iOCO TECHNOLOGY GROUP

# ANNUAL FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 JULY 2026



# CONTENTS

## Statutory reports


| | |
|---|---|
| Directors' responsibility statement | 1 |
| Chief Executive Officer and Chief Financial Officer responsibility statement | 2 |
| Report of the Company Secretary | 3 |
| Directors' approval of the consolidated and separate financial statements | 3 |
| Audit and Risk Committee's report | 4 |
| Directors' report | 7 |
| Independent Auditor's report | 8 |


## Consolidated financial statements


| | |
|---|---|
| Consolidated statement of financial position | 14 |
| Consolidated statement of profit or loss and other comprehensive income | 15 |
| Consolidated statement of changes in equity | 16 |
| Consolidated statement of cash flows | 17 |
| Consolidated segment results | 18 |
| Notes to the consolidated financial statements | 21 |


## LEVEL OF ASSURANCE

These consolidated and separate financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008 of South Africa.

## Separate financial statements


| | |
|---|---|
| Separate statement of financial position | 81 |
| Separate statement of profit or loss and other comprehensive income | 82 |
| Separate statement of changes in equity | 83 |
| Separate statement of cash flows | 84 |
| Notes to the separate financial statements | 85 |


## Annexures


| | |
|---|---|
| Annexure 1 – Group operating entities | 93 |
| Annexure 2 – Shareholders' analysis | 95 |
| Annexure 3 – Shareholders' diary | 97 |
| Annexure 4 – Corporate information | 98 |


For easy navigation and cross-referencing, we have included the following icons within this report:

**Information available on our website**

**Information available elsewhere in this report**


**Registered address**
Waterfall Office Park, 2 Augrabies Road,
Midrand, Gauteng, 1685
Telephone: +27 (0)11 607 8100

https://ioco.tech

# Directors' responsibility statement

The directors are responsible for the preparation and fair presentation of the financial statements of iOCO Limited (formerly EOH Holdings Limited) (iOCO or the Company) and its subsidiaries (together the Group), comprising the consolidated and separate statements of financial position at 31 July 2026, and the consolidated and separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with the IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) and the requirements of the Companies Act 71 of 2008 of South Africa (the Companies Act).

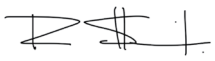
In terms of the Companies Act, the directors are required to prepare financial statements that fairly present the state of affairs and business of the Group and Company at the end of the financial year and the profit for that year. The consolidated and separate financial statements for the year ended 31 July 2026 are prepared in accordance with IFRS Accounting Standards as issued by the IASB, IFRS Interpretations Committee, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the Companies Act, and incorporate transparent and responsible disclosure, together with appropriate accounting policies. These consolidated and separate financial statements were compiled under the supervision of Ashona Kooblall, CA(SA), the Group Chief Financial Officer (CFO).

The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management, as well as the preparation of the supplementary schedules included in these financial statements.

These consolidated and separate financial statements have been audited in compliance with the requirements of the Companies Act. The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with IFRS Accounting Standards.

The directors assessed the ability of the Group and Company to continue as a going concern and believe that the Group and Company have adequate resources to continue in operation for the foreseeable future. Accordingly, these consolidated and separate financial statements have been prepared on a going concern basis.

The directors of the Company are responsible for the controls over, and the security of the website and, where applicable, for establishing and controlling the process for electronically distributing annual reports and other financial information to shareholders and to the Companies and Intellectual Property Commission.



**Rhys Summerton**
*Group Chief Executive Officer*

12 October 2026



**Ashona Kooblall**
*Group Chief Financial Officer*

12 October 2026

# Chief Executive Officer and Chief Financial Officer responsibility statement

Each of the directors, whose names are stated below, hereby confirms that:

(a) The annual financial statements set out on pages 1 to 98 fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of the IFRS Accounting Standards

(b) To the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading

(c) Internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer

(d) The internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as Executive Directors with primary responsibility for implementation and execution of controls

(e) Where we are not satisfied, we have disclosed to the Audit Committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies

(f) We are not aware of any fraud involving directors.

**Rhys Summerton**
*Group Chief Executive Officer*
12 October 2026

**Ashona Kooblall**
*Group Chief Financial Officer*
12 October 2026

# Report of the Company Secretary

In terms of section 88(2)(e) of the Companies Act, I certify that, to the best of my knowledge and belief, the Company has lodged with the Companies and Intellectual Property Commission all such returns and notices as are required of a public company in terms of the Companies Act in respect of the financial year ended 31 July 2026 and that all such returns and notices are true, correct and up to date.

**Anisha Naidoo Umichand**
*Company Secretary*

12 October 2026

# Directors' approval of the consolidated and separate financial statements

The consolidated and separate financial statements have been compiled under the supervision of Ashona Kooblall CA(SA), the Group Chief Financial Officer.

The consolidated and separate financial statements were approved and authorised by the Board of Directors on 12 October 2026 and signed on its behalf by:

**Jabu Moleketi**
*Chairman*

12 October 2026

**Rhys Summerton**
*Group Chief Executive Officer*

12 October 2026

# Audit and Risk Committee's report

FOR THE YEAR ENDED 31 JULY 2026

## COMMITTEE COMPOSITION

For the year under review, the ARC comprised the following Independent Non-executive Directors:

- Nompumelelo Mokou (Chairperson of the ARC)
- Lerato Pule (appointed with effect from 4 December 2025)
- Andrew Marshall
- Veronica Motloutsi (resigned with effect from 3 December 2025).

The ARC is pleased to submit its report for the year ended 31 July 2026, which has been approved by the Board. This report has been prepared in compliance with section 94(7)(f) of the Companies Act and in accordance with the mandate given by the Board.

The Board is satisfied that the members of the ARC have the necessary skills and experience to enable the ARC to fulfil its duties.

The re-appointment of ARC members will be subject to approval by shareholders at the next annual general meeting (AGM) to be held on Wednesday, 18 November 2026. The biographies of the directors who have made themselves available for re-election to the ARC can be viewed in the AGM notice.

## COMMITTEE PURPOSE

The main role of the ARC is to provide independent oversight of:

- The integrity of the annual financial statements and other external reports issued by the Company
- The effectiveness of the organisation's assurance services and functions, particularly focusing on combined assurance arrangements, the finance function and external assurance service providers.

## TERMS OF REFERENCE

The ARC terms of reference, which were approved by the Board in 2026, remained unchanged and are aligned with the King IV Report on Corporate Governance™ for South Africa, 2016 (King IV*).

## MEETINGS

Four meetings of the ARC were held during the year under review.

The Chairman of the Board, the Group Chief Executive Officer, the Group Chief Financial Officer, the Company Secretary and other members of senior management, as required, attend ARC meetings by invitation but have no voting rights.

Similarly, external auditors attend ARC meetings by invitation but have no voting rights.

The Chairperson of the ARC reports to the Board at all Board meetings on the activities and recommendations of the ARC.

The Chairperson of the ARC periodically met separately with the external auditor without members of executive management being present.

## INDEPENDENCE OF THE EXTERNAL AUDITOR

The ARC confirms that it has assessed the suitability for appointment of the external auditor and the designated audit partner. The ARC has satisfied itself on the qualification and experience of the external auditor and is satisfied with the quality and level of the work performed.

## FINANCIAL REPORTING

The ARC reviewed the Group's interim and annual consolidated financial statements, culminating in a recommendation to the Board to approve them. The review of the results included ensuring compliance with IFRS Accounting Standards and the acceptability of the Group's accounting policies. This includes the appropriate disclosures in the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and interpretations as issued by the IFRS Interpretations Committee (IFRIC), and comply with the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee (APC), Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the JSE Listings Requirements and the requirements of the Companies Act. The ARC confirms that the Group has established appropriate financial reporting procedures and that these procedures are operating effectively.

## EXPERTISE AND EXPERIENCE OF GROUP CHIEF FINANCIAL OFFICER AND FINANCE FUNCTION

The ARC reviewed the performance and expertise of Ashona Kooblall and confirmed her suitability to hold office as Group Chief Financial Officer in terms of the JSE Listings Requirements. The ARC has also considered and has satisfied itself of the appropriateness of the expertise and experience of the finance function and adequacy of resources employed in this function.

* *Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.*

# Audit and Risk Committee's report continued

FOR THE YEAR ENDED 31 JULY 2026

## PROGRESS ON 2026 FOCUS AREAS

The committee's key focus areas for the 2026 financial year included:

| Key focus area | Response |
|---|---|
| Compliance with regulatory requirements, including JSE Listings Requirements, technical IFRS Accounting Standards and SARS requirements | The Group has obtained an unqualified audit opinion for the seventh consecutive year, highlighting compliance commitment. Group tax exposures were reviewed as detailed on the Group tax risk register and assessments were carried out to ensure the continued appropriateness of the Group tax policies. The ARC has reviewed technical IFRS Accounting Standards papers prepared. |
| Effectiveness of entity-level controls across the various levels of the organisation | The ARC has relied on various entity-level controls across the organisation to maintain strong governance throughout the Group. The ARC is satisfied that the organisation's internal controls and governance processes, including the revised delegation of authority and strongpoint processes in the ERP, have been effective. Internal reporting is submitted to the ARC on the effectiveness of entity-level controls, and these were reviewed and discussed at the ARC meetings and, where appropriate, recommendations were made to the Board. |
| Internal control environment and external audit reliance | Entity-level controls exist at various levels of the organisation as reviewed at the end of each quarter. Management has worked continuously to improve and maintain the internal control environment through the implementation of ongoing monitoring and review processes. The external auditors were reappointed for the current financial year. |

## EXTERNAL AUDIT: KEY AUDIT MATTERS

### Impairment assessment of goodwill arising from business combinations

The Group has recognised a significant amount of goodwill from historical and current business combinations, which is tested at least annually for impairment. Details of the impairment assessment considerations and impairments recognised can be found in note 7 of the consolidated financial statements. The ARC is satisfied that management has assessed goodwill for impairment and recognised any impairment losses thereto per IAS 36 *Impairment of Assets* requirements and this is supported by the external auditor who noted no material exceptions in this regard.

### Expected credit losses relating to loans advanced to Group companies (Company)

Loans to Group companies represent a substantial amount of the total assets of the Company. Details and amounts of the loans to Group companies can be found in notes 2 and 11 of the separate financial statements. Management individually assessed the loans to Group companies on a forward-looking basis for expected credit losses (ECLs) using the general approach under IFRS 9 *Financial Instruments*. The ARC is satisfied that management has applied appropriate judgement in the determination of these impairment assessments and this is supported by the external auditor who noted no material exceptions in this regard.

## FOCUS AREAS FOR 2027

To ensure continuity and stability, the ARC will continue its oversight, with specific focus on the following areas:

- Internal control environment and external audit reliance
- The effectiveness of entity-level controls across the various levels of the organisation
- Compliance with regulatory requirements, including JSE Listings Requirements, technical IFRS Accounting Standards and SARS requirements.

## JSE REQUIREMENTS FOR CEO/CFO RESPONSIBILITY OVER FINANCIAL CONTROLS

The iOCO Group CEO and CFO have, in compliance with the JSE Listings Requirements, made an undertaking on the adequacy and reliability of internal controls around the preparation of the annual financial statements. This includes an undertaking by management that, where deficiencies and weaknesses have been identified, these have been reported to the ARC. In compliance with this requirement, the ARC considered a detailed assessment of the entity-level controls (ELCs) as well as a risk-and-control matrix (RACM) on the financial statements close processes (FSCPs).

# Audit and Risk Committee's report continued

FOR THE YEAR ENDED 31 JULY 2026

The primary objective of this assessment was to conduct a gap analysis review to identify shortcomings in the current process, as well as to enable the Committee to:

- Identify and define the critical internal controls and understand the impact of control failure on the organisation
- Determine which existing evaluations are performed and who provides the assurance over the adequacy and effectiveness of these controls
- Develop a standard consolidated report of the critical controls identified.

This process was conducted with the participation of the first, second and third-line assurance providers.

The ARC has satisfied itself that there are adequate and effective entity-level controls relating to the risk assessment, control activities, information and communication and monitoring of the control environment. These pillars of controls are mainly predicated on the oversight and monitoring role played by the Board sub-committees, the combined assurance model, as well as the control self-review through the management attestation process.

The ARC has satisfied itself that no deficiencies have a material effect for the purposes of the preparation and presentation of financial statements for the year under review. The ARC is also not aware of incidents of fraudulent activities that would render the financial statements unreliable.

The ARC looks forward to the continuous monitoring of the entity-level controls, which would provide assurance in support of the combined assurance model.

## DISCHARGE OF RESPONSIBILITIES

The ARC is satisfied that it has conducted its affairs and discharged its legal and other responsibilities as outlined in its charter, the Companies Act and King IV. The Board concurred with this assessment.

## CONCLUSION

The ARC has had due regard to the principles and recommended practices of King IV in carrying out its duties and is satisfied that it has discharged its responsibilities in accordance with its terms of reference.



**Nompumelelo Mokou**
*Chairperson, Audit and Risk Committee*

12 October 2026

# Directors' report

THE DIRECTORS PRESENT THEIR REPORT FOR THE YEAR ENDED 31 JULY 2026

## NATURE OF BUSINESS

iOCO Limited (iOCO or the Company) is a holding company domiciled in South Africa that is listed on the JSE Limited under the category Technology: Software and Computer Services. iOCO is one of the largest information and communications technology (ICT) services providers in South Africa and is committed to providing the technology, knowledge, skills and organisational ability critical to the development and growth of the markets it serves.

The consolidated financial statements, as at 31 July 2026 and for the year then ended, comprise the Company and its subsidiaries (together referred to as the Group).

## FINANCIAL STATEMENTS AND RESULTS

The Group's results and financial position are reflected on pages 14 to 20.

## STATED CAPITAL

### Authorised

Ordinary shares: 7 500 000 000 no par value shares
(2025: 7 500 000 000).
A shares: 40 000 000 no par value shares
(2025: 40 000 000).

### Issued

Ordinary shares: 638 083 421 no par value shares
(2025: 638 083 421).
A shares: 40 000 000 no par value shares
(2025: 40 000 000).

## DIRECTORS

The list of directors for the financial year is as follows:

### Directorate

**Non-executive**

Jabu Moleketi* (Chairman)
Andrew Marshall (Lead Independent Non-executive Director)
Nompumelelo Mokou
Lerato Pule (appointed effective 4 December 2025)
Veronica Motloutsi (resigned effective 3 December 2025).
** Non-independent Non-executive Director.*

**Executive**

Rhys Summerton (Group Chief Executive Officer)
Ashona Kooblall (Group Chief Financial Officer)
Dennis Venter (Joint Group Chief Executive Officer)
(resigned effective 25 February 2026).

## DIRECTORS' INTEREST IN SHARES

The directors' interest in shares is set out in note 34 of the consolidated financial statements.

## DIRECTORS' EMOLUMENTS

The emoluments of directors and prescribed officers of the Group are set out in note 35 of the consolidated financial statements.

## RELATED-PARTY CONTRACTS

During the course of the year, no director had a material interest in any contract of significance with the Company or any of its subsidiaries that could have given rise to a conflict of interest.

Transactions, defined as related-party transactions in terms of IFRS Accounting Standards, between the Company or its subsidiaries and the directors or their associates are disclosed in note 37 of the consolidated financial statements.

## GOVERNANCE AND INTERNAL CONTROLS

iOCO's combined assurance model has maintained a robust environment in terms of the Group's preventative and detective controls in the current year, also becoming more relevant and effective in achieving its governance objectives. The Group utilises extensive entity-level controls and governance processes, including a detailed delegation of authority with dedicated heads of compliance, a thorough attestation process and key strongpoints in the ERP system, with continuous monitoring and review.

## GOING CONCERN

Based on the going concern assessment detailed in note 2.2 of the consolidated financial statements, the Board is of the view that the Group and the Company have adequate resources to continue in operation for the foreseeable future and, accordingly, the consolidated and separate financial statements have been prepared on a going concern basis.

The Board is not aware of any new material changes that may adversely impact the Group.

## LITIGATION STATEMENT

The Group is involved in various litigious matters, most of which arise from the ordinary course of business. Each of these matters is at various stages in the litigious process, therefore, it is not possible to predict the outcome of any of these matters, nor what portion of any costs will be attributable to the Group, or whether all or any portion of such costs will be covered by insurance or will be recoverable from other sources. Notwithstanding the aforementioned, management has no reason to believe that the disposition of these matters will have a materially adverse effect on the financial position of the Group and Company. Further information is set out in note 32 of the consolidated financial statements.

## SUBSIDIARIES

Details of the Company's investments in subsidiaries are set out in note 1 of the separate financial statements and the full list of Group operating entities is included in Annexure 1.

## BUSINESS COMBINATION

On 12 March 2026, the Group entered into a binding agreement to acquire 100% of the issued share capital of the MySky group of companies (MySky).

The Group has taken control of MySky effective from 1 May 2026, being the date from which MySky has been consolidated into the consolidated financial statements. Details are reflected in note 14 of the consolidated financial statements.

## DIVIDENDS

The Board has not declared any dividends for the year ended 31 July 2026 (2025: Rnil).

## SPECIAL RESOLUTIONS

On 3 December 2025, shareholders approved the following special resolutions at the AGM:

- Provision of financial assistance in terms of sections 44 and 45 of the Companies Act
- Remuneration of the Non-executive Directors
- General authority to acquire shares.

## SUBSEQUENT EVENTS

Details are reflected in note 39 of the consolidated financial statements.

# Independent Auditor's report

## To the Shareholders of iOCO Limited

## Report on the Audit of the Consolidated and Separate Financial Statements

### OPINION

We have audited the consolidated and separate financial statements of iOCO Limited (the Group and Company), set out on pages 14 to 92 which comprise:

- The statements of financial position
- The statements of profit or loss and other comprehensive income for the year then ended
- The statements of changes in equity for the year then ended
- The statements of cash flows for the year then ended
- The notes to the financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of iOCO Limited as at 31 July 2026, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Companies Act of South Africa (Act 71 of 2008).

### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the consolidated and separate financial statements section of our report. We are independent of the Group and Company in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code), as applicable to audits of financial statements of public interest entities, and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette Number 49309 dated 15 September 2023 (EAR Rule), we report:

### FINAL MATERIALITY

The scope of our audit was determined by our assessment of materiality. In determining the extent of our audit procedures, we applied specific quantitative thresholds supported by qualitative factors to guide the scope, timing, and nature of our work. Materiality also informed our evaluation of the impact of identified misstatements both individually and collectively on the consolidated and separate financial statements as a whole.

Exercising our professional judgement, we established materiality for the consolidated and separate financial statements as a whole as follows:

| | CONSOLIDATED FINANCIAL STATEMENTS | SEPARATE FINANCIAL STATEMENTS |
|---|---|---|
| **Final materiality ('000)** | R93 500 | R29 000 |
| **How we determined materiality** | 1.63% of Revenue | 1.48% of Total Assets |
| **Rationale for the materiality benchmark applied** | Group revenue was selected as the benchmark for materiality, as it reflects the Group's primary focus on revenue-generating operations. Revenue is a key performance indicator for stakeholders and provides a consistent basis for evaluating financial performance.<br><br>A 1.63% threshold was applied based on professional judgement, ensuring that potential misstatements are identified and addressed while maintaining relevance to the Group's operating environment.<br><br>We determined materiality consistently with the previous reporting period. | Total assets were used as the benchmark for materiality, as the Company operates solely as an investment holding entity. This measure best reflects its financial position and purpose. A 1.48% threshold was applied based on professional judgement, considering the nature of the entity, and user expectations. This level is appropriate to identify relevant misstatements without being unreasonably low in the context of the Company's operations.<br><br>We determined materiality consistently with the previous reporting period. |

# Independent Auditor's report continued

## GROUP AUDIT SCOPE

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated and separate financial statements, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group and Company operate.

We performed risk assessment procedures to determine which of the Group's components are likely to include risks of material misstatement to the consolidated financial statements and which further audit procedures to perform at these components to address these risks. Our judgement included assessing the size of the components and the nature of the balances and transactions within the components.

In establishing the overall audit approach for the Group audit, we identified the necessary procedures to be performed on the components by our audit team, as well as by component auditors from other audit firms working under our instruction.

We have identified one component for which we conducted audit work centrally on the financial information as Group auditors.

We identified 15 components where audit of financial information was performed for which we provided detailed Group instructions to the component auditors. The instructions outlined a comprehensive audit approach. Strategic planning meetings were held with the component auditor teams prior to the commencement of the audits. Additionally, regular follow-up meetings were held to enhance communication between the Group audit team and the component audit teams.

Where the audit work was conducted by the component auditors, we determined the appropriate level of involvement necessary to ensure that sufficient appropriate audit evidence was obtained to support our opinion on the consolidated financial statements as a whole. We assessed the competence, knowledge and experience of the component auditors and evaluated the procedures performed on the significant audit areas to assess the adequacy thereof in pursuit of our audit opinion on the consolidated financial statements.

To obtain sufficient appropriate audit evidence, we conducted audit work on specific classes of transactions, account balances or disclosures on 11 components.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Assessment of the goodwill impairment (consolidated financial statements) and the related impairment of the investment in the subsidiaries (separate financial statements)**<br><br>Refer to the following notes to the consolidated financial statements:<br>• Note 3: Significant estimates and judgements<br>• Note 7: Goodwill.<br><br>**Judgement applied regarding the impairment of goodwill:**<br>Due to the number of business combinations that the Group has historically entered into, the Group's net assets include a significant amount of goodwill at the reporting date. The goodwill relates to cash-generating units that are significant to the Group's Statement of Financial Position as a whole and subject to potentially sensitive assumptions that could result in an impairment of relevant cash-generating units.<br><br>As required by IAS 36 *Impairment of Assets*, the directors conducted an annual impairment test on the goodwill balance to assess the recoverability of the carrying value of this goodwill. There is a potential risk that these businesses may not trade in line with expectations and forecasts, resulting in a potential impairment of the carrying amount of goodwill allocated to these businesses in each cash-generating unit.<br><br>There are several key assumptions made in determining the inputs into the valuation model which include: future cash flow forecasts specifically for conflict markets where reliable economic data is not available, expense growth rates, operating margins, terminal value growth rates and discount rates (weighted average cost of capital).<br><br>As a result of the significant judgements, the valuation of this goodwill is a key audit matter. | We focused our testing on the key assumptions made by management. As part of our procedures for assessing goodwill, we engaged an independent external expert to perform the valuation:<br>• We critically analysed the conclusions of the expert to ensure consistency with financial reporting standards and the reasonableness of the valuation<br>• Critically evaluated whether the model used by management in calculating the value in use of the cash-generating units complied with IAS 36 *Impairment of Assets*<br>• Validated the assumptions used to calculate the discount rates and long-term growth rates<br>• Analysed the future projected cash flows, with respect to the capital expenditure, earnings before interest and tax (EBITDA), and working capital, used in the valuation model, to determine whether they are reasonable and supportable given the current economic climate and expected future performance of the cash-generating unit<br>• Compared the growth rates used to historical data regarding economic growth rates included in the relevant cash-generating units<br>• Compared the projected cash flows, including the assumptions relating to revenue growth rates and operating margins against historical performance in order to test the accuracy of management's projections<br>• Assessed the reasonability of the carrying values of each CGU used within the impairment models by agreeing the carrying value to underlying audited financial information<br>• Assessed the related disclosure requirements relating to the calculation around the impairment of goodwill in terms of IFRS Accounting Standards.<br><br>The assumptions applied were appropriate and within acceptable ranges.<br><br>We assessed the appropriateness of the disclosures in the consolidated financial statements in accordance with the requirements of IAS 36 *Impairment of Assets*.<br><br>Based on the procedures performed on the impairment assessment of goodwill arising from business combinations, as listed above, we did not identify any matters requiring further consideration. |

# Independent Auditor's report continued

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Expected credit loss relating to loans advanced to Group companies (separate financial statements)**<br><br>Refer to note 2 in the separate financial statements.<br><br>Management individually assessed the loans to Group companies on a forward-looking basis for expected credit losses ("ECLs"), using the general approach under IFRS 9 *Financial Instruments*.<br><br>Management evaluates the creditworthiness of these counterparties on an ongoing basis, considering their financial position, experience, subordination agreements (preventing first claim on loans to Group companies in favour of all other creditors) including dividends expected to be received and other relevant factors that may indicate whether there is a significant increase in credit risk.<br><br>The ECL assessment further takes into account several factors which includes determining the accessibility of cash for debt settlement, forecasted EBITDA, expected dividend and available liquid assets, which are considered in order of debt seniority. The counterparty's available resources for debt repayment was first applied towards their loan outstanding to EOH Treasury Proprietary Limited, then to non-subordinated debt and lastly to subordinated debt.<br><br>Management calculated the ECLs on the remaining loan balances after considering the availability of the following resources in decreasing the outstanding loan amount:<br>• Cash;<br>• The net present value of forecasted EBITDA projected over a substantial period subject to an estimated cash conversion rate;<br>• Net receivables subject to a haircut;<br>• The present value of expected dividends to be received from subsidiaries; and/or<br>• Various 'solves' that may be in the form of equity injection or dividends in specie.<br><br>The impairment assessment of loans to Group companies is a matter of most significance to the current year audit of the separate financial statements due to the following:<br>• The significant judgements and estimation applied by management in their assumptions<br>• The magnitude of the carrying amounts of loans to Group companies and impairment losses recognised. | We focused our testing on the key assumptions made by management. Our audit procedures included, but were not limited to:<br><br>We obtained an understanding of the Entity's ECL Model by:<br>• Reviewing the entity's ECL model documentation to understand its key components, assumptions, and methodologies<br>• Evaluating the reasonableness of the model's inputs and outputs<br>• Assessing the model's alignment with IFRS 9.<br><br>Tested the Accuracy and Completeness of Data by:<br>• Reviewing the data used in the ECL calculation for accuracy, completeness, and consistency<br>• Reconciling data used in the ECL model to other financial systems<br>• Testing the accuracy of historical loss data and forward-looking information.<br><br>Evaluated the Reasonableness of ECL Estimates by:<br>• Comparing the ECL estimate to previous periods and analysed trends<br>• Assessing the sensitivity of the ECL estimate to changes in key assumptions and parameters<br>• Evaluating the reasonableness of the ECL estimate in relation to the credit quality of the loan portfolio.<br><br>Intercompany Agreements:<br>• Reviewed intercompany loan agreements to understand terms and conditions, interest rates, collateral, and repayment terms<br>• Assessed the adequacy of collateral provided for intercompany loans.<br>• Analysed the financial performance of Group companies to assess their creditworthiness<br>• Reviewed key financial ratios and trends<br>• Assessed the impact of economic conditions on Group companies' financial performance.<br><br>Based on the procedures performed on the expected credit loss relating to loans advanced to Group companies, as listed above, we did not identify any matters requiring further consideration. |

# Independent Auditor's report continued

## OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa (Act 71 of 2008), the Chief Executive Officer and Chief Financial Officer Responsibility Statement, the Report of the Company Secretary, and the Audit Committee's Report, which we obtained prior to the date of this report. Other information does not include the consolidated and separate financial statements and our auditors' report thereon. Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa (Act 71 of 2008), and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or Company or to cease operations, or have no realistic alternative but to do so.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and/or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them, all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless laws or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# Independent Auditor's report continued

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### Audit tenure

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Moore Johannesburg Incorporated has been the auditor of iOCO Limited (the Group and Company) since 23 July 2024.

