RESULTS PRESENTATION
FOR THE SIX MONTHS ENDED
31 DECEMBER 2017

AGENDA

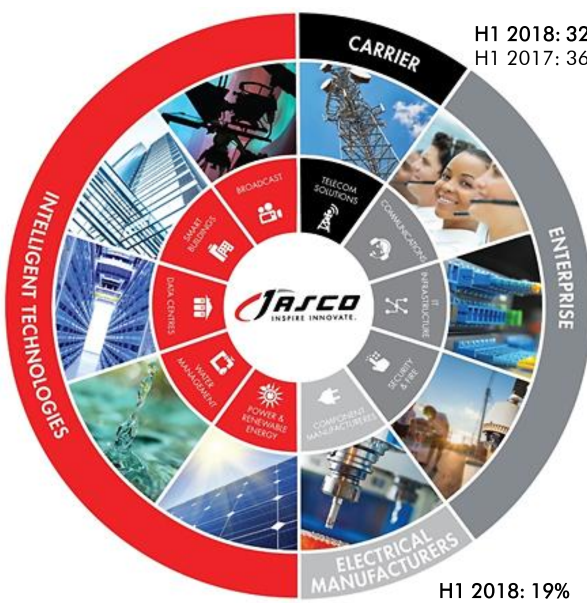
1 GROUP REVIEW

2 FINANCIAL REVIEW

3 LOOKING FORWARD & CONCLUSION

GROUP REVIEW

GROUP STRUCTURE – CONTRIBUTION TO REVENUE



H1 2018: 32%
H1 2017: 36%

H1 2018: 37%
H1 2017: 28%

H1 2018: 19%
H1 2017: 20%

H1 2018: 12%
H1 2017: 16%

HIGHLIGHTS AND LOWLIGHTS

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HIGHLIGHTS

- Revenue up on first-time contribution by Reflex Solutions
- Steady margins in competitive environment
- Reduction in net group debt, with an improvement in the gearing ratio from 47% to 30%
- Level 4 B-BBEE rating in terms of new ICT sector codes - black ownership of 57.5% and black woman ownership of 30% achieved

LOWLIGHTS

- Carrier's revenue negatively impacted by customers cutting costs
- Intelligent Technologies revenue declined on depressed energy sector
- Exchange rate volatility continued to negatively impact operating profit
- International start-up losses worse than planned

FINANCIAL SUMMARY

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UNAUDITED (Rm)	H1 2018	H1 2017	% CHANGE	H2 2017	% CHANGE
Revenue	557,2	521,1	+7	521,8	+7

- Economic slowdown continued
- First-time revenue contribution of R84,0m from Reflex Solutions

UNAUDITED (Rm)	H1 2018	H1 2017	% CHANGE	H2 2017	% CHANGE
PBIT	29,9	30,1	-1	11,8	+153

- Steady operating margin despite competitive environment
- First-time profit contribution of R12,5 million from Reflex
- Net loss on foreign exchange (R4,5m loss vs R3,9m loss in H1 2017)

UNAUDITED (Rm)	H1 2018	H1 2017	% CHANGE	H2 2017	% CHANGE
EPS (cents)	2,0	6,3	-68	(2,7)	+175
Headline EPS (cents)	1,2	6,3	-82	1,7	-31

- Disappointing performance impacted by higher losses in Kenya and Middle East start-ups; higher interest charge and effective tax rate and larger minority share of profits (mainly Reflex)

STATEMENT OF COMPREHENSIVE INCOME

UNAUDITED (Rm)	H1 2018	H1 2017	% CHANGE	H2 2017	% CHANGE
Revenue	**557,2**	**521,4**	**+7**	**521,8**	**+7**
CARRIER	182,4	191,2	-5	194,5	-6
• Major telco operators' spend remains low					
ENTERPRISE	207,4	147,9	+40	167,8	+24
• Reflex first-time contribution of R84,0 million for 6 months					
INTELLIGENT TECHNOLOGIES	67,5	83,4	-19	81,5	-17
• Continued slowdown in Energy business due to lack of projects					
ELECTRICAL MANUFACTURERS	104,8	102,5	+2	88,3	+18
• Diversification strategy paying off, with growth in volumes from new customers • Steady volume from major appliance manufacturer					

STATEMENT OF COMPREHENSIVE INCOME

JASCO INSPIRE.INNOVATE.

