blackstar
Blackstar Investors PLC

Results for the half year ended **30 June 2007**

Contents

	Page
Chairman's statement	1
Investment portfolio review	3
Independent review report to the shareholders of Blackstar Investors PLC	12
Consolidated income statement	13
Consolidated balance sheet	14
Consolidated statement of changes in equity	15
Consolidated cash flow statement	16
Notes to the interim financial statements	17

Chairman’s statement

Highlights

- Investment gain of £25.5 million over the period.
- Net asset value (‘‘NAV’’) up to 127 pence per share.
- Investment portfolio performed strongly in the period under review.
- In the 18 months since inception, Blackstar has generated total gross returns of 38.3%.
- Post 30 June 2007, Blackstar has invested more than 72% of its available funds, and has committed to invest a further 13% of its available funds.

Introduction

Blackstar Investors PLC (‘‘Blackstar’’ or the ‘‘Company’’) has delivered a solid set of interim results for the six months ended 30 June 2007.

During the period under review, Blackstar’s invested funds gained 59.4% in Rand terms (57.2% in Sterling) compared to the JSE All Share Index, which gained 12.6%, thereby outperforming the index almost fivefold. Since inception, Blackstar has increased its net assets (before performance fee accrual) from £75.4 million (net capital raised) to £104.3 million, generating a total return of 38.3% for investors in the Company.

The South African economy continues to register strong economic growth with business and consumer confidence at high levels. With robust fixed investment spending across many sectors, employment is growing, which is increasing disposable income and in turn underpinning consumption spending. This infrastructure investment along with the growing consumer spending base and the continued commodities boom has created opportunities for increasing foreign involvement in the market. South Africa and Africa are now becoming important investment destinations for the world’s large investment companies. With investment communities’ focus on Africa’s role in the global economy, the continent is being recognised as an attractive destination for investments that can create significant returns.

The renewed ‘‘scramble for Africa’’ has presented opportunities for Blackstar. Blackstar has endeavoured to gain exposure to sectors and industries that we believe will do well and be able to capitalise on developments and changes that are currently taking place both in South Africa and the African continent as a whole. South Africa continues to be the ‘‘gateway’’ to Africa and is the continent’s economic powerhouse. Blackstar is perfectly positioned geographically, strategically and financially to execute on these opportunities for long term value creation.

The successful performance of the portfolio investments demonstrates the competence and effectiveness of Blackstar Managers Limited (‘‘BML’’) in fulfilling its mandate. The performance has been strong and funds have been almost completely invested or committed.

Financial results and operating review

Blackstar has begun making progress in achieving a balance between capital growth and income and fee generation from its underlying portfolio. Additionally, BML’s competence in analysing and understanding the market will allow Blackstar to broaden the investment focus and anticipate and adapt to changes in the market place.

One of Blackstar’s key objectives is to have an optimum mix of listed and unlisted assets in the portfolio. This will assist investors to gain a proper understanding of the Company’s NAV and therefore inherent value. As discussed in our results for the financial year ended 2006, Blackstar has already broadened its strategy so as to concentrate not only on funding Black Economic Empowerment (‘‘BEE’’) transactions. Direct BEE funding tends to involve long lock up periods in illiquid structures that are, by their nature, complex and highly regulated. As Blackstar has demonstrated, the opportunities in the South African market place extend beyond BEE funding transactions. Where funding transactions resulting from BEE restructuring make financial and strategic sense, we will develop an appropriate investment thesis.

Chairman's statement

Continued

In the period under review income from investments was £25.5 million enhancing the NAV after performance fee accrual to 127 pence per share. This performance incorporates unrealised gains on investments as well as fees, dividends and interest income from investments. Blackstar's investments in Mvelaphanda Resources and York Timbers were the star performers over this period. I encourage investors to read the details of the investment portfolio review provided by BML on pages 3 to 11.

Intrinsic value

Blackstar's intrinsic value per share before performance fee accrual increased by 43% from 102 pence per share at 31 December 2006 to 146 pence per share at 30 June 2007. Refer to Annexure A for details.

Hedging

Although the South African Rand (''Rand'') has been stable over the period, it has historically been volatile and the underlying Rand Sterling interest rate differential implies high forward exchange rates. This volatility and the interest rate differential could ultimately affect the value created in the portfolio and at the same time makes currency hedging expensive. In light of this the Board has taken the decision to investigate the most appropriate and cost effective mechanism to hedge the Rand exposure.

Share buyback programme

Blackstar's share price is currently trading at a substantial discount to its NAV. In light of this, the Board of Blackstar announced on 2 July 2007, that the Company will commence a share buyback programme, which should enhance the NAV further. BML also propose spending more time marketing Blackstar to new investors in an attempt to increase liquidity in the share.

Post balance sheet events and prospects

Blackstar continues to experience a large number of attractive investment opportunities and has invested a further £11.6 million post 30 June 2007 and committed a further £9.8 million to future transactions, which will bring Blackstar to 85% invested of available funds raised.

The Board of Directors would like to take this opportunity to thank Denis Worrall and David Brock, who elected to step down from the Board at the Annual General Meeting in July 2007, for their contribution to the Company's success to date.

The recent world market volatility amid concerns of a global credit crunch has affected the JSE and the Rand, however South Africa's fundamentals, including a flexible exchange rate regime and low external debt compared to other emerging market economies, should mitigate the impact of adverse external shocks on the economy. The South African economy is on track to register another 5% growth rate for 2007 and the Board remains confident in future prospective returns to be generated for investors.

Julian Treger
Chairman
Luxembourg
10 September 2007

Investment portfolio review

In order to improve understanding of Blackstar's value and to gain insight into the investment thesis, each investment in the portfolio has been detailed below.