### Disclosure of fee-related matters

In terms of the EAR Rule published in Government Gazette Number 49309 dated 15 September 2023, we disclose the following fee-related matters:

| Fee | Value (R'000) |
|---|---|
| Audit fees paid or payable to the firm | **R14 637** |
| Audit fees paid or payable to network firms | **–** |
| Other fees paid or payable to firm and network firms | **–** |

Moore Johannesburg Inc

**Moore Johannesburg Inc., South Africa**
**Registered Auditors**

**Per: CA Jenkins**
*Director and Registered Auditor*

50 Oxford Road, Parktown, Johannesburg, 2193

12 October 2026

# CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 JULY 2026

# Consolidated statement of financial position

AS AT 31 JULY 2026

| *Figures in Rand thousand* | Notes | 2026 | 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant, equipment and right-of-use assets | 5 | **145 854** | 115 279 |
| Intangible assets | 6 | **94 939** | 78 321 |
| Goodwill | 7 | **608 091** | 570 178 |
| Other financial assets | 8 | **23 983** | 21 564 |
| Deferred taxation | 9 | **130 366** | 120 887 |
| Finance lease receivables | 10 | **–** | 336 |
| | | **1 003 233** | 906 565 |
| **Current assets** | | | |
| Inventories | 11 | **41 836** | 68 801 |
| Other financial assets | 8 | **9 608** | 7 832 |
| Current taxation receivable | | **7 976** | 9 094 |
| Finance lease receivables | 10 | **801** | 16 614 |
| Trade and other receivables | 12 | **1 413 963** | 1 389 942 |
| Cash and cash equivalents | 13 | **417 050** | 399 264 |
| | | **1 891 234** | 1 891 547 |
| **Total assets** | | **2 894 467** | 2 798 112 |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Stated capital | 16 | **4 729 667** | 4 774 521 |
| Other reserves | 17 | **(22 274)** | 12 132 |
| Accumulated loss | | **(3 703 051)** | (4 070 027) |
| **Equity attributable to the owners of iOCO Limited** | | **1 004 342** | 716 626 |
| **Non-controlling interests** | | **30 129** | 36 679 |
| **Total equity** | | **1 034 471** | 753 305 |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Other financial liabilities | 18 | **448 636** | 481 717 |
| Lease liabilities | 19 | **52 038** | 23 290 |
| Deferred taxation | 9 | **8 791** | 8 437 |
| | | **509 465** | 513 444 |
| **Current liabilities** | | | |
| Other financial liabilities | 18 | **170 701** | 176 877 |
| Current taxation payable | | **42 475** | 34 593 |
| Lease liabilities | 19 | **26 740** | 28 896 |
| Trade and other payables | 20 | **1 104 025** | 1 271 542 |
| Provisions | 21 | **6 590** | 19 455 |
| | | **1 350 531** | 1 531 363 |
| **Total liabilities** | | **1 859 996** | 2 044 807 |
| **Total equity and liabilities** | | **2 894 467** | 2 798 112 |

# Consolidated statement of profit or loss and other comprehensive income

FOR THE YEAR ENDED 31 JULY 2026

| *Figures in Rand thousand* | Notes | 2026 | 2025 |
|---|---|---|---|
| Revenue | 22 | **5 732 561** | 5 583 220 |
| Cost of sales | | **(4 145 903)** | (3 983 118) |
| **Gross profit** | | **1 586 658** | 1 600 102 |
| Net financial asset impairment (losses)/reversals | 23 | **(837)** | 5 562 |
| Operating expenses | | **(1 102 684)** | (1 184 709) |
| **Operating profit** | 24 | **483 137** | 420 955 |
| Investment income | 25 | **7 128** | 7 128 |
| Finance costs | 26 | **(67 724)** | (96 231) |
| **Profit before taxation** | | **422 541** | 331 852 |
| Taxation | 27 | **(65 414)** | (74 280) |
| **Profit for the year** | | **357 127** | 257 572 |
| **Other comprehensive income** | | | |
| *Items that may be reclassified to profit or loss* | | | |
| Exchange differences on translation of foreign operations^ | | **(16 062)** | (11 645) |
| **Other comprehensive loss for the year** | | **(16 062)** | (11 645) |
| **Total comprehensive income for the year** | | **341 065** | 245 927 |
| **Profit attributable to:** | | | |
| Owners of iOCO Limited | | **351 010** | 250 834 |
| Non-controlling interests | | **6 117** | 6 738 |
| | | **357 127** | 257 572 |
| **Total comprehensive income attributable to:** | | | |
| Owners of iOCO Limited | | **339 468** | 240 559 |
| Non-controlling interests | | **1 597** | 5 368 |
| | | **341 065** | 245 927 |
| **Earnings per share (cents)** | | | |
| Earnings per share | 28 | **57** | 40 |
| Diluted earnings per share | 28 | **56** | 39 |

^ *This component of other comprehensive income does not attract any tax.*

# Consolidated statement of changes in equity

FOR THE YEAR ENDED 31 JULY 2026

| *Figures in Rand thousand* | Stated capital | Other reserves | Accumulated loss | Equity attributable to the owners of iOCO Limited | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|
| **Balance at 1 August 2024** | 4 774 521 | 31 140 | (4 338 449) | 467 212 | 31 311 | 498 523 |
| Profit for the year | – | – | 250 834 | 250 834 | 6 738 | 257 572 |
| Other comprehensive loss | – | (10 275) | – | (10 275) | (1 370) | (11 645) |
| Total comprehensive (loss)/income | – | (10 275) | 250 834 | 240 559 | 5 368 | 245 927 |
| Transfer within equity* | – | (17 588) | 17 588 | – | – | – |
| Share-based payments | – | 9 418 | – | 9 418 | – | 9 418 |
| Share-based payments paid out during the year | – | (563) | – | (563) | – | (563) |
| **Balance at 31 July 2025** | 4 774 521 | 12 132 | (4 070 027) | 716 626 | 36 679 | 753 305 |
| Profit for the year | **–** | **–** | **351 010** | **351 010** | **6 117** | **357 127** |
| Other comprehensive loss | **–** | **(11 542)** | **–** | **(11 542)** | **(4 520)** | **(16 062)** |
| Total comprehensive (loss)/income | **–** | **(11 542)** | **351 010** | **339 468** | **1 597** | **341 065** |
| Dividends declared to non-controlling interests | **–** | **–** | **–** | **–** | **(8 147)** | **(8 147)** |
| Movement in treasury shares – settlement of share-based payments | **23 982** | **(23 982)** | **–** | **–** | **–** | **–** |
| Share buybacks | **(68 836)** | **–** | **–** | **(68 836)** | **–** | **(68 836)** |
| Transfer within equity* | **–** | **(15 966)** | **15 966** | **–** | **–** | **–** |
| Share-based payments | **–** | **17 084** | **–** | **17 084** | **–** | **17 084** |
| **Balance at 31 July 2026** | **4 729 667** | **(22 274)** | **(3 703 051)** | **1 004 342** | **30 129** | **1 034 471** |
| Notes | 16 | 17 | | | | |

* *Transfers within equity represent transfers from the share-based payments reserve for expired, unexercised options.*

# Consolidated statement of cash flows

FOR THE YEAR ENDED 31 JULY 2026

| *Figures in Rand thousand* | Notes | 2026 | 2025 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| **Cash generated from operations** | 30 | **367 957** | 566 596 |
| Investment income received | | **4 709** | 4 446 |
| Interest paid | | **(67 410)** | (95 995) |
| Taxation paid | 31 | **(66 323)** | (51 920) |
| **Net cash inflow from operating activities** | | **238 933** | 423 127 |
| **Cash flows from investing activities** | | | |
| Acquisition of property, plant and equipment | | **(38 852)** | (22 411) |
| Proceeds from disposal of property, plant, equipment and intangible assets | | **7 451** | 3 680 |
| Acquisition of intangible assets | | **(43 087)** | (31 886) |
| Cash outflow from disposal of businesses | 15 | **(3 765)** | (2 542) |
| Acquisition of a subsidiary, net of cash acquired | 14 | **7 914** | – |
| Cash inflow relating to other financial assets | 8 | **–** | 6 640 |
| Cash outflow relating to other financial assets | 8 | **(1 800)** | (4 200) |
| Increase in restricted cash | | **(26)** | (108) |
| Decrease in restricted cash | | **–** | 2 013 |
| **Net cash outflow from investing activities** | | **(72 165)** | (48 814) |
| **Cash flows from financing activities** | | | |
| Proceeds from other financial liabilities | 18 | **1 770** | – |
| Repayment of other financial liabilities | 18 | **(61 538)** | (102 538) |
| Share repurchases | | **(68 836)** | – |
| Principal elements of lease payments | | **(28 295)** | (26 425) |
| **Net cash outflow from financing activities** | | **(156 899)** | (128 963) |
| **Net increase in cash and cash equivalents** | | **9 869** | 245 350 |
| Cash and cash equivalents at the beginning of the year | 13 | **399 264** | 154 637 |
| Exchange gains/(losses) on cash and cash equivalents | | **7 917** | (723) |
| **Cash and cash equivalents at the end of the year** | 13 | **417 050** | 399 264 |

# Consolidated segment results

## FOR THE YEAR ENDED 31 JULY 2026

Over the past few years, the Group has dedicated substantial effort to optimising and aligning its suite of products and services, as well as refining its market approach. The Group's market strategy is structured around three key product pillars: IT Services, Operational Technologies and International. The Group Executive Committee, serving as the Chief Operating Decision-maker (CODM), has been organised along these pillars, enhancing efficiency and accountability within our reporting structures.

IT Services brings together a comprehensive portfolio of capabilities across digital solutions, infrastructure, enterprise applications, cloud services and outsourced knowledge solutions. The digital business delivers advanced digital solutions through software development, data-driven insights, automation and proprietary platforms. These capabilities support clients' digital transformation by modernising applications, streamlining operations and enabling growth. Infrastructure and enterprise applications that support core business processes, including enterprise resource planning platforms such as systems, applications, products in data processing (SAP) and Oracle, enterprise software to manage information technology environments, and outsourced operations are also provided as part of IT Solutions. The portfolio includes subscription-based IT-in-a-box solutions for small and medium-sized enterprises. The cloud businesses offer cloud infrastructure, AI and cybersecurity services to modernise and secure digital operations, also including data integration, infrastructure transformation and protection of critical assets. The Group's people businesses deliver outsourced knowledge solutions providing integrated human resources and payroll systems, legal and forensic services and training aligned with broad-based black economic empowerment, also offering outsourced payroll and call centre operations and technology-enabled solutions to improve workforce efficiency and compliance.

Operational Technology delivers end-to-end industrial technology solutions through original equipment manufacturer partnerships and proprietary analytics. Focus areas include infrastructure, energy systems and connectivity that enhance resilience and efficiency in industrial and energy-intensive sectors.

iOCO International operates across sub-Saharan Africa, Europe and the Middle East, offering information technology outsourcing, software resale and proprietary intellectual property solutions.

The CODM does not receive secondary geographic information, and as such, this data is not included in the segment results. The CODM reviews revenue, gross profit and adjusted EBITDA, as well as total assets and liabilities as key profit and financial position measures.

During the current year, the Group revised the definition of adjusted EBITDA used by the CODM to assess the performance of the Group's operating segments. Adjusted EBITDA is defined as operating profit or loss before accounting for depreciation, amortisation, share-based payments, gains or losses on the disposal of subsidiaries, impairment losses or reversals on non-financial assets, gains or losses on disposals of assets, interest income, interest expenses, current and deferred tax, and non-recurring legacy items. The revised definition differs from the prior year by excluding corporate overheads and incorporating non-recurring legacy items. The removal of corporate overheads from the definition has had no impact on adjusted EBITDA reported for the current or prior year, as corporate overheads did not affect the calculation in either period.

# Consolidated segment results continued

FOR THE YEAR ENDED 31 JULY 2026

## REVENUE, GROSS PROFIT, ADJUSTED EBITDA, ASSETS AND LIABILITIES

| | 2026 | | | | |
|---|---|---|---|---|---|
| *Figures in Rand thousand* | IT Services | Operational Technology | iOCO International | Reconciliation^ | Total |
| **External revenue** | **4 332 419** | **833 222** | **566 920** | **–** | **5 732 561** |
| Hardware sales | **509 254** | **226 543** | **1 132** | **–** | **736 929** |
| Services | **3 173 981** | **354 618** | **374 986** | **–** | **3 903 585** |
| Software/licence contracts | **647 315** | **252 061** | **190 802** | **–** | **1 090 178** |
| Rentals | **1 869** | **–** | **–** | **–** | **1 869** |
| **Intersegment revenue** | **346 053** | **2 360** | **5 376** | **(353 789)** | **–** |
| Hardware sales | **14 729** | **1 903** | **–** | **(16 632)** | **–** |
| Services | **310 439** | **402** | **5 312** | **(316 153)** | **–** |
| Software/licence contracts | **20 885** | **55** | **64** | **(21 004)** | **–** |
| **Gross revenue** | **4 678 472** | **835 582** | **572 296** | **(353 789)** | **5 732 561** |
| **Cost of sales** | **(3 273 941)** | **(546 728)** | **(409 885)** | **84 651** | **(4 145 903)** |
| **Gross profit** | **1 404 531** | **288 854** | **162 411** | **(269 138)** | **1 586 658** |
| **Gross profit (%)** | **30.0%** | **34.6%** | **28.4%** | **–** | **27.7%** |

| | Restated* 2025 | | | | |
|---|---|---|---|---|---|
| *Figures in Rand thousand* | IT Services | Operational Technology | iOCO International | Reconciliation^ | Total |
| **External revenue** | 4 141 451 | 864 557 | 577 212 | – | 5 583 220 |
| Hardware sales | 264 663 | 227 375 | – | – | 492 038 |
| Services | 3 306 517 | 382 131 | 489 193 | – | 4 177 841 |
| Software/licence contracts | 567 964 | 255 051 | 88 019 | – | 911 034 |
| Rentals | 2 307 | – | – | – | 2 307 |
| **Intersegment revenue** | 361 690 | 1 171 | 5 652 | (368 513) | – |
| Hardware sales | 14 500 | 633 | – | (15 133) | – |
| Services | 330 844 | 486 | 5 647 | (336 977) | – |
| Software/licence contracts | 16 346 | 52 | 5 | (16 403) | – |
| **Gross revenue** | 4 503 141 | 865 728 | 582 864 | (368 513) | 5 583 220 |
| **Cost of sales** | (3 200 550) | (598 820) | (351 188) | 167 440 | (3 983 118) |
| **Gross profit** | 1 302 591 | 266 908 | 231 676 | (201 073) | 1 600 102 |
| **Gross profit (%)** | 28.9% | 30.8% | 39.7% | – | 28.7% |

* *Comparative figures previously reported have been restated to reflect the changes to reportable segments as a result of changes to the Group's internal organisational structure for the year ended 31 July 2026.*

^ *Reconciliation comprises elimination of intersegment transactions and includes head office expenses.*

# Consolidated segment results continued

FOR THE YEAR ENDED 31 JULY 2026

## REVENUE, GROSS PROFIT, ADJUSTED EBITDA, ASSETS AND LIABILITIES continued

| *Figures in Rand thousand* | 2026 IT services | Operational technology | iOCO international | Reconciliation^ | Total |
|---|---|---|---|---|---|
| **Adjusted EBITDA** | **710 929** | **142 593** | **56 851** | **(286 789)** | **623 584** |
| **Adjusted EBITDA (%)** | **15.2%** | **17.1%** | **9.9%** | **–** | **10.9%** |
| **Material expenses included in adjusted EBITDA:** | | | | | |
| **Employee costs** | **1 810 630** | **233 511** | **141 628** | **50 747** | **2 236 516** |
| **Assets and liabilities per segment:** | | | | | |
| **Total assets** | **2 054 029** | **280 318** | **558 693** | **(1 825)** | **2 891 215** |
| **Total liabilities** | **(1 400 721)** | **(179 509)** | **(336 200)** | **55 774** | **(1 860 656)** |

| *Figures in Rand thousand* | Restated* 2025 IT services | Operational technology | iOCO international | Reconciliation^ | Total |
|---|---|---|---|---|---|
| **Adjusted EBITDA** | 683 788 | 143 902 | 84 336 | (396 115) | 515 911 |
| **Adjusted EBITDA (%)** | 15.2% | 16.6% | 14.5% | – | 9.2% |
| **Material expenses included in adjusted EBITDA:** | | | | | |
| **Employee costs** | 1 902 660 | 256 225 | 185 761 | 179 466 | 2 524 112 |
| **Assets and liabilities per segment:** | | | | | |
| **Total assets** | 1 250 811 | 277 800 | 498 567 | 770 934 | 2 798 112 |
| **Total liabilities** | (1 162 910) | (160 850) | (221 434) | (499 613) | (2 044 807) |

* *Comparative figures previously reported have been restated to reflect the changes to reportable segments as a result of changes to the Group's internal organisational structure for the year ended 31 July 2026.*

^ *Reconciliation comprises elimination of intersegment transactions and includes head office expenses.*

## ADJUSTED EBITDA RECONCILIATION

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Operating profit | **483 137** | 420 955 |
| Depreciation | **68 963** | 61 975 |
| Amortisation | **38 994** | 30 316 |
| (Profit)/loss on disposal of intangible assets and property, plant and equipment | **(1 838)** | 239 |
| Share-based payment expense | **17 084** | 647 |
| Loss on disposal of subsidiaries | **3 765** | 1 779 |
| Non-recurring legacy items | **13 479** | – |
| **Adjusted EBITDA** | **623 584** | 515 911 |

# Notes to the consolidated financial statements

FOR THE YEAR ENDED 31 JULY 2026

## 1 REPORTING ENTITY

iOCO Limited (formerly EOH Holdings Limited) (iOCO or the Company) is a holding company domiciled in South Africa that is listed on the JSE Limited under the category Technology: Software and Computer Services. iOCO is one of the largest information and communications technology (ICT) services providers in South Africa and is committed to providing the technology, knowledge, skills and organisational ability critical to the development and growth of the markets it serves. The consolidated financial statements of iOCO for the year ended 31 July 2026 comprise the Company and its subsidiaries (together referred to as the Group).

## 2 ACCOUNTING POLICIES

### 2.1 Statement of compliance

The consolidated and separate financial statements have been prepared in accordance with IFRS© Accounting Standards as issued by the International Accounting Standards Board (IASB) and interpretations as issued by the IFRS Interpretations Committee (IFRIC), and comply with the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee (APC), Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council (FRSC), the JSE Listings Requirements and the requirements of the Companies Act.

### 2.2 Basis of preparation

The consolidated and separate financial statements have been prepared on the historical-cost basis, except for the contingent consideration liability and the financial guarantee liability (in the separate financial statements), which are measured at fair value through profit or loss as explained in the accounting policies below.

The consolidated and separate financial statements are presented in South African Rand, which is the Group's presentation currency, rounded to the nearest thousand, except for when otherwise indicated. The going-concern basis has been used in preparing the consolidated and separate financial statements as the directors have a reasonable expectation that the Group and Company will continue as a going concern for the foreseeable future.

**Going concern**

The IFRS Conceptual Framework states that the going concern concept is an underlying assumption in the preparation of financial statements. Therefore, the financial statements presume that an entity will continue in operation in the foreseeable future or, if that presumption is not valid, disclosure and a different basis of reporting are required. The Board of Directors believes that, as of the date of this report, the going-concern presumption is still appropriate and accordingly the consolidated and separate financial statements of the Group and Company have been prepared on the going-concern basis of accounting.

IAS 1 *Presentation of Financial Statements* (IAS 1) requires management to perform an assessment of the Group's ability to continue as a going concern. If management is aware of material uncertainties related to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern, IAS 1 requires these uncertainties to be disclosed.

In conducting this assessment, the Board has taken into consideration the following factors:

The financial performance, condition and cash flows for the Group reflect a profit for the year of R357 million compared to the prior year profit of R258 million, net asset value at the end of the year of R1 034 million (2025: R753 million), and cash inflows from operating activities of R239 million (2025: R423 million) for the year. Details of the financial performance, condition and cash flows for the Group are explained in the consolidated and separate financial statements. A detailed action plan for deleveraging the Group to a sustainable level and resolving the 'fit-for-purpose' cost structure was developed by the Group and its lenders and committed to. Since its announcement and subsequent revisions, the plan has been largely executed. Non-core businesses identified to be sold have been successfully disposed of and proceeds received from these disposals have been repaid to lenders as part of the Group's deleveraging strategy and commitment. The Group has also made significant progress on its debt repayments during the current financial year.

As at year end, the Group had R417 million cash available, including foreign and restricted cash but excluding the undrawn direct overdraft facility of R250 million, which was available at reporting date and remains at the Group's disposal. The Group expects to be in a positive free cash flow position in the forthcoming financial year.

The directors' assessment of whether the Group is a going concern was considered and it was concluded that:

1. The Group is solvent and is expected to remain solvent after considering the approved budget and expected performance
2. Net asset value as at 31 July 2026 is R1 034 million
3. The Group's current assets exceed its current liabilities by R541 million
4. There is an approved budget for the following 33 months
5. There are monthly cash flow forecasts for the 12 months to 31 July 2027 and annual forecasts for the 24 months to 31 July 2028, which were interrogated and adjusted for anomalies for each of the periods under review together with a detailed review of one-off cash payments

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 2 ACCOUNTING POLICIES continued

### 2.2 Basis of preparation continued

**Going concern** continued

6 The Group has sufficient access to facilities and liquidity events to fund operations for the following 12 months based on the following assumptions:

- Continuously improving operational performance
- The Group's assets are appropriately insured
- There is currently no outstanding litigation that the directors believe has not been adequately provided for that could pressurise the Group's ability to meet its obligations.

At the time of approval of these consolidated and separate financial statements for the year ended 31 July 2026, the Board has a reasonable expectation that the Group has sufficient resources to continue in operation for the foreseeable future, which is not less than 12 months from the date of approval of these consolidated and separate financial statements.

The Board remains committed to the Group's strategy and is focused on capital allocation.

The Board has concluded that the Group should be able to discharge its liabilities as they fall due in the normal course of business and is therefore of the opinion that the going concern assumption is appropriate in the preparation of the consolidated and separate financial statements.

### 2.3 Material accounting policies

The accounting policies applied in the consolidated and separate financial statements are consistent with those applied in previous years. Where applicable, the material accounting policies applied in the separate financial statements are consistent with those applied in the consolidated financial statements.

An amendment to accounting standards was effective for the annual reporting period commencing 1 August 2025, with no material effect on the consolidated and separate financial statements.

Refer to note 4.1 for more information regarding the new standards, amendments to standards and interpretations adopted by the Group.

The material accounting policies are set out in the following pages.

### 2.4 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

The results of subsidiaries are included in the consolidated financial statements from the effective date of acquisition to the effective date of disposal. Adjustments are made, when necessary, to the financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

The Group considers that it controls an entity if the Group has:

- Power or existing rights over the entity or investee that give it the ability to direct relevant activities
- Exposure or rights to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns.

Intragroup transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the Group's interest therein and are recognised in equity. Initially, non-controlling interests are measured at their proportional share of the acquiree's identifiable net assets at acquisition date. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest, even if this results in a debit balance being recognised for the non-controlling interest. Changes in the Group's interest in a subsidiary that do not result in loss of control are accounted for as equity transactions.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 2 ACCOUNTING POLICIES continued

### 2.4 Basis of consolidation continued

**Business combinations**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group has elected to measure the non-controlling interests in the acquiree at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in operating expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 *Financial Instruments*, is measured at fair value, with the changes in fair value recognised in profit or loss.

### 2.5 Summary of accounting policies

**Foreign currencies**

**(a) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency).

**(b) Foreign currency transactions**

A foreign currency transaction is recognised, on initial recognition in the entity's functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At reporting date:

- Foreign currency monetary items are translated using the closing rate
- Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous consolidated and separate financial statements are recognised in profit or loss in the period in which they arise.

**(c) Foreign operations**

The results and financial position of a foreign operation that has a functional currency different from the Group's presentation currency are translated into the presentation currency using the following procedures:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position
- Income and expenses for each item of profit or loss and other comprehensive income are translated at the average exchange rates for the period of the transactions
- All resulting exchange differences are recognised in other comprehensive income and accumulated in equity, within the foreign currency translation reserve.

Any goodwill recognised on foreign operations and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 2 ACCOUNTING POLICIES continued

### 2.5 Summary of accounting policies continued

**Non-current assets (or disposal groups) held-for-sale and discontinued operations**

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets that are carried at fair value and inventory, which are specifically exempt from this requirement. An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held-for-sale classification are regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management, being a sub-committee of the Board to deal with asset disposals, strategic acquisitions and the structure of the Group, must be committed to the plan to sell the asset and the sale must be expected to be completed within one year from the date of the classification.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

If an asset (or disposal group) previously classified as held for sale no longer meets the required criteria, the Group ceases to classify the asset (or disposal group) as held for sale. The Group subsequently measures the asset (or disposal group) at the lower of its carrying amount before classification as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset (or disposal group) not been classified as held for sale and its recoverable amount at the time the change in the plan to sell is made.

A disposal group qualifies as a discontinued operation if it is a component of the Group, the operations and cash flows of which can be clearly distinguished from the rest of the Group, that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations
- Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss from discontinued operations in the statement of profit or loss. The prior period is also re-presented for all operations that have been discontinued by the end of the reporting period.

**Property, plant, equipment and right-of-use assets**

Property, plant and equipment are initially measured at cost and subsequently at cost less accumulated depreciation and accumulated impairment. Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value from the date that these assets are ready for use.

The residual value, depreciation method and useful life of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

The depreciation charge for each period is recognised in profit or loss.

The useful lives of items of property, plant and equipment have been assessed as follows:

| Item | Useful life |
|---|---|
| Buildings | 50 years |
| Right-of-use buildings | 3 to 15 years |
| Furniture and fixtures | 10 years |
| Motor vehicles | 5 years |
| Office equipment | 3 to 6 years |
| IT equipment | 2 to 5 years |
| Leasehold improvements | 3 to 15 years |
| Other equipment | 3 to 10 years |

Land is not depreciated.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 2 ACCOUNTING POLICIES continued

### 2.5 Summary of accounting policies continued

**Property, plant, equipment and right-of-use assets** continued

The Group has presented right-of-use assets within property, plant and equipment. Right-of-use assets are initially measured at cost. The cost consists of the initial lease liability amount, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received. The right-of-use assets are subsequently measured at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for certain remeasurements of the lease liability. The right-of-use assets are depreciated over the shorter of the assets' useful lives and the lease term on a straight-line basis.

An item of property, plant and equipment is derecognised upon disposal (at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

**Goodwill and intangible assets**

**(a) Goodwill**

Goodwill arising on the acquisition of subsidiaries is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired.

Goodwill is allocated to CGUs for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which businesses are managed and monitored by common division heads and Financial Directors/Financial Managers.

**(b) Intellectual property, customer relationships and customer contracts**

Separately acquired intellectual property is measured initially at historical cost. Intellectual property, customer relationships and customer contracts acquired in a business combination are recognised at fair value at the acquisition date. These intangible assets have finite useful lives and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

**(c) Internally generated software**

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as an intangible asset when the following criteria are met:

- It is technically feasible to complete the asset so that it will be available for use or sale
- There is an intention to complete and use or sell it
- There is an ability to use or sell it
- It will generate probable future economic benefits
- There are available technical, financial and other resources to complete the development and to use or sell the asset
- The expenditure attributable to the asset during its development can be measured reliably.

