metrofile

ANNUAL RESULTS FOR THE YEAR ENDED

30 JUNE 2025

Agenda

Welcome, introduction and FY25 key priorities and operating context	Thabo Seopa
Financial and operational results	Shivan Mansingh
FY26 key priorities	Thabo Seopa

FY25 KEY PRIORITIES

FY25 key priorities and operating context

Priorities	Progress
MRM South Africa turnaround realisation	Complete. Positive impact of the turnaround has been realised with revenue from ongoing operations increasing by 4%. Operating profit increased by 11% and contributed to overall group improvement in cash generated from operations
Complete the exit of Tidy Files manufacturing operation	Completed during H1
Focus on de-gearing the balance sheet	On-going with de-gearing realised
Launch add-on services to IPC, preferably on an annuity base model	On-going. An initial add-on service has been launched in SA. Continue to focus on enhancing this area, as well as expanding into other areas, to support future growth
Continue growth in cloud services	Progressing well and next phase is to overlay automated tools in order to scale the business
East Africa focus and growth strategy driven with new management team in place	Capacitating the team to strengthen new management team. Commencement of investment in sales team expansion
Geographical expansion into KSA as well as cloud expansion into Kenya	Progressing, partners have been identified
Manage the competitor situation in the Middle East	Currently under review

FY25 FINANCIAL AND OPERATING RESULTS

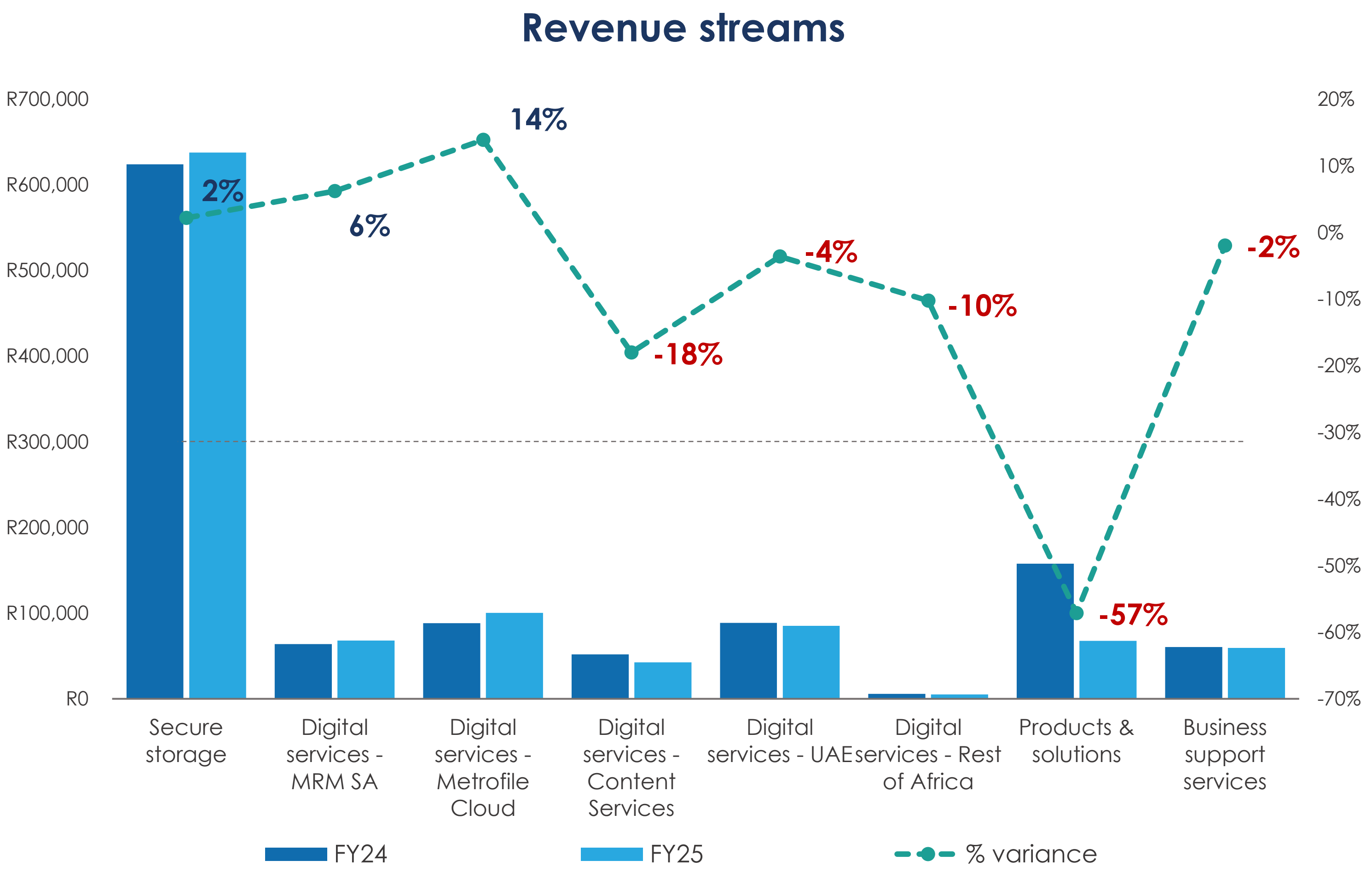
FY25 salient features

Revenue	Operating profit*	EPS
R1 066m	**R176m**	**5.9c**
↓ 7%	↓ 12%	↑ 51%

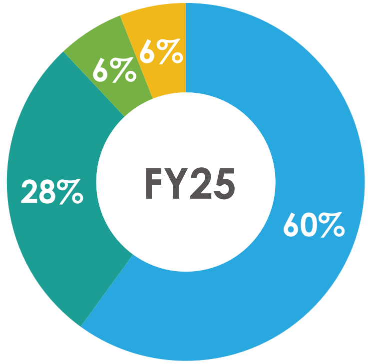
HEPS	Operating expenses	Improvement in net debt**
13.3c	**R789m**	**R479m**
↓ 20%	↓ 7%	↓ 11%

* Operating profit before retrenchment, settlement and closure costs, impairment of goodwill, and loss on disposal of assets held for sale
** Including third party deposits and excluding lease obligations

Revenue analysis (Rand and %)



