INTERIM RESULTS FOR THE SIX MONTHS ENDED

31 DECEMBER 2024

Agenda

Welcome, introduction and 1HFY25 operating context	Thabo Seopa
Financial and operating results	Shivan Mansingh
Strategy update	Thabo Seopa
Outlook	Thabo Seopa

metrofile

- 1HFY25 operating context
- Financial and operating results
- Strategy update
- Outlook

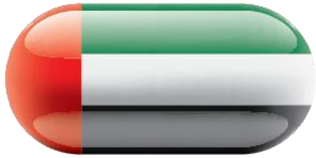
Macro economic highlights

Formation of GNU

Interest rates decreasing

Low economic growth

Stabilisation of the electricity grid

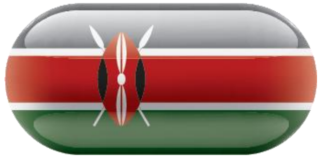


UAE economy continues to grow

Growth in the GCC region driven by UAE and Saudi Arabia

Growth driven by the extraction of liquified gas

Political unrest follow the ruling party confirmed as election winner



4% GDP growth in Q3 slower than Q2

Rapid depreciation of the Shilling but has stabilised

2024 GDP contracted to 1%

Ruling party loose elections

Economy expected to rebound in 2025

FY25 key priorities and 1HFY25 operating context

FY25 key priorities	Progress
MRM South Africa turnaround realisation	Complete. Positive impact of the turnaround has been realised and continued recovery into H2 expected
Complete the exit of Tidy Files manufacturing operation	Completed during H1
Focus on de-gearing the balance sheet	On-going with de-gearing realised in H1
Launch add-on services to IPC, preferably on an annuity base model	On-going. An initial add-on service has been launched. We will continue to focus on enhancing this area in order to support future growth
Continue growth in cloud services	Complete as growth in cloud services has continued
East Africa focus and growth strategy driven with new management team in place	Currently under review
Geographical expansion into KSA as well as cloud expansion into Kenya	Currently under review
Manage the competitor situation in the Middle East	Currently under review

1HFY25 operating context

Financial and operating results

Strategy update

Outlook

1HFY25 salient features

Revenue
R537
⇩ 7%

Operating profit*
R100m
⇩ 11%

Improvement in net debt**
R521m
3%

EPS
7.8c
⇩ 40%

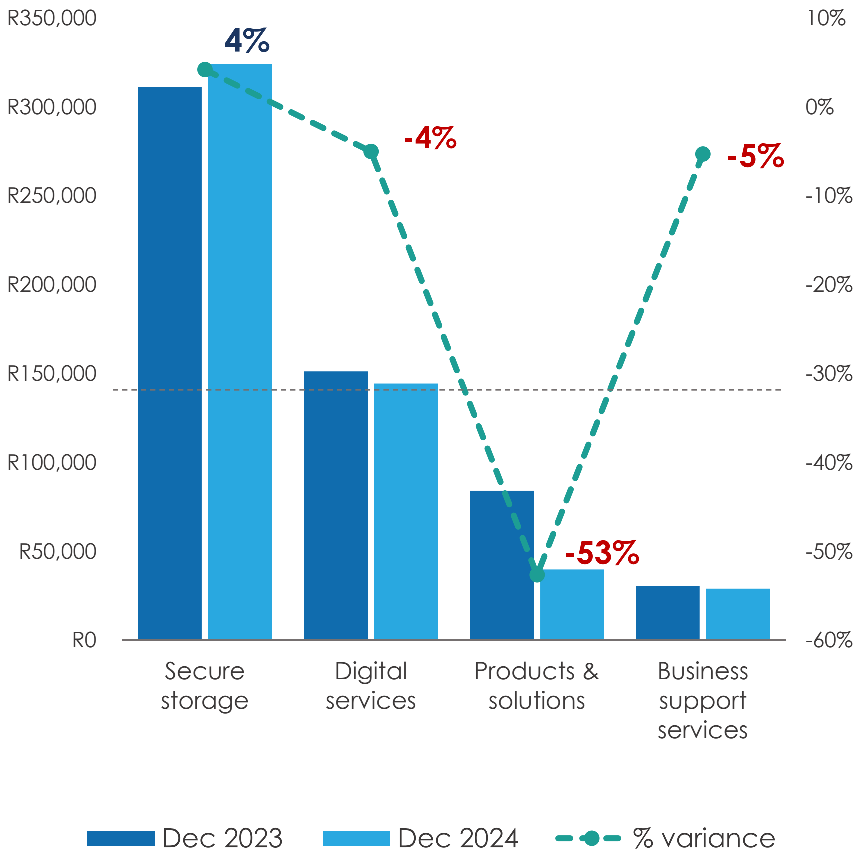
HEPS
8.1c
⇩ 38%

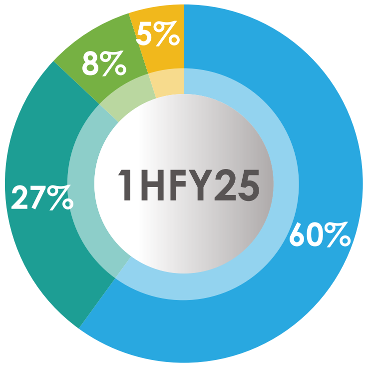
DPS
4c
⇩ 43%

* Operating profit before retrenchment, settlement and closure costs, loss on disposal of assets held for sale and impairment of goodwill
** Excluding lease obligations

