



4SIGHT HOLDINGS LIMITED

(Incorporated in the Republic of Mauritius)
(Registration number: C148335 C1/GBL)
("4Sight Holdings" or "the Company")
ISIN Code: MU0557S00001 JSE Code: 4SI

ACQUISITION OF FOURSIGHT HOLDINGS LIMITED AND ITS SUBSIDIARIES ("FOURSIGHT SOUTH AFRICA") AND WITHDRAWAL OF CAUTIONARY ANNOUNCEMENT ("ACQUISITION")

Introduction

The board of directors of 4Sight Holdings is pleased to announce that the Company has entered into a sale of shares agreement with Antonie van Rensburg and Loan Account Holders (providing also for Subscription Shares) (together the "Sellers") of Foursight South Africa for the acquisition of the entire issued share capital and loan account claims of the Foursight South Africa group with effect from 1 January 2018. Foursight South Africa and its subsidiaries will become subsidiaries of 4Sight Holdings and will adhere to the provisions of paragraph 10.21 of Schedule 10 of the JSE Listing Requirements.

Description of Foursight South Africa

Foursight South Africa was originally created as a public holding company in 2016 to acquire Industry4.0 technology companies operating in digitization implementation, data science, data management, process mining, dashboard technology, enterprise architecture and customer relationship management solution areas, and ultimately listing on the JSE. Initial funders were also secured to fund the initial acquisition and listing strategy.

This process was put on hold when Foursight South Africa 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. Pursuant to the listing of 4Sight Holdings, the various acquisitions can now be concluded.

Accordingly, Foursight South Africa has concluded the acquisition of the following companies through a series of agreements as follows:

- 100% of Casewise South Africa Proprietary Limited, which sellers are unrelated to 4Sight Holdings.
- 100% of Visualitics Proprietary Limited, a company associated with Antonie van Rensburg, a director of 4Sight Holdings; and
- 87% of Fleek Consulting Proprietary Limited, a company associated with Gary Lauryssen, a director of 4Sight Holdings;

The above companies provide data analytic consulting and solutions, which supports the larger telecommunications, media and property solutions (Digitata) and the mining and manufacturing group solutions (BluESP Holdings Proprietary Limited ("BluESP") and AGE Technologies JHB Proprietary Limited ("AGE Technologies")).

Description of Casewise

Casewise was originally founded as a CC but was converted to a private company on 18 September 2017. Chris van Zyl, founder of Casewise, has successfully grown the company over the last decade into a successful business, specialising 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 analyzing, constructing, and deploying data in Industry4.0 applications.

4Sight Holdings plans to use Casewise as the backbone data management capability across the group and will enable an end-to-end data management solution for the “analysis” focus in 4Sight Holdings with a complete offering from real-time data analytics, big data, process mining, business process management(BPM) and workflow solutions.

Chris van Zyl and Antonie van Rensburg have been working together since 1995 on the first implementation of business and enterprise architecture solutions in South Africa, and as part of the 4Sight Holdings group, Casewise' technologies and services will assist the group's customers to transform into Industry4.0 companies.

Description of Visualitics

Professor Antonie van Rensburg founded Visualitics Proprietary Limited (“Visualitics”) in 2009 (formerly a Closed Corporation and converted to a private company on 9 February 2017), as one of the first true data science companies in South Africa. From its outset, Visualitics focused on the delivery of bespoke data science solutions for customers, which required a unique blend of capabilities to solve difficult business problems. In this process, the foundation was established for 4Sight Holdings to focus on creating Industry4.0 solutions by the steps of “visualize”, “digitize”, “analyze” and “optimize”.

From a technology perspective (“digitize”), Visualitics developed sensor technologies to measure pedestrian movements in a non-intrusive manner for clients (over 90 million unique customer movements have been logged, analysed and presented to clients in retail, property development and media), to the extreme of building new spatial-economic models for competition law enforcement (“optimize”).

