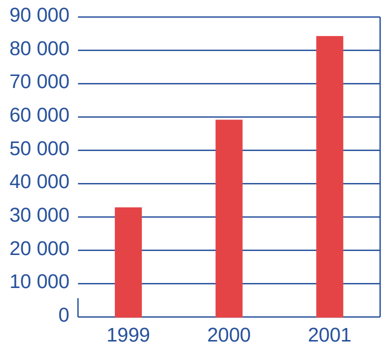
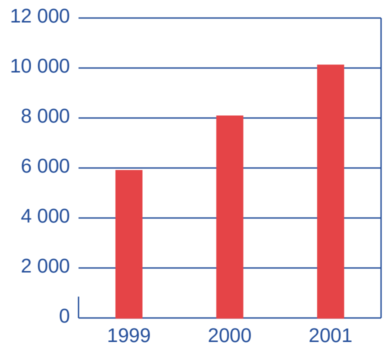
Group Financial Highlights

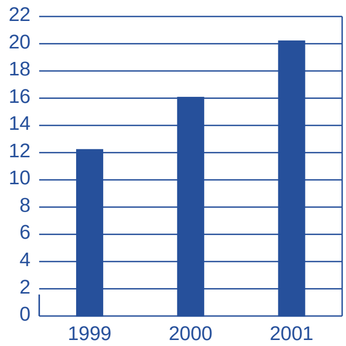
	12 months to 31 July 2001	12 months to 31 July 2000	12 months to 31 July 1999
Revenue (R'000)	**84 094**	58 988	32 701
Attributable income (R'000)	**10 109**	8 073	5 892
Earnings per share (cents)	**20,19**	16,05	12,21
Headline earnings per share (cents)	**20,52**	16,05	12,21
Fully diluted earnings per share (cents)	**19,69**	15,55	11,69



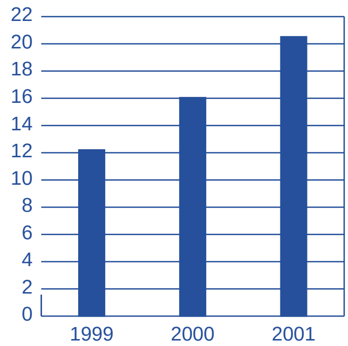
Revenue (R'000)



Attributable income (R'000)



Earnings per share (cents)



Headline earnings per share (cents)

CEO's Operational Report

OVERVIEW

EOH has successfully completed its third year in existence with flying colours. All of us at EOH are proud of our achievements, especially during these changing times we live in.

The company has managed to grow ninefold over the past three years, at the same time the issued number of shares only grew by 9%. The business is totally debt free, with fair cash reserves.

During the past year, we embarked on an aggressive growth strategy and also continued to develop our infrastructure, controls and most importantly the culture and values set, essential for future growth.

We have expanded our services and product offering to include the sales and support of world leading software packages. We currently exclusively represent in Southern Africa, leading enterprise software packages such as Baan, Protean, CODA and System 21. We are also involved with other prominent ERP vendors such as JD Edwards and Impact.

In the past year we also continued to broaden our services of outsourcing, ASP and Strategic Solutions. Now we can claim to have a thorough and deep understanding of these concepts.

We are grateful to all our employees, who stuck to the task of creating this strong IT services organisation. We also thank the families of our employees who we know have indirectly sacrificed for the creation of our organisation.

We greatly appreciate the confidence that our investors, customers and business partners have shown in us, affording EOH the right environment to grow the business.

FINANCIAL PERFORMANCE

The board is satisfied with the overall performance for the year under review. Revenue improved by 43% over the previous year. Profit has increased by 25% and headline earnings per share by 28%.

The balance sheet remains strong with the growth being financed internally. Cash generated from operating activities exceeded the prior year by 36%. The cash resources were utilised to finance the share buy backs and settle all vendors for past acquisitions. The existing cash resources are adequate to support future expansion.

Goodwill amortised and a capital profit of R288 000 is excluded from the calculation of headline earnings per share.

STRUCTURE

EOH is a business solutions provider creating lifelong information technology partnerships by developing IT strategies, supplying and implementing solutions and managing enterprise-wide business systems for medium to large clients.

EOH operates the following three clusters of SBUs as a fully integrated business:

EOH Strategic Solutions – is the initial point of contact with EOH clients through IT strategy development, management consulting, IT-enabled business process re-engineering, software selection and Supply Chain Logistics education to support world-class enterprise systems.

Business Systems – Through a number of subsidiary companies, EOH is able to sell, implement and support a range of world-class business applications including ERP, CRM, Business Intelligence, Advanced Planning Systems and eCommerce.

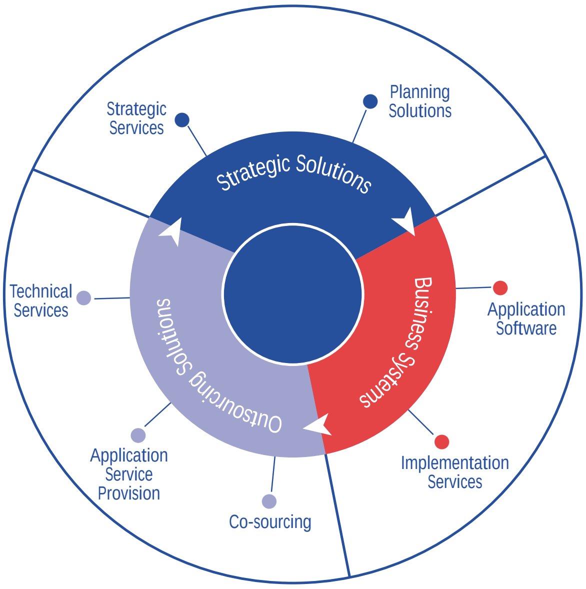
EOH Outsourcing Solutions – involves comprehensive maintenance and support of the clients' infrastructure and applications though the offering of full IT outsourcing, Hosting and Application Service Provision (ASP). EOH has presence in all major centres in South Africa, Australia and Mauritius.

BUSINESS MISSION

"We are a 'Business Solutions Provider'

We endeavour to form life-long Information Technology partnerships by developing IT strategies, supplying and implementing solutions and managing enterprise-wide business systems for medium to large clients."

EOH BUSINESS MODEL



The organisation includes twelve Strategic Business Units (refer to page 6 for Group Structure) with full accountability for top and bottom line residing at SBU level. However, overall strategy is driven centrally. The structure and processes driving it ensure a strong collaboration between the various business units. Ownership of our customers resides with EOH, and central key account management ensures maximum value add to our customers.

BRANDING

To simplify and clarify the market positioning of our various business units we had to refine our branding. The Enterprise Outsourcing Holdings name has been changed to EOH (where the acronym does not represent the previous name). Our generic services carry the EOH brand, namely:

- EOH Outsourcing
  - EOH Strategic Solutions
    - EOH Planning Solutions

The business units associated with specific enterprise software packages have their own brands namely:

- Softworx
  - J Enterprise
    - Enterprise 21
      - Intelliware

The regional operations carry the EOH brand namely:

- EOH KZN
- EOH Eastern Cape
- EOH Western Cape
- EOH Australia
- EOH Mauritius

STRATEGY

Strategically the business direction has not changed, however, tactics and operating methodologies are continuously changing in order to keep EOH aligned with the ever-changing market trends. To this effect we have expanded our service offerings to include additional software solutions as well as the implementation of software from various vendors including those in the areas of Customer Relationship Management, eCommerce and Advanced Planning Systems.

