the Annual General Meeting should the shareholder subsequently decide to do so.
Instructions for members holding shares in certificated form or dematerialised form not held in "own name"

Please note that if you are the owner of dematerialised shares held through a Central Securities Depository Participant ("CSDP") or broker (or their nominee) and are not registered as an "own name" dematerialised shareholder, then you are not a registered shareholder of the Company, but your CSDP or broker (or their nominee) would be.

Accordingly, in these circumstances, and subject to the mandate between yourself and your CSDP or broker as the case may be:

- if you wish to attend the Annual General Meeting, you must contact your CSDP or broker, and obtain the relevant letter of representation from it; alternatively
- if you are unable to attend the Annual General Meeting but wish to be represented at the Annual General Meeting, you must contact your CSDP or broker, and furnish it with your voting instructions in respect of the Annual General Meeting and/or request it to appoint a proxy. You must not complete the attached form of proxy.

  The instructions must be provided in accordance with the mandate between yourself and your CSDP or broker, within the time period required by your CSDP or broker. CSDP's or brokers or their nominees, as the case may be, recorded in the Company's sub-register as holders of dematerialised shares should, when authorised in terms of their mandate or instructed to do so by the owner on behalf of whom they hold dematerialised shares, vote by either appointing a duly authorised representative to attend and vote at the Annual General Meeting or by completing the attached form of proxy in accordance with the instructions thereon and return it to the addresses below, to be received by no later than 2PM Mauritian time (12PM South African time) on 13 June 2019 to:

Link Market Services South Africa (Pty) Limited
13th Floor,
19 Ameshoff Street
Braamfontein
Johannesburg
2000
South Africa

Or by post to:

Link Market Services South Africa (Pty) Limited
P.O. Box 4844
Johannesburg
2000
South Africa

Alternatively, the form of proxy may be handed to the chairman of the Annual General Meeting at the Annual General Meeting at any time prior to the commencement of the Annual General Meeting.

Voting at the Annual General Meeting

In order to more effectively record the votes and give effect to the intentions of members, voting on all resolutions will be conducted by way of a poll.

By order of the Board
Amicorp (Mauritius) Limited
Company Secretary
Mauritius
17 May 2019

FORM OF PROXY

IMPORTANT INFORMATION REGARDING THE USE OF THIS FORM OF PROXY

Shareholders are advised to read the instructions for completing this form of proxy contained in the notice of the Annual General Meeting to which this form of proxy is attached, in addition to the notes to this form of proxy.

This form of proxy is intended for use by shareholders of the Company who hold their shares in certificated form or dematerialised form and held through a Central Securities Depository Participant ("CSDP") or broker, who have selected "own name" registration ("own–name dematerialised shareholders"), at the Annual General Meeting of members of the Company to be held at the Company's registered office, 6th Floor, Tower 1, NeXTeracom Building, Ebene, Mauritius, on 17th June 2019 at 2PM Mauritian time (12 PM South African time). Additional forms of proxy are available from the Company's registered office.

This form of proxy is not intended for use by shareholders of the Company who hold their shares in certificated form or dematerialised form and who have not selected "own name" registration of dematerialised shares. Such shareholders must contact their CSDP or broker timeously if they wish to attend and vote at the Annual General Meeting and request that they be issued with the necessary letter of representation to do so, or provide the CSDP or broker timeously with their voting instructions should they not wish to attend the Annual General Meeting in order for the CSDP or broker to vote in accordance with their instructions at the Annual General Meeting.

This form must be completed in BLOCK LETTERS.

4sight Holdings Limited

The Company Secretary
4Sight Holdings Limited
6th Floor, Tower 1
NeXTeracom Building
Ebene, Mauritius

Dear Sir/Madam,

I/We ______________________________ being shareholder(s) of __________ ordinary shares hereby appoint:

1. ____ or failing him/her;
2. ____ or failing him/her;
3. the chairman of the Annual General Meeting

as my/our proxy to vote for me/us at the Annual General Meeting of the Company to be held on 17th June 2019 at 2PM Mauritius Time (12PM South African time) at 6th Floor, Tower 1, NeXTeracom Building, Ebene, Mauritius, and at any adjournment of the meeting, which will be held for purposes of considering and, if deemed fit, passing, with or without modification, the ordinary resolutions to be proposed thereat as detailed in the notice of Annual General Meeting; and to vote for and/or against such resolutions and/or to abstain from voting for and/or against the resolutions in respect of the shares registered in my/our name in accordance with the following instructions:

Resolution	For	Against	Abstain
Resolution number 1 (To receive, consider and adopt the audited company and group financial statements for the year ended 31 December 2017)			
Resolution number 2.1 (Election of Vincent Raseroka as Director)			
Resolution number 2.2 (Election of Selvida Naiken as Director)			
Resolution number 3 (Re-appointment of the Independent auditor of the Company)			
Resolution number 4 (The Board of Directors be authorised to determine the remuneration of the independent auditor)			
Resolution number 5.1 (Re-election of Geoffrey Llewellyn Carter as member of the Audit and Risk Committee)			
Resolution number 5.2 (Election of Selvida Naiken as member of the Audit and Risk Committee)			
Resolution number 5.3 (Re-election of Ramakrishna Sithanen as member of the Audit and Risk Committee)			
Resolution number 6 (General authority to allot and issue shares for cash)			
Resolution number 7 (Endorsement of 4Sight's Remuneration Policy)			
Resolution number 8 (Approval of Non-Executive Directors fees)			

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. Notwithstanding the appointment of a proxy by a member who is a natural person, such member may attend the Annual General Meeting in person and vote thereat, to the exclusion of the appointed proxy.
3. Any alteration or correction made to this form of proxy must be initialed by the signatory(ies);
4. Such proxy (ies) appointed pursuant to this form of proxy may participate in, speak and vote at the Annual General Meeting in the place of that member at the Annual General Meeting. The person whose name stands first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow. If no proxy is named on a lodged form of proxy, the chairperson shall be deemed to be appointed as the proxy;
5. A member or his/her proxy is not obliged to use all the votes exercisable by the member, but the total of the votes cast or abstained may not exceed the total of the votes exercisable in respect of the shares held by the member;
6. Documentary evidence appointing a proxy or establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the Company or the company secretary or waived by the chairperson of the Annual General Meeting.

COMPANY INFORMATION

Registered Office :

6th Floor, Tower 1
NeXTeracom Building
Ebene, Mauritius

Postal address:

6th Floor, Tower 1
NeXTeracom Building
Ebene, Mauritius

Physical Office

Ground Floor,
NexTeracom Tower 1,
Cybercity, Ebene 72201,
Mauritius

Telephone

+230 454 7367

Registration

C148335 C1/GBL

Share code

4SI

ISIN

MU0557S00001

E-mail

info@4sightholdings.com

Website

www. 4sightholdings.com

Company Secretary

Name

Amicorp (Mauritius) Limited

Physical address

6th Floor, Tower 1
NeXTeracom Building
Ebene, Mauritius

Postal address

6th Floor, Tower 1
NeXTeracom Building
Ebene, Mauritius

Telephone

+230 403 0800

Transfer Secretary

Name

Link Market Services South Africa (Pty) Ltd

Physical address

13th Floor, 19 Ameshoff Street, Braamfontein, 2004, South Africa

Postal address

P O Box 4844, Johannesburg, 2000, South Africa

Telephone

+27 11 713-0800

Reporting accountants and auditor

Name

Nexia SAB&T

Physical address

119 Witch-Hazel Avenue, Centurion, 0046, South Africa

Postal address

P.O. Box 10512, Centurion, 0046, South Africa

Bankers

Name

Afrasia Bank Limited

Physical address

Bowen Square, 10 Dr Ferriere Street, Port Louis, Mauritius

Postal address

Bowen Square, 10 Dr Ferriere Street, Port Louis, Mauritius

Designated Adviser

Name

Arbor Capital Sponsors (Pty) Ltd

Physical address

20 Stirrup Lane, Woodmead Office Park, Corner Woodmead Drive & Van Reenens Avenue, Woodmead, 2191, South Africa

Postal address

Suite 439, Private Bag X29, Gallo Manor, 2052, South Africa

Directors (Executive)

Vincent Raseroka
(Chief Executive Officer)
Jacques Hattingh
(Financial Director)
Gary Pierre Lauryssen
Marthinus Phillipus Neethling

Directors (Non-Executive)

Dr Ramakrishna Sithanen
(Independent Board chairperson)
Geoffrey Llewellyn Carter
(Independent Audit Committee chairperson)
Selvida Naiken (Independent)

Preparer of integrated annual report

Jacques Hattingh CA(SA)

www.4sightholdings.com

4SIGHT HOLDINGS LIMITED – INTEGRATED REPORT FOR THE YEAR ENDED 31 DECEMBER 2018