Prior to the establishment of Visualitics, Antonie had been running his own management consulting company since 1991, offering change management services to international customers in the areas of business engineering, enterprise transformation and re-engineering. This provides Visualitics with the unique capability to understand Industry4.0 change, and to assist customers to digitize their business strategies and operations through the 4Sight Holdings capabilities; using the technologies of Artificial Intelligence, Machine Learning, Big Data and block chain.

Visualitics primarily enables various 4Sight Holdings subsidiaries with the visualization capability – assisting customers to embrace the Industry4.0 transformation process for business model disruption, new services or productivity improvement.

This means customers can visualize their physical world in a digital operation, convert it into a meaningful business case, and develop an implementation plan with business change goals during the industry4.0 transformation. As the technology impacts processes, and processes requires people to change, Visualitics supports the customer through this process to use, adapt and implement new technologies to drive out Industry4.0 economic value.

Visualitics's data science experts have the unique capability to link business strategy to data bytes and bits - from an optimization perspective the international team of data science experts transform data into intelligent algorithms to support the clients Industry4.0 strategies. From a 4Sight Holdings group perspective, Visualitics will initiate a joint team from the BluESP, Digitata and Visualitics teams to construct new intelligent algorithms to address new applications such as intelligent offers in retail applications, spearheaded by the top data scientists in the group.

Visualitics has global data science centers of excellence which focuses on domains such as Geo-spatial data analytics, change management, enterprise portfolio management, data science algorithms, supply chain optimization, people empowerment teams, business performance systems, enterprise risk management, simulation engineering technologies and mobile device process applications.

Industry4.0 transformations impact certain generic business functions. As such Visualitics has developed, implemented and offered cloud-based solutions in on-demand workforce optimization, as well as enterprise risk management solutions. The workforce optimisation is split across physical capacity provisioning, as well as preventative health care analytics in terms of productivity measurement and optimization. The ability to execute on these solutions has been secured through acquisitions, and as such Visualitics owns stakes in the following companies:

- a) Sirbie Proprietary Limited (50%) which was started in 2014 by Carmen van der Merwe and Antonie van Rensburg to create and operate a cloud-based online workforce platform (www.sirbie.com) to cater for professional and specialized skills in the data science and Industry4.0 industry. The main function of the platform is to link corporate specialist requirements for the 4Sight Holdings Group and 4Sight Holdings subsidiary customers to internal and external specialists to ensure a quick turn-a-round on bespoke data science requirements. Internationally, up to 40% of the data science workforce currently deals through on-line platforms, and large corporates are starting to move their traditional recruitment and sourcing functions through similar platforms. Our vision is increase the analytical capability of the platform to incorporate gamification technology from Digitata Insights into worker evaluation, as well as increasing the Artificial Intelligence capabilities to match work and skills.
- b) Sakhu Management Systems Proprietary Limited (30%), is a Level 2 BBBEE service company owned 70% by Mrs Wezi Ximiya to supplement and support 4Sight Holdings' South African subsidiaries in two ways. The first is in the context of enterprise development, social development and skills training, while the second focus is to provide skills and advisory services in enterprise portfolio management, change management and business analysis. The 4Sight Holdings prospectus stipulated the commitment to BBBEE initiatives in the South African market. The investment in Sakhu is in line with these initiatives and bring Sakhu into the 4Sight Holdings group as an associate.

- c) Corporate Lifestyle Management Proprietary Limited (51%) ("CLM"), is a company established in 2016 to focus on healthcare analytics. Visualitics has been involved in the healthcare industry since 2011 in the areas of elective surgery risk models, data management, mortality prediction models, health care insurance and risk models, as well as health care competition analytics. For the healthcare industry, the expertise and capabilities have been moved into CLM for growing the health care vertical industry cluster from this relationship.
- d) Combined Source Trading Proprietary Limited (25%), trading as OneSource specializes in Enterprise Risk Management - (ERM) - tools, processes and capacity building. With the increase in corporate governance and risk management, a stake in OneSource was secured to provide an ability to build enterprise risk models from source data in organizations - that is the ability to offer a quantitative opinion of risk, rather than current method of subjective opinions of enterprise risk. This venture ensures that both parties develop the intellectual property in analytical products which will grow in importance as enterprises transforms into digital organizations, and increases their risk operating as Industry4.0 companies.