EOH is entering a consolidation phase, which will focus on aggressive market penetration in our area of business supported by a strong infrastructure.

OPERATIONS REVIEW

STRATEGIC SOLUTIONS

This division develops and implements eBusiness technology to improve the supply chain performance and effective use of IT of companies in commerce and industry. Their focus is on realising the business benefits from Enterprise Resource Planning (ERP) systems, Advanced Planning and Scheduling (APS) systems, eCommerce applications and exchanges, Customer Relationship Management (CRM) systems and Business Intelligence.

The division provides the following services:

- Strategy development to plan, budget and justify appropriate eBusiness projects
- Project management of eBusiness implementation projects
- Knowledge transfer of eBusiness and Supply Chain methods and practices

STRATEGY DEVELOPMENT

Companies in commerce and industry need to be sure the time, effort and cost of implementing eBusiness will be justifiable in terms of derived business benefits. We help our clients create a business case, an implementation plan and a budget before a final decision is made to acquire eBusiness technology.

PROJECT MANAGEMENT

Our project managers co-ordinate the different teams focusing on business processes, software applications, hardware configuration, integration with other systems as well as education and training programmes to ensure achievement of the objectives and critical success factors identified in the eBusiness strategy.

KNOWLEDGE TRANSFER

Systems make it possible but only people can make it work. We present seminars, workshops and courses on how to gain business benefits from eBusiness technology and supply chain best practices.

PROSPECTS

Although Strategic Solutions comprises a small part of our company, its value add to the group is paramount and a prime differentiator for EOH. Strategic Solutions works at the boardroom level in client companies and is therefore also able to generate assignments for the other divisions.

eBusiness, even if only in the form of an ERP-system, is already a de facto requirement for companies in our target market, commerce and industry. Our expectation is that implementation of the newer systems such as APS, eCommerce and CRM will accelerate in the next year, simultaneously requiring integration with existing ERP-systems and making sure business processes and people expertise keep up with the momentous changes. The services of Strategic Solutions will be much in demand.

BUSINESS SYSTEMS

The division extended its service offering over the last year to provide implementation services around eCommerce, CRM and APS solutions in addition to ERP services. Services include project management, software configuration, program development, program modifications, software training and technical support. The main packages sold, implemented and supported are Baan, JDE, Impact, System 21, Appgen, Protean, CODA and i2.

SERVICES PROVIDED:

PROJECT MANAGEMENT

The service offers facilitation and change management, which are crucial for the successful implementation of business systems, using well-proven implementation methodologies.

SOFTWARE CONFIGURATION

Business Solutions employs personnel with many years of experience in the implementation of software solutions. Customers are advised on the configuration of the system modules and the underlying technical parameter, as well as the set up of data to ensure correct and effective system utilisation and performance.

PROGRAM DEVELOPMENT AND MODIFICATION

Additional functionality is developed and existing functionality is enhanced to suit the customer's needs, where the original application software does not fully meet the client's needs.

TRAINING

Successful implementation of a software solution is reliant upon the efficient transfer of application knowledge to the user. Training is geared to suit the client's needs, making use of those particular business procedures and work instructions developed when configuring the system.

During the period under review, performance for this division was outstanding with a number of implementation projects culminating in outsourcing contracts. Emphasis was placed on building resource skills to provide implementation support to customers implementing new economy software solutions. Partnerships with certain software vendors operating in this arena have been concluded and others are underway.

PROSPECTS

Companies are only starting to realise the value that the new economy solutions (eCommerce, CRM, APS) can bring in ensuring customer loyalty, improving customer retention and increasing customer profitability. These SBUs are well positioned to realise the maximum benefit for the customer by providing new economy solutions that are integrated with the back office solutions and are geared towards supply chain optimisation.

Ongoing service provision to the existing client base in terms of upgrades, modifications, re-implementations and retraining will continue to form an important component of the division's revenue stream.

OUTSOURCING SOLUTIONS

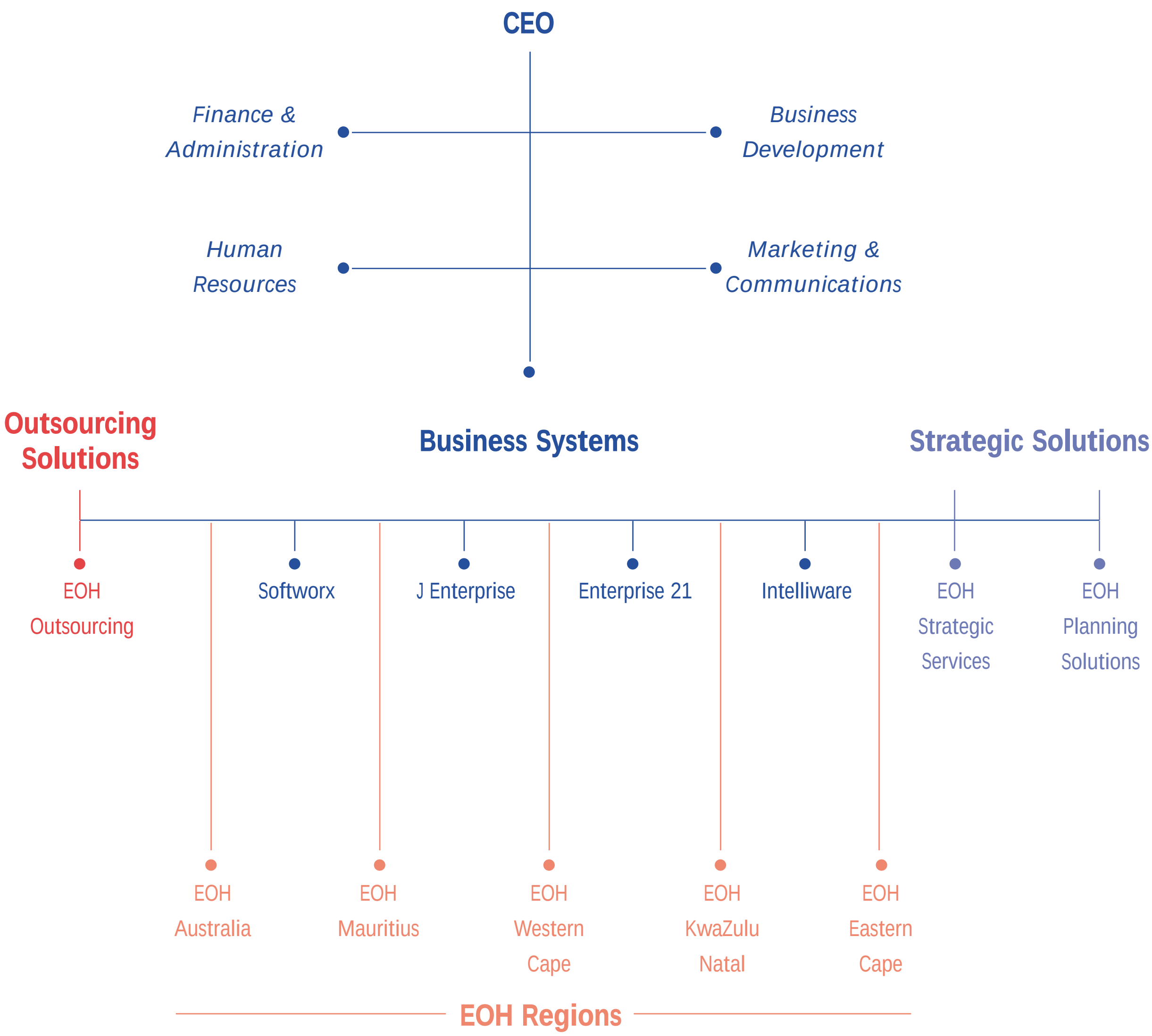
Outsourcing Solutions seeks to partner companies in the commercial and industrial sector who are concentrating their organisation's resources on their primary business focus, but at the same time requiring a professional, world class IT operation to support their competitive business strategies. This is achieved through the overall management and integration of software applications used, the server and/or desktop environments, through the design, installation and administration of both Wide Area (WAN) and Local Area (LAN) networking environments.

