

ADCORP HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 1974/001804/06

Share code: ADR

ISIN: ZAE000000139

("Adcorp" or the "Company")



TRADING STATEMENT AND RESULTS PRESENTATION

In terms of paragraph 3.4(b)(i) of the JSE Limited Listings Requirements, a listed company is required to publish a trading statement as soon as it becomes reasonably certain that the financial results for the period to be reported on next will differ by at least 20% from the financial results for the previous corresponding period.

The Company hereby advises that a reasonable degree of certainty exists that for the six months ended 31 August 2023 ("**reporting period**"):

- earnings per share ("**EPS**") from total operations will be between 31.9 cents and 34.3 cents, representing an increase of between 175% and 195% compared to EPS from total operations of 11.6 cents reported for the six months ended 31 August 2022 ("**comparative period**");
- headline earnings per share ("**HEPS**") from total operations will be between 31.9 cents and 34.3 cents, representing an increase of between 175% and 195% compared to HEPS from total operations of 11.6 cents reported for the comparative period;
- EPS from continuing operations will be between 30.6 cents and 35.6 cents, representing an increase of between 25% and 45% compared to EPS from continuing operations of 24.6 cents reported for the comparative period; and
- HEPS from continuing operations will be between 30.6 cents and 35.6 cents, representing an increase of between 25% and 45% compared to HEPS from continuing operations of 24.6 cents reported for the comparative period.

The results for the comparative period were markedly impacted by the exceptional losses incurred in allaboutXpert Australia Pty Ltd, which was disclosed as a discontinued operation in terms of IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*.

Our South African operations faced considerable challenges for the reporting period. Unrelenting load shedding, compounded by growing infrastructure deficiencies, high inflation, and low growth impacted Adcorp's clients, resulting in negative business sentiment. This adverse environment curtailed client expansion initiatives. Concurrently, our Australian sector encountered decelerating economic growth; however, the environment remains positive. Despite these adversities, a notable uplift in Company revenue was achieved. Nonetheless, significant pressure on gross margins was unavoidable due to the above factors. Cost and working capital have been adeptly managed, illustrating effective strategic responses to the prevailing economic conditions and ensuring operational resilience. The Company's balance sheet remains robust with no gearing.

The financial information on which this trading statement is based has not been reviewed or reported on by the auditors of the Company.

The unreviewed, unaudited results for the six months ended 31 August 2023 are expected to be published on or about Monday, 30 October 2023.

RESULTS PRESENTATION

The results presentation will take place electronically on Monday, 30 October 2023, at 10:00.

Should you be interested in attending please contact ir@singular.co.za and a webcast link will be provided.

Kindly note that a question and answer session will be available at the end of the presentation.

Johannesburg
16 October 2023

Sponsor
Valeo Capital (Pty) Ltd

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