None of the shareholders in these four companies set out in a) to d) are related to any of the directors in Foursight South Africa, or 4Sight Holdings.

Description of Fleek

The 4Sight Holdings portfolio strategy is to invest into the Industry4.0 ecosystem – a system connected by communication networks, mobile, fixed line and wireless. With the Digitata acquisition, 4Sight Holdings acquired the algorithms, capabilities and know-how on mobile networks to dynamically price content in time and on location, as well as having the means to reach and engage customers on these networks. The investment in Fleek provides 4Sight Holdings with the ability to digitise and optimise business-to-consumer communication touchpoints through fixed line networks, using "Voice-over-Internet Protocol (VOIP) in a cloud-based call centre and Private Branch Exchange (PBX) solution environment.

Today Fleek is a South African provider of cloud-based telecommunication solutions to small and medium-sized businesses, and earns all its revenue as a pure flat-fee "software-as-a-service" through direct and indirect sales channels. The cloud-based solution provides a business with the means to cost-effectively engage directly with customers for higher conversion rates, track and manage campaigns in real-time with accessible and intuitive portals, deliver any type of marketing campaign from script lists, and integrate with most Customer Relationship Management (CRM) systems.

4Sight Holdings plans to increase the Fleek offering by integrating advanced data analytics with the solution to increase the ability to offer intelligent customer campaigns in real-time. In addition, the Digitata Insight's business of Location-based Advertising (LBA) will be offered as an add-on service to existing Fleek customers when mobile targeting is required.

Fleek's customer base includes the likes of marketing departments, debt collection, insurance, outbound sales, customer service centres, emergency service centres and many more companies in the small to medium-size.

Consideration

The consideration for the Acquisition is R85 573 600 payable in cash of R11 690 000 and through the issue of 36 941 800 4Sight Holdings shares at R2.00 per share, which shares will be issued following the completion of the conditions precedent below. The consideration will be payable to the Sellers as follows:

Name	Number of shares Subscription and Sale Shares	Number of shares Loan Account Holders	Cash portion R
Chris van Zyl	8 000 000	-	4 000 000
BP Architect Consulting Services CC	2 501 000	2 750 000	5 000 000
Triumph Investments Ltd	3 482 896	1 750 000	600 000
Stephen Strydom	5 359 345	-	
Fernwood	1 643 736	-	600 000
Don McArthur	574 023	-	
Martin Moller	150 000	-	
Jurie Vosloo	150 000	-	
Ettiene Supra	75 000	-	
Pierre Malan	50 000	-	
Chris Dias	75 000	-	
Ryan Kyle Schuddinh	75 000	-	
Shan Laurysen	715 000	-	
Dean Laurysen	100 000	-	
Estelle de Jong	550 000	-	
Adriaan Vermaak	50 000	-	
Willie Ackerman	412 500	-	
Eduard de Vries	412 500	-	
Azure Dee de Graaf		70 000	
Hendrik Jacobs		400 000	
Derek Michael Sole		100 800	
Michael Keith Milligan		100 000	
Johannes Petrus Dreyer		700 000	
Thomas Nicholas Carolin		200 000	
Rudolph Petri Dreyer		2 000 000	
Ethel Viljoen		20 000	
Lise van Rensburg		100 000	
Chris van Zyl		1 600 000	
Naas Ferreira		55 000	
Frederik Nel		500 000	
ConatusOne		2 000 000	
Christiaan van Rensburg		200 000	
Wezi Ximiya		20 000	
Gary Laurysen Family Trust			990 000
The Jabulani Trust			500 000
Total	24 376 000	12 565 800	R11 690 000

The portion of the consideration payable to related parties is set out below:

