

enX GROUP LIMITED
(Incorporated in the Republic of South Africa)
(Registration number 2001/029771/06)
JSE share code: ENX ISIN: ZAE000222253
("enX" or "the Group" or "the Company")

SUMMARISED PRELIMINARY CONSOLIDATED FINANCIAL RESULTS
for the year ended 31 August 2021

- Revenue from continuing operations of R4.335 billion (2020 R3.867 billion)
- HEPS from continuing operations of 91 c per share (2020: loss of 23 c per share)
- Net asset value per share R14.47 (2020: R13.61)
- Cash generated before financing activities of R1.003 billion (2020: R224 million)

During the year the Group entered into an agreement with Aprolis Holdings SAS to divest its ownership in Impact Handling (UK). This divestment was effective from 14 June 2021 and resulted in Impact Handling (UK) being recognised as a discontinued operation in 2021. Furthermore during the year the group entered into an agreement with CFAO South Africa to divest its ownership in EIE SA. This resulted in EIE SA being recognised as an asset held for sale and a discontinued operation as at 31 August 2021. Therefore, the statement of profit or loss and other comprehensive income for 2020 has been restated in accordance with IFRS 5.

| | | | Restated |
|--------------------------------------------|--------|--------------------|--------------------|
| | % | For the year ended | For the year ended |
| | change | 31 August 2021 | 31 August 2020 |
| Continuing operations | | | |
| Basic earnings/(loss) per share (cents) | | 90 | (177) |
| Diluted earnings/(loss) per share (cents) | | 90 | (177) |
| Headline earnings/(loss) per share (cents) | | 91 | (23) |
| Net asset value per share (cents)* | 6 | 1 447 | 1 361 |
| Net tangible asset value per share (cents) | 12 | 1 434 | 1 280 |

* Equity attributable to equity holder of the parent/Number of ordinary shares in issue net of treasury shares.

In line with Group policy to reduce gearing coupled with prevailing uncertainties, no cash dividend has been declared for the current and prior year.

enX recorded a strong recovery in profitability for the year ended 31 August 2021 compared to the prior year, despite the continued impact of COVID-19 related restrictions and the unrest that hampered operations in July 2021.

Revenue from continuing operations increased by 12% to R4.335 billion (2020: R3.867 billion), mainly supported by a recovery in activity across most businesses as the COVID-19 related lockdown restrictions eased, albeit shortages of product in some trading entities.

Operating profit from continuing operations before net finance costs was R339.9 million (2020: loss of R238.4 million), impacted by the impairment of goodwill of R182 million and intangible assets of R137 million (after tax R98 million) and fair value adjustments on a deferred vendor consideration relating to the acquisition of 37% of Zestcor amounting to R31 million in the prior year).

enX financial position, including EIE SA, improved significantly with net debt to equity of 109% (August 2020: 208%), supported by the receipt of the net proceeds of R609 million from the sale of Impact Handling (UK) and overall reduction in debt.

The Group experienced strong free cash flow resulting in an inflow of cash before financing of R1.003 billion (2020: R224.0 million) with improved cash flows from operating activities supported by good working capital management and receipt of the proceeds from the sale of Impact Handling (UK).

enX's independent auditor, Deloitte & Touche, has issued their opinion on the consolidated and separate financial statements for the year ended 31 August 2021 the audit report including key audit matters can be accessed via the enX website <https://www.enxgroup.co.za/annual-results/>. The audit was conducted in accordance with International Standards on Auditing. Deloitte & Touche has issued an unmodified opinion and the audit opinion includes key audit matters related to the accounting treatment and financial statement disclosure relating to the disposal of EIE SA as asset held for sale and discontinued operation and the valuation of the maintenance fund as it relates to maintenance revenue recognition.

This short-form announcement is the responsibility of the directors of the Company. This short-form announcement is only a summary of the full announcement which is published on the Company's website (<https://www.enxgroup.co.za/annual-results>) on 3 November 2021 and does not contain complete or full details. Any investment decisions by investors and/or shareholders should be based on consideration of the full announcement. This short-form announcement has not been audited by the Company's auditors.

The full announcement can be accessed directly using the following JSE link:
<https://senspdf.jse.co.za/documents/2021/jse/isse/enx/FY2021.pdf>

The consolidated annual financial statements (including the audit opinion) can be accessed via the enX website
<https://www.enxgroup.co.za/annual-results/>

The full announcement is also available for inspection from 3 November 2021:

- the Company's registered office (9th Floor, Katherine Towers, 1 Park Lane, Sandton); and
- copies of the full announcement may be requested during office hours at no charge by emailing info@enxgroup.co.za or the company's sponsor at jsesponsor@standardbank.co.za

By order of the board

| | | |
|----------|-------------------------|-------------------------|
| P Baloyi | A Hannington | R Lumb |
| Chairman | Chief Executive Officer | Chief Financial Officer |

3 November 2021

DIRECTORS

Executive directors:

A Hannington (Chief Executive Officer), R Lumb (Chief Financial Officer), O Mabandla

Non-executive directors:

P Baloyi (Chairman), W Chapman, V Jarana(1), K Matthews(2), L Molefe(2), B Ngonyama(2)

(1 Lead Independent)

(2 Independent)

Registered office:

9 th Floor, Katherine Tower, 1 Park Lane, Sandton

Postal address:

PostNet Suite X86, Private Bag X7, Aston Manor, 1630

Sponsor:

The Standard Bank of South Africa Limited

Company secretary:

Acorim Proprietary Limited, represented by R Cloete

Transfer secretaries:

Computershare Investor Services Proprietary Limited