4SIGHT HOLDINGS LIMITED
(Incorporated in the Republic of Mauritius)
(Registration number: C148335 C1/GBL)
JSE share code: 4SI ISIN: MU0557S00001
("**4Sight**" or "**the Company**" or "**the Group**")

CONDENSED CONSOLIDATED PROVISIONAL FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2020

GROUP AND FINANCIAL HIGHLIGHTS

The Board of Directors is pleased to present its results for the six-months ended 30 June 2020.

The six-month results for the continued operations* in ZAR terms:

- Revenue for continued operations increased by 9.0% in ZAR terms from ZAR 234.6 million to ZAR 255.8 million for the first 6 months of the year.

- Accounts receivables increased by 2.7% from ZAR 75.3 million to ZAR 77.4 million over the period.

- Cash and cash equivalents in ZAR terms increased by 13.1% from ZAR 46.7 million to ZAR 52.8 million year-on-year.

** Continued Operations is defined as all business operations in 4Sight excluding Digitata Limited that will be disposed of (refer to SENS: Related Party Disposal of Digitata Limited, Repurchase of Shares and Withdrawal of Cautionary - Dated 7 April 2020).*

4Sight's continued operations had the following highlights:

- Profit after tax from continued operations increased by 47.4% from USD 0.8 million to USD 1.2 million for the period under review.

- Revenue declined by 7.8% from USD 16.9 million to USD 15.6 million; The main reason for this decline can be attributed to the devaluation of the ZAR against the USD by 23.4% over the comparative period.

The 4Sight Group had the following highlights:

- Net asset value improved by 7.3% from USD 27.1 million to USD 29.1 million.

- Tangible net asset value improved by 40.4% from USD 6.5 million to USD 9.1 million.

- Cash flow from operations improved by 365.1% from USD 0.4 million to USD 1.9 million for the period which was encouraging under very difficult trading circumstances.

- Earnings per share increased to USD 0.18 cents from a loss per share (2019: USD (1.78) cents) and the diluted earnings per share increased to USD 0.18 cents from a loss per share (2019: USD (1.20) cents).

- Headline earnings per share increased to USD 0.18 cents from a loss per share (2019: HLPS USD 0.03 cents) and the diluted headline earnings per share improved to a profit of USD 0.18 cents per share (2019: DHLPS USD 0.02 cents).

- AccTech Systems Proprietary Limited ("AccTech") and Dynamics Africa Services Proprietary Limited ("Dynamics") achieved their profit warranties for the period ended 31 December 2019. 4Sight currently has no further commitments to settle acquisitions through further share issues. Current liabilities will be settled in cash.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in US Dollars	Notes	Unaudited six-month period ended 30 June 2020	Reviewed Six-month period ended 30 June 2019 (Represented)	Audited year ended 31 December 2019
Continuing operations				
Revenue	1	**15 612 413**	**16 933 607**	**43 034 298**
Cost of sales		(8 153 775)	(8 573 846)	(15 347156)
Gross profit		**7 458 638**	**8 359 761**	**27 687 142**
Other income		2 924 819	17 322	2 481 092
Operating expenses		(8 999 028)	(7 031 984)	(54 986 018)
Operating (loss)/ profit		**1 384 429**	**1 345 099**	**(24 817 784)**
Investment income		54 177	93 052	190 919
Finance costs		(128 641)	(274 727)	(513 424)
(Loss) / Income from equity accounted investments		(2 789)	-	555 075
Profit / (loss) before taxation		**1 307 176**	**1 163 424**	**(24 585 214)**
Taxation		(140 042)	(371 831)	(792 900)
Profit / (loss) from continuing operations		**1 167 134**	**791 593**	**(25 378 114)**
Discontinued operations				
Profit (Loss) from discontinued operations	5	396 013	(11 468 496)	-
Profit / (Loss) for the period		**1 563 147**	**(10 676 903)**	-
Other comprehensive income/(loss):				
Items that may be classified to profit or loss				
Unrealised exchange differences on translating foreign operations		(2 386 554)	264 357	288 919
Other comprehensive income/(loss) for the period net of taxation		**(2 386 554)**	**264 357**	**288 919**
Total comprehensive loss for the period		**(823 406)**	**(10 412 546)**	**(25 089 195)**
Profit (Loss) attributable to:				
Owners of the parent		1 391 900	(10 750 173)	(25 638 154)
From continuing operations		1 117 895	685 993	
From discontinued operations		274 005	(11 436 166)	
Non-controlling interest		219 805	73 270	260 040
From continuing operations		49 240	3 783	
From discontinued operations		170 565	69 487	
		1 611 705	**(10 676 903)**	**(25 378 114)**
Total comprehensive loss attributable to:				
Owners of parent		(994 654)	(10 486 392)	(25 345 815)
Non-controlling interest		171 248	73 846	256 620
		(823 406)	**(10 412 546)**	**(25 089 195)**

Figures in US Dollars	Notes	Unaudited six-month period ended 30 June 2020	Reviewed Six-month period ended 30 June 2019 (Represented)	Audited year ended 31 December 2019
Per share information:		**USD Cents**	**USD Cents**	**USD Cents**
Earnings (Loss) per share (c)		0.18	(1.78)	(3.69)
Diluted earnings loss per share (c)		0.18	(1.20)	(2.97)
Headline Earnings (loss) per share (c)	2	0.18	(0.03)	(0.01)
Diluted headline earnings (loss) per share (c)	2	0.18	(0.02)	(0.01)
Weighted average number of shares in issue		782 141 947	604 137 641	695 716 718
Fully diluted weighted average number of shares in issue		782 141 947	898 255 289	862 106 069

