



ALTRON

# Unaudited consolidated interim results

for the six months ended 31 August 2024





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## **ALTRON LIMITED**

Registration number 1947/024583/06

(Incorporated in the Republic of South Africa)

Share code: AEL

ISIN: ZAE000191342

("Altron" or "Altron Group" or "Group" or "the Company")

# UNAUDITED CONSOLIDATED RESULTS

for the six months ended 31 August 2024

## AND CASH DIVIDEND DECLARATION

### SALIENT FEATURES – CONTINUING<sup>1</sup> OPERATIONS

- Strong growth in profitability primarily driven by the performance of the Platforms segment.
- Targeted guidance updated to accommodate the inclusion of Altron Document Solutions (“ADS”) in continuing operations.
- R4.9 billion revenue, down 2%, impacted by the sale of the ATM Business<sup>2</sup>.
- R905 million EBITDA, up 49%.
- R477 million operating profit, up over 100%.
- 79 cents HEPS, increased over 100%.
- 75 cents EPS, increased over 100%.
- Excluding ADS and the ATM Business<sup>2</sup>, revenue grew 4%, EBITDA increased 23%, operating profit increased 29%, HEPS increased 50% and EPS increased 84%.

R million	CONTINUING <sup>1</sup> REPORTED				CONTINUING <sup>1</sup> EXCLUDING ADS AND THE ATM BUSINESS <sup>2</sup>		
	H1 FY25	Previously published H1 FY24	Restated H1 FY24 <sup>3</sup>	% Change <sup>3</sup>	H1 FY25 <sup>4</sup>	H1 FY24 <sup>4</sup>	% Change
Revenue	<b>4 868</b>	4 321	4 951	(2%)	<b>4 151</b>	3 988	+4%
EBITDA <sup>5</sup>	<b>905</b>	724	607	+49%	<b>870</b>	707	+23%
Operating profit <sup>5</sup>	<b>477</b>	362	233	>100%	<b>452</b>	350	+29%
Net profit after tax	<b>298</b>	155	70	>100%			
HEPS	<b>79</b>	50	28	>100%	<b>72</b>	48	+50%
EPS	<b>75</b>	38	15	>100%	<b>68</b>	37	+84%

#### Notes

1. Continuing operations include Netstar, Altron FinTech, Altron HealthTech, Altron Digital Business, Altron Security, ADS, Altron Arrow and excludes Altron Nexus.
2. The ATM Business of Altron Managed Solutions was sold effective 1 July 2023, with four months trading included in the comparative results.
3. ADS was previously reported as part of discontinued operations. For H1 FY25 ADS is reported as a continuing operation. H1 FY24 period has been restated for the classification of ADS as a continuing operation. The % changes have been calculated using the restated results.
4. To make comparisons more meaningful, continuing operations adjusted to exclude the ATM Business<sup>2</sup> and exclude ADS have also been presented.
5. Capital Items excluded from EBITDA and operating profit, comprise loss and costs on disposals, impairments, capital rental devices written off, and lease modifications and terminations where applicable.

All growth rates quoted are year-on-year and refer to the six months ended 31 August 2024 compared to the six months ended 31 August 2023, unless stated otherwise.

## SALIENT FEATURES – GROUP

- Focused execution on strategy delivered strong results in comparison to H1 FY24, which was negatively impacted by provisions and impairments raised.
- R5.1 billion revenue, down 6%, impacted by the sale of ATM Business<sup>2</sup> and a decrease in Altron Nexus' revenue.
- R891 million EBITDA, up from R268 million.
- R463 million operating profit, improved from an operating loss of R118 million.
- 74 cents HEPS, increased over 100%.
- 70 cents EPS, increased over 100%.
- Interim dividend up 60% to 40 cents per share.

### GROUP (INCLUDING DISCONTINUED OPERATIONS)

R million	H1 FY25	Previously published H1 FY24	Restated H1 FY24 <sup>5</sup>	% Change <sup>3</sup>
Revenue	5 104	5 454	5 454	(6%)
EBITDA <sup>5</sup>	891	268	268	>100%
Operating profit <sup>5</sup>	463	(106)	(118)	>100%
Net profit after tax	276	(313)	(315)	>100%
HEPS	74 cents	(63) cents	(65) cents	>100%
EPS	70 cents	(86) cents	(87) cents	>100%
Dividend	40 cents	25 cents	25 cents	+60%

# UNAUDITED CONSOLIDATED RESULTS

for the six months ended 31 August 2024

## AND CASH DIVIDEND DECLARATION (continued)

### KEY BUSINESS HIGHLIGHTS

- Netstar continued its growth trajectory, growing connected devices 26% to 2.4 million, and increasing subscribers by 21% to 1.9 million. This translated to strong financial performance, with revenue growing 11%, EBITDA improving 34% and operating profit increasing 45%.
- Altron FinTech grew revenue 10%, EBITDA by 54% and operating profit by 63% driven by an increase in SME customers and the value of debit orders processed in the collections and payments business.
- ADS was reclassified as a continuing operation following a review of strategic options. ADS made a positive EBITDA contribution of R30 million, from an EBITDA loss of R123 million. H1 FY24 included R95 million of provisions raised.
- R330 million growth capital expenditure was invested, focused on Netstar, Altron FinTech, and systems and platforms.

Commenting on the results CEO Werner Kapp said "I am pleased with our overall financial results, evidencing strong growth in profitability and a 60% increase in our interim dividend. The leverage in our platform businesses led to excellent segmental performance as we continued to add scale. Our customer-centric focus and higher margin annuity revenue mix, are laying a strong foundation for future performance."

### DETAILED FINANCIAL OVERVIEW

As reported at the 29 February 2024 year-end results, the successful implementation of the profit improvement strategies and target operating models in Altron's operations led to improved performance in the second half of the 2024 financial year. This positive momentum has continued into the 2025 financial year, resulting in a stronger performance in comparison to H1 FY24, which was negatively impacted by provisions and impairments.

Reported continuing operations revenue was down 2%, impacted by the sale of the ATM Business<sup>2</sup>. EBITDA improved 49% to R905 million with operating profit growing over 100% to R477 million. Improvement in profitability was driven largely by the Platforms segment which delivered a 37% increase in EBITDA and a 47% increase in operating profit. HEPS increased to 79 cents from 28 cents, with EPS at 75 cents, up from 15 cents last year.

In management's view, the most meaningful comparison is the performance of continuing operations, adjusted for the sale of the ATM Business<sup>2</sup> and excluding ADS. On this basis, revenue grew 4% to R4.2 billion. EBITDA improved 23% to R870 million, with operating profit growth of 29% to R452 million. HEPS increased to 72 cents from 48 cents, with EPS at 68 cents, up from 37 cents last year.

Group revenue was down 6%, impacted by the sale of the ATM Business<sup>2</sup> and a decrease in Altron Nexus' revenue. EBITDA and operating profit increased over 100% to R891 million and R463 million, respectively. The improved Group performance was supported by a reduction in the operating loss of Altron Nexus from R343 million to a loss of R14 million.

The Group remains cash-generative and well-capitalised, providing a robust foundation for executing its immediate strategic initiatives.

## Segmental overview

In line with our strategy to become the leading platform and IT services business in our chosen markets, effective 1 March 2024, the Group reorganised into the following three operating segments:

- **Platforms:** Netstar, Altron FinTech, and Altron HealthTech.
- **IT Services:** Altron Digital Business, Altron Security and ADS.
- **Distribution:** Altron Arrow.

Altron Nexus will continue to be classified as held-for-sale in discontinued operations.

R million	CONTINUING <sup>1</sup> REPORTED		
	H1 FY25	Restated H1 FY24 <sup>3</sup>	% change <sup>3</sup>
<b>REVENUE</b>			
Platforms	1 943	1 761	+10%
IT Services	2 597	2 819	(8%)
Distribution	376	424	(11%)
Other	(48)	(53)	+9%
<b>EBITDA<sup>5</sup></b>			
Platforms	776	568	+37%
IT Services	157	53	>100%
Distribution	35	38	(7%)
Other	(63)	(52)	(21%)
<b>OPERATING PROFIT<sup>5</sup></b>			
Platforms	415	283	+47%
IT Services	120	3	>100%
Distribution	35	37	(5%)
Other	(93)	(90)	(3%)

# UNAUDITED CONSOLIDATED RESULTS

for the six months ended 31 August 2024

## AND CASH DIVIDEND DECLARATION (continued)

### Platforms

The Platforms segment grew revenue by 10% to R1.9 billion, with EBITDA growing 37% to R776 million and operating profit up 47% to R415 million.

- Netstar revenue improved 11% to R1.1 billion and EBITDA increased 34% to R489 million with a seven percentage point expansion in EBITDA margin. Operating profit increased 45% to R146 million with a three percentage point expansion in operating profit margin.
  - Netstar's growth in market share continued, increasing connected devices by 26% to 2.4 million, with the subscriber base growing 21% to 1.9 million. 255 000 gross subscribers were added, with 150 000 net subscriber additions. Consumer subscribers grew 14%, with enterprise customers growing 21%. Churn increased slightly from 16% to 17%.
  - Operational efficiencies were improved through 10 additional fitment centre partnerships, which together with our expanded reach and our new Startag device, led to improved installation times and assisted in maintaining our contract fulfilment rate above 90%. Our continued focus on the conversion of pre-fitments ensured our conversion ratio was maintained above the targeted 60%, with the benefits of the higher conversion rate supporting growth in operating profit.
  - The new fleet bureau positively impacted our enterprise business, which since its recent launch, added over 30 000 managed assets into the bureau, further expanding our managed service solution.
- Altron FinTech grew revenue 10% to R607 million off a high comparative base, supported by an increase in higher-margin annuity revenue from 69% to 82%. EBITDA increased 54% to R232 million, while operating profit increased 63% to R215 million. This strong performance was supported by a 33% growth in revenue in our collections and payments business. Sales efforts were concentrated on the SME market, growing the customer base by 17%, with an 18% increase in the value of debit orders processed.
- Altron HealthTech increased revenue 6% to R201 million, supported by 92% annuity revenue. EBITDA increased 4% to R55 million, after expensing a R15 million investment into its platform, up from R5 million last year. Operating profit grew 8% to R54 million. The corporate segment added 7 new logos and grew revenue 22%, supported by larger switching revenue and growth in occupational health. Despite adding 504 net new practice management customers, revenue growth within the practice management business was flat. We continue to see positive momentum in using our data to expand our service offerings, with our recently launched oncology solution which has grown its market share, adding 18 new oncology practices.

### IT Services

The IT Services segment generated revenue of R2.6 billion, reflecting an 8% decrease, primarily due to the sale of the ATM Business<sup>2</sup>. EBITDA improved from R53 million to R157 million and operating profit increased to R120 million, up from R3 million. Prior year performance was negatively impacted by a R95 million provision raised in ADS. Excluding ADS and the ATM Business<sup>2</sup>, revenue increased 2% to R1.9 billion, EBITDA decreased 21% to R127 million, with operating profit down 22% to R100 million.

- The integration of Altron Systems Integration, Altron Karabina and Altron Managed Solutions into Altron Digital Business is progressing smoothly. Key appointments were made during the period and sales incentive plans were adjusted to align with company objectives. A solid foundation has been established for Altron Digital Business to focus on revenue growth, customer engagement and operational excellence. Leading indicators are positive, with the benefits of the integration targeted to be realised primarily in FY26. However, the profitability of Altron Digital Business was disappointing, negatively impacted by non-recurring project expenses relating to historic contracts that have now been closed, and three material project delays that have subsequently commenced in the second half. In addition, two large customers reduced spend. Excluding the ATM Business<sup>2</sup>, revenue grew 5% to R1.6 billion as we started to see the early benefits of our integrated sales model, however, EBITDA decreased 42% to R47 million compared to R81 million last year, with operating profit down 46% to R34 million.



- Altron Security experienced a 12% decline in revenue to R247 million. This decrease was attributed to capex constraints at a large customer and a change in the revenue mix between agency and principal revenue. The corrective actions implemented last year are having a positive impact, shifting revenue to higher annuity business, with annuity revenue growing from 69% to 84%. Despite the decline in revenue, gross margin expanded seven percentage points. EBITDA remained stable at R80 million, with EBITDA margin expanding 4 percentage points and operating profit increasing 1% to R66 million.
- ADS was reclassified from a discontinued operation to a continuing operation during the period, after considering the strategic alternatives for the business, including purchase offers received. Its profit improvement strategy is showing positive results but is early on in its implementation. With a secure future in Altron, engagements with clients on long-term material contracts are now possible. Revenue increased 11% to R731 million, supported by new logos and an increase in public sector contracting. The business turned EBITDA positive, generating R30 million with an operating profit of R20 million.