Capitalised development costs are recognised as intangible assets and are amortised from the point at which the asset is ready for use. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and impairment losses.

Research and development expenditure that does not meet the above criteria is recognised as an expense as incurred.

**(d) Acquired computer software and other intangible assets**

Acquired computer software and other intangible assets are measured initially at cost. They have finite useful lives and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

**(e) Amortisation methods and periods**

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate. Amortisation, recognised in profit or loss, is calculated to write-down the intangible asset, on a straight-line basis, over its finite useful life, as follows:

| Item | Useful life |
|---|---|
| Customer contracts | 2 to 5 years |
| Customer relationships | 2 to 15 years |
| Intellectual property | 2 to 10 years |
| Internally generated software | 3 to 15 years |
| Other intangible assets | 2 to 13 years |
| Computer software | 2 to 3 years |

**(f) Derecognition**

An intangible asset is derecognised upon disposal (ie at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in profit or loss.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 2 ACCOUNTING POLICIES continued

### 2.5 Summary of accounting policies continued

**Impairment of non-financial assets**

Goodwill and intangible assets that are not yet available for use are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets (except contract assets and deferred tax assets) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other assets or groups of assets. For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

**Financial instruments**

**(1) Financial assets**

**(a) Classification**

The Group classifies its financial assets in the following measurement category:

Those to be measured at amortised cost, which includes trade receivables, other receivables, other financial assets, loans to Group companies, restricted cash and cash and cash equivalents.

For a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. For a financial asset to be classified and measured at amortised cost, the Group's business model for it needs to be managing the financial asset to collect contractual cash flows.

**(b) Measurement**

At initial recognition, which is on trade date, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent to initial recognition, financial assets are measured at amortised cost using the effective interest method, less ECLs are presented as a separate line item in the statement of profit or loss as net financial asset impairment losses or reversals. Investment income determined using the effective interest method is recognised in profit or loss.

**(c) Derecognition**

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

**(d) Impairment**

The Group assesses, on a forward-looking basis, the ECLs associated with its debt instruments measured at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

The Group recognises a loss allowance for ECLs on loans, cash and cash equivalents, and other financial assets using the general approach. The amount of ECLs is updated at each reporting date to reflect changes in credit risk since initial recognition. The Group considers there to have been a significant increase in credit risk when contractual payments are more than 30 days past due. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, finance lease receivables, and contracts assets, the Group applies the simplified approach permitted by IFRS 9 *Financial Instruments* (IFRS 9), which requires expected lifetime credit losses to be recognised from initial recognition of the receivables. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Financial assets are not written off while they remain subject to enforcement activity.

Refer to note 38 for further details on the methodology applied by the Group.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 2 ACCOUNTING POLICIES continued

### 2.5 Summary of accounting policies continued

**Financial instruments** continued

**(2) Financial liabilities**

**(a) Measurement**

At initial recognition, the Group measures a financial liability at its fair value plus directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and loans and borrowings, including bank overdrafts.

These are subsequently measured at amortised cost, using the effective interest method. Gains and losses, including finance costs, are recognised in profit or loss.

**(b) Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. Any difference between the carrying amount of the derecognised liability and the fair value of the new liability at initial recognition is recognised in profit or loss.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term, highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents are subsequently measured at amortised cost. Bank overdrafts are presented within other financial liabilities in the statement of financial position.

For the purpose of the consolidated and separate statement of cash flows, cash and cash equivalents are net of outstanding bank overdrafts as these are repayable on demand, considered an integral part of the Group's cash management, and have fluctuating balances.

**Restricted cash**

Restricted cash comprises bank balances that are ring-fenced and are not highly liquid. These balances are not included in cash and cash equivalents and are measured at amortised cost.

**Taxation**

**(a) Tax expenses**

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- A transaction or event which is recognised, in the same or a different period, to other comprehensive income or equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively; or
- A business combination.

**(b) Current tax assets and liabilities**

Tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Tax liabilities and assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the tax authorities using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

**(c) Deferred tax assets and liabilities**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for tax purposes.

A deferred tax liability is recognised for all taxable temporary differences unless the deferred tax liability arises from the initial recognition of goodwill. Deferred tax is also not recognised if it arises from initial recognition of an asset or liability in a transaction which:

- Is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 2 ACCOUNTING POLICIES continued

### 2.5 Summary of accounting policies continued

**Taxation** continued

**(c) Deferred tax assets and liabilities** continued

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognised in respect of deductible temporary differences associated with investments in subsidiaries, only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised. Deferred tax assets are reviewed at each reporting date and are adjusted if recovery is no longer probable. In assessing the recoverability of deferred tax assets, the Group uses budgets and forecasts which, among other things, reflect the potential impact of macroeconomic factors on the Group's businesses as well as the environment surrounding the local and international ICT industries in which the Group operates.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

**Leases**

**(a) Group as lessor**

The Group, as lessor, leases assets to customers. The Group determines at lease inception whether a lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risk and rewards incidental to ownership of the underlying asset. If this is the case, the lease is classified as a finance lease, if not, it is classified as an operating lease. As part of this assessment, the Group considers certain indicators, including whether the lease is for the major part of the economic life of the asset.

For finance leases, the Group recognises a finance lease receivable at an amount equal to the net investment in the lease. Finance income is recognised in profit or loss based on a pattern reflecting a constant periodic rate of return on the Group's net investment in the finance lease. The Group applies the derecognition and impairment requirements applicable to financial assets to the net investment in the lease.

For operating leases, operating lease income is recognised as rental income on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income. The respective leased assets are included in the statement of financial position based on their nature.

**(b) Group as lessee**

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease contracts contain both lease and non-lease components. The Group has not elected the practical expedient to account for non-lease components as part of its lease liabilities and right-of-use assets. Accordingly, non-lease components are recognised as an expense in operating expenses as they are incurred.

The Group recognises right-of-use assets and lease liabilities at the lease commencement date for most leases. However, the Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and for short-term leases. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases have a lease term of 12 months or less and no purchase option. Leases of low-value assets comprise items such as IT equipment (tablets and personal computers), office furniture or telephones.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 2 ACCOUNTING POLICIES continued

### 2.5 Summary of accounting policies continued

**Leases** continued

**(b) Group as lessee** continued

Extension and termination options are included in a number of leases across the Group. In determining the lease term, all facts and circumstances are considered when assessing whether such options will be exercised. Extension options and periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

Assets and liabilities arising from leases are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments (including in-substance fixed payments).

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes adjustments, where necessary, to reflect changes in financing conditions and those specific to the lease, eg term and security.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. Interest costs are recognised in profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to extend the lease term.

The right-of-use assets are subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date of the lease less any lease incentives received.

The Group presents right-of-use assets together with property, plant and equipment in the statement of financial position. Lease liabilities are presented separately in the statement of financial position.

**Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out formula or weighted average cost method and includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to its present location and condition. An allowance for obsolete or damaged inventory is maintained by the Group. The level of the allowance for obsolete inventory is equivalent to the value of the difference between the cost of the inventory and its net realisable value or current replacement cost at the reporting date. Movements in this allowance are recognised in profit or loss and included in cost of sales.

**Stated capital**

Shares in the Company held by its subsidiaries or re-acquired by the Group are classified in the Group's shareholders' interest as treasury shares. The consideration paid, including any directly attributable incremental costs (net of income taxes) on those treasury shares, is deducted from equity until the shares are cancelled or reissued. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any distributions received on the treasury shares are eliminated on consolidation. Consideration paid or received is recognised directly in equity.

**Share-based payments**

**Employee share plans**

The Group has three equity-settled share schemes: The Share Trust, The Share Ownership Plan and The 2022 Share Plan under which share-based compensation benefits are provided to employees through issue of share options or shares. Information relating to these schemes is set out in note 36.

The fair value of the share options granted in terms of The Share Trust is measured at the grant date using the binomial model and recognised as an employee benefit expense with a corresponding increase in equity over the vesting period. The share options are only conditional on employees remaining in service and have no other performance conditions attached. The impact of any service conditions is excluded in determining the fair value of the options.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 2 ACCOUNTING POLICIES continued

### 2.5 Summary of accounting policies continued

**Share-based payments** continued

**Employee share plans** continued

The fair value of the shares granted in terms of The Share Ownership Plan and The 2022 Share Plan is measured at grant date and recognised as an employee benefit expense with a corresponding increase in equity over the vesting period. The Share Ownership Plan contains only a service condition while The 2022 Share Plan awards contain various performance non-market and market vesting conditions. Non-market performance vesting conditions are taken into account in estimating the number of shares expected to vest, while market vesting conditions are considered when determining the fair value of the shares at grant date.

At each reporting date, the Group revises its estimates of the number of share options/shares that are expected to vest based on the service conditions and non-market performance conditions. The Group recognises the impact of the revision to original estimates in profit or loss with a corresponding adjustment to equity.

Amounts are transferred to retained earnings in so far as they relate to expired shares under these employee share plans.

The Group also has a cash-settled share scheme for which a liability is recognised at fair value. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in profit or loss. The fair value is determined using certain assumptions, further details of which are given in note 36.

**Employee benefits**

**(a) Short-term obligations**

Liabilities for wages and salaries, compensated absences, as well as profit sharing and bonus payments are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service and are recognised as current liabilities in the statement of financial position. The liabilities are recognised in the period in which the service is rendered and are measured at the amounts expected to be paid when the liabilities are settled (ie they are not discounted).

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs. The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

**(b) Post-employment obligations**

The Group pays contributions to a privately administered defined contribution retirement benefit plan on behalf of employees. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as a defined contribution plan expense as they fall due.

**Revenue**

Revenue is recognised when control of the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Control of goods and services may transfer over time or at a point in time, depending on the nature of the underlying performance obligation. Management assesses the terms and conditions of each arrangement in determining when control transfers and the appropriate timing of revenue recognition.

The Group generates revenue from providing the following goods and services:

- Software/licence contracts
- Hardware
- Services
- Rentals.

Revenue is measured based on the consideration specified in a contract with a customer and is recognised when control is transferred to the customer. The Group has generally concluded that it is acting as the principal in its revenue arrangements, except for certain services, sales of software licences and hardware where it is acting as an agent.

Contracts are assessed individually to determine whether the products and services are distinct, ie the products or services are separately identifiable from other items in the contract with the customer and whether the customer can benefit from the goods or services, either on its own or together with other resources that are readily available. The consideration is allocated between the goods and services in a contract based on management's best estimate of the standalone selling prices of the goods and services.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 2 ACCOUNTING POLICIES continued

### 2.5 Summary of accounting policies continued

**Revenue** continued

The Group evaluates the following control indicators, among others, when determining whether it is acting as a principal or agent in the transactions with customers and recognising revenue on a gross, or net, basis:

- The Group is primarily responsible for fulfilling the promise to provide the specified goods or service
- The Group has inventory risk before the specified goods or services have been transferred to a customer or after the transfer of control to the customer
- The Group has discretion in establishing the price for the specified goods or services.

Judgement has been applied in determining whether the Group is acting as principal or agent in contracts with customers for software/ licence contracts, hardware and the provision of services.

In certain contracts containing maintenance and support arrangements, customers purchase a service package through the Group. The Group provides first-line support to customers and resolves issues within its capabilities, while issues that cannot be resolved internally are escalated to the underlying vendor for further assistance. Management assesses each arrangement to determine whether the Group controls the specified service before it is transferred to the customer. In making this assessment, consideration is given to the nature of the Group's responsibilities and the extent to which the vendor is responsible for fulfilling the service obligation. Where the Group's performance obligation is primarily to arrange for the vendor to provide the specified service, revenue is recognised on a net basis as the Group acts as an agent in the transaction.

The Group sells cloud computing solutions, which include infrastructure and software elements. These solutions utilise third-party vendors to provide customers with access to cloud technology and software. Most software licence sales are recognised on a gross basis and the Group acts as principal in these arrangements and recognises revenue when control of the licence is transferred to the customer. Certain software licences include rights to future software updates. The Group assesses these arrangements to determine whether the licence and future updates represent separate performance obligations or a single performance obligation. Where updates are not critical to the functionality of the software, the licence and future updates are considered separate performance obligations, with revenue allocated to the licence recognised when control transfers to the customer and revenue allocated to future updates recognised over the period during which the updates are provided. Where updates are critical to the ongoing functionality of the software, management assesses whether the Group controls the specified goods or services before they are transferred to the customer in determining whether it acts as principal or agent. Where the Group concludes that its performance obligation is to arrange for the vendor to provide access to the software and related updates, revenue is recognised on a net basis as an agent in the transaction. The assessment of the nature of the performance obligations and whether the Group acts as principal or agent requires significant judgement and consideration of the specific facts and circumstances of each arrangement.

The Group assesses the nature of its promise in each arrangement to determine whether the nature of its promise is to provide the hardware, software or service itself, or to arrange access to the hardware, software or service. In those arrangements where the software service is delivered entirely by the vendor, the Group will recognise revenue at the time of delivery on a net basis as the Group is acting as an agent in the transaction. In all other cases, the Group is deemed to be acting as principal and revenue is recognised on a gross basis.

The transaction price recognised is based on the contracted amounts, less amounts collected on behalf of third parties. Normal credit terms provided to customers are 30 to 60 days. If the transaction price includes a variable amount, the Group estimates the amount to which it will be entitled in terms of the contract. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 2 ACCOUNTING POLICIES continued

### 2.5 Summary of accounting policies continued

**Revenue** continued

| | |
|---|---|
| **Software/ licence contracts** | **Agent**<br>These contracts are billed on behalf of software vendors for the right to use the software and include licences for cloud software.<br><br>The Group is an agent in these arrangements and recognises the net amount as revenue at a point in time when the software licences are delivered to the customer.<br><br>**Principal**<br>There are also cases under software/licence contracts where the Group acts as a principal as the Group obtains control of the goods before they are transferred to the customer.<br><br>Revenue is recognised over time as the customer benefits as and when the Group performs. |
| **Hardware** | **Agent**<br>These contracts are billed by the Group for hardware sales concluded on behalf of hardware vendors.<br><br>The Group is an agent in these arrangements and recognises the net amount as revenue at a point in time when the hardware is delivered to the customer.<br><br>**Principal**<br>The Group recognises revenue when control is transferred to the customer, being when the customer accepts delivery of the goods, at a point in time. |
| **Services** | The Group provides a range of maintenance, support and other services to customers. Maintenance and support services consist of contracts with/promises to customers where the Group mainly provides hardware maintenance, software maintenance and support and unspecified upgrades and patches for software at an agreed fee based on defined service level agreements.<br><br>**Agent**<br>The Group introduces customers to third-party service providers and performs billing and other administrative activities on behalf of such third parties but does not control the delivery of such professional services or the setting of prices for them. The Group recognises such third-party professional services on an agent basis at a point in time when the services have been rendered.<br><br>**Principal**<br>There are also cases under service contracts where the Group acts as the principal as the Group obtains control of the service before it is rendered. Revenue is recognised over time as the customer benefits as the service is rendered.<br><br>Estimates of revenues and costs to the extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimates of revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management. |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 2 ACCOUNTING POLICIES continued

### 2.5 Summary of accounting policies continued

**Revenue** continued

**(a) Significant payment terms**

Generally, the Group receives short-term advances from its customers and in certain cases there are delayed payment terms of generally 30 days to 120 days, which indicates that no financing is provided to customers. The Group has applied the practical expedient of not adjusting consideration for significant financing components as the period between transfer of the underlying good or service to the customer and when payment is received from the customer is one year or less.

**(b) Contract balances**

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. When the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional other than through the passage of time.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (ie only the passage of time is required before payment of the consideration is due). Refer to accounting policies on financial assets for further detail.

**(c) Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer from which the Group has received consideration. When a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

**(d) Contract costs**

The Group incurs certain costs to obtain contracts with customers. These costs include commissions and other costs relating to the negotiation and conclusion of customer service contracts. The Group has elected to apply the practical expedient whereby the incremental costs of obtaining contracts are recognised in profit or loss, as and when these costs are incurred, if the amortisation period of the assets that the Group otherwise would have recognised is 12 months or less.

**Finance costs**

Finance costs comprise interest payable on borrowings and the interest expense component of lease liability charges, calculated using the effective interest rate.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

In preparing the consolidated and separate financial statements, management is required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts presented in the consolidated and separate financial statements and related disclosures. Use of available information, historical experience and the application of judgement are inherent in the formation of estimates. Actual results could differ from these estimates, which may be material to the consolidated and separate financial statements. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Where relevant, the Group has provided sensitivity analyses demonstrating the impact of changes in key estimates and assumptions on reported results.

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated and separate financial statements:

| **Judgement relates to:** | | Notes |
|---|---|---|
| Revenue | Assessment of principal versus agent considerations | 2.5 |
| Revenue | Determination of whether revenue is recognised over time or at a point in time | 2.5 and 22 |
| Going concern | Assessment of the Group's ability to continue as a going concern | 2.2 |
| Goodwill | Goodwill impairment assessment | 7 |
| Lease liabilities | Determination of the lease term, including extension and termination options | 19 |

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

| **Estimates relate to:** | | Notes |
|---|---|---|
| Impairment of intangible assets and goodwill | Determination of the recoverable amount of the asset or CGU | 6 and 7 |
| Impairment of investment in subsidiaries | Determination of the recoverable amount of the investment in subsidiaries (separate financial statements) | 1 |
| Deferred taxation assets | Assessment of the availability of future taxable profits against which deductible temporary differences and tax losses carried forward can be utilised | 2.5, 9 and 27 |
| Provisions | Estimation of the amount and timing of the provisions | 21 |
| Revenue | Measurement of progress towards satisfaction of performance obligations based on costs incurred, inputs versus milestones | 22 |
| Impairment of trade receivables and contract assets | Estimation of the ECL allowances on trade receivables and contract assets | 38 |
| Valuation of customer contracts | Determination of the fair value of customer contracts acquired in business combinations | 14 |
| Contingent consideration | Determination of the fair value of contingent consideration arising from business combinations | 14 |
| Impairment of loans to Group companies and financial guarantee liabilities | Estimation of the ECL allowances on loans to Group companies and financial guarantee liabilities (separate financial statements) | 11 |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 4 NEW STANDARDS AND INTERPRETATIONS

### 4.1 Adoption of new standards, amendments to standards and interpretations

Certain amendments to accounting standards became effective from 1 August 2025. These did not have a material impact on the Group or Company financial statements and are outlined below.

| Title | Effective date | Impact |
|---|---|---|
| Amendments to IAS 21 *Lack of Exchangeability* | Annual periods beginning on or after 1 January 2025 | The amendments impact entities that have transactions or operations in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. The Group is not operating nor conducting business in jurisdictions that currently have a lack of exchangeability. Accordingly, it has been assessed that these amendments do not have an impact on the Group. |

### 4.2 Standards, interpretations and amendments issued but not yet effective

Certain new standards, interpretations and amendments to existing standards have been published that are not effective for 31 July 2026 reporting periods.

The Group has chosen not to early adopt any new standards or interpretations.

| Title | Effective date | Impact |
|---|---|---|
| Classification and measurement of financial instruments – Amendments to IFRS 9 and IFRS 7 | The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted | The amendments clarify the treatment of non-recourse assets and contractually linked instruments. The Group does not expect these amendments to have a material impact as the Group does not have any non-recourse assets or contractually linked instruments. |
| Contracts referencing nature-dependent electricity – Amendments to IFRS 9 and IFRS 7 | The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted | To allow companies to better reflect the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs), amendments have been made to IFRS 9 and IFRS 7. These amendments provide guidance on the 'own-use' exemption for purchasers of electricity under PPAs, hedge accounting requirements for companies that hedge their purchases or sales of electricity using PPAs and new disclosure requirements to enable investors to better understand the effects of PPAs. These amendments will not be applicable to the Group. |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 4 NEW STANDARDS AND INTERPRETATIONS continued

### 4.2 Standards, interpretations and amendments issued but not yet effective continued

| Title | Effective date | Impact |
|---|---|---|
| Presentation and disclosure in financial statements – IFRS 18 | Annual periods beginning on or after 1 January 2027 | IFRS 18 promotes a more structured income statement and introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be classified into three new distinct categories based on an entity's business activities. The new standard requires an entity to analyse their operating expenses directly on the face of the income statement – either by nature, by function or on a mixed basis. In addition, the standard defines 'management-defined performance measures' (MPMs) and requires that an entity provide disclosures regarding its MPMs in order to enhance transparency. The standard further provides enhanced guidance on aggregation and disaggregation of information, which will apply to both the primary financial statements and the notes. IFRS 18 applies retrospectively. The Group has initiated an assessment of IFRS 18's impact on its financial statement presentation and disclosures. |
| Subsidiaries without public accountability – IFRS 19 | Eligible subsidiaries can choose to apply the standard for reporting periods beginning on or after 1 January 2027, with earlier application permitted | The standard is applicable to subsidiaries that do not have public accountability and that have a parent that produces consolidated accounts under IFRS Accounting Standards. IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted. This standard will not be applicable to the Group. |
| Regulatory assets and regulatory liabilities – IFRS 20 | Annual periods beginning on or after 1 January 2029, with earlier application permitted | IFRS 20 introduces requirements for the recognition, measurement and disclosure of regulatory assets and regulatory liabilities arising from specified rate-regulated activities. This standard will not be applicable to the Group. |
| Financial reporting in hyperinflationary economies – Amendments to IAS 21 | Annual periods beginning on or after 1 January 2027, with earlier application permitted | The amendments clarify that an entity with a non-hyperinflationary functional currency that presents its financial statements in a hyperinflationary presentation currency is required to translate all amounts (including assets, liabilities, equity items, income and expenses and comparative amounts) using the closing exchange rate at the date of the most recent statement of financial position. The Group does not expect these amendments to have a material impact on its financial statements as the Group does not have a hyperinflationary presentation currency. |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 5 PROPERTY, PLANT, EQUIPMENT AND RIGHT-OF-USE ASSETS

| | 2026 | | | 2025 | | |
|---|---|---|---|---|---|---|
| *Figures in Rand thousand* | Cost | Accumulated depreciation and impairment losses | Carrying amount | Cost | Accumulated depreciation and impairment losses | Carrying amount |
| Land and buildings | – | – | – | 663 | (91) | 572 |
| Right-of-use assets (buildings) | **167 815** | **(96 709)** | **71 106** | 162 919 | (118 871) | 44 048 |
| Furniture and fixtures | **21 296** | **(16 069)** | **5 227** | 24 324 | (18 630) | 5 694 |
| Motor vehicles | **19 515** | **(17 338)** | **2 177** | 21 417 | (19 269) | 2 148 |
| Right-of-use assets (motor vehicles) | **1 164** | **(702)** | **462** | 1 473 | (770) | 703 |
| Office equipment | **28 435** | **(18 427)** | **10 008** | 18 544 | (16 499) | 2 045 |
| IT equipment | **178 636** | **(133 024)** | **45 612** | 244 319 | (190 187) | 54 132 |
| Right-of-use assets (IT equipment) | **183** | **(183)** | **–** | 183 | (132) | 51 |
| Leasehold improvements | **17 038** | **(9 802)** | **7 236** | 9 775 | (8 106) | 1 669 |
| Other equipment | **26 150** | **(22 124)** | **4 026** | 11 616 | (7 399) | 4 217 |
| **Closing balance** | **460 232** | **(314 378)** | **145 854** | 495 233 | (379 954) | 115 279 |

### Reconciliation of property, plant, equipment and right-of-use assets

| *Figures in Rand thousand* | Opening balance | Additions | Disposals | Foreign currency translation | Depreciation | Acquisition of a subsidiary (note 14) | Closing balance |
|---|---|---|---|---|---|---|---|
| **2026** | | | | | | | |
| Land and buildings | **572** | **–** | **(568)** | **–** | **(4)** | **–** | **–** |
| Right-of-use assets (buildings) | **44 048** | **62 991** | **–** | **(1 251)** | **(34 682)** | **–** | **71 106** |
| Furniture and fixtures | **5 694** | **1 006** | **–** | **(36)** | **(1 437)** | **–** | **5 227** |
| Motor vehicles | **2 148** | **733** | **–** | **(26)** | **(882)** | **204** | **2 177** |
| Right-of-use assets (motor vehicles) | **703** | **–** | **–** | **–** | **(241)** | **–** | **462** |
| Office equipment | **2 045** | **12 613** | **(2 381)** | **(19)** | **(2 662)** | **412** | **10 008** |
| IT equipment | **54 132** | **14 536** | **(1 333)** | **(555)** | **(23 615)** | **2 447** | **45 612** |
| Right-of-use assets (IT equipment) | **51** | **–** | **–** | **–** | **(51)** | **–** | **–** |
| Leasehold improvements | **1 669** | **9 964** | **–** | **–** | **(4 397)** | **–** | **7 236** |
| Other equipment | **4 217** | **–** | **(392)** | **–** | **(992)** | **1 193** | **4 026** |
| | **115 279** | **101 843** | **(4 674)** | **(1 887)** | **(68 963)** | **4 256** | **145 854** |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 5 PROPERTY, PLANT, EQUIPMENT AND RIGHT-OF-USE ASSETS continued

### Reconciliation of property, plant, equipment and right-of-use assets continued

| *Figures in Rand thousand* | Opening balance | Additions | Disposals | Transfers | Foreign currency translation | Depreciation | Disposals of business (note 15) | Closing balance |
|---|---|---|---|---|---|---|---|---|
| **2025** | | | | | | | | |
| Land and buildings | 586 | – | – | – | – | (14) | – | 572 |
| Right-of-use assets (buildings) | 71 289 | 3 478 | – | (1 247) | (407) | (29 065) | – | 44 048 |
| Furniture and fixtures | 7 735 | 2 084 | (411) | (1 324) | (37) | (2 353) | – | 5 694 |
| Motor vehicles | 2 441 | 130 | – | 338 | (3) | (758) | – | 2 148 |
| Right-of-use assets (motor vehicles) | 1 018 | – | – | – | – | (315) | – | 703 |
| Office equipment | 2 726 | 120 | (7) | 127 | (6) | (915) | – | 2 045 |
| IT equipment | 64 122 | 15 993 | (1 449) | 2 883 | 55 | (27 347) | (125) | 54 132 |
| Right-of-use assets (IT equipment) | 113 | – | – | – | – | (62) | – | 51 |
| Leasehold improvements | 166 | 1 995 | – | – | – | (492) | – | 1 669 |
| Other equipment | 3 586 | 2 089 | (27) | (777) | – | (654) | – | 4 217 |
| | 153 782 | 25 889 | (1 894) | – | (398) | (61 975) | (125) | 115 279 |

Refer to note 18 for details of the security provided on the loans secured through Security SPV.

The prior year opening balance of property, plant, equipment and right-of-use assets cost was R547 million and accumulated depreciation and impairment losses were R394 million.

The profit/loss on disposal of items of property, plant and equipment is included in operating expenses (refer to note 24).

