Alaris Holdings Limited
Incorporated in the Republic of South Africa
(Registration number 1997/011142/06)
Share code: ALH ISIN: ZAE000201554
("**Alaris**" or "**the Company**" or "**the Group**")

UNAUDITED CONDENSED CONSOLIDATED RESULTS
FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

Highlights

- Revenue from continuing operations increased by 21% from R84.7 million to R102.6 million.
- Headline earnings per share from continuing operations increased by 125% from 8.26 cents to 18.62 cents
- Normalised earnings from continuing operations increased by 67% from R13.0 million to R21.7 million.
- Net cash from operating activities increased by R33.3 million from an outflow of R14.9 million to an inflow of R18.4 million for the half year.

What we are all about

Alaris Holdings Limited is a technology holding company listed on the JSE AltX since July 2008.

The Alaris Group consists of:

Alaris Antennas, with its head office in Centurion, designs, manufactures and sells specialised broadband antennas as well as other related radio frequency products. Its products are used in the communication, frequency spectrum monitoring, test and measurement, electronic warfare and other specialised markets. Clients are located across the globe, mostly outside of South Africa (the Americas, Europe and Asia). Its clients are system integrators, frequency spectrum regulators and players in the homeland security space.

COJOT was founded in 1986 and is located in Espoo, Finland. The company has 30 years of experience in the design, development and manufacture of innovative antenna products, serving military and public safety markets globally. COJOT develops innovative broadband antennas to improve connectivity, coverage and competitiveness of radio equipment which is deployed to save lives and protect property.

Results Overview

Profit for the continuing operations increased by 67% from R12.9 million to R21.6 million for the period.

	Unaudited six months ended		Audited
R'000	**December 2017**	**December 2016**	**June 2017**
Continuing Operations			
Profit for the period	**21 625**	**12 942**	**23 002**
Legal and consulting costs for acquisitions and disposals	74	25	434
Normalised earnings after tax comprising [A]	**21 699**	**12 967**	**23 436**
Alaris Antennas	15 492	20 845	34 962
COJOT	11 763	2 433	3 854
Corporate and consolidation [B]	(5 556)	(10 311)	(15 380)
Weighted average number of ordinary shares in issue	116 116 771	156 615 401	153 985 264
Normalised earnings per ordinary share (cents) – Continuing Operations	**18.69**	**8.28**	**15.22**
Discontinued Operation [C]			
(Loss)/profit for the period	**-**	**(3 483)**	**8 820**
Profit on disposal of Aucom	-	**-**	(9 320)
Loss from discontinued operation	-	-	500
Normalised earnings after tax [A]	-	**(3 483)**	-

A. Normalised earnings, as determined by the Alaris Group, is calculated by adjusting profit for the loss on discontinued operation, profit (net after tax) on the disposal of Aucom as well as legal and consulting fees for acquisitions and disposals.

B. Costs relating to shared services, fees associated with being a listed company, net foreign exchange gains/losses, net funding costs and share incentive costs are included in this segment.

C. Aucom was classified as a discontinued operation in the prior period.

Business Overview

The operations performed satisfactorily for the six-months compared to the comparative period. A slower 6 months for Alaris Antennas was made up by a strong performance at COJOT.

Revenue was up 21% and operating profit grew with 31%, aided by reduced net foreign exchange losses. Profit after tax increased by 67% assisted by the discontinuation of the PSG preference share interest and a lower effective tax rate.

The basic and headline earnings per ordinary share from continuing operations increased by 125% from 8.26 to 18.62 cents. This was helped by a 26% reduction in the weighted average shares in issue.

Cash flow from operating activities improved to R18.4 million compared to an outflow of R14.9 million for the comparative period.

The Group's cash position at 31 December 2017 was R27.8 million. The cash generated by operating activities together with cash on hand from the prior year, was used to repay the R51.0 million preference shares owing to PSG Alpha Investments (Pty) Ltd on 3 July 2017 following a decision by them not to convert to equity.

Alaris Antennas

Revenue decreased by 7% from R67.3 million to R62.7 million and profit after tax ("PAT") decreased by 26% from R20.8 million to R15.5 million.

