

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")



UPDATE ON THE IMPACT OF COVID-19 AND TRADING STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2020

THE IMPACT OF COVID-19

The impact of the novel coronavirus (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, we have built our 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.

BUSINESS UPDATE

The last 40 years of technology advancements have led to new and exciting innovations. In the 1980s, we had big computing and large mainframes. The 1990s saw the era of PCs, networking and data sharing. The 2000s brought us the Internet and the sharing and connectivity of information, whilst the 2010s saw the proliferation of mobile devices and apps. Now that we have entered the 2020s, we find ourselves in the 'automation era'. This is underpinned by data which is the oil of the automation era as well as any Modern Digital Enterprise's core asset in the 2020s.

Our EXCO team identified the Modern Digital Enterprise concept in November 2019 as our key strategy for business growth in the modern digital economy and automation era. In our most recent annual report, our Group CEO, Tertius Zitzke, indicated that our business opportunity resides, in taking advantage of 4IR technologies, coupled with our proven digital transformation approach and initiatives to ultimately accelerate the convergence between the Operational Technologies, Information Technologies and Business Environment worlds through our integrated solutions.

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, which can be referred to as Enterprise 5.0. This can only be achieved when the technology and people are brought together within the Enterprise 5.0 framework. We have identified a number of key pillars within 4IR (Industry 4.0) that will accelerate customers' adoption of digital transformation initiatives and allow them to take advantage of technology solutions that deliver meaningful business value. These include: People4.0, Customer4.0, Operation4.0, Finance4.0 and Innovation4.0.

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.

TRADING STATEMENT

In terms of the JSE Listings Requirements, companies are required to publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results for the current reporting period will differ by at least 20% from the financial results for the previous corresponding period.

Shareholders are accordingly advised that the Company's:

- Earnings per share ("EPS") for the six months ended 30 June 2020 is expected to be between USD 0.151 cents and USD 0.185 cents per share, being an increase in EPS of more than 100% when compared to the loss per share ("LPS") of USD 1.779 cents per share for the six month period ended 30 June 2019.
 - EPS from continued operations for the six months ended 30 June 2020 is expected to be between USD 0.120 cents and USD 0.146 cents per share, being an increase in EPS of between 5.5% and 28.9% when compared to the EPS of USD 0.114 cents for the six month period ended 30 June 2019.
 - EPS from discontinued operations for the six months ended 30 June 2020 is expected to be between USD 0.032 cents and USD 0.039 cents per share, being an increase in EPS of more than 100.0% when compared to the LPS of USD 1.893 cents per share for the six month period ended 30 June 2019.
- Headline earnings per share ("HEPS") for the period ended 30 June 2020 is expected to be between USD 0.157 cents and USD 0.192 cents per share, being a difference of more than 100% when compared to the headline loss per share ("HLPS") of USD 0.033 cents per share for the six month period ended 30 June 2019.
 - HEPS from continued operations for the six months ended 30 June 2020 is expected to be between USD 0.116 cents and USD 0.142 cents per share, being a decrease in HEPS of between 14.2% and 29.8% when compared to the HEPS of USD 0.165 cents for the six month period ended 30 June 2019.
 - HEPS from discontinued operations for the six months ended 30 June 2020 is expected to be between USD 0.041 cents and USD 0.050 cents per share, being an increase in HEPS of more than 100.0% when compared to the HEPS of USD 0.199 cents for the six month period ended 30 June 2019.

Continued Operations is defined as the Platform and the Mining & Manufacturing Clusters that will remain in 4Sight Holdings Limited after the exit of the Telco Cluster comprising the Digitata Group. Discontinued Operations refers to the Telco Cluster which 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.

The information on which this trading statement has been based has not been reviewed or reported on by the Company's auditors. The Company's financial results for the six months ended 30 June 2020 are expected to be released on or about 15 September 2020.

30 July 2020

Designated advisor

JAVACAPITAL