- Revenue decreased 7% to R1 066m mainly due to the reduction in product sales following the exit of the Tidy Files manufacturing operations.
- Demand for cloud services remained strong and now contributes 34% of our digital services revenue.
- Secure storage contributed 60% to Group revenue and rose 2% due to price increases as well as additional revenue generated from paper services.
- An increase in the number of destruction requests from clients placed pressure on storage box volumes.
- Digital services continued as second largest revenue contributor and largest growth area over recent years, despite a weaker period.
- Digital services marginally grew by 1% following a continued growth in cloud services, with a notable increase in hosting. This growth was offset by a reduction in content services and the digitisation of physical records, particularly in SA.
- Products and solutions' contribution of 6% decreased by 57% mainly due to the exit of the Tidy Files manufacturing operation.
- Business support services contributed 6% and revenue decreased by 2% due to reduced work area recovery services.



Income statement

For the 12 months ended 30 June 2025

	Jun 2025 R'000	Jun 2024 R'000	% change
Revenue	**1 066 132**	**1 140 546**	**(7%)**
EBITDA	**276 750**	**287 337**	**(4%)**
Operating profit before retrenchment and closure costs and impairment of goodwill	**176 324**	**199 770**	**(12%)**
Net finance costs	(75 807)	(67 533)	(12%)
Profit before tax	**51 593**	**58 735**	**(12%)**
Tax	(26 544)	(36 119)	27%
Profit after tax	**25 049**	**22 616**	**11%**
EBITDA %	**26%**	**25%**	**1%**
Operating profit %	**17%**	**18%**	**(1%)**
HEPS (cents)	**13.3**	**16.5**	**(20%)**
EPS (cents)	**5.9**	**3.9**	**51%**
DPS (cents)*	**4.0**	**14.0**	**(71%)**

*Further to the cautionary announcement published on SENS, the last being dated 28 August 2025, the board has resolved not to declare a final dividend at this time.