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Figures in US Dollars	Notes	Unaudited As at 30 June 2020	Audited As at 31 December 2019
ASSETS			
Non-Current Assets		**20 247 902**	**24 806 814**
Property, plant and equipment		2 180 772	2 814 832
Goodwill	3	15 051 491	15 051 491
Intangible assets	4	2 440 896	5 586 935
Deferred tax		499 539	986 232
Investment in associates		5 863	258 060
Other financial assets		69 341	109 264
Current Assets		**7 957 806**	**14 701 971**
Inventories		107 512	109 346
Trade and other receivables		4 618 219	10 184 201
Contract assets		-	246 471
Other financial assets		-	189 143
Current tax receivable		155 778	286 586
Cash and cash equivalents		3 076 297	3 686 224
Assets classified as held for sale		**9 904 694**	**-**
Total Assets		**38 110 401**	**39 508 785**
EQUITY AND LIABILITIES			
Equity			
Equity attributable to Equity Holders of Parent			
Share capital	7	58 610 277	55 813 532
Reserves		(6 241 558)	(3 855 004)
Accumulated loss		(23 510 924)	(24 902 824)
			-
		28 857 795	**27 055 704**
Non-controlling interest	8	232 786	61 538
		29 090 581	**27 117 242**
Liabilities			
Non-Current Liabilities		**1 123 700**	**1 768 447**
Other financial liabilities	9	1 006 246	1 499 087
Deferred taxation		117 454	269 360
Current Liabilities		**4 791 841**	**10 623 096**
Trade and other payables		4 352 531	6 015 607
Other financial liabilities	9	422 814	4 241 128
Contract liabilities		-	297 092
Current tax payable		16 496	69 269
Liabilities directly associated with assets classified as held for sale		**3 104 279**	**-**
Total Liabilities		**9 019 820**	**12 391 543**
Total Equity and Liabilities		**38 110 401**	**39 508 785**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Figures in US Dollars	Share Capital	Treasury Shares	Foreign Currency Translation Reserve	Non-Distributable Reserves	Retained Income	Total attributable to equity holders of the Group	Non-controlling interest	Total Equity
Balance at 1 January 2019	**51 264 566**	**(753 568)**	**(930 220)**	**(3 217 123)**	**735 330**	**47 098 985**	**(157 424)**	**46 941 561**
(Loss) / profit for the period	-	-	-	-	(25 638 154)	(25 638 154)	260 040	(25 378 114)
Other comprehensive loss	-	-	292 339	-	-	292 339	(3 420)	288 919
Total comprehensive loss for the period	**-**	**-**	**292 339**	**-**	**(25 638 154)**	**(25 345 815)**	**256 620**	**(25 089 195)**
Issue of shares	5 347 377	-	-	-	-	5 347 377	-	5 347 377
Dividend paid by subsidiary	-	-	-	-	-	-	(71 691)	(71 691)
Treasury shares	(753 568)	708 725	-	-	-	(44 843)	-	(44 843)
Disposal of subsidiary operations	-	-	-	-	-	-	16 652	16 652
Business combinations	-	-	-	-	-	-	17 381	17 381
Balance at 31 December 2019	**55 858 375**	**(44 843)**	**(637 881)**	**(3 217 123)**	**(24 902 824)**	**27 055 704**	**61 538**	**27 117 242**
Profit for the period	-	-	-	-	1 391 900	1 391 900	219 805	1 611 705
Other comprehensive income	-	-	(2 386 554)	-	-	(2 386 554)	(48 556)	(2 435 111)
Total comprehensive income for the period	**-**	**-**	**(2 386 554)**	**-**	**1 391 900**	**(994 654)**	**171 248**	**(823 406)**
Issue of shares	2 925 037	(128 292)	-	-	-	2 796 745	-	2 796 745
Treasury shares	(173 135)	173 135	-	-	-	-	-	-
Disposal of subsidiary operations	-	-	-	-	-	-	-	-
Business combination	-	-	-	-	-	-	-	-
Balance at 30 June 2020	**58 610 277**	**-**	**(3 024 435)**	**(3 217 123)**	**(23 510 924)**	**28 857 795**	**232 786**	**29 090 581**
	7	**7**					**8**	

CONSOLIDATED STATEMENT OF CASH FLOWS

Figures in US Dollars	Unaudited six-month period ended 30 June 2020	Reviewed six-month period ended 30 June 2019	Audited year ended 31 December 2019
Cash flows from operating activities			
Cash generated from operations	2 119 074	540 166	2 585 092
Interest income	54 500	97 222	190 919
Finance costs	(61 486)	(104 830)	(198 954)
Tax paid	(229 709)	(127 819)	(664 848)
Net cash generated from operating activities	**1 882 379**	**404 739**	**1 912 209**
Cash flows from investing activities			
Purchase of property, plant and equipment	(56 098)	(56 871)	(132 603)
Proceeds on disposal of property, plant and equipment	475	-	-
Purchase or development of intangible assets	(123 614)	(495 446)	(1 548 329)
Net cash flow from business combinations	-	-	(120 177)
Proceeds from disposal of subsidiaries	48 891	-	326 267
Net cash used in investing activities	**(130 346)**	**(552 318)**	**(1 474 842)**
Cash flows from financing activities			
Expenditure incurred on share issue	-	(6 951)	-
Dividend paid	-	(10 188)	(71 691)
Payments to other financial assets	-	(220 780)	-
Proceeds from other financial liabilities	-	134 310	93 740
Repayments of other financial liabilities	(137 481)	(80 081)	(455 320)
Cash flows used in financing activities	**(137 481)**	**(183 690)**	**(433 271)**
Total cash movement for the period	**1 614 552**	**(331 269)**	**4 096**
Total cash at the beginning of the period	3 686 224	3 765 879	3 765 879
Effect of translation of foreign entities	(1 794 313)	77 654	(83 751)
Total cash at end of the period	**3 506 463**	**3 512 264**	**3 686 224**
Cash from continued operations	**3 076 297**		
Cash from discontinued operations	**430 167**		

BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Group was established with the incorporation of the holding company on 28 June 2017 and has a financial year end of 31 December each year.

The unaudited condensed consolidated results for the six-months ended 30 June 2020 have been prepared in accordance with the requirements of the JSE Limited Listings Requirements for interim reports, the requirements of the Mauritian Companies Act, 15 of 2001 applicable to condensed financial statements, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and contain information required by IAS 34 Interim Financial Reporting. The accounting policies applied in preparation of these condensed consolidated six-months results are consistent with those applied in the previous annual financial statements.

The unaudited condensed consolidated financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies. The accounting policies applied in the preparation of the reviewed condensed consolidated financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements.

These unaudited condensed consolidated financial statements should be read in conjunction with the Group’s latest consolidated annual financial statements as at and for the year ended 31 December 2019 and do not include all the information required for a complete set of IFRS financial statements.

Explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the previous annual financial statements.

The unaudited condensed interim results were prepared by the corporate reporting staff and supervised by Eric van der Merwe, the Group’s Financial Director, and were approved by the board of directors on 24 August 2020.

The directors of 4Sight Holdings (“the Board”) take full responsibility for the preparation of the unaudited condensed consolidated financial statements.

The unaudited condensed consolidated financial statements are presented in US Dollars, which is the Company’s functional currency.

The assessment of the impact associated with COVID-19 includes the following key assumptions:

- The existing lock-down period and conditions related thereto are not extended beyond the current 180-day cycle;
- The underlying operations of the Group can continue operating as planned; and
- Existing key financial indicators utilised in relation to cash flow forecasts and impairment testing does not significantly deteriorate further in the foreseeable future.

BUSINESS OVERVIEW

Overall Business Performance

As with all companies, the first half of 2020 has been dominated by the novel coronavirus (COVID-19) pandemic. As indicated in our recent trading statement, the impact of COVID-19 has been felt across all the Group’s affiliates and business units in different ways. The majority of operating subsidiaries were categorised as suppliers of essential goods and services and therefore remained “online” and open for trade, albeit under the COVID-19 lockdown regulations. The move to lockdown level 4 allowed the Group to gradually start trading in more retail product categories, that affected only one affiliate, AGE Technologies. All operations except for minor business units (such as training centres) are back in full production.

From the outset of the COVID-19 pandemic, our Board of Directors (BoD) and Executive team (EXCO) held emergency strategy sessions prioritising the management of cash flow and elimination of unnecessary costs where possible. Our primary goal has been to protect the health and livelihoods of our people during this time. Although salary increases were put on hold across the majority of the Company, these have now been implemented and our headcount has increased by 6%.

During the pandemic, the health and safety of our people, our customers and all other stakeholders has been our priority. We have refined our standard operating procedures to ensure that all operations conform to the highest levels of hygiene and social distancing requirements. To this end, our platform cluster built our very own COVID-19 scanning and contact tracking application. This has been successfully implemented both internally as well as with several of our customers. We have also implemented a wide range of alternate and flexible working arrangements, where possible utilising technology to enable remote work. Approximately 99% of our workforce now work and service our customers remotely.

After the initial impact of COVID-19, we immediately started gearing up our marketing and online presence with news, webinars and other digital and remote engagements with current customers and business prospects. These initiatives coupled with our proactive pivot in group strategy have resulted in 4Sight securing several multiple million rand deals remotely during this time. It should be noted that the full delivery of our new deals will also be completed remotely.

We continue to actively manage the consequences of the COVID-19 pandemic. Our priority remains the health and safety of our employees. We are also providing support to our customers, intermediaries and vulnerable suppliers across our businesses.

In the second half of the year, our Platform and the Mining & Manufacturing Clusters will remain in 4Sight Holdings Limited after the exit of the Telco Cluster comprising the Digitata Group. The Telco Cluster will be disposed of should shareholders approve the resolutions to be proposed at the general meeting to be held in this regard, as per the SENS announcement of 7 April 2020.

MARKET

Enterprise 5.0: The Quantum Leap Business Must Make After Covid-19

Our world has dramatically changed in 2020 due to the current COVID-19 pandemic and national lockdowns imposed in many countries including South Africa. This has forced all companies (big and small) across South Africa (and globally) to pivot and adapt their traditional ways of working and business models.

We believe that the key characteristic of 4IR is the intelligent use of data to support better decision-making in near real time. This is critically important in today's hypercompetitive digital economy in which the ability to pivot rapidly in response to changing market conditions (e.g. COVID-19) or customer demand is vital. To realise the true value of 4IR technologies, organisations will need to evolve so that people and technology also converge. This convergence of 4IR technologies and people will give rise to a new kind of business organisation, what we call Enterprise 5.0. But this can only be achieved when the technology and people are brought together within the Enterprise 5.0 framework.