PROSPECTS

There is a growing local and worldwide trend to outsource IT services. Latest studies in South Africa indicate that 90% of enterprises in South Africa are considering outsourcing in one form or another. This move is driven primarily by the lack of skilled IT manpower, and the difficulty of retaining the existing few within a non-IT environment. Another contributing factor to this trend is the need for enterprises to refocus on core business activities. Furthermore, the continuous technological advancements in enterprise systems, such as eCommerce, Business Intelligence and Customer Relationship Systems, will further put pressure on enterprises to outsource their IT services.

As organisations in South Africa and Southern Africa continue to follow worldwide trends and outsource non-core business activities and the demand for limited technical skills increases, the future growth of IT outsourcing services is assured. Furthermore, through the comprehensive range of complementary service offerings available to existing and future outsourcing clients, EOH is strategically placed to capture a significant share of this market.

Group Structure



Directorate

Asher Bohbot (48) Chief Executive Officer *B.Sc. Industrial Engineering, MAP* Appointed 6 August 1998

Peter John Bartlett (48) Executive Director Appointed 6 August 1998

Antonio Cocciante (31) Financial Director *CA (SA)* Appointed 20 August 1999

Roedolf Jacobus du Toit (43) Executive Director *B.Eng. (Hons) (Industrial), MBA* Appointed 6 August 1998

Abré Pienaar (47) Executive Director *D. Eng., B. Sc., CFPIM* Appointed 6 August 1998

Robert Michael Maria Sporen (51) Executive Director *CPIM* Appointed 6 August 1998

Bernardus van den Berg (43) Executive Director *B. Eng. (Industrial)* Appointed 6 August 1998

Corporate Governance

The board of directors is committed to the concept and principles of effective corporate governance. The directors recognise the need for adherence to generally accepted corporate governance practice in all spheres of business activities.

THE BOARD OF DIRECTORS

Full details of the directorate are set out on page 6. The board meets regularly, retains full and effective control over the company and monitors executive management. All directors are entitled to seek independent and professional advice about the affairs of the group at the company's expense.

THE AUDIT COMMITTEE

The audit committee meets periodically with IAPA Johannesburg, the company's external auditors, to discuss accounting, auditing, internal control and financial reporting matters. The external auditors have unrestricted access to the audit committee.

DIRECTORS' EMOLUMENTS

Details of directors' emoluments are set out in the annual report. All employees of the group are eligible to participate in the share incentive scheme, details of which also appear in the annual report. The remuneration of all directors is approved by the remuneration committee which has been constituted. Certain directors have service contracts.

GOING CONCERN

The going concern basis has been adopted in preparing the annual financial statements. Based on forecasts and available cash resources, the directors have no reason to believe that the group will not continue as a going concern for the foreseeable future.

INTERNAL CONTROL

The directors report that the group's internal control and accounting systems are designed to:

- provide reasonable assurance as to the integrity and reliability of the financial information
- adequately safeguard, verify and maintain accountability of its revenue and assets
- prevent and detect fraud.

Management is responsible for implementing internal controls, ensuring that such controls are implemented by suitably qualified personnel with an appropriate segregation of duties.

An internal control review was conducted by the external auditors as part of the statutory audit during the period under review. Nothing came to the attention of the directors or arose from the review performed to indicate that any material breakdown in the functioning of these controls, procedures and systems had occurred. The review by the external firm of auditors will be conducted annually and the findings used to improve systems.

WORKER PARTICIPATION

The group has an established and well-recognised policy of encouraging employee involvement on a wide range of issues. Various participative structures are designed to achieve good employer/employee relationships through effective sharing of relevant information, consultation and the identification and resolution of conflict. The purpose is to ensure that all employees are afforded equal opportunity for reward and progress based on ability and merit.

EMPOWERMENT STRATEGY

The group is committed to a work environment free of racial and gender discrimination and has accelerated its affirmative action plans over the last year. Particular progress has been made in the areas of education, training and employee equity.

CODE OF ETHICS

All employees of the group are required to maintain the highest ethical standards in ensuring that the group's business practices are conducted in a manner which in all circumstances is above reproach. To this effect all employees are required to sign a "work life constitution" document. A culture involving the individual employee assuming personal responsibility for the actions of the business is encouraged, as is a culture of full disclosure.

Report of the Independent Auditors

To the members of

ENTERPRISE OUTSOURCING HOLDINGS LIMITED

We have audited the group annual financial statements set out on pages 10 to 27 for the year ended 31 JULY 2001. These financial statements are the responsibility of the company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

SCOPE

We conducted our audit in accordance with statements of South African Auditing Standards. These standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

We believe that our audit provides a reasonable basis for our opinion.

AUDIT OPINION

In our opinion, the financial statements fairly present, in all material respects, the financial position of the company and group at 31 JULY 2001 and the results of its operations and cash flows for the year ended in accordance with South African generally accepted accounting practice, and in the manner required by the Companies Act.

IAPA Johannesburg

IAPA JOHANNESBURG
Registered Accountants and Auditors
Chartered Accountants (SA)

Johannesburg
4 October 2001

Directors' Responsibility Statement

The directors are responsible for the preparation, integrity and fair presentation of the annual financial statements of Enterprise Outsourcing Holdings Limited and related information. The annual financial statements have been prepared in accordance with generally accepted accounting practice and in the manner required by the Companies Act. The group's independent auditors, IAPA Johannesburg, have audited the annual financial statements and their unqualified report appears on page 8.

The directors are also responsible for the systems of internal control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the annual financial statements, and to adequately safeguard, verify and maintain accountability of assets, as well as prevent and detect material misstatement and loss. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year.

The annual financial statements are prepared on a going concern basis. Nothing has come to the attention of the directors to indicate that the group will not remain a going concern for the foreseeable future.

The annual financial statements set out on pages 10 to 27 were approved by the board of directors on 4 October 2001 and are signed on its behalf by:

ASHER BOHBOT
Chief Executive Officer

ANTONIO COCCIANTE
Financial Director

CERTIFICATION BY THE COMPANY SECRETARY

In terms of section 268 6(d) of the Companies Act, 1972 as amended, I certify that to the best of my knowledge and belief, the Company and the group has lodged with the Registrar of Companies, for the financial year ended 31 July 2001, all such returns as are required of a public company in terms of the Companies Act and that all such returns are true, correct and up to date.

S MATHESON
Company Secretary

4 October 2001

Directors' Report

The directors have pleasure in submitting their report on the activities of the company and the group for the year ended 31 July 2001.

NATURE OF BUSINESS

Enterprise Outsourcing Holdings Limited ("EOH") is an IT Company listed on the Main Board, Industrial - Information Technology sector of the Johannesburg Securities Exchange South Africa ("JSE").

EOH is a business solutions provider creating lifelong information technology partnerships by developing IT strategies, supplying and implementing solutions and managing enterprise-wide business systems for medium to large clients.

