

# UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL RESULTS

FOR THE SIX MONTHS  
ENDED 28 FEBRUARY 2023



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### **AYO TECHNOLOGY SOLUTIONS LIMITED**

(Incorporated in the Republic of South Africa)

Registration number: 1996/014461/06

Share code: AYO

ISIN: ZAE000252441

("AYO" or the "Group" or the "Company")





## Join us as we reflect on our journey

This is the story of AYO. The past year has been one of turmoil and uncertainty, but we look forward to growing revenue, continued commitment to servicing our clients, positively impacting the communities in which we operate and creating value for our shareholders.

### 2023 Highlights

REVENUE  
**R1.013** BILLION  
(28%)

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EARNINGS PER SHARE  
(79.06)  
CENTS PER SHARE  
(130%)

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HEADLINE EARNINGS  
PER SHARE  
(79.13)  
CENTS PER SHARE  
(131%)



# Overview of the AYO Group

Founded in 1996, AYO is a technology holding company with interests in disruptive technologies that advance life, business, and economics. We have developed a diverse investment portfolio that touches on all aspects of technology, from connectivity and communications to software development and cloud-based services.

We strive to become a leading Africa-based technology group, pioneering smart living, and working throughout the continent and beyond. It is a lofty ambition, but we are on our way to achieving our future-focused investment strategy. A strategy that aims to identify, secure and scale upcoming disruptive businesses with impact in infrastructure, education, longevity and health, e-commerce, industry automation, cyber security, and green energy solutions.

AYO is listed on the Johannesburg Stock Exchange and has an asset base valued in excess of R3.3 billion as at 28 February 2023.

## Business philosophy

We trust that through inclusivity, collaboration, and common purpose, we can spearhead the progress of Africa into an innovative technology hub and a globally competitive powerhouse. Applying creativity, innovation, and technology to solve pertinent problems in Africa is our approach, which we believe will enable us to transform AYO into an authentic African technology giant. It is AYO's ultimate driving purpose to find solutions to the most critical problems in Africa through investing in and incubating technological innovation on the continent, to deliver the most outstanding value for our business, our African economy, and disadvantaged communities.

## AYO's approach

The principles of shared value underpin our investment approach. Our subsidiaries and investments are much more than asset-driven equity acquisitions. In making investment decisions we look at what an investment can do for our balance sheet, how we can create value for the investee, and what positive impact we can have on society in general.

Through close and synergistic working relationships with subsidiaries and associated businesses, AYO creates a collaborative environment that enables the companies within the Group to unlock shared value for stakeholders and clients that is far greater than the sum of its organisational parts. This supportive environment enables the AYO group of companies to flourish into captains of their respective niches and transforms us into a diverse, multi-faceted Group with the wide range of expertise to find novel solutions to complex African challenges and create shareholder and societal value.

While we strive for an equity stake that allows for meaningful influence over the business entities in which we invest, our approach is one of supportive assistance, rather than dogmatic control. We adopt a decentralised management system. Involvement is mainly focused on enabling growth and scale of our investee companies through input in the strategic process, and operational support, rather than complete functional takeover.



## Group financial performance

The Group's revenue increased by 28% to R1 billion for the six-months ended 28 February 2023 as compared to revenue of R792 million in the prior six month period ended 28 February 2022.

In the previous reporting period, the Group disposed of its 100% shareholding in Puleng Technologies Proprietary Limited ("Puleng") and lost control of Global Command and Control Technologies Proprietary Limited ("GCCT"). In the prior six months period, the Group consolidated revenue of R8 million from Puleng and GCCT which was generated in the 2-month period of 1 September 2021 to 31 October 2021. The disposal of Puleng and loss of control of GCCT resulted in an overall decrease in revenue for the Group. The decrease in revenue was, however, offset by the inclusion of revenue of R82 million from Kathea Communications Proprietary Limited ("Kathea") in the results for the six months ended 28 February 2022.

Additionally, a subdued economic environment in addition to the continued negative publicity and ongoing banking challenges facing the Group has constrained the Group's business development, organic growth initiatives, and its ability to complete significant acquisitions.

The Group's gross profit margins have decreased mainly because of the managed services division earning lower margins from its current contracts compared to the higher margin once-off contracts it obtained in the prior period.

The Group implemented cost saving initiatives, retrenchments and restructuring which resulted in a once-off increase in overall operating expenditure. Refer to note 16 for more details.

In prior years, the Group earned an average of 3.5% per annum from its cash holdings. To obtain a reasonable return on cash holdings, the Group invested in the stock market. The Group earned dividend income of R6.1 million and had fair value gains of R15 million from its investments in the stock market during the current period under review. The Group therefore generated interest income and investment income totalling R83 million in the current period under review as compared to interest income and investment income of R66 million in the prior period. The increase in overall interest and investment income is mainly because of the change in prime rate.

The Group generated a loss before taxation of R258 million for the six months ended 28 February 2023 as compared to a loss before tax of R85 million in the prior period mainly because of the decrease in gross margin and the once-off restructuring, retrenchment costs and fair value adjustments on options derecognised.

## Divisional performance

	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
<b>Software and consulting</b>			
Revenue	21 741	19 782	44 423
Gross profit	8 155	6 140	13 830
EBITDA	2 335	321	1 891
Profit/(Loss) before tax	1 265	244	765

The software and consulting services division focuses on providing scalable digital solutions to retailers, media groups and brand agencies in Africa and Europe. The products developed are primarily focused on assisting clients in optimising business processes and customer experiences using technology. The division also offers a specialised digital media product set in assisting organisations with the commercialisation of digital content.

Revenue increased by 10% as compared to the previous corresponding six month period mainly due to a new contract being obtained from a significant customer. The new contract has a higher margin compared to the previous contracts. The improved margin from the new contract resulted in an improvement in overall gross profit margin in the current period compared to the prior period from 31% to 37.5%.

The division continues to aggressively manage costs and pursue additional clients to ensure that margins and profitability are maintained.

	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
<b>Security solutions</b>			
Revenue	-	-	-
Gross profit	-	-	-
EBITDA	-	(3 036)	(3 036)
Profit before tax	-	(3 171)	(3 171)

The security solutions division deployed customised security systems to organisational clients with its key focus on identity, access management and Governance, Risk and Compliance ("GRC") management. The division was disposed of on 1 November 2021.

The division had challenges with its customers due to the ongoing banking issues and negative media publicity which resulted in non-renewal of contracts and no revenue being earned. This ultimately resulted in the decision to dispose of the division.



	<b>Unaudited six months ended 28 February 2023 R'000</b>	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
<b>Unified communications</b>			
Revenue	243 118	142 189	365 304
Gross profit	59 261	34 465	85 626
EBITDA	30 459	13 114	32 512
Profit before tax	23 173	11 413	29 134

The unified communications division is a reseller of telecommunications and gaming equipment of globally recognised brands. The division is a distributor for Poly, Konftel and Jabra amongst other brands.

Revenue increased by 71% from R142 million to R243 million. The division experienced an increased demand of audio and visual equipment as more companies moved back to the office. The division has continued to benefit from the "work from home" policy undertaken by most companies due to the Covid-19 pandemic, and even with returning to office, the increase in virtual meetings has benefited the division.

	<b>Unaudited six months ended 28 February 2023 R'000</b>	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
<b>Healthcare</b>			
Revenue	31 313	32 354	64 101
Gross profit	15 663	15 200	29 895
EBITDA	12 346	10 972	20 507
Profit before tax	12 750	10 360	19 575

The healthcare division is a specialist provider of optimised and integrated healthcare Information, Communication and Technology ("ICT") solutions. The division provides modular and integrated healthcare information systems across all levels in the public and private sector.

This division has remained fairly stable in the reporting period.

	<b>Unaudited six months ended 28 February 2023 R'000</b>	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
<b>Tracking solutions</b>			
Revenue	-	8 677	8 677
Gross profit	-	3 373	3 373
EBITDA	-	(712)	(712)
Profit before tax	-	1 124	1 124

## Divisional performance *(continued)*

This division was a leading technology provider for enabled awareness solutions and training and simulation both nationally and internationally. However, control was relinquished on 1 November 2021. The solutions included asset and force tracking across the world, integrated situational awareness pictures and constructive simulation technology.

Due to changes in the directorate in the underlying entity, AYO lost control of the subsidiary in terms of IFRS 10 - Consolidated Financial Statement as of 1 November 2021.

	<b>Unaudited six months ended 28 February 2023 R'000</b>	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
<b>Managed services</b>			
Revenue	<b>716 590</b>	588 946	1 272 674
Gross profit	<b>109 271</b>	109 629	254 921
EBITDA	<b>(299 062)</b>	(160 407)	(388 103)
Loss before tax	<b>(295 045)</b>	(102 821)	(280 588)

The managed services division is focused on providing network infrastructure, support services and end-to-end solutions for enterprises.

Included in this division are the operational results of AYO, Zaloserve Proprietary Limited (“Zaloserve”), SGT Solutions Proprietary Limited (“SGT Solutions”) and NSX Solutions Consulting Proprietary Limited (“NSX”).

Zaloserve offers various ICT services to its customers, including a focused spectrum of physical infrastructure, metro and long-distance optic fibre, facility management, continuous energy supply, networking and security solutions to hosting, storage server processing, mobility, data centre, end-user computing and associated consumables.

AYO consolidated revenue of R545 million (2022: R402 million) from Zaloserve. Zaloserve obtained significant once off contracts from local and national government departments in the current period which resulted in a 36% increase in revenue from the prior period. The division continues to try and find other opportunities and potential clients to engage in services they can offer.

SGT Solutions is a turnkey solutions integrator specialising in the design, supply, deployment, commissioning, and maintenance of multi-technology telecommunication systems for mobile broadband and converged solutions. SGT Solutions also specialises in integrated, leading-edge, and comprehensive solutions across the entire spectrum of telecommunications.

AYO consolidated revenue of R175 million (2022: R184 million) from SGT Solutions. Due to COVID-19 restrictions in late 2022 in China, there were delays in shipment of inventory and this resulted in lower revenue recognition for the period, however costs are aggressively monitored.



# Governance matters

## 1. DIRECTORATE

The directors in office up to the date of this report are as follows:

Director	Office	Designation	Date of appointment	Date of resignation
H Plaatjes	Chief Executive Officer	Executive	21 December 2018	13 December 2022
IT Bundo	Chief Financial Officer	Executive	22 January 2019	15 February 2023
V Govender	Corporate affairs	Executive	21 December 2018	23 December 2022
K Abdulla	Deputy Executive Chairman	Executive	12 March 2020	
A Makan	Chief Executive Officer	Executive	15 February 2023	
P Guzha	Chief Financial Officer	Executive	15 February 2023	
Dr WA Mgoqi	Chairman	Non-executive <sup>#</sup>	20 August 2018	4 April 2023
AB Amod		Non-executive	26 February 2013	
Dr DH George		Non-executive <sup>#</sup>	20 August 2018	15 May 2023
RP Mosia		Non-executive <sup>#</sup>	21 August 2018	
Adv Dr NA Ramathlodi		Non-executive <sup>#</sup>	7 March 2018	
SM Rasethaba		Non-executive <sup>#</sup>	1 April 2021	
Prof LCH Fourie	Interim Chairman	Non-executive <sup>#</sup>	7 July 2020	
V Dzvova		Non-executive	17 April 2023	
J van Wyk		Non-executive	17 April 2023	

<sup>#</sup> *Independent*

Mr H Plaatjes was an Executive Director of the Company from 21 December 2018. On 13 December 2022, he retired as a Director of the Company.

Mrs V Govender was an Executive Director of the Company from 21 December 2018. On 23 December 2022, she resigned as a Director of the Company.

Mr IT Bundo was an Executive Director of the Company from 22 January 2019. On 15 February 2023, he resigned as a Director of the Company.

Dr WA Mgoqi passed away suddenly on 4 April 2023 which is taken as the effective date of resignation. Professor LCH Fourie was appointed as the interim chairman on 17 April 2023.

Ms V Dzvova and Mr J van Wyk were appointed as non-executive directors with effect from 17 April 2023.

Dr DH George passed away suddenly on 15 May 2023 which was taken as the effective date of resignation.