Key features

- Revenue decreased by 7% due to the reduction in product sales following the exit of the Tidy Files manufacturing operation.
- Demand for cloud services remained strong (now contributes 34% of our digital services revenue).
- Operating profit before retrenchment, settlement and closure costs reduced 12% to R176m.
- Positive progress made in resolving operational challenges from the prior year, particularly in MRM SA that yielded a significant improvement in operating profit for this segment.
- Offset by volume decline in workflow sales, inflationary cost pressure and reduction in profit margins in the Middle East and Kenya.
- Net finance costs rose 12% following the settlement of the final payment in relation to the IronTree acquisition at the end of the previous financial year.

Statement of financial position

For the 12 months ended 30 June 2025

Assets	Jun 2025 R'000	Jun 2024 R'000
Property, plant and equipment	601 273	611 966
Goodwill	276 153	307 107
Intangible assets	51 874	60 854
Right-of-use asset	89 560	104 413
Deferred tax	13 969	16 295
Cash and cash equivalents	79 890	62 169
Other assets (inventories, trade receivables, vendor consideration)	266 506	331 319
Assets classified as held for sale	-	15 000
Total assets	**1 379 225**	**1 509 123**

Liabilities	Jun 2025 R'000	Jun 2024 R'000
Total equity	484 223	522 238
Interest bearing borrowings	559 259	599 525
Bank overdraft	-	10
Trade and other payables	128 750	153 983
Lease liabilities	112 832	129 431
Deferred tax and other liabilities	94 161	103 936
Total equity and liabilities	**1 379 225**	**1 509 123**

Key features

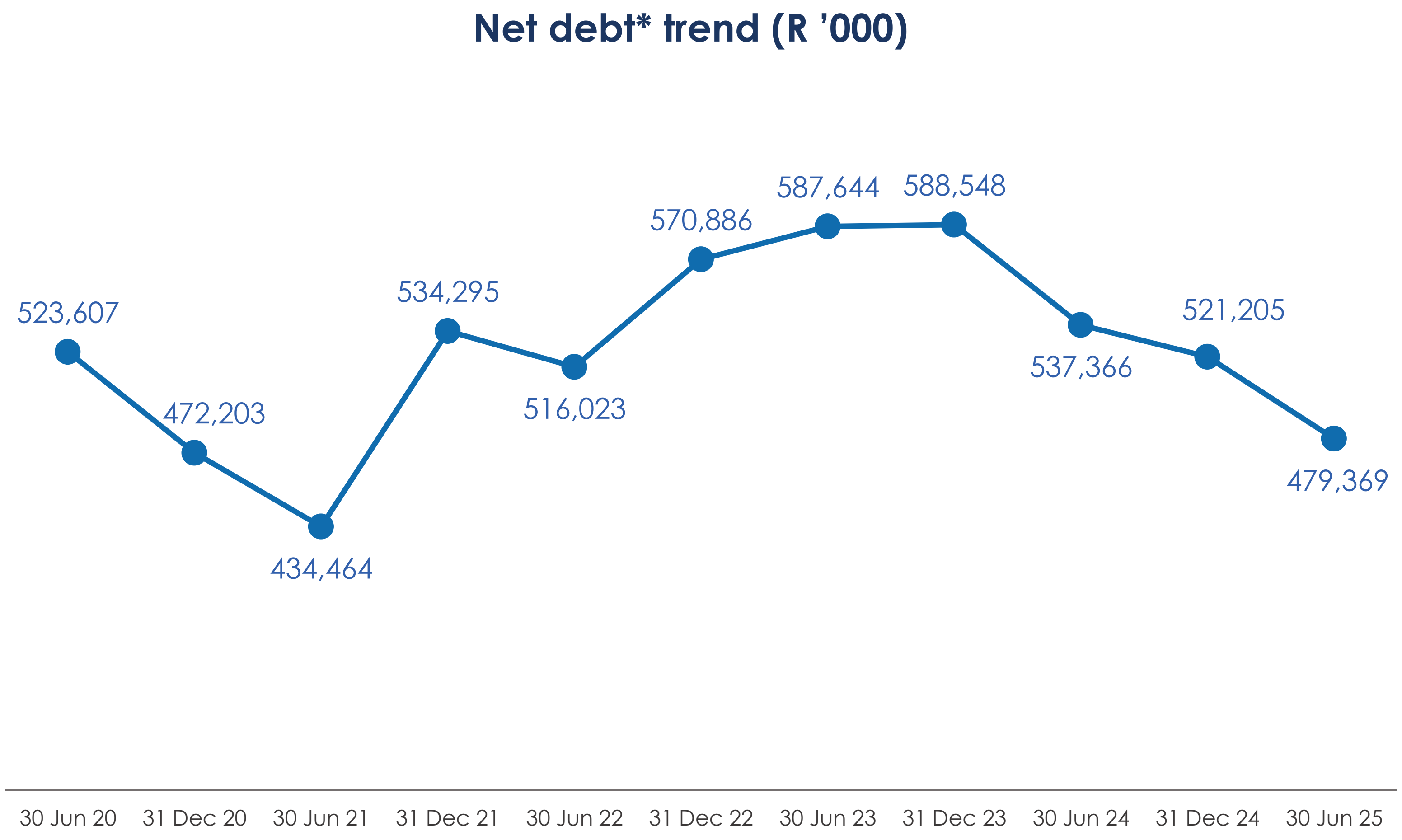
- Strong cash generation from operations continued in the current year.
- Net debt improved 11%, reducing to R479m.
- Total debt facilities of R852m comprising R752m committed and R100m uncommitted at end June 2025.

