

HIGHLIGHTS

- Core Group turnover up 28% to R112.6 million
- Cash generated from operations up 42% to R40.4 million
- EBITDA adjusted for all non-recurring items up 11% to R35.1 million
- Annuity income up 42%

- Normalised continuing HEPS up 19% to 24.7 cents
- Once-off impairments and provisions of R64 million
- Final dividend of 8.0 cents per share, resulting in 14.5 cents per share for the full year

CONDENSED PROVISIONAL CONSOLIDATED REVIEWED RESULTS FOR THE YEAR ENDED 31 MARCH 2015, APPOINTMENT TO THE BOARD OF DIRECTORS AND DIVIDEND DECLARATION

Newly appointed Chief Executive Officer, Keith Vieira commented:

"As the leading technology and network security service provider, Amecor is accelerating its annuity income growth in South Africa and gaining momentum in select African markets using its proven infrastructure and technology. Our core operations, networks and transmission technology, delivered satisfactory results with good momentum continuing in the current financial year. The year to March 2015 was a year of restructuring and operational review with a change in leadership and disposal of non-core businesses which, together with the accounting changes in line with best practice, prompted the posting of non-recurring accounting adjustments. We are optimistic about a continued positive performance for the 2016 financial year."

GROUP OVERVIEW

Following the disposal of Secequip Proprietary Limited ("Secequip") and the PDS Group (comprising 50.2% of Power Development Services, 50.1% of Gillespie Diesel Services and 50.3% of Dura Manufacturing), Sabre Radio Networks ("Sabre") and FSK Electronics SA ("FSK"), the remaining complementary core businesses will be reported as a single unit in future.

Networks and transmission technology

Sabre is the largest security network provider in Southern Africa. It has a comprehensive network footprint of data transmission equipment enabling users, such as security companies, to route signals and data to their control centres. Its radio and GSM infrastructure offers a data network comprising almost 1 000 base stations and advanced repeater technology, dominating the majority of the independent South African network. Sabre is further developing its technology and customer interface in South Africa and is successfully expanding this into the rest of Africa.

FSK is one of the leading designers and manufacturers of sophisticated data transmission technology primarily used in the security industry, to provide signal transmission networks to security companies in 13 countries, including Ghana, Ivory Coast, Nigeria, Tanzania and New Zealand. FSK specialises in the design of radio and GSM transmitters, receivers and transceivers, which also support the growth in annuity earnings for Sabre.

Alternative power supplies

Effective 31 March 2015, and in line with Amecor's strategic focus on its core operations, Amecor disposed of its entire equity interest in the PDS Group. The full proceeds of R16 million were received post the 2015 financial year-end.

OPERATIONAL REVIEW

During the year to 31 March 2015 Amecor, now represented by its core networks and data transmission technology business, continued to develop its growing annuity income through organic growth, leveraging technology and the introduction of innovative products.

The business delivered strong revenue in GSM services through the supply of a reliable and technologically superior product, evidenced by the strong revenue growth recorded. The introduction of new initiatives, which only commenced in the second half of the 2015 financial year, are expected to have a more significant impact in the 2016 financial year. Additional users subscribing to Sabre's security data network continues to accelerate growth in annuity income.

For transmission technology products high levels of automation are also improving efficiency and accuracy of production processes. Though margins have stabilised after weakening in the first half of the current financial year, rand weakness and competitor action may contribute to pressure on margins.

FINANCIAL REVIEW

Summary results

The Group's core business continued to produce robust top line growth, with turnover increasing by 28% over the previous corresponding period to R112.6 million. EBITDA from continuing normalised operations increased by 11% to R35.1 million after excluding all non-recurring impairments and provisions set out below. Action has been taken to address the significant cost increases encountered in the 2015 financial year including a reduction of head office costs by R2.5 million, the positive effects of which are expected in the 2016 financial year.