## 2. LITIGATION

On 31 May 2019, AYO received a summons issued by the Public Investment Corporation (“PIC”) and the Government Employees Pension Fund (“GEPF”). The summons sought a declaration that the subscription agreement entered into by the PIC with AYO be declared unlawful and set aside. The Parties entered into a settlement agreement which was made an order of court on 24 March 2023. Shareholders are hereby referred to the supplementary announcement released on SENS by the Company on the 18 May 2023 for full details regarding the terms of the settlement agreement and the implementation thereof.



## Governance matters *(continued)*

On 25 August 2020, the State Information Technology Agency (“SITA”) brought an application in the Eastern Cape High Court for an order to interdict the Eastern Cape Department of Education (“ECDOE”) from continuing with a contract that the ECDOE has with Sizwe Africa IT Group Proprietary Limited (“Sizwe”) which a subsidiary of AYO, for the supply and lease of tablets to matric learners in the Eastern Cape. The Eastern Cape High Court granted the order for the interdict. The ECDOE, supported by Sizwe are appealing the ruling and the matter remains pending. The parties are in negotiations to reach settlement.

Legal experts are of the opinion that Sizwe must provide for a potential loss, being the profit that was made from components of the deal. Therefore management has made an estimate and raised the provision for the amount. Legal experts are of the opinion that AYO must provide for a potential loss equivalent to the profit that was made from schedule 9 and schedule 10 of this tender. Sizwe requested a just and equitable settlement of the case from the court, which will not include any profit making from this deal. Management has estimated that a profit of R16.7 million which was made from schedule 9 and schedule 10 is at risk of not being included in the settlement amount. The parties are in negotiation to reach settlement.

The Company instituted action against Futuretell Communication Proprietary Limited for recovery of a loan to the value of R3.7 million resulting from a breach of the loan agreement entered into between the Parties in 2019.

On 26 May 2021, the Company instituted action against Cortex Logic Proprietary Limited and its directors who stood surety for a loan that was granted in 2018. Judgement and settlement was ordered in favour of the Company for a sum of R14 million. A warrant of execution has been issued for the recovery of the outstanding amount.

There is a pending defamation claim against Pieter Louis Myburgh which forms part of a broader defamation claim against the Daily Maverick. The claim is for the amount of R5 million. There is a pending defamation claim of R5 million against Amabhungane relating to an article published in 2021. A summons was issued in relation to the defamatory remarks and the matter remains pending.

The Group is party to an Equality Court application against 27 Banks declaring that the decision of the banks to terminate and/or refuse to provide or to give notice of termination and/or refusal of banking services and facilities to the Group and other parties involved in the application is inconsistent with their obligations under the Constitution and the Promotion of Equality and Prevention of Unfair Discrimination Act, 2000.

Legal proceedings were instituted against Access Bank on 29 July 2022, following the termination of AYO’s bank accounts. An urgent interdict application was launched in the Western Cape High Court to re-open the bank accounts. The Court dismissed Part A of the application. Part B of the application which seeks to review Access Bank’s decision to terminate AYO’s bank accounts and declaring the termination unlawful, is currently on-going.

There is a claim for approximately R6.6 million from Volt Africa Proprietary Limited (“Volt”) (hereinafter “the Volt Claim”), in which the Claimant (Volt) alleges that the aforesaid amounts constitutes alleged overpayments made to Afrozaar Proprietary Limited (“Afrozaar”) which is a subsidiary of AYO, under the auspices of two service contracts previously concluded between the respective parties. For the claims against Afrozaar, prospects of success of the Volt Claim are difficult to anticipate at this point as the Claimant has not fully expanded on its claim nor responded to AYO’s submission or observations, therefore the claim merits are unclear.

## 2. LITIGATION continued

The Group is also party to a High Court Application against 23 Banks raising contractual concerns regarding the banks' decision that the provision of banking facilities to their clients ought to be subject to constitutional control and that the termination by the banks of their banking relationship with their clients, purely on notice, is unconstitutional.

The application also seeks to highlight that the termination by the banks of their banking relationship with their clients, purely on notice is irrational, arbitrary and reviewable under the Promotion of Administrative Justice Act, alternatively under the principle of legality and/or the common law. The application requires reviewing, correcting and setting aside of the withdrawal, termination and closure by the banks of the financial products or services and banking relationships with the Group and the other applicants.

During the last year, AYO together with 35 others (hereinafter "the applicants") instituted an application with the Competition Tribunal against Nedbank Limited, Standard Bank of South Africa Limited, First Rand Bank Limited, ABSA Bank Limited, Mercantile Bank Limited, Sasfin Bank Limited, Investec Bank Limited, Bidvest Bank Limited, Access Bank Limited and the Competition Commission (hereinafter "the respondents") to interdict and restrain the respondents on an interim basis from terminating their relationship with the applicants and/or refusing to provide banking and payment services to the applicants.

Judgement was handed down on 16 September 2022, and the Competition Tribunal granted an order for the respondents to reinstate or restore the bank accounts including all services that they provided to the applicants that held accounts with them, on the same terms and conditions as existed prior to the closure or termination of the accounts. The order was for a period of six months from 16 September 2022 or the conclusion of an investigation into the conduct of the respondents by the Competition Commission. Shareholders are advised that three banks launched an appeal of the Competition Tribunal's order. The matter was heard on 30 and the 31 March 2023 and the Parties await the verdict. Shareholders are further advised that the order of the Competition Tribunal, as at the date of publication of these interim financial results remains and has been further extended by the Competition Tribunal. As a result of the order, FNB has reopened the bank account that it had previously terminated for AYO. Nedbank has also reopened the bank accounts that it had previously terminated for AYO's subsidiaries.

AYO and 50 other Applicants have applied to the Western Cape High Court to review and set aside the findings of the Mpati Commission. The application was instituted, *inter alia*, to:

- Declare the Commission's decision to amend its terms of reference to investigate transactions falling outside of the prescribed period unlawful and in violation of the Constitution.
- Declare that the unlawful extension of the terms of reference violated the rights of the Applicants.
- Reviewing and setting aside the investigation into and findings against the Applicants on the basis that the investigation was unauthorised and unlawful.
- Expunging, deleting and performing all tasks necessary to effect the removal of the findings, remarks, conclusions and/or recommendations made by the Commission.

Currently the Applicants are in the process of filing a notice to compel as the Applicants have not received responses from the Respondents in the matter.

## Governance matters *(continued)*

### 3. GOING CONCERN

The unaudited interim condensed consolidated financial results 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 board of directors (“Board”) have determined the appropriate basis of preparation of the unaudited interim consolidated financial results after considering the Group’s significant risks, outstanding legal matters, the current financial performance of the Group, the Group’s financial budgets and assessing the solvency and liquidity of the Group taking into account the current financial position and existing cash resources. The Board has no intention to cease trading, curtail operations or liquidate the Group.

On 31 May 2019 AYO received a summons issued by the PIC and GEPF. The summons sought a declaration that the subscription agreement entered into by the PIC with AYO be declared unlawful and set aside and that AYO be ordered to pay the PIC R4.3 billion together with interest of 10.25% per annum accrued from 22 December 2017 to date of final payment. The Parties entered into a settlement agreement which was made an order of court on 24 of March 2023.

Subsequent to the receipt of the summons, the Company was reconfigured into an investment holding company and continues to trade as such through the portfolio of investments. Certain subsidiaries of AYO have been in existence for more than 20 years, delivering both satisfactory trading performance and dividend income for AYO. These subsidiaries are expected to continue trading at an optimal level.

The judgements and assumptions described above inherently include material uncertainty on the timing of future cash flows and therefore any significant deviations may cast significant doubt on the Group’s ability to continue as a going concern. Whilst there are material uncertainties as described above, the Board, based on the information available to them, after considering the financial forecasts of the Group and its current financial position are of the opinion that the going concern assumption is appropriate in the preparation of the consolidated annual financial statements.

### 4. SHARE CAPITAL

#### Authorised capital

The Company’s authorised share capital of 2 000 000 000 ordinary shares of no par value remains unchanged.

	<b>Unaudited six months ended 28 February 2023</b>	Unaudited six months ended 28 February 2022	Audited year ended 31 August 2022
<b>Issued share movements</b>	<b>R’000</b>	R’000	R’000
Opening balance	<b>343 319 040</b>	344 123 944	344 123 944
Shares repurchased	<b>( 133 555)</b>	( 305 964)	(804 904)
Closing balance	<b>343 185 485</b>	343 817 980	343 319 040

The Company acquired 133 555 (2022: 804 904) of its own shares through purchases on the JSE during the period under review. The acquired shares have been accounted for as treasury shares.



## 5. EVENTS AFTER REPORTING PERIOD

Refer to note 22 for events after reporting period.

## 6. FUTURE PROSPECTS

AYO strives to become a leading Africa-based technology group, pioneering smart living, and working throughout the continent and beyond. AYO has developed a diverse investment portfolio that touches on all aspects of technology, from connectivity and communications to software development and cloud based services. AYO believes that it has made good investments into companies that are involved in the telecommunications sector and network solutions sector (managed services division) and companies that are involved in the workplace connectivity sector (unified communications division).

The current banking crisis that the Group faces has resulted in a significant amount of management's time and focus on managing the banking litigation which has had a negative impact on the Group's ability to optimise its cash on hand and return on its investments, which impacts the Company's ability to acquire other companies. The Board believes that AYO's investments are resilient and well-positioned for growth in the future. Following the PIC settlement, AYO is optimistic about future prospects and looking forward to creating shareholder value.

Despite the negative impact of Covid-19 and the current negative operating environment caused by the banking crisis, the Board believes that AYO's investments are resilient and well positioned for growth in the future.

The Group expects to nurture relationships with current customers and suppliers to ensure that it grows current contracts, and exploits its current opportunities to the best of its abilities. In line with its go-to market strategy, the Group will continue to look for opportunities to acquire or partner with companies in disruptive technologies, and those who have a focus on Artificial Intelligence ("AI").

As an ICT investment holding group, AYO's focus for the next 18 months is to strengthen the underlying subsidiaries, contain costs and overcome banking challenges. AYO, with a strong balance sheet is seeking to make strategic acquisitions.

## 7. APPRECIATION

We wish to thank our employees, Group executives, management, our Board as well as our strategic partners, business partners and external stakeholders for their loyalty and support during a tough period for AYO.

**Professor Louis Fourie**

Interim independent non-executive chairman

05 June 2023

**Amit Makan**

Chief executive officer

05 June 2023



## Consolidated statement of financial position

	Notes	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
<b>Assets</b>				
<b>Non-current assets</b>		<b>1 229 261</b>	<b>1 204 117</b>	<b>1 240 467</b>
Property, plant and equipment		38 128	44 379	38 627
Right-of-use of assets		89 533	100 982	94 360
Goodwill		75 458	144 593	75 458
Intangible assets	1	115 829	131 456	121 912
Investments in equity-accounted joint ventures and associates	2	75 431	71 211	72 692
Loans to related party companies	3	267 465	261 326	280 764
Other loans receivable	4	357 982	255 480	252 833
Investments at fair value through profit or loss	5	128 900	107 683	116 059
Derivatives	6	-	-	113 738
Finance lease receivables		4 779	22 070	3 131
Deferred tax asset		75 756	64 937	70 893
<b>Current assets</b>		<b>2 171 120</b>	<b>2 964 020</b>	<b>2 615 099</b>
Inventories		265 056	141 531	200 251
Loans to related party companies	3	142 695	93 712	125 405
Other loans receivable	4	9 939	197 066	151 541
Trade and other receivables	7	900 242	766 532	785 303
Other financial assets	8	243 879	228 042	223 210
Finance lease receivables		3 480	11 799	13 149
Current tax receivable		6 326	11 840	1 328
Cash and cash equivalents	9	599 503	1 513 498	1 114 912
<b>Total assets</b>		<b>3 400 381</b>	<b>4 109 038</b>	<b>3 855 566</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Stated capital		4 441 051	4 443 158	4 441 488
Reserves		(36 457)	(32 949)	(31 745)
Retained income		(1 928 965)	(1 179 030)	(1 452 902)
<b>Equity attributable to shareholders of AYO</b>		<b>2 475 630</b>	<b>3 231 179</b>	<b>2 956 841</b>
Non-controlling interests		135 555	147 472	150 561
<b>Total equity</b>		<b>2 611 185</b>	<b>3 378 651</b>	<b>3 107 402</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>		<b>114 377</b>	<b>190 317</b>	<b>165 058</b>
Other financial liabilities	10	228	18 823	1 717
Derivatives financial liability	6	-	16 192	39 017
Lease liabilities		65 641	92 520	76 660
Employee benefit obligation		3 233	3 805	3 233
Deferred tax liability		45 275	58 559	44 431
Deferred income	11	-	417	-
<b>Current liabilities</b>		<b>674 819</b>	<b>598 629</b>	<b>583 106</b>
Trade and other payables	12	453 774	428 926	393 603
Loans from related party companies		2	10 979	-
Other financial liabilities	10	13 327	26 799	12 567
Lease liabilities		37 566	18 983	29 869
Deferred income	11	12 432	36 192	45 075
Current tax payable		20 291	3 735	14 824
Provisions	13	97 389	27 943	51 784
Dividend payable		39 930	35 834	32 305
Contingent consideration liability		-	9 228	-
Bank overdraft	9	108	9	3 079
<b>Total liabilities</b>		<b>789 196</b>	<b>730 386</b>	<b>748 164</b>
<b>Total equity and liabilities</b>		<b>3 400 381</b>	<b>4 109 038</b>	<b>3 855 566</b>