York Timber Organisation Limited ("York")
Public opportunity and empowerment partnering

Transaction overview

Date of investment	March 2007	Entry EBITDA multiple	2.32x historic
Total investment	£6.2 million	Initial direct equity interest	56% (Post GFP 20.6%)
Total value realised	—	Effective initial indirect interest via SPV	6.5%
Value of unrealised stake	£13.7 million	Gross return	121%
Leverage	1.00x		

Company and transaction description

- Headquartered in White River, Mpumalanga region of South Africa, York is a forestry company.
- York is one of the few timber companies to own forests, sawmills, manufacturing plants, warehouse and sales and trading operations. York also has a low cost business model.
- Blackstar invested £4.2 million directly for an initial 56% stake in York. Due to the subsequent acquisition by York of Global Forest Products as set out below, Blackstar has reflected its holding in York as an investment at fair value through profit and loss.
- Blackstar invested £2 million indirectly to fund the BEE parties in acquiring 26% of York. The indirect stake entitles Blackstar to its capital invested plus an internal rate of return of 20% on capital invested and thereafter 25% of any residual gain in the net asset value of the BEE special purpose vehicles.

Investment thesis and strategy

- York is the only vertically integrated forestry and sawmilling company listed on the JSE.
- York provided a platform for further acquisition of plantations and sawmills.
- The structural timber and forestry industry has high barriers to entry and these assets are by their nature scarce resources.
- Blackstar looked at forestry as a resource asset that replenishes itself over time. Income is generated by the trees, capital growth is generated by the land and plantation value and cash flow is generated by the sawmills.
- South Africa, as is the case globally, continues to face a looming problem of under capacity in the forestry area.
- Local demand for structural timber is forecast to continue until at least 2015 driven by the boom in the construction sector; smaller plantations are clear felling their entire forests due to the high prices currently attainable for structural timber in the market, which will further exacerbate the timber shortage going forward.
- Blackstar reconstituted the Board of Directors and appointed a new Chief Executive Officer. In addition Blackstar is partnering with an experienced management team.

Performance

- York has performed exceptionally well and the share price has doubled since Blackstar's acquisition was finalised in March 2007.
- Blackstar believes that York will continue to create significant shareholder value in the years to come as quality timber assets become scarce resources.

Investment portfolio review

Continued

York acquisition of Global Forest Products

- In July 2007 York acquired 100% of the shares in and claims against Global Forest Products (Pty) Limited (''GFP'') and South African Plywood (Pty) Ltd (''Plywood'') for £117 million.
- GFP is an environmentally sustainable, integrated forestry company, managing 56,805 hectares of certified plantation forests. In addition, GFP has 29,101 hectares of unplanted land that can be developed. GFP also owns and operates three sawmills and a plywood plant. The GFP operations are in close proximity to York's.
- There are a number of synergies, cost savings and economies of scale that are expected to come from the acquisition of GFP and Plywood.
- The GFP acquisition will materially enhance the operations of York and will allow York to source logs internally.
- Forestry assets are very scarce in South Africa and GFP represented a significant opportunity for York.
- York shareholders should benefit from the leverage in the transaction, magnifying the returns on the investment.

Effects of the Global Forest Products transaction

- York has become the largest independent fully integrated forestry group in South Africa and Africa.
- The market capitalisation of York has increased from under £12 million to approximately £106 million and has resulted in a broader shareholder base and added to the liquidity of the share.
- Blackstar invested an additional £10.6 million in York, a stake which now has an estimated value of £13.1 million.
- Blackstar's direct holding in York reduced from 56% to 20.6% as a result of York raising additional equity and the substantial increase in the size of the company.
- Blackstar realised £912,000 through the sale of York rights that it did not take up.
- In addition to the fees of £371,000 reflected in the income statement for the six months ended 30 June 2007, Blackstar earned additional fees of £259,000 post 30 June 2007 as a result of the transaction.
- The staff and community special purpose vehicles in which the Company holds preference shares (indirect stake) realised £1.7 million on sale of its York rights and as a result the Company anticipates receiving a funding redemption of £1.7 million from the special purpose vehicles thereby realising the majority of its £2 million York BEE funding within the first six months, whilst still retaining its upside in the funding structure.

Investment portfolio review

Continued

Mvelaphanda Resources Limited ("Mvela")

Public empowerment partnering

Transaction overview

Date of investment	April 2007	Leverage	4.87x
Total investment	£11.4 million	Entry EBITDA multiple	n/a
Total value realised	—	Effective initial indirect interest via SPV	7.7%
Value of unrealised stake	£27.1 million	Gross return	139%

Company and transaction description

- Mvela is a leading, broad based, pan-African empowerment mining and minerals company. The group has significant investments in gold, platinum and diamond sectors as well as exploration and joint ventures in sub-Saharan Africa.
- Mvela is listed on the JSE and listed investments include a 21.8% stake in Northam Platinum Limited ("Northam"), a 20.7% stake in Trans Hex Group Limited, and a 15% stake in the South African assets of Goldfields Limited.
- Blackstar has invested into Mvela by acquiring a 40% interest in Afripalm Resources, a BEE special purpose vehicle which acquired a 19.3% interest in Mvela at a significant discount to market value at the time of the transaction.

Investment thesis and strategy

- Through this transaction Blackstar has aligned itself with two of the most prominent BEE businessmen in South Africa, namely Lazarus Zim and Tokyo Sexwale.
- Mvela is the only listed black owned resources company on the JSE. This investment is aimed at the consolidation that will occur in the empowerment resource sector in South Africa.
- As part of the strategy Mvela is making the change from an investment holding company to an operating company. This would have the effect of closing the discount Mvela trades at on the JSE.
- Lazarus Zim has strong relationships at Anglo American (former CEO-Anglo American SA) which should enable him to participate in future empowerment transactions that emanate from the Anglo American stable and hence gain exposure to quality resource assets at attractive pricing and terms.

Performance

- Blackstar's investment into Mvela via Afripalm Resources has increased by 139% on the back of the strong resources sector and positive market sentiment around Mvela and the Afripalm transaction.
- Mvela recently announced its acquisition of Anglo Platinum Limited's 50% interest in the Booysendal Platinum Project ("Booysendal") and its entire 22.4% direct interest in Northam for R4 billion (£275 million). On implementation of the transaction, Mvela will own approximately 63.4% of the issued share capital of Northam which in turn will own 100% of Booysendal, including full control of the smelting, refining and marketing of its production. The Booysendal transaction will extend the life of Northam mines from 16 years to over 100 years and provides the opportunity for long term value creation. The transaction will transform Mvela from being an investment holding company to gaining control of the fifth largest global Platinum Group Metals producer. The transaction is subject to fulfilment of certain conditions precedent including shareholder and regulatory approval.