Sound capital management

Net debt, reduced by 11% to R479m

Remaining well within covenants

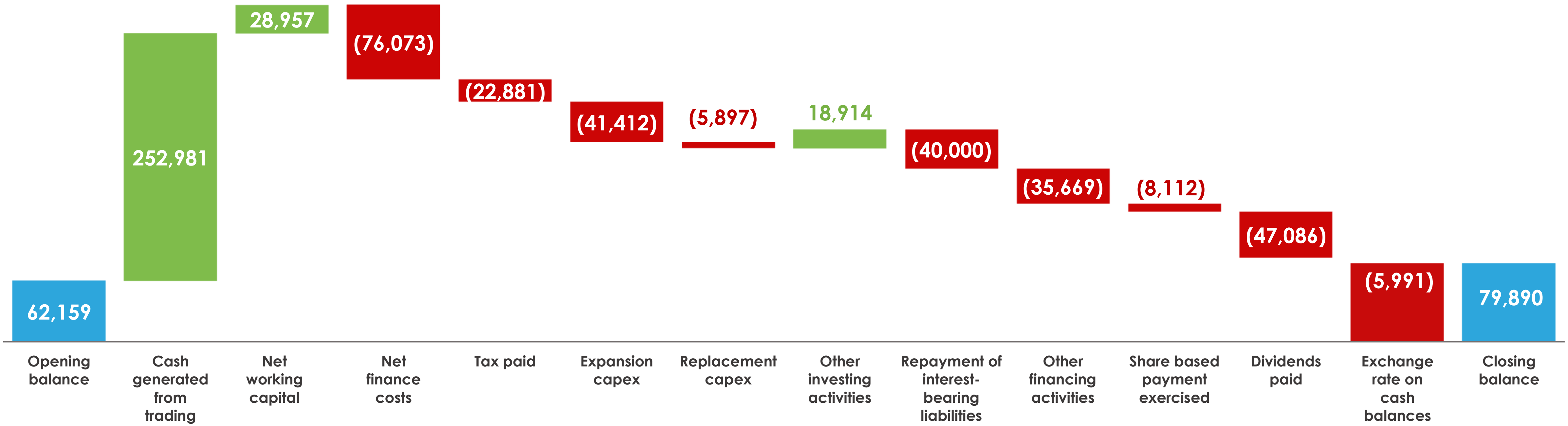
Strong cash flow generated through working capital efficiencies



* Net debt excludes IFRS 16 lease liabilities

Cash flow

For the 12 months ended 30 June 2025



- Slight decrease in operating cash conversion ratio* to 102% (FY24: 108%) despite improvement in trade and other receivables.
- Capex decreased 11% to R47m. Investments in cloud servers, leasehold improvements and motor vehicles made in the current year.
- Dividends paid totalled R47m.