## Consolidated statement of profit or loss and other comprehensive income

	Notes	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
Revenue	14	1 012 762	791 948	1 755 179
Cost of sales		(820 412)	(623 141)	(1 367 534)
<b>Gross profit</b>		<b>192 350</b>	<b>168 807</b>	<b>387 645</b>
Other operating income		21 187	5 574	16 012
Other operating gains/(losses)	15	(66 357)	(10 621)	58 877
Other operating expenses	16	(450 044)	(326 713)	(807 370)
Movement in credit loss allowances		(32 834)	(5 957)	(47 412)
Finance income	17	83 197	65 574	147 394
Finance costs		(8 093)	(5 671)	(13 556)
Profit from equity-accounted investments		2 738	23 768	25 250
<b>Loss before taxation</b>		<b>(257 857)</b>	<b>(85 239)</b>	<b>(233 160)</b>
Taxation		(10 646)	(30 380)	(32 904)
<b>Loss after taxation</b>		<b>(268 503)</b>	<b>(115 619)</b>	<b>(266 064)</b>
<b>Other comprehensive income:</b>				
<b>Items that will be subsequently reclassified to profit or loss:</b>				
Exchange differences on translating foreign operations		488	(1 368)	(478)
<b>Total comprehensive loss for the period</b>		<b>(268 014)</b>	<b>(116 987)</b>	<b>(266 542)</b>
<b>Loss after taxation attributable to:</b>				
Shareholders of AYO		(271 437)	(116 768)	(270 303)
Non-controlling interests		2 934	1 149	4 239
<b>Total loss after taxation</b>		<b>(268 503)</b>	<b>(115 619)</b>	<b>(266 064)</b>
<b>Total comprehensive income attributable to:</b>				
Shareholders of AYO		(270 949)	(118 136)	(270 781)
Non-controlling interests		2 934	1 149	4 239
<b>Total comprehensive loss</b>		<b>(268 014)</b>	<b>(116 987)</b>	<b>(266 542)</b>
<b>Earnings per share (cents)</b>				
Basic loss per share (cents)	18	(79.06)	(34.31)	(78.60)



## Condensed consolidated statement of changes in equity

	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
<b>Balance at the beginning of the period</b>	<b>3 107 402</b>	<b>3 600 127</b>	<b>3 600 127</b>
Total loss attributable to shareholders of AYO	(271 437)	(116 768)	(270 303)
Total profit or loss attributable to non-controlling interests	2 934	1 149	4 239
Dividends paid	(211 544)	(103 237)	(223 574)
Foreign currency translation reserve	(2 549)	(1 368)	(165)
Movement in liabilities reserve	9 799	-	-
Treasury shares	(436)	(1 251)	-
BEE shares reserves	(11 809)	-	-
Movement in non-controlling interest - changes in ownership	(11 566)	-	(2 922)
<b>Balance at the end of the period</b>	<b>2 611 185</b>	<b>3 378 651</b>	<b>3 107 402</b>
	<b>Unaudited six months ended 28 February 2023 R'000</b>	<b>Unaudited six months ended 28 February 2022 R'000</b>	<b>Audited year ended 31 August 2022 R'000</b>
<b>Comprising of:</b>			
Stated capital	4 444 410	4 444 410	4 444 410
Treasury shares	(3 359)	(1 252)	(2 922)
Reserves	4 441 051	4 443 158	4 441 488
Retained income	(36 457)	(32 949)	(31 745)
Non-controlling interests	(1 928 965)	(1 179 030)	(1 452 902)
	135 555	147 472	150 561
<b>Total equity</b>	<b>2 611 185</b>	<b>3 378 651</b>	<b>3 107 402</b>



## Condensed consolidated statement of cash flows

	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
<b>Cash (utilised in)/generated from operations</b>	<b>(324 864)</b>	<b>(264 006)</b>	<b>(221 253)</b>
Finance income	27 500	36 390	66 069
Finance costs	(8 387)	(4 043)	(9 182)
Dividend income	6 138	3 129	8 430
Profit/(Loss) on foreign exchange differences	(289)	-	-
Tax paid	(17 537)	(43 932)	(21 984)
<b>Net cash utilised from operating activities</b>	<b>(317 439)</b>	<b>(272 462)</b>	<b>(177 920)</b>
<b>Cash flows from investing activities</b>			
Net additions to property, plant and equipment	(5 534)	(6 915)	(11 264)
Net additions to intangible assets	(969)	(1 976)	(1 672)
Acquisition of subsidiaries, net of cash acquired	-	30 081	-
Loss of control of subsidiary	-	(88 164)	(56 496)
Loans advanced to related party companies	(348)	-	(13 450)
Loans repaid by related party companies	-	3 697	5 781
Other loans advanced	(15 401)	(97 970)	(165 438)
Other loans repaid	44 785	1 914	46 053
Purchase of investments at fair value	(12 000)	(31 850)	(46 350)
Disposal of investments held at fair value	3 100	-	-
Amounts advanced to acquire other financial assets	(162)	-	(65 129)
Amounts repaid from other financial assets	177	-	6 313
Net amounts withdrawn in trust	5 433	(60 169)	(284 763)
Finance lease receipts	8 977	5 753	23 261
<b>Net cash to investing activities</b>	<b>28 059</b>	<b>(245 601)</b>	<b>(563 154)</b>
<b>Cash flows from financing activities</b>			
Net proceeds or repayment of other financial liabilities and leases	(1 341)	(6 231)	(43 855)
Loans received from related party companies	611	-	-
Loan from related parties repaid	-	(12 944)	(19 013)
Payments for contingent consideration arrangements	-	(15 000)	(30 000)
Employee benefit obligation payment	-	-	(443)
Lease liabilities repayments	(17 816)	-	-
Dividends paid	(204 274)	(96 742)	(214 311)
Share buy back	(436)	(1 251)	(2 922)
<b>Net cash to financing activities</b>	<b>(223 256)</b>	<b>(132 169)</b>	<b>(310 544)</b>
<b>Total cash movement for the period</b>	<b>(512 636)</b>	<b>(650 232)</b>	<b>(1 051 618)</b>
Cash at the beginning of the period	1 111 833	2 163 722	2 163 722
Effect of exchange rate	199	-	(271)
<b>Total cash at the end of the period</b>	<b>599 395</b>	<b>1 513 489</b>	<b>1 111 833</b>



## Accounting policies and basis of preparation

The unaudited condensed consolidated interim financial results for the six months ended 28 February 2023 have been prepared in accordance with the requirements of the JSE Limited Listings Requirements (“Listings Requirements”) for interim reports, and the requirements of the Companies Act, 2008 (Act 71 of 2008) as amended (“Companies Act”) applicable to interim financial statements. The Listings Requirements require interim reports to be prepared in accordance with IAS 34 Interim Financial Reporting and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council. The accounting policies applied in the preparation of the unaudited condensed consolidated interim financial results are in terms of International Financial Reporting Standards (“IFRS”) and are consistent with those accounting policies applied in the preparation of the annual financial statements for the year ended 31 August 2022.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 August 2022.

### Reporting entity

The unaudited condensed consolidated interim financial results for year ended 28 February 2023 comprises the Company, its subsidiaries, associates and joint ventures.

### Use of judgements and estimates

In preparing the unaudited condensed consolidated interim financial results in conformity with IFRS, management is required to make estimates and assumptions that affect the amounts represented in the unaudited condensed consolidated interim financial results and related disclosures. Estimates and assumptions are based on historical experience and expectation of future events and are reviewed on an ongoing basis. Actual results in the future could differ from these estimates which may be material to the unaudited condensed consolidated interim financial results. Significant judgements made by management that could have a significant effect on the carrying amounts recognised in the unaudited condensed consolidated interim financial results include:

### Business combinations

In the calculation of goodwill arising from a business combination the Group allocates the excess fair value of the consideration transferred, over the net of the fair value of the identifiable assets and liabilities of the acquired entity. Management made judgements in determining the fair value allocation of the consideration transferred as well as estimates of the useful lives of the intangible assets recognised in the business combination.



## Subsidiaries consolidated when less than 50% interest is held

The Group consolidates subsidiaries with an effective interest of less than 50% when the Group has control and power over the investee; it is exposed to or has rights to variable returns from involvement with the investee; and it has the ability to use its power over the investee to affect the amount of the investor's returns. Although AYO only has a 40% equity interest in Main Street 1653 Proprietary Limited ("Main Street") and 43% equity interest in Software Tech Holdings Proprietary Limited ("Software Tech"), it has been determined that AYO controls Main Street and Software Tech in terms of IFRS 10 Consolidated Financial Statements due to (i) the Group has the rights to appoint a majority of directors and key management personnel of the listed subsidiaries and (ii) AYO has majority seats on the board of directors of the investee companies. As per the shareholders agreement, AYO has the rights to variable returns from involvement with Main Street and Software Tech and it has the ability to use its power over the investee to affect the amount of the returns in Main Street and Software Tech. Management applied judgement in assessing the impact of additional rights granted to the parent company in the shareholder's agreement in respect of its investment in Main Street and Software Tech.

## Entities in which the Group holds more than 20% of the voting rights, but does not have significant influence

The directors have concluded that the Group has no significant influence over Bamblela Capital Proprietary Limited ("Bamblela"), AOH Enterprises Proprietary Limited ("AOH") and 4Plus Technology Venture Fund Africa Proprietary Limited ("4Plus") even though it has 32% of the voting rights in Bambelela, 25% of the voting rights in AOH and 27% of the voting rights in 4Plus. This is because the Group has no representation on the board of directors and AYO does not participate in any financial or operating policy decision in Bambelela, AOH and 4Plus. The voting rights only provide AYO with limited decision-making powers. Consequently, the investments have been accounted for in accordance with IFRS 9 at fair value through profit for loss ("FVTPL").

## Put option over non-controlling interest

The Group estimates the fair value of the written put option over non-controlling interest. The estimation is based on the American binomial option pricing model. Management made judgements with regards to inputs into the model in determining the fair value of the written put options.



# Accounting policies and basis of preparation

*(continued)*

## Fair value measurement of investments

The Group has an established control framework with respect to the measurement of fair values. The fair valuation calculations are performed by Vunani Corporate Finance on a half yearly and annual basis. The valuation reports are approved by the Investment Committee in accordance with the Group's reporting policies.

## Earnings per share

Earnings per share are calculated on the weighted average number of shares in issue in respect of the year and is based on profit attributable to ordinary shareholders. Headline earnings per share are calculated in terms of the requirements set out in Circular 01/2021 issued by SAICA.

## Preparation

The unaudited condensed consolidated interim financial results for the period ended 28 February 2023 have been prepared under the supervision of Pride Guzha CA(SA), Group chief financial officer, and have not been audited or reviewed by the Group auditors.