As a leader in the ICT and technology sector, 4Sight continues to evolve its strategy, positioning and go-to-market approach to meet changing market demands and conditions. This is even more critical in the time of COVID-19. We continue to deliver a portfolio of 4IR technology, people and data-focused solutions. Our solutions embrace the convergence of Operational Technologies (OT), Information Technologies (IT) and the Business Environment (BE) worlds.

Through our solutions and various capabilities, we continue to deliver business value by providing integrated 4IR solutions that already bring together the OT, IT and BE worlds. To deliver on our strategy and meet market demand, we are aligning our business to deliver our vision of Enterprise 5.0 using the integrated solutions that result from the union of our OT, IT and BE capabilities.

Our capabilities are executed through our go-to-market clusters that support the delivery of Enterprise 5.0 to our partners. This empowers our teams to deliver our portfolio of 4IR technology, people and data-focused solutions. These solutions help create meaningful impact for our partners (customers and vendors) to assist with future proofing their businesses through digital transformation.

This ensures that we deliver the quantifiable value that the market demands by transforming technology landscapes, unlocking funds and mitigating risks through our integrated solutions to enable organisations to quantum leap their businesses. Our solutions continue to be delivered through the deep domain skills and expertise of our people and deployed with our world leading partner and distribution network. The combination of our own IP software solutions and methodologies with our partners products, we provide the best of class end-to-end solutions.

Our goal is to support our partners in making better and more informed decisions in the modern digital economy. 4Sight continues to be the digital transformation partner of choice to quantum leap businesses into the realm of Enterprise 5.0.

It is our belief that our evolved strategy positions 4Sight as a leader in the ICT and technology sector. The unique combination of solutions and capabilities coupled with our go to market offerings ensure that we continue to mitigate the risks experienced by many companies during the COVID-19 pandemic.

RESULTS COMMENTARY

Revenue declined to USD 15.6 million for the period ended 30 June 2020 from USD 16.9 million in the prior period. The main reason for this decline can be attributed to the devaluation of the ZAR against the USD by 23.4% over the comparative period.

Gross profit margin decreased by 1.6 % to 47.8% in June 2020 compared to June 2019 of 49.4%.

Adjustment for: **Figures in US Dollars**	**30 June 2020**	**30 June 2019**
Impairment of Goodwill of Corporate Lifestyle Management	-	(92 228)
Impairment of Goodwill of Strategix Application Solutions	-	(220 863)
Impairment of Goodwill of Digitata	-	(10 232 809)
Total goodwill impairment	**-**	**(10 545 900)**

Finance costs comprised primarily of non-cash finance cost on deferred vendor liabilities amounting to USD 67,155 (2019: USD 184,183). This finance cost is directly related to the deferred vendor earn-out periods and the balance for the outstanding bond interest.

Property, plant and equipment primarily comprises three properties held in South Africa, which house the Digitata South Africa operations, BluESP and AGE Technologies respectively. 4Sight will start a process to dispose of the buildings of BluESP and AGE Technologies and relocate staff and operations to Battler House to create a head office to ensure that costs are saved through the group. Battler House forms part of the assets to be retained after the planned disposal of Digitata to be approved by shareholders at the Special General Meeting to be held in September 2020.

Cash and cash equivalents decreased in USD terms by 16.5% year-on-year which was mainly impacted by the depreciating ZAR against the USD. The Group does not have significant capital commitments in the foreseeable future.

Stated capital increased due to final settlement of the outstanding vendor liabilities owed to AccTech Systems (Pty) Ltd and Dynamics Africa Services (Pty) Ltd during the period being the settlement of the deferred vendor liability following the respective earn outs being achieved. Other Financial Liabilities, both Non-Current and Current, also decreased during the period and 4Sight endeavour to settle all debt.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. REVENUE

	Unaudited six-month period ended 30 June 2020	Reviewed six-month period ended 30 June 2019	Audited year ended 31 December 2019
	USD	**USD**	**USD**
Sale of goods	2 396 104	2 142 785	4 674 345
Licencing and associated services	13 216 309	14 790 822	38 359 953
	15 612 413	**16 933 607**	**43 034 298**

2. HEADLINE EARNINGS RECONCILIATION

The headline earnings reconciliation and per share information is set out below:

Reconciliation between earnings and headline earnings	Unaudited Six-month period ended 30 June 2020	Reviewed Six-month period ended 30 June 2019	Audited year ended 31 December 2019
	USD	**USD**	**USD**
Profit (Loss) attributable to owners of the parent	1 391 900	(10 750 174)	(25 638 154)
Adjustments for:			
Profit on disposal of equipment – net of tax	1 114	2 779	18 504
Loss on disposal of subsidiaries – net of tax	(35 202)	-	(284 522)
Impairments of Intangible assets	68 000	-	7 768 995
Impairment of goodwill	-	10 545 900	18 091 630
Headline earnings (loss) for the period	**1 425 812**	**(201 495)**	**(43 547)**
Per share information:	**US Cents**	**US Cents**	**US Cents**
Headline earnings (loss) earnings per share	0.18	(0.03)	(0.01)
Diluted headline earnings (loss) earnings per share	0.18	(0.02)	(0.01)
Weighted average number of shares in issue	782 141 947	604 137 641	695 716 718
Fully diluted weighted average number of shares in issue	782 141 947	898 255 289	862 106 069
From continuing operations	**US Cents**	**US Cents**	
Basic earnings per share	0.14	0.11	
Diluted earnings per share	0.14	0.08	
Headline earnings per share	0.14	0.17	
Diluted earnings per share	0.14	0.11	