Revenue analysis (Rand and %)

Revenue streams





- Revenue decreased 7% to R537m mainly due to the exit of Tidy Files manufacturing operations in FY24.
- Excluding Tidy Files, revenue was up by 4% due to growth in secure storage and cloud services, offset by a reduction in content services and image processing.
- Demand for cloud services remained strong and now contributes 36% of digital services revenue.
- Secure storage contributed 60% to Group revenue and rose 4% due to price increases and additional revenue generated from paper services, specifically destruction of overdue boxes. Requests for destructions have increased, placing pressure on storage box volumes.
- Group closing box volumes remained at 11.1m. Gross box volume intake rose 3% from new and existing clients, offset by destructions and withdrawals of 3%.
- Digital services continued to be the second largest revenue contributor and the Group's largest growth area over recent years, despite a weaker period. Digital services contributed 27% to Group revenue and reduced by 4% year-on-year following a drop in content services and digitisation of physical records, particularly in SA. This reduction was offset by continued growth in cloud services, with a notable rise in hosting.
- Revenue from products and solutions contributed 8% to Group revenue, but decreased 53% mainly due to the exit of Tidy Files manufacturing operations.
- Business support services decreased 5% following a reduction in work area recovery services and contributed 5% to Group revenue.

Statement of profit and loss

For the 6 months ended 31 December 2024

	Dec 24 R'000	Dec 23 R'000	% change
Revenue	**537 426**	**577 047**	**(7%)**
EBITDA	**147 704**	**159 760**	**(8%)**
Operating profit before retrenchment, settlement and closure costs, loss on disposal of assets and impairment of goodwill	**99 528**	**111 467**	**(11%)**
Net finance costs	(37 767)	(32 465)	(16%)
Profit before tax	**45 509**	**79 002**	**(42%)**
Tax	(11 944)	(20 472)	(42%)
Profit after tax	**33 565**	**58 530**	**(43%)**
EBITDA %	**27%**	**28%**	**(1%)**
Operating profit %	**19%**	**19%**	**-**
HEPS (cents)	**8.1**	**13.0**	**(38%)**
EPS (cents)	**7.8**	**13.0**	**(40%)**
DPS (cents)	**4.0**	**7.0**	**(43%)**

Key features

- Results were positively impacted by the turnaround in MRM SA.
- Low volume growth and margin challenges persisted in Rest of Africa and Middle East.
- Operating profit decreased 11% to R100m.
- Positive progress made in resolving operational challenges from the prior year particularly in MRM South Africa yielded a significant improvement in operating profit for this segment.
- This was offset by volume decline in workflow sales, inflationary cost pressures as well as reduction in profit margins in the Middle East.
- Net finance costs were 16% higher following the settlement of the final payment in relation to the IronTree acquisition at the end of FY24.

Statement of financial position

As at 31 December 2024

Assets	Dec 2024 R'000	Dec 2023 R'000
Property, plant and equipment	597 735	604 476
Goodwill	307 174	372 936
Intangible assets	61 455	64 297
Right-of-use asset	87 496	93 968
Deferred taxation assets	17 473	11 286
Cash and cash equivalents	82 257	71 535
Other assets (inventories, trade receivables, other receivables, vendor consideration)	309 941	316 449
Taxation receivable	14 982	4 310
Total assets	**1 478 513**	**1 539 257**

Liabilities	Dec 2024 R'000	Dec 2023 R'000
Total equity	531 291	571 635
Interest-bearing borrowings	599 008	499 787
Bank overdraft	4 454	78 914
Trade and other payables	122 004	115 440
Lease liabilities	112 994	117 571
Acquisition related liabilities	-	81 382
Deferred tax and other liabilities	108 762	74 528
Total equity and liabilities	**1 478 513**	**1 539 257**