# Notes to the unaudited condensed financial results

## 1. INTANGIBLE ASSETS

	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
Opening balance	121 912	157 636	157 636
Additions	970	1 976	1 613
Disposals	(443)	(23 704)	(21 317)
Amortisation	(8 147)	(4 842)	(17 387)
Foreign exchange gains/(losses)	1 537	389	1 829
<b>Closing balance</b>	<b>115 829</b>	<b>131 456</b>	<b>121 912</b>

## 2. INVESTMENTS IN EQUITY-ACCOUNTED JOINT VENTURES AND ASSOCIATES

### Investments in equity-accounted joint ventures

	Ownership interest			Carrying amount		
	28 February 2023	28 February 2022	31 August 2022	28 February 2023	28 February 2022	31 August 2022
	%	%	%	R'000	R'000	R'000
Vunani Fintech Fund Proprietary Limited	50	50	50	74 610	67 768	72 692

### Investments in associates

	Ownership interest			Carrying amount		
	28 February 2023	28 February 2022	31 August 2022	28 February 2023	28 February 2022	31 August 2022
	%	%	%	R'000	R'000	R'000
Global Command and Control Proprietary Limited ("GCCT")	24	24	24	726	3 443	-
Crealpha Proprietary Limited ("Crealpha")	30	30	30	95	-	-
<b>Total</b>				<b>75 431</b>	71 211	72 692



## Notes to the unaudited condensed financial results *(continued)*

### 3. LOAN TO RELATED PARTY COMPANIES

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
<b>AEEI - Loan 2</b>	<b>8 598</b>	9 182	8 612
The loan is unsecured, bears interest at prime and is repayable by 31 August 2023.			
<b>AEEI - Loan 3</b>	<b>7 136</b>	6 512	6 788
The loan is unsecured and interest is charged at the prime overdraft rate and has no fixed terms of repayment.			
<b>GCCT - Loan 1</b>	<b>29 159</b>	26 097	27 466
The loan bears interest at the prime rate plus 2% and is repayable on 28 February 2024. Interest accrued on the loan is payable semi-annually. The loan is secured by a cession of AEEI shares in GCCT.			
<b>GCCT - Loan 2</b>	<b>33 140</b>	34 820	31 281
The loan bears interest at the prime rate and is repayable on 31 August 2023. The loan is secured by the current assets of GCCT with a carrying amount of R69 million (2022: R75 million) and non-current assets of GCCT with a carrying amount of R19 million (2022: R8 million) as at 28 February. The carrying amounts of the assets secured are measured in accordance with the applicable IFRS and none of these assets are revalued.			
<b>GCCT - Loan 3</b>	<b>27 737</b>	25 322	26 384
The loan is unsecured, bears interest at the prime rate. The loan is repayable on 7 November 2023.			



### 3. LOAN TO RELATED PARTY COMPANIES continued

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
<b>GCCT - Loan 4</b>	<b>18 277</b>	11 678	17 377
<p>The loan is unsecured, bears interest at the prime rate and the loan is repayable as follows:</p> <p>A total of R8.8 million no later than 31 August 2023.</p> <p>A total of R4.8 million no later than 28 February 2023.</p> <p>A total of R3.8 million no later than 31 May 2023.</p> <p>The outstanding balance inclusive of interest will be repaid no later than 31 December 2023.</p>			
<b>Crealpha</b>	<b>25 784</b>	-	24 316
<p>The loan is unsecured, has no fixed repayment terms and therefore is payable on demand. The loan bears no interest for the first three years from the date of draw down and thereafter shall bear interest at the prime rate. The loan is subordinated to any claims of any third-party creditors of the Company.</p>			
<b>Communications Products Proprietary Limited ("Communications Products")</b>	<b>-</b>	-	610
<p>The loan was unsecured, bore no interest and the loan was repaid in the current year.</p>			
<b>Vunani Fintech Fund Proprietary Limited - Loan 1</b>	<b>139 099</b>	126 991	132 319
<p>The loan is unsecured, bears interest at prime and is repayable on 28 March 2024.</p>			
<b>Vunani Fintech Fund Proprietary Limited - Loan 2</b>	<b>121 230</b>	97 748	114 191
<p>The loan is unsecured, bears interest at the prime plus 2%. R35 million of the loan is repayable on 14 October 2025, R15 million is repayable on 19 April 2026, R39.2 million is repayable on 1 June 2026 and R10.8 million is repayable on 4 April 2027.</p>			



## Notes to the unaudited condensed financial results *(continued)*

### 3. LOAN TO RELATED PARTY COMPANIES *continued*

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
<b>Zaloserve Management Proprietary Limited ("ZM")</b>	-	16 148	16 825
The loan bore interest at the prime rate and was repayable from distributions received by ZM from its shareholding in Zaloserve. The loan was secured by a pledge and cession of shares by ZM. The agreement which led to the transaction was reversed in the current reporting period.			
<b>Isakhiwo Group International Proprietary Limited</b>	-	540	-
The loan bore interest at the prime rate and was repayable from distributions received by the shareholder from time to time. The loan was fully repaid in the 2022 financial period.			
	<b>410 160</b>	<b>355 038</b>	<b>406 169</b>
<b>Split between non-current and current portions:</b>			
Non-current assets	<b>267 465</b>	261 326	280 764
Current assets	<b>142 695</b>	93 712	125 405
<b>Total</b>	<b>410 160</b>	<b>355 038</b>	<b>406 169</b>



#### 4. OTHER LOANS RECEIVABLE

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
<b>Volt Africa Proprietary Limited</b>	<b>7 746</b>	7 654	7 250
The loan is unsecured and bears interest at a rate of prime plus 2%. The loan is repayable on 31 August 2023.			
<b>Cumulative preference shares - Dinaledi Technologies Proprietary Limited</b>	<b>14 323</b>	20 220	15 162
On 1 November 2021, AYO subscribed for 50 cumulative, redeemable, non-participating convertible preference shares of no par value in Dinaledi Technologies Proprietary Limited for a consideration of R20 million. The preference shares are redeemable on 30 October 2032. AYO has the right to convert the preference shares into ordinary shares equal to the redemption amount on redemption date.			
<b>Cumulative preference shares – Bamebelela Capital Proprietary Limited</b>	<b>118 229</b>	159 232	143 485
In December 2018, AYO subscribed for 500 000 cumulative, redeemable, non-participating convertible class C preference shares of no par value in Bamebelela for a consideration of R145 million. The preference shares are redeemable on 31 March 2025. AYO has the right to convert the preference shares into ordinary shares equal to the redemption amount on redemption date. Interest is accrued at variable prime rate multiplied by adjustment rate at 72%.			

# Notes to the unaudited condensed financial results *(continued)*

## 4. OTHER LOANS RECEIVABLE *continued*

	<b>Unaudited as at 28 February 2023 R'000</b>	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
<b>Cumulative preference shares – 4Plus Technology Venture Fund Africa Proprietary Limited (“4Plus”)</b>	<b>84 642</b>	50 897	77 380
On 9 April 2020, AYO subscribed for 1500 cumulative, redeemable, non-participating convertible preference shares of no par value in 4Plus for a consideration of R15 million and on 4 May 2020, AYO subscribed for a further 1 500 cumulative, redeemable, non-participating convertible preference shares of no par value in 4Plus for a consideration of R15 million. On 21 December 2021, AYO subscribed for 500 cumulative, redeemable, non-participating convertible preference shares of no par value in 4Plus for consideration of R5 million and on 2 February 2022, AYO subscribed for an additional 500 cumulative, redeemable, non-participating convertible preference shares of no par value in 4Plus for a consideration of R5 million. As at 28 February 2022, AYO held 4 000 cumulative, redeemable, non-participating convertible preference shares of no par value in 4Plus. The preference shares are redeemable on 9 April 2027, 4 May 2027, 21 December 2028 and 2 February 2029, respectively. AYO has the right to convert the preference shares into ordinary shares equal to the redemption amount on redemption date. Interest is accrued at prime rate plus 2%.			
<b>Loan – 4Plus</b>	<b>2 193</b>	2 002	2 086
Interest is charged on the loan at the prime rate. The loan is repayable on 28 February 2024. The loan is secured by all bank accounts, trade debtors and loans receivable of 4Plus.			
<b>Last Mile Logistics Africa Proprietary Limited (“Last Mile”)</b>	<b>-</b>	29 434	-
The loan was secured by trade debtors, bank accounts and loans receivable of Last Mile. Interest was charged at the prime rate. The loan was disposed of to Nevzotron Proprietary Limited (“Nevzotron”)			



#### 4. OTHER LOANS RECEIVABLE continued

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
<b>LML Shared Solutions Proprietary Limited ("LMLS")</b>	<b>13 186</b>	63 203	26 658
<p>The loan is secured by trade debtors, bank accounts and loans receivable of LMLS. Interest is charged at the prime rate. The loan is repayable as follows:</p> <ul style="list-style-type: none"> <li>- 28 February 2024</li> <li>- 31 October 2024</li> <li>- 31 May 2025.</li> </ul>			
<b>LMLS - Loan 2</b>	<b>10 233</b>	18 647	17 731
<p>The loan bears interest at the prime rate and is repayable on 31 July 2024. The loan is secured by motor vehicles with a book value of R18 million.</p>			
<b>LMLS - Loan 3</b>	<b>3 632</b>	47 836	6 911
<p>The loan was provided to Sizwe to purchase stock. The loan bears interest at the prime rate and is repayable as follows:</p> <ul style="list-style-type: none"> <li>- R16 million on 18 October 2025</li> <li>- R31 million within 36 months</li> </ul> <p>The loans are secured by a cession of bank accounts, trade receivables, shares, investments, intellectual property rights and insurances of LMLS.</p>			
<b>LMLS - Loan 4</b>	<b>18 227</b>	22 742	16 856
<p>Interest is charged at the prime rate. The loan is repayable on 31 August 2026. The loan is secured by all bank accounts, trade debtors and loan receivables of LMLS.</p>			
<b>Loan - Fueltech Solutions Proprietary Limited ("Fueltech")</b>	<b>17 810</b>	-	16 942
<p>The loan is unsecured. The loan is interest-free for the first two years, thereafter interest is charged at the prime rate. The loan is repayable on 27 May 2032.</p>			
<b>Loan - Nevzotron</b>	<b>77 700</b>	-	73 913
<p>The loan bears interest at prime. The loan is secured by a pledge and assets of Last Mile Logistics Africa Proprietary Limited ("LMLA") shares. The loan is repayable on 10 May 2027.</p>			



## Notes to the unaudited condensed financial results *(continued)*

### 4. OTHER LOANS RECEIVABLE *continued*

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
<b>Crealpha Proprietary Limited</b>	-	30 000	-
The loan was unsecured and had no fixed repayment terms. The loan bore no interest for the first three years from the date of draw down and thereafter bore interest at the prime rate. On 31 August 2022, the loan was reclassified to loans to related party companies.			
<b>Louisyahna Creations Proprietary Limited ("Louisyahna")</b>	-	679	-
The loan was unsecured and bore no interest. It was repayable over 48 monthly payments of R15 420, until 1 August 2025. The loan was fully repaid in the 2022 financial period.			
	<b>367 921</b>	<b>452 546</b>	<b>404 374</b>
<b>Split between non-current and current portions:</b>			
Non-current assets	<b>357 982</b>	255 480	252 833
Current assets	<b>9 939</b>	197 066	151 541
<b>Total</b>	<b>367 921</b>	<b>452 546</b>	<b>404 374</b>



## 5. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
<b>Investments comprises of:</b>			
Bambelela	115 468	73 269	114 627
African Innovation Academy	12 000	-	-
4Plus	1432	12 649	1 432
Last Mile	-	11 915	-
Louisyahna	-	2 000	-
Kyramanzi Proprietary Limited ("Kyramanzi")	-	5 000	-
AOH Enterprises Proprietary Limited	-	2 850	-
<b>Closing balance</b>	<b>128 900</b>	<b>107 683</b>	<b>116 059</b>
<b>Reconciliation of investments at fair value through profit or loss</b>			
<b>Opening balance</b>	<b>116 059</b>	125 141	125 141
Additions – African Innovation Academy	12 000	-	-
Additions – 4 Plus	-	24 000	24 000
Additions – Fueltech	-	-	10 000
Additions – Kyramanzi	-	5 000	5 000
Additions – AOH	-	2 850	2 850
Disposals – Synclabs Proprietary Limited ("Synclabs")	(3 100)	-	4 500
Loss on disposal of LMLA	-	-	(11 915)
Changes in fair values	3 941	(49 308)	(43 517)
<b>Closing balance</b>	<b>128 900</b>	<b>107 683</b>	<b>116 059</b>

### Bambelela Capital Proprietary Limited ("Bambelela")

On 28 September 2018, AYO concluded the acquisition of a 32% shareholding in Bambelela. Bambelela holds a 49% shareholding in Vunani Limited a diversified financial services group.