*Operating cash conversion ratio: (cash generated from trading plus net working capital) divided by EBITDA

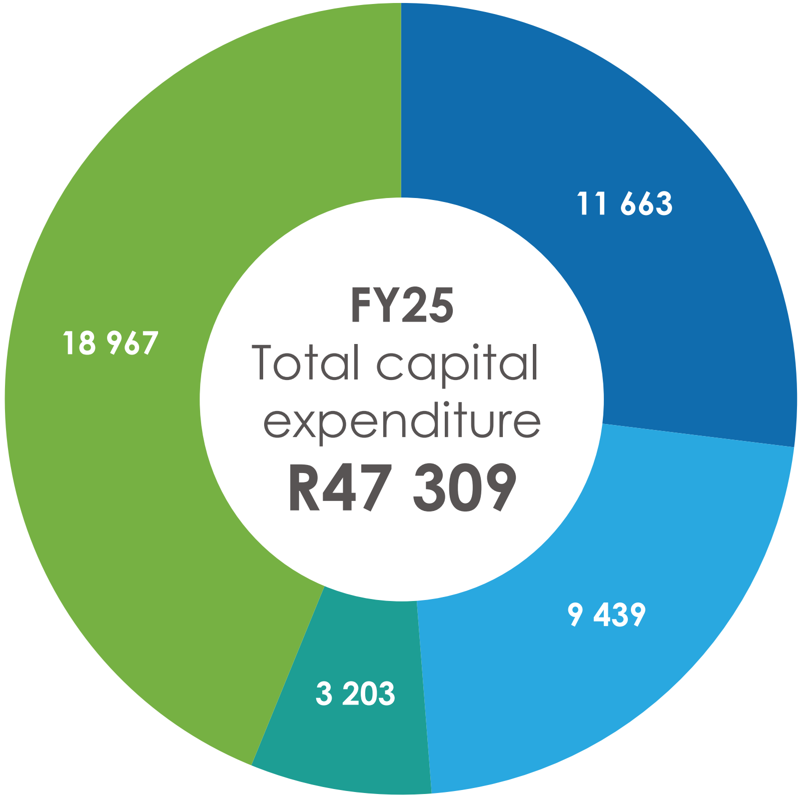
Capital allocation

FY25 capital expenditure (R'000)

Motor vehicles, leasehold improvements & other:

Motor vehicles and other mainly sustaining capex on existing infrastructure

Computer software (system upgrades & related software)



Plant and equipment (racking & compliance):

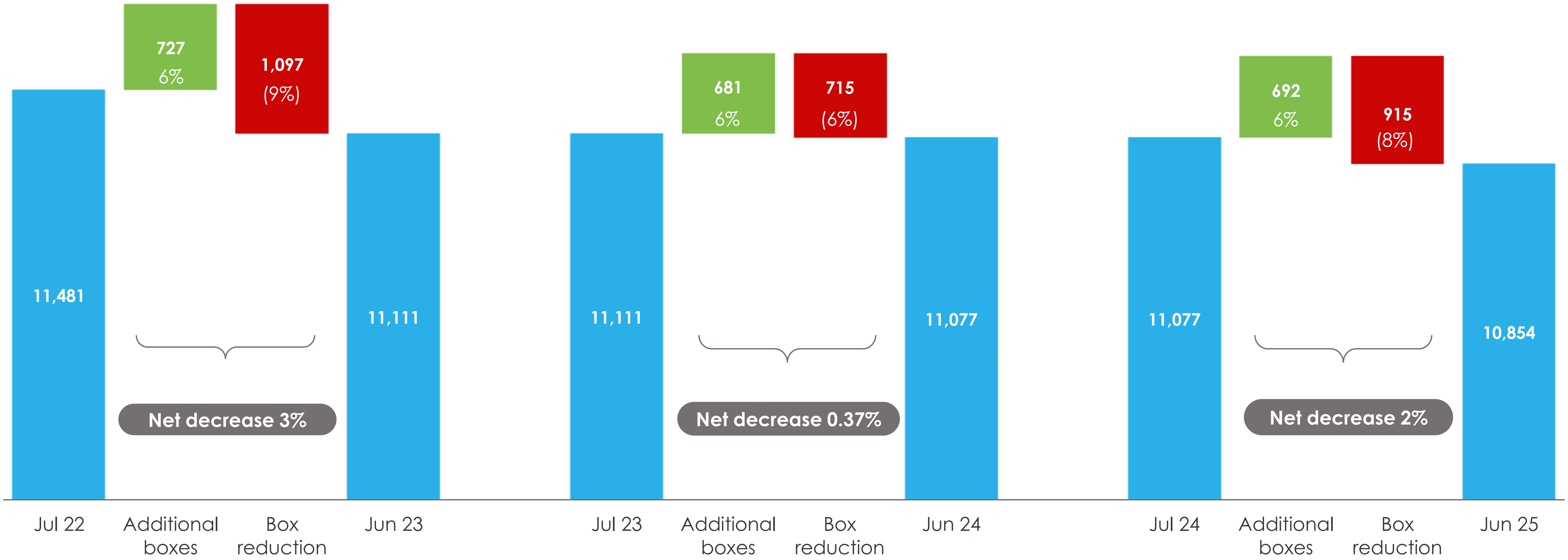
Racking and compliance capex mainly in MRM Middle East, Mozambique and Metrofile South Africa