UNAUDITED (Rm)	H1 2018	H1 2017	% CHANGE	H2 2017	% CHANGE
Revenue	557,2	521,1	+7	521,8	+7
PBIT	**29,9**	**30,1**	**-1**	**11,8**	**+153**
PBIT%	***5.4%***	***5.8%***		***2.3%***	
CARRIER	25,2	24,8	+1	26,1	-4
PBIT%	*13.8%*	*12.9%*		*13.4%*	

- Slowdown at major telco operators
- Impacted by loss on forex (R2,0m loss vs R3,1m loss in H1 2017)

UNAUDITED (Rm)	H1 2018	H1 2017	% CHANGE	H2 2017	% CHANGE
ENTERPRISE	12,3	3,9	+213	(7,4)	+266
PBIT%	*5.9%*	*2.7%*		*-4.4%*	

- First-time contribution from Reflex of R12,5 million
- Cost cutting and contract selection measures starting to pay off in Communications & Security
- Higher than planned losses in Kenya for H1, equity accounted from 1 October 2017

UNAUDITED (Rm)	H1 2018	H1 2017	% CHANGE	H2 2017	% CHANGE
INTELLIGENT TECHNOLOGIES	3,8	9,6	-61	12,5	-70
PBIT%	*5.6%*	*11.4%*		*15.3%*	

- Losses in Power & Renewables, business under review

UNAUDITED (Rm)	H1 2018	H1 2017	% CHANGE	H2 2017	% CHANGE
ELECTRICAL MANUFACTURERS	9,5	8,5	+8	4,8	+99
PBIT%	*9.1%*	*8.3%*		*5.4%*	

- Diversification strategy paying off and good production efficiencies achieved improved margins

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STATEMENT OF COMPREHENSIVE INCOME

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UNAUDITED (Rm)	H1 2018	% CHANGE	H1 2017
Revenue	557,2	+7	521,4
PBIT	29,9	-1	30,1
PBIT %	*5.4%*		*5.8%*
Net interest cost	(9,2)	+64	(5,6)
Equity accounted loss	(3,5)		-
Profit before tax	17,2	-30	24,5
Taxation expense	(6,1)	-16	(9,3)
Tax rate	*35.5%*		*37.8%*
Profit for the period	11,1	-27	15,2
Outside shareholders interest	(6,5)	+482	(1,1)

- Net interest cost increased on R120 million working capital facility – eliminated all overdraft facilities in May 2017
- Equity accounted losses in Middle East & Kenya
- Tax expense lower due to lower profitability
  - High effective tax rate expected until F2019 due to corporate bond interest
- Outside shareholders' interest increased mainly due to Reflex first-time inclusion

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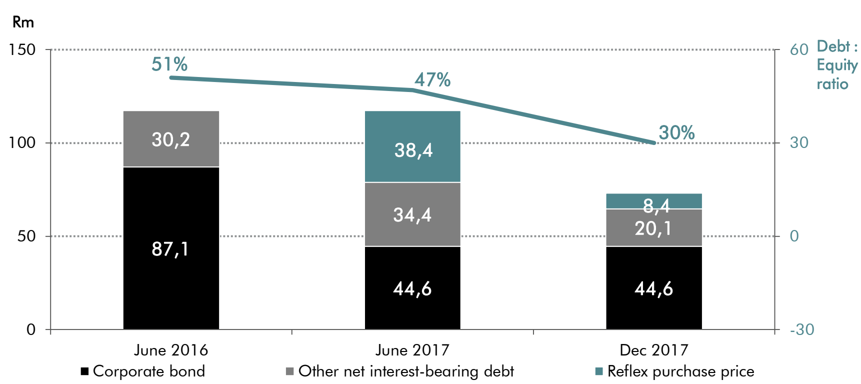
STATEMENT OF COMPREHENSIVE INCOME