### 4Plus

On 2 April 2019, AYO subscribed for 9.3% of the issued share capital in 4Plus. 4Plus has interests in digital media, artificial intelligence, software development and telecommunications. On 5 October 2019, AYO subscribed for a further 5% of the issued share capital in 4Plus and on 16 December 2019 for a further 8% of the issued share capital in 4Plus. On the 18 December 2020 AYO subscribed for a further 2% of the issued share capital in 4Plus. On 20 September 2021 AYO subscribed or a further 3% of the issued share capital in 4Plus. As at 28 February 2022, AYO has a total shareholding of 27% in 4Plus.

### Fueltech

On 28 July 2022, AYO subscribed for 10% ordinary shares in Fueltech. Fueltech is a company with interest in fuel technology.

# Notes to the unaudited condensed financial results *(continued)*

## 5. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS *continued*

### Synclabs

On 1 July 2022, AYO subscribed for 15% of issued share capital in Synclabs. Synclabs is a company with interest in e-learning platform. In the current year, the Company disposed of its 10% holding for R3.1 million.

### African Innovation Academy

On 7 February 2023, AYO subscribed for 25 (25%) shares in African Innovation Academy at R12 million. This Academy has an interest in development and advancement of African businesses in the information and technology sector.

### AOH

On 11 October 2021, AYO subscribed for 25% of the issued share capital in AOH. AOH is a company with interests in the property sector.

### Kyramanzi

On 7 January 2022, AYO subscribed for 20% of the issued share capital in Kyramanzi. Kyramanzi is a company with interests in the property sector.

## 6. DERIVATIVES

### 6.1 Derivative financial asset

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
Opening balance	113 738	-	-
Derecognition	(113 738)	-	-
Fair value adjustments	-	-	113 738
<b>Closing balance</b>	<b>-</b>	<b>-</b>	<b>113 738</b>

### 6.2 Derivative financial liability

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
Opening balance	39 017	19 953	19 953
Derecognition	(39 017)	-	-
Fair value adjustments	-	(3 761)	19 064
<b>Closing balance</b>	<b>-</b>	<b>16 192</b>	<b>39 017</b>

As per the share sale agreements, AYO has a written option which gave AEEI the right to sell to AYO its 60% shareholding in Main Street and its 31% shareholding in GCCT. The options were exercisable between three to four years from the date of purchase of Main Street and GCCT. In the current year, the options were derecognised due to the exercisable period lapsing on 9 February 2023.



## 7. TRADE AND OTHER RECEIVABLES

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
Trade receivables	452 499	537 050	373 218
Loss allowance	(9 995)	(11 965)	(10 366)
<b>Trade receivables at amortised cost</b>	<b>442 504</b>	<b>525 085</b>	<b>362 852</b>
Deposits	47 407	18 074	17 200
Accrued income	3 210	10 225	3 936
Funds held in Trust	355 518	129 704	352 206
Related party receivables	6 446	29 809	14 493
Provision for impairment of related party receivables	(14 081)	(14 081)	(14 081)
Sundry customers	16 854	14 846	23 042
<b>Non-financial instruments</b>			
Value added income tax	24 260	17 941	7 589
Prepayments	27 136	43 656	27 087
Provision for impairment of prepayments	(9 041)	(9 041)	(9 041)
Sundry items	29	314	-
<b>Total</b>	<b>900 242</b>	<b>766 532</b>	<b>785 303</b>



## Notes to the unaudited condensed financial results *(continued)*

### 8. OTHER FINANCIAL ASSETS

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
Other financial assets are comprised of:			
<b>At fair value through profit or loss</b>			
Cadiz Life Investment Enterprise Development Fund	216	1 003	1 001
Foreign exchange contracts	2 868	326	1 772
Funds invested in Unit trusts	13 662	12 000	12 251
Vunani Securities – Fund invested in the stock market	220 107	207 989	200 357
	<b>236 853</b>	<b>221 318</b>	<b>215 382</b>
<b>Loans and receivables at amortised cost</b>			
Supplier development loan	1 000	1 478	1 970
Staff loans	4 326	3 546	4 158
Uhula ICT Proprietary Limited	1 700	1 700	1 700
	<b>7 026</b>	<b>6 725</b>	<b>7 828</b>
<b>Total other financial assets</b>	<b>243 879</b>	<b>228 042</b>	<b>223 210</b>
<b>Split between non-current and current portions:</b>			
Non-current assets	–	–	–
Current assets	243 879	228 042	223 210
<b>Total</b>	<b>243 879</b>	<b>228 042</b>	<b>223 210</b>

### 9. CASH AND CASH EQUIVALENTS

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
Cash and cash equivalents consists of:			
Cash on hand	189	72	72
Bank balances	599 314	1 513 427	1 114 740
<b>Total cash</b>	<b>599 503</b>	<b>1 513 498</b>	<b>1 114 912</b>
Bank overdraft	(108)	(9)	(3 079)
<b>Total</b>	<b>599 395</b>	<b>1 513 489</b>	<b>1 111 833</b>



## 10. OTHER FINANCIAL LIABILITIES

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
<b>Other financial liabilities are comprised of:</b>			
<b>Loans at amortised cost</b>			
<b>Computer Aided Telephony System ("CATS")</b>	459	810	979
The loan from CATS is unsecured, interest-free and repayable on demand.			
<b>LMLS</b>	-	44 812	-
The loan was initially between AYO and Sizwe Africa IT Group Proprietary Limited ("Sizwe") and was delegated by Sizwe to LMLS. The loan was provided to enable Sizwe to purchase stock that was sold to Sizwe's customers on the finance lease terms. The loan is secured by a cession and a pledge of Sizwe's contracts with customers. The interest amount charged is equivalent to the interest charged by Sizwe on the customer contracts. The loan was repaid as at 31 August 2022.			
<b>Business Connexion Proprietary Limited</b>	12 401	-	13 305
The loan is repayable in fixed monthly installments, bearing interest at 14.4% per annum and secured by lease receivable.			
<b>Bridgement Proprietary Limited</b>	350	-	-
This is a facility of R350 000 which is repayable in 12 equal weekly instalments. The facility does not carry any interest but incurs a fees totalling R28 978.			
<b>Legal Settlement</b>	346	-	-
Total of R480 000 paid over 24 months with fixed interest of 8.25%, instalments of R20 000 per month			
<b>Total other financial liabilities</b>	<b>13 555</b>	<b>45 622</b>	<b>14 284</b>
<b>Split between non-current and current portions:</b>			
Non-current liabilities	228	18 823	1 717
Current liabilities	13 327	26 799	12 567
<b>Total</b>	<b>13 555</b>	<b>45 622</b>	<b>14 284</b>



# Notes to the unaudited condensed financial results *(continued)*

## 11. DEFERRED INCOME

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
<b>Reconciliation of deferred income</b>			
Opening balance	45 075	33 252	33 252
Additions	7 445	5 825	59 348
Revenue recognised on delivery of goods or services previously paid for	(40 088)	(2 469)	(47 525)
<b>Closing balance</b>	<b>12 432</b>	<b>36 609</b>	<b>45 075</b>
<b>Split between non-current and current portions:</b>			
Non-current liabilities	-	417	-
Current liabilities	12 432	36 192	45 075
<b>Total</b>	<b>12 432</b>	<b>36 609</b>	<b>45 075</b>

## 12. TRADE AND OTHER PAYABLES

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
Trade and other payables	286 567	192 184	223 653
Leave pay and other accruals	111 429	231 061	119 484
SARS - PAYE, UIF and SDL	10 414	-	-
Amounts received in advance	2 499	1 716	347
Value added taxation	42 865	3 965	50 119
<b>Total</b>	<b>453 774</b>	<b>428 926</b>	<b>393 603</b>

The fair value of trade and other payables approximates carrying value due to its short-term nature.



### 13. PROVISIONS

Reconciliation of provisions: 28 February 2023	Opening balance	Additions	Utilised during the year	Reversed during the year	Closing balance
Commission and incentive programme	5 222	419	(3 161)	-	2 480
Bonuses	12 931	1 125	(3 039)	(5 203)	5 814
Onerous contract	3 753	-	(108)	-	3 645
Project and product warranties and product risk	10 006	36	(1 193)	-	8 849
Fine – JSE	2 000	-	(1 500)	(500)	-
Legal costs	16 662	-	-	-	16 662
Reimbursement – Puleng severance cost	1 210	-	(1 210)	-	-
*VAT reimbursement	-	59 939	-	-	59 939
	<b>51 784</b>	<b>61 519</b>	<b>(10 211)</b>	<b>(5 703)</b>	<b>97 389</b>

Reconciliation of provisions: 28 February 2022	Opening balance	Additions	Utilised during the year	Reversed during the year	Closing balance
Commission and incentive programme	2 323	6 767	(4 748)	-	4 343
Bonuses	13 795	6 351	(6 690)	(93)	13 363
Onerous contract	3 645	54	-	-	3 699
Project and product warranties and product risk	13 479	4 759	(107)	(11 854)	6 277
Provisions for marketing and promotions	261	-	-	-	261
	<b>33 503</b>	<b>17 930</b>	<b>(11 544)</b>	<b>(11 947)</b>	<b>27 943</b>



## Notes to the unaudited condensed financial results *(continued)*

### 13. PROVISIONS *continued*

Reconciliation of provisions: 31 August 2022	Opening balance	Additions	Utilised during the year	Reversed during the year	Closing balance
Commission and incentive programme	2 323	13 534	(9 495)	(1 140)	5 222
Bonuses	13 795	12 701	(13 379)	(186)	12 931
Onerous contract	3 645	108	-	-	3 753
Project and product warranties and product risk	13 479	9 517	(213)	(12 777)	10 006
Fine - JSE	-	2 000	-	-	2 000
Legal costs	-	16 662	-	-	16 662
Reimbursement - Puleng severance cost	-	1 210	-	-	1 210
Provisions for marketing and promotions	261	-	(193)	(68)	-
	<b>33 503</b>	<b>55 732</b>	<b>(23 280)</b>	<b>(14 171)</b>	<b>51 784</b>

\* Some expenditure was disallowed by SARS due to Binding General Ruling 60 meaning AYO was earning more interest as compared to revenue. As a result of this, a re-assessment dating back to the 2018 financial year was performed by the Company pending the outcome from SARS re-assessment which resulted in the addition of R59.9 million to provisions.



## 14. REVENUE

	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
<b>Revenue from contracts with customers</b>			
Sale of goods	604 203	436 127	1 055 849
Rendering of services	408 559	355 821	699 330
	<b>1 012 762</b>	791 948	1 755 179
<b>Disaggregation of revenue from contracts with customers</b>			
The Group disaggregates revenue from customers as follows:			
Sale of goods	604 203	436 127	1 055 849
Rendering of services	408 559	355 821	699 330
Fees earned	1 090	180 044	335 512
Services revenue	407 469	175 777	363 818
<b>Total revenue</b>	<b>1 012 762</b>	791 948	1 755 179
<b>Timing of revenue recognition by revenue pattern</b>			
<b>At a point in time</b>			
Software- and consulting-related	5 644	6 137	16 653
Communication products and hardware-related	242 852	134 369	352 942
Project-related services	363 508	290 620	691 480
	<b>612 004</b>	431 126	1 061 075
<b>Overtime</b>			
Software- and consulting-related	16 097	13 645	27 770
Communication products- and hardware-related	266	7 820	76 463
Project-related services	384 395	339 357	589 871
	<b>400 758</b>	360 822	694 104
	<b>1 012 762</b>	791 948	1 755 179



## Notes to the unaudited condensed financial results *(continued)*

### 15. OTHER OPERATING GAINS/(LOSSES)

	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
Loss on sale of subsidiary	-	(2 673)	(2 673)
Profit on early termination of lease	-	-	293
Fair value losses on derivatives asset	(113 739)	-	-
Fair value gains/(loss) on non-controlling interest ("NCI") written put option	24 222	3 761	(19 063)
Fair value gains/(losses) on call option	-	-	113 739
Net foreign exchange gains/(losses)	674	1 520	6 140
Fair value (losses)/gains on contingent considerations	-	-	(5 772)
Fair value (losses)/gains on other financial assets designated as at fair value through profit or loss	18 404	(27 377)	(28 871)
Profit on sale of property, plant and equipment	320	497	543
Profit on sale of intangibles	-	6 391	6 391
Profit recognised on change in control	3 762	7 259	7 259
	<b>(66 357)</b>	<b>(10 621)</b>	<b>58 877</b>

### 16. OPERATING EXPENSES

	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
Major items included in operating expenses:			
Employee costs	121 062	154 488	321 299
Depreciations and amortisation	29 041	29 792	60 011
Impairment expenses	1 917	4 983	75 868
Consulting fees	43 012	3 289	121 336
*VAT apportionment expenses	59 939	-	-
Retrenchment costs	27 316	-	-
*Other operating expenses	167 757	134 161	228 856
	<b>450 044</b>	<b>326 713</b>	<b>807 370</b>

\* Included in other operating expenses are legal fees, management fees, research and development and marketing costs.