EOH operates in the following three clusters of SBUs as a fully integrated business:

EOH Strategic Solutions – is the initial point of contact with EOH clients through IT strategy development, management consulting, IT-enabled business process re-engineering, software selection and Supply Chain Logistics education to support world-class enterprise systems.

Business Systems – Through a number of subsidiary companies, EOH is able to sell, implement and support a range of world-class business applications including ERP, CRM, Business Intelligence, Advanced Planning Systems and eCommerce.

EOH Outsourcing Solutions – involves comprehensive maintenance and support of the clients' IT infrastructure and applications through the offering of full IT outsourcing, Hosting and Application Service Provision (ASP).

EOH has presence in all major centres in South Africa, Australia and Mauritius.

TRADING RESULTS

The results of operations for the year ended 31 July 2001 are detailed in the accompanying table. Earnings attributable to ordinary shareholders amounted to R10,1 million representing earnings and headline earnings per share of 20,19 and 20,52 cents respectively. The group's operating income is attributable to its core business, namely enterprise solutions.

A summary of the group's trading results is set out below:

	Audited 2001	Audited 2000	Audited 1999
Income before interest and taxation (R'000)	**12 233**	10 693	7 663
Goodwill amortised	**(456)**	–	–
Income after taxation and attributable to ordinary shareholders (R'000)	**10 109**	8 073	5 892
Earnings per share (cents)	**20,19**	16,05	12,21
Headline earnings per share (cents)	**20,52**	16,05	12,21
Fully diluted earnings per share (cents)	**19,69**	15,55	11,69

GROUP'S FINANCIAL POSITION

The financial position of the company and group are set out in the balance sheet and cash flow statements.

DIVIDENDS

The present policy is not to declare or distribute dividends.

SHARE CAPITAL

During the financial year the authorised share capital has remained unchanged whilst the issued share capital has increased by 460 295 ordinary shares, which were issued to vendors for acquisitions at an average issue price of 235 cents per share. During the year 1 753 500 ordinary shares were repurchased by a wholly-owned subsidiary of EOH and will not be cancelled. These shares were disclosed as a reduction in the issued share capital of EOH.

At the year end, the shares of the company were held by the following categories of shareholders:

	July 2001 %	July 2000 %
Non-public		
– Directors	**56,9**	55,9
– The EOH Share Incentive Trust	**10,2**	13,1
– V55 Investments (Proprietary) Limited	**3,5**	–
Public	**29,4**	31,0
	100,0	100,0

According to the records of the company, the only shareholders registered as holding five per cent or more of the company's shares at 31 July 2001, other than directors, are the following:

	Number of shares	
	July 2001	July 2000
Standard Bank Nominees Tvl (Pty) Limited	**6 489 527**	5 437 841
ABSA Nominees (Pty) Limited	**3 758 833**	2 980 300
Nedcor Bank Nominees Limited	**1 170 500**	2 999 729
PSG Coronation Small Cap	**4 727 579**	–

INVESTMENTS IN SUBSIDIARY COMPANIES

Details of interests in subsidiaries, all of which are wholly owned except for Enterprise Outsourcing (Eastern Cape) (Proprietary) Limited and EOH Australia (Proprietary) Limited and with the principal business of Information Technology Consultants, are set out below:

	Issued capital	Cost of shares	
		2001	2000
DIRECT SUBSIDIARIES			
Enterprise Outsourcing (Proprietary) Limited (Formerly Enterprise Outsourcing Solutions (Proprietary) Limited)	100	**100**	100
Enterprise Logistics Solutions (Proprietary) Limited	100	**100**	100
Enterprise Implementation Solutions (Proprietary) Limited	300	**300**	300
Enterprise Outsourcing Solutions (Proprietary) Limited	100	**100**	100
Technolease (Proprietary) Limited (Formerly Enterprise Outsourcing Staff Holdings (Proprietary) Limited)	7 650	**7 650**	7 650
Enterprise Softworks (Proprietary) Limited	9 000	**1**	–
V55 Investments (Proprietary) Limited	100	**100**	–
EOH Australia (Proprietary) Limited	435	**348**	–
INDIRECT SUBSIDIARIES			
Enterprise Outsourcing (Western Cape) (Proprietary) Limited (Formerly Logman Logistics (Proprietary) Limited)	100	**100**	100
Enterprise Outsourcing (Eastern Cape) (Proprietary) Limited (Formerly Southern Innovations Import Export (Proprietary) Limited)	100	**70**	100
Enterprise Outsourcing KZN (Proprietary) Limited (Formerly Vebus Business Systems (Proprietary) Limited)	100	**100**	100
		8 969	8 550

Directors' Report

As at year end an amount of R10 555 000 was advanced by the holding company to Enterprise Outsourcing (Proprietary) Limited. There were no other loans advanced by the holding company to its direct or indirect subsidiaries. Refer note 5 to the annual financial statements for details.

ACQUISITION AND DISPOSAL

During the period under review EOH acquired 100% of the issued share capital of Enterprise Softworks (Proprietary) Limited for a total consideration of R1 million which was settled in cash.

During the period under review, 30% in Enterprise Outsourcing (Eastern Cape) (Proprietary) Limited was sold to the management team of Enterprise Outsourcing (Eastern Cape) (Proprietary) Limited for a profit of R288 174. The effective date of the transaction was 1 February 2001.

DIRECTORATE

The following directors served throughout the period:

Peter John Bartlett
Asher Bohbot
Antonio Cocciante
Roedolf Jacobus du Toit
Abré Pienaar
Robert Michael Maria Sporen (Dutch)
Bernardus ven den Berg

There were no changes in the composition of the board during the year.

DIRECTORS' INTEREST IN CONTRACTS

None of the directors and officers of the company had an interest in any contract of significance during the financial year.

DIRECTORS' INTEREST IN THE SHARE CAPITAL OF THE COMPANY

At 31 July 2001 the directors' direct and indirect interest in the company's issued shares were as follows:

	Beneficial		Non-beneficial	
	July 2001	July 2000	**July 2001**	July 2000
Ordinary shares				
– directly				
Bernardus van den Berg	**73 300**	409 100		
Roedolf Jacobus du Toit	**17 800**	500		
– indirectly				
Bernardus van den Berg	**2 787 891**	2 750 595		
Roedolf Jacobus du Toit	**2 787 891**	2 750 595		
Asher Bohbot	**13 364 634**	13 432 311	**18 000**	18 000
Robert Michael Maria Sporen	**3 506 421**	3 350 724	**30 000**	30 000
Abré Pienaar	**3 506 421**	3 350 724	**12 000**	12 000
Peter John Bartlett	**2 787 891**	2 750 595	**15 000**	15 000

All the above directors hold in excess of 1% of the shares of the company.

ORDINARY SHARES

No significant changes in the shareholding have taken place subsequent to year end.

SHARE OPTION SCHEME

The company has a share option scheme giving all directors and staff the opportunity to participate in the growth of the group. At 31 July 2001, 6 618 794 options had been granted but not exercised, at an average exercise price of 100 cents. Options must be exercised within ten years of award.

Under the terms of the current scheme up to 16% of the issued share capital is reserved for share options.

STRATE

EOH moved to the Share Transactions Totally Electronic ("STRATE") environment on 2 April 2001. Trading for electronic settlement commenced on 23 April 2001 and the first electronic settlement of EOH shares traded followed on 30 April 2001.

POST BALANCE SHEET EVENTS

Subsequent to the year end the group has acquired an interest in Intelliware (Proprietary) Limited and SA Computer Support Cape Town (Proprietary) Limited as well as negotiating an investment subject to regulatory approval in a Mauritius joint venture company.