Investment portfolio review

Continued

Kulungile Metals Group (Pty) Limited (“KMG”)

Private leverage buyout

Transaction overview

Date of investment	June 2007	Leverage	1.80x
Total investment	£11.1 million	Entry EBITDA multiple	3.38x historic
Total value realised	—	Initial direct equity interest	49%
Value of unrealised stake	£11.1 million	Gross return	—

Company and transaction description

- Headquartered in Johannesburg, KMG are South Africa’s 3rd largest processors, distributors and stockists of carbon steel, stainless steel and aluminium in the form of high quality sheet, plate and coil as well as structural and other long product profiles.
- The markets serviced by KMG are the engineering, mining and building fabricators, and component manufacturers to the automotive industry.
- KMG has a good presence in South Africa and certain African countries.
- Blackstar, KMG management and BEE staff acquired 100% of KMG via a leveraged buyout.
- Blackstar acquired 49% directly.

Investment thesis and strategy

- KMG is a strong platform to build a significant industrial enterprise and has strong public market potential.
- The underlying businesses have well-recognised brand names with strong market positions in each of their respective segments of the market.
- KMG has strong growth prospects both in South Africa and Africa and KMG is ideally positioned to participate in fixed investment spending on the continent.
- Blackstar reconstituted the board of directors and appointed a new Chief Executive Officer who was formerly the CEO of the largest steel distribution group in Africa.
- Blackstar implemented an incentive scheme for the CEO, executive management, and staff to align them with shareholders going forward. In addition, Blackstar’s funding of BEE parties has contributed to maximising the BEE credentials and allowing KMG to fully benefit from the infrastructure spend.

Performance

- Under the leadership of the new CEO, KMG has made numerous changes to the group including cutting costs, buying back of franchises and targeting the higher margin sectors of the market.
- Blackstar, together with the CEO, have recently secured a down stream acquisition that will be earnings enhancing and will substantially increase the size and margins of the group.
- The group is trading above budget for the current financial year.
- The ordinary share investment is currently carried at cost, which approximates its fair value.

Investment portfolio review

Continued

DCD-Dorbyl (Pty) Limited ("DCD-Dorbyl")

Private leverage buyout

Transaction overview

Date of investment	April 2007	Leverage	2.75x
Total investment	£4.9 million	Entry EBITDA multiple	2.24x historic
Total value realised	—	Effective initial indirect interest via SPV	16.7%
Value of unrealised stake	£5 million	Gross return	2%

Company and transaction description

- DCD-Dorbyl supplies products and services to three sectors of the economy, namely rail transport, heavy engineering and the marine ship repair and off-shore oil industries. Three operating divisions (Heavy Engineering, Rail and Marine) have been established to focus on each of the three sectors.
- DCD-Dorbyl competes both locally and internationally, with export turnover comprising 44% of total turnover in 2006 increasing to 50% in 2007.
- DCD-Dorbyl is strategically positioned across a myriad of industrial sectors.
- Blackstar has invested alongside Investec Private Equity to acquire 100% of DCD-Dorbyl in a leveraged buyout transaction. Blackstar has partnered with a BEE industrial group called Siyahamba Engineering in a BEE special purpose vehicle established to acquire a 34% interest in the group.
- Blackstar will receive capital plus a hurdle and thereafter an effective stake of 16.7% in DCD-Dorbyl.

Investment thesis and strategy

- The sector is experiencing a significant boom due to the capital expenditure programmes by Eskom, Transnet and major mining companies. DCD-Dorbyl also has large export orders from the US Government.
- Blackstar is participating in a leveraged transaction with a gearing of 2.75x magnifying the returns on the investment.
- Real infrastructure spending in certain sectors has not yet begun. DCD-Dorbyl is perfectly positioned to take advantage of the spending that will take place in harbours, power generation, transport infrastructure and mining in South Africa and Africa.
- Due to DCD-Dorbyl's large export component, DCD-Dorbyl earns a large portion of its income in hard currency.

Performance

- DCD-Dorbyl is currently trading well above expectations with a full order book and has produced strong results to date. These earnings should assist DCD-Dorbyl in paying down the leverage quickly. DCD-Dorbyl expects to benefit from the increased infrastructure spending in South Africa and Africa.
- The ordinary share investment is currently carried at cost, which approximates its fair value.

Investment portfolio review

Continued

Myriad Medical Holdings Limited ("Myriad")

Pre initial public offering

Transaction overview

Date of investment	September 2006	Entry EBIT multiple	4.4x historic
Total investment	£3.6 million	Initial direct equity interest	23.4% (currently 17.3%)
Total profit realised	£407,000	Effective initial indirect interest via SPV	6.5%
Value of unrealised stake	£4.3 million	Gross return	39%
Leverage	1.00x		

Company and transaction description

- Myriad has seven business units representing 27 agencies and hundreds of products focusing on the sophisticated, high-margin anaesthesia, surgical and critical care arena of the Medical Device Industry.
- Myriad is the only empowered medical device and surgical company in South Africa listed on the JSE.
- Blackstar subscribed for 20 million shares directly and 12 million shares indirectly at par value (R0.001) as a result of it being the anchor and BEE funding shareholder.
- In addition Blackstar directly subscribed for 23 million shares at the IPO price of R0.85 per share and funded the BEE parties in acquiring 26 million shares at the IPO price of R0.85. The indirect stake entitles Blackstar to its capital invested plus a preference dividend on funds invested and 25% of the net asset value of the BEE special purpose vehicle.
- Effectively Blackstar's average entry price on its direct stake was R0.46 per share.

Investment thesis and strategy

- Revenue is primarily of a non-cyclical annuity nature.
- Myriad is active in several African countries, amongst others Swaziland, Namibia, Botswana, Angola, Chad and Equatorial Guinea.
- Significant opportunity to consolidate the fragmented medical device and surgical consumables sector.
- Technological advances that force equipment upgrades.
- There are planned new government and private hospitals and significant funding has been allocated for the upgrading of existing government hospitals.
- The group has experienced and skilled management with an average of 20 years' experience in operational management and 25 years in senior management.
- High growth sector.