The lower revenue for the period is a function of the product mix with a higher proportion of precision engineering projects. These take more time, requiring development of new products and customisation of existing IP. This resulted in fewer deliveries compared to the prior period. These projects will be delivered in the second half of the financial year.

The decrease in profit is from the lower revenue and higher employee costs. Alaris invested in highly skilled staff in specialised areas to support the client centric approach and our focus on quality. This included expansion in engineering resources, quality and testing, as well as an investment in specialised production and machine shop resources.

Alaris Antennas continues to be a leader in product innovation, adding 33 (2016: 44) new products to its portfolio in the period to support future revenue growth. Owning and developing IP has proven to be a competitive advantage during the period, in addition to creating a barrier to entry.

COJOT

COJOT had a pleasing result. Revenue increased by 128% from R17.5 million to R39.9 million and profit after tax ("PAT") increased by 383% from R2.4 million to R11.8 million.

Revenue was assisted by several larger European orders including a portion of the €1 million order received in June 2017. The healthy revenue contributed towards higher profit margins. Although there is a healthy order backlog for the second half, we expect it to be lower than the first half.

COJOT completed the implementation of an in-house accounting function and a standardised ERP system to improve interaction between the various global teams.

Corporate and consolidation

This division includes costs associated with being a listed entity and the running costs of shared services. An example of this is the centralised treasury function, where foreign currency hedging is managed. The following are the main costs before tax included in this segment:

- Net foreign exchange losses of R0.1 million (Dec 2016: R4.2 million)
- The repayment of the PSG Alpha preference shares on 3 July 2017 resulted in minimal interest being paid in the six months ending 31 December 2017 (Dec 2016: R2.5 million)
- Employee costs, cost of the share incentive option scheme for Group executives and board fees of R5.0 million (Dec 2016: R4.1 million)
- Legal and consulting fees including the costs to be listed on the JSE, advisory fees and group audit fees of R1.1 million (Dec 2016: R1.0 million)

Prospects

The Group objective of becoming the preferred supplier of innovative RF products both locally and internationally is gaining momentum with sustainable organic growth and strategic acquisitions.

Alaris Antennas

The Alaris values are fundamental to the success of the business, which has grown annual turnover and profits consistently since its establishment in 2005. Client centricity is at the core of the values, with accountability, integrity, innovation and excellence forming four supporting pillars. Organic growth is stimulated and achieved through understanding customers' needs and by adding new innovative products to the portfolio. Further opportunities for growth are achieved by adding distributors, agents and new system houses as clients.

The competitive advantage for Alaris Antennas is its ability to develop and hold its own IP as a result of its client centric model. The products are designed locally by a highly skilled team of engineers and are manufactured on site in Centurion. Approximately 90% of the company's revenue is derived from exports, which provides a strong justification to increase the Group's footprint globally.

The company is expanding its geographies by entering into new market segments where core competencies can be leveraged. Management believes the business has significant potential for organic and acquisitive growth where there is a complementary opportunity in markets and products.

The US administration has increased the defense budget significantly over the past year and an increase of more than 7% is proposed for 2019. The sales team has managed to unlock significant opportunities with new and existing customers in this market providing an opportunity for the Group to deliver against its client centric model into the future.

The company has invested in onsite Environmental Stress Screening ("ESS") equipment, which includes a humidity chamber and vibration equipment. This will allow the Group to further improve quality and customer service.

COJOT

COJOT maintains a client centric approach similar to Alaris. The company makes use of a direct sales team and select channel partners to build the order book. The company has a team of highly skilled engineers with many years of experience in design and development that provides a competitive advantage and superior client service. The company has established various partnerships with key contract manufacturers. These partnerships provide efficiency and scalability as well as seamless quality to its client base.

The Group

The Group remains positive about prospects for the period ahead. Our focus is to ensure profitable organic growth for both Alaris Antennas and COJOT. Both companies are strongly focused on research and development and hold exploitable patented technologies that can be monetized into the future. Processes to capitalise on synergies between Alaris and COJOT, including cross-selling opportunities, will remain a priority in the short to medium term to maximise its full potential. The two businesses are complementary. The combined operations allow existing customers to receive an improved service and an expanded product portfolio. As such, the design and development of new products from the combined skill sets of the two companies will provide more competitive features, enabling increased performance for end users. Both companies endeavor to continuously find the required technological edge for customers through product innovation and excellent service. International expansion is an important part of the Group's global strategy and management will remain on the lookout for further opportunities to increase the global footprint with specific focus on the United States.

