

ALTRON LIMITED

(Registration number 1947/024583/06)

(Incorporated in the Republic of South Africa)

Share Code: AEL ISIN: ZAE000191342

("Altron" or "Group")

TRADING STATEMENT AND OPERATIONAL UPDATE

In terms of the JSE Limited Listings Requirements, a listed company is required to publish a trading statement once it is satisfied that a reasonable degree of certainty exists that the financial results for the financial period to be reported on next, will differ by at least 20% or more from those of the previous comparable period.

Accordingly, shareholders are hereby advised that a reasonable degree of certainty exists that for the year ended 28 February 2025 (the "Reporting Period"):

- Continuing operations headline earnings per share ("HEPS") will be at least 40% (at least 41 cents) higher than the 103 cents reported for the twelve months ended 29 February 2024 (the "Comparative Period(1)");
- Continuing operations earnings per share ("EPS") will be at least 30% (at least 29 cents) higher than the 95 cents reported in the Comparative Period(1);
- Group HEPS will be more than 100% higher than the -29 cents reported in the Comparative Period(1); and
- Group EPS will be more than 100% higher than the -45 cents reported in the Comparative Period(1).

A further trading statement will be issued once a reasonable degree of certainty exists as to the likely range for continuing operations and Group, HEPS and EPS.

OPERATIONAL UPDATE

Altron's focus on customer obsession, disciplined strategy execution, and profit improvement strategies have driven continued positive momentum into the second half of the Reporting Period. This has led to a strong year-to-date performance, reflecting improvement over the Comparative Period(1), which was negatively impacted by provisions and impairments.

Continuing operations

Continuing operations, adjusted for the sale of the ATM Business(2), delivered low single-digit year-to-date revenue growth, with strong double-digit growth in EBITDA and operating profit, demonstrating delivery of improved efficiency and operating leverage across the business.

- The Platforms segment maintained a strong year-to-date performance:
 - o Netstar surpassed 2 million subscribers, driving revenue growth and double-digit increases in both EBITDA and operating profit. However, performance was impacted by softer trading conditions in the second half of the year, primarily attributable to sustained pressure within the Australian market. Netstar's Australian operations are projected to report a loss for the year. Netstar's South African operations maintained a strong trajectory, with double-digit year-to-date growth in subscribers, supported by growth in both the consumer and enterprise segments.
 - o Altron FinTech delivered a strong year-to-date performance, with double-digit growth in revenue, EBITDA and operating profit. This positive momentum was primarily driven by an expanding customer base within the small and medium-sized enterprise market, which contributed to growth in annuity revenue.

- Altron HealthTech grew year-to-date revenue, with double-digit increases in EBITDA and operating profit. This performance was underpinned by growth across the private practice management and corporate segments.
- Within the IT Services segment:
 - Altron Digital Business, adjusted for the sale of the ATM Business(2), maintained flat year-to-date revenue, impacted by the delay of two projects into FY2026. As previously guided, full year EBITDA and operating profit is anticipated to be weaker than the Comparative Period(1). This is due to reduced spending by two large customers in the first half of the year and non-recurring project expenses relating to historic contracts.
 - Altron Security continues to benefit from the corrective actions implemented during the Comparative Period(1), achieving modest year-to-date growth in EBITDA and operating profit. Revenue is anticipated to be softer than the Comparative Period(1), due to capex constraints at a large customer which occurred in the first half of the year, and a change in the revenue mix between agency and principal revenue.
 - Altron Document Solutions has been successfully and fully re-integrated into continuing operations. Its profit improvement strategy is delivering positive results, with notable year-to-date growth in both EBITDA and operating profit, alongside stable revenue.
- Within the Distribution segment:
 - Altron Arrow is targeting to maintain its operating profit margin for the Reporting Period. However, in line with guidance, revenue is anticipated to be weaker due to the cyclical global slowdown in electrical component distribution.

Discontinued operations

Altron Nexus has undergone a restructuring, including a strengthening of the management team. A profit improvement strategy is being implemented to enhance cash flow generation and restore the business to profitability. Although year-to-date performance demonstrates substantial improvement over the Comparative Period(1), the business has generated a year-to-date loss. This result reflects weaker trading conditions experienced in the second half of the year, compared to the first half. Altron is progressing with the active disposal process of Altron Nexus and is in advanced discussions with a potential purchaser.

The financial information on which this trading statement and operational update is based is the responsibility of the directors of Altron and has not been reviewed or reported on by the Group's independent external auditor.

The Group's financial results for the Reporting Period are expected to be released on SENS on or about 26 May 2025.

Notes:

- (1) The Comparative Period was restated for the classification of Altron Document Solutions as a continued operation. The Comparative Period is based on the unaudited annual results for the year ended 29 February 2024, as presented in the unaudited consolidated interim results for the six months ended 31 August 2024. The % changes have been calculated using the restated results.
- (2) The ATM Business was sold effective 1 July 2023, with four months trading included in the Comparative Period(1).

Johannesburg
24 February 2025

JSE Equity Sponsor: Investec Bank Limited