# Some expenditure was disallowed by SARS due to Binding General Ruling 60 meaning AYO was earning more interest as compared to revenue. As a result of this, a reassessment dating back to the 2018 financial year was performed by the Company pending the outcome from SARS reassessment which resulted in the addition of R59.9 million to provisions.



## 17. FINANCE INCOME

	<b>Unaudited six months ended 28 February 2023 R'000</b>	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
Bank and cash	22 788	36 685	66 502
Interest - Group companies	21 861	12 913	9 241
Loans receivable	9 875	5 289	36 512
Cumulative preference shares - Bambelela	4 523	4 100	8 668
Cumulative preference shares - 4Plus	7 262	3 498	9 981
Cumulative preference shares - Loot B2B	1 959	1 190	2 695
Cumulative preference shares - Dinaledi	342	219	561
Funds in Trust	10 325	1 680	5 747
Other financial assets	4 262	-	7 487
	<b>83 197</b>	65 574	147 394



# Notes to the unaudited condensed financial results *(continued)*

## 18. EARNINGS PER SHARE

	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
Earnings per share ("EPS") is derived by dividing the earnings attributable to equity holders of AYO by the weighted average number of ordinary shares.			
Basic and diluted loss per share (cents)	(79.06)	(34.31)	(78.60)
There are no dilutive options and other dilutive potential ordinary shares, therefore, basic and diluted earnings per share are the same.			
The loss and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:			
Loss attributable to owners of AYO	(271 437)	(116 768)	(270 303)
Weighted average number of shares ('000) *	343 314	340 296	343 878
<b>Headline earnings per share</b>			
Headline loss is determined as follows:			
Loss attributable to owners of AYO	(271 437)	(116 768)	(270 303)
<b>Adjusted for:</b>			
Profit on sale of property, plant and equipment	(320)	(497)	(292)
Loss on disposal of subsidiary	-	2 673	(3 302)
Profit on sale of intangibles	-	(6 391)	(4 602)
Impairment of property, plant and equipment	-	-	2 137
Goodwill impairment	-	-	69 135
Tax effects of adjustments	90	(1 180)	2 355
<b>Headline (loss)/earnings</b>	<b>(271 667)</b>	<b>(122 164)</b>	<b>(207 226)</b>
Weighted average number of shares ('000) *	343 314	340 296	343 878
Headline (loss)/earnings per share (cents)	(79.13)	(35.90)	(60.26)
Diluted (loss)/earnings per share (cents)	(79.13)	(35.90)	(60.26)

\* In the prior period, AYO repurchased 133 555 shares which have affected the weighted average number of shares



## 19. CONTINGENCIES

### Litigation

On 31 May 2019, AYO received a summons issued by the Public Investment Corporation (“PIC”) and the Government Employees Pension Fund (“GEPF”). The summons sought a declaration that the subscription agreement entered into by the PIC with AYO be declared unlawful and set aside. The Parties entered into a settlement agreement which was made an order of court on 24 March 2023. Shareholders are hereby referred to the supplementary announcement released on SENS by the Company on 18 May 2023 for full details regarding the terms of the settlement agreement and the implementation thereof.

The Company was reconfigured into an investment holding company and continued to trade as such through the portfolio of investments it holds should the PIC and the GEPF be successful in their application. AYO has some subsidiaries that have been in existence for more than 20 years, delivering both satisfactory trading performance and dividend income for AYO. These subsidiaries are expected to continue trading at an optimal level independent of the PIC funding.

The State Information Technology Agency (“SITA”) brought an application in the Eastern Cape High Court for an order to interdict the Eastern Cape Department of Education (“ECDOE”) from continuing with a contract that the ECDOE has with Sizwe Africa IT Group Proprietary Limited (“Sizwe”) for the supply and lease of tablets to matric learners in the Eastern Cape. The Eastern Cape High Court granted the order for the interdict. The ECDOE, supported by Sizwe are appealing the ruling.

There is a pending defamation claim by Magda Wierzycka against AYO and seven others in the Western Cape High Court. The claim is for the amount of R3 million, together with costs. AYO is contesting the claim. No provision has been made in respect of this matter as it has not yet been heard before the courts.

There is a claim for approximately R6.6 million from Volt Africa Proprietary Limited (“Volt”) (hereinafter “the Volt Claim”), in which the Claimant (Volt) alleges that the aforesaid amounts constitutes alleged overpayments made to Afrozaar Proprietary Limited (“Afrozaar”) under the auspices of two service contracts previously concluded between the respective parties. There is also a claim in respect of Afrozaar for approximately R5.6 million from BSA Software Services Inc (hereinafter “the BSA Claim”), in which copyright infringement is alleged due to use of available software on applications not otherwise authorised under developers licence agreement. For the claims against Afrozaar, prospects of success of the Volt Claim are difficult to anticipate at this point. For the BSA Claim, the prospects of success are difficult as the matter is new. Afrozaar is a subsidiary company within the software and consulting services division.

AYO and 50 others Applicants have applied to the Western Cape High Court to review and set aside the findings of the Mpati Commission. The application was instituted, *inter alia*, to:

- Declare the Commission’s decision to amend its terms of reference to investigate transactions falling outside of the prescribed period unlawful and in violation of the Constitution.
- Declare that the unlawful extension of the terms of reference violated the rights of the Applicants.
- Reviewing and setting aside the investigation into and findings against the Applicants on the basis that the investigation was unauthorised and unlawful.
- Expunging, deleting and performing all tasks necessary to effect the removal of the findings, remarks, conclusions and/or recommendations made by the Commission.

Currently the Applicants are in the process of filing a notice to compel as the Applicants have not received responses from the Respondents in the matter.



# Notes to the unaudited condensed financial results *(continued)*

## 20. RELATED PARTIES

Entity name	Relationship
African Equity Empowerment Investments Limited	Holding company
Vunani Fintech Fund Proprietary Limited	Joint venture company
Bowwood and Main No.180 Proprietary Limited	Fellow subsidiary
espAfrika Proprietary Limited	Fellow subsidiary
Orleans Cosmetics Proprietary Limited	Fellow subsidiary
Premier Fishing SA Proprietary Limited	Fellow subsidiary
Tripos Tourism Investments Proprietary Limited	Fellow subsidiary
Tripos Travel Proprietary Limited	Fellow subsidiary
Mustek Limited	Company with similar directors to Sizwe and prescribed officers
Sizwe Asset Finance Proprietary Limited	Company with similar directors to Sizwe and prescribed officers
BT Communications Services South Africa Proprietary Limited	Associate of holding company
African News Agency Proprietary Limited	Common shareholding
Sekunjalo Development Foundation	Common shareholding
Surve Philanthropies	Common shareholding
Independent Newspaper Proprietary Limited	Common shareholding
Independent News and Media Proprietary Limited	Common shareholding
Loot Online Proprietary Limited	Common shareholding
Prodirect Investments 112 Proprietary Limited	Common shareholding
Sekunjalo Investments Holdings Proprietary Limited	Common shareholding
Sekunjalo Properties Proprietary Limited	Common shareholding
Vunani Corporate Finance Proprietary Limited	Common shareholding
Vunani Capital Proprietary Limited	Common shareholding
Sagarmatha Proprietary Limited	Common shareholding
Independent Online SA Proprietary Limited	Common shareholding
African News Agency Proprietary Limited	Common shareholding
Omnicare Family Healthcare Centre	Common director
Communication Products Proprietary Limited	Common director
Collateral Trading Proprietary Limited	Common director
Sello Rasethaba and Associates Proprietary Limited	Common director
Biton Music Productions Proprietary Limited	Common director
Springok Consulting CC	Common director
Saratoga Software Proprietary Limited	Common director
4Plus Technology Venture Fund Africa Proprietary Limited	Investment
Bambelela Capital Proprietary Limited	Investment
Tamlalor Proprietary Limited	Investment
Loot B2B Proprietary Limited	Investment
Volt Africa Proprietary Limited	Investment
Dinaledi Proprietary Limited	Investment
Global Command and Control Technologies Proprietary Limited	Associate
Crealpha Proprietary Limited	Associate
Zaloserve Management Proprietary Limited	Company owned by key management of Zaloserve
Isakhiwo Group International Proprietary Limited	Shareholder
Directors	Refer to director's report



## 20. RELATED PARTIES continued

	Unaudited six months ended 28 February 2023	Unaudited six months ended 28 February 2022	Audited year ended 31 August 2022
Significant related party transactions during the year include:	R'000	R'000	R'000
<b>Sales to related parties</b>			
Sizwe Asset Finance Proprietary Limited	-	891	-
Independent Newspaper Proprietary Limited	101	-	154
Mustek Limited	7 804	-	1 593
Loot Online Proprietary Limited	5	-	16
<b>Purchases of information technology management services from related parties</b>			
BT Communications Services South Africa Proprietary Limited	2 795	-	6 014
Mustek Limited	38 135	1 458	52 623
Communication Product Proprietary Limited	-	-	36 521
Saratoga Software Proprietary Limited	132	-	1 571
Loot Online Proprietary Limited	11	-	81
<b>Fair value gains/(losses) on investments in related parties</b>			
African Equity Empowerment Investments Limited (Main Street and GCCT Call option)	(92 517)	-	-
4Plus Technology Venture Fund Africa Proprietary Limited	-	(31 169)	(42 386)
Bambelela Capital Proprietary Limited	841	(114 627)	22 327
<b>Administration and management fees expense to related parties</b>			
African Equity Empowerment Investments Limited	3 780	3 780	7 560
Springbok Consulting CC	-	395	1 251
Communication Product Proprietary Limited	-	-	1 643
Saratoga Software Proprietary Limited	357	-	-
<b>Advertising and marketing expenses to related parties</b>			
African News Agency Proprietary Limited	7 900	-	10 700
Independent Newspaper and Media Proprietary Limited	7 718	-	5 826
AS Brown	-	-	2
<b>Consulting fees</b>			
Collateral Proprietary Limited	115	-	-
Sello Rasethaba and Associates Proprietary Limited	100	-	-
<b>Donations to related parties</b>			
Surve Philanthropies	2 100	-	-



# Notes to the unaudited condensed financial results *(continued)*

## 20. RELATED PARTIES continued

Significant related party transactions during the year include:	Unaudited six months ended 28 February 2023	Unaudited six months ended 28 February 2022	Audited year ended 31 August 2022
	R'000	R'000	R'000
<b>Travel expenses paid to related parties</b>			
Tripos Travel Proprietary Limited	1 548	2 051	5 351
<b>Impairment expenses in respect of related parties</b>			
Independent News and Media Proprietary Limited	-	-	250
Loot B2B Proprietary Limited – Cumulative preference shares	1 959	1 190	2 695
Global Command and Control Technologies Proprietary Limited	-	5 000	5 000
African Equity Empowerment Investments Limited	503	-	-
Zaloserve Management Proprietary Limited	1 634	-	-
<b>Reversal of impairment expenses in respect of related parties receivables and loans</b>			
Crealpha Proprietary Limited	304	-	-
<b>Security expenses paid to related parties</b>			
Biton Music Productions Proprietary Limited	-	-	78
<b>Office expenses paid to related parties</b>			
Loot Online Proprietary Limited	12	-	3
<b>Professional services fees paid related parties</b>			
Vunani Capital Proprietary Limited	7 649	2 000	5 782
<b>Interest received from related parties (paid)</b>			
4Plus Technology Venture Fund Africa Proprietary Limited	7 369	3 500	10 067
African Equity Empowerment Investments Limited	838	398	1 207
Bambelela Capital Proprietary Limited – cumulative redeemable preference shares	4 523	4 100	8 668
Dinaledi Proprietary Limited	342	-	-
Loot B2B Proprietary Limited	1 959	1 190	2 695
Volt Africa Proprietary Limited	497	340	741
Vunani Fintech Fund Proprietary Limited	13 819	8 773	19 695
Isakhiwo Group International Proprietary Limited	-	191	15
Zaloserve Management Proprietary Limited	209	564	1 241
Bowwood and Main No. 180 Proprietary Limited	-	10	-
Mustek Limited	-	(378)	(397)
Global Command and Control Technologies Proprietary Limited	5 803	-	8 433