## Distribution

Altron Arrow reported revenue of R376 million, down 11%. As previously guided, the electronic component distribution industry is entering a global cyclical downturn to pre-COVID levels, which is anticipated to affect performance this financial year. Despite a contraction in the market of 5.7%, we estimate our market share has increased by over 3 percentage points. Our emphasis on innovative revenue, has supported gross margin, which expanded 1 percentage point. Additionally, Arrow launched its Inventory Management-as-a-Service offering towards the end of the period, which is targeted to grow annuity revenue. EBITDA decreased 7% to R35 million with operating profit down 5% to R35 million. However, EBITDA and operating profit margins were stable at 9%, in line with guidance.

## Discontinued operations

Altron Nexus is now only a critical communications business. It is progressing with its profit improvement strategy, under a new management team appointed last year. Altron Nexus delivered revenue of R236 million compared to R463 million last year. EBITDA and operating profit improved from a loss of R332 million and R343 million respectively, to a loss of R14 million. A focus on working capital led to a R35 million improvement.

## Capital structure and working capital

The Group continued to generate strong operating cash flows of R712 million, with net cash of R646 million on hand at 31 August 2024.

Working capital increased R144 million to R1.6 billion, reflecting the growth in the business, particularly in the Platforms segment.

The Group invested R359 million in capital expenditures, of which R330 million supported growth initiatives. This includes R211 million investment in Netstar's capital rental devices and a R65 million investment in systems and platforms to support growth.

## INTERIM DIVIDEND

The Board approved a 60% increase in the interim dividend to 40.00 cents per share (32.00 cents net of 20% dividend withholding tax) for the six months ended 31 August 2024. This dividend will be payable to shareholders registered with the Company as of the close of business on the record date listed below.

The Board confirmed that the solvency and liquidity test as contemplated by the Companies Act, No. 71 of 2008, as amended, has been duly considered, applied, and satisfied. This is a dividend as defined in the Income Tax Act, No. 58 of 1962 and is payable from income reserves. The income tax number of the Company is 9725149711.

The number of ordinary shares in issue at the date of this declaration is 411 392 173 including 31 384 273 treasury shares.

# UNAUDITED CONSOLIDATED RESULTS

for the six months ended 31 August 2024

## AND CASH DIVIDEND DECLARATION (continued)

The key dates related to the interim dividend are as follows:

DIVIDEND DATES	2024
Last day to trade <i>cum</i> dividend	Tuesday, 19 November
Commence trading <i>ex</i> -dividend	Wednesday, 20 November
Record date	Friday, 22 November
Interim Dividend Payment date	Monday, 25 November

Share certificates may not be dematerialised or re-materialised between Wednesday, 20 November 2024 and Friday, 22 November 2024, both days inclusive.

### OUTLOOK

Commenting on the outlook, CEO Werner Kapp said, "Altron continues to execute on its strategy to become the leading platform and IT services business in its chosen markets. Despite the tough economic conditions, we have demonstrated our resilience through our customer obsession and innovative solutions, high annuity income base, and focus on execution. We remain on track to achieve our medium-term targets of +19% operating margin in our Platforms segment and +7% in our IT Services segment. With the inclusion of ADS in continuing operations, together with its successful profit improvement strategy, we have increased our operating profit target for continuing operations to R1.15 billion by FY26."

Any forward looking statements have not been reviewed or reported on by the Company's external auditors.

### INTERIM RESULTS PRESENTATION

An investor presentation will be hosted virtually via webcast at 9:30am CAT on 4 November 2024, to present the Group's financial results for the six months ended 31 August 2024. Registration to attend the webcast can be accessed via the following link: (<https://78449.themediaframe.com/links/altron241104.html>).

For and on behalf of the Board.

**Mr. S van Graan**  
Chairman

**Mr. W Kapp**  
Group Chief Executive

**Mr. C Snyman**  
Chief Financial Officer

1 November 2024

#### Registered Office

Altron Campus  
20 Woodlands Drive  
Woodlands Office Park  
Woodmead  
Gauteng  
South Africa  
2191

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Rosebank  
2196

**Directors**

Mr. SW van Graan (Chairman)<sup>#</sup>, Mr. WG Kapp (Chief Executive Officer)<sup>\*</sup>, Mr. C Snyman (Chief Financial Officer)<sup>\*</sup>,  
Mr. GG Gelink<sup>#</sup>, Dr. P Mnganga<sup>#</sup>, Ms. S Rapeti<sup>#</sup>, Ms. AK Sithebe<sup>#</sup>, Mr. G Kouteris<sup>#</sup>, Mr. TR Ngara, Mr. A Ball, Mr. BW Dawson.

<sup>\*</sup>Executive Director

<sup>#</sup>Independent Non-Executive Director

**Group Company Secretary**

Ms M Ngcobo

1 November 2024

Johannesburg

# CONDENSED CONSOLIDATED BALANCE SHEET

as at 31 August 2024

R millions	Note	31 August 2024 (Unaudited)	Restated* 31 August 2023 (Unaudited)	Restated* 29 February 2024
<b>Assets</b>				
<i>Non-current assets</i>				
		<b>4 560</b>	4 343	4 561
Property, plant and equipment		<b>371</b>	364	350
Goodwill and other intangible assets		<b>1 543</b>	1 524	1 535
Right-of-use assets		<b>393</b>	528	409
Equity-accounted investments		<b>1</b>	1	2
Financial assets at amortised cost		<b>134</b>	148	142
Financial assets at fair value through other comprehensive income		<b>21</b>	21	21
Finance lease assets		<b>368</b>	240	387
Contract costs capitalised		<b>730</b>	644	723
Capital rental devices		<b>500</b>	382	429
Defined benefit asset		<b>382</b>	295	382
Deferred taxation		<b>117</b>	196	181
<i>Current assets</i>				
		<b>4 406</b>	4 722	4 802
Inventories	9	<b>1 005</b>	989	971
Trade and other receivables		<b>2 281</b>	2 246	2 185
Financial assets at fair value through profit and loss		<b>2</b>	12	7
Contract assets		<b>48</b>	72	90
Taxation receivable		<b>63</b>	41	55
Cash and cash equivalents		<b>671</b>	726	1 140
<i>Assets classified as held-for-sale</i>				
	10	<b>4 070</b>	4 086	4 448
		<b>336</b>	636	354
Total assets		<b>8 966</b>	9 065	9 363
<b>Equity and liabilities</b>				
<i>Total equity</i>				
		<b>4 232</b>	3 939	4 077
Attributable to Altron shareholders		<b>4 071</b>	3 803	3 931
Non-controlling interests		<b>161</b>	136	146
<i>Non-current liabilities</i>				
		<b>1 550</b>	2 374	1 955
Loans		<b>226</b>	1 064	649
Lease liabilities		<b>727</b>	771	741
Contract liabilities		<b>566</b>	501	547
Deferred taxation		<b>31</b>	38	18
<i>Current liabilities</i>				
		<b>3 184</b>	2 752	3 331
Loans		<b>620</b>	203	195
Lease liabilities		<b>82</b>	86	85
Bank overdraft		<b>25</b>	–	513
Provisions		<b>11</b>	12	12
Trade and other payables		<b>1 634</b>	1 589	1 793
Financial liabilities at fair value through profit and loss		<b>8</b>	4	1
Contract liabilities		<b>572</b>	482	528
Taxation payable		<b>132</b>	116	127
<i>Liabilities classified as held-for-sale</i>				
	10	<b>3 084</b>	2 492	3 254
		<b>100</b>	260	77
Total equity and liabilities		<b>8 966</b>	9 065	9 363

\* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 31 August 2024

R millions	Note	% Change	Six months ended 31 August 2024 (Unaudited)	Restated* Six months ended 31 August 2023 (Unaudited)	Restated* Year ended 29 February 2024
<b>CONTINUING OPERATIONS</b>					
<b>Revenue</b>	13, 14	(2%)	<b>4 868</b>	4 951	9 603
Other income			<b>24</b>	17	91
<b>Operating costs</b>			<b>(3 987)</b>	(4 361)	(8 257)
Material and services consumed			<b>(2 660)</b>	(2 935)	(5 595)
Employees remuneration			<b>(1 318)</b>	(1 339)	(2 581)
Net impairment losses on financial assets			<b>(9)</b>	(87)	(81)
<b>Earnings before interest, taxation, depreciation, amortisation, capital items, equity accounted profits and foreign exchange gains and losses on cash and cash equivalents. (EBITDA before capital items)**</b>	14	49%	<b>905</b>	607	1 437
Depreciation and amortisation			<b>(428)</b>	(374)	(786)
<b>Operating profit before capital items</b>	14	>100%	<b>477</b>	233	651
Capital items	4		<b>(19)</b>	(52)	(35)
<b>Operating profit</b>			<b>458</b>	181	616
Finance income			<b>45</b>	49	88
Finance expense			<b>(81)</b>	(104)	(190)
Foreign exchange gains and losses relating to cash and cash equivalents			<b>(5)</b>	(10)	(8)
Share of profits from equity accounted investments, net of taxation			<b>–</b>	–	2
<b>Profit before taxation</b>			<b>417</b>	116	508
Taxation			<b>(119)</b>	(46)	(121)
<b>Profit for the period from continuing operations</b>			<b>298</b>	70	387
<b>DISCONTINUED OPERATIONS</b>					
<b>Revenue</b>	13, 14	(53%)	<b>236</b>	503	722
Other income			<b>11</b>	–	–
<b>Operating costs</b>	9		<b>(261)</b>	(842)	(1 174)
Material and services consumed			<b>(217)</b>	(544)	(842)
Employees remuneration			<b>(42)</b>	(71)	(132)
Net impairment losses on financial assets			<b>(2)</b>	(227)	(200)
<b>Earnings before interest, taxation, depreciation, amortisation, capital items and foreign exchange gains and losses on cash and cash equivalents. (EBITDA before capital items)**</b>	14	96%	<b>(14)</b>	(339)	(452)
Depreciation and amortisation			<b>–</b>	(12)	(12)
<b>Operating loss before capital items</b>	14	96%	<b>(14)</b>	(351)	(464)
Capital items	4		<b>(4)</b>	(35)	(45)
<b>Operating loss</b>			<b>(18)</b>	(386)	(509)
Finance income			<b>2</b>	2	3
Finance expense			<b>–</b>	–	(1)
Foreign exchange gains and losses relating to cash and cash equivalents			<b>(1)</b>	–	1
<b>Loss before taxation</b>			<b>(17)</b>	(384)	(506)
Taxation			<b>(5)</b>	(1)	(28)
<b>Loss for the period from discontinued operations</b>			<b>(22)</b>	(385)	(534)
<b>Profit / (loss) for the period from total operations</b>			<b>276</b>	(315)	(147)

\* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).

\*\* The Group presents in its consolidated statement of comprehensive income earnings before interest, taxation, depreciation, amortisation, capital items, foreign exchange gains and losses relating to cash and cash equivalents and equity accounted profits from associates. This represents the contribution by the Group from its revenue after deducting the associated employee costs, materials and services consumed and net impairment losses on financial assets. This also includes other income earned; and finance lease interest income that is considered to be revenue for the Group.



# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)

for the six months period ended 31 August 2024

R millions	Note	%	Six months ended 31 August 2024 (Unaudited)	Restated* Six months ended 31 August 2023 (Unaudited)	Restated* Year ended 29 February 2024
		Change			
<b>Other comprehensive income</b>					
<b>Items that will never be reclassified to profit or loss</b>					
Remeasurement of defined benefit asset/obligation			–	–	52
<b>Items that are or may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences in respect of foreign operations**			(17)	–	5
Realisation of foreign currency translation differences upon disposal of foreign operations**			–	1	(1)
<b>Other comprehensive income for the period, net of taxation</b>			<b>(17)</b>	<b>1</b>	<b>56</b>
<b>Total comprehensive income / (loss) for the period</b>			<b>259</b>	<b>(314)</b>	<b>(91)</b>
<b>Net (loss) / profit attributable to:</b>					
<b>Non-controlling interests</b>					
Non-controlling interests from continuing operations			<b>12</b>	13	23
Non-controlling interests from discontinued operations			–	–	(4)
<b>Altron equity holders</b>			<b>264</b>	(328)	(170)
Altron equity holders from continuing operations			<b>286</b>	57	360
Altron equity holders from discontinued operations			<b>(22)</b>	(385)	(530)
<b>Net profit / (loss) for the period</b>			<b>276</b>	<b>(315)</b>	<b>(147)</b>
<b>Total comprehensive (loss) / income attributable to:</b>					
<b>Non-controlling interests</b>					
Non-controlling interests from continuing operations			<b>12</b>	13	27
Non-controlling interests from discontinued operations			–	–	(4)
<b>Altron equity holders</b>			<b>247</b>	(327)	(114)
Altron equity holders from continuing operations			<b>269</b>	52	417
Altron equity holders from discontinued operations			<b>(22)</b>	(379)	(531)
<b>Total comprehensive income / (loss) for the period</b>			<b>259</b>	<b>(314)</b>	<b>(91)</b>
* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).					
** This component of other comprehensive income is not subject to tax.					
<b>Basic earnings per share from continuing operations</b>	<b>(cents)</b>	0%	<b>75</b>	15	95
<b>Diluted earnings per share from continuing operations</b>	<b>(cents)</b>	>100%	<b>73</b>	15	93
<b>Basic loss per share from discontinued operations</b>	<b>(cents)</b>	95%	<b>(5)</b>	(102)	(140)
<b>Diluted loss per share from discontinued operations</b>	<b>(cents)</b>	94%	<b>(6)</b>	(102)	(137)
<b>Basic earnings / (loss) per share from total operations</b>	<b>(cents)</b>	>100%	<b>70</b>	(87)	(45)
<b>Diluted earnings / (loss) per share from total operations</b>	<b>(cents)</b>	>100%	<b>67</b>	(86)	(44)



# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 31 August 2024

R millions	Attributable to Altron equity holders			
	Share capital and premium	Treasury shares	Reserves	Restated* Retained earnings
<b>Balance at 28 February 2023 (restated*)</b>	<b>1 238</b>	<b>(222)</b>	<b>(2 918)</b>	<b>6 098</b>
<b>Total comprehensive income / (loss) for the period</b>				
<i>Loss for the period</i>	-	-	-	<b>(328)</b>
<i>Other comprehensive income</i>				
Realisation of foreign currency translation differences upon disposal of foreign operations	-	-	1	-
<b>Total other comprehensive income</b>	-	-	1	-
<b>Total comprehensive income / (loss) for the period</b>	-	-	1	<b>(328)</b>
<b>Transactions with owners, recorded directly in equity</b>				
<i>Contributions by and distributions to owners</i>				
Dividends to equity holders	-	-	-	<b>(72)</b>
Issue of share capital	3	-	(3)	-
Share-based payment transactions	-	-	14	-
<b>Total contributions by and distributions to owners</b>	<b>3</b>	-	11	<b>(72)</b>
<i>Changes in ownership interests in subsidiaries</i>				
Total changes in ownership interests in subsidiaries	-	-	(9)	-
<b>Total changes in ownership interests in subsidiaries</b>	-	-	(9)	-
<b>Total transactions with owners, recorded directly in equity</b>	<b>3</b>	-	2	<b>(72)</b>
<b>Balance at 31 August 2023 (unaudited)</b>	<b>1 241</b>	<b>(222)</b>	<b>(2 915)</b>	<b>5 698</b>
<b>Total comprehensive income / (loss) for the period</b>				
<i>Profit for the period</i>	-	-	-	158
<b>Transfer of reserves</b>				
Transfer of Statutory reserve to distributable reserves	-	-	(95)	95
<i>Other comprehensive income</i>				
Foreign currency translation differences in respect of foreign operations	-	-	5	-
Realisation of foreign currency translation differences upon disposal of foreign operations	-	-	(2)	-
Remeasurement on net defined benefit asset	-	-	52	-
<b>Total other comprehensive income</b>	-	-	55	-
<b>Total comprehensive income / (loss) for the period</b>	-	-	(40)	<b>253</b>

\* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).

<b>Total</b>	<b>Non-controlling interests</b>	<b>Total Equity</b>
<b>4 196</b>	<b>118</b>	<b>4 314</b>
<b>(328)</b>	<b>13</b>	<b>(315)</b>
<b>1</b>	<b>-</b>	<b>1</b>
<b>1</b>	<b>-</b>	<b>1</b>
<b>(327)</b>	<b>13</b>	<b>(314)</b>
<b>(72)</b>	<b>-</b>	<b>(72)</b>
<b>-</b>	<b>-</b>	<b>-</b>
<b>14</b>	<b>-</b>	<b>14</b>
<b>(58)</b>	<b>-</b>	<b>(58)</b>
<b>(9)</b>	<b>5</b>	<b>(4)</b>
<b>(9)</b>	<b>5</b>	<b>(4)</b>
<b>(67)</b>	<b>5</b>	<b>(62)</b>
<b>3 802</b>	<b>136</b>	<b>3 938</b>
<b>158</b>	<b>10</b>	<b>168</b>
<b>-</b>	<b>-</b>	<b>-</b>
<b>5</b>	<b>-</b>	<b>5</b>
<b>(2)</b>	<b>-</b>	<b>(2)</b>
<b>52</b>	<b>-</b>	<b>52</b>
<b>55</b>	<b>-</b>	<b>55</b>
<b>213</b>	<b>10</b>	<b>223</b>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

for the six months ended 31 August 2024

R millions	Attributable to Altron equity holders			
	Share capital and premium	Treasury shares	Reserves	Restated* Retained earnings
<b>Transactions with owners, recorded directly in equity</b>				
<b>Contributions by and distributions to owners</b>				
Dividends to equity holders	-	-	-	(96)
Share-based payment transactions	-	-	12	-
<b>Total contributions by and distributions to owners</b>	-	-	12	(96)
<b>Changes in ownership interests in subsidiaries</b>				
Total changes in ownership interests in subsidiaries	-	-	-	-
<b>Total changes in ownership interests in subsidiaries</b>	-	-	-	-
<b>Total transactions with owners, recorded directly in equity</b>	-	-	12	(96)
<b>Balance at 29 February 2024 (restated*)</b>	<b>1 241</b>	<b>(222)</b>	<b>(2 943)</b>	<b>5 855</b>
<b>Total comprehensive income for the period</b>				
<b>Profit for the period</b>	-	-	-	264
<b>Other comprehensive income</b>				
Foreign currency translation differences in respect of foreign operations	-	-	(17)	-
<b>Total other comprehensive income</b>	-	-	(17)	-
<b>Total comprehensive income / (loss) for the period</b>	-	-	(17)	264
<b>Transactions with owners, recorded directly in equity</b>				
<b>Contributions by and distributions to owners</b>				
Dividends to equity holders	-	-	-	(125)
Issue of share capital	4	-	(4)	-
Treasury shares disposed	-	18	(8)	(5)
Share-based payment transactions	-	-	19	-
<b>Total contributions by and distributions to owners</b>	<b>4</b>	<b>18</b>	<b>7</b>	<b>(130)</b>
<b>Changes in ownership interests in subsidiaries</b>				
Total changes in ownership interests in subsidiaries	-	-	-	(6)
<b>Total changes in ownership interests in subsidiaries</b>	-	-	-	(6)
<b>Total transactions with owners, recorded directly in equity</b>	<b>4</b>	<b>18</b>	<b>7</b>	<b>(136)</b>
<b>Balance at 31 August 2024 (unaudited)</b>	<b>1 245</b>	<b>(204)</b>	<b>(2 953)</b>	<b>5 983</b>

\* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).

The Board declared an interim dividend of 40 cents per share on 1 November 2024 (2024: 33 cents - final and 25 cents - interim).



<b>Total</b>	<b>Non-controlling interests</b>	<b>Total Equity</b>
(96)	(2)	(98)
12	-	12
(84)	(2)	(86)
-	2	2
-	2	2
(84)	-	(84)
<b>3 931</b>	<b>146</b>	<b>4 077</b>
264	12	276
(17)	-	(17)
(17)	-	(17)
<b>247</b>	<b>12</b>	<b>259</b>
(125)	(3)	(128)
-	-	-
5	-	5
19	-	19
(101)	(3)	(104)
(6)	6	-
(6)	6	-
(107)	3	(104)
<b>4 071</b>	<b>161</b>	<b>4 232</b>

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 31 August 2024

R millions	Note	Six months ended 31 August 2024 (Unaudited)	Six months ended 31 August 2023 (Restated***)	Year ended 29 February 2024 (Restated***)
<b>Cash flows from operating activities</b>				
Cash generated by operations		712	654	1 623
Interest received		70	81	141
Interest paid		(107)	(130)	(245)
Dividends received from equity accounted investees and other investments		–	–	7
Taxation paid		(48)	(45)	(131)
Dividends paid, including to non-controlling interests		(128)	(72)	(170)
Net cash inflow from operating activities		499	488	1 225
<b>Cash flows utilised in investing activities</b>				
Proceeds on the disposal of operations, joint venture, investment and subsidiaries	7	–	8	15
Proceeds on the disposal of property, plant and equipment and intangible assets		3	11	16
Acquisition of intangible assets		(76)	(51)	(110)
Acquisition of property, plant and equipment		(67)	(72)	(129)
Cash outflow from other investing activities	8	(6)	(14)	(20)
Cash inflow from other investing activities	8	13	12	23
Acquisition of capital rental devices		(216)	(153)	(328)
Net cash outflow from investing activities		(349)	(259)	(533)
<b>Cash flows utilised in financing activities</b>				
Loans advanced		425	850	1 275
Loans repaid		(425)	(850)	(1 700)
Acquisition of non-controlling interests		–	(4)	(4)
Settlement of finance leases*		(76)	(109)	(209)
Lease payments		(49)	(59)	(105)
Net cash outflow from financing activities		(125)	(172)	(743)
<b>Net increase / (decrease) in cash and cash equivalents</b>				
Cash and cash equivalents at the beginning of the period (excluding cash classified as held-for-sale)**#		627	691	691
Effect of exchange rate fluctuations		(8)	(11)	(6)
Movement in cash classified as held-for-sale**#		2	(11)	(7)
<b>Net cash and cash equivalents at the end of the period**</b>		<b>646</b>	<b>726</b>	<b>627</b>
* Principal lease payments in relation to rental finance lease liabilities				
** Cash and cash equivalents cash comprises:				
Cash at bank		551	696	1 035
Cash held on behalf of merchants		120	30	105
Bank overdrafts		(25)	–	(513)
Net cash and cash equivalents per the statement of cash flows		646	726	627

\*\*\* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).

# Cash and cash equivalents at the beginning of the period has been represented to exclude cash classified as held-for-sale and as a result, the movement has been disclosed in "movement in cash classified as held-for-sale".

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 31 August 2024

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## 1 GENERAL INFORMATION

Altron is a leading ICT business, operating in a number of geographies. Its principal subsidiaries are Altron TMT Proprietary Limited (which includes various operating divisions); Netstar Proprietary Limited and the balance of the Netstar Group (including its Australian operations) and the Altron Arrow Proprietary Limited.

During the previous financial year, Altron Nexus Proprietary Limited was classified as held-for-sale and a discontinued operation (note 10).

## 2 BASIS OF PREPARATION

The condensed consolidated interim financial statements for the six months ended 31 August 2024 are prepared in accordance with International Financial Reporting Standard, (IAS) 34 Interim Financial Reporting, SAICA Financial Reporting Guides as issued by the Accounting Practices Committee (APC), Financial Pronouncements as issued by the Financial Reporting Standards Council (FRSC), and the requirements of the Companies Act of South Africa.

The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 29 February 2024, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

This report was compiled under the supervision of Mr C Snyman, Chief Financial Officer.

## GOING CONCERN

The Group's budgets and cash flow projections, taking account of reasonably possible changes in operating performance, show that the Group should be able to operate into the foreseeable future within its existing borrowing facilities.

At the time of approval of the condensed consolidated interim financial statements for the six months ended 31 August 2024, 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 the condensed consolidated interim financial statements.

The condensed consolidated interim financial statements therefore have been prepared on a going concern basis.

## 3 PRINCIPAL ACCOUNTING POLICIES

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

A number of amendments to accounting pronouncements are effective 1 March 2024, but they do not have a material effect on the Group's interim financial statements.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 4 CAPITAL ITEMS

R millions	Note	Six months ended 31 August 2024 (Unaudited) R millions	Six months ended 31 August 2023 (Restated*) R millions	Year ended 29 February 2024 (Restated*) R millions
<b>Continuing operations</b>				
Net loss on disposal of property, plant and equipment		(1)	–	1
Loss/(profit) on the disposal of operations, joint venture and investment		–	(4)	1
Impairment of property, plant and equipment		–	(1)	(17)
Impairment of goodwill		–	(33)	(33)
Impairment of contract costs capitalised		(1)	–	(1)
Capital rental devices written off		(17)	(13)	(28)
Reversal of prior period impairment of right-of-use assets		–	–	47
Costs relating to disposal of operations		–	(1)	(5)
		<b>(19)</b>	(52)	(35)
<b>Discontinued operations</b>				
Loss on disposal of subsidiary		–	(7)	(11)
Costs relating to disposal of operations		–	(1)	(2)
Net profit / (loss) on disposal of property, plant and equipment		–	1	1
Impairment on held-for-sale disposal groups	10	(4)	(2)	(6)
Impairment of property, plant and equipment		–	(31)	(34)
Foreign currency translation recycling to profit and loss on deregistration of foreign dormant operations		–	(1)	1
Lease modifications and terminations		–	6	6
		<b>(4)</b>	(35)	(45)
<b>Total operations</b>		<b>(23)</b>	(87)	(80)

\* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).