## 6 INTANGIBLE ASSETS

| | 2026 | | | 2025 | | |
|---|---|---|---|---|---|---|
| *Figures in Rand thousand* | Cost | Accumulated amortisation and impairment losses | Carrying amount | Cost | Accumulated amortisation and impairment losses | Carrying amount |
| Customer contracts | **15 050** | **(2 493)** | **12 557** | – | – | – |
| Customer relationships | **23 854** | **(22 251)** | **1 603** | 23 854 | (20 592) | 3 262 |
| Intellectual property | **24 760** | **(17 076)** | **7 684** | 25 672 | (15 754) | 9 918 |
| Internally generated software | **104 672** | **(57 682)** | **46 990** | 87 938 | (46 309) | 41 629 |
| Computer software | **49 348** | **(37 256)** | **12 092** | 46 823 | (37 591) | 9 232 |
| Other intangible assets | **100 975** | **(86 962)** | **14 013** | 102 776 | (88 496) | 14 280 |
| **Closing balance** | **318 659** | **(223 720)** | **94 939** | 287 063 | (208 742) | 78 321 |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 6 INTANGIBLE ASSETS continued

### Reconciliation of intangible assets

| *Figures in Rand thousand* | Opening balance | Additions | Disposals | Transfers | Foreign currency translation | Amortisation | Acquisition of a subsidiary (note 14) | Closing balance |
|---|---|---|---|---|---|---|---|---|
| **2026** | | | | | | | | |
| Customer contracts | – | – | – | – | – | (2 493) | 15 050 | 12 557 |
| Customer relationships | 3 262 | – | – | – | – | (1 658) | – | 1 604 |
| Intellectual property | 9 918 | – | – | (316) | – | (1 918) | – | 7 684 |
| Internally generated software | 41 629 | 20 512 | (942) | 316 | – | (14 526) | – | 46 989 |
| Computer software | 9 232 | 14 023 | – | – | (75) | (11 088) | – | 12 092 |
| Other intangible assets | 14 280 | 8 552 | – | – | (1 508) | (7 311) | – | 14 013 |
| | 78 321 | 43 087 | (942) | – | (1 583) | (38 994) | 15 050 | 94 939 |
| **2025** | | | | | | | | |
| Customer relationships | 4 920 | – | – | – | – | (1 658) | – | 3 262 |
| Intellectual property | 11 460 | 361 | – | – | – | (1 903) | – | 9 918 |
| Internally generated software | 44 713 | 15 442 | (2 020) | (3 598) | (72) | (12 836) | – | 41 629 |
| Computer software | 5 566 | 9 236 | (2) | – | 15 | (5 583) | – | 9 232 |
| Other intangible assets | 12 307 | 6 847 | – | 3 598 | (136) | (8 336) | – | 14 280 |
| | 78 966 | 31 886 | (2 022) | – | (193) | (30 316) | – | 78 321 |

The prior year opening balance of intangible assets cost was R278 million and accumulated depreciation and impairment losses were R199 million.

### Impairment testing

The Group performed a review of intangible assets for impairment, which highlighted no impairments for the current year (2025: Rnil). For the purpose of impairment testing, intangibles were allocated, together with goodwill, to the Group's CGUs. The recoverable amount of these CGUs was determined based on the value-in-use calculations, discounting future cash flows expected to be generated.

Note 7 further addresses the impairment testing, including key assumptions, estimates and sensitivities, in relation to the testing performed.

## 7 GOODWILL

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Cost | **2 339 220** | 2 339 220 |
| Accumulated impairment losses | **(1 769 042)** | (1 769 042) |
| **Opening balance** | **570 178** | 570 178 |
| Acquisition of a subsidiary (note 14) | **37 913** | – |
| **Closing balance** | **608 091** | 570 178 |
| Cost | **2 377 133** | 2 339 220 |
| Accumulated impairment losses | **(1 769 042)** | (1 769 042) |
| **Closing balance** | **608 091** | 570 178 |

The Group has revised its reportable segments to better reflect how management evaluates performance in line with its product and service offering and executive responsibilities. CGUs as at 31 July 2026 and for the comparative period have been presented under the new reporting segment structures. Refer to the consolidated segment results for more detail.

The Group's annual review of goodwill highlighted no impairments for the current or prior financial year.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 7 GOODWILL continued

### Impairment testing

For the purpose of impairment testing, goodwill is allocated to the Group's CGUs. The recoverable amount of these CGUs was determined based on value-in-use calculations, discounting the future cash flows expected to be generated from the continuing operations of each CGU.

A post-tax discount rate was used in discounting post-tax projected cash flows, depending on the nature of business and operating markets. Cash flow projections used in the value-in-use calculations cover a minimum of three years based on financial budgets and forecasts, as approved by the Board, which are based on assumptions of the business, industry and economic growth. Cash flows beyond the approved forecast period are extrapolated using the perpetual growth rates in line with industry norms. A perpetuity growth rate is calculated using long-term growth rates. This is applied based on conservative historical market trends and operating markets.

### Key assumptions used in discounted cash flow projection calculations

The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on past experience and both external and internal data.

Changes in key assumptions, as well as the actual cash flows achieved against forecasts, may result in further impairments to the CGUs.

The assumptions below have been applied to calculate the recoverable amount of CGUs based on value-in-use calculations. The discount rates used in the discounted cash flow models are calculated using the principles of the capital asset pricing model, taking into account current market conditions.

The following key assumptions were used for the value-in-use calculations:

- **Revenue growth rates:** the Group used growth rates for the forecast period based on the different industries the CGUs operate in, as well as management's views on the growth prospects of the businesses
- **Discount rates:** the discount rates reflect the time value of money and CGU-specific risk factors, which have not been adjusted in the forecast cash flows
- **Adjusted EBITDA margins:** the Group uses adjusted EBITDA margins as a reliable indicator of operational performance
- **Perpetuity growth rates:** a perpetuity growth rate of 4.0% (2025: 4.0%) has been used for the Group.

| | 2026 | | | |
|---|---|---|---|---|
| *Figures in Rand thousand* | Goodwill closing balance | Discount rates % | Average revenue growth rates % | Average adjusted EBITDA margins % |
| **IT services** | | | | |
| Learning and development | 93 488 | 22.6 | 5.0 | 10.8 |
| Legal consulting | 26 154 | 15.6 | 10.2 | 16.6 |
| Symplexity | 50 123 | 21.8 | 12.0 | 15.1 |
| XTND | 13 333 | 14.1 | 10.9 | 23.6 |
| CA | 10 387 | 13.0 | 7.6 | 16.2 |
| Oracle | 11 670 | 20.3 | 9.4 | 11.9 |
| Softworks | 22 193 | 22.7 | 6.1 | 3.9 |
| Compute | 103 662 | 16.6 | 6.1 | 6.3 |
| MySky | 37 913 | n/a | n/a | n/a |
| Managed services | 80 793 | 14.2 | 5.5 | 9.1 |
| Cloud and security | 9 019 | 22.4 | 28.0 | 17.0 |
| Impression* | 8 353 | 20.7 | 19.7 | 33.5 |
| Application development** | 73 818 | 11.4 | 11.3 | 19.4 |
| Data and analytics | 22 881 | 13.1 | 12.3 | 16.8 |
| Automation | 1 335 | 21.6 | 10.9 | 15.0 |
| **Operational technology** | | | | |
| SCAN RF | 28 155 | 15.6 | 6.5 | 3.8 |
| Operational technology | 14 814 | 17.2 | 7.0 | 10.5 |
| **Total carrying amount** | 608 091 | | | |

* *The Impression CGU is forecast to grow significantly due to its early stage in its lifecycle and expectations to leverage off its investments in its intellectual property and route to market.*

** *During the current year, previously separately reported CGUs Freethinking, Integrated services and Testing and quality assurance were moved as a result of internal restructuring such that these now all report as part of the Application development CGU. These CGUs were amalgamated as necessitated by business requirements and the Group's strategy effective from 1 August 2025.*

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 7 GOODWILL continued

### Key assumptions used in discounted cash flow projection calculations continued

| Figures in Rand thousand | 2025 Goodwill closing balance | Discount rates % | Average revenue growth rates % | Average adjusted EBITDA margins % |
|---|---|---|---|---|
| **IT services** | | | | |
| Learning and development | 93 488 | 21.6 | 5.0 | 12.1 |
| Legal consulting | 26 154 | 19.2 | 7.2 | 19.2 |
| Symplexity | 50 123 | 24.2 | 7.8 | 13.1 |
| XTND | 13 333 | 18.3 | 9.7 | 16.5 |
| CA | 10 387 | 16.4 | 4.6 | 12.1 |
| Oracle | 11 670 | 19.0 | 12.3 | 5.5 |
| Softworks | 22 193 | 16.6 | 0.2 | 2.9 |
| Compute | 103 662 | 17.4 | 3.2 | 3.1 |
| Managed services | 80 793 | 16.7 | 6.3 | 8.0 |
| Cloud and security | 9 019 | 18.3 | 12.0 | 17.4 |
| Freethinking | 14 081 | 18.6 | 6.2 | 25.7 |
| Impression* | 8 353 | 20.0 | 29.0 | 30.8 |
| Integrated services | 8 999 | 18.8 | 6.0 | 32.2 |
| Application development | 43 872 | 17.5 | 7.4 | 18.8 |
| Data and analytics | 22 881 | 18.9 | 5.9 | 19.8 |
| Testing and quality assurance | 6 866 | 18.3 | 6.4 | 17.9 |
| Automation | 1 335 | 17.9 | 4.9 | 10.1 |
| **Operational technology** | | | | |
| SCAN RF | 28 155 | 17.3 | 13.5 | 3.3 |
| Operational technology | 14 814 | 18.0 | 9.8 | 37.0 |
| **Total carrying amount** | 570 178 | | | |

* *The Impression CGU is forecast to grow significantly due to its early stage in its lifecycle and expectations to leverage off its investments in its intellectual property and route to market.*

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 7 GOODWILL continued

### Sensitivity analysis on value in use

In performing the impairment test for goodwill, the Group considered the sensitivity of the CGUs to changes in assumptions around key value drivers. The key value drivers for the CGUs are revenue, adjusted EBITDA margins and discount rate assumptions. Management has refined its approach and determined reasonably possible changes to these key assumptions on the recoverable amount of the CGUs based on their historical volatility embedded in each CGU. The percentage change noted below would result in the recoverable amount of the CGUs listed to approximate their carrying amount. Prior year amounts have been represented to align with the current year disclosure.

| | 2026 | | | | 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| *Figures in Rand thousand* | **Head-room** | **% decrease in revenue** | **% decrease in adjusted EBITDA margin** | **% increase in discount rate** | **Head-room** | **% decrease in revenue** | **% decrease in adjusted EBITDA margin** | **% increase in discount rate** |
| **IT services** | | | | | | | | |
| Cloud and security | **203 153** | **n/a** | **22.4** | **n/a** | 248 929 | n/a | n/a | n/a |
| Learning and development | **56 830** | **0.2** | **2.2** | **n/a** | 98 142 | n/a | n/a | n/a |
| Symplexity | **13 890** | **2.0** | **1.4** | **n/a** | 4 603 | 0.9 | 26.3 | 10.6 |
| Compute | **222 222** | **n/a** | **n/a** | **n/a** | 9 089 | 14.8 | 3.7 | n/a |
| Oracle | **88 459** | **n/a** | **n/a** | **n/a** | 46 642 | n/a | 65.6 | n/a |
| Softworks | **11 296** | **6.4** | **15.0** | **n/a** | 12 264 | 21.0 | 72.2 | n/a |
| Impression | **12 838** | **13.4** | **35.2** | **n/a** | 29 967 | 34.8 | 31.8 | n/a |
| **Operational technology** | | | | | | | | |
| SCAN RF | **13 526** | **43.3** | **10.7** | **n/a** | 14 271 | 1.6 | 92.9 | n/a |

*n/a – not applicable.*

The CGUs not included and those referenced not applicable in the table above have sufficient headroom and no reasonably possible change to the key assumptions would result in the carrying amount of those CGUs exceeding their recoverable amounts.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 8 OTHER FINANCIAL ASSETS

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Debt instruments at amortised cost** | **33 591** | 29 396 |
| Enterprise development loans receivable | **12 440** | 10 640 |
| Restricted cash | **382** | 356 |
| Gross loans and receivables | **29 118** | 26 749 |
| Receivables from disposal of subsidiaries | **2 791** | 2 791 |
| Allowance for expected credit losses | **(11 140)** | (11 140) |
| **Total other financial assets** | **33 591** | 29 396 |
| Non-current other financial assets | **23 983** | 21 564 |
| Current other financial assets | **9 608** | 7 832 |
| | **33 591** | 29 396 |

Restricted cash balances are those that are not available for use by the Group and are ring-fenced for repayment to the lenders. Refer to note 18 for additional information.

### Expected credit losses

A total allowance for expected credit losses of R11 million (2025: R11 million) has been recognised in respect of debt instruments measured at amortised cost.

R4 million (2025: R4 million) of the impairment loss allowance relates to enterprise development loans receivable, R2 million (2025: R2 million) relates to receivables from the disposal of subsidiaries and the remaining R5 million (2025: R5 million) relates to gross loans and receivables. The allowances recognised are based on the general approach, considering the probability of default and collateral.

Refer to note 38 for the credit risk disclosure.

### Reconciliation of movements of debt instruments measured at amortised cost

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Opening balance | **29 396** | 34 363 |
| Net increase/(decrease) in restricted cash | **26** | (1 905) |
| Net impairment on other financial assets | **–** | (3 326) |
| Interest accrued | **2 419** | 2 682 |
| Loans and receivables granted | **1 800** | 4 200 |
| Payments received | **–** | (6 640) |
| Other movements | **(50)** | 22 |
| **Closing balance** | **33 591** | 29 396 |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 9 DEFERRED TAXATION

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **The balance comprises** | | |
| Aggregate of deferred taxation assets | **130 366** | 120 887 |
| Aggregate of deferred taxation liabilities | **(8 791)** | (8 437) |
| | **121 575** | 112 450 |
| **Analysis of deferred taxation balances** | | |
| Net financial asset impairment losses | **17 240** | 62 573 |
| Prepaid expenses | **(13 525)** | (7 107) |
| Right-of-use assets | **(17 693)** | (9 086) |
| Lease liabilities | **19 914** | 10 997 |
| Intangible assets* | **(6 228)** | (9 892) |
| Property, plant and equipment | **(592)** | (518) |
| Other* | **–** | 334 |
| Provisions, accruals and other allowances* | **66 792** | 52 329 |
| Assessed losses | **733 946** | 745 838 |
| Contract liabilities* | **27 946** | 58 712 |
| | **827 800** | 904 180 |
| Deferred taxation assets not recognised in respect of deductible temporary differences | **(37 544)** | (88 014) |
| Deferred taxation assets not recognised in respect of assessed losses | **(668 681)** | (703 716) |
| | **121 575** | 112 450 |
| **Deferred taxation movement** | | |
| Opening balance | **112 450** | 99 334 |
| Acquisition of a subsidiary (note 14) | **(3 650)** | – |
| Movement recognised in profit or loss (note 27) | **12 738** | 12 309 |
| Foreign currency translation | **37** | 807 |
| **Closing balance** | **121 575** | 112 450 |

* *Comparative information has been restated to enhance the presentation and disaggregation of deferred tax balances. Payroll accruals have been reclassified to provisions, accruals and other allowances, while the comparative description of fair value adjustments has been corrected to reflect the underlying intangible assets. These changes provide a more relevant and understandable presentation of the Group's deferred tax balances and have no impact on the total deferred tax balance or the Group's financial results.*

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 10 FINANCE LEASE RECEIVABLES

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Gross investment in finance lease receivables | | |
| – within one year | **6 836** | 148 890 |
| – within one to two years | **–** | 342 |
| | **6 836** | 149 232 |
| *Less:* unearned finance income | **(5)** | (42) |
| | **6 831** | 149 190 |
| Impairment loss allowance (note 38) | **(6 030)** | (132 240) |
| | **801** | 16 950 |
| Present value of minimum lease payments receivable | | |
| – within one year | **6 831** | 148 854 |
| – within two to five years | **–** | 336 |
| | **6 831** | 149 190 |
| Impairment loss allowance | | |
| – current finance lease receivables | **(6 030)** | (132 240) |
| | **801** | 16 950 |
| Finance lease receivables | | |
| Current | **801** | 16 614 |
| Non-current | **–** | 336 |
| | **801** | 16 950 |

The Group entered into finance lease agreements with customers where it is the lessor of certain IT safety and security access equipment.

The lease terms are generally one to three years and the interest rate implicit in the lease is 1% to 6.5% above prime lending rates (2025: prime plus 1% to 6.5%). Finance lease receivables decreased significantly during the year, primarily due to the write-off of contracts that are no longer recoverable following prolonged non-payment by customers.

Refer to note 38 for the credit risk disclosure.

## 11 INVENTORIES

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Finished goods | **44 739** | 51 478 |
| Consumables | **–** | 275 |
| Work-in-progress | **4 958** | 27 335 |
| | **49 697** | 79 088 |
| Allowance for write-down of inventories to net realisable value | **(7 861)** | (10 287) |
| | **41 836** | 68 801 |
| **Cost of goods sold during the year** | **1 335 169** | 1 021 915 |

Write-down of inventories of R1 million (2025: Rnil) to net realisable value was recognised as an expense during the year and included in cost of sales in the statement of profit or loss.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 12 TRADE AND OTHER RECEIVABLES

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Financial instruments** | **976 908** | 1 016 288 |
| Trade receivables | **941 342** | 971 543 |
| Gross trade receivables | **973 036** | 1 026 475 |
| Impairment loss allowance (note 38) | **(31 694)** | (54 932) |
| Other receivables | **35 566** | 44 745 |
| **Non-financial instruments** | **437 055** | 373 654 |
| Contract assets | **136 001** | 124 530 |
| Gross contracts assets | **141 055** | 130 761 |
| Impairment loss allowance (note 38) | **(5 054)** | (6 231) |
| Prepayments | **247 646** | 195 847 |
| Value added tax (VAT) receivable | **10 006** | 19 832 |
| Other receivables | **43 402** | 33 445 |
| | **1 413 963** | 1 389 942 |

Included in other receivables are withholding taxes and employee advances (part of financial assets).

Refer to note 18 for details on the security provided on the loans secured through Security SPV.

## 13 CASH AND CASH EQUIVALENTS

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Cash and cash equivalents comprise: | | |
| Cash on hand | **320** | 663 |
| Bank balances and short-term deposits | **416 730** | 398 601 |
| | **417 050** | 399 264 |
| **Net cash and cash equivalents per the statement of cash flows** | **417 050** | 399 264 |
| The total amount of undrawn facilities available for future operating activities and commitments | **250 000** | 250 000 |

Refer to note 18 for details on the security provided on the loans secured through Security SPV.

Refer to note 38 for the credit risk disclosure.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 14 BUSINESS COMBINATION

### Acquisition of MySky group of companies (MySky)

On 1 May 2026, the Group acquired 100% of the voting equity interests in MySky, a group comprising four related South African entities operating in enterprise networking and managed infrastructure services.

The acquisition is consistent with the Group's growth strategy and is expected to enhance iOCO's networking capabilities, expand access to new enterprise clients and support a scalable and recurring revenue stream.

### Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of MySky at the acquisition date were:

| *Figures in Rand thousand* | Fair value recognised on acquisition |
|---|---|
| **ASSETS** | |
| Property, plant and equipment | **4 256** |
| Inventories | **2 831** |
| Trade and other receivables | **1 623** |
| Current tax assets | **616** |
| VAT receivable | **92** |
| Prepayments | **5 129** |
| Customer contracts | **15 050** |
| Cash and cash equivalents* | **7 914** |
| | **37 511** |
| **LIABILITIES** | |
| Deferred tax liabilities | **(3 650)** |
| Leave provision | **(1 070)** |
| Trade and other payables | **(310)** |
| Other financial liabilities | **(4 054)** |
| Deferred income | **(1 857)** |
| | **(10 941)** |
| **Total identifiable net assets at fair value** | **26 570** |
| Goodwill arising on acquisition | **37 913** |
| **Purchase consideration transferred** | **64 483** |

* *Cash and cash equivalents acquired as part of the business combination amounted to R7.9 million at acquisition date.*

### Goodwill

The goodwill of R37.9 million comprises the value of expected synergies arising from the acquisition, the value of the acquired workforce and future growth opportunities in the enterprise networking market. Goodwill is allocated entirely to the IT services segment. The customer contracts are separable and meet the criteria for recognition as an intangible asset under IAS 38 *Intangible Assets* and are taken into account when determining the goodwill amount. None of the goodwill recognised is expected to be deductible for income tax purposes.

### Revenue

From the date of acquisition, MySky contributed R18 million of revenue and R4 million to profit before tax of the Group. If the acquisition had taken place at the beginning of the year, the revenue contribution would have been R57 million and profit before tax contribution would have been R10.3 million.

### Receivables

The acquisition date fair value of the trade receivables amounts to R1.6 million. The gross amount of trade receivables is R1.7 million and it is expected that the full contractual amounts can be collected.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 14 BUSINESS COMBINATION continued

### Customer contracts

The customer contract portfolio represents customer contracts in place at the acquisition date and the associated future economic benefits expected to arise from those contracts. The asset was recognised separately from goodwill as it arises from contractual rights and was measured at acquisition date fair value using an income approach. The valuation was based on forecast contractual revenue over the remaining contractual terms, expected maintainable gross margins and present valued using an appropriate discount rate. The determination of the fair value involved significant judgement, particularly in estimating the expected economic benefits and selecting the valuation assumptions that market participants would apply. The customer contract portfolio is amortised on a straight-line basis over its estimated useful life.

The significant unobservable inputs used in the fair value measurement, together with a quantitative sensitivity analysis at 31 July 2026, are provided below.

**Consideration transferred**

| *Figures in Rand thousand* | Purchase consideration |
|---|---|
| Cash | **47 000** |
| Shares issued at fair value | **5 000** |
| Contingent consideration liability | **12 483** |
| | **64 483** |

### Shares issued at fair value

A portion of the consideration for the acquisition of a 100% interest in MySky will be settled through the issue of ordinary shares between three months and three years after the acquisition date. The fair value of the consideration transferred in respect of shares issued, determined with reference to the quoted market price of the Group's shares at the acquisition date, amounted to R5 million.

### Contingent consideration

As part of the purchase agreement with the founders of MySky, contingent consideration was agreed. Additional cash payments may become payable based on the average annual EBITDA achieved by MySky over the measurement period, which is two years. No earn-out payment is payable if average annual EBITDA is R12 million or below. Earn-out payments of R16.5 million, R30.5 million, R34.0 million and R38.0 million will become payable if average annual EBITDA reaches R13.7 million, R15.0 million, R17.2 million and R18.0 million or above, respectively.

As at the acquisition date, the fair value of the contingent consideration was estimated to be R12 million. The contingent consideration is included as part of non-interest-bearing liabilities.

As at 31 July 2026, the fair value of the contingent consideration reflects management's assessment of the probability-weighted outcomes of the earn-out arrangement. The liability was initially recognised on 1 May 2026, being the acquisition date, and was measured using a probability-weighted discounted cash flow method. The valuation incorporates estimates of future EBITDA based on signed customer contracts and historical EBITDA margins, with probabilities assigned to the various performance scenarios. The fair value reflects the present value of the expected future cash payments under the earn-out arrangement. Any changes in fair value subsequent to acquisition are recognised in profit or loss.

The contingent consideration liability was measured using a probability-weighted discounted cash flow method. The valuation reflects management's assessment of the probability of achieving each contractual earn-out outcome, based on the existing customer contracts, expected profitability during the earn-out period and other market participant assumptions. The expected earn-out payments were discounted to present value using a market-based discount rate.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 14 BUSINESS COMBINATION continued

### Contingent consideration continued

The fair value is determined using a probability-weighted discounted cash flow method. The significant unobservable inputs used in the fair value measurements, together with a quantitative sensitivity analysis as at 31 July 2026, are provided below:

**Fair value disclosure**

| | Valuation technique | Significant unobservable inputs | Range (weighted average) | Sensitivity of the input to fair value |
|---|---|---|---|---|
| **Contingent consideration liability** | Probability-weighted discounted cash flow method | Probability-weighting assigned to each contractual earn-out outcome | Contractual earn-out outcomes: Rnil – R38.0 million | A reasonably possible change of 10% in the probability-weighting assigned to the downside and upside scenarios, with a corresponding adjustment to alternative scenarios, would result in an increase/(decrease) in fair value of R2.8 million. |
| | | Discount rate | 8.5% | A 2% increase/(decrease) in the discount rate would decrease/(increase) the fair value of the contingent consideration by approximately R0.47 million. |
| **Customer contract portfolio** | Income approach (discounted cash flow) | Forecast contractual revenue | Remaining contractual revenue: R45.3 million | A 10% increase/(decrease) in forecast contractual revenue would increase/(decrease) the fair value of the customer contract portfolio by approximately R1.51 million. |
| | | Maintainable gross margin | 36.0% | A 2% increase/(decrease) in the maintainable gross margin would increase/(decrease) the fair value of the customer contract portfolio by approximately R0.84 million. |
| | | Discount rate | 8.5% | A 2% increase/(decrease) in the discount rate would decrease/(increase) the fair value of the customer contract portfolio by approximately R0.28 million. |

A reconciliation of fair value measurement of the contingent consideration liability (level 3) is provided below:

**IFRS 13 Fair Value Reconciliation**

| *Figures in Rand thousand* | Contingent consideration liability |
|---|---|
| Opening balance | – |
| Liability arising on business combination | **12 483** |
| Unrealised fair value changes recognised in profit or loss | – |
| **Closing balance** | **12 483** |

The fair value of the contingent consideration liability was reassessed at 31 July 2026. The fair value remained substantially unchanged from the amount recognised at the acquisition date, as there were no significant changes in the underlying performance assumptions or the probability-weighted outcomes used in determining the liability. The remaining period to settlement has also been considered in the remeasurement, with no material change in the fair value identified at the reporting date.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 15 DISPOSAL OF SUBSIDIARIES

### Cash outflow from disposal of businesses

During the year, the Group made a payment of R3.8 million relating to the disposal of Sybrin Systems Proprietary Limited, which was completed during the financial year ended 31 July 2022. The payment represents the settlement of taxation fines and penalties arising from the disposal transaction.