## 20. RELATED PARTIES continued

	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
<b>Related party balances include the following:</b>			
<b>Loans receivable from related parties</b>			
African Equity Empowerment Investments Limited	10 058	20 894	16 356
4Plus Technology Venture Fund Africa Proprietary Limited – cumulative redeemable preference shares	84 642	50 897	77 380
4Plus Technology Venture Fund Africa Proprietary Limited	2 193	2 002	2 086
Bambelela Capital Proprietary Limited – cumulative redeemable preference shares	118 229	159 232	143 485
Loot B2B Proprietary Limited – cumulative redeemable preference shares	32 747	29 283	30 788
Vunani Fintech Fund Proprietary Limited	260 329	224 739	246 510
Volt Business Solutions Proprietary Limited	22 076	21 178	21 579
Zaloserve Management Proprietary Limited	-	16 148	16 825
Isakhiwo Group International Proprietary Limited	-	539	-
Global Command and Control Technologies Proprietary Limited	113 312	97 916	107 508
Communications Products Proprietary Limited	-	-	610
Dinaledi Proprietary Limited	20 904	-	20 561
Crealpha Proprietary Limited	33 115	-	31 951
<b>Accumulated impairment on loans receivable from related parties</b>			
Loot B2B Proprietary Limited – cumulative redeemable preference shares	(32 747)	(29 283)	(30 788)
African Equity Empowerment Investments Limited	(1 460)	-	-
Dinaledi Proprietary Limited	(1 181)	-	-
Volt Africa Proprietary Limited	(14 330)	(13 524)	(13 524)
Global Command and Control Technologies Proprietary Limited	(5 000)	(5 000)	(5 000)
Crealpha Proprietary Limited	(5 815)	-	(5 815)
<b>Loans payable to related parties</b>			
Mustek Limited	-	10 979	-
<b>Investments in related parties at cost</b>			
4Plus Technology Venture Fund Africa Proprietary Limited	221 230	221 230	221 230
Bambelela Capital Proprietary Limited	-	-	-
Loot B2B Proprietary Limited	25 000	25 000	25 000
Last Mile Logistics Proprietary Limited	-	11 915	-



# Notes to the unaudited condensed financial results *(continued)*

## 20. RELATED PARTIES continued

	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
<b>Related party balances include the following:</b>			
<b>Accumulated fair value gains/(losses) on investments in related parties</b>			
4Plus Technology Venture Fund Africa Proprietary Limited	(219 798)	(208 581)	(177 411)
Bambelela Capital Proprietary Limited	115 468	73 268	114 627
Loot B2B Proprietary Limited	(25 000)	(25 000)	(25 000)
Global Command and Control Technologies Proprietary Limited	-	(498)	-
<b>Carrying amounts of investments in related parties</b>			
4Plus Technology Venture Fund Africa Proprietary Limited	1 432	12 649	1 432
Bambelela Capital Proprietary Limited	115 468	73 269	114 627
Last Mile Logistics Proprietary Limited	-	11 915	-
Global Command and Control Technologies Proprietary Limited	726	3 443	-
Vunani Fintech Fund Proprietary Limited	74 610	67 768	72 692
Crealpha Proprietary Limited	95	-	-
<b>Derivative financial liability</b>			
African Equity Empowerment Investments Limited	-	19 953	19 953
Fair value adjustment	-	(3 761)	19 064
<b>Derivative financial asset</b>			
Fair value adjustment	-	-	113 739
<b>Trade receivables from related parties</b>			
Independent News and Media Proprietary Limited	10 537	-	6 887
Global Command and Control Technologies Proprietary Limited	40	-	36
African Equity Empowerment Investments Limited	26	-	-
Mustek Limited	-	-	83
Volt Africa Proprietary Limited	2 286	-	2 286
Loot Online Proprietary Limited	1 199	-	1 199
African News Agency Proprietary Limited	445	-	445
espAfrika Proprietary Limited	77	-	77
Independent Newspapers Proprietary Limited	-	-	151



## 20. RELATED PARTIES continued

	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
<b>Related party balances include the following:</b>			
<b>Other receivables from related parties</b>			
Independent Newspapers Proprietary Limited	5 571	5 571	5 571
Independent News and Media Proprietary Limited	14 141	-	-
Mustek Limited	8 705	-	-
Sekunjalo Investments Holdings Proprietary Limited	1 930	1 930	1 930
4Plus Technology Venture Fund Africa Proprietary Limited	529	529	529
Orleans Cosmetics Proprietary Limited	207	207	207
<b>Accumulated impairment on other receivables from related parties</b>			
Independent Newspapers Proprietary Limited	(11 416)	(5 571)	(11 416)
Sekunjalo Investments Holdings Proprietary Limited	(1 930)	(1 930)	(1 930)
4Plus Technology Venture Fund Africa Proprietary Limited	(529)	(529)	(529)
Orleans Cosmetics Proprietary Limited	(207)	(207)	(207)
<b>Trade payables to related parties</b>			
African Equity Empowerment Investments Limited	725	8 262	725
Independent News and Media Proprietary Limited	136	198	136
Loot Online Proprietary Limited	-	1	15
Saratoga Software Proprietary Limited	25	-	-
Mustek Limited	30 223	-	12 565
Sizwe Asset Finance Proprietary Limited	-	-	17 108
Tripos Travel Proprietary Limited	185	785	212
Vunani Corporate Finance Proprietary Limited	6 325	-	1 725
Springbok Consulting CC	-	50	172
Communication Products Proprietary Limited	-	-	7 030
<b>Prepayment to related parties</b>			
Independent News and Media Proprietary Limited	9 041	9 041	9 041
<b>Accumulated impairment on prepayments to related parties</b>			
Independent News and Media Proprietary Limited	(9 041)	(9 041)	(9 041)

# Notes to the unaudited condensed financial results *(continued)*

## 21. FAIR VALUE INFORMATION

Fair value is determined using valuation techniques as outlined below. Where possible, inputs are based on quoted prices and other market determined variables.

### Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement as follows:

- **Level 1** Quoted unadjusted prices in active markets for identical assets or liabilities.
- **Level 2** Inputs other than quoted prices (included in level 1) that are observable for the asset or liability (directly or indirectly).
- **Level 3** Inputs for the asset or liability that are unobservable.

There have been no transfers between levels in the current period.

The following table shows financial assets and liabilities for which fair value is disclosed at reporting date:

Financial instrument	Notes	Fair value hierarchy
<b>Financial assets</b>		
Other financial assets – designated at fair value through profit/(loss)	7	Level 2
Other financial assets – designated at fair value through profit/(loss)	7	Level 1
Trade receivables	6	Level 3 <sup>1</sup>
Cash and cash equivalents	9	Level 1 <sup>2</sup>
Foreign exchange contract	7	Level 1 <sup>1</sup>
Investments at fair value through profit/(loss)	5	Level 3
Derivatives		Level 3
<b>Financial liabilities</b>		
Other financial liabilities	10	Level 3 <sup>1</sup>
Loans from related party companies		Level 2 <sup>1</sup>
Trade payables	12	Level 3 <sup>1</sup>
Bank overdraft	9	Level 1 <sup>2</sup>
Contingent consideration liability		Level 3
Derivatives – Put options over non-controlling interests		Level 3

<sup>1</sup> The fair value of these instruments approximates their carrying value, due to their short-term nature.

<sup>2</sup> The carrying value of cash is considered to reflect its fair value.



## 21. FAIR VALUE INFORMATION continued

The following table shows assets and liabilities measured at fair value at reporting date:

	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000	Valuation method	Fair value hierarchy
<b>Financial assets</b>					
<b>Investments at fair value through profit/(loss)</b>					
AOH Enterprise Proprietary Limited	-	2 850	-	Discounted cash flow	Level 3
Bambelela	115 468	73 269	114 627	Percentage of net assets value	Level 3
Louisyahna	-	2 000	-	Discounted cash flow	Level 3
Kyramanzi	-	5 000	-	Discounted cash flow	Level 3
4Plus	1 432	12 649	1 432	Discounted cash flow	Level 3
African Innovation Academy	12 000	-	-	Discounted cash flow	Level 3
LMLA	-	11 915	-	Discounted cash flow	Level 3
<b>Total investments at fair value through profit/(loss)</b>	<b>128 900</b>	<b>107 683</b>	<b>116 059</b>		
<b>Other financial assets - designated at fair value through profit/(loss)</b>					
Cadiz Investment Enterprise Development Fund	216	1 003	1 005	Investor statement	Level 2
Numus Capital Proprietary Limited	-	-	17 411	Investor statement	Level 1
Vunani Securities Proprietary Limited	220 107	207 989	116 983	Investor statement	Level 1
Unit Trusts	13 662	12 000	-	Investor statement	Level 2
Foreign exchange contracts	2 868	-	1 772	Investor statement	Level 1
<b>Total other financial assets - designated at fair value through profit/(loss)</b>	<b>236 853</b>	<b>220 992</b>	<b>215 382</b>		
<b>Financial assets</b>					
Derivative financial asset	-	-	113 738	Binomial option pricing model	Level 3
<b>Financial liabilities</b>					
Written put options over non-controlling interests	-	16 192	39 017	Binomial option pricing model	Level 3
Contingent consideration liabilities	-	9 228	-	Discounted cash flow	Level 3
<b>Total financial liabilities</b>	<b>-</b>	<b>25 420</b>	<b>39 017</b>		

# Notes to the unaudited condensed financial results *(continued)*

## 21. FAIR VALUE INFORMATION *continued*

Reconciliation of assets and liabilities measured at level 2 and 3

28 February 2023	Opening balance R'000	Additions R'000	Disposals/ Settlements/ Transfer R'000	Gains/ (losses) in profit or loss R'000	Closing balance R'000
<b>Financial assets</b>					
<b>Investments at fair value through profit/(loss)</b>					
Bambelela	114 627	-	-	841	115 468
Last Mile	-	-	-	-	-
Louisyahna	-	-	-	-	-
African Innovation Academy	-	12 000	-	-	12 000
Kyramanzi	-	-	-	-	-
AOH	-	-	-	-	-
4Plus	1 432	-	-	-	1 432
<b>Total investments at fair value through profit/(loss)</b>	<b>116 059</b>	<b>12 000</b>	<b>-</b>	<b>841</b>	<b>128 900</b>
<b>Other financial assets - designated at fair value through profit/(loss)</b>					
Cadiz Investment Enterprise Development Fund	1 001	-	-	(785)	216
Unit Trusts	12 252	1 410	-	-	13 662
Vunani Securities Proprietary Limited	200 357	19 750	-	-	220 107
<b>Total other financial assets - designated at fair value through profit/(loss)</b>	<b>213 610</b>	<b>21 160</b>	<b>-</b>	<b>(785)</b>	<b>233 985</b>
<b>Financial liabilities</b>					
Written put options over non-controlling interests	39 017	-	(39 017)	-	-
<b>Total financial liabilities</b>	<b>39 017</b>	<b>-</b>	<b>(39 017)</b>	<b>-</b>	<b>-</b>