Performance

- Since listing at R0.85 the share immediately traded above R1.00.
- Performance has been in line with expectations and Myriad has made two earnings enhancing acquisitions since listing.
- Myriad is trading on a historic PE of 10 where the health sector has a current PE of 20. Blackstar remains optimistic about the opportunities that exist within the fragmented industry and believes that performance will be driven by organic growth in South Africa, regional expansion into Africa and the expansion of its product range.
- Blackstar has sold 24% of its direct stake at an average profit of 120% bringing its shareholding to 17.3%.

Investment portfolio review

Continued

Euro Steel Holdings (Pty) Limited ("Euro Steel")

Private empowerment partnering

Transaction overview

Date of investment	March 2006	Leverage	1.00x
Total investment	£609,000	Entry EBITDA multiple	2.40x historic
Total value realised	—	Effective initial indirect interest via SPV	2.5%
Value of unrealised stake	£716,000	Gross return	18%

Company description

- Euro Steel is a supplier of specialised stainless steel plate, sheet and related products in South Africa. It is the second largest supplier of stainless steel in South Africa with approximately 15% of the market share.
- Euro Steel has a wide geographical spread in all key markets in South Africa as well as related business in the surrounding countries including Zambia, Mozambique, Namibia and Angola.

Investment thesis and strategy

- Euro Steel is ideally positioned for growth both within South Africa and Africa due to investment in infrastructure including construction for the 2010 Soccer World Cup, railways, harbours and other government initiatives as well as fixed asset spending by companies.
- In order to participate in this infrastructure spending and other government programmes, Euro Steel needed to be empowered and Blackstar, together with a local private equity firm, Capricorn, acquired 25.1% of Euro Steel though a BEE special purpose vehicle, maximising Euro Steel's BEE credentials.
- Blackstar will receive capital plus a preference dividend on funds invested and thereafter an effective stake of 2.5% in Euro Steel.

Performance

- Results for 2007 were well above expectations, boosted by good trading opportunities and a buoyant local market. Management continues to look at growing the business both organically and through selected acquisitions, in line with its strategy to becoming an extensive merchandiser and distributor of stainless steel and value added stainless steel products.

Investment portfolio review

Continued

Services company and telecom company derivative transactions
Public secondary transactions

Transaction overview

Date of investment	March 2006/May 2006	Leverage	1.7x
Total investment	£5.6 million	Gross return	54%
Total value realised	—		
Value of unrealised stake	£8.6 million		

Transaction description

- Blackstar concluded two secondary BEE transactions in a large listed services company, and a secondary BEE transaction in a large listed telecommunications company, using derivative structures.

Investment thesis and strategy

- The purpose of the transactions was to provide the respective BEE groups with liquidity whilst still retaining some of their exposure to the company.
- Blackstar was able to secure significant discounts and attractive transactions on behalf of shareholders.
- Blackstar regards these derivatives as portfolio investments.

Performance

- The derivatives have performed well as a result of a strong performances and positive sentiment in the underlying companies.

Investment portfolio review

Continued

Annexure A

Intrinsic net asset value (unaudited)

	30 June 2007 £'000	*31 December 2006 £'000*
Resource interests		
Mvelaphanda Resources	30,890	—
Forestry interests		
York Timber Organisation	29,024	—
Industrial interests		
Kulungile Metals Group	11,071	—
DCD-Dorbyl	4,989	—
Euro Steel	734	733
Healthcare interests		
Myriad Medical	4,713	5,123
Derivative interests		
Telecom derivative	2,895	846
Services derivative	7,819	7,077
Cash and working capital	22 811	66,474
Intrinsic net asset value	114,946	80,253
Number of shares in issue (thousands)	78,465	78,465
Intrinsic net asset value per share (in pence)	146	102
Current market price per share (in pence)	105	

Notes

1. Underlying listed investments have been valued on a see-through basis using a 30 day volume weighted average price up to 30 June 2007.
2. Unlisted investments are shown at directors' valuation.
3. Blackstar's stake in York includes the additional shares acquired as part of the Global Forest Products transaction, which have been valued at R19 per share, being the book build price for the additional shares issued.
4. The telecom derivative interest includes the additional investment acquired after 30 June 2007.
5. Cash and working capital has been adjusted to reflect Blackstar's acquisition of additional shares in York and the additional telecom derivative investment, but has not been adjusted for the acquisition of Spescom shares as its cost approximates its intrinsic value. These items are further explained in the post balance sheet events note to the interim financial statements.
6. Intrinsic net asset value is shown before performance fee accrual.

Independent review report to the shareholders of Blackstar Investors PLC

Introduction

We have been instructed by the company to review the financial information for the six months ended 30 June 2007 which comprises the Consolidated Income Statement, the Consolidated Balance Sheet, the Consolidated Statement of Changes in Equity, Consolidated Cashflow Statement and related notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Our report has been prepared in accordance with the terms of our engagement to assist the company in meeting the requirements of rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market which require that the half-yearly report be presented and prepared in a form consistent with that which will be adopted in the company's annual accounts having regard to the accounting standards applicable to such annual accounts.

Review work performed

We conducted our review in accordance with guidance contained in Bulletin 1999/4 issued by the Auditing Practices Board for use in the United Kingdom. A review consists principally of making enquiries of management and applying analytical procedures to the financial information and underlying financial data and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK and Ireland) and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the financial information.

Review conclusion

During the interim period the Group acquired 56% of the ordinary shares of York Timber Organisation Limited ("York") which, in our opinion, should be accounted for under the principles of IFRS 5 Non-current assets held for sale and discontinued operations and treated as a discontinued operation and disposal group. IFRS 5 requires a disposal group to be carried at the lower of its carrying amount and fair value less costs to sell and for the results of the discontinued operations to be presented as a single amount on the face of the income statement comprising the post tax profit or loss of the discontinued operation and the post tax gain or loss on measurement to fair value less costs to sell of the disposal group. However, the directors do not currently have the necessary information to comply with IFRS 5 and as such have classified York as an investment at fair value through profit and loss in these interim financial statements and carried it in the balance sheet at £11,022,239 after an increase in fair value since acquisition of £6,791,532.

