

Datatec Limited

Results for the six months ended 31 August 2017

Datatec Limited ("Datatec", the "Company" or the "Group", JSE and LSE: DTC), the international information and communications technology (ICT) group, is today publishing its unaudited interim results for the six months ended 31 August 2017 ("the Period" or "H1 FY18").

Highlights

- Value unlocked through two significant disposals:
 - Sale of Westcon Americas and 10% of Westcon International to SYNEX Corporation for up to US\$830 million
 - Sale of Logicalis SMC, Dutch business unit for US\$42 million
- Plan to return US\$350 million of cash to shareholders
- Any deferred consideration received from SYNEX will be returned to shareholders
- Westcon International to be streamlined
- Positive outlook for Logicalis in second half
- Continuing operations: revenue US\$1.84 billion (H1 FY17: US\$1.98 billion); EBITDA US\$7.7 million (H1 FY17: US\$24.4 million)
- Underlying* earnings per share 1.4 US cents (H1 FY17: 12.5 US cents)

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Jens Montanana, Chief Executive of Datatec, commented:

"Although the first half headline results were disappointing, we have generated exceptional value through the successful sale of our Westcon Americas business and recently the smaller disposal of the non-core Logicalis SMC business."

"In the near term, we plan to return US\$350 million of cash to shareholders in a structured way to give them maximum flexibility and in due course return to shareholders any deferred cash consideration from the sale of Westcon Americas."

"The outlook for Logicalis, which contributed most of our profits, is increasingly positive with a number of important developments set to support an overall improvement in H2. We are moving rapidly to create the appropriate structure in Westcon International to support the direction of the business."

GROUP ACTIVITIES

Datatec is an international ICT solutions and services group operating in more than 50 countries across North America, Latin America, Europe, Africa, Middle East and Asia-Pacific. The Group's service offering spans the technology, distribution, integration and consulting sectors of the ICT market.

Following the sale of the Westcon Americas businesses to SYNEX in September 2017, Datatec operates two main divisions:

- **Technology distribution – Westcon International:** distribution of security, collaboration, networking and data centre products and solutions; and
- **Integration and managed services – Logicalis:** ICT infrastructure solutions and services.

The specialist activities of Consulting and Datatec Financial Services are included with the corporate head office functions in the "Corporate, Consulting and Financial Services" segment of the Group.

STRATEGIC OVERVIEW

Datatec's strategy remains to deliver long-term, sustainable and above average returns to shareholders through portfolio management and the development of its principal subsidiaries providing technology solutions and services to targeted customers in identified markets around the world.

The Group completed two major disposals after the half-year, realising material returns to shareholders.

Effective 1 September 2017, the Group sold Westcon-Comstor's businesses in North America and Latin America ("Westcon Americas") and a 10% interest in the remaining part of Westcon-Comstor ("Westcon International") to SYNEX Corporation for US\$630 million in cash, with the potential for an earn-out of up to US\$200 million in cash.

In October 2017, Logicalis also realised significant value from the sale of its non-core SMC consulting business to DXC Technology Company (NYSE: DXC) for US\$42 million.

Following the disposal of Westcon Americas (the largest profit contributor of Westcon-Comstor) the remaining business, Westcon International, will be directly managed by the Datatec management team. This business, which has faced difficult trading for the last few years, will be reshaped through a combination of cost-reduction measures and business efficiency initiatives.

Westcon International currently retains the circa US\$63 million annual central costs of Westcon-Comstor and has a transitional services agreement with SYNEX, which will run until August 2018. Subsequently, Westcon International will be able to implement fully its plans to reduce the central costs and right-size the business.

Logicalis has now become the strongest part of the Group in terms of profitability and cash generation and continues to provide the widest geographical exposure with its substantial Latin American and USA businesses. The Group intends to continue to develop and grow the Logicalis business.

As announced on 24 October 2017, the AIM listing of Datatec shares will be cancelled on 8 December 2017. The AIM listing has not had the desired effect of diversifying Datatec's investor base and trading of the shares on AIM has dwindled to negligible volumes.

The Group's trading in H1 FY18 continued to be adversely impacted by the roll out of the SAP ERP system and business process outsourcing ("BPO") across Westcon-Comstor's operations in Europe, Middle East and Africa ("EMEA").

Westcon Americas and the Logicalis SMC business are classified as a "disposal group" in accordance with IFRS 5. The Group's results for H1 FY18 are reported in the form of the "continuing operations", excluding the disposal group.

Continuing operations had revenues of US\$1.84 billion in H1 FY18 and US\$1.98 billion in the six-month financial period ended 31 August 2016 ("the Comparable Period" or "H1 FY17"). Continuing EBITDA was US\$7.7 million in H1 FY18 (H1 FY17: US\$24.4 million).

Group total revenue, on the "combined" basis including revenue of the disposal group, for H1 FY18 was US\$2.99 billion compared to US\$3.04 billion in H1 FY17. Group combined EBITDA was US\$39.3 million (H1 FY17: US\$68.9 million).

Underlying* earnings per share ("UEPS") was 1.4 US cents compared to 12.5 US cents for H1 FY17.

Given the Group's dividend policy and as underlying* earnings in H1 FY18 would only support a negligible dividend, the Board is not declaring an interim dividend.

CURRENT TRADING AND OUTLOOK

While the Group's trading in H1 FY18 has been disappointing, the Board expects a much better performance from Logicalis in H2 FY18.

Logicalis is expected to benefit from the contribution of Packet Systems Indonesia ("PSI") which was acquired in September 2017 and a major multi-year contract win in Latin America, which will underpin the performance of Logicalis in that geography.

Datatec is continuing to focus on improving the financial performance of Westcon International and streamlining its operations.

PROPOSED DISTRIBUTION TO SHAREHOLDERS FOLLOWING THE DISPOSAL OF WESTCON AMERICAS

The Company has consulted with its principal bankers relative to adjusting its debt levels and agreed that \$350 million of the designated free cash of \$500 million may be distributed to shareholders. The balance of \$150 million will be utilised to reduce the Group's residual interest bearing debt to mutually acceptable levels. For clarity, no part of the amount retained is earmarked for acquisitions and all will be applied to debt reduction and working capital funding.

The Board intends to distribute a special dividend of \$350 million (approximately R5 billion) to shareholders as a cash dividend with a scrip distribution alternative.

