

Metrofile Holdings Limited
Incorporated in the Republic of South Africa
Registration number: 1983/012697/06
Share code: MFL ISIN: ZAE000061727
(‘Metrofile’ or ‘Company’ or ‘Group’)

PRE-CLOSED PERIOD TRADING UPDATE AND POTENTIAL BIDS FOR METROFILE UPDATE

PRE-CLOSED PERIOD TRADING UPDATE

Metrofile has achieved positive trading results thus far despite continued lockdowns and tough trading conditions. Our 1QFY21 performance was within expectation and showed good improvement from 4QFY20. Revenues for the first six months are projected to be slightly lower than in the corresponding period in 2019, but we have seen a notable improvement in EBITDA margins with the result that we expect profitability for the period to be at least at historical levels. Our annuity revenue, in particular the physical storage and related services, continues to produce good results. A few key deals secured in 1QFY21 have provided a healthy pipeline for the remainder of the financial year and we anticipate that the extensive cost reduction exercise we have concluded will ensure that profitability is protected despite the expected economic challenges. Our balance sheet remains strong as we are continuing to de-gear as a result of healthy levels of cash generation.

The financial information contained in this pre-closed period trading update has not been reviewed and reported on by Metrofile’s external auditors.

POTENTIAL BIDS FOR METROFILE UPDATE

The Housatonic Consortium is still not able to travel to South Africa due to Australian travel restrictions and quarantine requirements. Despite this, they have assured the Company of their wish to continue with the possible transaction for the acquisition of Metrofile.

Metrofile shareholders are further advised that the board of directors has received a second unsolicited approach by another international corporation, which is preliminary in nature, regarding the potential acquisition of the entire issued share capital of the Company. The Independent Committee will assess and consider the terms of the approach as and when further details are provided by the third party.

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15 December 2020

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