3. GOODWILL

The movement of goodwill for the half year results are as follows:

Figures in US Dollars	Unaudited six-month period ended 30 June 2020	Audited year ended 31 December 2019
Balance at the beginning of the period	15 051 491	32 787 261
Additions through business combinations	-	355 860
Goodwill impairment	-	(18 091 630)
Total goodwill at the end of the period	**15 051 491**	**15 051 491**

The remaining goodwill balance relates to the following cash generating units:

Figures in US Dollars	Unaudited six-month period ended 30 June 2020	Audited year ended 31 December 2019
AccTech Systems (Pty) Ltd	5 690 961	5 690 961
Simulation Engineering Technologies (Pty) Ltd	3 391 601	3 391 601
BluESP Holdings (Pty) Ltd	3 369 882	3 369 882
Dynamics Africa Services (Pty) Ltd	1 849 064	1 849 064
Balance of subsidiaries	749 983	749 983
Total goodwill impairment	**15 051 491**	**15 051 491**

Impairment of goodwill
Goodwill balances were re-assessed and the cash-generating units ("CGU") were also reassessed in the current period. No adverse operating events occurred during the period which had an on-going negative impact on the underlying cash-generating units.

4. INTANGIBLE ASSETS

The movement of intangible assets for the year is as follows:

Figures in US Dollars	Unaudited six-month period ended 30 June 2020	Audited year ended 31 December 2019
Balance at the beginning of the period	5 586 935	13 348 700
Additions	-	1 548 329
Disposal	-	(245 636)
Impairment	(142 370)	(7 768 995)
Foreign exchange movements	121 385	20 494
Amortisation	(626 332)	(1 315 957)
	4 939 618	5 586 935
Continued operations	2 440 896	
Discontinued operations	2 498 722	

The no impairment was provided in the current period.

5. DISCONTINUED OPERATIONS

On 6 April 2020 4Sight entered into an agreement to dispose of 100% of the issued share capital of Digitata to the purchasers for an aggregate consideration of R91 900 000. The Digitata sale consideration will be discharged by the purchasers of Digitata selling to the Company an aggregate of 290 549 558 4Sight shares for an amount equal to the Digitata sale consideration, constituting a specific share repurchase by 4Sight in terms of the JSE Listings Requirements. The share repurchase will be undertaken at an implied price of 31.62972 cents per 4Sight share, representing a 31.63058% premium to the 30-day VWAP as measured at the close of market on The planned Special General Meeting is planned for the 22 September to vote on the transaction. (Refer to SENS: Related Party Disposal of Digitata Limited, Repurchase of Shares and Withdrawal of Cautionary - Dated 7 April 2020).

Figures in US Dollars	Unaudited six-month period ended 30 June 2020	Reviewed year ended 30 June 2019
Discontinuing operations		
Revenue	**3 018 424**	**5 084 083**
Cost of sales	(356 610)	(721 559)
Gross profit	**2 661 814**	**4 362 524**
Other income	677 603	8 712
Operating expenses	(3 070 078)	(15 985 545)
Operating profit (loss)	**269 339**	**(11 614 849)**
Investment income	322	4 170
Income from equity accounted investments	292 979	300 879
Profit (loss) before taxation	**562 640**	**(11 309 800)**
Taxation	(166 627)	(158 696)
Profit (loss) for the period	**396 013**	**(11 468 496)**
From discontinuing operations		
Basic earnings (loss) per share	0.04	(1.89)
Diluted earnings (loss) per share	0.04	(1.27)
Headline earnings (loss) per share	0.05	(0.20)
Diluted earnings (loss) per share	0.05	(0.13)

6. ASSETS HELD FOR SALE

Figures in US Dollars	Unaudited As at 30 June 2020
Assets classified as held for sale	
ASSETS	
Non-Current Assets	**3 456 749**
Property, plant and equipment	49 890
Intangible assets	2 498 722
Deferred tax	251405
Investment in associates	548 784
Other financial assets	107 948
Current Assets	**6 447 945**
Trade and other receivables	5 899 151
Current tax receivable	118 627
Cash and cash equivalents	430 167
TOTAL ASSETS	**9 904 694**
Liabilities directly associated with assets classified as held for sale	
LIABILITIES	
Non-Current Liabilities	**191 694**
Other financial liabilities	174 914
Deferred taxation	16 780

Current Liabilities	**2 912 585**
Trade and other payables	1 633 570
Deferred Income	1 162 287
Current tax payable	116 727
TOTAL LIABILITIES	**3 104 279**

CASH FLOWS FROM DICONTINUED OPERATIONS

Net cash generated from operating activities	551 659
Net cash used in investing activities	(130 035)
Cash flows generated from financing activities	-

7. STATED CAPITAL SHARE ISSUES AND REPURCHASES

The Company had 789 804 945 shares in issue at the beginning of the period under review.

The following shares were issued during the period:

- 167 101 142 shares at USD 1.72 cents per share as settlement of the final earn-out consideration payable relating to the acquisition of AccTech and Dynamics.
- 3 500 000 shares at USD 1.28 cents per share as payment for a Long-Term Incentive.

