

ISA Holdings Limited
 Incorporated in the Republic of South Africa
 (Registration number: 1998/009608/06)
 Share code: ISA
 ISIN: ZAE000067344
 ("ISA" or "the company" or "the group")

SHORT-FORM ANNOUNCEMENT: ABRIDGED SUMMARISED CONSOLIDATED AUDITED RESULTS FOR THE YEAR ENDED 28 FEBRUARY 2023, CASH DIVIDEND DECLARATION AND NOTICE OF ANNUAL GENERAL MEETING.

| | Change | Audited year ended 28 Feb 23 R'000 | Audited year ended 28 Feb 22 R'000 |
|---|--------|--|--|
| Highlights from Statement of Comprehensive Income: | | | |
| Revenue | 1% | 75 581 | 74 743 |
| Profit before Other income and expenses | 0% | 39 809 | 39 882 |
| Earnings after tax | 34% | 21 872 | 16 354 |
| Earnings and diluted earnings per share (cents) | 34% | 14.0 | 10.5 |

Highlights from Statement of
Financial Position:

| | | | |
|---------------------------|------|--------|--------|
| Total assets | -10% | 76 171 | 84 307 |
| Cash and cash equivalents | -32% | 31 971 | 47 345 |
| Equity | -18% | 57 814 | 70 348 |
| Total liabilities | -32% | 18 357 | 13 959 |

Highlights from Statement of
Changes in Equity:

| | | | |
|---|------|--------|--------|
| Dividends paid during the year | 195% | 34 406 | 11 657 |
| Ordinary dividend per share paid (cents) | 88% | 6.2 | 3.3 |
| Special dividend per share paid (cents) | 100% | 10.0 | - |
| Interim dividend per share paid (cents) | 40% | 6.0 | 4.3 |
| Net asset value per share at end of period (cents) | -18% | 37.1 | 45.1 |
| Headline earnings per share (cents) | 34% | 14.0 | 10.5 |
| Diluted headline earnings per share (cents) | 34% | 14.0 | 10.5 |

Notes to the statements:

RECONCILIATION OF HEADLINE EARNINGS

| | | |
|---|--------|--------|
| Earnings as per statement of comprehensive income | 21 872 | 16 354 |
| Headline earnings | 21 872 | 16 354 |
| Headline earnings per share (cents) | 14.0 | 10.5 |

I am pleased to present our results for the full year ended 28 February 2023 ("the current reporting period"), which continue to be underpinned by a high

portion of recurring revenue, a robust balance sheet and strong cash flows. In the context of the exceptionally challenging trading conditions in which we operate, together with the extreme pressure on the local economy, I am satisfied with our performance and humbled by the tremendous support that we have received from our staff, customers, suppliers, vendor partners and shareholders.

Financial

Revenue increased marginally to R75.6 million compared to R74.7 million in the previous corresponding reporting period ("the prior reporting period"), of which more than 90% of revenue is of a recurring nature and includes turnover from both product subscription and our various Managed Security Service offerings. Profit before other income and expenses decreased slightly to R39.8 million during the current reporting period compared to R39.9 million in the prior reporting period.

While the top-line increase is less than what we had hoped, I remain encouraged by our resilience through these challenging times, as well as our ability to curate and bring to market a range of new Professional and Managed security services designed to support our customers through the rapidly evolving information security and threat landscape. Notably, our expanded range of Security Advisory and Security Assessment services has been well received during the current reporting period and has afforded us deeper access into our customers' leadership structures and strategies, which in turn has opened new avenues for future growth.

Other income increased by 72.3% to R3.3 million compared to R1.9 million in the prior reporting period, largely resulting from the revaluation of our foreign currency reserves which increased to R3.0 million from R1.6 million in the prior reporting period. While these positive foreign currency revaluation adjustments have been most welcomed over the years, management has decided to reduce their foreign currency reserves in favour of the Rand to better align the business' cash reserves to its expenditure profile, as well as to benefit from the higher interest rates offered locally. The effect of this decision can already be seen in the increased finance income of R1.4 million in the current reporting period compared to R551 000 in the prior reporting period.

Operating expenditure increased by 22.5% to R25.9 million compared to R21.1 million in the prior reporting period, which is largely attributable to a sizeable increase in payroll expenses. This increase relates to both organic salary adjustments for existing staff, as well as the recruitment and development of new talent needed to curate and spearhead growth in our broader portfolio of offerings referred to previously.

On an exciting note, our share of profits from our equity-accounted investment ("DataProof") grew almost fivefold to R7.7 million compared to R1.6 million in the prior reporting period, which is largely a result of a few sizeable public-sector contracts awarded during the current reporting period. Over the last few years, DataProof has been developing a range of services focusing primarily on meeting the demand in the outsourced Security Operations Centre and Security Information and Event Management markets. DataProof will be further developing and investing into their service-centric business model with the intention of delivering sustainable above-average growth into the future.

Earnings attributable to equity shareholders increased by 33.7% to R21.9 million compared to R16.4 million in the prior reporting period, presented as an increase in headline earnings per share and earnings per share to 14.0 cents from 10.5 cents in the prior reporting period; and total comprehensive income attributable to equity shareholders, which includes the revaluation of our owner-occupied property in the prior reporting period, increased by 13.7% from R19.2 million in the prior reporting period.

Distribution

During the current reporting period an interim dividend of R9.4 million for the half year ended 31 August 2022 was declared and paid to shareholders, representing a cash distribution of 6.0 cents per share. With the realisation of earnings of 14.0 cents per share for the current reporting period, we are

now pleased to declare a final ordinary dividend to shareholders for the year ended 28 February 2023 of 8.0 cents per share, which will be subject to dividend tax legislation.