## 5 EARNINGS PER SHARE

		Six months ended 31 August 2024 (Unaudited)	Six months ended 31 August 2023 (Restated*)	Year ended 29 February 2024 (Restated*)
Headline earnings per share from continuing operations	(cents)	79	28	103
Headline earnings per share from discontinued operations	(cents)	(5)	(93)	(132)
Headline earnings per share from total operations	(cents)	74	(65)	(29)
Diluted headline earnings per share from continuing operations	(cents)	77	28	101
Diluted headline earnings per share from discontinued operations	(cents)	(5)	(92)	(129)
Diluted headline earnings per share from total operations	(cents)	72	(64)	28

\* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).

## 5 EARNINGS PER SHARE (CONTINUED)

		Six months ended 31 August 2024 (Unaudited)	Six months ended 31 August 2023 Restated*	Year ended 29 February 2024 Restated*
<b>5.1 RECONCILIATION BETWEEN ATTRIBUTABLE EARNINGS AND HEADLINE EARNINGS FROM TOTAL OPERATIONS</b>	(R millions)			
Earnings / (loss) attributable to shareholders		264	(328)	(170)
Capital items (note 4)		23	87	80
Costs relating to disposal of operations		-	(2)	(7)
Tax effect of capital items		(5)	(3)	(13)
Non-controlling interest in capital items		-	-	2
<b>Headline earnings</b>		<b>282</b>	<b>(246)</b>	<b>(108)</b>
<b>Headline earnings per share from total operations</b>	(cents)	<b>74</b>	<b>(65)</b>	<b>(29)</b>
<b>5.2 RECONCILIATION BETWEEN ATTRIBUTABLE EARNINGS AND HEADLINE EARNINGS FROM CONTINUING OPERATIONS</b>	(R millions)			
Earnings attributable to shareholders		286	57	360
Capital items (note 4)		19	52	35
Costs relating to disposal of operations		-	(1)	(5)
Tax effect of capital items		(5)	(3)	1
<b>Headline earnings</b>		<b>300</b>	<b>105</b>	<b>391</b>
<b>Headline earning per share from continuing operations</b>	(cents)	<b>79</b>	<b>28</b>	<b>103</b>
<b>5.3 RECONCILIATION BETWEEN ATTRIBUTABLE EARNINGS AND HEADLINE EARNINGS FROM DISCONTINUED OPERATIONS</b>	(R millions)			
Loss attributable to shareholders		(22)	(385)	(530)
Capital items (note 4)		4	35	45
Costs relating to disposal of operations		-	(1)	(2)
Tax effect of capital items		-	-	(14)
Non-controlling interest in capital items		-	-	2
<b>Headline earnings</b>		<b>(18)</b>	<b>(351)</b>	<b>(499)</b>
<b>Headline earnings per share from discontinued operations</b>	(cents)	<b>(5)</b>	<b>(93)</b>	<b>(132)</b>

\* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

	Six months ended 31 August 2024 (Unaudited)	Six months ended 31 August 2023 (Restated*)	Year ended 29 February 2024 (Restated*)
<b>5.4 RECONCILIATION OF WEIGHTED AVERAGE NUMBER OF SHARES</b>	<b>Number of shares</b>	Number of shares	Number of shares
Issued shares at the beginning of the year	<b>411 018 564</b>	410 681 964	410 681 964
Effect of own shares	<b>(32 287 468)</b>	(32 287 468)	(32 287 468)
Weighted average effect of shares issued during the year	<b>583 364</b>	138 318	229 921
Weighted average number of shares	<b>379 314 460</b>	378 532 814	378 624 417
<b>5.5 RECONCILIATION BETWEEN NUMBER OF SHARES USED FOR EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE</b>			
Weighted average number of shares	<b>379 314 460</b>	378 532 814	378 624 417
Dilutive options	<b>12 754 002</b>	4 438 921	9 903 874
Weighted average number of shares (diluted)	<b>392 068 462</b>	382 971 735	388 528 291
<b>5.6 RECONCILIATION BETWEEN EARNINGS / (LOSS) AND DILUTED EARNINGS / (LOSS)</b>			
Profit / (loss) / earnings attributable to shareholders (R millions)	<b>264</b>	(328)	(170)
Diluted profit / (loss) / earnings	<b>264</b>	(328)	(170)
<b>5.7 RECONCILIATION BETWEEN HEADLINE EARNINGS AND DILUTED HEADLINE EARNINGS</b> (R millions)			
Headline earnings	<b>282</b>	(246)	108
Diluted headline earnings	<b>282</b>	(246)	108
<b>Diluted headline earnings per share from total operations</b> (cents)	<b>72</b>	(64)	28

\* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).

## 6 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

### (a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amounts of these financial assets and liabilities are considered to be a reasonable approximation of fair value.

31 August 2024		Carrying amount		Fair value			
		Measured at fair value	Total	Level 1	Level 2	Level 3	Total
<b>R millions</b>							
<b>Financial assets measured at fair value</b>							
	Preference share investment in Technologies Acceptances						
	Receivables Proprietary Limited	21	21	–	–	21	21
	Forward exchange contracts	2	2	–	2	–	2
		23	23	–	2	21	23
<b>Financial liabilities measured at fair value</b>							
	Forward exchange contracts	(8)	(8)	–	(8)	–	(8)
		(8)	(8)	–	(8)	–	(8)
29 February 2024		Carrying amount		Fair value			
		Measured at fair value	Total	Level 1	Level 2	Level 3	Total
<b>R millions</b>							
<b>Financial assets measured at fair value</b>							
	Preference share investment in Technologies Acceptances						
	Receivables Proprietary Limited	21	21	–	–	21	21
	Forward exchange contracts	7	7	–	7	–	7
		28	28	–	7	21	28
<b>Financial liabilities measured at fair value</b>							
	Forward exchange contracts	(1)	(1)	–	(1)	–	(1)
		(1)	(1)	–	(1)	–	(1)

The carrying amounts of financial assets that are not subsequently measured at fair value i.e. financial assets at amortised cost is considered to approximate the fair value.

The carrying amount of financial liabilities that are not subsequently measured at fair value i.e. financial liabilities at amortised cost is considered to approximate the fair value.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 6 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (CONTINUED)

### (a) Accounting classifications and fair values (continued)

The different levels as disclosed in the table above have been defined as follows:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3	Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### (b) Measurement of fair values

#### Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

#### Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Forward exchange contracts	<b>Market comparison technique:</b> The fair value of foreign exchange contracts are marked-to-market by comparing the contracted forward rate to the present value of the current forward rate of an equivalent contract with the same maturity date.	Not applicable	Not applicable
Preference share in Technologies Acceptances Receivables Proprietary Limited	The dividend growth model was used to determine the fair value of the preference share using the historic dividends that were received from the investment.	Discount rate of 12.85% (February 2024: 12.85%) Annual perpetuity growth 0% (February 2024: 0%)	The estimated fair value would increase / (decrease) if: · the discount rate was lower / (higher) by 1% then the value would increase / (decrease) by R2 million; · the annual perpetuity growth rate was higher / (lower) by 1% then the value would increase / (decrease) by R2 million.

#### Transfers

There were no transfers between levels 1, 2 or 3 of the fair value hierarchy for the years ended 31 August 2024 and 29 February 2024.

## 7 PROCEEDS ON THE DISPOSAL OF OPERATIONS, JOINT VENTURE, INVESTMENT AND SUBSIDIARIES

Proceeds on the disposal of joint venture, subsidiaries and businesses net of cash acquired, may be summarised as follows:

R millions	Note	31 August 2024 (Unaudited)	29 February 2024 (Audited)
Altron BTG Kenya Limited	7.2.1	-	(6)
Altron Technologies Namibia Limited	7.2.2	-	11
Altron BTG Rwanda Limited	7.2.3	-	(3)
ATM Hardware and Support Business of Altron Managed Solutions	7.2.4	-	13
		-	15

### 7.1 CURRENT YEAR DISPOSALS

During the current year the Group didn't dispose of any operations. Assets and liabilities classified as held-for-sale and discontinued operations are disclosed in note 10.

### 7.2 PRIOR YEAR DISPOSALS

#### 7.2.1 Disposal of AROA operations, Altron BTG Kenya Limited ("Altron Kenya")

The AROA segment was classified as held-for-sale during June 2021. Altron Kenya formed part of the AROA segment and was disposed of during the previous year to TWM Digital Solutions (Private) Limited, effective 1 April 2023.

Prior to disposal, an impairment loss of R2 million was recognised specifically relating to Altron Kenya held-for-sale assets and liabilities (note 10). The carrying value of the assets and liabilities disposed of are disclosed below:

R millions	31 August 2024 (Unaudited)	29 February 2024 (Audited)
<b>Non-current assets</b>	-	1
Property, plant and equipment	-	1
<b>Current assets</b>	-	43
Inventory	-	6
Trade and other receivables	-	31
Cash and cash equivalents	-	6
<b>Current-liabilities</b>	-	(35)
Taxation payable	-	(4)
Trade and other payables including contract liabilities	-	(31)
<b>Disposal value</b>	-	9
Foreign currency translation reserve recycled	-	(1)
Loss on disposal	-	(8)
<b>Proceeds received</b>	-	-
Cash and cash equivalents disposed	-	(6)
<b>Proceeds received net of cash disposed</b>	-	(6)

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 7 PROCEEDS ON THE DISPOSAL OF OPERATIONS, JOINT VENTURE, INVESTMENT AND SUBSIDIARIES (CONTINUED)

### 7.2 PRIOR YEAR DISPOSALS (CONTINUED)

#### 7.2.2 Disposal of AROA operations, Altron Technologies Namibia ("Altron Namibia")

The AROA segment was classified as held-for-sale during June 2021. Altron Namibia formed part of the AROA segment and was disposed of during the previous year to RCK Investment Proprietary Limited, effective 1 February 2024. The Group had a 74% shareholding in Altron Namibia.

The carrying value of the assets and liabilities disposed of are disclosed below:

R millions	31 August 2024 (Unaudited)	29 February 2024 (Audited)
<b>Non-current assets</b>	-	1
Property, plant and equipment	-	1
<b>Current assets</b>	-	34
Inventory	-	9
Trade and other receivables	-	24
Cash and cash equivalents	-	1
<b>Non-current liabilities</b>	-	(1)
Loans (incl Lease Liabilities)	-	(1)
<b>Current liabilities</b>	-	(15)
Trade and other payables including contract liabilities	-	(15)
<b>Disposal value</b>	-	19
Foreign currency translation reserve recycled		-
Loss on disposal	-	(7)
<b>Proceeds received</b>		
Cash and cash equivalents disposed		(1)
<b>Proceeds received net of cash disposed</b>	-	11



## 7 PROCEEDS ON THE DISPOSAL OF OPERATIONS, JOINT VENTURE, INVESTMENT AND SUBSIDIARIES (CONTINUED)

### 7.2 PRIOR YEAR DISPOSALS (CONTINUED)

#### 7.2.3 Disposal of AROA operations, Altron BTG Rwanda Limited ("Altron Rwanda")

The AROA segment was classified as held-for-sale during June 2021. Altron Rwanda formed part of the AROA segment and was disposed of during the previous year to TID Solutions (Proprietary) Limited, effective 1 November 2023.

The carrying value of the assets and liabilities disposed of are disclosed below:

R millions	31 August 2024 (Unaudited)	29 February 2024 (Audited)
<b>Current assets</b>	-	4
Cash and cash equivalents	-	4
<b>Current liabilities</b>	-	(6)
Taxation payable	-	(3)
Trade and other payables including contract liabilities	-	(3)
<b>Disposal value</b>	-	(2)
Foreign currency translation reserve recycled	-	-
Loss on disposal	-	3
<b>Proceeds received</b>	-	1
Cash and cash equivalents disposed	-	(4)
<b>Proceeds received net of cash disposed</b>	-	(3)

#### 7.2.4 Disposal ATM Hardware and Support Business of Altron Digital Business ("ADB")

As disclosed within assets classified as held-for-sale in the prior year, the Board approved the disposal of the ATM Hardware and Support Business, a component of Altron Digital Business ("ADB"). The business consists of ATM hardware sales, implementation, licensing, repairs and maintenance and an approved re-work centre, as well as managed services for cash automation technologies.

Effective 1 July 2023, the Group, through its wholly owned subsidiary Altron TMT Proprietary Limited ("ATMT") disposed of the ATM Hardware and Support Business to NCR Corporation ("NCR").