The movement on the Treasury shares relates to the repurchase of Strategix Business Solutions (1 500 000 shares) and Casewise (10 000 000 shares) from the Group in exchange for the shares issued. The treasury shares were utilised as part of the earn-out settlement in shares during the period.

	Unaudited six-month period ended 30 June 2020	Audited year ended 31 December 2019
Balance at the beginning of the period	789 804 945	497 489 514
Issue of shares to settle deferred vendor liabilities / acquire subsidiaries	167 101 142	293 815 431
Issue of shares in terms Long Term Incentive program	3 500 000	-
Issuing of treasury shares	(11 500 000)	-
Treasury shares	1 500 000	(1 500 000)
	950 406 087	**789 804 945**
Figures in US Dollars		
Issued		
Balance at the beginning of the period	55 813 532	50 510 998
Ordinary shares of no-par value	2 796 745	5 347 377
Treasury shares	-	(44 843)
	58 610 277	**55 813 532**

The above share issues are reflected at the fair value at the date that the acquisition became unconditional in accordance with IFRS.

8. NON-CONTROLLING INTEREST

The movement of the non-controlling interest for the periods ending is as follows:

Figures in US Dollars	Unaudited six-month period ended 30 June 2020	Audited year ended 31 December 2019
Balance at the beginning of the period	61 538	(157 424)
Total comprehensive income for the period	171 248	256 620
Dividend issued	-	(71 691)
Disposal of subsidiary	-	16 652
Business combinations	-	17 381
Total non-controlling interest at the end of the period	**232 786**	**61 538**

9. OTHER FINANCIAL LIABILITIES

Other Financial Liabilities, both Non-Current and Current, decreased due to the settlement of the deferred vendor liability in the current period. Details of Other Financial Liabilities are set out below:

Figures in US Dollars	Unaudited six-month period ended 30 June 2020	Audited year ended 31 December 2019
Standard Bank of South Africa Ltd-Mortgage Bond	904 505	1 162 630
ABSA Bank Ltd-Mortgage Bond	126 624	158 483
Motor Vehicle Instalment Sale Agreements	23 455	50,777
M.A Powell	21 441	54 508
Rand Control Solutions	17 373	39,862
Blue Sparrow Trust	-	156,668
Other Loans	5 586	110 728
Digitata Investment Trust	-	19 973
Lease liabilities (Right of use)	-	39,591
Deferred Vendor Liability	330 076	3 946 995
• AccTech Consulting (Pty) Ltd	330 076	387,851
• AccTech Systems (Pty) Ltd	-	2 847 316
• Dynamics Africa Services (Pty) Ltd	-	711 828
	1 429 060	**5 740 215**
Non-current liabilities		
At amortised cost	1 006 246	1 499 087
Current liabilities		
At amortised cost	422 814	4 241 128
	1 429 060	**5 740 215**

10. SEGMENTAL REPORT

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:
- The Mining, Manufacturing, Energy and Chemicals (MMEC) Cluster;
- The Telecommunications and Media (Telco) Cluster; and
- The Platform Systems (Platform) Cluster.

The MMEC Cluster Performance Overview

The Mining, Manufacturing, Energy and Chemicals (‘MMEC’) Cluster has delivered on the board approved budget for H12020. The fast return on investment (ROI) digital transformation strategies implemented by the team are continuing to bear fruit with tier-1 multinational customers. Our Operational Technologies (OT) customers continue to select 4Sight as their digital transformation partner due to our deep experience in the operational technology space.

The Telco Cluster Performance Overview

The Telco cluster continues with its strategy of supporting its partners and customers on their 4IR journeys through digital transformation initiatives within the telecoms sector. COVID-19 has had a limited impact on the cluster’s business with the main effected area being new business development due to the reprioritisation of budgets by customers and weakening of emerging currencies. With our current pending opportunities, we are still hopeful that we will close certain of these opportunities later in the year or early in 2021. For our existing customers, we continue to excel in our delivery through our established ability and approaches of servicing customers remotely. Within certain customers we have seen a growth in our business which has to a certain degree offset the slowdown of the new business opportunities.

The Platform Cluster Performance Overview

As with many technology and consulting focused businesses, the first half of 2020 has been impacted in large part by COVID-19. This has led to the platform cluster experiencing a slower than expected first 6 months of the year. Our consulting business is historically slow in January and February as staff return from annual vacation and our customer projects gear up to full momentum in March. However, with the advent of COVID-19 in March, most customers did not make purchase decisions in procuring new software and some projects were put on hold. This resulted in our January to June billings coming in under budget. We remain positive and have seen traction on sales towards the end of June in the SMB and Data Enablement units.

Our focus on Microsoft Cloud Service Provision (CSP) continues to grow at a fast and steady pace even during the lockdown period. With migrating customers to the cloud and proving cost savings with our Microsoft solution assessment suite, we have kept the momentum, as we continue to double our CSP revenue every 6 months. This offering remains a big focus for us, as we believe that all companies will see the value of hosting solutions and paying monthly licencing fees instead of large capital outlays on software and hardware infrastructure.

Our Microsoft Indirect Cloud Service Provider business has managed to exceed budget on revenue and signed up a number of new partners despite challenging trading conditions. The profit on this business was however negatively impacted by extreme currency fluctuations during lockdown subsequent to the downwards rating of SA credit rating agencies. New partner and related customer acquisitions were very successful in the reporting period across Africa, the Middle East and Central Europe.