Computer equipment (IT infrastructure):

Ongoing investment in IT systems and infrastructure to support customer requirements and drive digital transformation at Metrofile

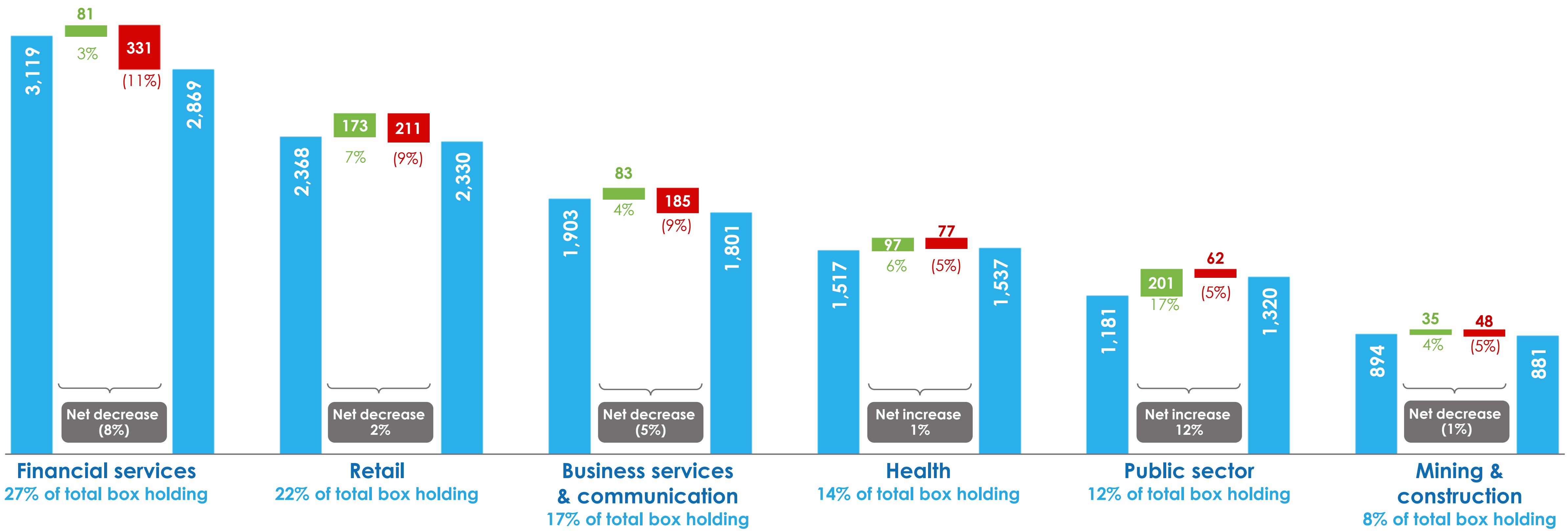
Historical box movements

Group box movements ('000)



Industry analysis box movements

Box movements per industry ('000)