Balance Sheet

at 31 July 2001

	Notes	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
ASSETS					
Non-current assets		**18 607**	7 459	**808**	801
Tangible assets	3	**2 153**	1 338	**–**	–
Intangible assets	4	**16 454**	6 121	**800**	800
Investments in subsidiary companies	5	**–**	–	**8**	1
Current assets		**43 650**	32 968	**11 561**	10 359
Inventories	6	**585**	173	**–**	–
Trade and other receivables	7	**18 191**	13 796	**1 006**	1 006
Inter-company loans	5	**–**	–	**10 555**	9 353
Cash and cash equivalents		**24 874**	18 999	**–**	–
Total assets		**62 257**	40 427	**12 369**	11 160
EQUITY AND LIABILITIES					
Capital and reserves		**29 466**	20 055	**12 186**	10 961
Issued capital	8	**489**	502	**507**	502
Share premium	8	**9 577**	10 262	**11 337**	10 262
Distributable reserves	9	**19 400**	9 291	**342**	197
Non-current liabilities		**943**	4 726	**70**	46
Amounts due to vendors	10	**50**	4 737	**–**	–
Interest bearing borrowings	11	**132**	59	**–**	–
Deferred tax	12	**761**	(70)	**70**	46
Current liabilities		**31 848**	15 646	**113**	153
Trade and other payables	13	**29 914**	12 124	**105**	95
Bank overdraft		**–**	329	**–**	–
Taxation		**1 934**	3 193	**8**	58
Total equity and liabilities		**62 257**	40 427	**12 369**	11 160

Income Statement

for the year ended 31 July 2001

		Group		Company	
		2001	2000	**2001**	2000
	Notes	**R'000**	R'000	**R'000**	R'000
Revenue	15	**84 094**	58 988	**190**	280
Profit before interest	16	**12 233**	10 693	**207**	272
Net interest received	18	**595**	860	**–**	–
Profit from operations before goodwill		**12 828**	11 553	**207**	272
Goodwill amortised		**(456)**	–	**–**	–
Profit from operations		**12 372**	11 553	**207**	272
Taxation	19	**2 263**	3 480	**62**	82
Net profit for the period		**10 109**	8 073	**145**	190
Number of shares in issue ('000)	20	**50 667**	50 207	**50 667**	50 207
Weighted average number of shares in issue ('000)	20	**50 072**	50 294	**50 072**	50 294
Earnings per ordinary share (cents)	20	**20,19**	16,05	**0,29**	0,38
Headline earnings per share (cents)	20	**20,52**	16,05	**0,29**	0,38
Fully diluted earnings per share (cents)	20	**19,69**	15,55	**0,28**	0,37

Statement of Changes in Equity

for the year ended 31 July 2001

Group – R'000	Issued capital	Share premium	Distributable reserves
Balance at 31 July 2000	502	10 262	9 291
Net profit for the period			10 109
Issue of share capital	5	1 074	
Share repurchase	(18)	(1 759)	
Balance at 31 July 2001	**489**	**9 577**	**19 400**

Company – R'000	Issued capital	Share premium	Distributable reserves
Balance at 31 July 2000	502	10 262	197
Net profit for the period			145
Issue of share capital	5	1 075	
Share repurchase			
Balance at 31 July 2001	**507**	**11 337**	**342**

Cash Flow Statement

for the year ended 31 July 2001

		Group		Company	
		2001	2000	**2001**	2000
	Notes	**R'000**	R'000	**R'000**	R'000
Cash flows from operating activities					
Cash generated by operations	27.1	**13 883**	11 243	**207**	272
Movements in working capital	27.2	**3 531**	2 094	**9**	(27)
Cash generated by operating activities		**17 414**	13 337	**216**	245
Net interest paid	18	**595**	860	**–**	–
Taxation paid	27.3	**(2 691)**	(2 894)	**(87)**	–
Net cash flows from operating activities		**15 318**	11 303	**129**	245
Cash flows from investing activities					
Additions of tangible assets	27.4	**(1 579)**	(1 276)	**–**	–
Movement in tradenames		**–**	(1 290)	**–**	–
Movement in goodwill		**(1 456)**	(3 354)	**–**	–
Project in progress		**(2 569)**	(3 156)	**–**	–
Movement in loan accounts of subsidiary		**–**	–	**(1 202)**	(741)
Movements in investments in subsidiaries		**(73)**	–	**(7)**	–
Movements in investments		**–**	15	**–**	–
Proceeds on disposal of 30% interest in Eastern Cape		**259**	–	**–**	–
Net cash flows from investing activities		**(5 418)**	(9 061)	**(1 209)**	(741)
Cash flows from financing activities					
Cash flow from outside shareholders		**29**	–	**–**	–
Long-term borrowings raised		**73**	59	**–**	–
Net proceeds from share issue	27.5	**1 079**	2 124	**1 080**	2 124
Amounts due to vendors		**(3 100)**	1 107	**–**	(1 628)
Share buyback		**(1 777)**	–	**–**	–
Net cash (outflow)/inflow from financing activities		**(3 696)**	3 290	**–**	496
Net movement in cash and cash equivalents for the period		**6 204**	5 532	**–**	–
Cash and cash equivalents at beginning of period		**18 670**	13 138	**–**	–
Cash and cash equivalents at end of period	27.6	**24 874**	18 670	**–**	–

1. ACCOUNTING POLICIES

The financial statements set out on pages 10 to 27 are prepared on the historical cost basis and incorporate the principal accounting policies set out below. These significant accounting policies conform with generally accepted accounting practice in South Africa and are consistent with those applied in the previous year.

The financial statements are prepared on a going concern basis.

1.1 BASIS OF CONSOLIDATION

The consolidated financial statements incorporate those of the company and its subsidiaries. The operating results of any subsidiaries acquired during the year are included from the effective date of control.

Subsidiaries are defined as those companies in which the group, either directly or indirectly, has more than one half of the voting rights, has the right to appoint more than half the board of directors or otherwise has the power to control the financial and operating activities of the entity.

At the date of acquisition of a subsidiary, the cost of the investment is allocated to the fair value of individual identifiable assets and liabilities.

Any remaining difference between the purchase price of shares in subsidiaries and net asset value is dealt with as follows:

– The excess of the purchase price over net asset value, was capitalised as goodwill and amortised over 20 years to distributable reserves during the current financial year.

Intergroup balances and transactions and the resulting unrealised profits have been eliminated.

1.2 INVESTMENTS

Long-term investments are classified as financial assets and are stated at cost, except where there is a decline in value that is other than temporary, in which case they are written down to fair value.

1.3 TANGIBLE ASSETS

Tangible assets are stated at historical cost less accumulated depreciation.

Depreciation is provided on all above assets, to write down the costs by equal instalments over their estimated lives, being five years.

Surpluses and losses on disposal of tangible assets are charged to the income statement.

1.4 INVENTORY

Inventory is valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and costs necessary to make the sale.

1.5 INTANGIBLE ASSETS

Goodwill represents the excess of the purchase consideration over the fair value of the assets and liabilities acquired.

Research and development costs are recognised as an expense when incurred, except for those development costs which relate to specific projects where the costs are likely to be recovered from selling the products or services arising from the projects.

The carrying amounts of all intangibles are reviewed annually and written down for any permanent impairment.

1.6 FINANCIAL INSTRUMENTS

Financial instruments recognised on the balance sheet include cash and cash equivalents, trade receivables and trade payables.

1.7 DEFERRED TAXATION

Deferred tax is provided on the comprehensive basis using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts on the balance sheet. Current tax rates are used to determine the deferred tax balance.