The segmental information for the three main clusters is presented below:

Six-month period ended 30 June 2020

Figures in US Dollars	**Telco Cluster**		**MMEC Cluster**		**Platform Cluster**		**Consolidation**		**Total**	
Segmental service line	**Unaudited six-month period ended 30 June 2020**	**Reviewed six-month period ended 30 June 2019**	**Unaudited six-month period ended 30 June 2020**	**Reviewed six-month period ended 30 June 2019**	**Unaudited six-month period ended 30 June 2020**	**Reviewed six-month period ended 30 June 2019**	**Unaudited six-month period ended 30 June 2020**	**Reviewed six-month period ended 30 June 2019**	**Unaudited six-month period ended 30 June 2020**	**Reviewed six-month period ended 30 June 2019**
Revenue										
External	241 536	367 117	5 113 430	4 916 218	10 257 447	11 650 272	-	-	15 612 413	16 933 607
Internal	-	11 560	1 940	1 432	167 124	156 918	(169 064)	(169 910)	-	-
Operating Profit/(Loss)	**(38 614)**	**(266 058)**	**809 954**	**435 536**	**266 457**	**1 157 130**	**495 901**	**431 582**	**1 533 699**	**1 758 190**
Depreciation and amortisation	(14 610)	(17 406)	(28 655)	(38 004)	(114 921)	(41 134)	(1 182)	(948)	(159 368)	(97 492)
Impairment of goodwill	-	-	-	-	-	-	-	(313 091)	-	(313 091)
Vendor Liability Interest-Non-cash item	-	-	-	-	-	-	(67 155)	(184 183)	(67 155)	(184 183)
Taxation	(593)	(7 917)	(137 013)	(126 101)	(48 063)	(319 475)	45 628	81 662	(140 042)	(371 831)
Profit/(Loss)	**(53 817)**	**(291 381)**	**644 286**	**271 431**	**103 473**	**796 521**	**473 192**	**15 022**	**1 167 134**	**791 593**

The Executive Directors do not monitor assets and liabilities by cluster.

Geographical clusters

The Group operates primarily in Mauritius and South Africa.

Six-month period ended 30 June 2020

Figures in US Dollars	**South Africa**		**Mauritius**		**Consolidation**		**Total**	
Geographical segmental	**Unaudited six-month period ended 30 June 2020**	**Reviewed six-month period ended 30 June 2019**	**Unaudited six-month period ended 30 June 2020**	**Reviewed six-month period ended 30 June 2019**	**Unaudited six-month period ended 30 June 2020**	**Reviewed six-month period ended 30 June 2019**	**Unaudited six-month period ended 30 June 2020**	**Reviewed six-month period ended 30 June 2019**
Revenue								
External	15 612 413	16 933 607	-	-	-	-	15 612 413	16 933 607
Internal	169 064	169 910	-	-	(169 064)	(169 910)	-	-
Operating Profit/(Loss)	**801 400**	**1 326 608**	**-**	**-**	**732 299**	**431 528**	**1 533 699**	**1 758 190**
Depreciation and amortisation	(158 186)	(96 544)	-	-	(1 182)	(948)	(159 368)	(97 492)
Impairment of goodwill			-	-	-	(313 091)	-	(313 091)
Reversal of vendor liability			-	-	-	-	-	-
Vendor Liability Interest-Non-cash item			-	-	(67 155)	(184 183)	(67 155)	(184 183)
Taxation	(185 670)	(453 493)	-	-	45 628	81 662	(140 042)	(371 831)
Profit/(Loss)	**457 544**	**776 571**	**-**	**-**	**709 590**	**15 022**	**1 167 134**	**791 593**

The Executive Directors do not monitor assets and liabilities by segment.

11. COMMITMENTS AND SUBSEQUENT EVENTS

With effect from 27 March 2020, South Africa was placed into lockdown for a period in excess of 180 days in order to combat the spread of COVID – 19. The Group has implemented insofar as possible the necessary policies and processes in order to ensure that it is able to continue operations within the allowable limits.

Management has considered the impact associated with COVID - 19, which has been disclosed in the going concern section of the report.

Other than the matter noted above, there were no significant subsequent events or adjustments that were noted or made which require adjustment to the interim results or further disclosure.

The Group has no significant commitments as at 30 June 2020.

12. RELATED PARTY DISCLOSURE

SHARES ISSUED IN RESPECT OF SUBSIDIARIES ACQUIRED

During the period under review shares were issued to settle the deferred vendor liabilities as disclosed below:

- 167 101 142 shares were issued to the sellers of AccTech and Dynamics being Morné Gerhard Swanepoel ("Swanepoel"), Marie-Louise Zitzke ("ML Zitzke" and Tertius Emil Zitzke ("TE Zitzke") who are all Executive Directors of AccTech, whilst Swanepoel and TE Zitzke are Executive Directors of Dynamics.

OPERATING LEASE PAYMENTS

- Double Peak Properties 41 (Pty) Ltd (a company related to TE Zitzke and MG Swanepoel) USD 102,850.
- SETEC Software (Pty) Ltd (a company related to J Botha) USD 21 898.

The operating lease agreements were part of the initial share sale agreements and the rental are market related. There were no other related party transactions which are material that were included in the results for the period ended 30 June 2020.

