

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")

CONSOLIDATED AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY  
2024, CASH DIVIDEND DECLARATION, DISTRIBUTION OF ANNUAL REPORT AND NOTICE OF  
ANNUAL GENERAL MEETING.

		Audited year ended 29 Feb 24 R'000	Audited year ended 28 Feb 23 R'000
Highlights from Statement of Comprehensive Income:	Change		
Revenue	33%	100 797	75 581
Profit before Other income and expenses	23%	48 941	39 809
Earnings after tax	35%	29 539	21 872
Earnings and diluted earnings per share (cents)	35%	18.9	14.0

Highlights from Statement of  
Financial Position:

Total assets	14%	86 447	76 171
Cash and cash equivalents	-6%	30 057	31 971
Equity	9%	62 921	57 814
Total liabilities	28%	23 526	18 357

Highlights from Statement of  
Changes in Equity:

Dividends paid during the year	29%	24 432	34 406
Ordinary dividend per share paid (cents)	29%	8.0	6.2
Special dividend per share Paid (cents)	-100%	-	10.0
Interim dividend per share Paid (cents)	28%	7.7	6.0
Net asset value per share at end of period (cents)	9%	40.5	37.1
Headline earnings per share (cents)	35%	18.9	14.0
Diluted headline earnings per share (cents)	35%	18.9	14.0

Notes to the statements:

RECONCILIATION OF HEADLINE EARNINGS

Earnings as per statement of comprehensive income	29 539	21 872
Headline earnings	29 539	21 872
Headline earnings per share (cents)	18.9	14.0

I am pleased to present our results for the full year ended 29 February 2024  
("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 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 through this challenging time from our staff, customers, suppliers, vendor partners and shareholders.

#### Financial

Revenue increased by 33% during the current reporting period to R100.8 million compared to R75.6 million in the previous corresponding reporting period ("the prior reporting period"), of which 88% is subscription derived and includes a healthy mix of products, subscriptions and our Managed Security Service offerings that feature MSS Pulse, our internally developed security infrastructure management and monitoring platform. The high proportion of subscription derived turnover in the current reporting period is indicative of the trend in terms of which customers are showing a preference for subscribing to consumption-based security solutions which offer a heightened level of flexibility and scalability that is difficult to achieve in the traditional procurement model where companies would purchase hardware and software assets complemented with an array of value-added services offered by the local reseller community. This trend is likely to continue for the foreseeable future and we anticipate maintaining a strong proportion of subscription derived turnover in our revenue mix.

Profit before other income and expenses increased by 23% during the current reporting period to R48.9 million, representing a gross margin of 49% compared to 53% in the prior reporting period. This reduction in gross margin is largely due to the recognition of a couple of low margin 'product sales' during the current reporting period that excluded any of our higher margin services.

Operating expenditure increased by 12% to R29.1 million compared to R25.9 million in the prior reporting period, which increase is largely attributed to recruitment and payroll related expenses.

Our share of profits from DataProof, our equity-accounted investment, increased by a pleasing 63% to R12.6 million from R7.7 million in the prior reporting period, with notable successes coming from their cybersecurity business unit. While their records management business unit has been challenged in maintaining momentum in the current reporting period, in part due to certain critical system failures and staffing challenges which have been subsequently addressed, they are certainly building a formidable business and reputation around their cybersecurity service offerings, notably those related to their 24/7 SOC incident and event monitoring.

Total comprehensive income attributable to equity shareholders for the current reporting period increased to R29.5 million from R21.9 million in the prior reporting period, representing a pleasing 35% increase in headline and earnings per share to 18.9 cents, from 14.0 cents in the prior reporting period.

#### Cash Distribution

During the current reporting period an interim dividend of R11.9 million for the half year ended 31 August 2023 was declared and paid to shareholders, representing a cash distribution of 7.7 cents per share. With the realisation of earnings of 18.9 cents per share for the current reporting period, we are now pleased to declare a final ordinary cash dividend to shareholders for the year ended 29 February 2024 of 11.2 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, 24 May 2024
Last day to trade	Tuesday, 16 July 2024
Shares trade ex-dividend	Wednesday, 17 July 2024
Record date	Friday, 19 July 2024
Payment date	Monday, 22 July 2024

Share certificates may not be dematerialised or rematerialised between Wednesday, 17 July 2024 and Friday, 19 July 2024, 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 2.24 cents per share.
- The net ordinary dividend payable to shareholders who are not exempt from DT is therefore 8.96 cents per share, while a gross ordinary dividend of 11.2 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, 26 June 2024.

#### Integrated Annual Report

Shareholders are advised that the integrated annual report for the year ended 29 February 2024 has been distributed to shareholders today, 24 May 2024 and will be available on the company's website at [www.isa.co.za](http://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, 26 June 2024 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, 17 May 2024
Publication/Electronic distribution date	Friday, 24 May 2024
Last day to trade - last day to trade to determine eligible shareholders that may attend, speak and vote at the AGM	Tuesday, 18 June 2024
Record date - record date to determine eligible Shareholders that may attend, speak and vote at the AGM	Friday, 21 June 2024
Meeting deadline date - (for administrative purposes), forms of proxy for the AGM to be lodged	10:00 on Monday, 24 June 2024
Virtual AGM date	10:00 on Wednesday, 26 June 2024
Publication of results	Wednesday, 26 June 2024
Website link	<a href="http://www.isaholdings.co.za">www.isaholdings.co.za</a>

Shareholders who wish to participate electronically at the Annual General Meeting are required to contact JSE Investor Services at [meetfax@jseinvestorservices.co.za](mailto: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, 24 June 2024.

#### RESULTS ANNOUNCEMENT

The content of this announcement is the responsibility of the directors of the board. The results announcement does not include full or complete details of the Consolidated Audited Annual financial statements for the year ended 29 February 2024 ("2024 AFS"). Any investment decision by investors or shareholders should be based on the consideration of the 2024 AFS which are available as detailed below. The information contained in this results announcement has not been reviewed or reported on by the company's auditors.

The 2024 AFS have been audited by the company's auditor, Crowe JHB, who expressed an unmodified audit opinion thereon. The audit report, together with the 2024 AFS included in the Annual Report are available on the JSE cloudlink: <https://senspdf.jse.co.za/documents/2024/jse/isse/isa/ye24.pdf> and has also published on the company's website at <https://www.isa.co.za/annualreports/ISAhold> Integrated Annual Report 2024.pdf.

For and on behalf of the board,

Clifford Katz  
Chief Executive Officer  
Johannesburg  
24 May 2024

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

# Non-executive

\* Independent non-executive

Designated Adviser: Merchantec Capital

[www.isaholdings.co.za](http://www.isaholdings.co.za)