

Adapt IT Holdings Limited  
Incorporated in the Republic of South Africa  
(Registration number 1998/017276/06)  
Share code: ADI  
ISIN: ZAE000113163  
("Adapt IT" or "the Company")

SHORT-FORM ANNOUNCEMENT: ABRIDGED SUMMARISED CONSOLIDATED RESULTS FOR THE YEAR ENDED 30 JUNE 2020,  
NOTICE OF ANNUAL GENERAL MEETING AND AVAILABILITY OF B-BBEE ANNUAL COMPLIANCE REPORT

#### FINANCIAL HIGHLIGHTS

- Revenue increased by 3% to R1,483 billion (2019: R1,438 billion), comprising muted organic growth of -2% and growth from acquisitions of 5%
- Annuity revenue remains healthy and an improvement on the previous reporting period to 62% (2019: 61%)
- Sector and geographic diversification have served the group well as some divisions have outperformed while others have been hard hit in the circumstances
- Adapt IT adopted the new IFRS 16 Leases standard, effective 1 July 2019, for the group during the current reporting period. The impact of the adoption of IFRS 16 is set out in note 3.1 on page 9 of the full announcement. For comparative purposes, the financial review has been presented, and commentary provided, on a basis excluding IFRS 16 - representing a like for like operational performance
- Earnings before interest, tax, depreciation and amortisation (EBITDA) improved by 9% to R250 million (2019: R230 million\*). EBITDA margin was 17% (2019: 16%\*)
- Four of the six divisions grew EBITDA, however the Hospitality and Manufacturing divisions, where trading conditions were negatively impacted by Covid-19, delivered negative year on year growth
- The tough trading conditions in South Africa were a catalyst for Adapt IT to drive operational improvements through significant cost containment measures in segments most impacted by Covid-19. Most operational efficiency projects have been completed, which will result in cost savings in future financial periods. The business cost structures where the market landscape has changed have been right sized for the current market
- Cash generated from operations was R227 million representing a cash conversion ratio of 1,28 times
- Earnings per share (EPS) increased by 13% to 57,16 cents (2019: 50,42 cents\*)
- Headline earnings per share (HEPS) increased by 29% to 72,58 cents (2019: 56,36 cents\*)
- Normalised HEPS increased by 7% to 82,73 cents (2019: 77,33 cents\*)
- The board has prioritised the reduction of borrowings and has remained prudent in preserving cash during these unprecedented times, resulting in the payment of dividends being suspended

\* Prior year figures have been restated mainly for measurement period adjustments

All restated figures are indicated with an asterisk (\*).

The integrated annual report will be mailed to shareholders on 30 October 2020 and is available on the group's website: [www.adaptit.com](http://www.adaptit.com) from 26 October 2020.

Notice is hereby given that the 21st annual general meeting of shareholders of Adapt IT will be held at 09:00 on Friday, 27 November 2020. This meeting will be conducted entirely by electronic communication as contemplated in section 63(2)(a) of the Companies Act, 2008 (Act 71 of 2008), as amended.

Shareholders are advised that Adapt IT's annual compliance report in terms of Section 13G(2) of the Broad-Based Black Economic Empowerment Amendment Act No. 46 of 2013, is available on the Company's website, <https://www.adaptit.com>.

The contents of the short-form announcement are the responsibility of the board of directors of Adapt IT.

The information in the short-form announcement is a summary of the full announcement available on the company's website <https://www.adaptit.com/hubfs/investor/2020%20annual%20results%20announcement.pdf> on 26 October 2020 and accordingly does not contain full or complete details. The full announcement can also be accessed online at <https://senspdf.jse.co.za/documents/2020/jse/isse/adi/ye20.pdf>

The information in this announcement has been extracted from the Abridged Summarised Consolidated Audited Financial Results, and the short-form announcement itself has not been reviewed or audited by the Company's auditors.

The Abridged Summarised Consolidated Audited Results for the year ended 30 June 2020 are

extracted from audited information, but is not itself audited. The annual financial statements were audited by KPMG Inc., who expressed an unmodified opinion thereon.

Any investment decisions by shareholders/investors should be based on the full announcement as released by the JSE and published on the Company's website, [www.adaptit.com](http://www.adaptit.com). The full announcement is also available at the Company's registered office (for inspection, at no charge, during office hours on any business day) and at the offices of the Sponsor, Merchantec Capital, from 26 October 2020 to 2 November 2020, both days inclusive. Copies of the full announcement may be requested by contacting Statucor (Pty) Ltd, the Company Secretary, on telephone: +27(0) 12 4330216 or email: [Lydia@statucor.co.za](mailto:Lydia@statucor.co.za).

For and on behalf of the board

Craig Chambers  
Independent non-executive Chairman

Sbu Shabalala  
Chief Executive Officer

26 October 2020

Directors  
Craig Chambers\* (Chairman)  
Oliver Fortuin\* (Lead Independent Director)  
Sbu Shabalala (Chief Executive Officer)  
Tiffany Dunsdon (Chief Commercial Officer)  
Nombali Mbambo (Chief Financial Officer)  
Catherine Koffman\*  
Zizipho Nyanga\*

\* Independent Non-executive director

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Transfer Secretary  
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