On the basis of our review, with the exception of the matter described in the preceding paragraph, we are not aware of any material modifications that should be made to the financial information as presented for the six months ended 30 June 2007.

BDO Stoy Hayward LLP
Chartered Accountants and Registered Auditors
Gatwick
10 September 2007

Consolidated income statement (unaudited)

for the six months ended 30 June 2007

	Notes	*Six months to 30 June 2007 £'000*	*Six months to 30 June 2006 (restated) £'000*	*Year to 31 December 2006 £'000*
Increase in fair value of investments		24,123	1,000	3,701
Fees, dividends and interest received from investments		1,222	—	114
Realised gain on disposal on investments		123	—	285
Net investment income		25,468	1,000	4,100
Administrative expenses		(1,151)	(815)	(1,677)
Exchange (losses)/gains		(11)	140	112
Performance fees	4	(4,811)	—	—
Profit from operations		19,495	325	2,535
Finance income		1,344	402	1,663
Profit before taxation		20,839	727	4,198
Taxation		—	—	—
Profit for the period attributable to equity holders		20,839	727	4,198
Basic and diluted earnings attributable to equity holders per ordinary share in pence	5	26.56	93	9.14

The above results relate entirely to continuing operations.

Consolidated balance sheet (unaudited)

as at 30 June 2007

	Notes	30 June 2007 £'000	30 June 2006 (restated) £'000	31 December 2006 £'000
Non-current assets				
Investments held to maturity	6	30,522	609	2,816
Investments at fair value through profit and loss	7	39,928	6,046	9,722
		70,450	6,655	12,538
Current assets				
Trade and other receivables		943	199	435
Cash and cash equivalents		33,076	26,941	66,197
		34,019	27,140	66,632
Total assets		104,469	33,795	79,170
Non-current liabilities				
Provisions	4	(4,811)	—	—
Current liabilities				
Trade and other accounts payable		(131)	(852)	(158)
Total liabilities		(4,942)	(852)	(158)
Total net assets		99,527	32,943	79,012
Equity				
Share capital	8	78,465	35,608	78,465
Capital redemption reserve	8	775	775	775
Foreign currency translation reserve	8	(1,163)	(552)	(839)
Special reserve	8	11,754	11,754	11,754
Retained earnings		9,696	(14,642)	(11,143)
Total equity attributable to equity holders of the parent		99,527	32,943	79,012
Net asset value per share in pence		127	93	101

Consolidated statement of changes in equity (unaudited)

for the six months ended 30 June 2007

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Foreign currency translation reserve £'000	Special reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 31 December 2005	121	—	1,262	—	11,754	(12,874)	263
Consolidation and issue of new shares	35,487	—	(487)	—	—	—	35,000
Profit for the period and capital raising expenses	—	—	—	—	—	(1,768)	(1,768)
Currency exchange losses on investments	—	—	—	(552)	—	—	(552)
Balance at 30 June 2006 (restated)	35,608	—	775	(552)	11,754	(14,642)	32,943
Issue of new shares	42,857	2,143	—	—	—	—	45,000
Profit for the period and capital raising expenses	—	(2,143)	—	—	—	3,499	1,356
Currency exchange losses on investments	—	—	—	(287)	—	—	(287)
Balance at 31 December 2006	78,465	—	775	(839)	11,754	(11,143)	79,012
Profit for the period	—	—	—	—	—	20,839	20,839
Currency exchange losses on investments	—	—	—	(324)	—	—	(324)
Balance at 30 June 2007	78,465	—	775	(1,163)	11,754	9,696	99,527

Consolidated cash flow statement (unaudited)

for the six months ended 30 June 2007

	Notes	*Six months to 30 June 2007* £'000	*Six months to 30 June 2006 (restated)* £'000	*Year to 31 December 2006* £'000
Cash flow from operating activities				
Cash (absorbed)/generated by operations	9	(1,123)	193	(1,627)
Interest received		1,344	402	1,663
Cash generated by operating activities		221	595	36
Cash flow from investing activities				
Purchase of investments		(33,579)	(6,207)	(9,799)
Proceeds from disposal of investment		226	—	522
Redemption of preference shares		11	—	—
Cash absorbed by investing activities		(33,342)	(6,207)	(9,277)
Cash flow from financing activities				
Issue of ordinary shares		—	35,000	80,000
Capital raising expenses		—	(2,495)	(4,610)
Cash generated by financing activities		—	32,505	75,390
Net (decrease)/increase in cash and cash equivalents		(33,121)	26,893	66,149
Cash and cash equivalents at beginning of period		66,197	48	48
Cash and cash equivalents at the end of the period		33,076	26,941	66,197

Notes to the interim financial statements (unaudited)

for the six months ended 30 June 2007

1. Accounting policies

Basis of preparation

The principal accounting policies adopted in the preparation of the interim consolidated financial statements have been consistently applied across all periods presented in the consolidated financial statements.

These consolidated financial statements of the Company and its subsidiaries (the ''Group'') have been prepared on a basis consistent with International Financial Reporting Standards (''IFRSs'') issued by the International Accounting Standards Board (''IASB'') as adopted by the European Union and with those parts of the Companies Act 1985 applicable to companies preparing their accounts under IFRS.

During the interim period the Group acquired 56% of the ordinary shares of York Timber Organisation Limited (''York''). This controlling stake was still held as at 30 June 2007 but the Group always had the intention to reduce this to a non-controlling stake which occurred on 27 August 2007 as set out in note 10 to the interim financial statements. From this date the investment is being treated as an associate carried at fair value through profit and loss, and will be at the year end, assuming the Group's stake remains the same.

The controlling interest in York should have been accounted for under the principles of IFRS 5 Non-current assets held for sale and discontinued operations and treated as a discontinued operation and disposal group. IFRS 5 requires a disposal group to be carried at the lower of its carrying amount and fair value less costs to sell and for the results of the discontinued operations to be presented as a single amount on the face of the income statement comprising the post tax profit or loss of the discontinued operation and the post tax gain or loss on measurement to fair value less costs to sell of the disposal group. As such, the assets in this disposal group should be aggregated and shown separately to other assets and similarly liabilities should be aggregated and shown separately to other liabilities on the face of the balance sheet. In addition, a minority interest should be recognised.