The Group has disposed of the below investments in subsidiaries during the prior year:

| *Figures in Rand thousand* | Percentage holding disposed | Date of disposal | Consideration received or receivable | (Loss)/ gain on disposal |
|---|---|---|---|---|
| **Entities disposed** | | | | |
| **IT services** | | | | |
| EasyHQ Proprietary Limited | 100% | 1 October 2024 | * | (2 176) |
| Highveld Wealth Management Proprietary Limited | 100% | 1 June 2025 | * | 397 |
| **Net loss on disposal of subsidiaries** | | | * | (1 779) |

* *Less than R1 000.*

### Reconciliation of cash received from disposal of businesses

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Opening balance** | **2 791** | 2 791 |
| Cash consideration received or receivable | **–** | * |
| *Less:* amount outstanding at year end | **(2 791)** | (2 791) |
| **Cash received from disposal of businesses** | **–** | – |
| *Less:* cash balances disposed of | **–** | (2 542) |
| **Cash receipt from disposal of businesses, net of cash given up** | **–** | (2 542) |

* *Less than R1 000.*

The carrying amounts of major classes of assets and liabilities associated with subsidiaries disposed of during the prior year are as follows:

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Assets** | | |
| Property, plant, equipment and right-of-use assets | **–** | 125 |
| Trade and other receivables | **–** | 602 |
| Cash and cash equivalents | **–** | 2 542 |
| **Liabilities** | | |
| Trade and other payables | **–** | (1 490) |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 16 STATED CAPITAL

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Stated capital** | | |
| Opening balance | **4 774 521** | 4 774 521 |
| Movement in treasury shares – settlement of share-based payments | **23 982** | – |
| Share buybacks | **(68 836)** | – |
| **Closing balance** | **4 729 667** | 4 774 521 |

### Authorised

*7 500 000 000 (2025: 7 500 000 000) ordinary shares of no par value.*
*40 000 000 (2025: 40 000 000) A shares of no par value.*

### Unissued

*6 861 916 579 (2025: 6 861 916 579) unissued ordinary shares.*

### Issued

| *Figures in thousand* | 2026 | 2025 |
|---|---|---|
| **Ordinary shares of no par value:** | | |
| **Reconciliation of the number of ordinary shares in issue** | | |
| Opening balance | **638 083** | 638 083 |
| **Shares in issue at the end of the year (fully paid)** | **638 083** | 638 083 |
| *Less:* | | |
| Treasury shares held in the Group share incentive schemes | **(2 341)** | (2 341) |
| Treasury shares held by wholly owned subsidiaries of the Group | **(14 784)** | (5 455) |
| **Closing balance** | **620 958** | 630 287 |
| **A shares of no par value:** | | |
| **Reconciliation of the number of shares in issue** | | |
| Opening balance* | **40 000** | 40 000 |
| **Closing balance** | **40 000** | 40 000 |

* *The Lebashe transaction was approved by shareholders on 18 September 2018 and effectively implemented on 1 October 2018. Lebashe received 40 million unlisted A shares, which were to be redeemed in five years on 1 October 2023 through an ordinary share issue.*

*As at 13 February 2023 and in keeping with the spirit of the 2018 empowerment transaction, the Company and Lebashe have amended the A share terms by:*
*(i) Amending the strike price of the A shares from R90 per ordinary share to a price per ordinary share equal to the closing ordinary share price on the day following the publication of the results of the rights offer increased by a 25% CAGR, which amounted to R11.81 per share.*
*(ii) Extending the maturity of the A shares by a further five years until 30 September 2028, as well as amending the Amended and Restated Relationship Agreement (being one of the key agreements of the 2018 empowerment transaction) to further enable Lebashe to add value as a strategic partner of iOCO. The effect of the A share amendments has been to provide Lebashe with a reasonable prospect of it being issued with iOCO ordinary shares upon maturity of the A shares while also extending the life of the Company's empowerment transaction (and the resultant benefits thereof to the Company) by a further five years.*

*The A shares rank equal to an iOCO ordinary share in respect of voting rights and each A share will receive cash dividends in an amount equal to the value of 15% of dividends paid by iOCO to ordinary shareholders. The remaining 85% of the dividend value will be accrued and redeemed through the redemption of the A shares. Despite the variability in the number of iOCO ordinary shares that will be issued, the obligation to Lebashe is accounted for as an equity-settled share-based payment transaction.*

### Share buybacks

The Group continued executing its authorised share repurchase programme, which commenced on 1 August 2025, following shareholder approval granted at the general meeting held on 23 May 2025. The programme forms part of management's capital allocation strategy aimed at optimising the statement of financial position and supporting long-term growth.

During the reporting period from 1 August 2025 to 31 July 2026, the Group cumulatively repurchased 16 766 854 shares at a cost of R69 million, representing approximately 2.6% of its issued share capital. Shares have been repurchased at prices ranging from R3.95 to R4.65 per share. All share buybacks were repurchased by a wholly owned subsidiary of the Group.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 17 OTHER RESERVES

| *Figures in Rand thousand* | Foreign currency translation reserve | Share-based payment reserve | Total |
|---|---|---|---|
| Opening balance at 1 August 2024 | (16 397) | 47 537 | 31 140 |
| Other comprehensive loss | (10 275) | – | (10 275) |
| Transfer within equity* | – | (17 588) | (17 588) |
| Share-based payments | – | 9 418 | 9 418 |
| Share-based payments paid out during the year | – | (563) | (563) |
| **Balance at 31 July 2025** | **(26 672)** | **38 804** | **12 132** |
| Other comprehensive loss | **(11 542)** | **–** | **(11 542)** |
| Movement in treasury shares – settlement of share-based payments | **–** | **(23 982)** | **(23 982)** |
| Transfer within equity* | **–** | **(15 966)** | **(15 966)** |
| Share-based payments | **–** | **17 084** | **17 084** |
| **Balance at 31 July 2026** | **(38 214)** | **15 940** | **(22 274)** |

* *Transfers within equity represent transfers from the share-based payment reserve to retained earnings for expired, unexercised options.*

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 18 OTHER FINANCIAL LIABILITIES

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Interest-bearing liabilities** | **606 854** | 658 594 |
| Interest-bearing bank loans secured through Security SPV | **480 431** | 541 274 |
| Project finance loan | **113 456** | 113 456 |
| Unsecured interest-bearing bank loans | **12 967** | 3 864 |
| **Non-interest-bearing liabilities** | **12 483** | – |
| Contingent consideration on acquisition of a subsidiary (note 14) | **12 483** | – |
| **Total other financial liabilities** | **619 337** | 658 594 |
| Non-current financial liabilities | **448 636** | 481 717 |
| Current financial liabilities | **170 701** | 176 877 |
| | **619 337** | 658 594 |
| **Reconciliation of financial instruments** | | |
| Opening balance | **658 594** | 951 640 |
| Repayment of bank overdraft | **–** | (192 585) |
| Proceeds from other financial liabilities | **1 770** | – |
| Repayment of interest-bearing liabilities | **(61 538)** | (102 538) |
| Dividends payable to non-controlling interests | **8 005** | – |
| Interest accrued | **50 621** | 70 714 |
| Interest repaid | **(51 642)** | (71 607) |
| Amortisation of debt restructuring fee (note 26) | **1 785** | 1 689 |
| Payment of debt restructuring fee | **(450)** | (559) |
| Other non-cash items | **(291)** | 1 840 |
| **Closing balance** | **606 854** | 658 594 |
| **Reconciliation of non-financial instruments/financial instruments measured at fair value** | | |
| Opening balance of cash-based long-term incentive* | **–** | 8 771 |
| Remeasurement of cash-based long-term incentive* | **–** | (8 771) |
| Recognition of contingent consideration on acquisition of a subsidiary | **12 483** | – |
| **Closing balance** | **12 483** | – |
| **Financial instruments** | | |
| Measured at amortised cost | **606 854** | 658 594 |
| Contingent consideration on acquisition of a subsidiary | **12 483** | – |
| | **619 337** | 658 594 |

* *The cash-based long-term incentive is measured in accordance with IFRS 2.*

Interest-bearing bank loans are secured through a Security SPV, which requires that certain South African wholly owned subsidiaries of the Group provide a pledge and cession of:

- All shares in, and claims on loan account against, any member of the Group incorporated in South Africa
- Cash
- Cash equivalents
- Bank accounts
- Investments
- Claims
- Disposal proceeds
- Any other amounts, of any nature whatsoever, now or from time to time in the future owing to that obligor by any third person arising out of any cause of action whatsoever, including, without limitation, all amounts owing or becoming payable to that obligor by any of its debtors
- Related rights.

South African wholly owned subsidiaries contributing more than 70% of the Group's revenue, EBITDA and gross assets are pledged as required above.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 18 OTHER FINANCIAL LIABILITIES continued

The Group has the following loans and facilities secured through the Security SPV:

- An amortising term loan of R46 million at year end, currently bearing interest at three-month JIBAR + 2.65% repayable in equal amounts quarterly until March 2027
- A bullet term loan of R226 million at year end, bearing interest at three-month JIBAR + 2.75% at year end, and at a reduced margin of 2.25% from 1 August 2026, repayable in March 2030, following negotiation of a three-year extension
- R250 million four-year revolving credit facility drawn to an amount of R209 million at year end, bearing interest at three-month JIBAR + 2.95% at year end, and at a reduced margin of 2.45% from 1 August 2026, repayable in March 2030 following negotiation of a three-year extension
- R500 million general banking facilities, which include a working capital facility bearing interest at prime + 1% and ancillary banking facilities

All three loans have been transitioned from JIBAR to the South African rand overnight index average (ZARONIA).

The Group has the following debt covenant limits in respect of the above-mentioned loans at 31 July 2026:

- Debt to EBITDA ratio of 2.00x or lower, whereas the actual ratio was 1.14x
- Debt service cover ratio to free cash flow of 1.30x or higher, whereas the actual ratio was 1.83x
- Interest cover ratio of 3.75x or higher, whereas the actual ratio was 9.04x.

## 19 LEASE LIABILITIES

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| *Amounts recognised in the statement of financial position* | | |
| **Lease liabilities relate to:** | | |
| Buildings | **77 856** | 50 442 |
| IT equipment | **14** | – |
| Motor vehicles | **908** | 1 744 |
| | **78 778** | 52 186 |
| Additions to the lease liabilities amounted to R63 million (2025: R3 million). | | |
| *Amounts recognised in the statement of profit or loss* | | |
| Interest expense (note 26) | **9 971** | 7 642 |
| Expense relating to short-term leases and low-value asset leases (note 24) | **9 751** | 14 678 |
| | **19 722** | 22 320 |

The total cash outflow for leases amounted to R50 million (2025: R49 million).

Potential future cash flows of R85 million (2025: R91 million) undiscounted have not been included in the lease liability as it is not reasonably certain that the leases will be extended in considering their available extension options.

Lease commitments for short-term leases were considered and deemed immaterial.

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Reconciliation of lease liabilities** | | |
| Opening balance | **52 186** | 81 087 |
| Additions | **62 991** | 3 478 |
| Lease payments | **(38 266)** | (34 067) |
| Interest accrued | **9 971** | 7 642 |
| Remeasurements | **(2 724)** | (2 877) |
| Other movements | **(5 380)** | (3 077) |
| **Closing balance** | **78 778** | 52 186 |
| **Lease liabilities** | | |
| Current | **26 740** | 28 896 |
| Non-current | **52 038** | 23 290 |
| | **78 778** | 52 186 |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 20 TRADE AND OTHER PAYABLES

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Financial instruments** | **433 084** | 568 886 |
| Trade payables | **377 111** | 543 583 |
| Other payables | **55 973** | 25 303 |
| **Non-financial instruments** | **670 941** | 702 656 |
| VAT payable | **59 589** | 40 269 |
| Accrued expenses | **88 991** | 51 829 |
| Payroll accruals | **193 712** | 271 894 |
| Contract liabilities (note 22) | **328 649** | 338 664 |
| | **1 104 025** | 1 271 542 |

Included in payroll accruals are amounts relating to leave pay, bonuses, profit share and PAYE.

Included in other payables is an amount of R47 million of purchase consideration due for the acquisition of the MySky group of companies. This amount was settled on 3 August 2026.

## 21 PROVISIONS

| *Figures in Rand thousand* | Provision for litigation | PAYE provision | Onerous contracts | Total |
|---|---|---|---|---|
| Opening balance at 1 August 2024 | – | 3 020 | 30 079 | 33 099 |
| Recognised during the year | 10 000 | – | 3 851 | 13 851 |
| Paid | – | (3 020) | – | (3 020) |
| Utilised | (1 917) | – | (22 558) | (24 475) |
| **Balance at 31 July 2025** | **8 083** | **–** | **11 372** | **19 455** |
| Recognised during the year | **4 622** | **–** | **74** | **4 696** |
| Paid | **(1 206)** | **–** | **(7 183)** | **(8 389)** |
| Utilised | **(9 172)** | **–** | **–** | **(9 172)** |
| **Balance at 31 July 2026** | **2 327** | **–** | **4 263** | **6 590** |

The provision for litigation relates to a dispute the Group is currently involved in related to an alleged storage array issue that resulted in damages being claimed by a client. The provision recognised reflects the Group's obligation to cover the insurance excess associated with the claim. The matter remains ongoing and developments continue to be monitored. In addition, the Group has recognised an additional provision to provide for general litigation matters.

SARS has performed an audit regarding PAYE on an entity in the Group, Rosstone Consulting Proprietary Limited, and issued its assessment. The Group is objecting to this assessment and has appealed. The matter has been assessed as appropriate for alternative dispute resolution (ADR), which will be undertaken in due course. A provision of R3 million was paid to SARS during the prior year.

Provisions also include onerous contract provisions, where there is uncertainty on the final amount, which is the lower of the cost of fulfilling the contract and any compensation or penalties arising from failure to fulfil the contracts, with the timing of outflow expected to be in the next financial year.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 22 REVENUE

### Disaggregated revenue

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Revenue by sector** | | |
| Public sector | **9%** | 12% |
| Private sector | **91%** | 88% |
| **Total** | **100%** | 100% |
| **Major revenue types** | | |
| Hardware sales | **736 929** | 492 038 |
| Services | **3 903 585** | 4 177 841 |
| Software/licence contracts | **1 090 178** | 911 034 |
| Rentals* | **1 869** | 2 307 |
| **Total** | **5 732 561** | 5 583 220 |
| **Timing of revenue recognition** | | |
| Goods or services transferred to customers: | | |
| – at a point in time | **2 294 667** | 1 868 218 |
| – over time | **3 437 894** | 3 715 002 |
| **Total** | **5 732 561** | 5 583 220 |
| **Principal versus agent classification** | | |
| Revenue recognised as principal | **5 694 430** | 5 406 396 |
| Revenue recognised as agent | **38 131** | 176 824 |
| **Total** | **5 732 561** | 5 583 220 |

* *Rentals recognised are excluded from revenue from contracts with customers and accounted for under IFRS 16* Leases. *These have been included per sector above and have been included as being recognised over time.*

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Contract balances** | | |
| Contract assets (note 12) | **136 001** | 124 530 |
| Contract liabilities (note 20) | **(328 649)** | (338 664) |
| **Total** | **(192 648)** | (214 134) |

Contract assets relate to the Group's rights to consideration for work completed but not billed at the reporting date, mostly for services contracts. Contract assets are transferred to receivables when the rights become unconditional, which usually occurs when the Group issues an invoice to the customer.

Contract liabilities relate to the advance consideration received from customers, or amounts billed to customers in advance of completing work, for services and maintenance contracts. Revenue is recognised from the contract liability amounts as and when services are delivered and related performance obligations satisfied.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 22 REVENUE continued

### Disaggregated revenue continued

Significant changes in the contract assets and contract liabilities balances during the year were as follows:

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Contract assets** | | |
| Opening balance | **124 530** | 169 070 |
| Transfers from contract assets recognised at the beginning of the period and during the current period to receivables | **(355 017)** | (322 116) |
| Increases as a result of revenue recognised | **367 100** | 275 994 |
| Foreign exchange translation | **(513)** | 181 |
| Impairment allowance (increased)/reversed (note 38) | **(99)** | 1 401 |
| **Closing balance** | **136 001** | 124 530 |
| **Contract liabilities** | | |
| Opening balance | **338 664** | 460 910 |
| Revenue recognised during the year and which was included in the contract liability balance at the beginning of the year | **(623 076)** | (419 719) |
| Increases due to advance cash received or amounts billed, excluding amounts recognised as revenue during the year | **616 702** | 292 042 |
| Foreign exchange translation | **(3 641)** | 5 431 |
| **Closing balance** | **328 649** | 338 664 |
| **Net contract assets** | | |
| Unbilled revenue (note 12) | **141 055** | 130 761 |
| Allowance for impairment (note 12) | **(5 054)** | (6 231) |
| **Net contract assets** | **136 001** | 124 530 |

### Performance obligations

#### Nature of goods and services

The following table provides an explanation of the Group's performance obligations:

| Revenue type | Timing of satisfaction of performance obligation | Transfer of control | Measurement of transaction price | Duration of contract |
|---|---|---|---|---|
| Hardware sales | Upon delivery | At a point in time | Contracted amounts | <1 year |
| Services | Monthly/costs incurred | Agent – at a point in time<br>Principal – over time | Contracted amounts | >1 year |
| Software/licence contracts | Agent – upon delivery<br>Principal – monthly | Agent – at a point in time<br>Principal – over time | Contracted amounts | >1 year |

The Group has applied the practical expedient, which permits it not to separate financing components from the transaction price for contracts with an expected duration of one year or less.

#### Remaining performance obligations

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied):

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Within one year | **531 818** | 541 675 |
| More than one year | **580 892** | 369 583 |
| **Total** | **1 112 710** | 911 258 |

The performance obligations expected to be recognised in more than one year relate to maintenance, software and managed services contracts, which are to be satisfied within two years. All the other remaining performance obligations are expected to be recognised within one year.

Where revenue is recognised over time, for services contracts, on the costs incurred method, estimates are made to the total budgeted cost.

Significant judgement was applied in assessing whether the Group is an agent or principal in respect of the software/licence contracts and hardware sales (refer to note 2.5 for additional information).

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 23 NET FINANCIAL ASSET IMPAIRMENT LOSSES

Impairment losses and impairment reversals on financial assets at amortised cost recognised in profit or loss comprise the following:

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Impairment loss/(reversal) on trade and other receivables | **738** | (7 487) |
| Impairment loss on other financial assets | **–** | 3 326 |
| Impairment loss/(reversal) on contract assets | **99** | (1 401) |
| | **837** | (5 562) |

## 24 OPERATING PROFIT

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Operating profit is stated after taking into account the following items:** | | |
| Amortisation | **38 994** | 30 316 |
| Amortisation included in cost of sales | **6 254** | 4 678 |
| Amortisation not included in cost of sales | **32 740** | 25 638 |
| Auditor's remuneration | **19 119** | 17 982 |
| Audit fee | **14 569** | 13 112 |
| Moore Johannesburg Inc. | **14 569** | 13 112 |
| Other auditors | **4 550** | 4 870 |
| Audit fee | **3 296** | 3 099 |
| Fees for other services | **1 254** | 1 771 |
| Depreciation | **68 963** | 61 975 |
| Depreciation included in cost of sales | **13 219** | 15 854 |
| Depreciation not included in cost of sales | **55 744** | 46 121 |
| Employee costs | **2 236 516** | 2 524 112 |
| Employee costs included in cost of sales | **1 501 940** | 1 661 467 |
| Employee costs not included in cost of sales | **734 576** | 862 645 |
| Materials, services and travel included in cost of sales | **2 214 831** | 2 301 119 |
| Materials | **2 213 564** | 2 300 027 |
| Travel and accommodation | **1 267** | 1 092 |
| Inventory write-off/(write-off reversal) | **1 356** | (3) |
| Advisory services | **44 421** | 32 440 |
| IT and network support services | **11 839** | 24 464 |
| Legal fees | **18 628** | 15 372 |
| IT software licence fees | **46 206** | 30 648 |
| Loss on disposal of subsidiaries | **3 765** | 1 779 |
| Share-based payment expense | **17 084** | 647 |
| (Profit)/loss on disposal of intangible assets and property, plant and equipment | **(1 838)** | 239 |
| Short-term and low-value asset lease expenses | **9 751** | 14 678 |
| Short-term lease expenses on immovable property | **8 577** | 12 730 |
| Low-value asset lease expenses on movable property | **1 174** | 1 948 |
| Provisions raised | **4 696** | 13 851 |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 25 INVESTMENT INCOME

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Interest income** | | |
| Bank | **4 079** | 3 965 |
| Other interest received | **3 049** | 3 163 |
| | **7 128** | 7 128 |

Investment income is calculated using the effective interest method.

## 26 FINANCE COSTS

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Other financial liabilities | **50 621** | 70 714 |
| Debt restructuring fee | **1 785** | 1 689 |
| Commitment fee | **449** | – |
| Lease liabilities | **9 971** | 7 642 |
| Bank | **2 998** | 10 964 |
| Other interest | **1 900** | 5 222 |
| | **67 724** | 96 231 |

## 27 TAXATION

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Current taxation** | | |
| Current year | **68 563** | 78 589 |
| Prior years | **9 589** | 8 000 |
| | **78 152** | 86 589 |
| **Deferred taxation** | | |
| Originating and reversing temporary differences | **(16 508)** | (9 352) |
| Prior year adjustments | **3 770** | (2 957) |
| | **(12 738)** | (12 309) |
| **Total taxation expense** | **65 414** | 74 280 |
| **Reconciliation of rate of taxation** | **%** | % |
| South African normal rate of taxation | **27.0** | 27.0 |
| Reduction in rate for the year, due to: | | |
| Exempt income^ | **(1.0)** | (5.0) |
| Share settlement | **(1.5)** | – |
| Foreign taxation rate differences | **(3.1)** | (2.0) |
| Utilisation of previously unrecognised tax losses | **(4.3)** | – |
| Temporary differences not recognised | **(13.8)** | (10.9) |
| Assessed loss previously unrecognised now recognised | **(8.5)** | (5.5) |
| Increase in rate for the year, due to: | | |
| Assessed losses not recognised | **11.6** | 8.6 |
| Prior year adjustments to over provision of deferred taxation/current taxation | **3.2** | 1.5 |
| Disallowed loss on disposal | **–** | 0.4 |
| Non-deductible expenditure* | **5.9** | 8.4 |
| **Effective tax rate** | **15.5** | 22.5 |
| **Unrecognised deferred taxation assets** | | |
| Deferred taxation assets not recognised in respect of deductible temporary differences | **139 052** | 325 979 |
| Deferred taxation assets not recognised in respect of taxation losses | **2 476 598** | 2 606 354 |
| | **2 615 650** | 2 932 333 |

* *The non-deductible expenditure relates mainly to interest expenses recognised (3.4%) (2025: 5%), equity-settled share-based payments (1.1%) and legal expenses (0.5%) (2025: 1%).*

^ *Exempt income relates mainly to government grants received (0.4%) (2025: 0.5%) and special allowances in terms of S12H learnerships (0.3%).*

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 27 TAXATION continued

The Group's deductible temporary differences do not expire under the current taxation legislation.

Deferred tax assets have been recognised to the extent that the realisation of the related tax through future taxable profits is probable. The assessment of the availability of future taxable profits has been performed at a relevant subsidiary level based on budgets. In terms of this process, medium-term forecasts are prepared and reviewed, which include estimates and assumptions regarding economic growth, interest rates, inflation and other applicable industry factors. Judgement is exercised in determining whether forecasts are likely to be achieved and, in turn, whether the deferred tax assets will be recoverable.

In 2026, R67 million (2025: R75 million) of previously unrecognised taxation losses was utilised.

## 28 EARNINGS PER SHARE

| | 2026 | 2025 |
|---|---|---|
| **Basic earnings per share and diluted earnings per share** | | |
| Profit attributable to owners of iOCO Limited (R'000) | **351 010** | 250 834 |
| Weighted average number of shares in issue ('000) | **620 958** | 630 287 |
| Diluted weighted average number of shares in issue ('000) | **622 158** | 644 726 |
| Basic earnings per share (cents) | **57** | 40 |
| Diluted earnings per share (cents) | **56** | 39 |

## 29 HEADLINE EARNINGS PER SHARE

| | 2026 | 2025 |
|---|---|---|
| **Headline earnings per share and diluted headline earnings per share** | | |
| Headline earnings (R'000) | **353 334** | 252 800 |
| Weighted average number of shares in issue ('000) | **620 958** | 630 287 |
| Diluted weighted average number of shares in issue ('000) | **622 158** | 644 726 |
| Headline earnings per share (cents) | **57** | 40 |
| Diluted headline earnings per share (cents) | **57** | 39 |

| | 2026 | | 2025 | |
|---|---|---|---|---|
| *Figures in Rand thousand* | Gross | Net | Gross | Net |
| **Reconciliation between earnings, headline earnings and diluted headline earnings** | | | | |
| Profit attributable to owners of iOCO Limited | **351 010** | **351 010** | 250 834 | 250 834 |
| *Adjusted for:* | | | | |
| (Profit)/loss on disposal of intangible assets and property, plant and equipment | **(1 838)** | **(1 441)** | 239 | 187 |
| Loss on disposal of subsidiaries | **3 765** | **3 765** | 1 779 | 1 779 |
| Total non-controlling interest effects on adjustments | **–** | **–** | – | – |
| **Headline earnings** | **352 937** | **353 334** | 252 852 | 252 800 |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 30 CASH GENERATED FROM OPERATIONS

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Profit before taxation | **422 541** | 331 852 |
| *Adjustments for:* | | |
| Depreciation and amortisation | **107 957** | 92 291 |
| (Profit)/loss on disposal of intangible assets and property, plant and equipment | **(1 838)** | 239 |
| Loss on disposal of subsidiaries | **3 765** | 1 779 |
| Share-based payment expense | **17 084** | 647 |
| Net finance costs | **60 596** | 89 103 |
| Net financial asset impairment loss/(reversal) (note 23) | **837** | (5 562) |
| Inventory write-off/(write-off reversal) | **1 356** | (3) |
| Movement in provisions | **(4 476)** | (10 624) |
| Foreign exchange (gains)/losses | **(9 992)** | 1 032 |
| Other non-cash items | **(12 488)** | (7 945) |
| **Cash generated before changes in working capital** | **585 342** | 492 809 |
| Working capital changes net of effects of disposal of subsidiaries | **(217 385)** | 74 350 |
| Decrease in inventories | **28 441** | 1 932 |
| (Increase)/decrease in trade and other receivables | **(29 721)** | 292 758 |
| Decrease in trade and other payables | **(216 105)** | (220 340) |
| Historical share-based payment schemes paid out during the year | **–** | (563) |
| **Cash generated from operations** | **367 957** | 566 596 |

## 31 TAXATION PAID

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Amounts (payable)/receivable at the beginning of the year | **(25 500)** | 7 823 |
| Acquisition of subsidiary (note 14) | **616** | – |
| Current taxation for the year (note 27) | **(78 152)** | (86 589) |
| Interest and other | **2 408** | 1 346 |
| Penalties | **(194)** | – |
| Amounts owing at the end of the year | **34 499** | 25 500 |
| **Taxation paid** | **(66 323)** | (51 920) |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 32 CONTINGENCIES AND COMMITMENTS

### Parent company guarantees

In May 2019, iOCO Limited issued a parent company guarantee (PCG), as required by a client in support of its wholly owned subsidiary, PiA Solar SA Proprietary Limited (PiA). The guarantee covered both the construction phase and the post-handover period, including an operational warranty guarantee. In the event of underperformance by PiA, the guarantee could require the Group to either ensure physical performance or settle any underperformance in cash. While PiA has experienced certain operational challenges, the Group implemented measures to minimise any potential impact of the PCG. All the projects subject to the PCG are now substantially complete and are in the process of being handed over to the client. The Group continues to monitor and manage these projects to ensure that any associated risks are effectively mitigated. The continued provision of the guarantee is under discussion with the client.

### Litigation

iOCO and its subsidiaries are involved in various litigation matters at different stages of legal process. These matters primarily arise in the ordinary course of business, with some relating to legacy issues. None of these matters, individually or collectively, are considered material. The Group does not expect the resolution of these matters to have a materially adverse effect on its consolidated financial position, performance or cash flows.

### Commitments

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Expected, but not yet contracted capital expenditure | **8 000** | 26 607 |
| Contractual obligation for future lease payments | **85 344** | 42 375 |
| | **93 344** | 68 982 |

## 33 RETIREMENT BENEFITS

The Group is a member of a corporate defined contribution plan, which is governed by the Pension Funds Act to which employees elect to make retirement contributions on an income sacrifice basis. The Group makes no additional contribution and is under no obligation to cover any other benefits. Employees are also eligible and obliged to become members of the Group risk benefit scheme, providing certain minimum death and disability benefits. Such Group risk benefit scheme is external to the Group, to which employees make contributions, and the benefits paid out are paid by the third party.