Statement of cash flows

Cash generated from operations increased 42% to R40.4 million in the 2015 financial year and represents a 115% cash conversion on normalised EBITDA of R35.1 million. Cash and cash equivalents at 31 March 2015 increased 10% to R40.7 million.

Statement of financial position

As a result of the impairments the covenant requirements to the bond programme were not met as at 31 March 2015. As a consequence the bond is disclosed as a current liability at 31 March 2015. Post year-end, and in line with the bond programme, Amecor elected an early prepayment of R33 million which will result in a reduction of financing costs of R3.7 million per annum. As at 30 June 2015, and as a result of the bond restructuring, the covenants have been met.

Amecor's balance sheet, post the non-recurring impairments and provisions, is now correctly structured and optimally positioned to deliver solid returns whilst remaining liquid, with cash on hand of R40.7 million at 31 March 2015. After the bond restructuring cash on hand is expected to be in excess of R32 million at the end of June 2015.

Statement of comprehensive income

As a result of the non-recurring impairments and provisions the basic loss per share and headline loss per share were (69.5) cents and (19.3) cents loss respectively.

Excluding the non-recurring impairments and provisions, Amecor's normalised continuing HEPS increased 19% to 24.7 cents per share.

During the year under review Amecor, under new leadership, took decisive action to review the balance sheet, exit non-core assets and ensure appropriate accounting practices were adopted. These actions prompted the following non-recurring impairments of assets and provisions for future obligations to the total value of R64 million for the year to 31 March 2015, details of which are provided below:

Other financial assets

Amecor has taken a conservative view on the other financial assets and impaired this by R19.9 million.

Immovable property impairment

Having considered the fair market rental for comparable properties, the value of the Group's head office was reduced by R17.4 million. Further capital expenditure may need to be incurred to complete the new building and secure new tenants.

Intangibles: research and development ("R&D")

Capitalised R&D of products was assessed and impaired by R12.7 million to reflect expenditure not likely to contribute to current or future production.

Provisions and impairments

R14 million of non-recurring provisions and impairments pertaining to inventory obsolescence, retrenchments, non-recovery of receivables and correction of costs incorrectly capitalised were also processed in the 2015 financial year.

Disposal of subsidiary companies

Disposal of Secequip

Amecor disposed of its 79% interest in Secequip for R2 million with effect from 1 April 2014, resulting in a R2.4 million loss on disposal of subsidiary.

Disposal of the PDS Group

Effective 31 March 2015, and in line with the Group's strategic focus on its core business, Amecor disposed of its equity interest in the PDS Group. The total sale proceeds of R16 million were received in cash post year-end (31 March 2015), valuing the business on a historic price:earnings multiple of 8.1 times. An accounting loss on disposal of subsidiary of R12.4 million was recognised in the 2015 financial year.

Restatement of financial results for the year ended 31 March 2014

Expenses incorrectly capitalised

R1.5 million of bond-raising fees pertaining to the R60 million bond were incorrectly capitalised to the balance sheet in the 2012 financial year and has subsequently been corrected.

Contract costing: GDS

Contract cost accounting was incorrectly applied in the prior year in GDS, resulting in a R1 million correction.

Disposal of Amecor Integrated Solutions ("AIS")

A R5.3 million inter-company loan owing from AIS to Amecor was erroneously not accounted for in the prior year as per the terms of the sale agreement (effective 31 March 2014) and should have resulted in the write-down of the inter-company loan account in Amecor's financial records at 31 March 2014.

Change to the non-controlling interest ("NCI") portion pertaining to Secequip

In calculating the NCI of R762 000 in the 2014 financial year, a loss of R957 000 for Secequip was incorrectly applied instead of the correct profit of R3.4 million, resulting in the NCI being understated by R934 000.