The ADB operation will continue to operate all remaining portfolios including its retail solutions, end user computer support, cloud platform and software solutions.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 7 PROCEEDS ON THE DISPOSAL OF OPERATIONS, JOINT VENTURE, INVESTMENT AND SUBSIDIARIES (CONTINUED)

### 7.2 PRIOR YEAR DISPOSALS (CONTINUED)

#### 7.2.4 Disposal ATM Hardware and Support Business of Altron Digital Business ("ADB") (continued)

Prior to disposal, an impairment loss of R1 million was recognised specifically relating to ATM Hardware and Support Business held-for-sale assets and liabilities (note 10). The carrying value of the remaining assets and liabilities disposed of are disclosed below:

R millions	31 August 2024 (Unaudited)	29 February 2024 (Audited)
<b>Non-current assets</b>	-	3
Property, plant and equipment	-	3
<b>Current assets</b>	-	173
Inventory	-	144
Trade and other receivables	-	29
<b>Current-liabilities</b>	-	(159)
Trade and other payables including contract liabilities	-	(159)
<b>Disposal value</b>	-	17
Loss on disposal	-	(4)
<b>Proceeds received</b>	-	13

## 8 OTHER CASH FLOWS

### 8.1 CASH OUTFLOW FROM OTHER INVESTING ACTIVITIES

R millions	31 August 2024 (Unaudited)	31 August 2023 (Unaudited)	29 February 2024 (Audited)
Loans advanced to associates and other investments	-	(5)	(7)
Advances made to TAR during the year	(6)	(9)	(13)
	(6)	(14)	(20)

### 8.2 CASH INFLOW FROM OTHER INVESTING ACTIVITIES

Repayment received from TAR during the year	13	12	23
	13	12	23

## 9 SIGNIFICANT EVENTS, TRANSACTIONS AND MOVEMENTS

### 9.1 CREDIT RISK, CONCENTRATION RISK AND SIGNIFICANT JUDGEMENT APPLIED BY MANAGEMENT

#### **Gross trade receivable balance with Thobela Telecoms (RF) Proprietary Limited ("Thobela")**

Altron Nexus (Pty) Ltd ("Altron Nexus") forms part of a joint venture named Thobela Telecoms (RF) (Pty) Ltd ("Thobela"), which was awarded a tender by the City of Tshwane ("COT") for the provision of a municipal broadband network project on 9 June 2015 ("BOT agreement").

Following a judgment brought by the COT to review and set aside the tender process, Altron Nexus, along with Thobela and ABSA Bank Ltd, applied for leave to appeal to the Supreme Court of Appeal ("SCA"), which was duly granted and on 5 October 2020 the SCA ruled in favour of Altron Nexus and the other appellants, by declaring the BOT agreement valid and binding. The COT filed an application for an appeal against the SCA judgement in the Constitutional Court, which was rejected and dismissed with cost on 19 May 2021.

After the Constitutional Court ruling, Thobela engaged the COT and sought a practical resolution to give effect to roll out the BOT agreement and attend to the outstanding debt owing to Thobela. The parties were unable to reach consensus on a certain portion of Thobela's damages claim and accordingly it was agreed to refer the matter to arbitration. During the arbitration proceedings and following the COT's pleading which amounted to a repudiation of the BOT agreement, Thobela cancelled the BOT agreement. The cancellation is disputed by COT. The parties are in the process to address all disputes relating to the BOT agreement and all claims arising out of the disputed cancellation of the BOT agreement through arbitration.

As at the end of the reporting period, Altron Nexus has a balance of R309 million (2024: R309 million) outstanding from Thobela for work performed with regards to the COT Project. Altron Nexus resolved to record an ECL impairment allowance amounting to R266 million (2024: R266 million), representing the full Thobela balance net of VAT.

The above methodology was also applied to the investment loan advanced to the Joint Venture, and an ECL allowance of Rnil (2024: R38 million) was recognised against the investment loan during the 6 month period ending 31 August 2024, bringing the total ECL allowance to R102 million (2024: R102 million).

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 9 SIGNIFICANT EVENTS, TRANSACTIONS AND MOVEMENTS (CONTINUED)

### 9.1 CREDIT RISK, CONCENTRATION RISK AND SIGNIFICANT JUDGEMENT APPLIED BY MANAGEMENT (CONTINUED)

The increase in the ECL relating to the Joint Venture investment loan and the receivable may be summarised as follows:

R millions	31 August 2024			29 February 2024		
	Gross	Impairment	Net	Gross	Impairment	Net
<b>Interest in Joint Venture - Thobela</b>						
Balance at the beginning of the year	102	(102)	–	95	(64)	31
Increase in loan	–	–	–	7	–	7
Increase in ECL allowance*	–	–	–	–	(38)	(38)
Balance at the end of the year	102	(102)	–	102	(102)	–
<b>Trade receivables</b>						
Balance at the beginning of the year	309	(266)	43	309	(101)	208
Increase in ECL allowance*	–	–	–	–	(165)	(165)
Balance at the end of the year	309	(266)	43	309	(266)	43

\* The increase in the ECL allowance is included in net impairment losses on financial assets within discontinued operations (refer to note 9.2.1)

## 9 SIGNIFICANT EVENTS, TRANSACTIONS AND MOVEMENTS (CONTINUED)

### 9.2 SIGNIFICANT MOVEMENTS IN PRIOR PERIODS

#### 9.2.1 Altron Nexus

During May 2023, the extension of the Gauteng Broadband Network ("GBN") contract for phase 2 came to an end. Altron Nexus was not awarded the contract for GBN phase 3 as previously planned. The GBN contract for phase 2 accounted for a material portion of Altron Nexus' revenue and profits. As the incumbent service provider for GBN phase 1 and 2, the relevant personnel and infrastructure had been kept in place to enable Altron Nexus to seamlessly deliver on GBN phase 3, in the event that the contract for GBN phase 3 was awarded. As a result of above, the following adjustments were recognised in the prior period:

- R31 million increase in the expected credit loss allowance relating to trade and other receivables, which is included in net impairment losses on financial assets;
- Write-downs of inventories to net realisable value amounting to R71 million, which is included in materials and services consumed.

As disclosed in note 9.1, the following adjustment has been made in relation to Thobela:

- R203 million increase in the ECL allowance included in net impairment losses on financial assets.

For comparative purposes, the segmental reporting was adjusted to exclude the impact of these transactions (note 14).

#### 9.2.2 Altron Document Solutions ("ADS")

During the first quarter of the previous financial year, two large customers within the ADS operation experienced financial difficulties as a result of challenging market conditions resulting in the following provisions:

- R83 million increase in the ECL allowance relating to trade and other receivables and finance lease assets, which is included in net impairment losses on financial assets;
- Write-downs of inventories to net realisable value amounting to R12 million, which is included in material and services consumed.

For comparative purposes, the segmental reporting was adjusted to exclude the impact of these transactions (note 14).

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 10 ASSETS AND LIABILITIES CLASSIFIED AS HELD-FOR-SALE AND DISCONTINUED OPERATIONS

### 10.1 ASSETS AND LIABILITIES CLASSIFIED AS HELD-FOR-SALE DURING THE CURRENT YEAR

During the current year, the Group did not classify any other operations held-for-sale.

### 10.2 ASSETS AND LIABILITIES CLASSIFIED AS HELD-FOR-SALE AND DISCONTINUED OPERATIONS DURING THE PREVIOUS YEAR

#### 10.2.1 *ATM Hardware and Support Business of Altron Digital Business ("ADB")*

The disposal of the ATM Hardware and Support Business was concluded during the previous financial year and is included in the relevant held-for-sale comparatives. Refer to note 7.2.4.

#### 10.2.2 *Altron Nexus*

During the previous year, the decision was made to restructure Altron Nexus. Upon further analysis, the Altron Board concluded that the restructured Altron Nexus business is no longer regarded as core to the Group's operations and strategy, and it will actively explore opportunities to sell the business.

The unsuccessful extension of the GBN phase 3 contract resulted in the termination of the Broadband Network Services business unit. With the restructure of consolidating the Enterprise Networking business into the Altron Digital Business (previously Altron Systems Integration) operation, Altron Nexus will remain with only non-core Critical Communications operations, which are expected to be saleable on a standalone basis.

The relevant held-for-sale requirements of IFRS 5 were met at 31 August 2024, and the assets and liabilities relating to the Altron Nexus operation have been classified as such. Altron Nexus is reported as a separate operation and represents a major line of business. The Altron Nexus results have therefore been included in the results from discontinued operations.

#### 10.2.3 *Altron Rest of Africa operations ("AROA")*

During June 2021, the Altron Board approved the decision to disinvest from all in-country operations forming part of the AROA region. The exit of AROA operations in totality involves a combination of disposals as well as closures.

##### ***Altron BTG Kenya Limited ("Altron Kenya")***

Altron Kenya was disposed of during the previous year (refer to note 7.2.1) and is included in the comparative held-for-sale information. The Altron Kenya results are also included in the comparative information of discontinued operations as it represents a major line of business that has been disposed during the previous year.

##### ***Altron Technologies Namibia Proprietary Limited ("Altron Namibia")***

Altron Namibia was disposed of during the previous year (refer to note 7.2.2) and is included in the comparative held-for-sale information. The Altron Namibia results are also included in the comparative information of discontinued operations as it represents a major line of business that has been disposed during the previous year.

##### ***Altron BTG Rwanda Limited ("Altron Rwanda")***

The AROA segment was classified as held-for-sale during June 2021. Altron Rwanda formed part of the AROA segment and was disposed of during the previous year (refer to note 7.2.3) to TID Solutions (Proprietary) Limited, effective 1 November 2023. The Altron Rwanda results are also included in the comparative information of discontinued operations as it represents a major line of business that has been disposed during the previous year.

## 10 ASSETS AND LIABILITIES CLASSIFIED AS HELD-FOR-SALE AND DISCONTINUED OPERATIONS (CONTINUED)

### 10.3 FINANCIAL PERFORMANCE AND CASH FLOW INFORMATION

Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).

#### 10.3.1 Net assets of business held-for-sale:

<b>R millions</b>	<b>31 August 2024 (Unaudited)</b>	31 August 2023 (Restated)	29 February 2024 (Restated)
Property, plant and equipment	23	30	26
Right-of-use assets	–	2	1
Deferred taxation	20	40	20
<b>Non-current assets</b>	<b>43</b>	72	47
Inventories	108	107	84
Trade and other receivables, including derivatives	177	431	212
Contract assets	1	12	2
Taxation receivable	–	1	–
Cash and cash equivalents	7	13	9
<b>Current assets</b>	<b>293</b>	564	307
<b>Assets classified as held-for-sale</b>	<b>336</b>	636	354
Lease liabilities	–	2	1
Trade and other payables, including derivatives	99	211	54
Contract liabilities	1	47	22
<b>Current liabilities</b>	<b>100</b>	260	77
<b>Liabilities classified as held-for-sale</b>	<b>100</b>	260	77

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 10 ASSETS AND LIABILITIES CLASSIFIED AS HELD-FOR-SALE AND DISCONTINUED OPERATIONS (CONTINUED)

### 10.3 FINANCIAL PERFORMANCE AND CASH FLOW INFORMATION (CONTINUED)

10.3.2 Breakdown of disposal groups held-for-sale and impairment losses:

R millions	31 August 2024		Total
	Altron Nexus*	Cumulative Impairments	
<b>Assets classified as held-for-sale</b>	<b>346</b>	<b>(10)</b>	<b>336</b>
Non-current assets	<b>53</b>	<b>(10)</b>	<b>43</b>
Current assets	<b>293</b>	<b>-</b>	<b>293</b>
<b>Liabilities classified as held-for-sale</b>	<b>100</b>	<b>-</b>	<b>100</b>
Current liabilities	<b>100</b>	<b>-</b>	<b>100</b>

#### Reconciliation of cumulative impairment losses at 31 August 2024

	Property, plant and equipment	Intangible assets and goodwill	Right-of-use assets	Total
Impairment losses at 29 February 2024	-	(5)	(1)	(6)
Altron Nexus	-	(5)	(1)	(6)
Impairment losses recognised during the period	(4)	-	-	(4)
Altron Nexus	(4)	-	-	(4)
Disposed during the year	-	-	-	-
Cumulative impairment losses at 31 August 2024	(4)	(5)	(1)	(10)



## 10 ASSETS AND LIABILITIES CLASSIFIED AS HELD-FOR-SALE AND DISCONTINUED OPERATIONS (CONTINUED)

### 10.3 FINANCIAL PERFORMANCE AND CASH FLOW INFORMATION (CONTINUED)

10.3.2 Breakdown of disposal groups held-for-sale and impairment losses (continued):

R millions	31 August 2023			Total
	Altron Nexus	Rest of Africa	Cumulative Impairments	
<b>Assets classified as held-for-sale</b>	605	35	(4)	636
Non-current assets	74	2	(4)	72
Current assets	531	33	–	564
<b>Liabilities classified as held-for-sale</b>	258	2	–	260
Current liabilities	258	2	–	260

#### Reconciliation of cumulative impairment losses at 31 August 2023

	Property, plant and	Right-of-use assets	Total
Impairment losses at 28 February 2023	(3)	(2)	(5)
Impairment losses recognised during the period	(1)	(1)	(2)
Altron Rest of Africa	(1)	(1)	(2)
Disposed of during the period	1	2	3
Cumulative Impairment losses at 31 August 2023	(3)	(1)	(4)

R millions	29 February 2024			Total
	Altron Nexus	Cumulative Impairments		
<b>Assets classified as held-for-sale</b>	360	(6)		354
Non-current assets	53	(6)		47
Current assets	307	–		307
<b>Liabilities classified as held-for-sale</b>	77	–		77
Current liabilities	77	–		77

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 10 ASSETS AND LIABILITIES CLASSIFIED AS HELD-FOR-SALE AND DISCONTINUED OPERATIONS (CONTINUED)

### 10.3 FINANCIAL PERFORMANCE AND CASH FLOW INFORMATION (CONTINUED)

10.3.2 Breakdown of disposal groups held-for-sale and impairment losses (continued):

#### Reconciliation of cumulative impairment losses at 28 February 2023

	Property, plant and equipment	Right-of-use assets	Total
Impairment losses at 28 February 2023	(3)	(2)	(5)
Altron Rest of Africa	(3)	(2)	(5)
Impairment losses recognised during the period	(5)	(1)	(6)
Altron Nexus	(5)	(1)	(6)
Disposed of during the year	3	2	5
Cumulative impairment losses at 29 February 2024	(5)	(1)	(6)

### 10.4 CASH FLOWS GENERATED / (UTILISED) BY DISCONTINUED OPERATIONS:

R millions	31 August 2024	31 August 2023	29 February 2024
Cash flows from operating activities	(10)	87	86
Cash flows utilised in investing activities	-	(30)	(29)
Cash flows utilised in financing activities	8	68	68
Net (decrease) / increase in cash and cash equivalents	(2)	125	125

## 11 RELATED PARTY TRANSACTIONS

The Group has a related-party relationship with joint ventures, investments and key management.