1.8 PROVISIONS

Provisions are recognised where the group has a present legal or constructive obligation as a result of a past event, a reliable estimate of the obligation can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

1.9 REVENUE RECOGNITION

Revenue is defined as fees charged for enterprise solutions, and excludes value added tax.

1.10 POST RETIREMENT BENEFITS

There are no post retirement benefits due to current and retired employees.

Defined contribution plans

Contributions in respect of defined contribution plans are recognised as an expense in the year to which they relate.

1.11 COMPARATIVES

Where necessary, comparative figures have been adjusted to allow for more meaningful comparison.

2. DEFINITIONS

2.1 CASH AND CASH EQUIVALENTS

The cash and cash equivalents amounts disclosed in the cash flow statement comprise cash on hand, deposits held on call with banks and highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant changes in value, net of bank overdrafts.

Bank overdrafts have been disclosed separately with current liabilities in the balance sheet.

	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
3. TANGIBLE ASSETS				
Cost	**3 606**	2 027	**–**	–
Computers	**2 567**	1 352	**–**	–
Furniture, equipment and vehicles	**1 039**	675	**–**	–
Accumulated depreciation	**1 453**	689	**–**	–
Computers	**1 153**	443	**–**	–
Furniture, equipment and vehicles	**300**	246	**–**	–
Net carrying value	**2 153**	1 338	**–**	–
Computers	**1 414**	909	**–**	–
Furniture, equipment and vehicles	**739**	429	**–**	–
3.1 Analysis of movements				
Net carrying value at beginning of the year	**1 338**	612	**–**	–
Additions	**1 579**	1 276	**–**	–
Computers	**1 215**	1 006	**–**	–
Furniture, equipment and vehicles	**364**	270	**–**	–
Depreciation	**764**	550	**–**	–
Computers	**710**	394	**–**	–
Furniture, equipment and vehicles	**54**	156	**–**	–
Net carrying value at end of the year	**2 153**	1 338	**–**	–
4. INTANGIBLE ASSETS				
Tradenames at cost	**2 690**	2 690	**800**	800
Goodwill	**8 671**	275	**–**	–
Project in progress	**5 093**	3 156	**–**	–
Intangible assets	**16 454**	6 121	**800**	800
Directors' valuation of tradenames	**2 690**	2 690	**800**	800
Tradenames include trademarks and tradenames.				
5. INVESTMENT IN SUBSIDIARIES				
Shares at cost			**8**	1
Loan accounts – receivable			**10 555**	9 353
			10 563	9 354
6. INVENTORIES				
Merchandise purchased for resale	**50**	173	**–**	–
Work in progress	**535**	–	**–**	–
	585	173	**–**	–

	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
7. TRADE AND OTHER RECEIVABLES				
Trade receivables	**15 532**	12 117	**–**	–
Other receivables	**1 373**	1 357	**600**	684
The EOH Share Incentive Trust	**1 286**	322	**406**	322
	18 191	13 796	**1 006**	1 006
Included in other receivables				
Loans to directors and managers	**–**	50	**–**	–
	–	50	**–**	–

The following loans have been made to managers:

	Balance 1 August 2000	Advanced during year	Repaid during year	**Balance 31 July 2001**
Heidi van Staden	25	–	(25)	**–**
Martin van Staden	25	–	(25)	**–**
	50	–	(50)	**–**

	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
8. SHARE CAPITAL AND PREMIUM				
Share capital				
Authorised				
100 000 000 ordinary shares of 1 cent each	**1 000**	1 000	**1 000**	1 000
Issued				
50 667 356 (2000: 50 207 061) ordinary shares of 1 cent each	**489**	502	**507**	502
Balance at beginning of year	**502**	492	**502**	492
Issued during current year	**5**	10	**5**	10
Share repurchase	**(18)**	–	**–**	–
Balance at end of year	**489**	502	**507**	502
Share premium				
Balance at beginning of year	**10 262**	8 148	**10 262**	8 148
Issued during current year	**1 074**	2 114	**1 075**	2 114
Share repurchase	**(1 759)**	–	**–**	–
Balance at end of year	**9 577**	10 262	**11 337**	10 262
Total share capital and premium	**10 066**	10 764	**11 844**	10 764

The balance of the unissued ordinary shares are under the control of the directors until the next general meeting, subject to the provisions of Section 221 of the Companies Act and the requirements of the Johannesburg Securities Exchange SA.

Further details regarding the issue of shares and share options granted to employees are set out in the directors' report.

	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
9. DISTRIBUTABLE RESERVES				
Balance at beginning of year	**9 291**	5 892	**197**	47
Retained profit for the year	**10 109**	8 073	**145**	190
Goodwill written off	**–**	(4 674)	**–**	(40)
Balance at end of year	**19 400**	9 291	**342**	197
10. AMOUNTS DUE TO VENDORS				
Amounts due to vendors	**50**	4 737	**–**	–
The amounts due to vendors represent purchase consideration owing in respect of acquisitions and will be settled through the issue of shares or cash resources when the relevant profit warranties have been fulfilled. The amounts owing are interest free and will be settled within a year.				
11. INTEREST BEARING BORROWINGS				
Short-term borrowings	**132**	59	**–**	–
	132	59	**–**	–
12. DEFERRED TAXATION				
Deferred tax assets	**–**	(395)	**–**	–
Deferred tax liabilities	**761**	325	**70**	46
	761	(70)	**70**	46

The balance of deferred tax is made up as follows:

Group R'000	Balance 1 July 2000	Charged through income	**Balance 31 July 2001**
Deferred tax (assets)/liabilities			
Provisions	(395)	960	**565**
Trademark write-off	113	79	**192**
Pre-payment	212	(208)	**4**
	(70)	831	**761**

Company R'000	Balance 1 July 2000	Charged through income	**Balance 31 July 2001**
Deferred tax (assets)/liabilities			
Trademark write-off	46	24	**70**
	46	24	**70**

Net deferred tax liability

Deferred tax assets and liabilities are only offset when the income tax relates to the same legal entity or fiscal authority.

	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
Movement in deferred tax can be analysed as follows:				
Balance beginning of year	**(70)**	54	**46**	22
Charged through income statement	**831**	(124)	**24**	24
Balance at end of year	**761**	(70)	**70**	46

	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
13. TRADE AND OTHER PAYABLES				
Trade payables	**2 337**	1 488	**–**	–
Other payables	**9 483**	3 647	**–**	–
Deferred revenue	**18 094**	6 989	**105**	95
	29 914	12 124	**105**	95
14. CAPITAL COMMITMENTS				
14.1 Commitments in respect of capital expenditure				
Approved by directors				
– contracted for	**–**	–	**–**	–
– not contracted for	**4 000**	3 500	**–**	–
	4 000	3 500	**–**	–
This expenditure will be financed from cash generated from normal business operations.				
14.2 Operating leases				
Future lease charges for premises, equipment and office furniture				
– payable within one year	**861**	1 223	**–**	–
– payable between one and five years	**2 672**	3 357	**–**	–
– payable thereafter	**76**	–	**–**	–
	3 609	4 580	**–**	–
15. REVENUE				
Revenue represents sale of goods and fees charged for enterprise solutions, and excludes value added tax and inter-company sales.				
Revenue comprises				
Sale of goods	**6 675**	10 908	**–**	–
Fees received	**77 419**	48 080	**–**	–
Income from subsidiaries – management fee	**–**	–	**190**	280
	84 094	58 988	**190**	280