For the year ended 31 July 2026, the average membership of the fund comprised 2 040 (2025: 2 233) employees.

For the year ended 31 July 2026, the Group's contribution to the fund was R83 million (2025: R88 million).

## 34 DIRECTORS' AND PRESCRIBED OFFICERS' INTEREST IN ORDINARY SHARES OF THE COMPANY

| | 2026 | | 2025 | |
|---|---|---|---|---|
| *Number of shares* | Beneficial direct interest | Total | Beneficial direct interest | Total |
| **Executive Directors** | | | | |
| Rhys Summerton | **16 787** | **16 787** | 16 787 | 16 787 |
| Dennis Venter (resigned 26 February 2026) | **–** | **–** | – | – |
| Ashona Kooblall | **1 626 946** | **1 626 946** | 800 000 | 800 000 |
| | **1 643 733** | **1 643 733** | 816 787 | 816 787 |

There have been no other changes in the directors' interest in shares of the Company between year end and the date of approval of the consolidated and separate financial statements. Non-executive Directors do not hold any direct or indirect interest in shares of the Company, other than Nompumelelo Mokou who holds 449 shares (2025: 224 shares). The Executive Directors do not hold indirect interests in shares of the Company, other than Rhys Summerton who holds 11 220 252 (2025: 10 790 941) indirect beneficial shares. No shares held by the directors have been pledged as security or are subject to a guarantee, collateral or other encumbrance. Jabu Moleketi, who was appointed as Chairman during the financial year ended 31 July 2024, is a shareholder and director of Lebashe Investment Group, which holds 91 626 420 (2025: 108 444 046) ordinary shares of the Company.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 35 DIRECTORS' AND PRESCRIBED OFFICERS' REMUNERATION

| *Figures in Rand thousand* | Compensation | | | | |
|---|---|---|---|---|---|
| | Remuneration including other benefits* | Bonuses | For services as directors | Total | Share-based payment expense** |
| **2026** | | | | | |
| **Executive Directors** | | | | | |
| Rhys Summerton | – | – | – | – | – |
| Dennis Venter (resigned 26 February 2026)^ | – | – | – | – | – |
| Ashona Kooblall | 4 492 | 1 500 | – | 5 992 | 4 539 |
| **Non-executive Directors** | | | | | |
| Jabu Moleketi | – | – | 898 | 898 | – |
| Andrew Marshall | – | – | 570 | 570 | – |
| Nompumelelo Mokou | – | – | 441 | 441 | – |
| Lerato Pule (appointed 4 December 2025) | – | – | 295 | 295 | – |
| Veronica Motloutsi (resigned effective 3 December 2025) | – | – | 138 | 138 | – |
| | 4 492 | 1 500 | 2 342 | 8 334 | 4 539 |
| *Less:* paid/payable by subsidiaries | 4 492 | 1 500 | 2 342 | 8 334 | – |
| | – | – | – | – | 4 539 |

* *Remuneration and bonuses comprise short-term employee benefits, while other benefits include post-employment benefits amounting to a total of R434 920.*
** *This represents the share-based payment expense charge recognised under the requirements of IFRS 2 Share-based Payments. For the year ended 31 July 2026, this comprised three months of apportionment related to share awards granted during the prior year which vested in October 2026 and three months of apportionment related to share awards granted during the current year which had not vested at year end.*
^ *Dennis Venter received 1 300 000 shares at R4.15 per share totalling R5 395 000 on his resignation.*

| *Figures in Rand thousand* | Compensation | | | | |
|---|---|---|---|---|---|
| | Remuneration including other benefits* | Bonuses | For services as directors | Total | Share-based payment expense** |
| **2025** | | | | | |
| **Executive Directors** | | | | | |
| Rhys Summerton (appointed Joint CEO 14 February 2025) | – | – | – | – | – |
| Dennis Venter (appointed Joint CEO 14 February 2025) | – | – | – | – | – |
| Ashona Kooblall | 4 050 | 1 800 | – | 5 850 | 1 341 |
| Marius de la Rey (resigned 14 February 2025) | 9 228 | 900 | – | 10 128 | – |
| **Non-executive Directors** | | | | | |
| Jabu Moleketi | – | – | 1 461 | 1 461 | – |
| Andrew Marshall | – | – | 928 | 928 | – |
| Veronica Motloutsi | – | – | 852 | 852 | – |
| Sipho Ngidi (resigned 26 November 2024) | – | – | 482 | 482 | – |
| Nompumelelo Mokou (appointed 19 March 2025) | – | – | 227 | 227 | – |
| | 13 278 | 2 700 | 3 950 | 19 928 | 1 341 |
| *Less:* paid/payable by subsidiaries | 13 278 | 2 700 | 3 950 | 19 928 | – |
| | – | – | – | – | 1 341 |

* *Remuneration and bonuses comprise short-term employee benefits, while other benefits include post-employment benefits amounting to a total of R400 486.*
** *This represents the share-based payment expense charge recognised under the requirements of IFRS 2 Share-based Payments. For the year ended 31 July 2025, this comprised two months of apportionment related to share awards granted during the prior year which had not vested at 31 July 2025.*

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 36 SHARE-BASED PAYMENTS

The Group has three equity-settled share incentive schemes: The Share Trust, The Share Ownership Plan and The 2022 Share Plan. Inclusion in the schemes allows directors, executive management and employees to benefit from the iOCO share price performance. For all the equity-settled schemes, the participants need to be in the employ of the Group in order to exercise vested options and shares.

### The Share Trust

The scheme is governed by a trust deed approved by shareholders and the JSE Limited. The option strike price is equal to the share price at the date of the offer less 40% discount. The participants may exercise the option in respect of the shares granted in tranches from time to time as set out below. The share options lapse 10 years after the grant date.

- 25% after two years
- 25% after three years
- 25% after four years
- 25% after five years.

A reconciliation of the movement of all share options in The Share Trust is detailed below:

| | The Share Trust | | | |
|---|---|---|---|---|
| | Number of options | | Weighted average strike price (Rand) | |
| | 2026 | 2025 | 2026 | 2025 |
| Opening balance | **273 443** | 348 459 | **94.38** | 77.70 |
| Forfeited during the year | **(49 943)** | (28 266) | **94.62** | 85.27 |
| Expired during the year | **(62 800)** | (46 750) | **89.49** | 76.09 |
| Options granted but not issued up to the end of the year | **160 700** | 273 443 | **83.49** | 94.38 |
| **Vesting of share options** | | | | |
| Number of options exercisable at year end | **160 700** | 273 443 | **83.49** | 94.38 |
| | **160 700** | 273 443 | | |

There were no new share options granted during the prior and current financial years for The Share Trust.

### The 2022 Share Plan

The scheme is governed by share plan rules approved by shareholders and the JSE Limited and awards granted under this share plan are not subject to a strike price. The plan consists of awards of Forfeitable Shares and Conditional Shares, and the maximum number of shares which may be utilised for this plan is 31 904 171. At the reporting date, 17 784 221 shares were still available for utilisation under this share plan.

Forfeitable Shares are held in escrow from grant date, with all shareholder rights and restrictions on disposal and forfeiture until vesting. Vesting is subject to a non-market performance condition related to the meeting of defined EBITDA targets, provided the participants remain in the Group's employ. The vesting date is five months from grant date and the awards will lapse if the performance condition is not met at year end. The fair value of the shares is determined with reference to the market price.

Conditional Shares represent rights to receive shares at a future date. Vesting of the awards is subject to the achievement of a market performance condition in the form of a share price hurdle in respect of iOCO Limited listed shares, which must be achieved within two years from grant date and is subject to participants remaining in the Group's employ. Should the share price hurdle not be met within two years from grant date, the award will lapse. The fair value of the shares is determined with reference to the market price taking into account the market vesting condition for which a discounted cash flow model is used, with inputs being a discount rate of the Group, weighted average cost of capital of 8.4% and a perpetual growth rate of 1.5%. Once the market performance condition is met, the Conditional Shares will vest as below:

- 33.33% will vest on achievement of the market performance condition
- 33.33% will vest one year after achievement of the market performance condition
- 33.33% will vest two years after achievement of the market performance condition.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 36 SHARE-BASED PAYMENTS continued

### The 2022 Share Plan continued

A reconciliation of the movement of all shares awarded in terms of The 2022 Share Plan is detailed below:

| | The 2022 Share Plan | | | |
|---|---|---|---|---|
| | Number of shares | | Weighted average share price (Rand) | |
| | 2026 | 2025 | 2026 | 2025 |
| Opening balance | **14 439 453** | – | **4.58** | – |
| Granted during the year | **5 358 000** | 14 439 453 | **3.85** | 4.58 |
| Forfeitable Shares | **1 200 000** | 7 450 000 | **3.85** | 4.19 |
| Conditional Shares | **4 158 000** | 6 989 453 | **3.85** | 5.00 |
| Forfeited during the year | **(3 115 197)** | – | **4.20** | – |
| Exercised during the year | **(5 619 600)** | – | **4.20** | – |
| Shares granted but not issued up to the end of the year | **11 062 656** | 14 439 453 | **3.85** | 4.58 |
| **Vesting of shares** | | | | |
| Number of shares exercisable at year end | **5 704 656** | 14 439 453 | **3.85** | 4.58 |
| Exercise date within one year | **1 200 000** | | | |
| Exercise date between two and five years | **4 158 000** | | | |
| | **11 062 656** | 14 439 453 | | |

Share awards were granted for the first time in respect of The 2022 Share Plan during the prior financial year.

The 2022 Share Plan does not grant employees options, therefore, a binomial option pricing model has not been used.

### The Share Ownership Plan

The Share Ownership Plan was adopted in 2018. The scheme awards participants with shares and is determined to be equity settled. Shares granted vest in tranches as set out below.

- 25% after two years
- 25% after three years
- 25% after four years
- 25% after five years.

Shares have been exercised under this scheme in prior years. These have been settled in cash as elected by the Group.

A reconciliation of the movement of all shares in The Share Ownership Plan is detailed below:

| | The Share Ownership Plan | | | |
|---|---|---|---|---|
| | Number of shares | | Weighted average share price (Rand) | |
| | 2026 | 2025 | 2026 | 2025 |
| Opening balance | **–** | 257 953 | **–** | 7.29 |
| Forfeited during the year | **–** | (30 681) | **–** | 34.83 |
| Vested and exercised during the year | **–** | (227 272) | **–** | 1.74 |
| Shares granted but not issued up to the end of the year | **–** | – | **–** | – |
| **Vesting of shares** | | | | |
| Number of shares vested at year end | **–** | – | **–** | – |
| | **–** | – | | |

The fair value of the awards at the grant date was determined based on the quoted share price of the Company at the grant date.

There were no new awards granted during the prior or current financial years for The Share Ownership Plan.

The Share Ownership Plan does not grant employees options, therefore a binomial option pricing model has not been used.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 36 SHARE-BASED PAYMENTS continued

### Cash-based long-term incentive

Members of the Group's executives, divisional executives and management are granted cash-based long-term incentives (CBLTIs), which are settled in cash. These awards are not subject to an exercise price and vest subject to the achievement of designated performance criteria (non-market performance conditions) and subject to an employment condition. The employment condition is deemed to have been satisfied if the grantee remains in the employ of the Group on vesting of the units. The performance conditions relate to growth of the Group's return on invested capital (weighted 25%), headline earnings per share (weighted 25%) and EBITDA cash conversion ratio (weighted 25%), as well as to the achievement of certain skills development (weighted 10%) and transformation (weighted 15%) targets. The awards vest in a three-year period subject to the meeting of the performance and employment conditions.

The liability for the CBLTIs is measured, initially, and at each reporting date, until settled, at the fair value of the CBLTIs, applying an appropriate valuation model, taking into account the terms and conditions under which the CBLTIs were granted, the expected achievement of non-market performance conditions and the extent to which services have been rendered by the grantees to date.

The expense reversed during the prior period arising from the CBLTIs' cash-settled share-based payment transactions amounted to R8.8 million. Refer to note 18 for further details on the cash-based long-term incentive liability.

A reconciliation of the movement of the CBLTIs is detailed below:

| *Number of awards* | 2026 | 2025 |
|---|---|---|
| Opening balance | – | 8 834 314 |
| Forfeited during the year | – | (8 834 314) |
| **Closing balance** | – | – |
| **Vesting of CBLTIs** | | |
| Number exercisable at year end | – | – |
| Exercise date within one year | – | – |
| Exercise date between two and five years | – | – |
| | – | – |
| **Fair values** | | |
| The following table lists the inputs to the model used to value the CBLTIs: | | |
| Expected volatility (%) | – | – |
| Risk-free interest rate (%) | – | – |
| Spot share price | – | – |
| Dividend yield | – | – |
| Fair value | – | – |

The analysis of equity-settled shares granted to directors is detailed below:

| | Outstanding at 31 July 2025 | Exercised during the period | Shares granted during the year | Weighted average strike price/share price (Rand) | Outstanding at 31 July 2026 |
|---|---|---|---|---|---|
| **Executive Directors** | | | | | |
| **Ashona Kooblall** | | | | | |
| **The 2022 Share Plan** | 2 192 405 | 800 000 | 5 358 000 | 6.65 | 6 750 405 |
| Exercisable at year end | 2 192 405 | – | – | 5.00 | 1 392 405 |
| Exercisable within one year | – | – | 1 200 000 | 3.85 | 1 200 000 |
| Exercisable between two and five years | – | – | 4 158 000 | 8.02 | 4 158 000 |
| **Rhys Summerton** | | | | | |
| **The 2022 Share Plan** | 1 284 797 | – | – | 5.00 | 1 284 797 |
| Exercisable at year end | 1 284 797 | – | – | 5.00 | 1 284 797 |
| **Dennis Venter*** | | | | | |
| **The 2022 Share Plan** | 1 284 797 | – | – | – | – |
| Exercisable at year end | 1 284 797 | – | – | – | – |

* *Shares granted to Dennis Venter in the prior year were forfeited on his resignation as a director in February 2026.*

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 36 SHARE-BASED PAYMENTS continued

| | Outstanding at 31 July 2024 | Exercised during the period | Shares granted during the year | Weighted average strike price/share price (Rand) | Outstanding at 31 July 2025 |
|---|---|---|---|---|---|
| **Executive Directors** | | | | | |
| **Ashona Kooblall** | | | | | |
| **The 2022 Share Plan** | – | – | 2 192 405 | 4.70 | 2 192 405 |
| Exercisable at year end | – | – | 2 192 405 | 4.70 | 2 192 405 |
| **Rhys Summerton** | | | | | |
| **The 2022 Share Plan** | – | – | 1 284 797 | 5.00 | 1 284 797 |
| Exercisable at year end | – | – | 1 284 797 | 5.00 | 1 284 797 |
| **Dennis Venter** | | | | | |
| **The 2022 Share Plan** | – | – | 1 284 797 | 5.00 | 1 284 797 |
| Exercisable at year end | – | – | 1 284 797 | 5.00 | 1 284 797 |

## 37 RELATED-PARTY TRANSACTIONS

The Group entered into various transactions with related parties.

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Transactions between Group companies (subsidiaries)** | | |
| Sale of products and services | **426 985** | 410 363 |
| Purchases of products and services | **299 128** | 271 798 |
| Operating expenses | **127 857** | 138 565 |

### Directors' remuneration

The remuneration for directors of the Company paid during the year by subsidiaries within the Group has been disclosed in note 35. Directors and prescribed officers' interest in ordinary shares of the Company is disclosed in note 34. Directors are defined as key management.

## 38 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

### Financial risk management and fair value disclosures

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. Risk management is carried out centrally and management identifies, evaluates and analyses financial risks where necessary in close cooperation with the Group's operating business units. The Governance and Risk Committee oversees how management monitors compliance with the Group risk management policies and procedures and reviews the adequacy of the Risk Management Framework in relation to the risks faced by the Group.

The Group's normal operations expose it to the following financial risks from its use of financial instruments:

- Capital risk
- Liquidity risk
- Interest rate risk
- Credit risk
- Currency risk.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 38 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Financial risk management and fair value disclosures continued

The following table presents the carrying amounts and fair values of financial assets and financial liabilities at 31 July 2026:

| *Figures in Rand thousand* | Notes | Carrying amount | |
|---|---|---|---|
| | | Amortised cost | Fair value |
| **Financial assets** | | | |
| Cash and cash equivalents | 13 | **417 050** | **417 050** |
| Trade and other receivables | 12 | **976 908** | **976 908** |
| Other financial assets | 8 | **33 591** | **33 591** |
| **Financial liabilities** | | | |
| Trade and other payables | 20 | **433 084** | **433 084** |
| Other financial liabilities | 18 | **619 337** | **619 337** |

The following table shows the carrying amounts and fair values of financial assets and financial liabilities at 31 July 2025:

| *Figures in Rand thousand* | Notes | Carrying amount | |
|---|---|---|---|
| | | Amortised cost | Fair value |
| **Financial assets** | | | |
| Cash and cash equivalents | 13 | 399 264 | 399 264 |
| Trade and other receivables | 12 | 1 016 288 | 1 016 288 |
| Other financial assets | 8 | 29 396 | 29 396 |
| **Financial liabilities** | | | |
| Trade and other payables | 20 | 568 886 | 568 886 |
| Other financial liabilities | 18 | 658 594 | 658 594 |

The Group does not have any financial instruments that are subject to offsetting.

The carrying amounts of all cash and cash equivalents, short-term receivables and short-term payables approximate their fair values due to their short-term nature.

The carrying amounts of other financial liabilities and assets and lease receivables and payables approximate their fair values due to the nature and contractual terms of the instruments.

### Capital risk management

The Group recognises, as part of its strategic intent, that an appropriate capital structure is required to ensure both sustainability of the business and to leverage growth opportunities.

The Group has a historically large debt burden, which is not fit-for-purpose in terms of its capital structure. The stated objective of the Group has been to deleverage the Group to an appropriate capital structure. The deleveraging process has been done by disposing of non-core assets in past years as well as through general repayment of debt. The Group was targeting a 70% equity to 30% debt ratio. Significant progress has been made in this regard over the past years and this has been achieved.

While the Group is focused on creating a fit-for-purpose capital structure, the full focus has been previously on deleveraging, with a forward-looking focus moving to capital allocation. Appropriate funding for the business has also been a key focus.

In terms of allocating capital within the business, the Group looks at return on invested capital (ROIC) metrics to allocate capital. This is measured against the Group's discount rate of 8.4% (2025: 10.8%) to ensure there is value creation whereby ROIC needs to exceed the discount rate.

The debt-to-equity ratios were as follows:

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Debt* (R'000) | **619 337** | 658 594 |
| Equity at market value (R'000) | **2 456 621** | 2 673 570 |
| Debt-to-equity ratio | **20:80** | 20:80 |

* *Refer to note 18 for additional information.*

Refer to note 2.2, which provides further information addressing the Group's debt reduction strategy.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 38 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages liquidity risk by reviewing future commitments and credit facilities to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

| *Figures in Rand thousand* | Notes | Within 6 months | Within 7 to 12 months | Between 1 and 2 years | Between 2 and 3 years | Between 3 and 4 years |
|---|---|---|---|---|---|---|
| **At 31 July 2026** | | | | | | |
| Other financial liabilities | 18 | **52 436** | **35 547** | **39 920** | **39 703** | **461 501** |
| Lease liabilities | 19 | **15 581** | **14 529** | **40 088** | **12 725** | **2 421** |
| Contingent consideration | 14 | **–** | **–** | **–** | **12 483** | **–** |
| Trade and other payables | 20 | **432 643** | **–** | **–** | **–** | **–** |
| **At 31 July 2025** | | | | | | |
| Other financial liabilities | 18 | 40 563 | 56 971 | 514 072 | – | – |
| Lease liabilities* | 19 | 15 572 | 12 894 | 15 465 | 6 207 | 8 295 |
| Trade and other payables | 20 | 568 886 | – | – | – | – |

* *Comparative amounts of contractual undiscounted cash flows relating to lease liabilities have been restated to take into account the complete undiscounted amounts per the lease contracts. This has not had an impact on equity nor on the statement of financial position of the Group.*

The expected maturity of financial liabilities is not expected to differ from the contractual maturities as disclosed above.

### Interest rate risk

The cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate owing to changes in the market interest rate. The fair value interest rate risk is the risk that the value of the financial instrument will fluctuate because of changes in the market interest rates. The Group assumes exposure to the effects of the fluctuations in the prevailing levels if the market interest rates on both the fair value and cash flow risks fluctuate.

Interest rate risk arises from other financial liabilities, being borrowings (refer to note 18). Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The Group policy is to maintain most of its borrowings in variable rate instruments. The variable rates are influenced by movements in the JIBAR rates. The Group's borrowings have been transitioned to the South African rand overnight index average (ZARONIA) rates. During the year, the Group's borrowings at variable rates were denominated in Rand.

The Group analyses its interest rate exposure on an ongoing basis. The Group does not hedge against fluctuations in interest rates.

At 31 July 2026, if the interest rate on Rand-denominated borrowings had been 100 basis points (1%) higher/lower, with all other variables held constant, post-tax profit for the year would have been R5 million (2025: R6 million) lower/higher, mainly as a result of higher interest expense on floating rate borrowings.

### Credit risk and expected credit losses

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's other financial assets, finance lease receivables, trade and other receivables, contract assets and cash and cash equivalents.

Trade receivables, contract assets and finance lease receivables comprise a widespread customer base, spread across diverse industries and geographical areas. The Group has a general policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Management evaluates credit risk relating to customers on an ongoing basis, taking into account its financial position, past experience and other relevant factors. If customers are independently rated, these ratings are also considered.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 38 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Credit risk and expected credit losses continued

The gross carrying amounts of financial assets represent the maximum credit exposure. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets. Financial assets exposed to credit risk at year end were as follows:

| *Figures in Rand thousand* | Notes | 2026 | 2025 |
|---|---|---|---|
| Other financial assets | 8 | **44 731** | 40 536 |
| Finance lease receivables | 10 | **6 831** | 149 190 |
| Trade and other receivables | 12 | **1 008 602** | 1 071 220 |
| Cash and cash equivalents | 13 | **417 050** | 399 264 |
| Contract assets | 12 | **141 055** | 130 761 |
| | | **1 618 269** | 1 790 971 |

At the reporting date, the Group did not consider there to be any significant concentration of credit risk that has not been adequately provided for.

**Trade receivables and contract assets**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry in which customers operate.

Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. The Group's exposure and the credit scores of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread among approved counterparties. Credit exposure is controlled by counterparty credit limits that are reviewed and approved by the Risk Management Committee/Credit Control department annually.

The average credit period on sales of goods and services ranges from 30 days to 120 days. In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Customers are grouped according to their credit characteristics. The customers grouped in a particular segment, which are industry segments, share similar credit risk characteristics. Trade receivables are assessed for impairment on a collective basis as well as on a specific basis considering the individual customers' credit quality and payment history in addition to their industry segment. The contract assets relate to unbilled work-in-progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has, therefore, concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group does not have trade and other receivables and contract assets for which no loss allowance is recognised because of collateral held.

**Expected credit loss assessment for trade receivables and contract assets**

The allowance for impairment of trade receivables and contract assets is created to the extent of, and as and when required, based upon the expected collectability of amounts receivable. The Group uses a provision matrix to measure the ECLs of trade receivables and contract assets. In addition to this, a specific assessment of customers for ECLs is performed.

Loss rates as per the provision matrix are calculated using a 'roll rate'/'flow rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. 'Roll rates'/'flow rates' are calculated separately for exposures in different industry segments based on the common credit risk characteristics. The ECL calculation incorporates both industry risk and country risk depending on where the respective customers are based. The exposure to the credit risk table presents the gross carrying amount of trade and other receivables and contract assets by industry together with the associated ECL.

The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Two scenarios have been modelled per customer, incorporating both their historical payment profiles as well as expectations about their abilities to pay amounts due.