<b>R millions</b>	<b>Six months ended 31 August 2024 (Unaudited)</b>	Six months ended 31 August 2023 (Unaudited)	Year ended 29 February 2024 (Audited)
<i>Transactions</i>			
Key management remuneration	<b>15</b>	18	47
<i>Dividends received</i>			
Mediswitch Namibia Proprietary Limited	<b>-</b>	-	2
<i>Balances</i>			
CBI-Electric Telecom Cables	<b>-</b>	-	-
Funds advanced	<b>-</b>	21	-
Expected credit loss	<b>-</b>	(21)	-
Thobela Telecoms (refer to note 9.1)	<b>43</b>	43	43
Funds advanced to Joint Venture	<b>102</b>	100	102
Trade receivables	<b>309</b>	309	309
Total expected credit loss	<b>(368)</b>	(366)	(368)

## 12 EVENTS AFTER REPORTING PERIOD

### DECLARATION OF DIVIDEND

The Board declared an interim gross dividend of 40 cents per share on 1 November 2024.

The directors are not aware of any other material events after the reporting period that will have an impact on the financial position, performance or cash flows of the Group.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 13 REVENUE BY SEGMENT

The Altron Group is a diversified Group which derives its revenues and profits from a variety of sources. Segmentation is based on the Group's internal organisation and reporting of revenue based upon internal accounting presentation.

Revenue by reportable segment is disaggregated by major product/service and geographic region below.

31 August 2024

### CONTINUING OPERATIONS

R millions	Altron Digital Business	Altron Security	Altron Document Solutions	IT Services
<b>REVENUE BY PRODUCT</b>				
<b>Project related revenue</b>	<b>280</b>	<b>–</b>	<b>–</b>	<b>280</b>
Over time	280	–	–	280
<b>Sale of goods and related services</b>	<b>295</b>	<b>15</b>	<b>485</b>	<b>795</b>
At a point in time	295	15	416	726
Over time	–	–	69	69
<b>Maintenance, support and outsource services</b>	<b>597</b>	<b>232</b>	<b>205</b>	<b>1 034</b>
At a point in time	35	1	25	61
Over time	562	231	180	973
<b>Training and skills management</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Over time	–	–	–	–
<b>Software, cloud and licenses, including software assurance services</b>	<b>275</b>	<b>–</b>	<b>11</b>	<b>286</b>
At a point in time	–	–	7	7
Over time	275	–	4	279
<b>Software application and development</b>	<b>161</b>	<b>–</b>	<b>–</b>	<b>161</b>
Over time	161	–	–	161
<b>Switching and other transactional services</b>	<b>11</b>	<b>–</b>	<b>–</b>	<b>11</b>
At a point in time	–	–	–	–
Over time	11	–	–	11
<b>Total Revenue from contracts with customers</b>	<b>1 619</b>	<b>247</b>	<b>701</b>	<b>2 567</b>
Rental finance income	–	–	30	30
<b>Total Revenue</b>	<b>1 619</b>	<b>247</b>	<b>731</b>	<b>2 597</b>
<b>Revenue by Geographic region</b>				
South Africa	1 499	241	668	2 408
Rest of Africa	52	2	63	117
<b>Total Africa</b>	<b>1 551</b>	<b>243</b>	<b>731</b>	<b>2 525</b>
Europe	16	2	–	18
Rest of world	52	2	–	54
<b>Total International</b>	<b>68</b>	<b>4</b>	<b>–</b>	<b>72</b>
<b>Total Revenue</b>	<b>1 619</b>	<b>247</b>	<b>731</b>	<b>2 597</b>

Netstar	Altron FinTech	Altron HealthTech	Platforms	Distribution Altron Arrow	Corporate and consolidation and other international operations	Continuing operations
<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>(24)</b>	<b>257</b>
1	-	-	1	-	(24)	257
<b>1 134</b>	<b>498</b>	<b>6</b>	<b>1 638</b>	<b>376</b>	<b>(15)</b>	<b>2 794</b>
119	49	6	174	376	(14)	1 262
1 015	449	-	1 464	-	(1)	1 532
<b>-</b>	<b>74</b>	<b>-</b>	<b>74</b>	<b>-</b>	<b>(8)</b>	<b>1 100</b>
-	-	-	-	-	(1)	60
-	74	-	74	-	(7)	1 040
<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>7</b>
-	-	-	-	-	7	7
<b>-</b>	<b>8</b>	<b>114</b>	<b>122</b>	<b>-</b>	<b>(4)</b>	<b>404</b>
-	8	60	68	-	-	75
-	-	54	54	-	(4)	329
<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>161</b>
-	-	-	-	-	-	161
<b>-</b>	<b>27</b>	<b>81</b>	<b>108</b>	<b>-</b>	<b>(4)</b>	<b>115</b>
-	-	81	81	-	-	81
-	27	-	27	-	(4)	34
<b>1 135</b>	<b>607</b>	<b>201</b>	<b>1 943</b>	<b>376</b>	<b>(48)</b>	<b>4 838</b>
-	-	-	-	-	-	30
<b>1 135</b>	<b>607</b>	<b>201</b>	<b>1 943</b>	<b>376</b>	<b>(48)</b>	<b>4 868</b>
910	605	199	1 714	283	(55)	4 350
3	2	2	7	6	-	130
<b>913</b>	<b>607</b>	<b>201</b>	<b>1 721</b>	<b>289</b>	<b>(55)</b>	<b>4 480</b>
-	-	-	-	-	7	25
222	-	-	222	87	-	363
<b>222</b>	<b>-</b>	<b>-</b>	<b>222</b>	<b>87</b>	<b>7</b>	<b>388</b>
<b>1 135</b>	<b>607</b>	<b>201</b>	<b>1 943</b>	<b>376</b>	<b>(48)</b>	<b>4 868</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 13 REVENUE BY SEGMENT (CONTINUED)

### DISCONTINUED OPERATIONS

R millions

	Altron Nexus
<b>REVENUE BY PRODUCT</b>	
<b>Project related revenue</b>	<b>192</b>
Over time	192
<b>Sale of goods and related services</b>	<b>34</b>
At a point in time	34
<b>Software, cloud and licenses, including software assurance services</b>	<b>10</b>
Over time	10
<b>Total Revenue from contracts with customers</b>	<b>236</b>
Rental finance income	–
<b>Total Revenue</b>	<b>236</b>
<b>Revenue by Geographic region</b>	
South Africa	236
<b>Total Africa</b>	<b>236</b>
<b>Total Revenue</b>	<b>236</b>
<b>Total Revenue - total operations</b>	<b>5 104</b>



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 13 REVENUE BY SEGMENT (continued)

31 August 2023

### CONTINUING OPERATIONS

R millions	Altron Digital Business**	Altron Security	Altron Document Solutions*	IT Services**
<b>REVENUE BY PRODUCT</b>				
<b>Project related revenue</b>	<b>157</b>	<b>–</b>	<b>–</b>	<b>157</b>
Over time	157	–	–	157
<b>Sale of goods and related services</b>	<b>476</b>	<b>226</b>	<b>260</b>	<b>962</b>
At a point in time	476	226	210	912
Over time	–	–	50	50
<b>Maintenance, support and outsource</b>	<b>748</b>	<b>55</b>	<b>376</b>	<b>1 179</b>
At a point in time	–	–	123	123
Over time	748	55	253	1 056
<b>Training and skills management</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Over time	–	–	–	–
<b>Software, cloud and licenses, including software assurance services</b>	<b>235</b>	<b>–</b>	<b>11</b>	<b>246</b>
At a point in time	33	–	6	39
Over time	202	–	5	207
<b>Software application and development</b>	<b>254</b>	<b>–</b>	<b>–</b>	<b>254</b>
Over time	254	–	–	254
<b>Switching and other transactional services</b>	<b>9</b>	<b>–</b>	<b>–</b>	<b>9</b>
Over time	9	–	–	9
<b>Total Revenue from contracts with customers</b>	<b>1 879</b>	<b>281</b>	<b>647</b>	<b>2 807</b>
Rental finance income	–	–	12	12
<b>Total Revenue</b>	<b>1 879</b>	<b>281</b>	<b>659</b>	<b>2 819</b>
<b>REVENUE BY GEOGRAPHIC REGION</b>				
South Africa	1 722	266	581	2 569
Rest of Africa	111	5	78	194
<b>Total Africa</b>	<b>1 833</b>	<b>271</b>	<b>659</b>	<b>2 763</b>
Europe	16	2	–	18
Rest of world	30	8	–	38
<b>Total International</b>	<b>46</b>	<b>10</b>	<b>–</b>	<b>56</b>
<b>Total Revenue</b>	<b>1 879</b>	<b>281</b>	<b>659</b>	<b>2 819</b>

\* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).

\*\* Comparative information has been restated due to the merger of Altron Managed Solutions, Altron Systems Integration and Altron Karabina, effective 1 March 2024, resulting in the combination of these cash-generating units ("CGU") into a single CGU referred to as Altron Digital Business. In the previous financial year, these were individual CGUs operating independently of each other.



							Corporate and consolidation	
							and other international operations	Continuing operations*
Netstar	Altron FinTech	Altron HealthTech	Platforms	Altron Arrow				
<b>2</b>	–	–	<b>2</b>	–		<b>(12)</b>	<b>147</b>	
2	–	–	2	–		(12)	147	
<b>917</b>	<b>444</b>	<b>8</b>	<b>1 369</b>	<b>419</b>		<b>(22)</b>	<b>2 728</b>	
79	105	8	192	419		(22)	1 501	
838	339	–	1 177	–		–	1 227	
<b>–</b>	<b>81</b>	<b>–</b>	<b>81</b>	<b>–</b>		<b>(16)</b>	<b>1 244</b>	
–	–	–	–	–		–	123	
–	81	–	81	–		(16)	1 121	
<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>		<b>7</b>	<b>7</b>	
–	–	–	–	–		7	7	
<b>100</b>	<b>3</b>	<b>100</b>	<b>203</b>	<b>5</b>		<b>(4)</b>	<b>450</b>	
–	3	100	103	5		–	147	
100	–	–	100	–		(4)	303	
<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>		<b>(1)</b>	<b>253</b>	
–	–	–	–	–		(1)	253	
<b>–</b>	<b>24</b>	<b>82</b>	<b>106</b>	<b>–</b>		<b>(5)</b>	<b>110</b>	
–	24	82	106	–		(5)	110	
<b>1 019</b>	<b>552</b>	<b>190</b>	<b>1 761</b>	<b>424</b>		<b>(53)</b>	<b>4 939</b>	
–	–	–	–	–		–	12	
<b>1 019</b>	<b>552</b>	<b>190</b>	<b>1 761</b>	<b>424</b>		<b>(53)</b>	<b>4 951</b>	
819	546	188	1 553	347		(47)	4 422	
2	6	2	10	6		(13)	197	
<b>821</b>	<b>552</b>	<b>190</b>	<b>1 563</b>	<b>353</b>		<b>(60)</b>	<b>4 619</b>	
–	–	–	–	–		7	25	
198	–	–	198	71		–	307	
<b>198</b>	<b>–</b>	<b>–</b>	<b>198</b>	<b>71</b>		<b>7</b>	<b>332</b>	
<b>1 019</b>	<b>552</b>	<b>190</b>	<b>1 761</b>	<b>424</b>		<b>(53)</b>	<b>4 951</b>	

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 13 REVENUE BY SEGMENT (CONTINUED)

31 August 2023

### DISCONTINUED OPERATIONS

R millions	Altron Nexus	Altron Rest of Africa	Discontinued operations*
<b>REVENUE BY PRODUCT</b>			
<b>Project related revenue</b>	<b>415</b>	<b>–</b>	<b>415</b>
Over time	415	–	415
<b>Sale of goods and related services</b>	<b>48</b>	<b>39</b>	<b>87</b>
At a point in time	48	39	87
<b>Software, cloud and licenses, including software assurance services</b>	<b>–</b>	<b>1</b>	<b>–</b>
At a point in time	–	1	1
<b>Total Revenue</b>	<b>463</b>	<b>40</b>	<b>503</b>
<b>Revenue by Geographic region</b>			
South Africa	463	–	463
Rest of Africa	–	40	40
<b>Total Africa</b>	<b>463</b>	<b>40</b>	<b>503</b>
<b>Total Revenue</b>	<b>463</b>	<b>40</b>	<b>503</b>
<b>Total Revenue - total operations</b>			<b>5 454</b>

\* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).

