alviva HOLDINGS

Financial Results 2017

Preliminary Reviewed Condensed Consolidated **for the year ended 30 June**

AND FINAL CASH DIVIDEND DECLARATION

NET PROFIT	**UP 16% to R444 million**
CORE EPS	**UP 25% to 256.3 cents**
CASH GENERATED	**UP 70% to R1.3 billion**
DIVIDEND	**UP 25% to 25 cents per share**

Axiz · CentraFin financing solutions · datacentrix · Datanet · modrac · pinnacle · Solareff

Condensed Consolidated

Statement of profit or loss and other comprehensive income

	Full year 30 Jun 2017 Reviewed R'000	Full year 30 Jun 2016 Restated Audited R'000
Revenue	**12 811 498**	10 969 132
Cost of sales	**(10 538 710)**	(9 305 726)
Gross profit	**2 272 788**	1 663 406
Operating expenses	**(1 448 670)**	(984 244)
Selling expenses	**(103 738)**	(69 450)
Employee benefit expenses	**(1 156 831)**	(806 789)
Administration expenses	**(186 503)**	(141 322)
Gain on discounting of finance lease agreements	**3 702**	1 619
(Loss)/gain on foreign exchange	**(5 300)**	6 384
Fair value adjustment on acquisition of former equity-accounted investment	**–**	(17 654)
Profit on disposal of former subsidiary	**–**	42 968
EBITDA *	**824 118**	679 162
Depreciation and amortisation	**(90 594)**	(63 284)
Operating profit before interest	**733 524**	615 878
Net finance costs	**(107 037)**	(108 694)
Investment income	**39 453**	17 617
Finance costs	**(146 490)**	(126 311)
Share of profit of equity-accounted investee	**–**	22 702
Profit before tax	**626 487**	529 886
Tax	**(182 494)**	(148 283)
Net profit for the year	**443 993**	381 603
– Owners of the company	**405 277**	341 652
– Non-controlling interests	**38 716**	39 951
Other comprehensive income		
- Items that can be reclassified to profit or loss net of tax:	**3 028**	7 811
Exchange differences from translating foreign operations	**758**	2 126
Cash flow hedge	**2 270**	5 685
Total comprehensive income for the year	**447 021**	389 414
- Owners of the company	**408 305**	349 463
- Non-controlling interests	**38 716**	39 951

** Earnings before interest, taxation, depreciation and amortisation.*

Reconciliation of

Headline and core earnings

	Full year 30 Jun 2017 Reviewed R'000	Full year 30 Jun 2016 Audited R'000
Earnings attributable to ordinary shareholders	**405 277**	341 652
Fair value adjustment on acquisition of former associate net of tax	**–**	13 700
Fair value adjustment on acquisition of former associate	**–**	17 654
Less: Tax thereon	**–**	(3 954)
Profit on sale of property, plant and equipment net of tax	**(618)**	(1 492)
Profit on sale of property, plant and equipment	**(858)**	(2 072)
Less: Tax thereon	**240**	580
Profit on sale of former subsidiary net of tax	**–**	(27 565)
Profit on sale of former subsidiary	**–**	(42 968)
Less: Tax thereon	**–**	15 403
Headline earnings	**404 659**	326 295
Acquisition costs net of tax	**2 598**	-
Amortisation of intangible assets net of tax	**17 997**	12 052
Core earnings	**425 254**	338 347
Number of ordinary shares in issue ('000)		
– Total number of shares in issue *	**159 673**	171 226
– Weighted average number of shares in issue *	**165 944**	164 992
– Weighted average number of shares in issue for purpose of dilution*	**166 417**	164 992

** Adjusted for treasury shares.*

Segmental analysis

	Full year 30 Jun 2017 Reviewed R'000	Full year 30 Jun 2016 Audited R'000
Revenue		
ICT Distribution	**9 537 040**	9 408 761
Services and Solutions	**3 539 563**	1 608 180
Financial Services	**172 237**	148 840
Group Central Services	**–**	–
Less: Intra-segmental revenue	**(437 342)**	(196 649)
	12 811 498	10 969 132
EBITDA *		
ICT Distribution	**422 636**	384 652
Services and Solutions	**271 979**	152 710
Financial Services	**116 831**	100 664
Group Central Services	**12 672**	41 136
	824 118	679 162
Reconciliation of profit		
Segment EBITDA	**824 118**	679 162
Depreciation and amortisation	**(90 594)**	(63 284)
Net finance costs	**(107 037)**	(108 694)
Share of equity accounted associate income	**–**	22 702
Profit before tax	**626 487**	529 886
Net operating assets		
ICT Distribution	**1 019 142**	1 100 752
Services and Solutions	**499 213**	746 490
Financial Services	**197 254**	151 205
Group Central Services	**304 614**	411 070
	2 020 223	2 409 517

** Earnings before interest, taxation, depreciation and amortisation.*

The segments of the entity are based on the information reported to the chief operating decision maker (Chief Executive Officer) and have not changed from the prior reporting period.