Key features

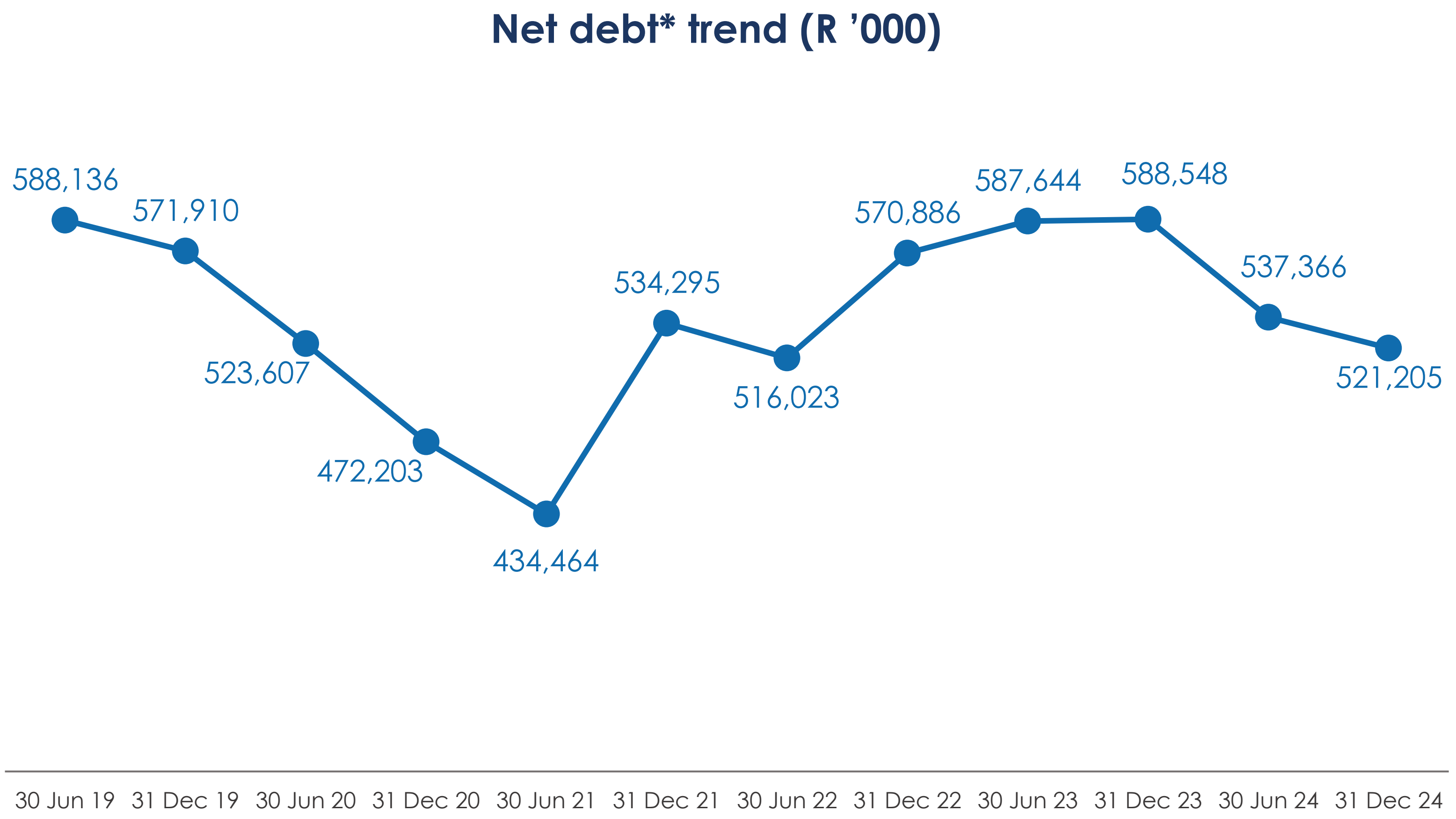
- Net finance costs were 16% higher at R38 million (1HFY24: R32 million) following the settlement of the final payment in relation to the IronTree acquisition at the end of the previous financial year.
- Net debt reduced by 3% to R521m as a result of continued strong cash generation.
- Net debt:EBITDA (pre-IFRS16) increased to 2.33x (FY24: 1.78x).
- Total debt facilities of R852m, comprising R752m committed and R100m uncommitted at end December 2024. The unutilised facility amounted to R146m at the end of the period.