Company	Related party	Shares at R2.00 per share	Cash portion	Total R
Foursight South Africa	Antonie van Rensburg	1 000	-	2 000
Visualitics and loan funding	Antonie van Rensburg	5 250 000	5 000 000	15 500 000
Fleek and loan funding	Gary Lauryssen	5 232 896	1 590 000	12 055 792
Total				27 557 792

Rationale for the acquisition of Foursight South Africa

Similar to the recently announced acquisitions of BluESP and AGE Technologies, the acquisition of Foursight South Africa remains in line with 4Sight Holdings' acquisitive and organic growth strategy of acquiring Industry4.0 companies.

4Sight Holdings focuses on acquiring and delivering intelligent algorithms, design and implementation and capabilities are required to optimally implement intelligent algorithms into different industry segments. With the Foursight South Africa acquisition, these important capabilities are incorporated into the overall 4Sight Holdings group structure.

The Acquisition complements the 4Sight Holdings strategy of investing into Industry4.0 subsidiaries which enables 4Sight Holdings to offer intelligent algorithms for decision-support in multiple industries, and in various key business processes.

Financial Information

Foursight South Africa was incorporated on 17 November 2016 as a holding company and, other than acquiring controlling interests in Visualitics, Fleek and Casewise, has not operated during the period from incorporation to date and its first reporting period end is 31 December 2017. Accordingly, financial information on the subsidiaries acquired by Foursight South Africa is set out below.

The net profit **after** tax and net asset values of Visualitics, Fleek and Casewise as extracted from the Annual Financial Statements of the respective companies are set out below.

Company	Year end	Net profit/(loss) after tax	Net asset value
Visualitics	31 December 2016	210 111	95 955
Fleek	28 February 2017	115 660	(1 578 094)
Casewise	28 February 2017	(1 524 170)*	498 865

* - includes a once-off charge for the acquittal of a loan of R2 236 000.

The net profits **before** tax of Visualitics, Fleek and Casewise as extracted from the management accounts of the respective companies for the period ended 31 October 2017 are set out below.

Company	Period commencing	Net profit before tax
Visualitics	1 January 2017	1 244 167
Fleek	1 March 2017	585 917
Casewise	1 March 2017	1 968 736

The year ends of Foursight South Africa and its subsidiaries have been changed to 31 December 2017, where necessary, in order to align the year ends to the year end of 4Sight Holdings.

Conditions precedent

The acquisition of Foursight South Africa is subject to the following conditions precedent:

- the approval by the Board of directors of 4Sight Holdings by not later than 31 January 2018;
- the conclusion of a satisfactory due diligence process on Foursight South Africa and its underlying subsidiaries, namely Visualitics, Fleek and Casewise by no later than 31 January 2018;
- approval of the shareholders of Foursight South Africa; and
- any other regulatory approvals to the extent necessary

Classification of the transaction

The Acquisition is classified as a Category 2 transaction in terms of the JSE Listings Requirements pertaining to companies listed on the Alternative Exchange of the JSE and thus shareholder approval is not required.

Antonie van Rensburg and Gary Lauryssen are both founders and directors of Foursight South Africa and are directors of 4Sight Holdings and so are related parties. The transaction has a categorisation of just over 10% and accordingly a fairness opinion will be required in accordance with the JSE Listings Requirements, which fairness opinion must conclude that the transaction is fair, failing which shareholder approval will be required.

Withdrawal of cautionary announcement and supplementary prelisting statement

Shareholders are referred to the cautionary announcement last published on 5 December 2017 and are advised that following the publication of this announcement, caution is no longer required when dealing in the Company's securities.

As previously announced, the Company will be consulting with the JSE regarding the need to publish a supplementary prelisting statement, which will probably include an updated profit forecast, particularly for the year ending 31 December 2018 as the impact on the forecast for the six months ended 31 December 2017 as contained in the Prospectus is likely to be immaterial.

15 January 2018
Mauritius

Designated Advisor

Arbor Capital Sponsors Proprietary Limited