## 21. FAIR VALUE INFORMATION continued

	Opening balance	Additions	Disposals/ Settlements/ Transfers	Gains/ (losses) in profit or loss	Closing balance
<b>28 February 2022</b>	R'000	R'000	R'000	R'000	R'000
<b>Financial assets</b>					
<b>Investments at fair value through profit/(loss)</b>					
Bambelela	91 408	-	-	(18 139)	73 269
Last Mile	11 915	-	-	-	11 915
Louisyahna	2 000	-	-	-	2 000
Kyramanzi	-	5 000	-	-	5 000
AOH	-	2 850	-	-	2 850
4Plus	19 818	24 000	-	(31 169)	12 649
<b>Total investments at fair value through profit/(loss)</b>	<b>125 141</b>	<b>31 850</b>	<b>-</b>	<b>(49 308)</b>	<b>107 683</b>
<b>Other financial assets - designated at fair value through profit/(loss)</b>					
Cadiz Investment Enterprise Development Fund	1 005	-	-	(2)	1 003
Unit Trusts	-	12 000	-	-	12 000
Vunani Securities Proprietary Limited	116 983	51 175	14 426	25 405	207 989
Numus Capital Proprietary Limited	17 411	-	(16 436)	(975)	-
<b>Total other financial assets - designated at fair value through profit/(loss)</b>	<b>135 399</b>	<b>63 175</b>	<b>(2 010)</b>	<b>24 428</b>	<b>220 992</b>
<b>Financial liabilities</b>					
Written put options over non-controlling interests	19 953	-	-	(3 761)	16 192
Contingent consideration liabilities	24 228	-	(15 000)	-	9 228
<b>Total financial liabilities</b>	<b>44 181</b>	<b>-</b>	<b>(15 000)</b>	<b>(3 761)</b>	<b>25 420</b>



# Notes to the unaudited condensed financial results *(continued)*

## 21. FAIR VALUE INFORMATION *continued*

31 August 2022	Opening balance R'000	Additions R'000	Disposals/ Settlements/ Transfers R'000	Gains/ (losses) in profit or loss R'000	Closing balance R'000
<b>Financial assets</b>					
<b>Investments at fair value through profit/(loss)</b>					
Bambelela	91 408	-	-	23 219	114 627
Louisyahna	2 000	-	-	(2 000)	-
4Plus	19 818	24 000	-	(42 386)	1 432
LMLA	11 915	-	(11 915)	-	-
Kyramanzi	-	5 000	-	(5 000)	-
AOH	-	2 850	-	(2 850)	-
Synclabs	-	4 500	-	(4 500)	-
Fueltech	-	10 000	-	(10 000)	-
<b>Total investments at fair value through profit/(loss)</b>	<b>125 141</b>	<b>46 350</b>	<b>(11 915)</b>	<b>(43 517)</b>	<b>116 059</b>
<b>Other financial assets - designated at fair value through profit/(loss)</b>					
Cadiz Investment Enterprise Development Fund	1 005	-	-	(4)	1 001
Numus	17 411	-	(17 411)	-	-
Vunani Securities	116 983	63 136	-	20 238	200 357
Funds invested in unit trusts	-	12 000	-	252	12 252
<b>Total other financial assets - designated at fair value through profit/(loss)</b>	<b>135 399</b>	<b>75 136</b>	<b>-</b>	<b>248</b>	<b>213 610</b>
<b>Financial assets</b>					
Written call option	-	-	-	113 738	113 738
<b>Financial liabilities</b>					
Written put options over non-controlling interests	19 953	-	-	19 064	39 017
Contingent consideration liabilities	24 228	-	(30 000)	5 772	-
<b>Total financial liabilities</b>	<b>44 181</b>	<b>-</b>	<b>(30 000)</b>	<b>24 836</b>	<b>39 017</b>

The fair value adjustments are recognised directly in profit or loss. The fair value of investments are based on the discounted cash flow method, while the NCI put liability and contingent consideration liabilities was calculated using the Binomial Option Pricing Model and discounted cash flow respectively.



## 22. EVENTS AFTER THE REPORTING PERIOD

On 31 May 2019, AYO received a summons issued by the Public Investment Corporation (“PIC”) and the Government Employees Pension Fund (“GEPF”). The summons sought a declaration that the subscription agreement entered into by the PIC with AYO be declared unlawful and set aside. The Parties entered into a settlement agreement which was made an order of court on 24 March 2023. Shareholders are hereby referred to the supplementary announcement released on SENS by the Company on 18 May 2023 for full details regarding the terms of the settlement agreement and the implementation thereof.

The Chairman of the board Dr WA Mgoqi passed away suddenly on 4 April 2023, which is taken as the effective date of resignation. Professor Louis Fourie has been appointed as the interim chairman on the 17 April 2023. Ms Valentine Dzvova and Mr Jowayne Van Wyk were appointed on the board as non-executive directors with effect from 17 April 2023.

Dr DH George a member of board passed away on 15 April 2023.

Management has assessed the current economic conditions as well as the projected inflation and gross domestic product on the expected credit loss allowances (“ECL”) for loans receivables and trade receivables as a result of the Covid-19. As at the date of publication of the interim financial results, management considers the ECL to be appropriate and no further adjustment is required to the interim financial results.

The directors are not aware of any other material facts or circumstances which occurred between the reporting date and date of this report that would require any adjustments to the condensed consolidated interim financial results.



## Condensed segmental analysis

Segment profit represents profit before tax earned by each segment without the allocation of central administration costs, fair value adjustments, finance income and finance costs. This is the measure that is reported to the chief operating decision-maker for the purposes of assessing the segment performance and resource allocation. The accounting policies of the reportable segments are the same as the Group's accounting policies.

	Segmental revenue			Gross profit		
	Unaudited six months ended	Unaudited six months ended	Audited year ended	Unaudited six months ended	Unaudited six months ended	Audited year ended
	28 February 2023	28 February 2022	31 August 2022	28 February 2023	28 February 2022	31 August 2022
	R'000	R'000	R'000	R'000	R'000	R'000
Software and consulting	21 741	19 782	44 423	8 155	6 140	13 830
Unified communications	243 118	142 189	365 304	59 261	34 465	85 626
Healthcare	31 313	32 354	64 101	15 663	15 200	29 895
Managed services	716 590	588 946	1 272 674	109 271	109 630	254 921
<b>Total revenue and gross profit</b>	<b>1 012 762</b>	<b>791 948</b>	<b>1 755 179</b>	<b>192 350</b>	<b>168 807</b>	<b>387 645</b>



## Condensed segmental analysis *(continued)*

	Segmental revenue		
	Unaudited six months ended 28 February 2023 R'000	Unaudited six months ended 28 February 2022 R'000	Audited year ended 31 August 2022 R'000
<b>Reconciliation of Group's segments to loss before income tax</b>			
<b>Gross profit</b>	<b>192 350</b>	<b>168 807</b>	<b>387 645</b>
Depreciation and amortisation	(29 042)	(29 792)	(60 011)
Movement in credit loss allowances	(32 834)	(5 956)	(47 412)
Other operating income	21 187	5 574	58 877
Other operating (losses)/gains	(66 357)	(10 621)	16 012
Employee cost expenses	(148 378)	(154 488)	(321 299)
Impairment expenses	(1 917)	(4 983)	(75 868)
Consulting fees expenses	(43 012)	(3 289)	(121 336)
VAT apportionment expenses	(59 939)	-	-
Other expenses	(167 757)	(134 161)	(228 856)
Finance income	83 197	65 574	147 394
Finance costs	(8 093)	(5 671)	(13 556)
Profit on equity accounted investment	2 738	23 768	25 250
<b>Loss before taxation</b>	<b>(257 857)</b>	<b>(85 239)</b>	<b>(233 160)</b>



## Condensed segmental analysis *(continued)*

	Segmental assets		
	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
	Software and consulting	20 543	15 674
Unified communications	219 302	131 972	176 881
Healthcare	102 802	88 616	104 907
Managed services	2 981 977	3 866 938	3 481 085
<b>Total</b>	<b>3 324 625</b>	<b>4 103 200</b>	<b>3 784 673</b>
Deferred tax	75 756	5 838	26 462
<b>Total consolidated assets</b>	<b>3 400 381</b>	<b>4 109 038</b>	<b>3 811 135</b>

  

	Segmental liabilities		
	Unaudited as at 28 February 2023 R'000	Unaudited as at 28 February 2022 R'000	Audited as at 31 August 2022 R'000
	Software and consulting	13 455	13 319
Unified communications	190 230	56 422	84 870
Healthcare	17 572	12 893	17 200
Managed services	531 215	647 752	587 554
<b>Total</b>	<b>752 472</b>	<b>730 386</b>	<b>703 733</b>
<b>Total consolidated liabilities</b>	<b>752 472</b>	<b>730 386</b>	<b>703 733</b>

Sales between segments are carried out at arm's length and are eliminated on consolidation. The amounts provided to the chief operating decision-maker with respect to segment revenue and segment assets are measured in a manner consistent with that of the financial statements. Segment assets are allocated based on the operations of the segment and the physical location of the asset.

Refer to note 14 for further revenue details



## Corporate information

**Directors:** Amit Makan (Chief executive officer)<sup>^</sup>  
Pride Guzha (Chief financial officer)<sup>^</sup>  
Khalid Abdulla (Executive deputy chairman)<sup>^</sup>  
Prof Louis Fourie (Interim chairman)<sup>\*#</sup>  
Rosemary Mosia<sup>\*#</sup>  
Aziza Amod<sup>\*</sup>  
Dr Dennis George<sup>\*#</sup>  
Adv Dr NA Ramathodi<sup>\*#</sup>  
SM Rasethaba<sup>\*#</sup>  
Valentine Dzvova<sup>\*</sup>  
Jowayne Van Wyk<sup>\*</sup>  
*\* Non-executive # Independent ^ Executive*

**Business address:** 1st Floor, Waterway House North  
3 Dock Road,  
V&A Waterfront,  
Cape Town, 8001

**Company secretary:** Wazeer Moosa  
1st Floor, Waterway House North  
3 Dock Road,  
V&A Waterfront,  
Cape Town, 8001  
Email: wazeer.moosa@ayotsl.com

**Transfer secretaries:** JSE Investor Services Proprietary Limited  
One Exchange Square,  
Gwen Lane, Sandown,  
Sandton, 2196

**Joint sponsor:** Vunani Sponsors Proprietary Limited  
151 Katherine Street,  
Vunani Office Park,  
Sandown, 2196

**Joint sponsor:** Merchantec Capital  
13th Floor, Illovo Point,  
68 Melville Road,  
Illovo,  
Sandton, 2196



## Glossary of terms and acronyms

<b>Adv</b>	Advocate
<b>AEEI</b>	African Equity Empowerment Investments Limited
<b>AYO</b>	AYO Technology Solutions Limited
<b>Bambelela</b>	Bambelela Capital Proprietary Limited
<b>B2B</b>	Business to business
<b>B2C</b>	Business to customer
<b>Board</b>	The Board of Directors
<b>B-BBEE</b>	Broad-Based Black Economic Empowerment
<b>Dr.</b>	Doctor
<b>EBITDA</b>	Earnings before interest, tax, depreciation and amortisation
<b>EPS</b>	Earnings per share
<b>GCCT</b>	Global Command and Control Proprietary Limited
<b>Group</b>	AYO Technology Solutions Limited including its subsidiaries and joint ventures
<b>HEPS</b>	Headline earnings per share
<b>ICT</b>	Information, communication and technology
<b>IFRS</b>	International Financial Reporting Standards
<b>Inc.</b>	Incorporated
<b>JSE</b>	Johannesburg Stock Exchange
<b>Kalula</b>	Kalula Proprietary Limited
<b>Kathea</b>	Kathea Communication Solutions Proprietary Limited
<b>KPI</b>	Key Performance Indicator
<b>Mainstreet</b>	Mainstreet 1653 Proprietary Limited
<b>MSA</b>	Master Service Agreement
<b>NCI</b>	Non-controlling interest
<b>Puleng</b>	Puleng Technologies Proprietary Limited
<b>SARS</b>	South African Revenue Service
<b>SETA</b>	Services Sector Education and Training Authority
<b>SLA</b>	Service Level Agreement
<b>SGT Solutions</b>	SGT Solutions Proprietary Limited
<b>SMME</b>	Small to Medium Enterprises
<b>Sizwe</b>	Sizwe Africa IT Proprietary Limited
<b>VFF</b>	Vunani Fintech Fund Proprietary Limited
<b>USD</b>	United States Dollar
<b>Zaloserve</b>	Zaloserve Proprietary Limited