Sound capital management

Net debt reduced by 3% to R521m

Remaining within covenants

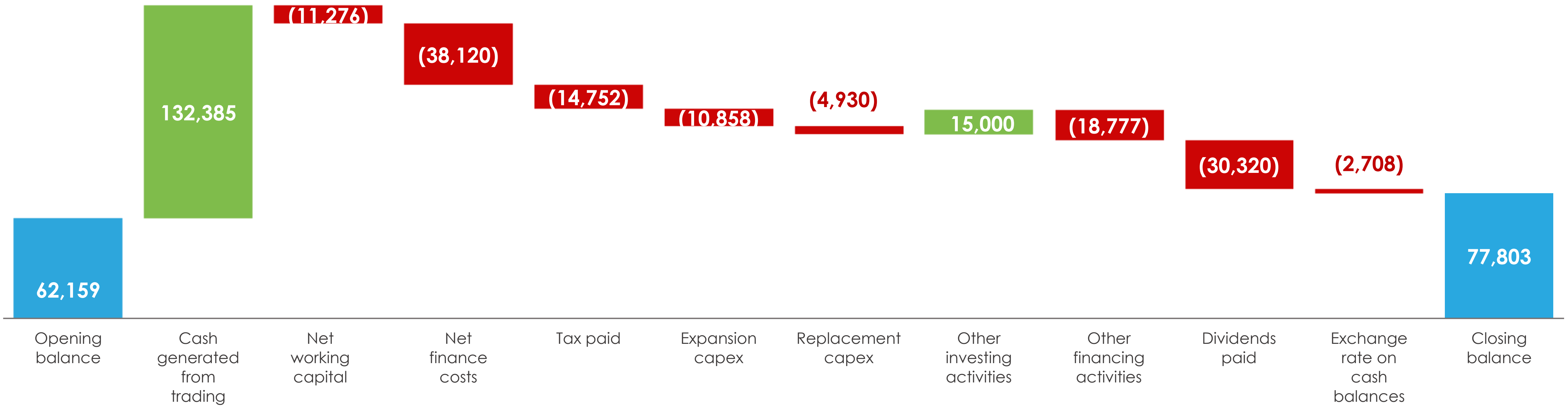
Continued strong cash generation



* Net debt excludes IFRS 16 lease liabilities and includes acquisition related liabilities