To the extent that the full \$350 million is not paid due to shareholders electing the scrip distribution alternative, the Board will use the full undistributed cash amount to do a general buyback of shares through the market under the authority granted at the Annual General Meeting on 14 September 2017.

The formal dividend declaration is expected to be done before the end of November 2017.

Shareholders will be advised in due course when the result of the special dividend election is known.

In addition, a further special dividend will be declared and/or a share buyback effected from all of the SYNEX earn-out consideration received by the Group. This is expected to be known and advised to shareholders in April 2018.

GROUP RESULTS

Revenue

Group combined revenues for the period were US\$2.99 billion (H1 FY17: US\$3.04 billion). Continuing revenues of US\$1.84 billion in H1 FY18 (H1 FY17: US\$1.98 billion) are included in the combined results as shown in the table below.

US\$ millions	Combined H1 FY18	Continuing H1 FY18	Disposal group H1 FY18	Combined H1 FY17	Continuing H1 FY17	Disposal group H1 FY17
Revenue						
Westcon-Comstor	2 278.6	1 148.0	1 130.6	2 256.1	1 216.4	1 039.7
Logicalis	693.7	677.6	16.1	757.2	736.1	21.1
Consulting and Financial Services	19.2	19.2	–	23.6	23.6	–
	2 991.5	1 844.8	1 146.7	3 036.9	1 976.1	1 060.8
Revenue by geography						
North America	1 027.3	184.3	843.0	1 056.4	237.3	819.1
Latin America	496.3	208.7	287.6	415.9	195.3	220.6
Europe	964.2	948.1	16.1	1 018.6	997.5	21.1
Asia-Pacific	325.2	325.2	–	345.3	345.3	–
MEA	178.5	178.5	–	200.7	200.7	–
	2 991.5	1 844.8	1 146.7	3 036.9	1 976.1	1 060.8
Gross profit by geography						
North America	106.5	50.2	56.3	125.5	63.1	62.4
Latin America	87.9	48.8	39.1	80.1	44.3	35.8
Europe	130.5	127.2	3.3	139.0	135.4	3.6
Asia-Pacific	55.3	55.3	–	52.7	52.7	–
MEA	17.9	17.9	–	22.5	22.5	–
	398.1	299.4	98.7	419.8	318.0	101.8
Group EBITDA						
Westcon-Comstor	19.0	(12.0)	31.0	42.9	(1.2)	44.1
Logicalis	28.8	28.2	0.6	33.0	32.6	0.4
Consulting and Financial Services	(8.5)	(8.5)	–	(7.0)	(7.0)	–
	39.3	7.7	31.6	68.9	24.4	44.5

Group combined gross margins in H1 FY18 were 13.3% (H1 FY17: 13.8%) and continuing gross margins in H1 FY18 were 16.2% (H1 FY17: 16.1%). Combined gross profit was US\$398.1 million (H1 FY17: US\$419.8 million) including US\$299.4 million (H1 FY17: US\$318.0 million) gross profit from continuing operations.

Overall combined operating costs were US\$358.8 million (H1 FY17: US\$350.9 million), including US\$291.7 million (H1 FY17: US\$293.6 million) from continuing operations. Included in the combined operating costs are total restructuring costs of US\$6.7 million (H1 FY17: US\$7.2 million).

Combined EBITDA was US\$39.3 million (H1 FY17: US\$68.9 million) and combined EBITDA margin was 1.3% (H1 FY17: 2.3%). Continuing EBITDA was US\$7.7 million (H1 FY17: US\$24.4 million) and continuing EBITDA margin was 0.4% (H1 FY17: 1.2%).

Combined operating profit was US\$10.0 million (H1 FY17: US\$40.7 million) including a loss of US\$19.0 million (H1 FY17: US\$0.7 million) from continuing operations.

The combined net interest charge increased to US\$17.0 million (H1 FY17: US\$10.3 million).

Combined loss before tax was US\$6.6 million (H1 FY17: US\$34.3 million profit). Loss before tax from continuing operations was US\$28.5 million (H1 FY17: US\$2.1 million).

A tax charge of US\$0.9 million has arisen on a loss from continuing operations of US\$28.5 million. This is largely due to the fact that the tax credit associated with certain management and IT costs of the continuing business have been treated as a benefit arising for the disposal group. This is also reflected in the comparative numbers. The underlying tax rate continues to be adversely affected by losses arising in Westcon-Comstor's Asia-Pacific and Africa regions for which limited deferred tax assets have been recognised.

Underlying* earnings per share were 1.4 US cents (H1 FY17: 12.5 US cents). Headline loss per share was 5.8 US cents (H1 FY17: 9.1 US cents headline earnings per share).

Cash

The Group generated US\$29.3 million of cash from combined operations during H1 FY18 (H1 FY17: US\$24.2 million) and ended the period with a combined net debt of US\$428.6 million (H1 FY17: US\$251.7 million and FY17: US\$396.5 million). The increase in net debt is a result of reduced cash earnings and funding of increased working capital. Of the net debt at 31 August 2017, US\$273.4 million related to continuing operations and US\$155.2 million related to the disposal group.

On 1 September 2017, the Group received US\$630 million for the sale of Westcon Americas to SYNEX.

Acquisitions

Effective 1 June 2017, Analysys Mason acquired 100% of the share capital of Nexia Management Consulting AS, a telecoms management consultancy company registered in Norway.

Effective 4 July 2017, Logicalis Group acquired 51% of the share capital in NubeliU, a South America-based company specialising in cloud computing projects based on OpenStack.

As a result of these acquisitions, goodwill and other intangibles assets increased by US\$6.7 million and US\$1.8 million respectively. None of the goodwill recognised is expected to be deductible for income tax purposes. The revenue and EBITDA included from these acquisitions in H1 FY18 were US\$1.0 million and US\$0.1 million respectively. Had the acquisition dates been 1 March 2017, revenue and EBITDA attributable to these acquisitions would have been approximately US\$2.4 million and US\$0.2 million for H1 FY18 respectively.

Acquisition-related costs of the above acquisitions of US\$0.3 million are included under operating costs in the condensed consolidated statement of comprehensive income.

An assessment of the fair value of the assets acquired across both the acquisitions made by the Group is shown in the table below.