	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
16. PROFIT FROM OPERATIONS				
The operating profit is stated after:				
Expenses				
Auditors' remuneration				
– audit fee	**163**	171	**5**	5
– accounting services	**–**	108	**–**	–
– expenses	**–**	21	**–**	–
	163	300	**5**	5
Depreciation				
– computers	710	394	**–**	–
– furniture, equipment and vehicles	54	156	**–**	–
	764	550	**–**	–
Personnel remuneration	26 752	18 940	**–**	–
Provident fund contribution	1 947	1 607	**–**	–
17. DIRECTORS' EMOLUMENTS				
Directors' emoluments paid by subsidiary				
Executive directors				
– remuneration	**4 550**	2 830	**–**	–
– contributions to provident fund	**195**	172	**–**	–
– gains made on exercise of share options	**–**	–	**–**	–
– other benefits	**–**	147	**–**	–
Total directors' emoluments	**4 745**	3 149	**–**	–
There are no non-executive directors represented on the board of directors.				
18. NET INTEREST RECEIVED				
Interest received	**1 385**	1 136	**–**	–
Interest paid	**(790)**	(276)	**–**	–
	595	860	**–**	–

	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
19. TAXATION				
South African normal tax				
– current	**1 432**	3 604	**38**	58
– attributable to temporary differences arising in the current year	**831**	(124)	**24**	24
	2 263	3 480	**62**	82
Reconciliation of tax rate	**%**	%	**%**	%
Standard tax rate	**30,0**	30,0	**30,0**	30,0
Adjusted for:				
Disallowable expenditure/(capital profit)	**1,4**	0,4	**–**	–
Utilisation of assessed loss	**(13,1)**	–	**–**	–
	18,3	30,4	**30,0**	30,0
20. EARNINGS PER SHARE				
Basic earnings per share				
The calculation is based on earnings of R10 108 657 (2000: R 8 072 482) and on the weighted average of 50 071 898 ordinary shares in issue during the year (2000: 50 293 973).	**20,19**	16,05	**0,29**	0,38
Headline earnings per share				
Headline earnings per share has been assessed in terms of AC306. No significant profits and losses of a capital nature occurred during the prior year which would require a headline earnings adjustment.				
The calculation is based on earnings of R10 276 784 (2000: R 8 072 482) and on the weighted average of 50 071 898 ordinary shares in issue during the year (2000: 50 293 973).	**20,52**	16,05	**0,29**	0,38
Fully diluted basis				
This is calculated on the assumption that the options granted were exercised. This calculation is based on earnings of R10 108 657 (2000: R 8 072 482) and on the weighted average of 51 334 424 (2000: 51 912 997) ordinary shares in issue during the year.	**19,69**	15,55	**0,28**	0,37

21. SEGMENTAL REPORTING

An analysis of the business units and geographical split of the company revealed that the business operations are closely integrated and all revenue is generated in South Africa, therefore, a segmental analysis will be of no benefit.

22. CONTINGENT LIABILITIES

There are claims from customers/suppliers relating to claims prior to acquisition of a subsidiary. The directors are of the opinion that these claims are not valid and that the company has a counter-claim against the vendor in respect of these claims.

23. RETIREMENT BENEFIT INFORMATION

The group continues to contribute to a defined contribution plan. This fund is registered under and governed by the Pension Funds Act, 1956 as amended. Substantially all of the group's employees belong to the fund. All members pay a contribution to the fund and the group makes a similar contribution.

24. POST BALANCE SHEET EVENTS

Subsequent to the year end the group has acquired an interest in Intelliware (Proprietary) Limited and SA Computer Support Cape Town (Proprietary) Limited as well as negotiating an investment subject to regulatory approval in a Mauritius joint venture company.

25. FINANCIAL INSTRUMENTS

Credit risk management

The group only deposits cash surpluses with major banks of high quality credit standing.

Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis.

At year end, the group did not consider there to be any significant concentration of credit risk which has not been adequately provided for.

Interest rate risk

The group adopts a policy of ensuring that its borrowings are at market related rates to address its interest rate risk.

Liquidity risk

The group has minimised its illiquidity risk by ensuring that it has adequate banking facilities and reserve borrowing capacity.

Fair values

The fair values of all financial instruments are substantially identical to the carrying value reflected in the balance sheet.

26. RELATED PARTIES

Related parties exist between the group, fellow subsidiaries and the holding company. All purchasing and selling transactions with related parties are concluded at arm's length.

	Group		Company	
	2001	2000	**2001**	2000
	R'000	R'000	**R'000**	R'000

27. NOTES TO CASH FLOW STATEMENTS

27.1 Cash generated by operations

	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
Profit before taxation	**12 372**	11 553	**207**	272
Adjustments				
Net interest received	**(595)**	(860)	**–**	–
Depreciation	**1 307**	550	**–**	–
Projects written off	**631**	–	**–**	–
Capital profit	**(288)**	–	**–**	–
Goodwill written off	**456**	–	**–**	–
	13 883	11 243	**207**	272

27.2 Movements in working capital

	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
Increase in inventories	**(412)**	(168)	**–**	–
Decrease/(increase) in trade and other receivables	**1 501**	(6 246)	**–**	–
Increase/(decrease) in trade and other payables	**2 442**	8 508	**9**	(27)
	3 531	2 094	**9**	(27)

27.3 Taxation paid

	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
Amounts owing at the beginning of the year	**3 193**	2 483	**58**	–
Amount charged per the income statement				
excluding deferred taxation	**1 432**	3 604	**38**	58
Amounts unpaid at the end of the year	**(1 934)**	(3 193)	**(9)**	(58)
Amounts paid	**2 691**	2 894	**87**	–

27.4 Additions to tangible assets

	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
Computers	1 215	1 006	**–**	–
Furniture, equipment and vehicles	364	270	**–**	–
	1 579	1 276	**–**	–

27.5 Net proceeds from share issue

	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
Ordinary shares issued including share premium	**1 079**	2 124	**1 080**	2 124
	1 079	2 124	**1 080**	2 124

27.6 Cash and cash equivalents at end of period

	Group 2001 R'000	Group 2000 R'000	Company 2001 R'000	Company 2000 R'000
Cash on hand	**24 874**	18 999	**–**	–
Bank overdrafts	**–**	(329)	**–**	–
	24 874	18 670	**–**	–

Notice is hereby given that the third annual general meeting of shareholders of Enterprise Outsourcing Holdings Limited will be held in the boardroom of the company, Ground Floor, Block F, Gillooly's View, 1 Osborne Road, Bedfordview on 23 January 2002 at 10:00.

The following business will be dealt with at the annual general meeting of shareholders:

to receive and consider the annual financial statements for the year ended 31 July 2001

to transact such other business as may be transacted at any ordinary general meeting

to consider and, if deemed fit, pass the following ordinary and special resolutions:

Ordinary Resolution Number 1

"Resolved that, in terms of this ordinary resolution number 1, all of the unissued ordinary shares in the capital of the company are hereby placed under the control of the directors of the company as a general authority, in terms of section 221 (2) of the Companies Act 1973, (Act 6 of 1973), as amended ("the Act"), for allotment and issue from time to time to such persons and in such manner as the directors of the company may determine with the provisions of the Act, the company's articles of association and the Listing Requirements of the JSE, until such time as the authority lapses in terms of the Act."