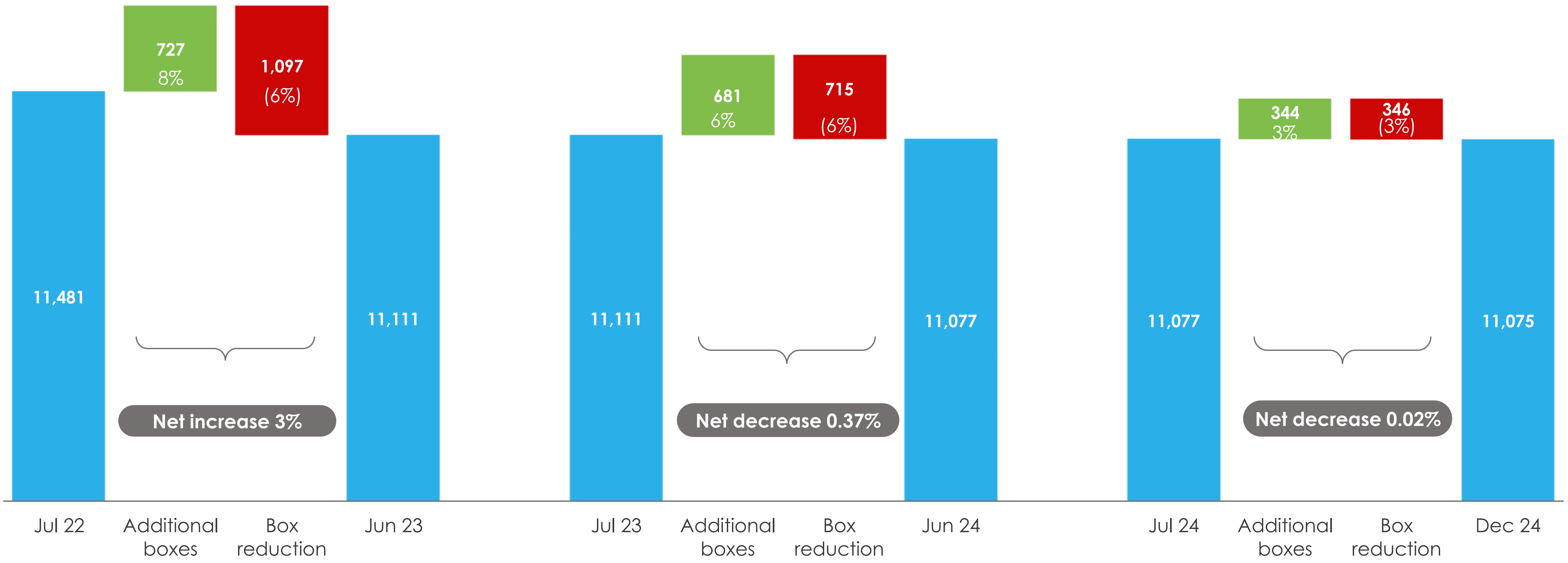
Cash flow

For the 6 months ended 31 December 2024



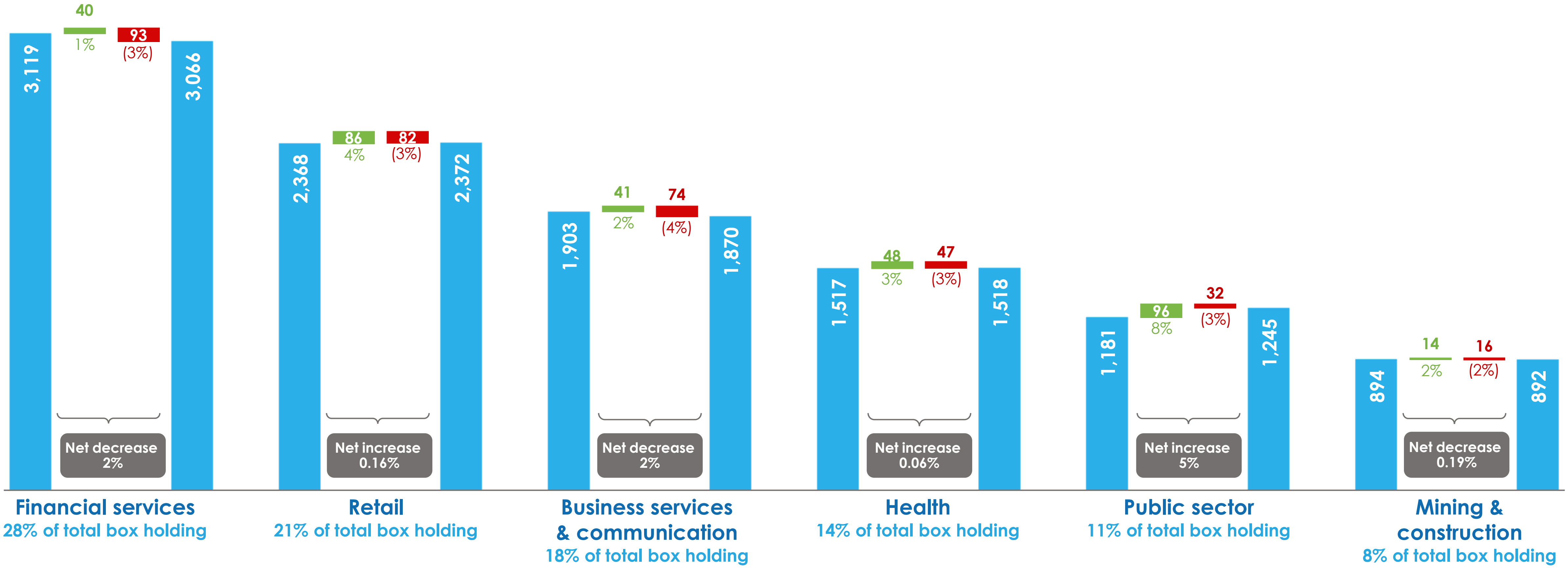
Historical box movements

Group box movements ('000)



Industry analysis box movements

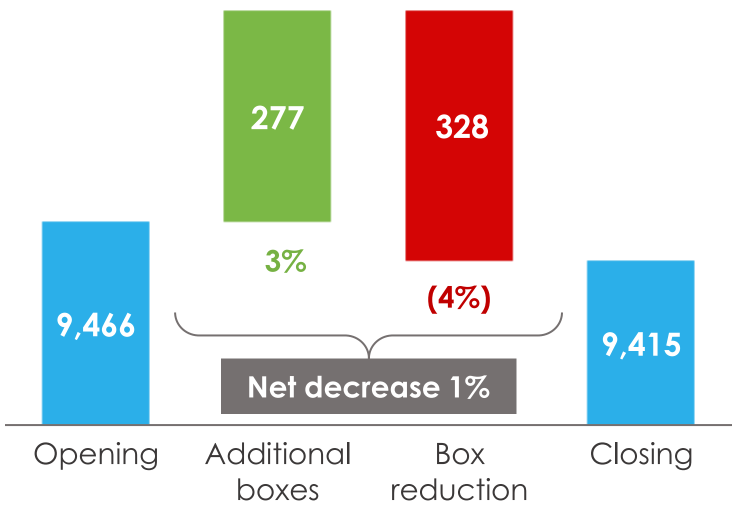
Box movements per industry ('000)