13. FINANCIAL INSTRUMENTS – FAIR VALUE AND RISK MANAGEMENT

The carrying amount of all financial assets and liabilities approximates the fair value. Directors consider the carrying value of financial instruments of a short-term nature, that mature in 12 months or less, to approximate the fair value of such assets or liability classes. The carrying values of longer-term assets are considered to approximate their fair value as these instruments bear interest at interest rates appropriate to the risk profile of the asset or liability class. The Group does not carry any financial instruments measured in the statement of financial position at fair value at 30 June 2020.

14. GOING CONCERN

The financial statements have been prepared based on accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Boards of Directors of 4Sight Holdings Limited and its subsidiaries have assessed the potential impact of COVID-19 on the financial position and performance of the Group for the foreseeable future, and in light thereof have concluded that the Group should be in a position to continue as a going concern for the foreseeable future on the assumption that the current conditions prevail.

15. LITIGATION

As at 30 June 2020 there were certain litigation matters pending against the Company or its subsidiaries as disclosed below:

- 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. This dispute is part of the discontinuing operations and will have no further impact on the Group.
- The Group has commenced arbitration proceedings against a customer in order to enforce payment in terms of a contract for licences. An expected credit loss has been provided for against this customer. This dispute is part of the discontinuing operations and will have no further impact on the Group.

16. CONTINGENT LIABILITIES

At the financial half year, the Group had the following contingent liabilities:

- The Group received two notifications to the value of USD 1 050 000 from the previous shareholders of BluESP (Pty) Ltd and BluESP Holdings (Pty) Ltd. Management has entered into negotiations to resolve this matter, although formal agreements have not yet been signed on the reporting date.

17. OUTLOOK

The reality for many companies and industries is that the COVID-19 pandemic has fast tracked digital transformation initiatives. Organisations that had been ‘waiting’ have now been forced to evolve their business operating models to cut cost, mitigate newly identified risks and make plans to sustain their businesses. Working from home, newly distributed teams and companies having to pivot and find new and innovative revenue streams has created a totally new working environment and a boardroom level urgency to digitally transform.

The 4Sight team is ready to take on this new working environment challenge with a renewed strategy, newly implemented structure and a proven track record of solid results. We continue to expand vertically to deepen our capabilities across our Operational Technology (OT), Information Technology (IT) and Business Environment (BE) focus areas. This convergence is now a reality for many of our customers and embracing it will be the only way they will continue to grow their businesses.

Moving into the second half of 2020, from an internal perspective, we will continue to streamline the synergies between the businesses and also build on our shared services drive to optimise and drive efficiencies. Focusing externally, we are entering H2 with good orders in hand and a strong pipeline that just needs to be converted. We will be increasing the delivery of managed services to ensure continued growth in annuity revenue across our go-to-market clusters. This will be supported by expanding our customer footprint through our channel and alliance partner network.

We anticipate further growth with an updated customer segmentation in place and the sales and marketing efforts aligned to support our customers’ growth. This is coupled with the tremendous respect and credibility we gain from working with our strategic partners and vendors. We continue to work in union with our partners to deliver complex integrated solutions to the market to help our customers navigate and evolve in this new normal. Our drive for organic growth will continue and identifying and acquiring new businesses that support and strengthen our current core business value proposition will continue.

18. DIVIDEND

A dividend will not be paid or considered due to planned acquisitions and to preserve cash reserves for foreseeable unfavourable market or economic conditions.

No dividend is therefore to be declared for the period ended 30 June 2020, due to the decision of the Board to preserve working capital available to the Group.

19. APPRECIATION

The first six months of the year have been extremely challenging for everyone in South Africa and around the world. We have all had to adjust to the “new normal” and a new way of working. This has meant that our people and partners remain at the centre of our focus at 4Sight.

I would like to thank all our staff members for their dedication and determination in delivering our world class solutions to our customers during the COVID-19 pandemic. The massive adjustment to working from home (with many home schooling as well) while continuing to maintain the highest standards of delivery is testament to why we are all part of the 4Sight family.

During the first 6 months of the year, we continued to see the positive impact of working with our trusted partners in delivering solutions to customers. To our vendors, thank you for your commitment and faith in 4Sight.

Lastly, to our Board of Directors and my executive team, thank you for your help and support during the first six months of the year. This period has been challenging but also rewarding with the results we have achieved despite the obstacles of the pandemic. I am looking forward to the second half of 2020 with renewed optimism because I know that I have an excellent support structure in place to drive our business forward.

For and on behalf of the Board

Chief Executive Officer Tertius Emil Zitzke Date: 24 August 2020	Financial Director Eric van der Merwe

Executive Directors Mr Tertius Emil Zitzke (Chief Executive Officer) Mr Eric van der Merwe (Financial Director)	**Independent Non-Executive Directors** Mr Christopher Stephen Joseph Crowe Mrs Mariechen Margeretha Mortimer Mr Andrew George Murgatroyd Mr Jacob Stefanus Johannes Nel Mr Kamil Tayub Patel Mr Hemmanth Singh Dr Sidharth Sharma
Company Secretary and Registered Office c/o Amicorp (Mauritius) Ltd 6th Floor, Tower 1 NeXTeracom Building Ebène, Mauritius	**Designated Advisor** Java Capital Trustees and Sponsors Proprietary Limited
Transfer Secretaries Link Market Services South Africa Proprietary Limited	**WEBSITE** http://www.4sightholdings.com