Ordinary Resolution Number 2

"Resolved that, the directors be given the general authority to issue new ordinary shares of 1 cent each for cash when suitable situations arise, subject to the Listings Requirements of the JSE and to the following limitations, that:

- this authority shall be valid until the next annual general meeting of the company (provided it shall not extend beyond 15 months)
- a paid press announcement giving full details, including the impact on net asset value and earnings per share, be published at the time of any issue representing, on a cumulative basis within one year, 5% or more of the number of ordinary shares in issue prior to the issues
- issues in the aggregate in any one year will not exceed 10% of the number of ordinary shares in the company's issued share capital and provided further that such issues shall not in aggregate in any three-year period exceed 15% of the company's issued share capital
- the issue must be made to public shareholders as defined by the JSE
- in determining the price at which an issue of shares will be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price as determined over the 30 days prior to the date that the price of the issue is determined or agreed to by the directors of the company."

Special Resolution Number 1

"Resolved that the company or a subsidiary be and is hereby authorised, by way of a general authority, to acquire shares issued by the company in terms of sections 85 and 89 of the Act, and in terms of the rules and requirements of the JSE, being that:

- any such acquisition of ordinary shares shall be implemented on the open market of the JSE;
- this general authority shall only be valid until the company's next annual general meeting, provided that it shall not extend beyond fifteen months from the date of passing of this special resolution;
- when the company has cumulatively repurchased 3% of the number of a class of shares in issue on the date of passing of this special resolution ("the initial number"), and for each 3% in aggregate of the initial number of that class of shares acquired thereafter, an announcement must be published as soon as possible and not later than 08:30 on the business day following the day on which the relevant threshold is reached or exceeded, and the announcement must comply with the JSE's listing requirements;
- in determining the price at which ordinary shares issued by the company are acquired by it or its subsidiary in terms of this general authority, the maximum premium at which such shares may be acquired will be 10% of the weighted average of the market value for such shares for the five business days immediately preceding the date of repurchase of such shares;

- any general repurchase by the company of its own shares shall not, in aggregate in any one financial year, exceed 20% of the company's issued share capital of that class as at the date of passing this special resolution."

The reason for and effect of the special resolution is to grant the company a general approval in terms of the Act for the acquisition of shares of the company. Such general authority will provide the board with the flexibility, subject to the requirements of the Act and the JSE, to repurchase shares should it be in the interests of the company at any time while the general authority exists. This general approval shall be valid until the earlier of the next Annual General Meeting of the company, or its variation or revocation of such general authority by special resolution by any subsequent general meeting of the company. Provided that the general authority shall not extend beyond fifteen months from the date of passing of this resolution.

The directors have agreed that acquisitions in the aggregate in any one financial year may not exceed 20% of the company's ordinary issued share capital at the date of passing of this resolution and is of the opinion that such power will not result in:

- the company in the ordinary course of business being unable to pay its debts for a period of 12 months after the date of this notice of Annual General Meeting;
- the liabilities of the company exceeding the assets of the company, calculated in accordance with the generally accepted accounting policies used in the audited financial statements for the period ended 31 July 2001;
- the ordinary capital and reserves of the company for a period of 12 months after the date of the notice of Annual General Meeting being materially affected; and
- the working capital of the company for a period of 12 months after the date of the notice of Annual General Meeting being materially affected.

Corporate Information

Business Address & Registered Office

Ground Floor, Block F
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South Africa
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Fax: (011) 616-9929
http://www.eoh.co.za

Company Registration

Registration Number 1998/014669/06

Corporate Banker (1)

Standard Bank of South Africa Limited
Orange Grove Branch
(Registration Number 1962/000738/06)
69 Louis Botha Avenue
Orange Grove, 2192
PO Box 46001, Orange Grove, 2119

Corporate Banker (2)

ABSA
Corporate Bank
21st Floor, Sanlam Centre
cnr Jeppe and Von Wielligh Streets
Johannesburg, 2001
PO Box 1932, Johannesburg, 2000

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IAPA Johannesburg (Chartered Accountants (SA))
Ground Floor, Autoparks House
13 Park Crescent
Glenhazel
Johannesburg, 2001
PO Box 787, Highlands North, 2037

Transfer Secretary

Computershare Services Limited
(Registration Number 1958/003546/06)
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Johannesburg, 2001
PO Box 61051, Marshalltown, 2107

Company Secretary

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PO Box 2585, Johannesburg, 2000

Sponsor and Corporate Advisor

BOE Securities (Proprietary) Limited
(Registration Number 1996/015589/07)
5th Floor, Stock Exchange
Diagonal Street
Johannesburg, 2001
PO Box 61346, Marshalltown, 2107

Shareholders' Diary

July 2001	Financial year-end
October 2001	Preliminary press announcement
December 2001	Annual report publication
January 2002	Annual general meeting
April 2002	Interim press announcement

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Proxy Form

Enterprise Outsourcing Holdings Limited

(Registration number 1998/014669/06)

For use by members at the annual general meeting of shareholders of the company to be held at 10h00 on 23 January 2002 or any adjournment thereof ("the annual general meeting") in the boardroom of the company, Ground Floor, Block F, Gillooly's View, 1 Osborne Lane, Bedfordview.

I/We (Name in full) ______________________________

of ______________________________

Being the holder(s) of [   ] ordinary shares in the company, hereby appoint

1. ______________________________ or failing him/her,

2. ______________________________ or failing him/her,

3. the chairman of the annual general meeting,

as my/our proxy to act for me/us on my/our behalf at the second annual general meeting which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment thereof; and to vote for and/or against the resolutions and/or abstain from voting in respect of the ordinary shares registered in my/our name(s), in accordance with the following instructions (see note 2):

Number of votes (one vote per ordinary share)

	In favour of	Against	Abstain
1. Approval of annual financial statements			
2. Ordinary resolution 1			
3. Ordinary resolution 2			
4. Special resolution 1			

Signed at ______________________ on ______________________ 2002

Signature ______________________________

Assisted by me (where applicable) ______________________________

Each member is entitled to appoint one or more proxies (who need not be a member of the company) to attend, speak and, on a poll, vote in place of that member at the general meeting.

Please read the notes on the reverse side hereof.

Notes to Proxy Form

1. A member may insert the name of a proxy or the names of two alternative proxies of the member's choice in the space(s) provided, with or without deleting "the chairman of the general meeting". The person whose name stands first on the form of proxy and who is present at the general meeting will be entitled to act as proxy to the exclusion of those whose names follow.

2. A member's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that member in the appropriate box provided. Failure to comply with the above will be deemed to authorise the chairman of the general meeting, if he is the authorised proxy, to vote in favour of the resolution at the general meeting, or any other proxy to vote or to abstain from voting at the general meeting as he/she deems fit, in respect of all the member's votes exercisable at that meeting.

3. A member or his/her proxy is not obliged to vote in respect of all the ordinary shares held or represented by him but the total number of votes for or against the resolution and in respect of which any abstention is recorded may not exceed the total number of votes to which the member or his/her proxy is entitled.

4. Forms of proxy must be lodged with or posted to the company's transfer secretaries, Computershare Services Limited, 2nd Floor, Edura House, 41 Fox Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received by them by not later than 10h00 on 30 January 2001.

5. The completion and lodging of this form of proxy will not preclude the relevant member from attending the general meeting and speaking and voting in person at the meeting to the exclusion of any proxy appointed in terms hereof should such member wish to do so.

6. Any alterations or corrections made to this form of proxy must be initialled by the signatory(ies).

7. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company's transfer secretaries or waived by the chairman of the general meeting.

8. The chairman of the general meeting may reject or accept any form of proxy which is completed and/or received other than in accordance with these instructions, provided that he is satisfied as to the manner in which a member wishes to vote.