## 14 REPORTING SEGMENTS

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. The Group determines and presents operating segments based on the information that is internally provided to the Group's Executive Committee, who is the Group's Chief Operating Decision-Makers (CODM). An operating segment's operating results are reviewed regularly by the CODM to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Group's headquarters).

In addition to revenue, segment results are reported to the CODM with two measures of profitability:

- Operating profit before capital items ("Operating Income before capital items") and
- Earnings before interest, taxation, depreciation, amortisation, capital items, equity accounted profits and foreign exchange gains and losses on cash and cash equivalents ("EBITDA before capital items").

Operating Income before capital items and EBITDA before capital items as previously presented to the CODM, have been adjusted to provide a comparable performance measure.

Adjusted Operating Income before capital items and adjusted EBITDA before capital items are defined as:

- Operating Income before capital items and EBITDA before capital items after taking into account:
  - adjustments directly related to an isolated historic event, transaction or decision resulting in an impact in the current period's performance.
  - provisions or impairment losses affecting the working capital of held-for-sale disposal groups.

The principles applied in the represented disclosure has been consistently applied during the current financial year and retrospectively for the previous financial year.

Adjusted Revenue, Adjusted Operating profit before capital items and Adjusted EBITDA before capital items are presented before recognising the following:

- Expected Credit Loss ("ECL") adjustment arising from the investment and receivable relating to Thobela Telecoms (RF) Proprietary Limited ("Thobela"). Refer to note 9.1.
- Specific obsolete stock provisioning on Gauteng Broadband Network contract ("GBN ") in Altron Nexus. Refer to note 9.2.1.
- Impairment of specific Altron Document Solutions debtors and finance lease receivables. Refer to note 9.2.2.
- Specific obsolete stock provisioning in Altron Document Solutions. Refer to note 9.2.2.
- The contribution to Revenue, Operating profit and EBITDA by the ATM Hardware and Support Business of Altron Digital Business that was sold effective 1 July 2023. Refer to note 7.2.4.

### The segmental analysis

The segmental information has been prepared to highlight the continuing and discontinued operating segments. This provides more insight into revenue, EBITDA before capital items and operating profit before capital items and depreciation disclosed in the statement of comprehensive income.

During July 2023, Altron Nexus was classified as a discontinued operation and held-for-sale.

In July 2024, the Altron Board resolved that the investment in Altron Document Solutions is no longer considered to be held-for-sale (note 16).

The measures presented below are those that the CODM or the Group monitors on an ongoing basis.

The segment revenues, EBITDA before capital items and operating profit before capital items generated by each of the Group's segments are summarised as follows:

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 14 REPORTING SEGMENTS (CONTINUED)

	Revenue			EBITDA before capital items			Operating profit before capital items		
	31 Aug 2024	31 Aug 2023*	29 Feb 2024*	31 Aug 2024	31 Aug 2023*	29 Feb 2024*	31 Aug 2024	31 Aug 2023*	29 Feb 2024*
Altron Digital Business**	1 619	1 879	3 559	47	96	192	34	73	155
Altron Security	247	281	449	80	80	100	66	65	72
Altron Document Solutions*	731	659	1 397	30	(123)	(74)	20	(135)	(97)
<b>IT Services</b>	<b>2 597</b>	<b>2 819</b>	<b>5 405</b>	<b>157</b>	<b>53</b>	<b>218</b>	<b>120</b>	<b>3</b>	<b>130</b>
Netstar	1 135	1 019	2 074	489	364	797	146	101	222
Altron FinTech	607	552	1 099	232	151	330	215	132	289
Altron HealthTech	201	190	374	55	53	106	54	50	102
<b>Platforms</b>	<b>1 943</b>	<b>1 761</b>	<b>3 547</b>	<b>776</b>	<b>568</b>	<b>1 233</b>	<b>415</b>	<b>283</b>	<b>613</b>
Altron Arrow	376	424	802	35	38	69	35	37	67
<b>Distribution</b>	<b>376</b>	<b>424</b>	<b>802</b>	<b>35</b>	<b>38</b>	<b>69</b>	<b>35</b>	<b>37</b>	<b>67</b>
Corporate and consolidation and other international operations* **	(48)	(53)	(151)	(63)	(52)	(83)	(93)	(90)	(159)
<b>Other</b>	<b>(48)</b>	<b>(53)</b>	<b>(151)</b>	<b>(63)</b>	<b>(52)</b>	<b>(83)</b>	<b>(93)</b>	<b>(90)</b>	<b>(159)</b>
<b>Continuing operations</b>	<b>4 868</b>	<b>4 951</b>	<b>9 603</b>	<b>905</b>	<b>607</b>	<b>1 437</b>	<b>477</b>	<b>233</b>	<b>651</b>
Altron Nexus	236	463	659	(14)	(332)	(421)	(14)	(343)	(433)
Other	–	40	63	–	(7)	(31)	–	(8)	(31)
<b>Discontinued Operations</b>	<b>236</b>	<b>503</b>	<b>722</b>	<b>(14)</b>	<b>(339)</b>	<b>(452)</b>	<b>(14)</b>	<b>(351)</b>	<b>(464)</b>
<b>Altron Group</b>	<b>5 104</b>	<b>5 454</b>	<b>10 325</b>	<b>891</b>	<b>268</b>	<b>985</b>	<b>463</b>	<b>(118)</b>	<b>187</b>

\* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).

\*\* Comparative information has been restated due to the merger of Altron Managed Solutions, Altron Systems Integration and Altron Karabina, effective 1 March 2024, resulting in the combination of these cash-generating units ("CGU") into a single CGU referred to as Altron Digital Business. In the previous financial year, these were individual CGUs operating independently of each other.

	Adjusted Revenue			Adjusted EBITDA before capital items			Adjusted Operating profit before capital items		
	31 Aug 2024	31 Aug 2023*	29 Feb 2024*	31 Aug 2024	31 Aug 2023*	29 Feb 2024*	31 Aug 2024	31 Aug 2023*	29 Feb 2024*
		<b>1 619</b>	1 546	3 226	<b>47</b>	81	195	<b>34</b>	63
	<b>247</b>	281	449	<b>80</b>	80	100	<b>66</b>	65	72
	<b>731</b>	659	1 397	<b>30</b>	(28)	21	<b>20</b>	(40)	(2)
	<b>2 597</b>	2 486	5 072	<b>157</b>	133	316	<b>120</b>	88	228
	<b>1 135</b>	1 019	2 074	<b>489</b>	364	797	<b>146</b>	101	222
	<b>607</b>	552	1 099	<b>232</b>	151	330	<b>215</b>	132	289
	<b>201</b>	190	374	<b>55</b>	53	106	<b>54</b>	50	102
	<b>1 943</b>	1 761	3 547	<b>776</b>	568	1 233	<b>415</b>	283	613
	<b>376</b>	424	802	<b>35</b>	38	69	<b>35</b>	37	67
	<b>376</b>	424	802	<b>35</b>	38	69	<b>35</b>	37	67
	<b>(48)</b>	(53)	(151)	<b>(63)</b>	(52)	(83)	<b>(93)</b>	(90)	(159)
	<b>(48)</b>	(53)	(151)	<b>(63)</b>	(52)	(83)	<b>(93)</b>	(90)	(159)
	<b>4 868</b>	4 618	9 270	<b>905</b>	687	1 535	<b>477</b>	318	749
	<b>236</b>	463	659	<b>(14)</b>	(29)	(116)	<b>(14)</b>	(40)	(128)
	<b>-</b>	40	63	<b>-</b>	(7)	(31)	<b>-</b>	(8)	(31)
	<b>236</b>	503	722	<b>(14)</b>	(36)	(147)	<b>(14)</b>	(48)	(159)
	<b>5 104</b>	5 121	9 992	<b>891</b>	651	1 388	<b>463</b>	270	590

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 14 REPORTING SEGMENTS (CONTINUED)

Segment EBITDA before capital items can be reconciled to operating profit before capital items as follows:

	31 August 2024	31 August 2023*	29 February 2024*
<b>EBITDA before capital items</b>	<b>891</b>	268	985
Reconciling items:			
Depreciation - Property, plant and equipment	<b>(45)</b>	(52)	(100)
Depreciation - Right-of-use assets	<b>(46)</b>	(64)	(115)
Amortisation	<b>(53)</b>	(61)	(113)
Amortisation of costs incurred to acquire contracts and capital rental devices	<b>(284)</b>	(209)	(470)
<b>Total operating profit / (loss) before capital items</b>	<b>463</b>	(118)	187
<b>Discontinued operating loss before capital items</b>	<b>14</b>	351	464
<b>Continuing operating profit before capital items</b>	<b>477</b>	233	651

## 14 REPORTING SEGMENTS (CONTINUED)

### Reconciliation of reported Revenue to adjusted Revenue

	Note	31 August 2024	31 August 2023*	29 February 2024*
<b>Total Altron Group</b>				
<b>Revenue</b>		<b>5 104</b>	5 454	10 325
Altron Managed Solutions' ATM Hardware and Support Business contribution		–	(333)	(333)
<b>Adjusted Revenue</b>		<b>5 104</b>	5 121	9 992

### Reconciliation of reported EBITDA to adjusted EBITDA

<b>Total Altron Group</b>				
<b>EBITDA before capital items*</b>		<b>891</b>	268	985
ECL adjustment relating to Thobela included in Altron Nexus	9.1	–	201	203
Impairment of Altron Nexus debtors	9.2.3.1	–	31	31
Obsolete stock provisioning in Altron Nexus	9.2.3.1	–	71	71
Impairment of Altron Document Solutions debtors and finance lease receivables	9.2.3.2	–	83	83
Obsolete stock provisioning for Altron Document Solutions	9.2.3.2	–	12	12
Altron Managed Solutions' ATM Hardware and Support Business contribution		–	(15)	3
<b>Adjusted EBITDA</b>		<b>891</b>	651	1 388

### Reconciliation of reported Operating profit to adjusted Operating profit

<b>Total Altron Group</b>				
<b>Operating profit before capital items*</b>		<b>463</b>	(118)	187
ECL adjustment relating to Thobela included in Altron Nexus	9.1	–	201	203
Impairment of Altron Nexus debtors	9.2.1	–	31	31
Obsolete stock provisioning in Altron Nexus	9.2.1	–	71	71
Impairment of Altron Document Solutions debtors and finance lease receivables	9.2.2	–	83	83
Obsolete stock provisioning for Altron Document Solutions	9.2.2	–	12	12
Altron Managed Solutions' ATM Hardware and Support Business contribution		–	(10)	3
<b>Adjusted Operating profit</b>		<b>463</b>	270	590

\* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 15 CONTINGENT LIABILITIES

### 15.1 LITIGATION WITH AEONOVA 360 MANAGEMENT SERVICES (PTY) LIMITED (“AEONOVA”)

Arbitration proceedings were instituted against Altron Nexus by Aeonova as per the SENS announcement dated 26 July 2023. The Aeonova arbitration has been placed on hold pending the outcome of a review and recusal applications in the Supreme Court of Appeal (“SCA”). The SCA has indicated that the matter may be referred to oral argument, which will take place on 22 November 2024. Based on the view by our attorneys that we have reasonable prospects of success with our applications in the SCA, which is underpinned by our senior counsel’s opinion, Altron Nexus will not be making a provision at this stage.

No further detail regarding this matter was disclosed, to ensure that Altron Nexus’ position is not prejudiced whilst this matter is sub judice.