A default event is considered to have occurred when aged 90 days or beyond. Trade and other receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the failure of a debtor to engage in a repayment plan with the entity and a failure to make contractual payments for a period of greater than 90 days past due.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 38 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Credit risk and expected credit losses continued

**Trade receivables and contract assets** continued

**Expected credit loss assessment for trade receivables and contract assets** continued

The following table provides information about the exposure to credit risk and ECLs for contract assets as at 31 July 2026:

| *Figures in Rand thousand* | Gross amount | Weighted average loss rate % | Expected credit loss |
|---|---|---|---|
| **Industry** | | | |
| Agriculture, environment, forestry and fisheries | 288 | 1 | 3 |
| Automotive | 18 | 6 | 1 |
| Business and professional services | 395 | 3 | 13 |
| Construction, real estate, facilities and property management | 5 219 | 2 | 124 |
| Education | 27 | 6 | 2 |
| Electricity, gas, water, energy and utilities | 48 159 | 3 | 1 663 |
| Financial services | 9 747 | 2 | 206 |
| Health and pharmaceuticals | 4 350 | 3 | 147 |
| Information technology | 15 550 | – | 5 |
| Manufacturing and FMCG | 12 567 | 1 | 71 |
| Metro and municipalities | 133 | 5 | 6 |
| Mining and quarrying | 289 | 3 | 8 |
| Other | 13 608 | 7 | 946 |
| Provincial government | 9 429 | – | – |
| Retail and wholesale trade | 408 | – | – |
| State-owned entities | 16 268 | 9 | 1 754 |
| Telecommunications | 2 456 | 1 | 61 |
| Tourism, hospitality, food and beverage | 2 140 | 2 | 44 |
| Transport, supply chain, logistics and storage | 4 | – | – |
| | 141 055 | | 5 054 |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 38 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Credit risk and expected credit losses continued

**Trade receivables and contract assets** continued

**Expected credit loss assessment for trade receivables and contract assets** continued

The following table provides information about the exposure to credit risk and ECLs for trade and other receivables as at 31 July 2026:

| *Figures in Rand thousand* | Gross amount | Weighted average loss rate % | Expected credit loss |
|---|---|---|---|
| **Industry** | | | |
| Agriculture, environment, forestry and fisheries | 33 945 | 2 | 605 |
| Automotive | 43 888 | 1 | 594 |
| Business and professional services | 21 239 | 15 | 3 225 |
| Constitutional and regulatory body | 7 941 | 3 | 247 |
| Construction, real estate, facilities and property management | 40 670 | 3 | 1 409 |
| Education | 12 760 | 8 | 960 |
| Electricity, gas, water, energy and utilities | 71 319 | 2 | 1 137 |
| Financial services | 147 747 | 4 | 6 117 |
| Health and pharmaceuticals | 48 124 | 3 | 1 352 |
| Human capital and resourcing | 2 180 | 1 | 30 |
| Industrial services | 39 522 | 6 | 2 196 |
| Information technology | 88 346 | 1 | 1 094 |
| Manufacturing and FMCG | 58 045 | 3 | 1 577 |
| Marketing and advertising | 1 566 | 1 | 16 |
| Metro and municipalities | 23 815 | 2 | 375 |
| Mining and quarrying | 35 664 | 1 | 470 |
| National government | 54 019 | 4 | 2 344 |
| Other | 61 189 | 5 | 3 071 |
| Provincial government | 38 167 | – | 182 |
| Public benefit and membership organisations | 2 726 | 2 | 43 |
| Public institutions and agencies | 14 479 | 3 | 475 |
| Retail and wholesale trade | 18 150 | 4 | 719 |
| Security services | 703 | 1 | 9 |
| State-owned entities | 34 169 | 1 | 435 |
| Telecommunications | 59 489 | 3 | 1 795 |
| Tourism, hospitality, food and beverage | 35 996 | 1 | 255 |
| Transport, supply chain, logistics and storage | 12 744 | 8 | 962 |
| | 1 008 602 | | 31 694 |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 38 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Credit risk and expected credit losses continued

**Trade receivables and contract assets** continued

**Expected credit loss assessment for trade receivables and contract assets** continued

The following table provides information about the exposure to credit risk and ECLs for contract assets as at 31 July 2025:

| *Figures in Rand thousand* | Gross amount | Weighted average loss rate % | Expected credit loss |
|---|---|---|---|
| **Industry** | | | |
| Agriculture, environment, forestry and fisheries | 167 | 4 | 6 |
| Automotive | 250 | 7 | 17 |
| Business and professional services | 143 | – | * |
| Construction, real estate, facilities and property management | 6 006 | 12 | 692 |
| Education | 3 427 | – | 2 |
| Electricity, gas, water, energy and utilities | 40 942 | 4 | 1 665 |
| Financial services | 13 162 | 6 | 729 |
| Health and pharmaceuticals | 4 766 | 1 | 31 |
| Industrial services | 217 | – | 20 |
| Information technology | 14 576 | – | 24 |
| Metro and municipalities | 79 | 6 | 5 |
| Mining and quarrying | 1 090 | 9 | 94 |
| National government | 311 | 14 | 43 |
| Other | 24 692 | 4 | 968 |
| Provincial government | 1 | – | * |
| Public institutions and agencies | 206 | 5 | 10 |
| Retail and wholesale trade | 109 | 1 | 1 |
| State-owned entities | 15 880 | 12 | 1 881 |
| Telecommunications | 3 162 | 1 | 19 |
| Tourism, hospitality, food and beverage | 598 | 3 | 16 |
| Transport, supply chain, logistics and storage | 977 | – | 8 |
| | 130 761 | | 6 231 |

* *Less than R1 000.*

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 38 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Credit risk and expected credit losses continued

**Trade receivables and contract assets** continued

**Expected credit loss assessment for trade receivables and contract assets** continued

The following table provides information about the exposure to credit risk and ECLs for trade and other receivables as at 31 July 2025:

| *Figures in Rand thousand* | Gross amount | Weighted average loss rate % | Expected credit loss |
|---|---|---|---|
| **Industry** | | | |
| Agriculture, environment, forestry and fisheries | 35 643 | 2 | 724 |
| Automotive | 52 392 | 6 | 2 955 |
| Business and professional services | 48 587 | 17 | 8 312 |
| Constitutional and regulatory body | 7 493 | 3 | 253 |
| Construction, real estate, facilities and property management | 49 845 | 6 | 3 034 |
| Education | 15 235 | 3 | 478 |
| Electricity, gas, water, energy and utilities | 51 898 | 3 | 1 552 |
| Financial services | 177 879 | 5 | 9 379 |
| Health and pharmaceuticals | 50 207 | 4 | 2 002 |
| Human capital and resourcing | 2 412 | 4 | 103 |
| Industrial services | 21 825 | 2 | 405 |
| Information technology | 101 260 | 6 | 6 348 |
| Manufacturing and FMCG | 37 809 | 6 | 2 351 |
| Marketing and advertising | 9 747 | 1 | 75 |
| Metro and municipalities | 23 444 | 5 | 1 263 |
| Mining and quarrying | 57 047 | 5 | 2 630 |
| National government | 40 255 | 18 | 7 182 |
| Other | 69 793 | 12 | (8 710) |
| Provincial government | 22 604 | 1 | 313 |
| Public benefit and membership organisations | 9 017 | 5 | 410 |
| Public institutions and agencies | 7 571 | 9 | 652 |
| Retail and wholesale trade | 15 430 | 18 | 2 761 |
| Security services | 1 214 | 10 | 123 |
| State-owned entities | 44 017 | 9 | 3 887 |
| Telecommunications | 78 932 | 5 | 3 757 |
| Tourism, hospitality, food and beverage | 27 748 | 3 | 755 |
| Transport, supply chain, logistics and storage | 11 916 | 16 | 1 938 |
| | 1 071 220 | | 54 932 |

The expected loss rate by industry is based on payment profiles of sales over a 12-month period and the corresponding historical credit losses experienced within this period, which is considered to be representative of the collection cycle. These loss rates are adjusted to reflect a deterioration in the risk of the customer and macroeconomic overlay affecting the ability of the customer to settle the receivables. The macroeconomic overlay is based on the difference in default rates during the 2016 to 2025 period, including the Covid-19 pandemic versus the 2026 to 2029 forward-looking future period and applied to the portion of each industry that is expected to be affected by the anticipated economic circumstances (this industry expectation is taken from the International Monetary Fund, World Economic Outlook). South African customers had an overlay of 2.2% (2025: 2.2%) applied.

The ECLs on both contract assets and trade and other receivables decreased from the prior year as a result of improved collection efforts across the Group, after also considering macroeconomic factors such as interest rates, inflation, economic growth, and Rand volatility, which could affect customers' ability to settle their balances.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 38 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Credit risk and expected credit losses continued

**Trade receivables and contract assets** continued

**Expected credit loss assessment for trade receivables and contract assets** continued

Movements in the allowance for impairment in respect of trade receivables and contract assets are as follows:

| *Figures in Rand thousand* | 2026 Trade receivables | 2026 Contract assets | 2025 Trade receivables | 2025 Contract assets |
|---|---|---|---|---|
| **Opening balance** | **54 932** | **6 231** | 82 006 | 5 999 |
| Impairment losses reversed | **(18 668)** | **(1 177)** | (19 770) | (1 021) |
| Amounts written off as uncollectible | **(4 327)** | **–** | (6 242) | 1 250 |
| Acquisition of a subsidiary/(disposals) | **1 417** | **–** | (708) | (12) |
| Foreign currency translation | **(1 660)** | **–** | (354) | 15 |
| **Closing balance** | **31 694** | **5 054** | 54 932 | 6 231 |

Trade receivables with a contractual amount of R4 million (2025: R6 million) were written off during the year.

Trade receivables with a contractual amount of R27 million (2025: R37 million) were subject to enforcement activity at year end. These amounts have not been written off as it is considered that there is a reasonable possibility of recovery.

**Cash and cash equivalents**

The Group maintains its cash and cash equivalents with banks and financial institutions that have good reputations, good past track records and high-quality credit ratings and also reviews their creditworthiness on an ongoing basis.

Due to the short-term nature of these assets and historical experience, cash and cash equivalents are regarded as having a low probability of default and, therefore, the related ECL is deemed to be insignificant.

The risk rating grades (Moody's) of cash and cash equivalents for the current year are set out below. Given these credit ratings, management does not expect any counterparty to fail to meet its obligations.

| *Figures in Rand thousand* | Cash and cash equivalents 2026 | Cash and cash equivalents 2025 |
|---|---|---|
| Credit rating of financial institution | | |
| Aaa – A3 | **144 985** | 216 063 |
| Baa1 – B2 | **269 755** | 181 964 |
| Other | **2 310** | 1 237 |
| | **417 050** | 399 264 |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 38 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Credit risk and expected credit losses continued

**Finance lease receivables**

The Group has elected to measure the loss allowance for finance lease receivables using lifetime ECLs.

Finance lease receivables have been assessed using a provision matrix as well as individually to determine ECLs. Allowances have been recognised considering the probability of default of the counterparty to the lease, taking into account creditworthiness and other relevant factors affecting their ability to make lease payments over the lifetime of the exposure. Loss rates per the provision matrix have been assessed using the same inputs and assumptions as mentioned above in respect of those applied to trade receivables and contract assets. There has been a decrease in the allowance for ECLs recognised during the current year as a result of certain long-outstanding amounts being written off, with additional ECLs only being recognised on outstanding debtors. The debtors have been experiencing financial difficulties owing to economic circumstances prevailing at the macro-level, which have contributed to ECLs decreasing due to the write-off of debtors as uncollectable instead of additional ECLs being recognised.

The following table provides information about the exposure to credit risk and ECLs for finance lease receivables as at 31 July 2026:

| *Figures in Rand thousand* | Gross amount | Weighted average loss rate % | Expected credit loss |
|---|---|---|---|
| **Industry** | | | |
| Automotive | **13** | **100** | **13** |
| Health and pharmaceuticals | **108** | **50** | **55** |
| Marketing and advertising | **431** | **100** | **431** |
| Tourism, hospitality, food and beverage | **6 279** | **91** | **5 531** |
| | **6 831** | | **6 030** |

The following table provides information about the exposure to credit risk and ECLs for finance lease receivables as at 31 July 2025:

| *Figures in Rand thousand* | Gross amount | Weighted average loss rate % | Expected credit loss |
|---|---|---|---|
| **Industry** | | | |
| Agriculture, environment, forestry and fisheries | 46 | 87 | 40 |
| Automotive | 34 | 87 | 29 |
| Construction, real estate, facilities and property management | * | – | * |
| Financial services | 1 | 87 | 1 |
| Health and pharmaceuticals | 560 | 92 | 514 |
| Marketing and advertising | 431 | 87 | 375 |
| Other | 276 | 87 | 242 |
| Telecommunications | 43 845 | 90 | 39 259 |
| Tourism, hospitality, food and beverage | 103 997 | 88 | 91 780 |
| | 149 190 | | 132 240 |

* *Less than R1 000.*

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 38 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Credit risk and expected credit losses continued

**Finance lease receivables** continued

Movements in the allowance for impairment in respect of finance lease receivables were as follows:

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Opening balance** | **132 240** | 101 458 |
| Impairment losses (reversed)/recognised | **(727)** | 30 782 |
| Amounts written off as uncollectible | **(125 483)** | – |
| **Closing balance** | **6 030** | 132 240 |

**Other financial assets**

Other financial assets are specific assets and were assessed individually for ECLs, using the general approach for recognising a lifetime ECL. ECLs are assessed using a three-stage model. The three stages are performing (stage 1), underperforming (stage 2) and non-performing (stage 3). Other financial assets are considered to be in stage 3.

Management evaluates the creditworthiness of counterparties on an ongoing basis, taking into account their financial position, past experience and other relevant factors that may indicate whether there is a significant increase in credit risk.

Loss allowances have been recognised considering the probability of default by the borrower.

ECLs have historically been recognised for a significant portion of other financial assets (refer to note 8). A large portion of these were written off in prior years. Given the credit losses of banking institutions, restricted cash balances are not exposed to a significant increase in credit risk. Specific assessments were performed on enterprise development loans and on gross loans and receivables.

Movements in the allowance for impairment in respect of other financial assets were as follows:

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Opening balance** | **11 140** | 11 140 |
| Amounts written off as uncollectible | **–** | – |
| **Closing balance** | **11 140** | 11 140 |

### Currency risk

The Group operates internationally but has limited exposure to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar, the Arab Emirates Dirham, the Egyptian Pound and the British Pound.

Foreign exchange risk arises from future commercial transactions, recognised assets or liabilities that are denominated in a currency that is not the entity's functional currency and net investments in foreign operations. The Group has limited investments in foreign operations where the assets are exposed to foreign currency translation risk.

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 38 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Currency risk continued

**Foreign currency financial instruments**

Financial assets and financial liabilities are analysed by currency as follows:

| | 2026 | | | | |
|---|---|---|---|---|---|
| | Financial assets | | | Financial liabilities | |
| *Figures in Rand thousand* | Other financial assets | Trade and other receivables | Cash and cash equivalents | Other financial liabilities | Trade and other payables |
| British Pound | – | **73 820** | **14 857** | – | **(36 887)** |
| US Dollar | – | **63 191** | **49 056** | – | **(74 015)** |
| Arab Emirates Dirham | – | **43 185** | **828** | – | **(2 004)** |
| Euro | **626** | **5 094** | **9 704** | – | **(12 274)** |
| Egyptian Pound | – | **82 377** | **2 369** | – | **(19 937)** |
| Saudi Riyal | – | **30 470** | **3 905** | – | **(490)** |
| Swiss Franc | – | **57 535** | **98 394** | – | **(59 509)** |
| Mozambican Metical | – | **9 212** | **6 090** | – | **(2)** |
| Other | – | **2 929** | **2 680** | – | **(381)** |

| | 2025 | | | | |
|---|---|---|---|---|---|
| | Financial assets | | | Financial liabilities | |
| *Figures in Rand thousand* | Other financial assets | Trade and other receivables | Cash and cash equivalents | Other financial liabilities | Trade and other payables |
| British Pound | – | 63 450 | 28 349 | – | (45 818) |
| US Dollar | – | 44 951 | 21 759 | – | (110 086) |
| Arab Emirates Dirham | – | 40 533 | 12 727 | (82) | (1 888) |
| Euro | 676 | 8 304 | 3 312 | – | (14 750) |
| Egyptian Pound | – | 75 181 | 7 574 | – | (7 308) |
| Saudi Riyal | – | 26 012 | 32 061 | – | (2 118) |
| Swiss Franc | – | 33 871 | 133 661 | (656) | (77 995) |
| Mozambican Metical | – | 15 715 | 718 | – | – |
| Other | – | 6 038 | 3 275 | – | (3 308) |

The following significant exchange rates were applied during the year:

| | 31 July 2026 | | 31 July 2025 | |
|---|---|---|---|---|
| *Figures in Rand* | Average rate | Closing rate | Average rate | Closing rate |
| British Pound | **23.55** | **23.83** | 23.51 | 24.40 |
| US Dollar | **18.13** | **17.97** | 18.17 | 17.80 |
| Arab Emirates Dirham | **4.94** | **4.89** | 4.95 | 4.85 |
| Euro | **19.84** | **20.53** | 19.76 | 20.85 |
| Egyptian Pound | **0.36** | **0.37** | 0.36 | 0.36 |
| Saudi Riyal | **4.83** | **4.79** | 4.84 | 4.76 |
| Swiss Franc | **21.13** | **22.09** | 21.02 | 22.27 |
| Mozambican Metical | **0.28** | **0.28** | 0.28 | 0.28 |

# Notes to the consolidated financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 38 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Currency risk continued

**Foreign currency financial instruments** continued

The following table shows the effect of a 1% strengthening or weakening in exchange rates on the profit or loss and equity for the year ended 31 July 2026:

| *Figures in Rand thousand* | Profit or loss and equity strengthening | Profit or loss and equity weakening |
|---|---|---|
| British Pound | **518** | **(518)** |
| US Dollar | **382** | **(382)** |
| Arab Emirates Dirham | **420** | **(420)** |
| Euro | **32** | **(32)** |
| Egyptian Pound | **648** | **(648)** |
| Saudi Riyal | **339** | **(339)** |
| Swiss Franc | **964** | **964** |
| Mozambican Metical | **153** | **(153)** |

The following table shows the effect of a 1% strengthening or weakening in exchange rates on the profit or loss and equity for the year ended 31 July 2025:

| *Figures in Rand thousand* | Profit or loss and equity strengthening | Profit or loss and equity weakening |
|---|---|---|
| British Pound | 460 | (460) |
| US Dollar | 434 | (434) |
| Arab Emirates Dirham | 513 | (513) |
| Euro | 25 | (25) |
| Egyptian Pound | 754 | (754) |
| Saudi Riyal | 560 | (560) |
| Swiss Franc | 889 | (889) |
| Mozambican Metical | 164 | (164) |

## 39 EVENTS AFTER REPORTING DATE

### Acquisition of Astraia Technology Proprietary Limited

On 16 July 2026, the Group entered into a binding agreement to acquire 100% of the issued share capital of Astraia Technology Proprietary Limited (Astraia), a South African enterprise resource planning (ERP) solutions provider specialising in cloud ERP implementations, financial software integration and business process optimisation.

The acquisition is expected to strengthen iOCO's ERP and digital transformation capabilities, expand its presence in the cloud ERP market, enhance cross-selling opportunities across the Group's client base and provide scalable recurring revenue growth, and is expected to be completed within one month from the date of authorisation of these consolidated financial statements, subject to certain conditions precedent.

The transaction carries a purchase price comprising R10.5 million in cash and contingent consideration, depending on future performance over an 18-month period.

The Group is in the process of performing an assessment of the fair values of the assets and liabilities to be acquired, which will be completed during the upcoming financial year in accordance with IFRS 3 *Business Combinations*.

# SEPARATE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 JULY 2026

# Separate statement of financial position

AS AT 31 JULY 2026

| *Figures in Rand thousand* | Notes | 2026 | 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Investment in subsidiary | 1 | **641 538** | 641 538 |
| Deferred taxation asset | | **–** | 7 |
| Loans to Group companies | 2 | **1 319 168** | 1 118 197 |
| | | **1 960 706** | 1 759 742 |
| **Current assets** | | | |
| Trade and other receivables | | **3 091** | 1 250 |
| Cash and cash equivalents | 3 | **6** | 31 |
| | | **3 097** | 1 281 |
| **Total assets** | | **1 963 803** | 1 761 023 |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Stated capital | 4 | **5 391 940** | 5 391 940 |
| Other reserve | 5 | **15 940** | 38 804 |
| Accumulated losses | | **(3 595 823)** | (3 820 081) |
| **Total equity** | | **1 812 057** | 1 610 663 |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Financial guarantee liability | 6 | **2 783** | 3 452 |
| Loans from Group companies | 2 | **148 226** | 145 929 |
| Current taxation payable | | **–** | 148 |
| Other payables | 7 | **737** | 831 |
| **Total liabilities** | | **151 746** | 150 360 |
| **Total equity and liabilities** | | **1 963 803** | 1 761 023 |

# Separate statement of profit or loss and other comprehensive income

FOR THE YEAR ENDED 31 JULY 2026

| *Figures in Rand thousand* | Notes | 2026 | 2025 |
|---|---|---|---|
| Net impairment reversal on loans to Group companies | 2 | **200 971** | 233 827 |
| Remeasurement of financial guarantee liability | 6 | **669** | 9 227 |
| Other operating expenses | | **(387)** | (908) |
| **Operating profit** | | **201 253** | 242 146 |
| Finance costs | | **–** | – |
| **Profit before taxation** | | **201 253** | 242 146 |
| Taxation | 8 | **141** | – |
| **Profit for the year** | | **201 394** | 242 146 |
| **Other comprehensive income** | | **–** | – |
| **Total comprehensive income for the year** | | **201 394** | 242 146 |

# Separate statement of changes in equity

FOR THE YEAR ENDED 31 JULY 2026

| *Figures in Rand thousand* | Stated capital | Other reserve | Accumulated losses | Total equity |
|---|---|---|---|---|
| **Balance at 1 August 2024** | 5 391 940 | 47 537 | (4 070 960) | 1 368 517 |
| Total comprehensive income for the year | – | – | 242 146 | 242 146 |
| Transfer within equity* | – | (8 733) | 8 733 | – |
| **Balance at 31 July 2025** | **5 391 940** | **38 804** | **(3 820 081)** | **1 610 663** |
| Total comprehensive income for the year | **–** | **–** | **201 394** | **201 394** |
| Transfer within equity* | **–** | **(22 864)** | **22 864** | **–** |
| **Balance at 31 July 2026** | **5 391 940** | **15 940** | **(3 595 823)** | **1 812 057** |
| Notes | 4 | 5 | | |

* *Transfers within equity represent transfers from the share-based payment reserve for expired, unexercised options.*

# Separate statement of cash flows

FOR THE YEAR ENDED 31 JULY 2026

| *Figures in Rand thousand* | Notes | 2026 | 2025 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| **Cash utilised from operations** | 9 | **(2 322)** | (3 463) |
| Taxation paid | | **–** | – |
| **Net cash outflow from operating activities** | | **(2 322)** | (3 463) |
| **Cash flows from investing activities** | | **–** | – |
| **Cash flows from financing activities** | | | |
| Proceeds from loans from Group companies | 2 | **3 297** | 3 767 |
| Repayments of loans from Group companies | 2 | **(1 000)** | (285) |
| **Net cash inflow from financing activities** | | **2 297** | 3 482 |
| **Net (decrease)/increase in cash and cash equivalents** | | **(25)** | 19 |
| Cash and cash equivalents at the beginning of the year | | **31** | 12 |
| **Cash and cash equivalents at the end of the year** | 3 | **6** | 31 |

# Notes to the separate financial statements

FOR THE YEAR ENDED 31 JULY 2026

## 1 INVESTMENT IN SUBSIDIARY

Investments in subsidiaries are measured at cost less any accumulated impairment losses. The cost of an investment in a subsidiary is the aggregate of:

- The fair value, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the Company
- The initial recognition of a financial guarantee liability
- Any costs directly attributable to the purchase of the subsidiary.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

Investments in subsidiaries are tested for impairment whenever events or changes in circumstances indicate that the asset may be impaired and an impairment is recognised if the carrying amount exceeds the investment's recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Impairment losses are recognised in profit or loss.

The subsidiary and trusts below are incorporated in South Africa. Refer to Annexure 1 for the full list of Group operating entities.

| | Effective interest | | 2026 | | | 2025 | | |
|---|---|---|---|---|---|---|---|---|
| *Figures in Rand thousand* | 2026 % | 2025 % | Cost | Accumulated impairments | Carrying amount | Cost | Accumulated impairments | Carrying amount |
| iOCO Intermediate Proprietary Limited | **100** | 100 | **641 538** | **–** | **641 538** | 641 538 | – | 641 538 |
| | | | **641 538** | **–** | **641 538** | 641 538 | – | 641 538 |
| **Trusts** | | | | | | | | |
| The EOH Share Trust | **100** | 100 | **–** | **–** | **–** | – | – | – |
| The Mthombo Trust | **100** | 100 | **–** | **–** | **–** | – | – | – |

### Impairment testing

Assessment of impairment indicators included the financial performance of the underlying subsidiary, dividend payment received or lack thereof and net asset value of the underlying subsidiary compared to the investment's carrying amount. The recoverable amount of the investment in subsidiary was determined based on fair value less cost of disposal, with reference to the market capitalisation of the Group. Market capitalisation is considered level 1 in the fair value hierarchy.

Based on the current financial year's impairment assessment, the recoverable amount exceeds the investment's carrying amount, resulting in no impairment of the investment. No impairment loss was recognised in the current or prior financial year.

# Notes to the separate financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 2 LOANS TO/(FROM) GROUP COMPANIES

Refer to note 2 of the consolidated financial statements for the applicable accounting policy.

| | 2026 | | | 2025 | | |
|---|---|---|---|---|---|---|
| *Figures in Rand thousand* | Gross carrying amount | Loss allowance | Net carrying amount | Gross carrying amount | Loss allowance | Net carrying amount |
| EOH International Proprietary Limited | **142 680** | **(86 755)** | **55 925** | 142 680 | (92 126) | 50 554 |
| V55 Investments Proprietary Limited | **(33 447)** | **–** | **(33 447)** | (34 447) | – | (34 447) |
| EOH Abantu Proprietary Limited | **384 089** | **–** | **384 089** | 384 089 | (32 923) | 351 166 |
| EOH Treasury Proprietary Limited | **(82 286)** | **–** | **(82 286)** | (78 989) | – | (78 989) |
| The EOH Share Trust | **(32 493)** | **–** | **(32 493)** | (32 493) | – | (32 493) |
| iOCO Technology South Africa Proprietary Limited | **2 554 538** | **(1 763 195)** | **791 343** | 2 554 538 | (1 925 872) | 628 666 |
| NEXTEC Industrial Technologies Proprietary Limited | **115 115** | **(27 304)** | **87 811** | 115 115 | (27 304) | 87 811 |
| | **3 048 196** | **(1 877 254)** | **1 170 942** | 3 050 493 | (2 078 225) | 972 268 |

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Loans to Group companies – non-current assets | **1 319 168** | 1 118 197 |
| Loans from Group companies – current liabilities | **(148 226)** | (145 929) |
| | **1 170 942** | 972 268 |

Loans from Group companies are interest-free, unsecured and repayable on demand. Loans to Group companies are interest-free, unsecured and are not repayable before December 2027.

The Company has agreed, in terms of signed subordination agreements, to subordinate R2.6 billion in favour of iOCO Technology South Africa Proprietary Limited (previously EOH Mthombo Proprietary Limited), R142.7 million in favour of EOH International Proprietary Limited, R240.0 million in favour of EOH Abantu Proprietary Limited and R115.1 million in favour of NEXTEC Industrial Technologies Proprietary Limited. The subordinations shall remain in force until such time as the assets of these Companies, fairly valued, exceed its liabilities.

In the current financial year, the Company received an additional loan of R3.3 million from EOH Treasury Proprietary Limited and the Company repaid an amount of R1.0 million to V55 Investments Proprietary Limited.

### Loan reconciliation

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Opening balance** | **3 050 493** | 3 053 975 |
| Amounts repaid | **1 000** | 285 |
| Proceeds of loans from Group companies | **(3 297)** | (3 767) |
| **Closing balance** | **3 048 196** | 3 050 493 |

### Net impairment reversal on loans to Group companies

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Reversal of impairment losses | **(200 971)** | (279 866) |
| Impairment losses | **–** | 46 039 |
| **Net impairment reversal on loans to Group companies** | **(200 971)** | (233 827) |

The Company reversed ECL provisions on the loans to EOH International Proprietary Limited of R5.4 million, iOCO Technology South Africa Proprietary Limited of R162.7 million and EOH Abantu Proprietary Limited of R32.9 million, as a result of the improved financial outlook and increased probability of their ability to repay the intercompany loans. Details on the ECLs on loans to Group companies are included in note 11.

# Notes to the separate financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 3 CASH AND CASH EQUIVALENTS

Refer to note 2 of the consolidated financial statements for the applicable accounting policy.

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Cash and cash equivalents consist of: | | |
| Bank balances | **6** | 31 |

## 4 STATED CAPITAL

| *Figures in thousand* | 2026 | 2025 |
|---|---|---|
| Opening balance | **5 391 940** | 5 391 940 |
| **Closing balance** | **5 391 940** | 5 391 940 |

### Authorised

7 500 000 000 (2025: 7 500 000 000) ordinary shares of no par value.
40 000 000 (2025: 40 000 000) A shares of no par value.

### Issued

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Reconciliation of the number of ordinary shares in issue** | | |
| Opening balance | **638 083** | 638 083 |
| **Shares in issue at the end of the period (fully paid)** | **638 083** | 638 083 |
| **A shares of no par value:** | | |
| **Reconciliation of the number of shares in issue** | | |
| Opening balance | **40 000** | 40 000 |
| **Closing balance** | **40 000** | 40 000 |

### Unissued

6 861 916 579 (2025: 6 861 916 579) unissued ordinary shares are under the control of the directors in terms of the provisions of the Company's Memorandum of Incorporation (MoI). No shares held by the directors have been pledged as security or are subject to a guarantee, collateral or other encumbrance.

## 5 OTHER RESERVE

Refer to note 2 of the consolidated financial statements for the applicable accounting policy.

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Share-based payments reserve | **15 940** | 38 804 |

# Notes to the separate financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 6 FINANCIAL GUARANTEE LIABILITY

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured at the higher of:

- The ECL in accordance with IFRS 9
- The amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with IFRS 15.

