

ABRIDGED SUMMARISED CONSOLIDATED RESULTS

for the year ended 30 June 2021

Financial highlights

- ▶ Revenue increased by 1% to R1,503 billion (2020: R1,483 billion) and annuity revenue remains healthy at 66% (2020: 62%)
- ▶ Revenue growth has been impacted by the continued Covid-19 pandemic, related regulations and lockdown restrictions. While most Adapt IT divisions did not experience major business disruptions during lockdown, some were more affected than others, with project delays and the inability of personnel to be onsite negatively affecting revenue in these divisions
- ▶ Earnings before interest, tax, depreciation and amortisation ("EBITDA") before corporate activity costs and bonus provision increased by 4% to R309 million, representing an improved operational performance on a comparable basis to the previous reporting period (2020: R297 million) and an improved EBITDA margin of 21% (2020: 20%) on the same basis
- ▶ EBITDA, after corporate activity costs and bonus provision, was R267 million, representing an EBITDA margin of 18% (2020: 20%)
- ▶ The restructuring of certain divisions in the prior period through operational efficiency projects, which were precipitated by permanent changes to the market, has delivered increased profitability off lower revenue bases. The divisions are all now stable and poised for growth
- ▶ Cash generated from operations was R382 million (2020: R274 million), representing a cash conversion ratio of 2,25 times
- ▶ Net gearing was reduced to 17% from 45% at the prior period end
- ▶ Earnings per share ("EPS") decreased by 2% to 50,34 cents (2020: 51,47 cents)
- ▶ Headline earnings per share ("HEPS") decreased by 16% to 56,21 cents (2020: 66,88 cents)
- ▶ Normalised HEPS increased by 6% to 81,61 cents (2020: 77,03 cents)
- ▶ The board has prioritised the reduction of borrowings and has remained prudent in preserving cash during these unprecedented times. Furthermore, the corporate activity in progress with the Volaris Group precludes a dividend, or would be adjusted for distributions and dividends, thus no dividend has been declared

The integrated annual report will be mailed to shareholders on 8 October 2021 and is available on the group's website: www.adaptit.com from 28 September 2021.

The company is seeking dispensation from the JSE Limited and the Companies Tribunal for the annual general meeting (AGM) to be held in quarter one of 2022. Shareholders will be notified of the AGM date in due course.

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 only a summary of the full announcement available on the company's website <https://www.adaptit.com/hubfs/investor/2021%20ABRIDGED%20SUMMARISED%20CONSOLIDATED%20AUDITED%20RESULTS.pdf> and released on SENS on 28 September 2021 ("Full Announcement") and accordingly does not contain full or complete details. The Full Announcement can also be accessed online at <https://senspdf.jse.co.za/documents/2021/jse/issue/adi/ye21.pdf>

The information in this announcement has been extracted from the Abridged Summarised Consolidated Audited 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 2021 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. The consolidated financial statements including the unmodified audit opinion which details the key audit matters of the external auditor, KPMG Inc. is available at <https://www.adaptit.com/hubfs/investor/Adapt%20IT%202021%20Integrated%20Annual%20Report.pdf>

Any investment decisions by shareholders/investors should be based on the Full Announcement as released on SENS and published on the Company's website, 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 28 September 2021 to 5 October 2021, both days inclusive. Copies of the full announcement may be requested by contacting Statucor Proprietary Limited, the Company Secretary, on telephone: +27(0) 12 4330216 or email: celesteS@statucor.co.za.

For and on behalf of the board

Craig Chambers

Independent non-executive Chairman

Tiffany Dunsdon

Chief Executive Officer

Directors: Craig Chambers* (Chairman), **Oliver Fortuin*** (Lead Independent Director), **Tiffany Dunsdon** (Chief Executive Officer), **Nobali Mbambo** (Chief Financial Officer), **Tony Vicente** (Chief Operating Officer), **Catherine Koffman*** and **Zizipho Nyanga***

*Independent non-executive director

Adapt IT Holdings Limited	Registered office	Company Secretary	Transfer Secretary	Sponsor
Incorporated in the Republic of South Africa (Registration number 1998/017276/06) Share code: ADI ISIN: ZAE000113163 ("Adapt IT" or "the Company")	Adapt IT Johannesburg Campus 152 14th Road Midrand	Statucor (Pty) Ltd Wanderers Office Park 52 Corlett Drive Illovo, Sandton 2196	Computershare Investor Services (Pty) Ltd Private Bag X9000 Saxonwold 2132	Merchantec Capital 13th Floor, Illovo Point 68 Melville Road Illovo, Sandton 2196