Industry analysis box holding

% of box holding

Mining & construction:

- Net decrease of 1% compared to a net increase of 0.34% in FY24

Public sector:

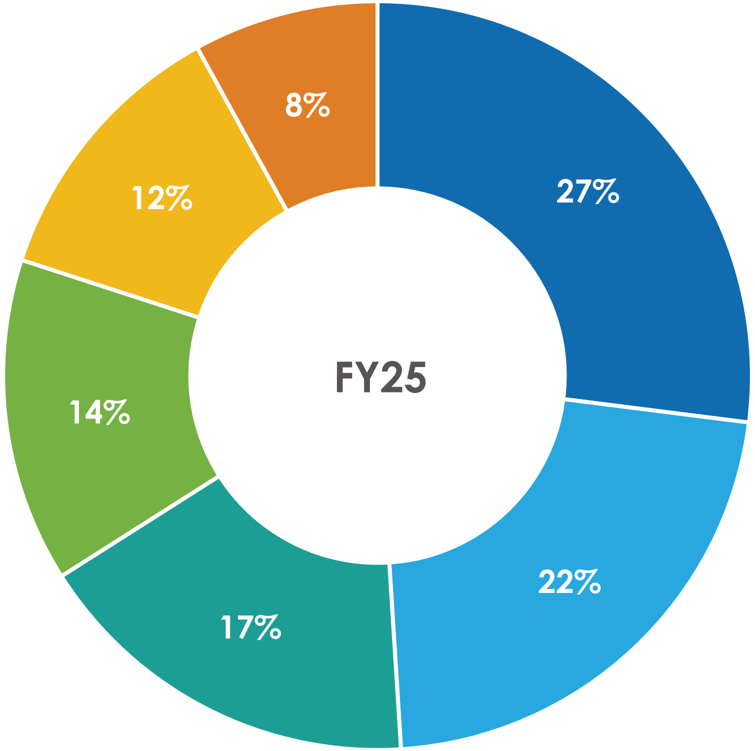
- Net increase of 12% compared to last year's net decrease of 0.47%.
- Positive contribution seen from this sector.

Health:

- Net increase of 1% compared to a 5% net increase in FY24.

Business services & communication:

- 5% net decrease compared to a 0.18% net decrease in FY24.



Financial services:

- Largest % net decrease of 8% compared to previous year's 6%.

Retail:

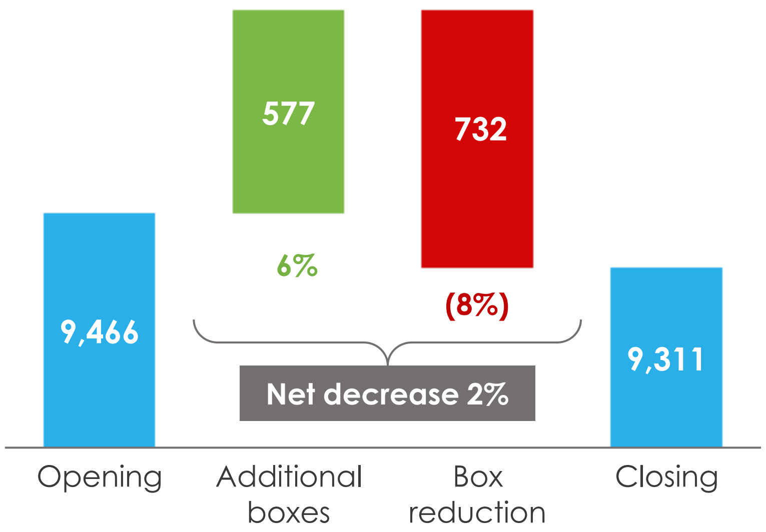
- 2% net decrease during FY25, compared to 3% net increase in FY24.

- Group net box volumes decreased 2% to 11.0m, with a decrease of 2% in SA and 9% in Rest of Africa. Middle East showed growth of 7%.
- Gross box volume intake rose 6% from new and existing clients but was offset by destructions and withdrawals of 8%.
- Planned cyclical destructions from clients in all industries continue, with the exception of the public sector.
- Financial services remains largest sector, contributing 27% box holding – net decrease of 8%.
- Biggest net growth in public sector at 12%, with a 12% contribution to box holding.