### 15.2 DISPUTE WITH THE SOUTH AFRICAN REVENUE SERVICE

Altron is currently in a dispute with the South African Revenue Service regarding a historic tax submission. Based on the view by our attorneys that we have reasonable prospects of success with defending the dispute, Altron will not be making a provision at this stage.

## 16 RESTATEMENT OF COMPARATIVE INFORMATION

### Investment in Altron Document Solutions (“ADS”) previously classified as held-for-sale

ADS is a division of Altron TMT Proprietary Limited, a subsidiary within the Altron Group. Altron previously communicated the Group’s intention to focus on its core operations and its deliberations around potential businesses to be disposed of.

In August 2020, the Board resolved that the ADS business did not form part of the Group’s core business and as a result would be disposed of. ADS was therefore classified as a discontinued operation and the relating assets and liabilities as held-for-sale. In July 2024, the Altron Board concluded that retaining ADS within the Group is the most effective option to maximise value for shareholders and that ADS will no longer be classified as held-for-sale and will be included in continuing operations within the IT Services segment.

Financial statements for the disclosed periods were amended accordingly. ADS was initially recognised as held-for-sale at 31 August 2020. During this period, the Group recognised impairment losses relating to property, plant and equipment, goodwill and intangible assets included in ADS’ disposal Group, based on the determination of the fair value less cost to sell of the investment in accordance with IFRS 5 Non-current Assets Held for Sale and discontinued operations. The impairment losses were included in capital items in prior years. The carrying amount of property, plant and equipment before it was classified as held-for-sale, was restated for depreciation that would have been recognised if the asset had not been classified as held-for-sale and impairment losses previously recognised were reversed. The Group has also ceased to classify all other assets and liabilities relating to the ADS business as held-for-sale.



## 16 RESTATEMENT OF COMPARATIVE INFORMATION (CONTINUED)

### Investment in Altron Document Solutions ("ADS") previously classified as held-for-sale (continued)

The impact of the restatement on the affected financial statement line items since August 2023 may be summarised in the table below.

R millions	31 August 2023		
	As previously reported (Unaudited)	Restatement	Restated
<b>Balance sheet</b>			
(Extract)			
<b>Assets</b>			
<i>Non-current assets</i>	3 923	420	4 343
Property, plant and equipment	350	14	364
Goodwill and other intangible assets	1 515	9	1 524
Right-of-use assets	510	18	528
Equity-accounted investments	1	–	1
Financial assets at amortised cost	–	148	148
Financial assets at fair value through other comprehensive income	–	21	21
Finance lease assets	31	209	240
Contract costs capitalised	644	–	644
Capital rental devices	382	–	382
Defined benefit asset	295	–	295
Deferred taxation	195	1	196
<i>Current assets</i>	5 130	(408)	4 722
Inventories	687	302	989
Trade and other receivables	1 803	443	2 246
Financial assets at fair value through profit and loss	12	–	12
Contract assets	64	8	72
Taxation receivable	40	1	41
Cash and cash equivalents	723	3	726
	3 329	757	4 086
Assets classified as held-for-sale	1 801	(1 165)	636
<b>Total assets</b>	<b>9 053</b>	<b>12</b>	<b>9 065</b>
<b>Equity and liabilities</b>			
<i>Total equity</i>	3 927	12	3 939
Attributable to Altron shareholders	3 791	12	3 803
Non-controlling interests	136	–	136
<i>Non-current liabilities</i>	2 144	230	2 374
Loans	851	213	1 064
Lease liabilities	754	17	771
Contract liabilities	501	–	501
Deferred taxation	38	–	38

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 16 RESTATEMENT OF COMPARATIVE INFORMATION (CONTINUED)

**Investment in Altron Document Solutions ("ADS") previously classified as held-for-sale (continued)**

R millions	31 August 2023		
	As previously reported (Unaudited)	Restatement	Restated
<b>Balance sheet (continued)</b>			
(Extract)			
<i>Current liabilities</i>	2 982	(230)	2 752
Loans	2	201	203
Lease liabilities	82	4	86
Provisions	12	–	12
Trade and other payables	1 420	169	1 589
Financial liabilities at fair value through profit and loss	4	–	4
Contract liabilities	480	2	482
Taxation payable	116	–	116
	2 116	376	2 492
Liabilities classified as held-for-sale	866	(606)	260
Total equity and liabilities	9 053	12	9 065

R millions	31 August 2023		
	As previously reported (Unaudited)	Restatement	Restated
<b>Income statement</b>			
(Extract)			
<b>Continuing operations</b>			
Revenue	4 321	630	4 951
Other income	17	–	17
Operating costs	(3 976)	(759)	(4 735)
Material and services consumed	(2 414)	(521)	(2 935)
Net impairment (losses) / gains on financial assets	(5)	(82)	(87)
Employees remuneration	(1 195)	(144)	(1 339)
Depreciation and amortisation	(362)	(12)	(374)
Operating profit before capital items	362	(129)	233
Capital items	(52)	–	(52)
Operating profit	310	(129)	181
Finance income	34	15	49
Finance expense	(102)	(2)	(104)
Foreign exchange gains and losses relating to cash and cash equivalents	(10)	–	(10)
Profit / (loss) before taxation	232	(116)	116
Taxation	(77)	31	(46)
Profit / (loss) for the year from continuing operations	155	(85)	70

## 16 RESTATEMENT OF COMPARATIVE INFORMATION (CONTINUED)

Investment in Altron Document Solutions ("ADS") previously classified as held-for-sale (continued)

R millions	31 August 2023		
	As previously reported (Unaudited)	Restatement	Restated
<b>Income statement</b> (continued)			
(Extract)			
<b>Discontinued operations</b>			
Revenue	1 133	(630)	503
Operating costs	(1 601)	747	(854)
Material and services consumed	(1 065)	521	(544)
Net impairment (losses) / gains on financial assets	(309)	82	(227)
Employees remuneration	(215)	144	(71)
Depreciation and amortisation	(12)	–	(12)
Operating loss before capital items	(468)	117	(351)
Capital items	(45)	10	(35)
Operating loss	(513)	127	(386)
Finance income	17	(15)	2
Finance expense	(2)	2	–
Loss before taxation	(498)	114	(384)
Taxation	30	(31)	(1)
Loss for the year from discontinued operations	(468)	83	(385)
Total comprehensive profit / (loss) for the year	(313)	(2)	(315)

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 16 RESTATEMENT OF COMPARATIVE INFORMATION (CONTINUED)

**Investment in Altron Document Solutions ("ADS") previously classified as held-for-sale** (continued)

R millions	29 February 2024		
	As previously reported (Audited)	Restatement	Restated
<b>Balance sheet</b>			
(Extract)			
<b>Assets</b>			
<i>Non-current assets</i>			
Property, plant and equipment	4 139	422	4 561
Goodwill and other intangible assets	336	14	350
Right-of-use assets	1 528	7	1 535
Equity-accounted investments	394	15	409
Financial assets at amortised cost	2	–	2
Financial assets at fair value through other comprehensive income	–	142	142
Finance lease assets	–	21	21
Contract costs capitalised	167	220	387
Capital rental devices	723	–	723
Defined benefit asset	429	–	429
Deferred taxation	382	–	382
	178	3	181
<i>Current assets</i>			
Inventories	5 216	(414)	4 802
Trade and other receivables	706	265	971
Financial assets at fair value through profit and loss	1 684	501	2 185
Contract assets	5	2	7
Taxation receivable	59	31	90
Cash and cash equivalents	55	–	55
	1 137	3	1 140
Assets classified as held-for-sale	3 646	802	4 448
Total assets	1 570	(1 216)	354
<b>Equity and liabilities</b>			
<i>Total equity</i>			
Attributable to Altron shareholders	4 069	8	4 077
Non-controlling interests	3 923	8	3 931
	146	–	146
<i>Non-current liabilities</i>			
Loans	1 720	235	1 955
Lease liabilities	425	224	649
Contract liabilities	730	11	741
Deferred taxation	547	–	547
	18	–	18

## 16 RESTATEMENT OF COMPARATIVE INFORMATION (CONTINUED)

### Investment in Altron Document Solutions ("ADS") previously classified as held-for-sale (continued)

R millions	29 February 2024		
	As previously reported (Audited)	Restatement	Restated
<b>Balance sheet</b> (continued)			
(Extract)			
<i>Current liabilities</i>	3 566	(235)	3 331
Loans	1	194	195
Lease liabilities	79	6	85
Bank overdraft	513	–	513
Provisions	12	–	12
Trade and other payables	1 536	257	1 793
Financial liabilities at fair value through profit and loss	1	–	1
Contract liabilities	509	19	528
Taxation payable	127	–	127
	2 778	476	3 254
Liabilities classified as held-for-sale	788	(711)	77
Total equity and liabilities	9 355	8	9 363

R millions	29 February 2024		
	As previously reported (Audited)	Restatement	Restated
<b>Income statement</b>			
(Extract)			
<b>Continuing operations</b>			
Revenue	8 250	1 353	9 603
Other income	91	–	91
Operating costs	(7 602)	(1 442)	(9 044)
Material and services consumed	(4 499)	(1 096)	(5 595)
Net impairment (losses) / gains on financial assets	(13)	(68)	(81)
Employees remuneration	(2 327)	(255)	(2 582)
Depreciation and amortisation	(763)	(23)	(786)
Operating profit before capital items	739	(89)	650
Capital items	(35)	–	(35)
Operating profit	704	(89)	615
Finance income	61	27	88
Finance expense	(187)	(3)	(190)
Foreign exchange gains and losses relating to cash and cash equivalents	(8)	1	(7)
Share of profit of equity accounted investees, net of taxation	2	–	2
Profit / (loss) before taxation	572	(64)	508
Taxation	(139)	18	(121)
Profit / (loss) for the year from continuing operations	433	(48)	387

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)

for the six months ended 31 August 2024

## 16 RESTATEMENT OF COMPARATIVE INFORMATION (CONTINUED)

**Investment in Altron Document Solutions ("ADS") previously classified as held-for-sale** (continued)

R millions	29 February 2024		
	As previously reported (Audited)	Restatement	Restated
<b>Income statement (continued)</b>			
(Extract)			
<b>Discontinued operations</b>			
Revenue	2 075	(1 353)	722
Other income	–	–	–
Operating costs	(2 604)	1 419	(1 185)
Material and services consumed	(1 938)	1 096	(842)
Net impairment (losses) / gains on financial assets	(268)	68	(200)
Employees remuneration	(386)	255	(131)
Depreciation and amortisation	(12)	–	(12)
Operating loss before capital items	(529)	66	(463)
Capital items	(60)	15	(45)
Operating loss	(589)	81	(508)
Finance income	30	(27)	3
Finance expense	(4)	3	(1)
Foreign exchange gains and relating to cash and cash equivalents	1	(1)	–
Loss before taxation	(562)	56	(506)
Taxation	(12)	(16)	(28)
Loss for the year from discontinued operations	(574)	42	(534)
Total comprehensive profit / (loss) for the year	(141)	(6)	(147)

# SUPPLEMENTARY INFORMATION

## (Total Operations – Unaudited)

R millions	31 August 2024	Restated* 31 August 2023	Restated* 29 February 2024
<b>Depreciation and amortisation</b>	<b>428</b>	386	798
	<b>(1)</b>	(15)	(11)
<b>Net foreign exchange (loss) / gain included in operating income</b>	<b>5</b>	(5)	(4)
<b>Net foreign exchange (loss) / gain relating to cash and cash equivalents</b>	<b>(6)</b>	(10)	(7)
<b>Cashflow movements</b>			
<b>Capital expenditure (including intangibles)</b>	<b>143</b>	123	239
<b>Net movement on capital rental devices</b>	<b>69</b>	42	28
Additions	<b>216</b>	153	259
Written off during the year	<b>(17)</b>	(13)	(19)
Amortisation for the year	<b>(130)</b>	(98)	(212)
<b>Contingent liabilities</b>			
Refer to note 15 for more detail on contingent liabilities			
<b>Ratios (total operations)</b>			
EBITDA margin	<b>17.5%</b>	4.9%	9.5%
Return on equity (continuing operations) - averaged	<b>14.7% **</b>	5.3% **	4.2%
Return on assets	<b>16.7% **</b>	(4.1%) **	3.5%
Return on net assets	<b>14.5% **</b>	(4.1%) **	2.8%
Current ratio	<b>1.4:1</b>	1.7:1	1.4:1
Acid test ratio	<b>1.1:1</b>	1.4:1	1.2:1

\* Comparative information has been restated for the investment in Altron Document Solutions no longer considered to be held-for-sale (note 16).

\*\* Annualised.

# ALTRON

Altron Campus  
20 Woodlands Drive, Woodlands Office Park,  
Woodmead,  
2191  
Gauteng South Africa  
PO BOX 981, Houghton 2041

**[www.altron.com](http://www.altron.com)**