Shareholder distributions and dividend policy

The Group's policy is to maintain a fixed three times cover relative to underlying* earnings when declaring dividends. The level of underlying earnings in H1 FY18 would only support a negligible dividend under this policy so no interim dividend for FY18 is declared.

As set out above, the Board has determined a structured programme of dividends and share repurchases in order to return the majority of cash received from the SYNEX transaction to shareholders.

Foreign exchange translation

Gains of US\$8.5 million (H1 FY17: US\$47.5 million) arising on translation to presentation currency are included in total comprehensive loss of US\$0.3 million (H1 FY17: income US\$62.8 million).

DIVISIONAL REVIEWS

Westcon-Comstor

Westcon-Comstor accounted for 76% of the Group's combined revenues (H1 FY17: 74%) and 62% of the Group's continuing revenues (H1 FY17: 62%). Westcon-Comstor accounted for 59% of its combined EBITDA (H1 FY17: 56%).

Westcon-Comstor is a value-added technology distributor of category-leading solutions in security, collaboration, networking and data centre. Westcon-Comstor is transforming the technology supply chain through its global capabilities in cloud, services and global deployment. It has teams in 50-plus countries, combining expert technical and market knowledge with industry-leading partner enablement programmes. Collaborating with its partners in a unique engagement model, Westcon-Comstor strives to provide an exceptional partner experience by delivering results together. The company goes to market under the Westcon and Comstor brands. Westcon-Comstor's portfolio of market-leading vendors includes: Cisco, Avaya, Polycom, Juniper, Check Point, F5, Palo Alto and Symantec.

With effect from 1 September 2017, Westcon Americas was sold to SYNEX and the EMEA and Asia-Pacific businesses of Westcon-Comstor (Westcon International) continue under Datatec ownership with a 10% interest held by SYNEX.

US\$ millions	Combined H1 FY18	Continuing (Westcon International) H1 FY18	Disposal group (Westcon Americas) H1 FY18	Combined H1 FY17	Continuing (Westcon International) H1 FY17	Disposal group (Westcon Americas) H1 FY17	Combined % change	Continuing % change
Revenue								
North America	843.0	–	843.0	819.1	–	819.1	2.9	–
Latin America	287.6	–	287.6	220.6	–	220.6	30.4	–
Europe	730.5	730.5	–	760.5	760.5	–	(3.9)	(3.9)
Asia-Pacific	241.0	241.0	–	257.6	257.6	–	(6.5)	(6.5)
MEA	176.5	176.5	–	198.3	198.3	–	(11.0)	(11.0)
	2 278.6	1 148.0	1 130.6	2 256.1	1 216.4	1 039.7	1.0	(5.6)
Gross profit								
North America	56.3	–	56.3	62.4	–	62.4	(9.8)	–
Latin America	39.1	–	39.1	35.8	–	35.8	9.2	–
Europe	72.6	72.6	–	87.1	87.1	–	(16.7)	(16.7)
Asia-Pacific	31.2	31.2	–	29.6	29.6	–	5.4	5.4
MEA	17.1	17.1	–	21.6	21.6	–	(20.8)	(20.8)
	216.3	120.9	95.4	236.5	138.3	98.2	(8.6)	(12.6)

Westcon-Comstor's combined revenues increased by 1% to US\$2.3 billion (H1 FY17: US\$2.3 billion) with higher revenue in North America and Latin America offset by lower revenues in Europe, MEA and Asia-Pacific.

There was a decline in the financial performance of the EMEA region. Continued business transformation challenges in EMEA led to a drop in revenues of US\$51.8 million in H1 FY18 compared to H1 FY17. The drop in revenue resulted in a reduction in gross profit of US\$19.0 million in EMEA, representing the bulk of the drop in gross profit in Westcon-Comstor. Trading conditions in MEA were weak, particularly in South Africa.

Asia-Pacific revenues were US\$16.6 million lower due to reduced sales in China; however, gross profit was US\$1.6 million better than H1 FY17.

Westcon-Comstor combined revenue by technology category:

	H1 FY18	H1 FY17
Security	38%	38%
Networking	25%	26%
Unified communications	22%	22%
Data centre and other	15%	14%
	100%	100%

Westcon-Comstor's combined gross margins were 9.5% (H1 FY17: 10.5%) due to unfavourable geographic mix with lower margins in Latin America and MEA.

Combined operating expenses increased to US\$197.3 million (H1 FY17: US\$193.6 million). The 2% increase is primarily due to higher foreign exchange expense in Latin America and Asia-Pacific.

Restructuring expenses of US\$4.3 million (H1 FY17: US\$7.0 million) were incurred, mainly in North America, Asia-Pacific and Global Support related to BPO transformation. In addition US\$1.4 million of expenditure was incurred in relation to the recently completed transaction with SYNEX.

Combined EBITDA was US\$19.0 million (H1 FY17: US\$42.9 million). Westcon-Comstor's continuing operations (Westcon International) incurred an EBITDA loss of US\$12.0 million (H1 FY17: US\$1.2 million) and the disposal group (Westcon Americas) recorded EBITDA of US\$31.0 million (H1 FY17: US\$44.1 million).

Net working capital days decreased to 32 days compared to FY17 (39 days) primarily due to significant improvement in inventory turns in EMEA and Asia-Pacific. The improvement in net working capital days, partially offset by lower cash earnings, US\$15.8 million of capital expenditures and the further purchase of US\$2 million Angola government bonds resulted in a decrease of US\$32.1 million in net debt to US\$371.3 million.

Of this net debt, US\$207.5 million is in the continuing Westcon International business and US\$163.8 million is in the disposal group (Westcon Americas). Of the US\$12.4 million incurred in capitalised development expenditure during H1 FY18, the majority is attributable to the SAP ERP system transition, cloud development and digital transformation.

From H2 FY18 Westcon International is being managed by the Datatec management team and the Group will be collapsing the Datatec and Westcon International head office functions to further streamline its operations. Westcon International is well positioned to benefit from its partnership with SYNEX, continued growth in security and mobile networks, investments in its cloud practice as well as improving conditions in emerging markets.

Logicalis

Logicalis accounted for 23% of the Group's combined revenues (H1 FY17: 25%) and 37% of the Group's continuing revenues (H1 FY17: 37%).

Logicalis is a global IT solutions and managed services provider with expertise in data centre and cloud services, security and network infrastructure, workspace communications and collaboration, data and information strategies, and IT operation modernisation.