UNAUDITED	H1 2018	% CHANGE	H1 2017
Profit attributable to ord. shareholders (Rm)	**4,6**	-68	14,1
Total shares in issue (m)	229,3	-	229,3
Weighted average no. shares (m)	226,8	-	224,6
EPS (cps)	**2,02**	-68	6,28
HEPS (cps)	**1,17**	-82	6,34

- Weighted average number of shares increased slightly on change in treasury shares, immaterial impact on results
- Difference between earnings & headline earnings:
  - Profit on disposal of Kenya subsidiary of R10,9m offset by loss on acquisition of Kenya associate of R9,2m
  - Foreign currency translation reserve of R0,4m recycled from equity on disposal of Kenya subsidiary
  - Loss on disposal of fixed assets of R0,16m (H1 2017: R0,14m)

NET INTEREST-BEARING DEBT

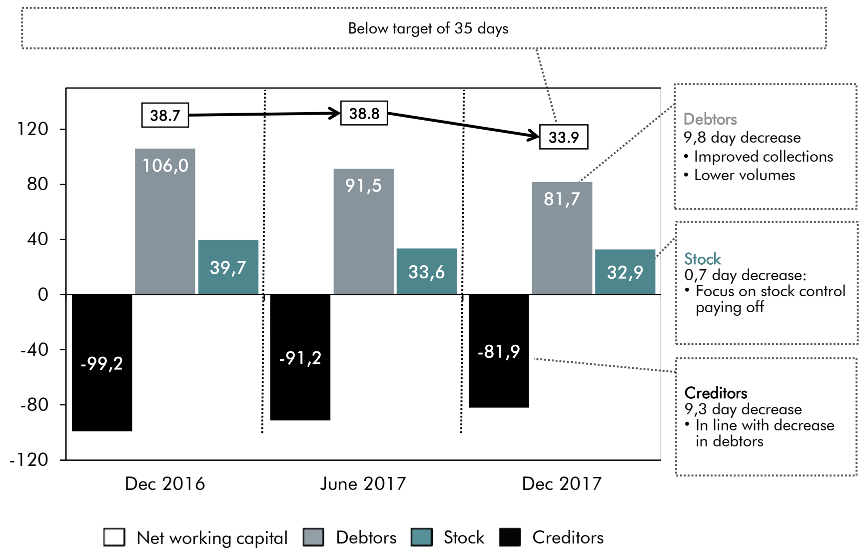


Short-term overdraft facility replaced by medium-term working capital loan
- 2016 & 2017 adjusted to include cash & cash equivalents
- Corporate bond due date extended to 31 January 2020

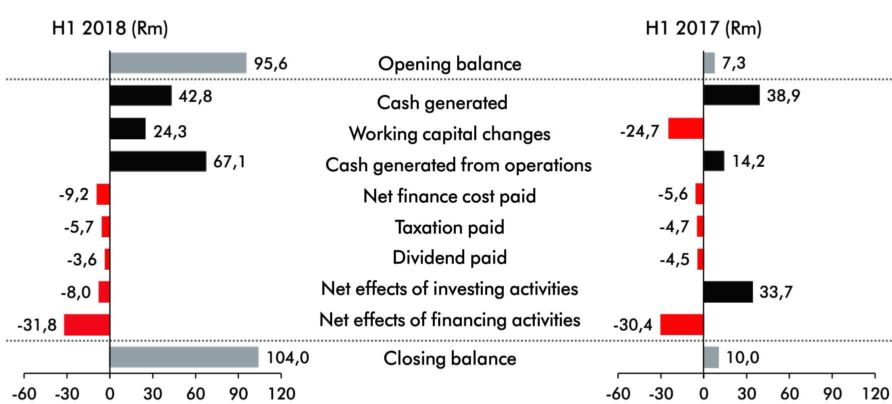
D:E ratio below maximum range of 50%

EBITDA interest cover	▪ 4,6 X on higher interest cost (below internal target of 5,0 X)