Condensed consolidated statement of profit or loss and other comprehensive income

	Unaudited six months ended		Audited
R'000	**December 2017**	**December 2016**	**June 2017**
Continuing Operations			
Revenue	102 595	84 723	159 350
Cost of sales	(27 770)	(22 457)	(44 042)
Gross profit	**74 825**	**62 266**	**115 308**
Other income	63	130	212
Operating expenses	(47 344)	(41 387)	(78 204)
Trading operating profit [A]	**27 544**	**21 009**	**37 316**
Finance income	140	307	740
Finance costs [B]	(265)	(2 516)	(4 907)
Profit before taxation	**27 419**	**18 800**	**33 149**
Taxation [C]	(5 794)	(5 858)	(10 147)
Profit from continuing operations	**21 625**	**12 942**	**23 002**
Discontinued Operation [D]			
Revenue	-	40 075	69 308
Cost of sales	-	(25 792)	(46 811)
Gross profit	**-**	**14 283**	**22 497**
Other income	-	62	83
Operating expenses	-	(19 480)	(23 826)
Trading operating loss [A]	**-**	**(5 135)**	**(1 246)**
Profit on disposal of discontinued operation	-	-	9 194
Finance income	-	307	580
Finance costs	-	(11)	(33)
(Loss)/profit before taxation	**-**	**(4 839)**	**8 495**
Taxation	-	1 356	325
(Loss)/profit from discontinued operation	**-**	**(3 483)**	**8 820**
Profit for the period	**21 625**	**9 459**	**31 822**
Other comprehensive income net of tax:			
Items that may be reclassified subsequently to profit or loss:			
- Gross foreign currency translation reserve	(551)	(6 053)	(6 560)
- Taxation	(41)	167	1 838
Total comprehensive income	**21 033**	**3 573**	**27 100**

Condensed consolidated statement of profit or loss and other comprehensive income (continued)

	Unaudited six months ended		Audited
R'000	**December 2017**	**December 2016**	**June 2017**
Weighted average number of ordinary shares in issue	116 116 771	156 615 401	153 985 264
Weighted average number of diluted ordinary shares in issue	116 116 771	177 110 357	174 385 264
Basic earnings per ordinary share (cents)			
Continuing operations	18.62	8.26	14.94
Discontinued operation	-	(2.22)	5.72
Total	18.62	6.04	20.66
Diluted earnings per ordinary share (cents)			
Continuing operations	18.62	8.72	16.03
Discontinued operation	-	(1.97)	5.06
Total	18.62	6.75	21.09
Headline earnings per ordinary share (cents)			
Continuing operations	18.62	8.26	14.94
Discontinued operation	-	(2.22)	(0.33)
Total	18.62	6.04	14.61
Diluted headline earnings per ordinary share (cents)			
Continuing operations	18.62	8.72	16.03
Discontinued operation	-	(1.97)	(0.28)
Total	18.62	6.75	15.75
Normalised earnings per ordinary share (cents)			
Continuing operations	18.69	8.28	15.22
Discontinued operation	-	(2.22)	-
Total	18.69	6.06	15.22

A. Trading operating profit/loss comprises sale of goods, rendering of services and directly attributable costs, but excludes finance income, fair value adjustments, profit on disposal of Aucom and finance costs.

B. The preference shares were repaid to PSG Alpha on 3 July 2017. Therefore, only 3 days' interest was paid to PSG for this half year, compared to the previous period. Refer to supplementary note 3.

C. A lower average taxation rate for December 2017 compared to the same period last year, owing to COJOT contributing approximately 50% (Dec 2016: 17%) of the profits at a 20% tax rate.