CHANGE IN DIRECTORS

As announced on SENS on 18 March 2015 Amecor welcomes the appointment of Jarred Winer as a non-executive director and Clive Angel as an alternate non-executive. We are also pleased to announce the appointment of Danna Strydom to the board as an independent non-executive director with effect from 29 June 2015. Danna holds a degree in electrical engineering and is an MBA graduate who was the Managing Director of ADT Security from February 2002 to February 2014 and prior to this was the Managing Director of Chubb Electronic Security. Danna holds a wealth of industry experience which Amecor will look to leverage off, as the Group continues to grow in the security electronics industry.

OUTLOOK

With the review and restructuring that took place in the 2015 financial year Amecor is now in a position to move ahead in an unencumbered way.

Amecor's market dominance is expected to continue with strong organic growth in the local and African markets anticipated. New monitoring technology and the roll-out of new products is providing a further impetus to growth.

Sabre is experiencing strong growth in its number of subscribers on a monthly basis and the board of directors of Amecor ("the board") are confident that this cumulative build-up will result in a significant increase in annuity income and consequently the Group expects to deliver strong earnings growth for the 2016 financial year from this division. Sabre is also expected to continue its exceptional free cash flow generation. New cloud technology will enable further growth and allow for rapid expansion in the local and African security industry. The continuing launch of new products should strengthen the Group's annuity income in its select markets.

FSK's new data transmission technology products in both South Africa and Africa are being positioned to bolster Sabre's annuity income, which will place some pressure on FSK's margins initially as growth ramps up. The ongoing growth and development of new technology within FSK further underpins Sabre's existing annuity expansion. Cost containment remains a strategy for the new management team and the rate of cost increase is anticipated to decrease materially.

Excellent free cash flow generation is expected to continue and will be utilised in shareholder value-enhancing initiatives, such as share buy-backs and other growth initiatives.

Amecor continues to evaluate potential synergistic acquisitions in select markets with a bias towards enhancing its annuity income.

DIVIDEND DECLARATION

In addition to the interim dividend of 6.5 cents per share, the Directors have elected to pay a final gross cash dividend in the amount of 8.0 cents per ordinary share in respect of the year ended 31 March 2015. This is a dividend as defined in the Income Tax Act, 1962, and is payable from income reserves. The South African dividend withholding tax ("DWT") rate is 15%. The net amount payable to shareholders who are not exempt from DWT is 6.8 cents per share, while it is 8.0 cents per share to those who are exempt from DWT.

The 77 985 337 ordinary shares in issue will result in a total dividend amount payable of R6.2 million.

The Company's income tax number is 9381/483/84/2.

	F2015 – Final	F2015 – Interim	F2014
Distributable dividend (R'000)	6 239	5 069	9 748
Total number of shares in issue ('000)	77 986	77 986	77 986
Dividend payable per share (cents)	8.0	6.5	12.5

	Tuesday, 30 June 2015
Declaration date	Tuesday, 30 June 2015
Last day to trade cum dividend	Friday, 17 July 2015
Trading ex dividend commences	Monday, 20 July 2015
Record date	Friday, 24 July 2015
Payment date	Monday, 27 July 2015

Share certificates may not be dematerialised or rematerialised between Monday, 20 July 2015 and Friday, 24 July 2015, both dates inclusive. The certificated register will be closed for this period.