Combined revenues were US\$693.7 million (H1 FY17: US\$757.2 million), including US\$0.3 million of revenue from acquisitions made during the period. Revenues from continuing operations (excluding Logicalis' disposal group, SMC) were US\$677.6 million (H1 FY17 US\$736.1 million). Services revenues were up 7.4% with strong growth in both professional services and annuity revenue. Revenue contribution by geography is shown below:

	H1 FY18	H1 FY17
North America	26%	31%
Latin America	30%	26%
Europe	32%	32%
Asia-Pacific	12%	11%
	100%	100%

Revenue increases in Latin America were offset by decreases in Europe, North America and Asia-Pacific.

In Europe, the UK results have improved as the restructuring of the UK operation continued and it benefited from a large supplier credit. Latin America showed improvement notably in Argentina. North America was adversely impacted by weak trading conditions and product sales in the first half.

Revenues from product were down 16.5%, with decreases in Cisco, HPE and IBM.

Logicalis' combined gross margins were 25.2% (H1 FY17: 23.2%), benefiting from the improved services mix. Gross margins from continuing operations were 25.3% (H1 FY17: 23.3%).

Combined gross profit was down 0.4% to US\$174.7 million (H1 FY17: US\$175.4 million). Gross profit from continuing operations was US\$171.4 million (H1 FY17: US\$171.8 million).

Logicalis' combined gross profit contribution by geography is shown below:

	H1 FY18	H1 FY17
North America	28%	36%
Latin America	28%	25%
Europe	31%	27%
Asia-Pacific	13%	12%
	100%	100%

Combined EBITDA was US\$28.8 million (H1 FY17: US\$33.0 million), with a corresponding EBITDA margin of 4.2% (H1 FY17: 4.4%). Combined operating profit was US\$16.5 million (H1 FY17: US\$20.3 million). Operating profit

from continuing operations was US\$16.0 million (H1 FY17: US\$20.0 million).

Logicalis incurred US\$2.4 million expenditure in H1 FY18 restructuring its UK and US operations. Combined EBITDA before restructuring charges was US\$31.2 million with a combined EBITDA margin of 4.5% and operating profit before these restructuring charges was US\$18.9 million.

At 31 August 2017, Logicalis has a net overdraft of US\$1.9 million (H1 FY17: US\$11.3 million net cash). The reduction in net cash was caused primarily by significant prepaid expenses in Latin America. The sale of the SMC business in October 2017 brought US\$42 million of cash into the business in H2 FY18.

Logicalis continues to have a contingent liability in respect of a possible tax liability at its PromonLogicalis subsidiary in Brazil.

In July 2017, Logicalis acquired 51% of the share capital in NubeliU, a South American company specialising in cloud computing projects based on OpenStack. The 51% interest in NubeliU was acquired for a cash consideration of US\$3.8 million. NubeliU's expertise in OpenStack will accelerate the global expansion of Logicalis' cloud computing and SDx (Software Defined everything) practices, strengthening its position as a cloud integrator and ensuring its ability to meet its customers' requirements on their journey to digital transformation.

In September 2017, Logicalis won a significant long-term project with a large service provider covering multiple territories within Latin America which will contribute significantly to the business in H2 FY18 and beyond.

Digital innovation is accelerating; business technology is undergoing a major shift. Logicalis is transitioning itself into a Digital Enabler for its customers, driven by the explosion of data, the rise of mobile and the cloud and many opportunities exist to tap into themes such as security to augment its strong networking heritage.

Logicalis is also investing in areas such as business intelligence and data analytics to grow its data centre infrastructure offerings for customers. Cloud continues to be a key feature in the business and IT strategies of customers and Logicalis is well positioned to support customers regardless of their cloud strategy.

Logicalis remains confident about the prospects for the industry and its positioning and expects a solid H2 FY18.

Corporate, Consulting and Financial Services

This segment accounted for 1% of Group's combined and continuing revenues (H1 FY17: 1%).

The Consulting unit comprised: Analysys Mason, a provider of strategic, trusted advisory, modelling and market intelligence services to the telecoms, media and technology industries; and Mason Advisory, an independent and impartial IT consultancy providing related strategic, technical and operational advice to the public and private sectors. Datatec's shareholding in Mason Advisory reduced to 42.5% at the end of H1 FY17 and accordingly it has been equity-accounted from that date.

Consulting revenues were US\$18.5 million (H1 FY17: US\$22.3 million) and EBITDA was US\$0.9 million (H1 FY17: US\$1.1 million). The H1 FY17 Consulting revenues and EBITDA include Mason Advisory but in H1 FY18 the Group's share of Mason Advisory's profit is included in "share of equity-accounted investment earnings". Both Analysys Mason and Mason Advisory achieved improved results for H1 FY18 compared to H1 FY17.

In June 2017, Analysys Mason acquired Nexia Management Consulting AS, a telecoms management consultancy based in Norway which will enhance Analysys Mason's existing track record in the Nordics, where telecoms, media and technology ("TMT") markets are among the most advanced in the world.

Datatec Financial Services is in a development phase of its business providing financing/leasing solutions for ICT customers. The business recorded revenues of US\$0.7 million in H1 FY18 (H1 FY17: US\$1.2 million) and an EBITDA loss of US\$0.8 million (H1 FY17: US\$0.3 million).

Corporate includes the net operating costs of the Datatec head office entities which were US\$8.6 million (H1 FY17: US\$6.0 million). These costs include the remuneration of the Board and head office staff, consulting and audit fees. In H1 FY18, foreign exchange gains were negligible (H1 FY17: US\$1.7 million foreign exchange loss). The net operating costs included SYNEX transaction related expenses of US\$2.0 million in H1 FY18.

SUBSEQUENT EVENTS

On 1 September 2017, the sale of Datatec's Westcon Americas and 10% of the remaining part of Westcon-Comstor (Westcon International) to SYNEX Corporation completed.

On 13 October 2017, Logicalis sold its SMC operation in the Netherlands for US\$42 million in cash. Logicalis had acquired SMC on 4 March 2013 as one of the four European operations purchased from 2e2 for US\$31 million. The purchase price attributed to SMC was US\$5 million.

The profit on sale and associated adjustments from the two disposals noted above will be accounted for in the second half of FY18.