However, the controlling interest in York has been classified as an investment at fair value through profit and loss in these financial statements and carried in the balance sheet at £11,022,239 after an increase in fair value since acquisition of £6,791,532. The directors do not currently have the necessary information to comply with IFRS 5 but anticipate this being available for the purposes of the annual accounts for the year ended 31 December 2007.

The preparation of the financial statements requires the use of estimates, assumptions and judgements that affect the amounts reported in the balance sheet and income statement of the Group. Although the estimates are based on the Directors' best knowledge and judgements of current facts as at balance sheet date, the actual outcome may differ from those estimates. The most critical estimates, assumptions and judgements relate to the determination of carrying value of investments at fair value through profit and loss and investments held to maturity. The accounting policies that the Group applied in the presentation of the financial statements are set out below.

Basis of consolidation

Where the Company has the power, either directly or indirectly, to govern the financial and operating policies of another entity of business so as to obtain benefits from its activities, it is classified as a subsidiary. These consolidated financial statements present the results of the Group as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated on consolidation.

Revenue recognition

Realised and unrealised gains and losses arising from changes in the fair value of investments at fair value through profit and loss are recognised in the income statement in the period in which they arise.

Interest income is recognised on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable, when it is determined that such income will accrue to the Group.

Dividends are recognised when the right to receive payment has been established and it is determined that such income will accrue to the Group.

Fee income is recognised on an accrual basis when the fees are earned and can be reliably estimated.

Translation of foreign currencies

The Company's functional currency is Rands. Items included in the financial statements are reported in Sterling, being the presentational currency in which the issued capital shares are denominated.

Transactions denominated in currencies other than Sterling are translated at the rates of exchange ruling on the date of the transaction.

1. Accounting policies (continued)

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the rates of exchange ruling at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are carried at fair value are translated at the rates of exchange ruling on the date when the fair value was determined.

Foreign exchange gains and losses arising on translation of assets and liabilities denominated in Rands are recognised in the foreign currency translation reserve, whereas foreign exchange gains and losses arising on translation of assets and liabilities denominated in foreign currencies other than Rands are recognised in the income statement for the period.

Investments at fair value through profit and loss

Investments at fair value through profit and loss are financial assets held-for-trading and those designated at fair value through profit and loss at inception. These assets are carried at fair value. Realised and unrealised gains and losses arising from changes in the fair value of these investments are recognised in the income statement in the period in which they arise.

Investments held-to-maturity

Investments held-to-maturity are financial assets with fixed or determinable payments and fixed maturities that the Group has the intention and ability to hold to maturity. These assets are carried at amortised cost, using the effective interest rate method. If there is objective evidence that an impairment loss on held-to-maturity investments has been incurred, the amount of the loss is measured and the carrying amount of the asset shall be reduced. The amount of the loss shall be recognised in the income statement in the period in which it arises.

Investments in associates

An associate is an entity over which the Group has significant influence and is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates that are held as part of the Group's investment portfolio are carried in the balance sheet at fair value even though the Group may have significant influence over those companies. This treatment is permitted by IAS 28 Investment in Associates which allows investments held by venture capital organisations to be excluded from the scope of IAS 28 Investment in Associates provided that those investments upon initial recognition are designated as fair value through profit or loss and accounted for in accordance with IAS 39 Financial Instruments: Recognition and Measurement, with changes in fair value recognised in profit or loss in the period of change.

Cash and cash equivalents

Cash and cash equivalents comprises cash in current accounts and cash deposits that mature within one week, all of which are available for use by the Group.

Accounts receivable

Receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Such items have a short duration and are not discounted.

Accounts payable

Accounts payable are stated at their nominal value. Such items have a short duration and are not discounted.

Provisions

Provisions are recognised when a present legal or constructive obligation exists as a result of past events, for which it is probable that an outflow of economic benefits will occur and where a reliable estimate of the amount of the obligation can be made. Where the effect of discounting is material, provisions are discounted. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Taxation

The taxation expense comprises tax payable calculated on the basis of the expected taxable income for the year using applicable tax rates at the balance sheet date.

Deferred taxation is provided on the balance sheet liability method based on temporary differences between the taxation base of an asset or liability and its balance sheet carrying amount. A deferred tax asset is only recognised to the extent that it is probable that future taxable profits will be available against which the deferred taxation asset can be realised in the foreseeable future.

Notes to the interim financial statements (unaudited)

for the six months ended 30 June 2007

2. Comparative figures

The comparatives for the full year ended 31 December 2006 are not the Company's full statutory accounts for that year. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified, did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under section 237(2)-(3) of the Companies Act 1985.

The comparative figures for the six months ended 30 June 2006 have been restated to take into account the following adjustments:

- In order to comply with IAS 21: The Effects of Changes in Foreign Exchange Rates, foreign exchange gains and losses arising on translation of assets and liabilities denominated in Rands (functional currency) are recognised in the foreign currency translation reserve, rather than the income statement for the period. As a result the currency exchange loss on investments of £987,000 was transferred to a foreign currency translation reserve.
- A currency exchange gain of £435,000 previously classified as exchange gains/losses was re-classified to the foreign currency translation reserve as the gain related to investments.
- Investments at fair value through profit and loss included derivatives, which were previously classified as current assets. Following a review of the normal operating cycle of the Group, these financial instruments have been re-designated as non-current assets.
- The basic and diluted earnings per share was previously calculated using the actual number of shares was rather than a weighted average number of shares.

The net effect of the above adjustments was that the profit for the period ended 30 June 2007 increased from £175,000 to £727,000. There was no effect on the net assets as at 30 June 2006. All the above adjustments have been reflected in Annual 2006 accounts

3. Segmental information

For the six months ended 30 June 2007, all the Group's results are derived from its principal activity, investing in South Africa. The Group had one reportable segment, and one geographic segment, being its principal activity.