On behalf of the board

KA Vieira	D Colley
Chief Executive Officer	Chief Financial Officer

Johannesburg
30 June 2015

Enquiries
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GROUP PROVISIONAL STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME		
	Reviewed twelve months ended 31 March 2015 R'000	Restated audited twelve months ended 31 March 2014 R'000
Revenue	112 569	87 930
Cost of sales	(56 914)	(34 383)
Gross profit	55 655	53 547
Other income	–	3
Operating expenses	(33 285)	(21 876)
Earnings before interest, taxation, depreciation and amortisation ("EBITDA")	22 370	31 674
Depreciation/Amortisation	(4 560)	(4 362)
Impairment	(49 982)	–
(Loss)/profit from operations	(32 172)	27 312
Finance income	1 863	2 072
Finance costs	(6 808)	(5 710)
(Loss)/profit before taxation	(37 117)	23 674
Taxation	(1 628)	(8 137)
(Loss)/profit from continuing operations	(38 745)	15 536
(Loss)/profit from discontinued operations	(10 903)	1 041
Loss on disposal of subsidiary	(14 837)	(2 565)
Profit from discontinued operations	3 935	3 606
Total comprehensive (loss)/income for the year	(49 648)	16 577
Total comprehensive (loss)/income attributable to:		
Equity holders of Amecor at the end of the period	(51 606)	14 431
Non-controlling interest	1 958	2 146
Total	(49 648)	16 577
(Loss)/earnings per share (cents)	(69.5)	19.4
Continuing operations	(52.2)	20.9
Discontinued operations	(17.3)	(1.5)
Dividend per share (cents)	14.5	12.5

GROUP PROVISIONAL STATEMENT OF CASH FLOWS		
	Reviewed twelve months ended 31 March 2015 R'000	Restated audited twelve months ended 31 March 2014 R'000
Net inflow from operating activities	15 970	2 732
Cash generated from operations	40 410	28 625
Net finance cost	(4 945)	(3 639)
Taxation paid	(10 207)	(9 991)
Dividends paid	(9 288)	(12 263)
Net outflow from investing activities	(3 502)	(15 225)
Net outflow from financing activities	(231)	(1 532)
Movement in cash balances	12 237	(14 025)
Cash and cash equivalents at the beginning of the period	28 499	42 524
Cash and cash equivalents at the end of the period	40 736	28 499
Cash included in continuing operations	40 736	28 499
Cash included in discontinued operations	–	11 390

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

Amecor is a company domiciled in South Africa. These condensed provisional consolidated reviewed annual financial statements of the Amecor Group for the year ended 31 March 2015 comprise condensed provisional consolidated reviewed annual financial statements of Amecor and its subsidiaries.

These condensed provisional consolidated reviewed annual financial statements were authorised for issue by the board of directors on 29 June 2015. The condensed provisional consolidated reviewed annual financial statements for the year ended 31 March 2015 were prepared by the financial director, Mr Dean Colley, and have been reviewed by the Company's auditors, Grant Thornton.

Basis of preparation

The condensed provisional consolidated reviewed results for the year ended 31 March 2015 have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and contain information required by International Accounting Standard ("IAS") 34: Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements ("FRPs") as issued by the Financial Reporting Standards Council ("FRSC"), the 2008 South African Companies Act and the JSE Listings Requirements. The accounting policies as well as the methods of computation used in the preparation of the results for the year ended 31 March 2015 are in terms of IFRS and are consistent with those applied in the audited annual financial statements for the year ended 31 March 2014. The results are presented in rand, which is Amecor's presentation currency.

Grant Thornton has issued an unqualified review opinion on these condensed provisional consolidated reviewed financial statements, as required by the JSE Limited. Their review was conducted in accordance with ISRE 2410, "Review of interim financial information performed by the independent auditor of the entity". These financial statements have been approved by the board and condensed for the purposes of this report. The auditor's review opinion is available for inspection at Amecor's registered office.

The auditors' report does not necessarily report on all the information contained in this report. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditors' engagement, they should obtain a copy of the auditors' report together with the accompanying financial information from the registered office.