On 4 September 2017, Logicalis completed the acquisition, with its Indonesian partner Metrodata, of a majority stake in Packet Systems Indonesia ("PSI"), a leading ICT systems integrator and service company. PSI will be integrated with Logicalis Metrodata Indonesia ("LMI"), the existing Indonesian operation of Logicalis.

REPORTING

This interim financial report was prepared in accordance with the framework concepts and the recognition and measurement criteria of IFRS and its interpretations adopted by the International Accounting Standards Boards ("IASB") in issue and effective for the group at 1 March 2017 and the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committees and Financial Reporting pronouncements as issued by the Financial Reporting Standards Council. This interim report was prepared using the information as required by IAS 34 – Interim Financial Reporting, and complies with the Listings Requirements of the JSE Limited, the AIM Rules for Companies, and the requirements of the Companies Act, No 71 of 2008, of South Africa. This report was compiled under the supervision of Ivan Dittrich CA(SA) (Chief Financial Officer).

The accounting policies and methods of computation applied in the preparation of these interim financial statements are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements. The adoption of certain amendments to existing standards did not have an impact on the accounting policies of the Group.

DISCLAIMER

This announcement may contain statements regarding the future financial performance of the Group which may be considered to be forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty, and although the Group has taken reasonable care to ensure the accuracy of the information presented, no assurance can be given that such expectations will prove to have been correct.

The Group has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements and there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. It is important to note, that:

- (i) unless otherwise indicated, forward-looking statements indicate the Group's expectations and have not been reviewed or reported on by the Group's external auditors;
- (ii) actual results may differ materially from the Group's expectations if known and unknown risks or uncertainties affect its business, or if estimates or assumptions prove inaccurate;
- (iii) the Group cannot guarantee that any forward-looking statement will materialise and, accordingly, readers are cautioned not to place undue reliance on these forward-looking statements; and
- (iv) the Group disclaims any intention and assumes no obligation to update or revise any forward-looking statement even if new information becomes available, as a result of future events or for any other reason, other than as required by the JSE Limited Listings Requirements and/or the AIM Rules.

On behalf of the Board

SJ Davidson

Chairman

JP Montanana

Chief Executive Officer

IP Dittrich

Chief Financial Officer

13 November 2017

DIRECTORS

SJ Davidson[°] (Chairman), JP Montanana[•] (CEO), IP Dittrich (CFO), O Ighodaro^{°‡}, JF McCartney^{°†}, MJN Njeke[°], CS Seabrooke[°], NJ Temple^{°•}

[°]Non-executive [•]British [†]American [‡]Nigerian

* *Excluding impairments of goodwill and intangible assets, profit or loss on sale of investments and assets, amortisation of acquired intangible assets, unrealised foreign exchange movements, acquisition-related adjustments, fair value movements on acquisition-related financial instruments, restructuring costs relating to fundamental reorganisations, SYNEX deal-related expenses and the taxation effect on all of the aforementioned.*

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the six months to 31 August 2017

US\$'000	Unaudited Six months to 31 August 2017	Unaudited Re-presented+ Six months to 31 August 2016	Audited Re-presented+ Year ended 28 February 2017
Revenue	1 844 823	1 976 119	3 861 991
Continued operations	1 843 819	1 975 214	3 859 775
Revenue from acquisitions	1 004	905	2 216
Cost of sales	(1 545 460)	(1 658 125)	(3 239 701)
Gross profit	299 363	317 994	622 290
Operating costs	(284 602)	(284 397)	(579 177)
Restructuring costs	(4 885)	(7 236)	(13 072)
Share-based payments	(2 174)	(1 925)	(1 000)
Operating profit before interest, tax, depreciation and amortisation ("EBITDA")	7 702	24 436	29 041
Depreciation	(13 648)	(13 356)	(27 440)
Amortisation of capitalised development expenditure	(7 209)	(5 914)	(13 461)
Amortisation of acquired intangible assets and software	(5 828)	(5 887)	(11 429)
Operating loss	(18 983)	(721)	(23 289)
Interest income	1 705	1 554	2 912
Finance costs	(11 625)	(6 883)	(16 729)
Share of equity-accounted investment earnings/(losses)	231	250	(793)
Acquisition-related fair value adjustments	66	3 563	5 565
Fair value movements on put option liabilities	**	–	658
Fair value adjustment on deferred and/or contingent purchase consideration	66	3 563	4 907
Other income	115	142	230
Profit on disposal of associate/loss of control of subsidiary	–	–	319
Loss before taxation	(28 491)	(2 095)	(31 785)
Taxation	(860)	697	(21 242)
Loss for the period from continuing operations	(29 351)	(1 398)	(53 027)
Profit for the period from discontinued operations	18 162	24 069	63 776
(Loss)/profit for the period	(11 189)	22 671	10 749

**Less than US\$1 000.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME continued
for the six months to 31 August 2017

US\$'000	Unaudited Six months to 31 August 2017	Unaudited Re-presented+ Six months to 31 August 2016	Audited Re-presented+ Year ended 28 February 2017
Other comprehensive (loss)/income			
Items that may be reclassified subsequently to profit and loss			
Exchange differences arising on translation to presentation currency	8 498	47 527	56 947
Translation of equity loans net of tax effect	149	(7 661)	(9 994)
Transfers and other items	2 244	287	622

Total comprehensive (loss)/income for the period	(298)	62 824	58 324
(Loss)/profit attributable to:			
Owners of the parent	(12 363)	19 145	3 038
Non-controlling interests	1 174	3 526	7 711
	(11 189)	22 671	10 749
Total comprehensive (loss)/income attributable to:			
Owners of the parent	(296)	53 946	44 732
Non-controlling interests	(2)	8 878	13 592
	(298)	62 824	58 324

⁺ The prior years have been re-presented to show comparative results from continuing and discontinued operations in accordance with IFRS 5.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 August 2017

