

EOH HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1998/014669/06)

JSE share code: EOH ISIN: ZAE000071072

(“EOH” or “the Company” or “the Group”)



SHORT-FORM ANNOUNCEMENT: SUMMARISED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

“We are immensely pleased with the significant progress made by the EOH Group during the current financial year. We have managed to position ourselves for growth and largely deal with our legacy issues all while successfully steering the Group safely through unprecedented global market conditions. While the economic recovery is uncertain, the path is now clearly set for EOH to capitalise on future growth prospects which can be accelerated given the new normal is premised on an enhanced global digital reality.”

Stephen van Coller, CEO

Salient features

- Total headline loss per share decreased by 72% from 1 751 cents per share to 495 cents per share
- Operating cash flow generated of R706 million (H1:2020 R31 million and H2:2020 R675 million)
- Gross debt down 20% year on year to R2 638 million
- Further significant progress on deleveraging post-year-end – additional R410 million paid
- Key financial indicators
 - Total revenue – R11.3 billion
 - Gross profit margin – 21.9%
 - Total normalised EBITDA – R827 million
 - Total cash balances of R946 million

	Audited for the year ended 31 July 2020	Audited restated for the year ended 31 July 2019	% change
Total revenue	R11 277 million	R14 949 million	(25)
Headline loss per share (including discontinued operations)	495 cents per share	1 751 cents per share	(72)
Loss per share (including discontinued operations)	961 cents per share	3 041 cents per share	(68)

The presentation of the Group’s annual results hosted by EOH CEO Stephen van Coller and CFO Megan Pydigadu, may be viewed via a webinar at 11h00 on 2 December 2020, by following the link: <https://78449.themediaframe.com/links/eoh201202.html>

This short-form announcement is the responsibility of the directors. This short-form announcement is only a summary of the information in the full announcement and does not contain full or complete details. The annual financial statements for the year ended 31 July 2020 have been audited by the Group’s external auditors, PricewaterhouseCoopers Inc. expressing an unqualified audit opinion.

The audit report includes communication of key audit matters pertaining to, impairment assessment of goodwill arising from business combinations, assessment of whether the Group is an agent or the principal when recognising revenue on the sales of hardware and software licenses, accounting treatment of the Group’s

tax exposures, and fraud investigations, legal exposures and related provisions and contingent liabilities. These are disclosed on pages 106 to 109 of the Groups' annual financial statements which are available on the Company's website at <https://www.eoh.co.za/2020annualfinancialstatements>

The auditors included a paragraph in their report on the fact that refinancing of the Group's debt is due in April 2021. The Group has come from a position of over R4 billion of debt in July 2018 to debt of slightly over R2 billion as of 1 December 2020. Significant progress has been made on deleveraging the business through the sale of assets. The Group has also been involved in constructive discussions with its lenders group with a view to finalising the long term capital structure. Although the Group is far advanced in these discussions with lenders the negotiations have not yet been concluded. The ability of the Group to repay its debt as it becomes due is dependent on the timing and quantum of cash inflows from operations and its ability to realise cash through a combination of disposals of non-core assets, or part thereof. As a result a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern if the refinancing is not concluded with Lenders. The audit opinion was not modified in respect of this matter.

This short-form announcement has not been audited or reviewed by the Company's external auditors. Any investment decisions by investors and/or shareholders should be based on a consideration of the full announcement published on SENS and the issuer's website as a whole.

The full announcement, which has been released on SENS, is available on EOH's website at: <https://www.eoh.co.za/investor-relations/financial-results/> and is also available on the JSE website at: <https://senspdf.jse.co.za/documents/2020/jse/isse/eoh/FY2020.pdf>

Copies of the full announcement may be requested from ir@eoh.com or the sponsor, Java Capital at sponsor@javacapital.co.za.

2 December 2020

Sponsor

JAVACAPITAL