4. Provisions

A provision has been raised for the performance fee payable by the Company under the terms of the Investment Advisory Agreement. The total performance fee is equal to 20% of the gain on investments realised by the Company, subject to a 10% hurdle and making good any investment write-downs and management-related expenses.

Notes to the interim financial statements (unaudited)

for the six months ended 30 June 2007

5. Basic and diluted earnings per share

	Six months to 30 June 2007	*Six months to 30 June 2006 (restated)*	*Year to 31 December 2006*
	£'000	*£'000*	*£'000*
Net profit attributable to shareholders	20,839	727	4,198
Weighted average number of shares in issue (thousands)	78,465	25,416	45,907
Basic and diluted earnings per share (in pence)	26.56	2.86	9.14

6. Investments held to maturity

	30 June 2007	*30 June 2006*	*31 December 2006*
	£'000	*£'000*	*£'000*
Book cost at the beginning of the period	2,796	—	—
Additions during the period at cost	27,291	609	2,796
Redemption during the period at cost	(11)	—	—
Book cost at the end of the period	30,076	609	2,796
Carrying value at the beginning of the period	2,816	—	—
Additions during the period at cost	27,291	609	2,796
Redemption during the period at cost	(11)		
Dividends receivable from investments during the period	514	—	114
Interest receivable from investments during the period	134	—	—
Currency exchange losses on investments during the period	(222)	—	(94)
Carrying value at the end of the period	30,522	609	2,816

6. Investments held to maturity (continued)

The Group does not have a controlling interest in any of the investments held to maturity. These investments comprise the following:

Details	*Carrying value 30 June 2007 £'000*	*Carrying value 30 June 2006 £'000*	*Carrying value 31 December 2006 £'000*
Cumulative redeemable preference shares in a special purpose vehicle established to acquire an interest in Euro Steel Holdings (Pty) Limited. Dividends are payable at the South African Prime rate plus 5.5% nominal annual compounded monthly and the shares are redeemable in 2013 or earlier at the consent of the Company and other shareholders.	558	609	524
Cumulative redeemable preference shares in a special purpose vehicle established to acquire an interest in Myriad Medical Holdings Limited. Dividends are payable at South African Prime rate plus 1.5% nominal annual compounded monthly and the shares are redeemable in 2009 or earlier at the consent of the Company and other shareholders.	2,384	—	2,292
Cumulative redeemable preference shares in a special purpose vehicle established to acquire an interest in Mvelaphanda Resources Limited. Dividends are payable at 91% of South African Prime rate nominal annual compounded monthly and the shares are redeemable in 2010 or earlier at the consent of the Company and other shareholders.	11,603	—	—
Loan to a special purpose vehicle established to acquire an interest in DCD-Dorbyl (Pty) Limited. The loan bears interest at a rate of prime less 25 basis points per annum, nominal annual compounded semi-annually and is repayable in a bullet payment in 2014 or earlier.	4,906	—	—
Cumulative redeemable preference shares Kulungile Metals Group (Pty) Limited. Dividends are payable at 90% of South African Prime rate nominal annual compounded semi-annually and the shares are redeemable in 2013 or earlier at the consent of the Company and other shareholders.	2,768	—	—
Loan to Kulungile Metals Group (Pty) Limited. The loan bears interest at 90% of South African Prime rate nominal annual compounded semi-annually and is repayable in a bullet payment in 2013 or earlier.	8,303	—	—
Carrying value at the end of the period	30,522	609	2,816

Notes to the interim financial statements (unaudited)

for the six months ended 30 June 2007

7. Investments at fair value through profit and loss

	30 June 2007	*30 June 2006 (restated)*	*31 December 2006*
	£'000	*£'000*	*£'000*
Book cost at the beginning of the period	6,766	—	—
Additions during the period at cost	6,288	5,598	7,003
Disposals during the period at cost	(103)	—	(237)
Book cost at the end of the period	12,951	5,598	6,766
Fair value at the beginning of the period	9,722	—	—
Additions during the period at cost	6,288	5,598	7,003
Disposals during the period at cost	(103)	—	(237)
Increase in the fair value of investments during the period	24,123	1,000	3,701
Currency exchange losses on investments during the period	(102)	(552)	(745)
Fair value at the end of the period	39,928	6,046	9,722

The Group does not have a controlling interest in any of the investments at fair value through profit and loss. These investments are monitored on a fair value basis and comprise the following:

Details	*Fair value 30 June 2007 £'000*	*Fair value 30 June 2006 (restated) £'000*	*Fair value 31 December 2006 £'000*
Derivative investment in a telecom company, which gives the Company exposure to a minority interest in the underlying telecom company.	1,579	1,048	846
Derivative investment in the services company, which gives the Company exposure to a minority interest in the underlying services company.	7,038	4,998	6,369
Ordinary shares in a special purpose vehicle established to acquire an interest in Euro Steel Holdings (Pty) Limited. The special purpose vehicle unwinds in 2013 or earlier at the consent of the Company and other shareholders.	158	—	188
Ordinary shares in Myriad Medical Holdings Limited	1,846	—	2,196
Preference shares in a special purpose vehicle established to facilitate an empowered Group to acquire an interest in Myriad Medical Holdings Limited, in which the Company participates. The shares are redeemable in 2009 or earlier at the consent the Company and other shareholders.	49	—	123
Ordinary shares in York Timber Organisation Limited.	11,022	—	—
Preference shares in a special purpose vehicle established to facilitate a York staff trust to acquire an interest in York Timber Organisation Limited in which the Company participates. The shares are redeemable in 2011 or earlier at the consent the Company and other shareholders.	1,032	—	—