The ECL is a probability-weighted estimate of credit losses (the cash shortfalls) over the expected life of the guarantee. Accordingly, the cash shortfalls are the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Company expects to receive from the holder, debtor or any other party. Where guarantees in relation to loans to related parties are provided for no compensation, the fair values are accounted for as capital contributions and recognised as part of the cost of the investment.

The valuation of the financial guarantee liability includes assumptions on credit default rates, credit risks and ECLs. The determination of ECL includes estimates relating to the probability of a default by the borrower and the resultant loss to the guarantor. Financial guarantee liabilities are derecognised when the obligation under the liability is discharged or cancelled or expires. Refer to note 11 for further detail on the ECL model and fair valuation for financial guarantees.

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Reconciliation of financial guarantee liability** | | |
| Opening balance | **3 452** | 12 679 |
| Remeasurement of financial guarantee liability | **(669)** | (9 227) |
| **Closing balance** | **2 783** | 3 452 |

The Company has issued financial guarantees to a certain lender in terms of which the Company would be liable to the lender to the extent that the companies in the iOCO Group, to which the funding has been provided, fail to make payments when due in accordance with the terms of the loan agreements.

## 7 OTHER PAYABLES

Refer to note 2 of the consolidated financial statements for the applicable accounting policy.

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Financial instruments** | **41** | 776 |
| Other payables | **41** | 776 |
| **Non-financial instruments** | **696** | 55 |
| Accrued expenses | **696** | 55 |
| | **737** | 831 |

## 8 TAXATION

Refer to note 2 of the consolidated financial statements for the applicable accounting policy.

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Current taxation** | | |
| Local income taxation – prior year | **(148)** | – |
| | **(148)** | – |
| **Deferred taxation** | | |
| Originating and reversing temporary differences | **7** | – |
| | **7** | – |
| **Total taxation expense** | **(141)** | – |

# Notes to the separate financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 8 TAXATION continued

| | 2026 % | 2025 % |
|---|---|---|
| **Reconciliation of rate of taxation** | | |
| South African normal rate of taxation | **27.00** | 27.00 |
| **Tax effect of amounts which are (taxable)/not deductible in calculating taxable income:** | | |
| Assessed loss not recognised | **0.04** | – |
| Exempt income – remeasurement of financial guarantee liability | **(0.09)** | – |
| Prior year adjustment | **(0.07)** | – |
| Impairment losses on loans to Group companies | **(26.96)** | – |
| Non-deductible expenses – net expenses incurred not in production of income | **0.01** | (27.00) |
| | **(0.07)** | – |

## 9 CASH UTILISED FROM OPERATIONS

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Profit before taxation | **201 253** | 242 146 |
| *Adjustments for:* | | |
| Net impairment reversal on loans to Group companies | **(200 971)** | (233 827) |
| Remeasurement of financial guarantee liability | **(669)** | (9 227) |
| **Cash utilised before changes in working capital** | **(387)** | (908) |
| **Working capital changes** | **(1 935)** | (2 555) |
| Increase in other receivables | **(1 841)** | (1 238) |
| Decrease in other payables | **(94)** | (1 317) |
| **Cash utilised from operations** | **(2 322)** | (3 463) |

## 10 RELATED-PARTY TRANSACTIONS

The Company entered into various transactions with related parties.

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Transactions between Group companies (subsidiaries)** | | |
| Sale of products and services | **2 607** | 4 401 |
| Amounts included in trade receivables | **2 998** | 1 237 |
| **Outstanding loan balances** | | |
| Loans from iOCO Limited to subsidiaries (note 2) | **1 319 168** | 1 118 197 |
| Loans to iOCO Limited from subsidiaries (note 2) | **148 226** | 145 929 |
| **Financial guarantee liability** | | |
| Financial guarantee liability balance (note 6) | **2 783** | 3 452 |

**Directors' remuneration**

The remuneration for directors of the Company paid during the year by subsidiaries within the Group has been disclosed in note 35 of the consolidated financial statements. Directors and prescribed officers' interest in ordinary shares of the Company is disclosed in note 34 of the consolidated financial statements. Directors are defined as key management.

## 11 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

### Financial risk management and fair value disclosures

Refer to note 38 of the consolidated financial statements for the applicable risk management information.

The Company's normal operations expose it to the following financial risks from its use of financial instruments:

- Capital risk
- Liquidity risk
- Interest rate risk
- Credit risk.

The Company has no significant exposure to currency risk.

# Notes to the separate financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 11 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Financial risk management and fair value disclosures continued

The following table presents the carrying amounts and fair values of financial assets and financial liabilities at 31 July 2026:

| *Figures in Rand thousand* | Notes | Carrying amount IFRS 9 measurement | Carrying amount Amortised cost | Fair value |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Cash and cash equivalents | 3 | – | 6 | 6 |
| Loans to Group companies | 2 | – | 1 319 168 | 1 319 168 |
| Trade and other receivables | | – | 2 998 | 2 998 |
| **Financial liabilities** | | | | |
| Other payables | 7 | – | 41 | 41 |
| Loans from Group companies | 2 | – | 148 226 | 148 226 |
| Financial guarantee liability | 6 | 2 783 | – | 2 783 |

The following table presents the carrying amounts and fair values of financial assets and financial liabilities at 31 July 2025:

| *Figures in Rand thousand* | Notes | Carrying amount IFRS 9 measurement | Carrying amount Amortised cost | Fair value |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Cash and cash equivalents | 3 | – | 31 | 31 |
| Loans to Group companies | 2 | – | 1 118 197 | 1 118 197 |
| Trade and other receivables | | – | 1 237 | 1 237 |
| **Financial liabilities** | | | | |
| Other payables | 7 | – | 776 | 776 |
| Loans from Group companies | 2 | – | 145 929 | 145 929 |
| Financial guarantee liability | 6 | 3 452 | – | 3 452 |

The Company does not have any financial instruments that are subject to offsetting.

Carrying amounts of all cash and cash equivalents and other payables approximate their fair values due to their short-term nature.

The carrying amounts of loans to/(from) Group companies approximate their fair values due to their contractual terms.

### Fair value measurement

The financial guarantee liability is categorised as a level 3 fair value instrument.

The fair value of the financial guarantee liability on initial recognition is determined using valuation techniques that require management to make certain assumptions about the model inputs, which include the probability of default, exposure at default and loss given default rates. Refer to the expected credit loss model for financial guarantees below.

### Capital risk management

The Company's objective is to safeguard its ability to continue as a going concern and to maintain an appropriate capital structure while growing the business. This is consistent with previous years.

In order to maintain or adjust the capital structure of the Company, the Board may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The debt-to-equity ratios were as follows:

| | 2026 | 2025 |
|---|---|---|
| Total debt (R'000) | **151 746** | 150 360 |
| Total equity (R'000) | **1 812 057** | 1 610 663 |
| Debt to equity (%) | **8.4%** | 9.3% |

# Notes to the separate financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 11 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Liquidity risk

Refer to note 38 of the consolidated financial statements for an explanation of liquidity risk and how it is managed.

It has been determined that the Company is solvent as at 31 July 2026. While the Company's current liabilities exceed its current assets by R149 million (2025: R149 million), R148 million (2025: R146 million) of the current liabilities relate to loans from Group companies, which are repayable on demand. Should these loans from Group companies be called upon, the Company has access to loans to Group companies that the Group can call on in order to settle payables that may become due, if required. The Company's intention, however, remains not to call on the loans to Group companies before December 2027, and as a result, these loans to Group companies remain classified as non-current at the reporting date. Refer to note 2.2 of the consolidated financial statements for an assessment of going concern.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period from the date of the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

| *Figures in Rand thousand* | Less than 1 year |
|---|---|
| **At 31 July 2026** | |
| Loans from Group companies | **148 226** |
| Financial guarantee contracts – maximum amount guaranteed | **493 397** |
| Other payables | **41** |
| **At 31 July 2025** | |
| Loans from Group companies | 145 929 |
| Financial guarantee contracts – maximum amount guaranteed | 545 138 |
| Other payables | 776 |

The total amount of debt being guaranteed for EOH Treasury Proprietary Limited is shown above, being the maximum exposure to liquidity risk. The Company recognised a financial guarantee liability amount of R3 million (2025: R3 million) (refer to note 6).

### Credit risk

**Expected credit loss model for financial guarantees**

The loss allowance accounts for credit losses are determined with reference to the following:

- Stage 1: 12-month ECLs for those financial guarantees where there has not been a significant increase in credit risk since recognition
- Stage 2: Lifetime ECLs for those financial guarantees where there has been a significant increase in credit risk on a collective basis
- Stage 3: Lifetime ECLs for all credit-impaired financial guarantees.

Calculations were performed to determine the day-one fair value, amortised to reporting date, calculated in line with the principles of IFRS 13 *Fair Value Measurement* and reporting date ECL. The guaranteed loan facilities were assessed to be in stage 2.

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amounts of financial assets represent the maximum credit exposure. The Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

A significant increase in credit risk considers the impact of forward-looking economic information that is readily available. Management has applied the below-mentioned assumptions, judgements and estimates in developing the ECL model. Probability of default was determined as a key input using the Merton model method with the Company's listed share price movements over the period. Financial guarantees are assessed for ECLs on a specific basis, taking into account the respective financial positions and performance of other companies within the Group. Refer to note 6 for the remeasurement of the financial guarantee liability.

**Guarantee exposure**

The Group has agreed to modified payment terms on outstanding loan facilities with the relevant financial institution. These updated cash flow profiles have been considered in the balance rundown for purposes of the ECL measurement on the financial guarantee liability.

Risk of default and credit loss was assessed by forecasting various cash flow scenarios and assigning reasonable probabilities to the various outcomes. This was used to calculate a probability-weighted expectation of credit loss, which was taken into account in the calculation of the ECLs pertaining to the financial guarantee liability. A large number of scenarios were considered when determining probability of default and the related correlations thereto.

A loss-given default (LGD) and recovery rate were used in the ECL models in line with standard market practice.

# Notes to the separate financial statements continued

FOR THE YEAR ENDED 31 JULY 2026

## 11 FINANCIAL ASSETS AND FINANCIAL LIABILITIES continued

### Credit risk continued

**Expected credit loss model for loans to Group companies**

The allowance accounts for credit losses and is determined with reference to the following:

- Stage 1: 12-month ECLs for those loans to Group companies where there has not been a significant increase in credit risk since recognition
- Stage 2: Lifetime ECLs for those loans to Group companies where there has been a significant increase in credit risk on a collective basis
- Stage 3: Lifetime ECLs for all credit-impaired loans to Group companies.

Loans to Group companies are very specific assets and were assessed on a forward-looking basis individually for ECLs, using the general approach under IFRS 9. Management evaluates the creditworthiness of counterparties on an ongoing basis, taking into account their financial position, past experience, subordination agreements, including dividends expected to be received and other relevant factors that may indicate whether there is a significant increase in credit risk. Loans to Group companies are considered to be in stage 2.

The ECL assessment takes into account several factors to determine the accessibility of cash for debt settlement. These factors include forecasted EBITDA, expected dividends and available liquid assets, which are considered in order of debt seniority. The counterparty's available resources for debt repayment were first applied towards their loan outstanding to EOH Treasury Proprietary Limited, then to non-subordinated debt and lastly to subordinated debt.

ECLs are calculated as the amount outstanding, in line with IFRS 9, after considering the estimated cash flows to be received from the counterparty, by considering the following liquid assets and cash flows:

- Cash
- The net present value of forecasted EBITDA projected over a substantial period subject to an estimated cash conversion rate
- Net receivables subject to downward adjustments
- The present value of expected dividends to be received
- Various solutions that may be in the form of equity injection or dividend in specie.

Over and above this, there were specific adjustments made to the outcome of the ECL assessments to reflect any additional level of conservatism to account for potential worst-case scenarios.

A significant increase in credit risk considers the impact of forward-looking economic information that is readily available, including any future turnaround plans, forecast cash flows and anticipated growth. Management has applied the above-mentioned assumptions, judgements and estimates in developing the ECL model. Loans to Group companies are assessed for ECLs on a specific basis, taking into account the respective financial positions and performance of other companies within the Group.

Inputs into the ECL model ranged from the budgeted profit or loss to a forecast cash flow. The budgeted profit or loss were sensitised and downward adjustments were applied to account for any sensitivities necessary. The profit or loss results were then applied to the statement of financial position, which impacted the ECL recognised for each of the loans.

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| Loans to Group companies | **1 319 168** | 1 118 197 |
| Cash and cash equivalents | **6** | 31 |
| Impairment reversal recognised in profit or loss were as follows: | | |
| Net impairment reversal on loans to Group companies | **(200 971)** | (233 827) |

Cash and cash equivalents are regarded as having a low probability of default, therefore, the related ECL is deemed to be insignificant.

At the reporting date, the Company did not consider there to be any significant concentration of credit risk that has not been adequately provided for.

**Movement in the loss allowance for loans to Group companies**

| *Figures in Rand thousand* | 2026 | 2025 |
|---|---|---|
| **Opening balance** | **2 078 225** | 2 312 052 |
| Net impairment reversal on loans to Group companies | **(200 971)** | (233 827) |
| **Closing balance** | **1 877 254** | 2 078 225 |
| Gross loans to Group companies | **3 196 422** | 3 196 422 |
| Loss allowance | **(1 877 254)** | (2 078 225) |
| **Loans to Group companies net of loss allowance** | **1 319 168** | 1 118 197 |

# Annexure 1 – Group operating entities

| Name | Country | iOCO Group effective consolidation (%) |
|---|---|---|
| 2Identify Proprietary Limited | South Africa | 100 |
| Aptronics Proprietary Limited | South Africa | 100 |
| Arcserve Southern Africa Proprietary Limited | South Africa | 100 |
| Asset Arabia Software Systems LLC (Abu Dhabi) | United Arab Emirates | 75.22 |
| Asset Gulf FZ-LLC (Dubai) | United Arab Emirates | 75.22 |
| Asset Technology Group (Egypt) | Egypt | 75.22 |
| Asset Technology Group KSA (Saudi Arabia) | Saudi Arabia | 75.22 |
| Aveva Select West Africa Proprietary Limited | South Africa | 100 |
| Blick Properties SA Proprietary Limited | South Africa | 100 |
| CA Southern Africa Proprietary Limited | South Africa | 100 |
| Compu-power Proprietary Limited | South Africa | 100 |
| Connected Industrial Ecosystems Proprietary Limited | South Africa | 100 |
| Cornastone Enterprise Systems Proprietary Limited | South Africa | 100 |
| Cortez Trading Proprietary Limited | South Africa | 100 |
| Deixis Proprietary Limited | South Africa | 100 |
| Digital Industries Proprietary Limited | South Africa | 100 |
| EasyHQ Audit and Advisory Proprietary Limited | South Africa | 100 |
| Educos Vision S.A.R.L. (Luxembourg) | Luxembourg | 100 |
| Educos Vision Services S.A.R.L. (Luxembourg) | Luxembourg | 100 |
| Energy Insight Proprietary Limited | South Africa | 100 |
| EOH Abantu Proprietary Limited | South Africa | 100 |
| EOH Afrika Proprietary Limited | South Africa | 79 |
| EOH Consulting Proprietary Limited | South Africa | 100 |
| EOH Enterprise Development Trust | South Africa | 100 |
| EOH Germany UG | Germany | 100 |
| EOH Headquarters Company Proprietary Limited | South Africa | 100 |
| EOH Information Technology (Namibia) | Namibia | 100 |
| EOH International Proprietary Limited | South Africa | 100 |
| EOH Linkstate Services Proprietary Limited | South Africa | 100 |
| EOH Managed Services PS Proprietary Limited | South Africa | 100 |
| EOH Middle East FZ-LLC (Dubai) | United Arab Emirates | 100 |
| EOH Mthombo Mozambique Limited | Mozambique | 100 |
| EOH Singapore Pvt Limited | Singapore | 100 |
| EOH Treasury Proprietary Limited | South Africa | 100 |
| EOH USA, LLC | South Africa | 100 |
| Faculty Training Institute Proprietary Limited | South Africa | 100 |
| Fluent Proprietary Limited | South Africa | 100 |
| Freethinking Business Consulting Proprietary Limited | South Africa | 100 |
| Hospitality Professionals South Africa Proprietary Limited | South Africa | 100 |
| Impact Human Resources Proprietary Limited | South Africa | 100 |
| Impression Signatures Proprietary Limited | South Africa | 100 |
| Inlexso Proprietary Limited | South Africa | 100 |
| Integrators of Systems Technology Proprietary Limited | South Africa | 100 |
| iOCO Cloud Services Proprietary Limited | South Africa | 100 |
| iOCO Digital Proprietary Limited | South Africa | 100 |
| iOCO Enterprise Applications Proprietary Limited | South Africa | 100 |
| iOCO Group Proprietary Limited | South Africa | 100 |
| iOCO Infrastructure Services Proprietary Limited | South Africa | 100 |
| iOCO Intermediate Proprietary Limited | South Africa | 100 |

# Annexure 1 – Group operating entities continued

| Name | Country | iOCO Group effective consolidation (%) |
|---|---|---|
| iOCO Limited | South Africa | 100 |
| iOCO Managed Services Proprietary Limited | South Africa | 100 |
| iOCO Middle East FZ-LLC | United Arab Emirates | 100 |
| iOCO S.R.O | Czech Republic | 100 |
| iOCO SBT Proprietary Limited | South Africa | 100 |
| iOCO Software Distribution Proprietary Limited | South Africa | 100 |
| iOCO Solutions GmbH | Switzerland | 100 |
| iOCO Solutions Limited | Great Britain | 100 |
| iOCO Solutions Proprietary Limited | South Africa | 100 |
| iOCO Technology South Africa Proprietary Limited | South Africa | 100 |
| Lizusize Proprietary Limited | South Africa | 100 |
| Matipart Proprietary Limited | South Africa | 100 |
| Mbat Proprietary Limited | South Africa | 100 |
| MPC Recruitment Proprietary Limited | South Africa | 100 |
| MySky Distribution Proprietary Limited | South Africa | 100 |
| MySky Events Proprietary Limited | South Africa | 100 |
| MySky Networks Proprietary Limited | South Africa | 100 |
| MySky Services Proprietary Limited | South Africa | 100 |
| NEXTEC Industrial Technologies Kenya Limited | Kenya | 100 |
| NEXTEC Industrial Technologies Proprietary Limited | South Africa | 100 |
| NEXTEC Shared Services Proprietary Limited | South Africa | 100 |
| PiA Solar SA Proprietary Limited | South Africa | 100 |
| Quinedge Proprietary Limited | South Africa | 100 |
| Regro Technology Proprietary Limited | South Africa | 100 |
| Rocketlab Ventures SA Proprietary Limited | South Africa | 100 |
| Rosstone Consulting Proprietary Limited | South Africa | 100 |
| Sabela Learning Academy Proprietary Limited | South Africa | 100 |
| SCAN RF Projects Proprietary Limited | South Africa | 100 |
| Siyanqoba Seminars Proprietary Limited | South Africa | 100 |
| Siyaya Skills Institute Proprietary Limited | South Africa | 100 |
| Sult Proprietary Limited | South Africa | 100 |
| Symplexity Proprietary Limited | South Africa | 100 |
| The EOH Share Trust | South Africa | 100 |
| The Mthombo Trust | South Africa | 100 |
| Triclinium Clinical Development Proprietary Limited | South Africa | 100 |
| Umbane Systems Proprietary Limited | South Africa | 100 |
| V55 Investments Proprietary Limited | South Africa | 100 |
| XTND Proprietary Limited | South Africa | 100 |
| Zusiza Proprietary Limited | South Africa | 100 |

There have been no material changes to the Group's effective consolidation percentages from the prior year.

# Annexure 2 – Shareholders' analysis

| | 2026 | | | | 2025 | | | |
|---|---|---|---|---|---|---|---|---|
| | Number of shareholders | % | Number of shares | % | Number of shareholders | % | Number of shares | % |
| **Analysis of shareholdings** | | | | | | | | |
| **Holdings** | | | | | | | | |
| 1 – 10 000 | **11 154** | **86.70** | **10 577 145** | **1.66** | 11 319 | 86.04 | 10 912 417 | 1.71 |
| 10 001 – 50 000 | **1 074** | **8.35** | **25 488 202** | **3.99** | 1 140 | 8.66 | 27 601 048 | 4.33 |
| 50 001 – 100 000 | **275** | **2.14** | **20 074 558** | **3.15** | 285 | 2.17 | 20 810 450 | 3.26 |
| 100 001 – 1 000 000 | **293** | **2.28** | **82 256 816** | **12.89** | 340 | 2.58 | 89 709 689 | 14.06 |
| 1 000 001 and more | **69** | **0.53** | **499 686 700** | **78.31** | 72 | 0.55 | 489 049 817 | 76.64 |
| | **12 865** | **100** | **638 083 421** | **100** | 13 156 | 100 | 638 083 421 | 100 |
| **Shareholder categories** | | | | | | | | |
| Banks | **11** | **0.09** | **112 272 417** | **17.60** | 18 | 0.14 | 109 419 317 | 17.15 |
| Close corporations | **35** | **0.27** | **2 461 198** | **0.39** | 38 | 0.29 | 2 473 801 | 0.39 |
| Empowerment | **1** | **0.01** | **91 626 420** | **14.36** | 2 | 0.01 | 108 444 046 | 17.00 |
| Endowment funds | **1** | **0.01** | **36** | **–** | 1 | 0.01 | 27 | – |
| Individuals | **12 134** | **94.32** | **121 351 391** | **19.02** | 12 424 | 94.44 | 121 085 266 | 18.98 |
| Insurance companies | **15** | **0.12** | **1 483 045** | **0.23** | 48 | 0.36 | 1 737 052 | 0.27 |
| Investment companies | **45** | **0.35** | **39 794 056** | **6.24** | 34 | 0.26 | 10 511 879 | 1.65 |
| Medical schemes | **1** | **0.01** | **2 500 777** | **0.39** | 1 | 0.01 | 2 500 777 | 0.39 |
| Mutual funds | **26** | **0.20** | **35 633 633** | **5.58** | 19 | 0.14 | 41 980 634 | 6.58 |
| Other corporations | **75** | **0.58** | **32 264 652** | **5.06** | 38 | 0.29 | 49 083 181 | 7.69 |
| Own holdings (treasury shares) | **1** | **0.01** | **14 774 740** | **2.32** | 2 | 0.01 | 5 445 661 | 0.85 |
| Private companies | **181** | **1.41** | **31 120 315** | **4.88** | 186 | 1.41 | 35 040 462 | 5.49 |
| Public companies | **5** | **0.04** | **1 175 334** | **0.18** | 5 | 0.04 | 1 628 998 | 0.26 |
| Retirement funds | **44** | **0.34** | **105 834 550** | **16.58** | 34 | 0.26 | 100 913 221 | 15.81 |
| Trusts (including share trusts) | **290** | **2.24** | **45 790 857** | **7.17** | 306 | 2.33 | 47 819 099 | 7.49 |
| | **12 865** | **100** | **638 083 421** | **100** | 13 156 | 100 | 638 083 421 | 100 |

## Major shareholders

According to the records of the Company, the only shareholders registered at 31 July 2026 holding 3% or more of the Company's shares were:

| | 31 July 2026 | | 31 July 2025 | |
|---|---|---|---|---|
| | Number of shares | % | Number of shares | % |
| Government Employee Pension Fund | **40 978 314** | **6.42** | 33 381 241 | 5.23 |
| Stanlib 1vest | **29 560 665** | **4.63** | 30 000 000 | 4.70 |
| HSBC Private Bank Suisse Omnibus client | **88 285 449** | **13.84** | 89 199 385 | 13.98 |
| Lebashe Investment Group | **91 626 420** | **14.36** | 108 444 046 | 17.00 |
| | **250 450 848** | **39.25** | 261 024 672 | 40.91 |

# Annexure 2 – Shareholders' analysis continued

## Shareholder spread

| | 31 July 2026 Number of shares | % | 31 July 2025 Number of shares | % |
|---|---|---|---|---|
| **Shareholder spread** | | | | |
| Public shareholders | **527 025 247** | **82.60** | 520 825 770 | 81.62 |
| Non-public shareholders | **111 058 174** | **17.40** | 117 257 651 | 18.38 |
| Directors, associates and management of the Company | **2 306 068** | **0.36** | 817 011 | 0.13 |
| Strategic holdings | **91 626 420** | **14.35** | 108 644 033 | 17.02 |
| Share trusts | **2 341 508** | **0.37** | 2 341 508 | 0.37 |
| Treasury shares – V55 Investments Proprietary Limited | **14 774 740** | **2.31** | 5 445 661 | 0.85 |
| Other subsidiaries | **9 438** | **0.01** | 9 438 | 0.01 |
| | **638 083 421** | **100** | 638 083 421 | 100 |
| **Shares in issue** | | | | |
| Total number in issue | **638 083 421** | | 638 083 421 | |
| Share trusts | **(2 341 508)** | | (2 341 508) | |
| Treasury shares – V55 Investments Proprietary Limited | **(14 774 740)** | | (5 445 661) | |
| Other subsidiaries | **(9 438)** | | (9 438) | |
| **Effective number of shares in issue** | **620 957 735** | | 630 286 814 | |

# Annexure 3 – Shareholders' diary

| | |
|---|---|
| Financial year end | 31 July 2026 |
| Annual general meeting | Wednesday, 18 November 2026 |

**Reports**

| | |
|---|---|
| Announcement of annual results for the year ended 31 July 2026 | Tuesday, 13 October 2026 |
| Availability of the annual integrated report for the year ended 31 July 2026 | by Tuesday, 20 October 2026 |

# Annexure 4 – Corporate information

## IOCO LIMITED
Incorporated in the Republic of South Africa
Registration number: 1998/014669/06
JSE share code: IOC
ISIN: ZAE000071072
(iOCO or the Company or the Group)

## DIRECTORATE
### Non-executive Directors
Jabu Moleketi (Chairman)
Andrew Marshall**
Nompumelelo Mokou*
Lerato Pule*^

* *Independent Non-executive Director.*
** *Lead Independent Non-executive Director.*
^ *Appointed 4 December 2025.*

### Executive
Ashona Kooblall (Group Chief Financial Officer)
Dennis Venter (Joint Group Chief Executive Officer)
(resigned effective 25 February 2026)
Rhys Summerton (Group Chief Executive Officer)

## COMPANY SECRETARY
Anisha Naidoo Umichand

## REGISTERED ADDRESS
Waterfall Office Park, 2 Augrabies Road
Midrand, Gauteng, 1685
PO Box 59, Bruma, 2026

## TELEPHONE
+27 (0)11 607 8100

## WEBSITE
https://ioco.tech

## INVESTOR EMAIL
ir@iocogroup.com

## AUDITOR
Moore Johannesburg Inc., South Africa
50 Oxford Road, Parktown, 2193

## SPONSOR
Java Capital Trustees and Sponsors Proprietary Limited
(Registration number: 2006/005780/07)
6th Floor, 1 Park Lane
Wierda Valley
Sandton, 2196

## TRANSFER SECRETARIES
Computershare Investor Services Proprietary Limited
(Registration number: 2004/003647/07)
Rosebank Towers
15 Biermann Avenue, Rosebank, Johannesburg, 2196
(Private Bag X9000, Saxonwold, 2132)




www.ioco.tech