2. EARNINGS PER SHARE

	Reviewed twelve months ended 31 March 2015 R'000	Restated audited twelve months ended 31 March 2014 R'000
Earnings per share ("EPS")		
(Loss)/earnings per share		
Continuing operations		
(Loss)/earnings:		
(Loss)/profit attributable to Amecor shareholders	(38 745)	15 536
Shares in issue:		
Weighted average number of shares in issue ('000)	74 210	74 306
Basic (loss)/earnings per share (cents)	(52.2)	20.9
Diluted (loss)/earnings per share (cents)	(52.2)	20.9
Discontinued operations		
Loss attributable to Amecor shareholders	(12 861)	(1 105)
Shares in issue:		
Weighted average number of shares in issue ('000)	74 210	74 306
Basic loss per share (cents)	(17.3)	(1.5)
Diluted loss per share (cents)	(17.3)	(1.5)
Total (loss)/earnings per share		
(Loss)/profit attributable to Amecor shareholders	(51 606)	14 431
Shares in issue:		
Weighted average number of shares in issue ('000)	74 210	74 306
Basic (loss)/earnings per share (cents)	(69.5)	19.4
Diluted (loss)/earnings per share (cents)	(69.5)	19.4
Headline earnings per share ("HEPS")		
Headline (loss)/earnings – continuing operations	(17 046)	15 430
Basic (loss)/earnings	(38 745)	15 536
Loss/(profit) on disposal of property, plant and equipment	48	(147)
Impairment: Building	17 431	–
Impairment: Intangible assets	12 658	–
Taxation on above (28%)	(8 438)	41
Shares in issue:		
Weighted average number of shares in issue ('000)	74 210	74 306
Headline (loss)/earnings per share (cents) – continuing operations	(23.0)	20.8
Diluted headline (loss)/earnings per share (cents)	(23.0)	20.8
Headline earnings – discontinued operation	2 710	1 460
Basic loss	(12 861)	(1 105)
Loss on disposal of subsidiary	14 837	2 565
Impairment: Intangible assets	1 102	–
Profit on disposal of property, plant and equipment	(82)	–
Taxation on above (28%)	(286)	–
Shares in issue:		
Weighted average number of shares in issue ('000)	74 210	74 306
Headline earnings per share (cents)	3.7	2.0
Diluted headline earnings per share (cents)	3.7	2.0
Total headline (loss)/earnings	(14 337)	16 990
Basic (loss)/earnings	(51 606)	14 431
Loss on disposal of subsidiary	14 837	2 565
Profit on disposal of property, plant and equipment	(34)	(147)
Impairment: Building	17 431	–
Impairment: Intangible assets	13 759	–
Taxation on above (28%)	(8 724)	41
Shares in issue:		
Weighted average number of shares in issue ('000)	74 210	74 306
Headline (loss)/earnings per share (cents)	(19.3)	22.7
Diluted headline (loss)/earnings per share (cents)	(19.3)	22.7

GROUP PROVISIONAL STATEMENT OF FINANCIAL POSITION			
	Reviewed twelve months ended 31 March 2015 R'000	Restated audited twelve months ended 31 March 2014 R'000	Audited twelve months ended 31 March 2013 R'000
ASSETS			
Non-current assets	79 070	107 323	107 356
Property, plant and equipment	14 686	28 549	23 719
Intangible assets	14 000	24 154	21 769
Goodwill	44 169	54 034	59 661
Deferred tax asset	6 215	586	2 207
Current assets	107 504	126 595	181 503
Inventories	12 354	26 176	49 384
Trade and other receivables	12 880	56 782	60 682
Other financial assets	36 637	–	–
Cash and cash equivalents	40 736	36 888	66 880
Taxation	4 897	6 749	4 557
Assets of disposal group held for sale	–	68 767	–
Total assets	186 574	302 685	288 859
EQUITY AND RESERVES	104 430	186 104	183 081
Equity attributable to Amecor shareholders	104 430	165 551	163 443
Non-controlling interest	–	20 553	19 638
Non-current liabilities	1 231	66 559	64 194
Borrowings	–	60 051	58 221
Deferred tax liability	1 231	6 508	5 973
Current liabilities	80 913	37 177	41 584
Trade and other payables	19 399	36 626	39 708
Taxation	1 514	378	794
Borrowings	60 000	173	1 082
Liabilities of disposal group held for sale	–	12 845	–
Total equity and liabilities </			