D. Aucom was classified as a discontinued operation in the prior period.

Condensed consolidated statement of financial position

	Unaudited six months ended		Audited
R'000	**December 2017**	**December 2016**	**June 2017**
Assets			
Non-Current Assets			
Plant and equipment	7 301	5 710	5 793
Goodwill	24 749	24 150	24 902
Intangible assets	12 247	12 193	12 381
Deferred tax assets	3 802	3 495	3 252
	48 099	**45 548**	**46 328**
Current Assets			
Inventories	16 560	13 749	13 592
Assets classified as held-for-sale	-	71 755	-
Current tax receivable	1 108	272	2 967
Trade and other receivables	48 882	38 231	27 782
Cash and cash equivalents	31 542	64 215	65 083
	98 092	**188 222**	**109 424**
Total Assets	**146 191**	**233 770**	**155 752**
Equity and Liabilities			
Equity			
Equity attributable to owners of the Company			
Share capital and preference shares	6	897	6
Share premium	202 051	222 051	202 051
Share-based payment reserve	5 796	3 599	4 721
Foreign currency translation reserve ("FCTR")	(5 613)	(6 185)	(5 021)
Accumulated loss	(102 302)	(86 292)	(123 927)
Total equity	**99 938**	**134 070**	**77 830**
Liabilities			
Non-Current Liabilities			
Loans and borrowings	1 299	-	361
Deferred tax liabilities	1 025	1 126	1 073
	2 324	**1 126**	**1 434**
Current Liabilities			
Loans and borrowings	301	166	93
Preference share liability	-	50 111	51 000
Trade and other payables	35 010	18 076	25 395
Current tax payable	4 898	2 039	-
Provisions	-	2 478	-
Liabilities classified as held-for-sale	-	25 704	
Bank overdraft	3 720	-	-
	43 929	**98 574**	**76 488**
Total Liabilities	**46 253**	**99 700**	**77 922**
Total Equity and Liabilities	**146 191**	**233 770**	**155 752**
Number of ordinary shares legally in issue, less treasury shares	116 116 771	156 116 771	116 116 771
Net asset value per ordinary share (cents) [A]	86.07	85.88	67.03
Net tangible asset value per ordinary share (cents) [A]	54.21	46.95	34.92

A. Net asset value is calculated by dividing total equity by the number of ordinary shares in issue, being the number of shares legally in issue less treasury shares. Net tangible asset value is calculated by dividing total equity less goodwill and intangible assets by the same number of ordinary shares in issue.

Condensed consolidated statement of cash flows

	Unaudited six months ended		Audited
R'000	**December 2017**	**December 2016**	**June 2017**
Profit before taxation	27 419	13 961	41 644
Adjusted for non-cash items	5 011	1 666	(2 560)
Working capital changes	(14 453)	(22 339)	(6 703)
Cash generated from/ (used in) operations	**17 977**	**(6 712)**	**32 381**
Net finance cost	(125)	(1 913)	(3 825)
Taxation received/ (paid)	508	(6 288)	(15 265)
Net cash from/ (used in) operating activities	**18 360**	**(14 913)**	**13 291**
Cash flows from investing activities			
Additions to plant and equipment	(2 645)	(1 063)	(2 523)
Proceeds on disposal of plant and equipment	4	9	40
Shares repurchased for issue to employees	-	(4 318)	(4 318)
Additions to intangible assets	(1 215)	(1 995)	(3 145)
Disposal of a subsidiary	-	-	(13 016)
Net cash used in investing activities	**(3 856)**	**(7 367)**	**(22 962)**
Cash flows from financing activities			
Repurchase and cancellation of shares in issue – Aucom transaction	-	-	(20 000)
Repayment of preference shares [A]	(51 000)	-	-
Receipts of loans and borrowings	1 147	67	305
Net cash (used in) / from financing activities	**(49 853)**	**67**	**(19 695)**
Net decrease in cash and cash equivalents for the year	(35 349)	(22 213)	(29 366)
Cash classified as held-for-sale	-	(8 029)	-
Cash and cash equivalents at the beginning of the year	65 083	94 481	94 481
Effect of exchange rate movement on cash balances	(1 912)	(24)	(32)
Total cash and cash equivalents at end of the year	**27 822**	**64 215**	**65 083**