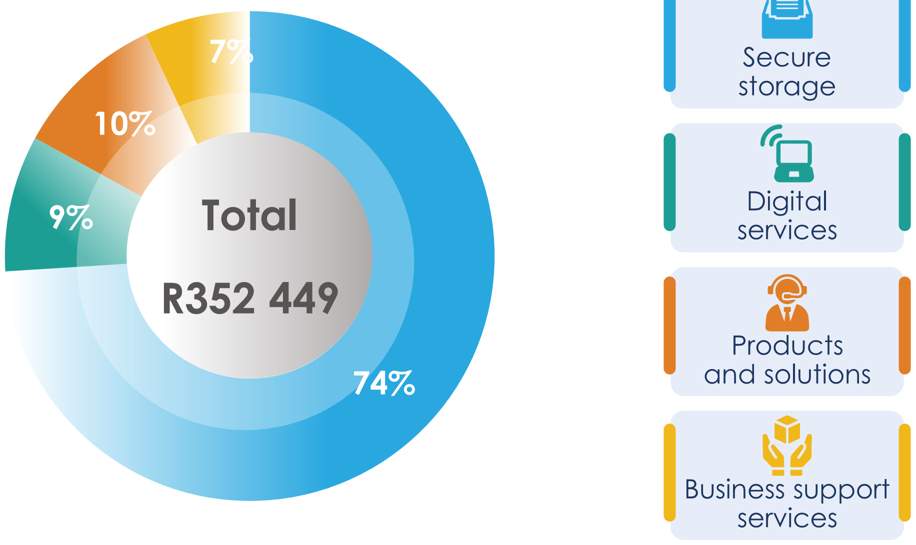
Divisional analysis: MRM South Africa

R'000	Dec 2024	Dec 2023	Variance
Revenue	352 449	398 953	(12%)
Operating profit	108 377	91 395	19%
EBITDA	132 552	115 562	15%
Operating profit margin	31%	23%	8%
EBITDA margin	38%	29%	9%

Box movements ('000)*



Revenue drivers 1HFY25 (R'000)

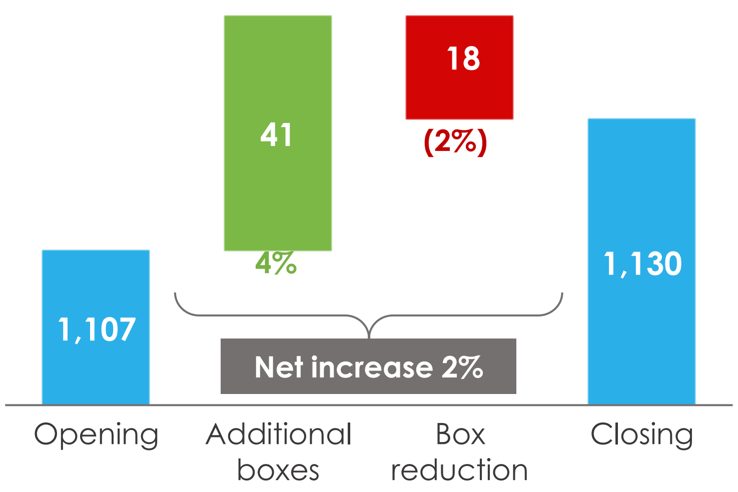


- Revenue from continuing operations increased 3% primarily due to growth in secure storage and product sales, offset by a reduction in image processing volumes.
- Operating profit increased 19% to R108m as a result of positive progress due to turnaround initiatives.
- EBITDA increased 15% to R133m and when compared to 2HFY24 EBITDA improved by 20%.
- Cash collections increased and contributed to overall Group improvement in cash generated from operations due to resolution of various long-standing customer queries, enhanced engagement and resolution of some operational challenges.
- Net box volume decreased 1%.

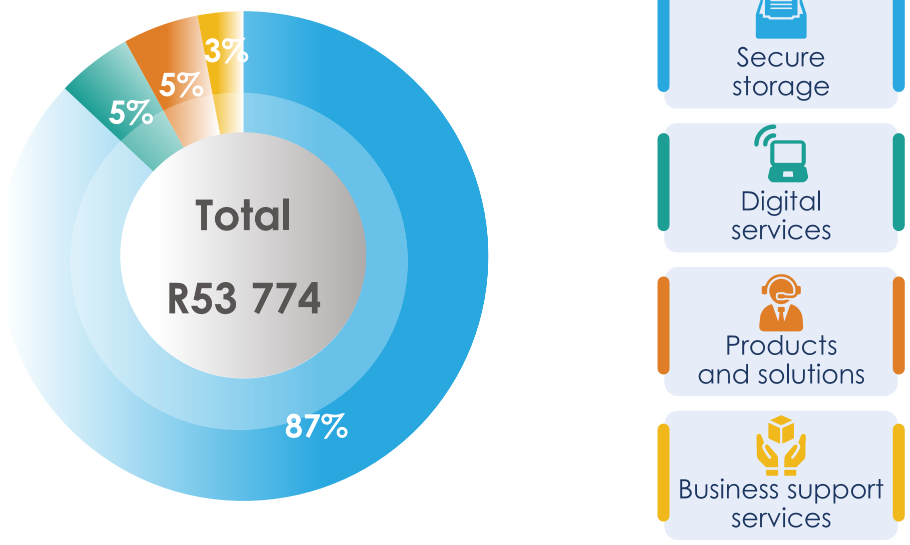
Divisional analysis: MRM Rest of Africa

R'000	Dec 2024	Dec 2023	Variance
Revenue	53 774	48 838	10%
Operating profit	6 723	18 474	(64%)
EBITDA	18 723	29 440	(36%)
Operating profit margin	13%	38%	(25%)
EBITDA margin	35%	60%	(25%)