US\$'000	Unaudited Six months to 31 August 2017	Unaudited Six months to 31 August 2016	Audited Year ended 28 February 2017
ASSETS			
Non-current assets	671 821	784 039	786 361
Property, plant and equipment	59 425	77 048	73 742
Goodwill	403 530	463 324	461 651
Capitalised development expenditure	84 596	76 612	80 843
Acquired intangible assets and software	41 060	54 181	48 620
Investments	27 266	23 842	24 887
Deferred tax assets	40 624	55 602	67 644
Finance lease receivables	6 819	6 780	8 885
Other receivables	8 501	26 650	20 089
Current assets	2 966 452	2 641 694	2 698 539
Inventories	256 431	420 923	438 503
Trade receivables	1 049 965	1 592 494	1 548 003
Current tax assets	7 401	19 935	17 849
Prepaid expenses and other receivables	320 906	286 884	340 696
Finance lease receivables	2 679	5 581	7 854
Cash resources	233 504	315 877	345 634
Assets classified as held for sale	1 095 566	–	–
Total assets	3 638 273	3 425 733	3 484 900
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent	855 412	870 366	854 986
Share capital and premium	152 396	134 215	151 947
Non-distributable reserves	66 105	77 013	63 299
Foreign currency translation reserve	(132 030)	(148 277)	(141 816)
Share-based payment reserve	3 440	2 480	2 681
Distributable reserves	765 501	804 935	778 875
Non-controlling interests	52 097	47 932	51 889
Total equity	907 509	918 298	906 875
Non-current liabilities	119 430	116 479	127 056
Long-term liabilities	56 136	27 116	31 902
Liability for share-based payments	3 075	5 326	2 080
Amounts owing to vendors	190	2 798	580

Deferred tax liabilities	40 429	71 970	78 959
Provisions	8 413	8 756	8 376
Other liabilities	11 187	513	5 159
Current liabilities	2 611 334	2 390 956	2 450 969
Trade and other payables	1 218 685	1 831 899	1 720 391
Short-term interest-bearing liabilities	58 944	59 079	64 787
Provisions	5 265	6 488	8 634
Amounts owing to vendors	1 343	4 353	512
Current tax liabilities	2 378	7 736	11 159
Bank overdrafts	391 813	481 401	645 486
Liabilities directly associated with assets classified as held for sale	932 906	–	–
Total equity and liabilities	3 638 273	3 425 733	3 484 900

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months to 31 August 2017

US\$'000	Unaudited Six months to 31 August 2017	Unaudited Six months to 31 August 2016	Audited Year ended 28 February 2017
Operating profit before working capital changes	42 255	69 989	134 535
Working capital changes	(11 754)	(41 131)	(184 576)
Decrease/(increase) in inventories	3 465	581	(11 995)
Increase in receivables	(125 052)	(78 285)	(83 753)
Increase/(decrease) in payables	109 833	36 573	(88 828)
Other working capital changes	(1 217)	(4 673)	12 720
Cash generated from/(utilised in) operations	29 284	24 185	(37 321)
Net finance costs paid	(13 125)	(9 638)	(25 264)
Taxation paid	(14 861)	(21 262)	(43 299)
Net cash inflow/(outflow) from operating activities	1 298	(6 715)	(105 884)
Cash outflow for acquisitions	(5 262)	(1 854)	(1 854)
Increase in investments	(2 118)	–	(9 201)
Additions to property, plant and equipment	(13 149)	(39 426)	(30 796)
Proceeds on disposal of investments	–	–	533
Increase in capitalised development expenditure	(12 433)	–	(29 091)
Additions to software	–	–	(1 566)
Proceeds on disposal of property, plant and equipment	89	–	2 302
Net cash outflow from investing activities	(32 873)	(41 280)	(69 673)
Dividends paid to shareholders	–	(14 680)	(20 949)
Amounts paid to vendors	(210)	–	(3 429)
Inflow of long-term liabilities	27 321	18 694	20 851
Net cash inflow/(outflow) from financing activities	27 111	4 014	(3 527)
Net decrease in cash and cash equivalents	(4 464)	(43 981)	(179 084)
Cash and cash equivalents at the beginning of the year	(299 852)	(132 685)	(132 685)
Translation differences on cash and cash equivalents	(259)	11 142	11 917
Cash and cash equivalents at the end of the period[#] – combined	(304 575)	(165 524)	(299 852)
Cash flows from discontinued operations		Re-presented ⁺	Re-presented ⁺
Net cash (outflow)/inflow from operating activities	(49 747)	5 076	(18 654)
Net cash outflow from investing activities	(2 700)	(2 824)	(1 472)
Net cash inflow/(outflow) from financing activities	8 240	(10 535)	(35)

Net decrease in cash and cash equivalents	(44 207)	(8 283)	(20 161)
Opening cash	(101 122)		
Translation differences	(937)		
Net decrease in cash and cash equivalents	(44 207)		
Cash and cash equivalents at the end of the period[#] – discontinued operations	(146 266)		
Cash and cash equivalents at the end of the period[#] – continuing operations	(158 309)		

[#] Comprises cash resources, net of bank overdrafts.

⁺ The prior years have been re-presented to show comparative results from discontinued operations in accordance with IFRS 5.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

for the six months to 31 August 2017

US\$'000	Unaudited Six months to 31 August 2017	Unaudited Six months to 31 August 2016	Audited Year ended 28 February 2017
Balance at the beginning of the period	906 875	869 420	869 420
Transactions with equity holders of the parent			
Comprehensive (loss)/income	(296)	53 946	44 732
Dividends	–	(14 680)	(20 949)
Share-based payments	722	734	837
Transactions with non-controlling interests			
Comprehensive (loss)/income	(2)	8 878	13 592
Acquisitions of additional interests from non-controlling interests	210	–	–
Disposals of additional interests from non-controlling interests	–	–	(757)
Balance at the end of the period	907 509	918 298	906 875

DETERMINATION OF HEADLINE AND UNDERLYING EARNINGS

for the six months to 31 August 2017

US\$'000	Unaudited Six months to 31 August 2017	Unaudited Six months to 31 August 2016	Audited Year ended 28 February 2017
(Loss)/profit attributable to the equity holders of the parent	(12 363)	19 145	3 038
Headline earnings adjustments	79	(32)	1 262
Property impairment	–	–	1 600
Profit on disposal of investment/associate/loss of control or subsidiary	–	(14)	(319)
Loss/(profit) on disposal of property, plant and equipment	131	(28)	(36)
Tax effect	(52)	10	17
Non-controlling interests	–	–	(7)
Headline (losses)/earnings	(12 284)	19 113	4 293
Continuing operations – Re-presented ⁺	(30 446)	(4 928)	(59 426)
Discontinued operations – Re-presented ⁺	18 162	24 041	63 719

DETERMINATION OF UNDERLYING EARNINGS

Underlying earnings adjustments	20 299	8 689	24 677
Unrealised foreign exchange losses/(gains)	4 311	(1 092)	1 854
Acquisition-related fair value adjustments	(66)	(3 563)	(5 565)
SYNNEX deal-related costs	3 442	–	–
Restructuring costs	6 713	7 236	16 559
Amortisation of acquired intangible assets	5 899	6 108	11 829
Tax effect	(4 650)	(1 525)	(5 488)

Non-controlling interests	(332)	(155)	(340)
Underlying earnings	3 033	26 122	23 142
Continuing operations – Re-presented ⁺	(18 355)	2 589	(43 896)
Discontinued operations – Re-presented ⁺	21 388	23 533	67 038

⁺ The prior years have been re-presented to show comparative results from continuing and discontinued operations in accordance with IFRS 5.