Financial review

	Full year 30 Jun 2017 Reviewed	Full year 30 Jun 2016 Audited
Performance per ordinary share (cents)		
Basic earnings per ordinary share		
- Basic earnings per ordinary share	**244.2**	207.1
- Diluted basic earnings per ordinary share	**243.5**	207.1
Headline earnings per ordinary share		
- Basic headline earnings per ordinary share	**243.9**	197.8
- Diluted headline earnings per ordinary share	**243.2**	197.8
Core earnings per ordinary share		
- Basic core earnings per ordinary share	**256.3**	205.1
- Diluted core earnings per ordinary share	**255.6**	205.1
Dividend cover	**12.2**	–
Returns (%)		
Gross profit	**17.7**	15.2
Operating expenses	**(11.3)**	(9.0)
EBITDA *	**6.4**	6.2
Operating profit before Interest and tax	**5.7**	5.6
Effective tax rate **	**29.1**	29.2
Net profit	**3.5**	3.5
Return on equity	**19.9**	18.8
Capital management		
Net asset value per share (cents)	**1 251.2**	1 218.4
Net tangible asset value per share (cents)	**961.4**	922.5
Working capital management		
Investment in working capital (R'000)	**932 761**	1 359 088
Liquidity and solvency		
Debt to equity (%)	**25.8**	18.8
Current ratio (excluding inventory in transit and work in progress)	**1.74**	1.85
Acid test (excluding inventory in transit and work in progress)	**1.42**	1.44

** Earnings before interest, taxation, depreciation and amortisation.*

*** Based on profit before tax excluding share of profit of equity-accounted investee.*

Condensed Consolidated

Statement of financial position

	30 Jun 2017 Reviewed R'000	30 Jun 2016 Audited R'000
ASSETS		
Non-current assets	**1 079 064**	1 100 391
Property plant and equipment	**104 661**	120 011
Intangible assets and goodwill	**462 703**	506 663
Finance lease receivables	**434 581**	408 020
Deferred tax	**77 119**	65 697
Current assets	**3 670 358**	3 912 260
Inventory (note 2)	**751 702**	957 725
Derivative financial asset	**3 287**	-
Trade and other receivables	**2 304 629**	2 524 373
Finance lease receivables	**210 972**	178 663
Income tax receivable	**10 008**	10 006
Cash and cash equivalents	**389 760**	241 493
Total assets	**4 749 422**	5 012 651
EQUITY AND LIABILITIES		
Capital and reserves	**2 020 223**	2 409 517
Stated capital	**43 359**	193 646
Treasury shares	**(98 492)**	(72 856)
Non-distributable reserves	**36 866**	36 107
Cash flow hedge reserve	**548**	(1 722)
Retained earnings	**2 015 491**	1 931 000
Non-controlling interests	**22 451**	323 342
Non-current liabilities	**585 642**	432 612
Interest-bearing liabilities	**510 145**	353 416
Derivative financial liability	**-**	3 444
Deferred revenue	**39 320**	29 213
Deferred tax	**36 177**	46 539
Current liabilities	**2 143 557**	2 170 522
Trade and other payables	**1 974 752**	2 026 899
Interest-bearing liabilities	**5 572**	154
Derivative financial liability	**-**	16 154
Deferred revenue	**148 818**	96 111
Income tax payable	**14 415**	12 619
Bank overdrafts	**-**	18 585
Total equity and liabilities	**4 749 422**	5 012 651