Box movements ('000)



Revenue drivers 1HFY25 (R'000)

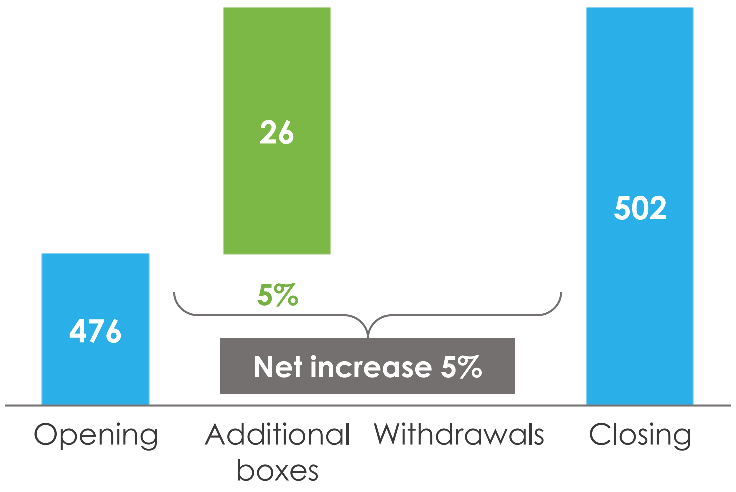


- Operations in Kenya, Botswana and Mozambique.
- Revenue increased 10% to R54m.
- Botswana and Mozambique continue to generate growth and increased profitability by 11%.
- Operating profit decreased 64% to R7m mainly due to the inclusion in the prior year of a once-off gain following the positive resolution on a long-standing dispute with a customer in Kenya.
- Additional costs incurred in Kenya for 1HFY25 related to Cloud Services setup cost and higher operating costs.
- Net box volumes increased 2%.

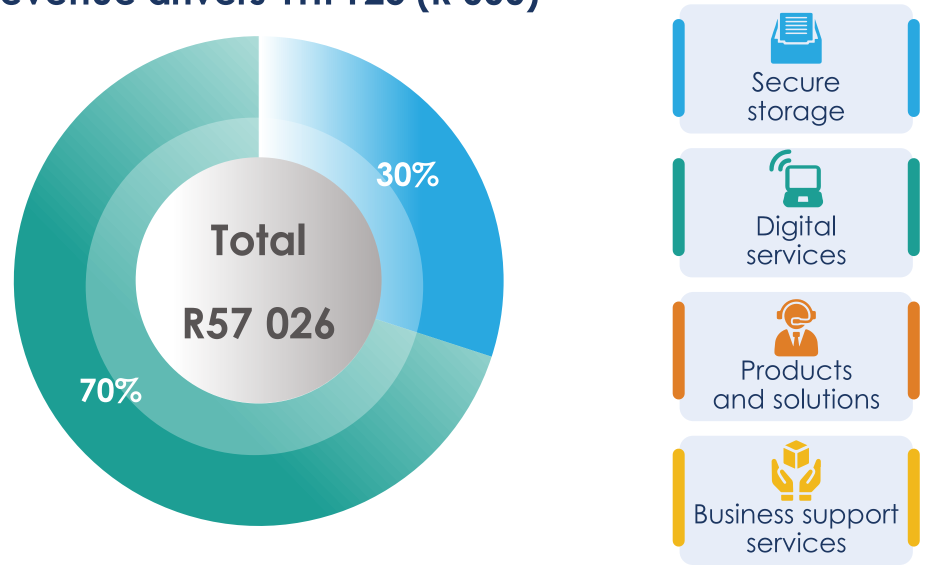
Divisional analysis: MRM Middle East

R'000	Dec 2024	Dec 2023	Variance
Revenue	57 026	61 112	(7%)
Operating profit	(2 206)	5 560	(140%)
EBITDA	694	7 662	(91%)
Operating profit margin	(4%)	9%	(13%)
EBITDA margin	1%	13%	(12%)

Box movements ('000)



Revenue drivers 1HFY25 (R'000)