SALIENT FINANCIAL FEATURES

for the six months to 31 August 2017

US\$'000	Unaudited Six months to 31 August 2017	Unaudited Re-presented ⁺ Six months to 31 August 2016	Audited Re- presented ⁺ Year ended 28 February 2017
Number of shares issued (millions)			
Issued	212	211	212
Weighted average	212	210	211
Diluted weighted average	214	211	212
(Losses)/earnings per share ("EPS") (US cents)			
Basic	(5.8)	9.1	1.4
Continuing operations	(14.4)	(2.4)	(28.9)
Discontinued operations	8.6	11.5	30.3
Diluted basic	(5.8)	9.1	1.4
Continuing operations	(14.3)	(2.3)	(28.7)
Discontinued operations	8.5	11.4	30.1
Headline (losses)/earnings	(12 284)	19 113	4 293
Continuing operations	(30 446)	(4 928)	(59 426)
Discontinued operations	18 162	24 041	63 719
Headline (losses)/earnings per share (US cents)			
Headline	(5.8)	9.1	2.0
Continuing operations	(14.4)	(2.4)	(28.3)
Discontinued operations	8.6	11.5	30.3
Diluted headline	(5.8)	9.1	2.0
Continuing operations	(14.3)	(2.3)	(28.1)
Discontinued operations	8.5	11.4	30.1
Underlying earnings	3 033	26 122	23 142
Continuing operations	(18 355)	2 589	(43 896)
Discontinued operations	21 388	23 533	67 038
Underlying earnings per share (US cents)			
Underlying	1.4	12.5	11.0
Continuing operations	(8.7)	1.3	(20.8)
Discontinued operations	10.1	11.2	31.8
Diluted underlying	1.4	12.4	10.9
Continuing operations	(8.6)	1.2	(20.7)
Discontinued operations	10.0	11.2	31.6
Net asset value per share (US cents)	404.3	412.2	403.5

KEY RATIOS			
Gross margin (%) – continuing operations	16.2	16.1	16.1
EBITDA (%) – continuing operations	0.4	1.2	0.8
Effective tax rate (%) – continuing operations	(3.0)	33.3	(66.8)
Exchange rates			
Average Rand/US\$ exchange rate	13.2	14.7	14.2
Closing Rand/US\$ exchange rate	13.0	14.5	13.0

⁺ *The prior years have been re-presented to show comparative results from continuing and discontinued operations in accordance with IFRS 5.*

CONDENSED SEGMENTAL ANALYSIS

for the six months to 31 August 2017

	Westcon-Comstor			Logicalis			Corporate, Consulting and Financial Services			Total		
	Unaudited Six months to 31 August 2017	Unaudited Re-presented+ Six months to 31 August 2016	Audited Re-presented+ Year ended 28 February 2017	Unaudited Six months to 31 August 2017	Unaudited Re-presented+ Six months to 31 August 2016	Audited Re-presented+ Year ended 28 February 2017	Unaudited Six months to 31 August 2017	Unaudited Re-presented+ Six months to 31 August 2016	Audited Re-presented+ Year ended 28 February 2017	Unaudited Six months to 31 August 2017	Unaudited Re-presented+ Six months to 31 August 2016	Audited Re-presented+ Year ended 28 February 2017
Revenue	1 147 968	1 216 414	2 352 752	677 650	736 123	1 468 238	19 205	23 582	41 001	1 844 823	1 976 119	3 861 991
EBITDA	(11 999)	(1 163)	(33 667)	28 186	32 605	76 350	(8 485)	(7 006)	(13 642)	7 702	24 436	29 041
Reconciliation of operating (loss)/profit to (loss)/profit for the period												
Operating (loss)/profit	(25 986)	(13 467)	(61 102)	15 968	20 028	52 017	(8 965)	(7 282)	(14 204)	(18 983)	(721)	(23 289)
Interest income	679	542	1 313	839	836	1 273	187	176	326	1 705	1 554	2 912
Finance costs	(6 160)	(4 322)	(9 996)	(5 463)	(2 534)	(6 690)	(2)	(27)	(43)	(11 625)	(6 883)	(16 729)
Share of equity-accounted investment earnings/(losses)	146	250	(933)	–	–	–	85	–	140	231	250	(793)
Fair value movements on put option liabilities	**	–	658	–	–	–	–	–	–	**	–	658
Fair value adjustments on deferred and/or contingent purchase consideration	–	–	–	66	3 563	4 907	–	–	–	66	3 563	4 907
Other income	–	–	–	–	–	–	115	142	230	115	142	230
Profit on disposal of associate/loss of control of subsidiary	–	–	–	–	–	–	–	–	319	–	–	319
(Loss)/profit before taxation	(31 321)	(16 997)	(70 060)	11 410	21 893	51 507	(8 580)	(6 991)	(13 232)	(28 491)	(2 095)	(31 785)
Taxation	1 681	7 680	(2 697)	(3 361)	(6 763)	(16 326)	820	(220)	(2 219)	(860)	697	(21 242)
(Loss)/profit for the period from continuing operations	(29 640)	(9 317)	(72 757)	8 049	15 130	35 181	(7 760)	(7 211)	(15 451)	(29 351)	(1 398)	(53 027)

Profit for the period from discontinued operations	17 930	24 051	62 275	232	18	1 501	–	–	–	18 162	24 069	63 776
(Loss)/profit for the period	(11 710)	14 734	(10 482)	8 281	15 148	36 682	(7 760)	(7 211)	(15 451)	(11 189)	22 671	10 749
Total assets	2 465 006	2 374 333	2 405 604	1 121 801	955 747	986 291	51 466	95 653	93 005	3 638 273	3 425 733	3 484 900
Total liabilities	(1 909 526)	(1 798 264)	(1 861 416)	(812 352)	(664 799)	(685 867)	(8 886)	(44 372)	(30 742)	(2 730 764)	(2 507 435)	(2 578 025)

+The prior years have been re-presented to show comparative results from continuing and discontinued operations in accordance with IFRS 5.