Condensed Consolidated

Statement of cash flows

	Full year 30 Jun 2017 Reviewed R'000	Full year 30 Jun 2016 Audited R'000
Profit before tax	**626 487**	529 886
Adjusted for:		
Finance income received	**(39 453)**	(17 617)
Finance expenses paid	**146 490**	126 311
Non-cash flow items	**89 845**	17 011
Changes in working capital	**436 434**	90 178
Cash generated by operating activities	**1 259 803**	745 769
Net finance costs	**(107 037)**	(108 694)
Finance income received	**39 453**	17 617
Finance expenses paid	**(146 490)**	(126 311)
Tax paid	**(202 484)**	(180 411)
Dividends received from equity-accounted investee	**–**	8 170
	950 282	464 834
Cash flows from investing activities		
Property, plant and equipment acquired	**(33 278)**	(18 222)
Proceeds on disposals of property, plant and equipment	**8 396**	1 306
Proceeds on disposals of assets classified as held-for-sale	**–**	226 116
Assets classified as held-for-sale acquired	**–**	(617)
Acquisition of intangible assets	**(5 542)**	(9 870)
Purchase consideration paid on business combinations	**–**	(56 521)
Net investment in finance leases receivable	**(58 870)**	(118 973)
Additional costs incurred on equity-accounted investee	**–**	(3 678)
	(89 294)	19 541
Cash flows from financing activities		
Interest-bearing liabilities raised	**150 000**	350 050
Interest-bearing liabilities repaid	**(4 007)**	(655 439)
Shares repurchased	**(209 433)**	–
Non-controlling interest acquired	**(598 107)**	–
Decrease in short-term loans	**–**	25 292
Dividends paid	**(33 347)**	–
	(694 894)	(280 097)
Increase in net cash, cash equivalents and overdrafts	**166 094**	204 278
Net cash acquired from business combinations	**–**	89 769
Net cash, cash equivalents/(overdraft) at beginning of reporting period	**222 908**	(73 265)
Effects of exchange rate changes on the balance of cash held in foreign currencies	**758**	2 126
Net cash, cash equivalents at end of reporting period	**389 760**	222 908

Statement of changes in equity

	Full year 30 Jun 2017 Reviewed R'000	Full year 30 Jun 2016 Audited R'000
Opening balance	**2 409 517**	1 545 121
Ordinary shares (repurchased)/issued	**(209 432)**	191 966
Profit for the period	**443 993**	381 603
Other comprehensive income	**3 028**	7 811
Net movements in non-controlling interest	**(598 106)**	283 016
Equity-accounted share-based payment reserve movements	**4 570**	–
Dividend paid	**(33 347)**	–
Closing balance	**2 020 223**	2 409 517
Attributable to:		
Owners of the company	**1 997 772**	2 086 175
Non-controlling interests	**22 451**	323 342

Analysis of goodwill

	Full year 30 Jun 2017 Reviewed R'000	Full year 30 Jun 2016 Audited R'000
Opening balance	**347 846**	108 166
Business combination acquisitions	**–**	239 680
Datacentrix	**–**	190 465
Solareff	**–**	45 222
Intdev	**–**	3 993
Closing balance	**347 846**	347 846

None of the transactions, as noted elsewhere in this report related to the increased interest in investees, have resulted in a change of control.

1. Prior period error

The restatement presented below has been identified by the Johannesburg Stock Exchange through its proactive monitoring review process.

In the 2016 annual financial statements, the Group presented the realisation of revaluation reserve to retained earnings via other comprehensive income in the Statement of Profit or Loss and Other Comprehensive Income. The impact hereof was that total comprehensive income was understated by R23.8 million. The restatement had no impact on the profit for the period, EBITDA, Statement of Financial Position, Statement of Changes in Equity, Earnings per share or Headline earnings per share.

The effect of the restatement on the Statement of Profit or Loss and Other Comprehensive Income is illustrated below:

	Restated 2016 R'000	Previously reported 2016 R'000	Variance R'000
Profit before tax	529 886	529 886	–
Tax	(148 283)	(148 283)	–
Net profit for the year	381 603	381 603	–
- Owners of the company	341 652	341 652	–
- Non-controlling interests	39 951	39 951	–
Other comprehensive income			
Items that will not be reclassified into profit or loss:	–	(23 825)	23 825
Profit on revaluation of property	–	–	–
Realisation of non-distributable reserve on disposal of properties	–	(23 825)	23 825
Tax relating to items that will not be reclassified	–	–	–
Items that can be reclassified to profit or loss net of tax:	7 811	7 811	–
Exchange differences from translating foreign operations	2 126	2 126	–
Cash flow hedge	5 685	5 685	–
Total comprehensive income for the year	389 414	365 589	23 825
- Owners of the company	349 463	325 638	23 825
- Non-controlling interests	39 951	39 951	–

2. Inventory analysis

	30 June 2017 Reviewed R'000	30 June 2016 Audited R'000
Inventory on hand	**669 125**	845 033
Inventory in transit	**58 119**	63 418
Work in progress	**24 458**	49 274
	751 702	957 725

Fair value measurement of financial instruments

A summary of the financial instruments measured at fair value is set out below.