AVERAGE NET WORKING CAPITAL



SUMMARISED STATEMENT OF CASH FLOWS



- Cash generated in line with profit from operations
- Good working capital management and lower sales volumes in Carriers & Int Tech
- Increase in net finance cost paid on new working capital facility from Bank of China
- Tax payment up on continued utilisation of historic assessed losses
- Dividend payment – declared in September 2017 at 3 X cover
- Investing activities: mainly capital expenditure of R5,4m
- Financing activities: repayment of project funding & asset finance

LOOKING FORWARD

GROUP SHORT-TERM FOCUS AREAS

Focus area	Actions required
OPERATIONAL	• Improvement of performance – Security: Key focus on top-line growth – Power: Invest in sales staff • Ongoing cost management – ERP system allows real-time management • Optimal operating structure of the group • Improve tax rate efficiency: reduction in non-deductibles • Drive growth in SA: FTTX*, cloud-based & managed services offering
TRANS-FORMATION	• Strive to return to Level 3 B-BBEE rating under new ICT sector codes • Black ownership – maintain 51% black-owned & 30% black women ownership • Continued investment in skills development

** Fibre to the home, business, etc.*

LEVERS FOR MEDIUM- TO LONG-TERM GROWTH

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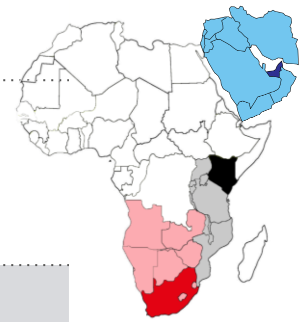
	Focus area	Actions required
GEOGRAPHIC DIVERSIVICATION	East Africa	• Continued growth of Jasco group portfolio • "Smart City" partnerships • Temporary delays due to elections
	Middle East	• Target Renewable Energy projects • First project win is essential • Review market and offerings
SCALE	Acqui-sitions	• Continue with carefully considered acquisitions that will support: – Critical mass – Complementary and new offerings



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CONCLUSION

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- Improvement in last six months due to stringent management focus in tough economic environment
- Investments made in new markets to secure future growth
  - have seen slower progress than planned
- Suitable bolt-on acquisitions to be targeted
- Capital to be raised through under-written rights offer

Challenging market conditions will continue to impact, management to focus on volumes and margins

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Q&A

DISCLAIMER

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This presentation which sets out the results for Jasco Electronics Holdings Limited for the six months ended 31 December 2017, contains ‘forward-looking statements’, which have not been reviewed or reported on by the Group’s auditors, with respect to the Group’s financial condition, results of operations and businesses and certain of the Group’s plans and objectives. In particular, such forward looking statements include statements relating to, amongst others, the Group’s future performance; future capital expenditures, acquisitions, divestitures, expenses, revenues, financial conditions, dividend policy, and future prospects; business and management strategies relating to the expansion and growth of the Group; the effects of regulation of the Group’s businesses by governments in the countries in which it operates; expectations regarding the operating environment and market conditions.

The unaudited summarised consolidated financial statements comply with IAS 34 – Interim Financial Reporting. The accounting policies and methods of computation used in the preparation of this report are consistent with those used in the preparation of the annual financial statements for the year ended 30 June 2017, which comply with the International Financial Reporting Standard (IFRS), the AC500 standards as issued by the Accounting Practices Board and the Listings Requirements of the JSE Limited and the Companies Act (2008) of South Africa. The directors take full responsibility for the preparation of the summarised report and the financial overview information has been correctly extracted from the underlying financial records.

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