Sales and purchases between Group companies are concluded at arm's length in the ordinary course of business. The inter-group sales of goods and provision of services for the year ended 31 August 2017 amounted to US\$19.9 million (H1 FY17: US\$25.5 million).

DISCONTINUED OPERATIONS

for the six months to 31 August 2017

	Westcon Americas disposal group Six months to 31 August 2017	SMC disposal group Six months to 31 August 2017	Datatec consolidation adjustments Six months to 31 August 2017	Discontinued operations Six months to 31 August 2017	Westcon Americas disposal group Six months to 31 August 2016	SMC disposal group Six months to 31 August 2016	Datatec consolidation adjustments Six months to 31 August 2016	Discontinued operations Six months to 31 August 2016	Westcon Americas disposal group Year ended 28 February 2017	SMC disposal group Year ended 28 February 2017	Datatec consolidation adjustments Year ended 28 February 2017	Discontinued operations Year ended 28 February 2017
Revenue	1 151 849	16 088	(21 251)	1 146 686	1 071 305	21 065	(31 579)	1 060 791	2 234 659	42 061	(55 328)	2 221 392
Continued operations	1 130 598	16 088	–	1 146 686	1 039 726	21 065	–	1 060 791	2 179 331	42 061	–	2 221 392
Inter-segmental revenue	21 251	–	(21 251)	–	31 579	–	(31 579)	–	55 328	–	(55 328)	–
Cost of sales	(1 056 453)	(12 732)	21 251	(1 047 934)	(973 126)	(17 434)	31 579	(958 981)	(2 033 077)	(32 801)	55 328	(2 010 550)
Gross profit	95 396	3 356	–	98 752	98 179	3 631	–	101 810	201 582	9 260	–	210 842
Operating costs	(62 172)	(2 771)	–	(64 943)	(53 990)	(3 215)	–	(57 205)	(109 462)	(6 601)	–	(116 063)
Impairment of property	–	–	–	–	–	–	–	–	(1 600)	–	–	(1 600)
Restructuring costs	(1 828)	–	–	(1 828)	–	–	–	–	(3 488)	–	–	(3 488)
Share-based payments	(401)	–	–	(401)	(144)	–	–	(144)	139	–	–	139
Operating profit before	30 995	585	–	31 580	44 045	416	–	44 461	87 171	2 659	–	89 830
Management fees – Westcon	(18 109)	–	18 109	–	(14 430)	–	14 430	–	(40 027)	–	40 027	–
Datatec Group management fees	(4 441)	–	4 441	–	(3 853)	–	3 853	–	(7 208)	–	7 208	–
EBITDA after management	8 445	585	22 550	31 580	25 762	416	18 283	44 461	39 936	2 659	47 235	89 830
Depreciation	(1 555)	(55)	–	(1 610)	(2 153)	(54)	–	(2 207)	(3 887)	(103)	–	(3 990)
Amortisation of capitalised	(338)	–	–	(338)	–	–	–	–	(351)	–	–	(351)
Amortisation of acquired intangible	(667)	–	–	(667)	(782)	(75)	–	(857)	(1 507)	(151)	–	(1 658)
Operating profit	5 885	530	22 550	28 965	22 827	287	18 283	41 397	34 191	2 405	47 235	83 831
Net finance costs	(6 889)	(234)	–	(7 123)	(4 723)	(251)	–	(4 974)	(9 964)	(422)	–	(10 386)
(Loss)/profit before taxation	(1 004)	296	22 550	21 842	18 104	36	18 283	36 423	24 227	1 983	47 235	73 445
Taxation	(3 616)	(64)	–	(3 680)	(12 336)	(18)	–	(12 354)	(9 187)	(482)	–	(9 669)
(Loss)/profit for the period from discontinued operations	(4 620)	232	22 550	18 162	5 768	18	18 283	24 069	15 040	1 501	47 235	63 776

The Westcon-Comstor management fees charged are added back as these costs will remain within the Datatec Group as per the Share Purchase agreement. Datatec management fees are eliminated at Datatec Group.

CAPITAL EXPENDITURE AND COMMITMENTS

as at 31 August 2017

US\$'000	Unaudited Six months to 31 August 2017	Unaudited Six months to 31 August 2016	Audited Year ended 28 February 2017
Capital expenditure incurred in the current period (including capitalised development expenditure)	25 584	32 808	61 453
Continuing operations	22 961	32 808	61 453
Discontinued operations	2 623	–	–
Capital commitments at the end of the period – continuing operations	29 359	22 586	36 155
Lease commitments at the end of the period – continuing operations	126 033	149 543	133 202
Payable within one year – continuing operations	31 429	35 711	33 894
Payable after one year – continuing operations	94 604	113 832	99 308

ACQUISITIONS MADE DURING THE PERIOD

as at 31 August 2017

The following table sets out the assessment of the fair value of assets and liabilities acquired in the acquisition made by the Group during the period. The fair value assessments of assets and liabilities acquired and the amounts recognised as goodwill and intangible assets have only been determined provisionally due to the timing of the acquisitions and future amendments may impact classification in these categories.

US\$'000	Unaudited Six months to 31 August 2017
Assets acquired	
Non-current assets	98
Current assets	1 394
Non-current liabilities	(273)
Current liabilities	(817)
Net assets acquired	402
Intangible assets	1 777
Goodwill	6 760
Non-controlling interest	(210)
Fair value of acquisition	8 729
Purchase consideration	
Cash	5 814
Deferred purchase consideration	844
Subsidiary shares issued	2 051
Total consideration	8 709
Cash outflow for acquisitions	
Cash and cash equivalents acquired	(552)
Cash consideration paid	5 814
Net cash outflow for acquisitions	5 262