Fair value hierarchy:

Level 1 - fair value is determined from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - fair value is determined through the use of valuation techniques based on observable inputs, either directly or indirectly.

Level 3 - fair value is determined through the unobservable inputs for the asset or liability.

	Level	**Full year 30 June 2017 Reviewed R'000**	Full year 30 June 2016 Audited R'000
Financial assets			
Derivative financial asset	**2**	**3 287**	–
Financial liabilities			
Derivative financial liability	**2**	**–**	19 598

The Group has opted not to disclose the fair values of financial instruments measured at amortised cost as their carrying amounts closely approximate their fair value. There were no other financial instruments measured at fair value that were individually material at the end of the current reporting period.

Commentary

Introduction

The Board of directors of Alviva ("The Board") is pleased to announce the reviewed condensed consolidated financial results for the year ended 30 June 2017.

Overview

Alviva has delivered satisfactory results with all of its operating divisions performing well despite the difficult market conditions.

On 30 January 2017, it was announced on SENS that Alviva had fulfilled all of the conditions precedent to acquire the balance of the ordinary share capital of Datacentrix Holdings Limited ("Datacentrix"). Consequently, Datacentrix has been accounted for as a wholly-owned subsidiary with effect February 2017. This, together with the consolidation in the second half of last year of Datacentrix, and to a lesser extent of Solareff (Proprietary) Limited ("Solareff"), has contributed positively to the Group in the year ended 30 June 2017. The strategy to diversify the Group's business from that of predominantly distribution is bearing fruit with the contribution from the Services and Solutions cluster becoming more significant. In addition, the focus on delivering profits into cash has transformed the gearing of the Group and allowed us to make substantial investments whilst maintaining dividend payments.

Financial Results

The Group had a satisfactory financial year. Headline earnings per share ("HEPS") increased by 23.3% to 243.9 cents (2016: 197.8 cents) and Core earnings per share ("Core EPS") increased by 24.9% to 256.3 cents (2016: 205.1 cents). Although Core EPS is a non-IFRS measure, the directors believe that it is a meaningful additional measure of evaluating the performance of the Group's operations, particularly when the Group is looking to acquire additional companies into its operations. It is based on the HEPS measure and adjusted to exclude the amortisation charges of intangible assets, recognised on business combinations, and related transaction costs.

Revenue increased by 16.8% to R12.8 billion and gross profit increased 36.6% to R2.3 billion. The increase in expenses was largely attributable to the inclusion of Datacentrix for the full year. Interest paid remained static despite paying out R563 million on the acquisition of the balance of the shares in Datacentrix that Alviva did not previously own.

Shareholders' Equity reduced to R2.0 billion (2016: R2.1 billion) following the buy-out of minorities in Datacentrix and various share repurchase transactions and treasury shares processed during the year. These transactions offset the addition to equity from Profit for the period. The acquisition of Datacentrix only resulted in R100 million of long-term debt being raised as the balance of the acquisition was funded through internal resources and great cash generation. This leaves the only other significant debt being the funding of the Centrafin book which is 'ring-fenced' with a securitisation structure.

Divisional performance

ICT Distribution

Management is pleased to report that the Distribution division delivered in line with expectations and contributed positively to the Group. In 2016, revenue for the division included two large deals of approximately R500 million that were not able to be repeated in the current year. Despite this, the pleasing aspect was that the division was able to make up almost all of this in run rate business with its enterprise and software products. Notwithstanding, EBITDA increased by 9.9% and the cash generated, due to excellent working capital management, was such that we were able to decrease finance costs by R10 million. Margins were improved due to the improved management of inventory throughout the period. During the period, the division contributed R317 million (2016: R185 million) in dividends to the Group demonstrating that it remains a valuable supplier of capital for the Group to utilise in its investing activities.

Services and Solutions

This division includes Datacentrix and Solareff. Datacentrix had a great year and executed several big contracts during the period. The roll out of the upgrade of the court rooms with the Department of Justice, involving some 3,200 court rooms throughout the country, has been taxing, both logistically and administratively, but is now close to conclusion. In addition, it has executed technology upgrades in several countries for Barclays Africa. These projects demonstrate Datacentrix's ability to conduct large scale bespoke contracts in multinational locations.