7. Investments at fair value through profit and loss (continued)

Details	*Fair value 30 June 2007 £'000*	*Fair value 30 June 2006 (restated) £'000*	*Fair value 31 December 2006 £'000*
Preference shares in a special purpose vehicle established to facilitate a community trust to acquire an interest in York Timber Organisation Limited, in which the Company participates. The shares are redeemable in 2011 or earlier at the consent the Company and other shareholders.	1,651	—	—
Option to subscribe, for "N" preference shares in a special purpose vehicle established to acquire an interest in Mvelaphanda Resources Limited. The "N" preference shares will have an economic interest in the special purpose vehicle and are redeemable in 2014 or earlier at the consent of the Company and other shareholders.	15,470	—	—
Ordinary shares in a special purpose vehicle established to acquire an interest in DCD-Dorbyl (Pty) Limited. The special purpose vehicle unwinds in 2014 or earlier at the consent of the Company and other shareholders.	83	—	—
Ordinary shares in Kulungile Metals Group (Pty) Limited.	—	—	—
Carrying value at the end of the period	39,928	6,046	9,722

The investment in ordinary shares in a special purpose vehicle established to acquire an interest in DCD-Dorbyl (Pty) Limited is considered to be an associate. This investment has been designated as fair value through profit or loss and accounted for in accordance with "IAS 39 Financial Instruments: Recognition and Measurement", as set out in note 1 to the interim financial statements. The summarised financial information of the special purpose vehicle as at 30 June 2007 is set out as follows:

	R'000
Total assets	68,001
Total liabilities	69,414
Revenues for the period	—
Profit/(loss) for the period	(1,414)

The investment in ordinary shares in Kulungile Metals Group (Pty) Limited is considered to be an associate. This investment has been designated as fair value through profit or loss and accounted for in accordance with "IAS 39 Financial Instruments: Recognition and Measurement", as set out in note 1 to the interim financial statements. The summarised financial information of Kulungile Metals Group (Pty) Limited as at 30 June 2007 is set out as follows:

	R'000
Total assets	681,274
Total liabilities	519,567
Revenues for the period	169,541
Profit/(loss) for the period	5,297

Notes to the interim financial statements (unaudited)

for the six months ended 30 June 2007

8. Share capital and reserves

	30 June 2007 £'000	30 June 2006 £'000	31 December 2006 £'000
Authorised			
90,000,000 ordinary shares of £1.00 each	90,000		90,000
75,000,000 ordinary shares of £1.00 each		75,000	
Issued and fully paid			
78,464,998 ordinary shares of £1.00 each	78,465		78,465
35,607,855 ordinary shares of £1.00 each		35,608	

Issue of new shares in relation to the capital raising

Following the EGM held on 16 August 2006, the Company increased the authorised share capital of the Company from £75 million to £90 million by the creation of 15,000,000 ordinary shares of £1.00 each and raised an additional £45 million, before expenses by the issue of 42,857,143 new ordinary shares at £1.05 per share on 22 August 2006.

Capital redemption reserve

The capital redemption reserve arose due to transfers from retained earnings in accordance with relevant legislation and is not distributable.

Foreign currency translation reserve

The foreign currency translation reserve arose as exchange differences on translation of assets and liabilities denominated in the functional currency (Rands) are recognised in equity.

Special reserve

The special reserve arose due to merger accounting in the consolidation of Illuminator Holdings Limited.

9. Cash (absorbed)/generated by operations

	Six months to 30 June 2007 £'000	Six months to 30 June 2006 (restated) £'000	Year to 31 December 2006 £'000
Profit from operations for the period	19,495	325	2,535
Adjustments for:			
Increase in market value of investments	(24,123)	(1,000)	(3,701)
Dividends and interest receivable from investments	(648)	—	(114)
Realised gain on disposal of investments	(123)	—	(285)
Performance fees payable	4,811	—	—
Changes in working capital			
(Increase)/decrease in trade and other receivables	(508)	82	(154)
(Decrease)/increase in trade and other accounts payable	(27)	786	92
Cash (absorbed)/generated by operations	(1,123)	193	(1,627)

Notes to the interim financial statements (unaudited)

for the six months ended 30 June 2007

10. Post balance sheet events

York Timber Organisation Limited ("York"), Global Forest Products (Pty) Limited ("GFP") and South African Plywood (Pty) Ltd ("Plywood")

In July 2007 York acquired 100% of the shares in and claims against GFP and Plywood in one indivisible transaction, for £117 million. GFP is an environmentally sustainable, integrated forestry company, managing 56,805 hectares of certified plantation forests. In addition, GFP has 29,101 hectares of unplanted land that can be developed. GFP also owns and operates three sawmills and a plywood plant. Currently, GFP is a supplier of solid wood products to the South African market and actively exports to several other countries.

As part of the transaction a non-renounceable rights offer was made to existing York shareholders. The Group agreed to subscribe for £10.6 million of new ordinary shares in York and agreed to underwrite the issue of £13.8 million of the new ordinary shares in York.

In addition, the Industrial Development Corporation of South Africa Ltd, which held an effective 30% interest in GFP and Plywood, had its purchase price discharged via the issue of new ordinary shares in York (£35 million) and York issued additional new ordinary shares (£14 million) to other equity participants. The remainder of the purchase consideration was discharged through debt facilities made available to York by Rand Merchant Bank.

Effect of the transaction:

- The market capitalisation of York has increased from under £12 million to approximately £106 million and has resulted in a broader shareholder base and the addition of liquidity to the share.
- The Group invested an additional £10.6 million in York, a stake which now has an estimated value of £13.1 million.
- The Group's direct holding in York reduced from 56% to 20.6% as a result of York raising additional equity and the substantial increase in the size of the company.
- The Group realised £912,000 through the sale of York rights that it did not take up.
- In addition to the fees of £371,000 reflected in the income statement for the six months ended 30 June 2007, the Group earned additional fees of £259,000 post 30 June 2007 as a result of the transaction.
- The staff and community special purpose vehicles in which the Group holds preference shares realised £1.7 million on sale of its York rights and as a result the Group anticipates receiving a funding redemption of £1.7 million from the special purpose vehicles thereby realising the majority of its York BEE funding within the first six months, whilst still retaining its upside in the funding structure.

Telecom derivative

In August 2007, the Group made an additional £499,000 derivative investment in a telecom company. The investment gives the Group exposure to a further minority interest in the underlying telecom company. This additional investment has a value of £964,000 based on 30 June 2007 underlying prices.

Spescom Limited ("Spescom")

In July 2007, the Group acquired 6.04% of Spescom directly by investing £498,000 in Spescom, a listed communication and information technology holding company.