A. The preference shares were repaid to PSG Alpha on 3 July 2017. Refer to supplementary note 3.

Condensed consolidated statement of changes in equity

R'000	Share capital and preference shares	Share premium	Share based payment reserve	FCTR	Accumu-lated loss	Total equity
Six months ended						
Balance at 1 July 2017	**6**	**202 051**	**4 721**	**(5 021)**	**(123 927)**	**77 830**
Total comprehensive income for the period:	**-**	**-**	**-**	**(592)**	**21 625**	**21 033**
- Profit for the period	-	-	-	-	21 625	21 625
- Foreign currency translation reserve	-	-	-	(592)	-	(592)
Share-based payment charge for existing options	-	-	1 075	-	-	1 075
Balance at 31 December 2017	**6**	**202 051**	**5 796**	**(5 613)**	**(102 302)**	**99 938**
Balance at 1 July 2016	**897**	**226 369**	**2 430**	**(299)**	**(95 751)**	**133 646**
Total comprehensive income for the period	-	-	-	(5 886)	9 459	3 573
- Profit for the period	-	-	-	-	9 459	9 459
- Foreign currency translation reserve	-	-	-	(5 886)	-	(5 886)
Share based payment charge for existing options	-	-	1 169	-	-	1 169
Movement in treasury shares	*	(4 318)	-	-	-	(4 318)
Balance at 31 December 2016	**897**	**222 051**	**3 599**	**(6 185)**	**(86 292)**	**134 070**
Year ended						
Balance at 1 July 2016	**897**	**226 369**	**2 430**	**(299)**	**(95 751)**	**133 646**
Total comprehensive income for the year:	-	-	-	(4 722)	31 822	27 100
- Profit for the year	-	-	-	-	31 822	31 822
- Foreign currency translation reserve	-	-	-	(4 722)	-	(4 722)
Reallocation of preference shares in anticipation of settlement	(889)	-	-	-	-	(889)
Share-based payment charge for existing options	-	-	2 291	-	-	2 291
Share buy-back – disposal of Aucom	(1)		-	-	(59 998)	(59 999)
Share buy-back – specific repurchase	(1)	(20 000)				(20 001)
Movement in treasury shares	*	(4 318)	-	-	-	(4 318)
Balance at 30 June 2017	**6**	**202 051**	**4 721**	**(5 021)**	**(123 927)**	**77 830**

* Nominal amount – amount smaller than R1 000.

Segmental analysis

	Unaudited six months ended		Audited
R'000	**December 2017**	**December 2016**	**June 2017**
Continuing Operations			
Segmental revenue			
Alaris Antennas	62 713	67 269	123 044
- Total revenue	62 740	67 717	123 920
- Inter-segmental	(27)	(448)	(876)
COJOT	39 882	17 454	36 306
- Total revenue	40 480	18 172	37 353
- Inter-segmental	(598)	(718)	(1 047)
	102 595	**84 723**	**159 350**
Operating earnings before interest, tax, depreciation and amortisation (EBITDA) [A]			
Alaris Antennas	21 711	30 335	51 765
COJOT	15 106	2 927	4 254
Corporate and consolidation	(6 790)	(10 142)	(14 083)
	30 027	**23 120**	**41 936**
Profit for the period			
Alaris Antennas	15 492	20 845	34 946
COJOT	11 763	2 433	3 854
Corporate and consolidation	(5 630)	(10 336)	(15 798)
	21 625	**12 942**	**23 002**
Normalised earnings after tax for the period			
Alaris Antennas	15 492	20 845	34 962
COJOT	11 763	2 433	3 854
Corporate and consolidation	(5 556)	(10 311)	(15 380)
	21 699	**12 967**	**23 436**
Discontinued Operation			
Segmental revenue			
Aucom	-	40 075	69 308
Operating earnings before interest, tax, depreciation and amortisation (EBITDA)[A]			
Aucom	-	(3 843)	218
(Loss)/profit for the period			
Aucom	-	(2 731)	252
Corporate and consolidation	-	(752)	8 568
	-	**(3 483)**	**8 820**