The acquisition of Solareff some 17 months ago has brought the Group into the exciting renewable energy domain. With the management of this entity as the driving force, we are now looking to add further renewable energy entities into the cluster and we remain optimistic about the possibilities that this young energetic team can deliver within this segment in the future.

Financial Services

Centrafin grew its revenue by 15.7% and EBITDA grew by 16.1%. It should be noted that certain additional expenses have been incurred since implementing the securitisation of the majority of its book at the beginning of May 2016. This year has been a tougher year for Centrafin and the book's growth has been the lowest for some time (now at R649 million from R607 million a year ago). This has largely been due to economic factors as well as limiting our pricing reaction to competitive activity. The management of the book remains of the highest order with delinquent debtors remaining well below industry norms. This can be attributed to the application of strict credit control policies, the specific selection of assets to fund and a well experienced credit collection team.

Investment activities and financial position

Cash generated by Operations came in at R1.3 billion following another year of profit and exceptional working capital improvements. Management in each segment in the business has focused throughout the year on this area, albeit never at the expense of revenue generation.

This has allowed us to invest in two of the best businesses we know – Datacentrix and Alviva – without incurring significant long-term debt. Datacentrix repurchased 6 461 472 shares for R35 million in the first half of the year, and then, in February 2017, Alviva purchased the balance of shares that it did not hold for R563 million. The only long-term debt taken on from this transaction was a R100 million preference share facility with ABSA. In addition, and as detailed in the SENS announcements dated 3 October 2016 and 29 June 2017, Alviva repurchased a total of 8 333 492 of its shares during the year for a total consideration of R150 million. A further 3 220 000 shares were acquired for the Forfeitable Share Plan ("FSP"), that was approved by shareholders at the AGM in November 2016, for a total consideration of R59 million. These shares will be treated as Treasury shares until they vest.

Directorate

Further to previously announced succession planning measures, Arnold Fourie, the previous long standing Chief Executive Officer and current non-executive Chairperson, has announced his intention to step down from this role and from the Board. He will remain as Chairperson until a suitable candidate to replace him has been found. It is Arnold's view that the succession planning has been successfully implemented with a management team and Board that is capable of taking the Alviva group to new heights. Although we will greatly miss all of Arnold's wisdom, experience and counsel, the appointment of an independent non-executive Chairperson will further strengthen the independence of the Board.

Events after the reporting period

Share buy-back

At the last AGM held on 25 November 2016, shareholders gave the Board a general approval in terms of section 46 and 48 of the Companies Act, by way of special resolution, to acquire shares of the Company. In June 2017, the Board exercised this authority and mandated a buy-back of issued ordinary shares of the Company, to a maximum of 3 840 000 shares. Since the mandate and subsequent to the reporting period, 2 025 696 ordinary shares have been bought back totaling 1.1% of the total issued share capital (excluding treasury shares).

No other material events, except as specifically mentioned in this report, occurred in the period between the reporting date and the date of issue of this report.

Dividends

The Company's policy is to declare a dividend of 10% of HEPS (and since the introduction of dividend tax, a gross dividend of 10% of HEPS before deducting dividend tax). To this end, the board has declared a final dividend of 25 cents (2016: 20 cents) per ordinary share for the financial year ended 30 June 2017.

Notice is hereby given that a final dividend of 25 cents per ordinary share for the year ended 30 June 2017 has been declared by the Board of Directors of the Company.

The salient dates applicable to the final dividend are as follows:

Last day of trade "cum" dividend	Tuesday, 14 November 2017
First day to trade "ex" dividend	Wednesday, 15 November 2017
Record date	Friday, 17 November 2017
Payment date	Monday, 20 November 2017

No share certificates may be dematerialised or rematerialised between Wednesday, 15 November 2017 and Friday, 17 November 2017, both days inclusive.

Dividends are to be paid out of distributable reserves. Dividend tax of 20% will be withheld in terms of the Income Tax Act for those shareholders who are not exempted from dividend tax. In accordance with paragraphs 11.17(1)(i) and (x) and 11.17(c) of the JSE Listings Requirements, the following additional information is disclosed:

- The gross local dividend amount is 25.00 cents per ordinary share for shareholders exempt from dividend tax;
- The net local dividend amount is 20.00 cents per ordinary share for shareholders liable to pay dividend tax;
- Alviva has 169 392 571 ordinary shares in issue (which includes 11 745 696 treasury shares); and
- Alviva's income tax reference number is 9675/146/71/7.