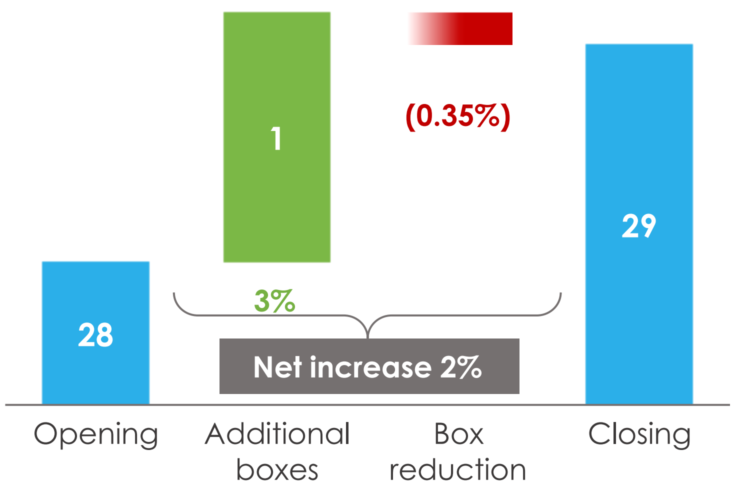


- Operations in United Arab Emirates, Oman and Saudi Arabia.
- Revenue decreased 7% to R57m following a slowdown in the intake of projects.
- Operating loss of R2m incurred due to continued challenges on margins.
- Operating profit performance increased slightly compared to 2HFY24.
- Do not expect an immediate change in the environment in the Middle East.
- Have implemented various measures to mitigate challenges.
- Net box volume growth of 5%.

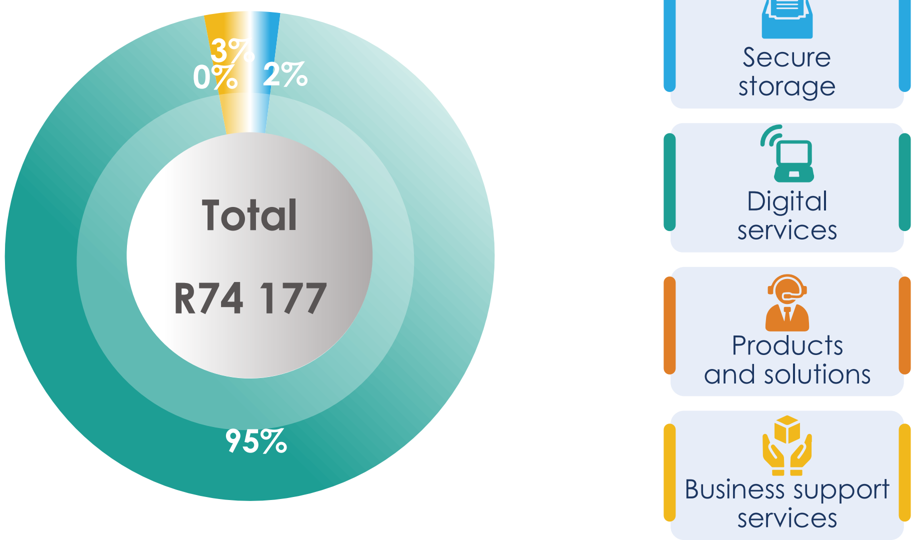
Divisional analysis: Cloud and Content Services SA

R'000	Dec 2024	Dec 2023	Variance
Revenue	74 177	68 144	9%
Operating profit	10 257	11 441	(10%)
EBITDA	16 057	19 104	(16%)
Operating profit margin	14%	17%	(3%)
EBITDA margin	22%	28%	(6%)

Box movements ('000)*



Revenue drivers 1HFY25 (R'000)



- Includes Metrofile VYSION and Metrofile Cloud (previously IronTree).
- Overall, revenue increased 9% to R74m with operating profit decreasing by 10% to R10m.
- Metrofile Cloud continued to demonstrate consistent growth and improved operating profit by 10% to R11 million, mainly as a result of growth in hosting services.
- Metrofile VYSION, which includes workflow automation services, had a challenging period. Operating profit declined to a loss of R1 million (1HFY24: operating profit of R1 million).

1HFY25 operating context

Financial and operating results

Strategy update

Outlook

Strategic objectives

Core business	Extend and defend our core business - This is currently where our profits are (Records Management (storage, destructions) and imaging/OCR)
Digital transformation	Pivot the business to a tech-centric data custodian, providing a global service that is underpinned by strategic partnerships and new technology
Go to market	Modernise and optimise sales function presenting an integrated offering
AI-powered service offering	Grow our content and cloud offering and extend it to AI-powered knowledge orchestrator

1HFY25 operating context

Financial and operating results

Strategy update

Outlook

Outlook

- Expect turnaround in MRM South Africa to continue. As part of the turnaround, there will be a review of the geographical footprint of Metrofile
- Trading conditions in 2HFY25 will remain challenging in the Middle East and Rest of Africa
- Focus to build robust digital offering, and laying foundation for next generation technology driven solutions
- Remain agile in approach as we adapt to the change in competitive landscape
- Expect to continue to generate positive free cash flow, with a focus on de-gearing the balance sheet

THANK YOU