Segment assets and liabilities

	Unaudited six months ended		Audited
R'000	**December 2017**	**December 2016**	**June 2017**
Segment assets			
Alaris Antennas	77 753	73 310	60 748
COJOT	33 245	17 203	17 639
Corporate and consolidation	35 193	71 502	77 365
Aucom (Discontinued operation assets held for sale))	-	72 674	-
	146 191	**234 689**	**155 752**
Segment liabilities			
Alaris Antennas	(25 848)	(17 225)	(18 969)
COJOT	(15 481)	(8 160)	(6 808)
Corporate and consolidation	(4 924)	(48 612)	(52 145)
Aucom (Discontinued operation liabilities held for sale)	-	(26 623)	-
	(46 253)	**(100 620)**	**(77 922)**

A. Operating EBITDA is trading operating profit per Statement of Profit or Loss excluding depreciation and amortisation.

Reconciliation of operating profit to operating EBITDA	Unaudited six months ended		Audited
R'000	**December 2017**	**December 2016**	**June 2017**
Continuing Operations			
Trading operating profit	27 544	21 009	37 316
Depreciation and amortisation	2 483	2 111	4 620
Operating earnings before interest, tax, depreciation and amortisation	**30 027**	**23 120**	**41 936**
Discontinued Operation			
Trading operating loss	-	(5 135)	(1 246)
Depreciation and amortisation	-	1 292	1 464
Operating earnings before interest, tax, depreciation and amortisation	**-**	**(3 843)**	**218**

Supplementary notes to the condensed consolidated financial statements
For the six months ended 31 December 2017

1. RECONCILIATION OF PROFIT / (LOSS) TO HEADLINE EARNINGS

	Total Operations			Continuing Operations		
	Unaudited six months Ended		Audited	Unaudited six months ended		Audited
R'000	**December 2017**	**December 2016**	**June 2017**	**December 2017**	**December 2016**	**June 2017**
Profit from operations for the period	21 625	9 459	31 822	21 625	12 492	23 002
Profit on disposal of discontinued operation [A]	-	-	(9 320)	-	-	-
Headline earnings attributable to ordinary shareholders	**21 625**	**9 459**	**22 502**	**21 625**	**12 942**	**23 002**

A. The profit on disposal of discontinued operation is after tax.

2. FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE

The carrying values of other financial assets and liabilities, trade and other receivables, trade and other payables, loans and borrowings approximate their fair value due to it being short-term in nature. The Group measures currency futures at fair value using inputs as described in level 1 of the fair value hierarchy.

3. REPAYMENT OF PREFERENCE SHARES

Shareholders are referred to the SENS announcement dated 30 June 2017 regarding the redemption of redeemable convertible preference shares. Alaris Holdings Limited and PSG Alpha Investments Proprietary Limited ("PSG Alpha") had entered into a Preference Share Subscription Agreement on 4 March 2014 in terms of which PSG Alpha subscribed for, and the Company issued, 20 400 000 redeemable, convertible preference shares of no par value ("Preference Shares"), at a subscription price of R2.50 per Preference Share for a total subscription consideration of R51 million.

In terms of the Preference Share Subscription Agreement, Alaris Holdings Limited would be obliged to redeem the Preference Shares on the first business day following the third anniversary of the effective date, being 3 July 2017 ("Redemption Date"), to the extent that Preference Shares had not been converted by PSG Alpha prior to the Redemption Date.

PSG Alpha has not converted the Preference Shares given that the Alaris share price at the Redemption date was lower than the conversion price of the Preference Shares. Accordingly, the total consideration of R51 million was repaid on 3 July 2017. This has had a positive impact by not resulting in further dilution of shares in issue.

4. STATEMENT OF COMPLIANCE

Alaris Holdings Limited is a South African registered company. These condensed consolidated interim financial statements comprise of the Company and its subsidiaries.

The condensed consolidated interim financial statements for the six months ended 31 December 2017 are prepared in accordance with the International Financial Reporting Standard ("IFRS"), IAS 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa. The accounting policies applied in the preparation of these interim financial statements are in terms of International Financial Reporting Standards and are consistent with those applied in the previous annual financial statements.

5. BASIS OF PREPARATION

The accounting policies applied in the preparation of the condensed consolidated interim financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements.