Where applicable, payment in respect of certificated shareholders will be transferred electronically to shareholders' bank accounts on the payment date.

In the absence of specific mandates, payment cheques will be posted to certificated shareholders at their risk on the payment date. Shareholders who have dematerialised their shares will have their accounts at their Central Securities Depository Participant or broker credited on the payment date.

Prospects

The overall economy faces challenging times ahead. It is evident that, following the cabinet re-shuffle in March 2017, households have been actively shoring up their balance sheets, reverting to a culture of saving and living more within their means. Businesses too have curtailed investment and are not as yet utilising the low interest rate environment to leverage up their balance sheets meaning that conservatism is dominating economic behaviour at the moment. There is simply no confidence to encourage investment. We believe this to be temporary in nature but anticipate a tough six to nine months ahead. To some extent, the IT sector will cushion this effect but much will depend on the elective conference in December 2017.

After a year of strategic alignment, during which a lot of work was performed to contribute to the sustainable financial well-being of the Group, the Group is keen to rigorously pursue commercial opportunities to take advantage of its efficient infrastructure and broad offerings in the distribution and services cluster.

With a rejuvenated balance sheet in place, the Group is keen to expand its offering through acquisition opportunities of suitable targets.

Statement of compliance, basis of preparation and accounting policies

The reviewed condensed consolidated financial statements for the year ended 30 June 2017 have been prepared in accordance with the Group's accounting policies under the supervision of the Chief Financial Officer, RD Lyon CA, and complies with IAS 34: Interim Financial Reporting, the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS"), SAICA financial reporting guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the Listings Requirements of the JSE Limited and the requirements of the Companies Act of South Africa (Act 71 of 2008), as amended. All new standards and interpretations that came into effect during the year were assessed and adopted with no material impact to the reviewed condensed consolidated financial statements. The accounting policies, inclusive of reasonable judgements and assessments, applied in the reviewed condensed consolidated financial statements, are consistent with those applied in the preparation of the audited consolidated annual financial statements for the year ended 30 June 2016. The accounting policies applied are consistent to the accounting policies applied in the consolidated annual financial statements for the Group and comply with IFRS.

The Board takes full responsibility for the preparation of this preliminary report and that the financial information has been correctly extracted from the reviewed underlying consolidated annual financial statements.

The reviewed condensed consolidated financial statements comprise the condensed Statement of Financial Position at 30 June 2017 and the condensed Statements of Profit or Loss and Other Comprehensive Income, Changes in Equity and Cash Flows for the year then ended.

The reviewed condensed consolidated financial statements of the Group are prepared as a going concern on a historical basis except for certain financial instruments, which are stated at fair value as applicable.

Core earnings per share is a non-IFRS measure and is based on HEPS adjusted to exclude amortisation charges of intangible assets recognised on business combinations, and related transaction costs.

Review opinion

The condensed consolidated financial statements and this SENS announcement have been reviewed by the Company's auditors, SizweNtsalubaGobodo Incorporated. The review has been conducted in terms of International Standards on Review Engagements. A copy of the unmodified review report is available for inspection at the Company's registered office. This auditor's review report does not necessarily report on all the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of this auditor's review report together with the accompanying financial information from the Company's registered office. Any reference to future financial performance included in this announcement has not been reviewed nor reported on by the Company's auditors.

For and on behalf of the Board

AJ Fourie
Chairperson

P Spies
Chief Executive Officer

Midrand
6 September 2017

Alviva Holdings Limited

(formerly Pinnacle Holdings Limited)
(incorporated in the Republic of South Africa)
Registration number: 1986/000334/06
ISIN: ZAE000227484
Share code: AVV
"Alviva" or "the Group" or "the Company"

Directors:

AJ Fourie * (Chairperson), A Tugendhaft * (Deputy Chairperson), P Spies (Chief Executive Officer), RD Lyon (Chief Financial Officer), SH Chaba*^, N Medupe *^, B Sibiya #

** Non-executive ^ Independent non-executive*
 # Lead independent

Registered Office:

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Preparer of results: RD Lyon CA

Company Secretary: SL Grobler CA (SA)

Transfer Secretaries:

Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196

Auditors:

SizweNtsalubaGobodo Inc., Registered Auditors, Summit Place Office Park, Building 4, Garsfontein Road 221, Menlyn, 0081

Sponsor:

Deloitte & Touche Sponsor Services (Pty) Ltd, Building 8, Deloitte Place, The Woodlands, 20 Woodlands Drive, Woodmead, 2196