The board of directors of ISA ("board") has reasonably concluded that the company will satisfy the solvency and liquidity requirements immediately after distribution thereof and for the next 12 months.

The salient dates for the ordinary dividend will be as follows:

| | | |
|--------------------------|------------|--------------|
| Declaration date | Friday, | 26 May 2023 |
| Last day to trade | Tuesday, | 18 July 2023 |
| Shares trade ex-dividend | Wednesday, | 19 July 2023 |
| Record date | Friday, | 21 July 2023 |
| Payment date | Monday, | 24 July 2023 |

Share certificates may not be dematerialised or rematerialised between Wednesday, 19 July 2023 and Friday, 21 July 2023, both days inclusive.

In terms of the dividend tax legislation, effective 1 April 2012, the following additional information is disclosed:

- This is a dividend as defined in the Income Tax Act, 1962, and is payable from income reserves.
- The South African dividend tax (DT) rate is 20%.
- The DT to be withheld by the company in respect of the ordinary dividend amounts to 1.60 cents per share.
- The net ordinary dividend payable to shareholders who are not exempt from DT is therefore 6.40 cents per share, while a gross ordinary dividend of 8.0 cents per share is payable to those shareholders who are exempt from DT.
- The issued share capital of the company at the declaration date comprises 170 592 593 ordinary shares.
- The company's income tax reference number is 9340/150/71/4.

Market and prospects

I continue to be optimistic about our long-term prospects, as the key drivers of the information security market remain robust. With the continued evolution and persistence of threats and attack vectors against organisational information and IT resources, together with the increased regulatory and legislative compliance requirements, stakeholders continue to elevate the importance of security within their organisations. By leveraging this positive sentiment towards the information and infrastructure security market, as well as our positioning as a thought leader in this market segment, we are likely to continue delivering above average tangible returns over time.

Conclusion

On behalf of the board, I would like to take this opportunity to thank the ISA team for their continued dedication and hard work. My appreciation is also extended to my colleagues on the board for their wise counsel and valuable input. Finally, I thank all stakeholders, customers and vendors for their support, and I look forward to meeting shareholders at the Annual General Meeting to be held on Wednesday, 28 June 2023.

Integrated Annual Report

Shareholders are advised that the integrated annual report has been distributed to shareholders and will be available on the company's website at www.isa.co.za.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of shareholders of ISA ("AGM") will be held at 10:00 on Wednesday, 28 June 2023 through electronic participation.

The salient information pertaining to the AGM is set out below:

| | |
|---|--|
| Issuer name | ISA Holdings Limited |
| Type of instrument | Ordinary shares |
| ISIN number | ZAE000067344 |
| JSE code | ISA |
| Meeting type | Annual General Meeting |
| Meeting venue | Virtual |
| Record date - to determine which shareholders are entitled to receive the notice | Friday, 19 May 2023 |
| Publication/Electronic distribution date | Friday, 26 May 2023 |
| Last day to trade - last day to trade to determine eligible shareholders that may attend, speak and vote at the AGM | Tuesday, 20 June 2023 |
| Record date - record date to determine eligible Shareholders that may attend, speak and vote at the AGM | Friday, 23 June 2023 |
| Meeting deadline date - (for administrative purposes), forms of proxy for the AGM to be lodged | 10:00 on Monday, 26 June 2023 |
| Virtual AGM date | 10:00 on Wednesday, 28 June 2023 |
| Publication of results | Wednesday, 28 June 2023 |
| Website link | www.isaholdings.co.za |

Shareholders who wish to participate electronically at the Annual General Meeting are required to contact JSE Investor Services at meetfax@jseinvestorservices.co.za; or alternatively contact JSE Investor Services' offices on +27 86 154 6572 as soon as possible, but in any event, for administrative purposes only, by no later than 10:00 on Monday, 26 June 2023.

SHORT-FORM ANNOUNCEMENT

The content of this short-form announcement is the responsibility of the directors of the company. The short-form announcement contains only a summary of the information in the Abridged Summarised Consolidated Audited Results for the year ended 28 February 2023 ("Full Announcement") which is available at: <https://senspdf.jse.co.za/documents/2023/jse/isse/isa/ye23.pdf> and is also published on the company's website at <https://www.isa.co.za/sens/SENS-20230526-01.pdf>, and accordingly does not contain full or complete details. Any investment decisions by investors or shareholders should be based on the consideration of the Full Announcement.

The information in this short-form announcement has been extracted from the Full Announcement, but the short-form announcement itself has not been reviewed or audited by the company's auditors.

The abridged summarised consolidated audited results have been extracted from the annual financial statements for the year ended 28 February 2023 which was audited by Crowe JHB, who expressed an unmodified audit opinion. There were no key audit matters to communicate in the auditor's report. A copy of their audit report and the group annual financial statements are available for inspection at the company's registered office, Block 9 Pinewood Office Park, 33 Riley Road, Woodmead 2191 and on the company's website at www.isa.co.za

Copies of the short-form announcement and the Full Announcement will be available for inspection at the registered offices of ISA or the Designated Adviser, Merchantec Capital, during business hours. These announcements may also be obtained at no cost on request from the Company Secretary who is contactable on +27 11 325 6363 or isa@acorim.co.za

For and on behalf of the board,

Clifford Katz
Chief Executive Officer
Johannesburg
26 May 2023

Directors: CS Katz (Chief Executive Officer), PJG Green (Chief Technical Officer), P Mogoboya (Financial Director), AJ Naidoo#, C. Pillay#, DC Seaton*, N Maphothi*, O Seku*(Chairperson)

Non-executive

* Independent non-executive

Designated Adviser: Merchantec Capital

www.isaholdings.co.za