The following standards and interpretations were in issue but not yet effective:

Standard/ Interpretation	**Effective date: Years beginning on or after**	**Expected impact**
IFRS 2, *Share-based Payment*	1 January 2018	Management is in the process of assessing the impact of the standard
IFRS 3, *Business Combinations*	1 January 2019	The impact of the standard is not expected to be material
IFRS 9 *Financial Instruments*	1 January 2018	Management is in the process of assessing the impact of the standard
IFRS 10 *Consolidated Financial Statements*	The effective date of this amendment has been deferred indefinitely until further notice	The impact of the standard is not expected to be material
IFRS 15 *Revenue from Contracts from Customers*	1 January 2018	The impact of the standard is not expected to be material
IFRS 16 *Leases*	1 January 2019	Management is in the process of assessing the impact of the standard
IAS 12 *Income Taxes*	1 January 2019	The impact of the standard is not expected to be material
IFRIC 22 *Foreign Currency Transactions and Advance Consideration*	1 January 2018	The impact of the standard is not expected to be material
IFRIC 23 *Uncertainty over Income Tax Treatments*	1 January 2019	The impact of the standard is not expected to be material

The condensed consolidated interim results have been presented on the historical cost basis except for the currency futures, which are fair valued. These results are presented in Rand, rounded to the nearest thousand, which is the functional currency of Alaris and the Group presentation currency. These condensed consolidated interim results incorporate the financial statements of the Company, its subsidiaries and entities that, in substance, are controlled by the Group. Results of subsidiaries are included from the effective date of acquisition up to the effective date of disposal. All significant transactions and balances between Group entities are eliminated on consolidation.

The condensed consolidated interim financial statements were prepared under the supervision of the Group Financial Director, Gisela Heyman CA(SA). These interim results have not been audited or reviewed by the Group's auditors.

6. SUBSEQUENT EVENTS

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

7. GOING CONCERN

The directors have made an assessment of the ability of the Group and its subsidiaries to continue as going concerns and have no reason to believe that the businesses will not be going concerns in the year ahead.

8. DIVIDENDS

No dividend was declared for the period under review.

9. DIRECTORATE

Mr. A. Mellet was appointed as a non-executive director on 17 November 2017 and Mr. N. de Waal resigned as a director on 17 November 2017. No further changes to the board took place during the period under review, up to and including the date of this report.

By order of the board

Jürgen Dresel
Group Chief Executive Officer

Gisela Heyman
Group Financial Director

26 February 2018

Johannesburg

Corporate information

ALARIS HOLDINGS LIMITED
(incorporated in the Republic of South Africa)
www.alarisholdings.co.za

Directors
Coen Bester*^ (Chairman),
Jürgen Dresel # (CEO),
Richard Willis*^,
Andries Mellet^,
Gisela Heyman (Financial Director)

*Independent
^Non-executive
#German

Business address and registered office
1 Travertine Avenue,
N1 Business Park,
Old Johannesburg Road,
Centurion, 0157
(Private Bag X4, The Reeds, Pretoria, 0061)

Designated Adviser
PSG Capital (Pty) Ltd
Registration Number 2006/015817/07
Second Floor,
11 Alice Lane,
Sandton, 2196 (PO Box 650957, Benmore, 2010)

Company Secretary
Fusion Corporate Secretarial Services

Transfer Secretaries
Computershare Investor Services Proprietary Limited
Registration Number 2004/003647/07
Rosebank Towers,
15 Biermann Avenue,
Rosebank,
Johannesburg, 2196
(PO Box 61051, Marshalltown, 2107)

Auditors
KPMG Inc.

Bankers
Standard Bank

PRINCIPAL SUBSIDIARIES

Alaris Antennas Proprietary Limited
Registration Number 2013/048197/07
Alaris Antennas Division
Managing Director: Jürgen Dresel
1 Travertine Avenue,
N1 Business Park,
Old Johannesburg Road,
Centurion, 0157
Tel +27 (0)11 034 5300

COJOT Oy
Registration Number 0620465-3
COJOT Division
Managing Director: Samu Lentonen
PL 59,
02271 Espoo,
Finland
Tel +358 (0) 9 452 2234