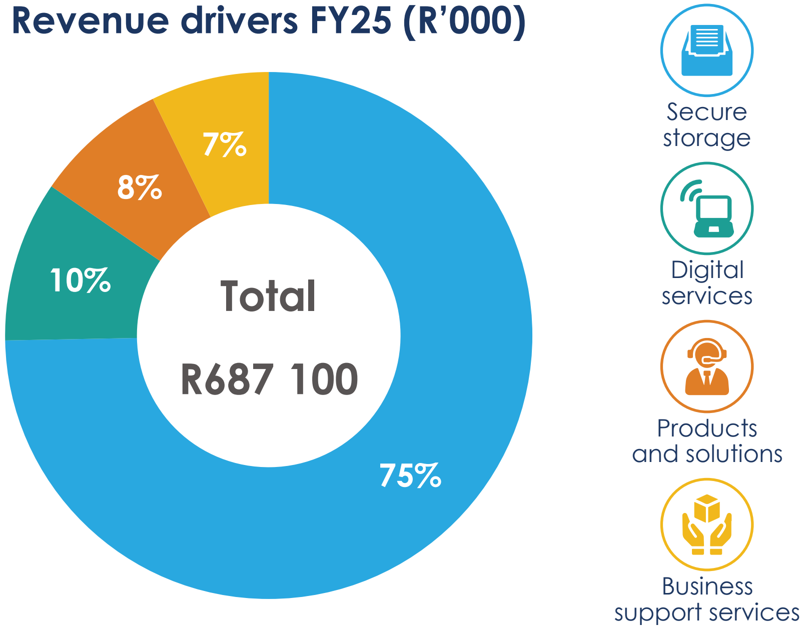
Divisional analysis: MRM South Africa

R'000	Jun 2025	Jun 2024	Variance
Revenue	687 100	768 606	(11%)
Operating profit	197 511	178 413	11%
EBITDA	250 543	225 690	11%
Operating profit margin	29%	23%	6%
EBITDA margin	36%	29%	7%

Box movements ('000)



Revenue drivers FY25 (R'000)

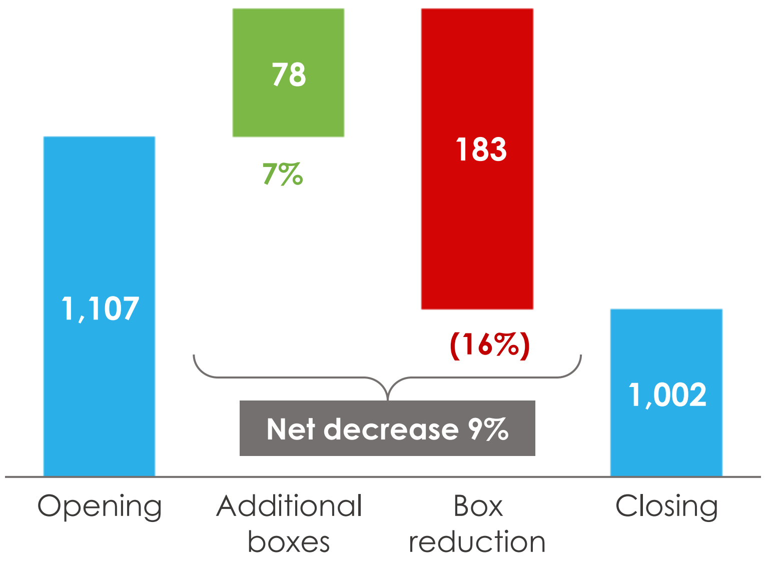


- Revenue from ongoing operations increased by 4% due to growth in secure storage, product sales and image processing volumes.
- Action plans to address prior year challenges have resulted in improvements in financial performance.
- Recovery in margin and increase sales pipeline due to enhanced focus on customer service and resolution of various operational challenges.
- Operating profit increased by 11% to R198m as a result of positive progress on turnaround initiatives.
- Cash collections increased and contributed to overall group improvement in cash generated from operations.
- Net box volume decreased 2%.

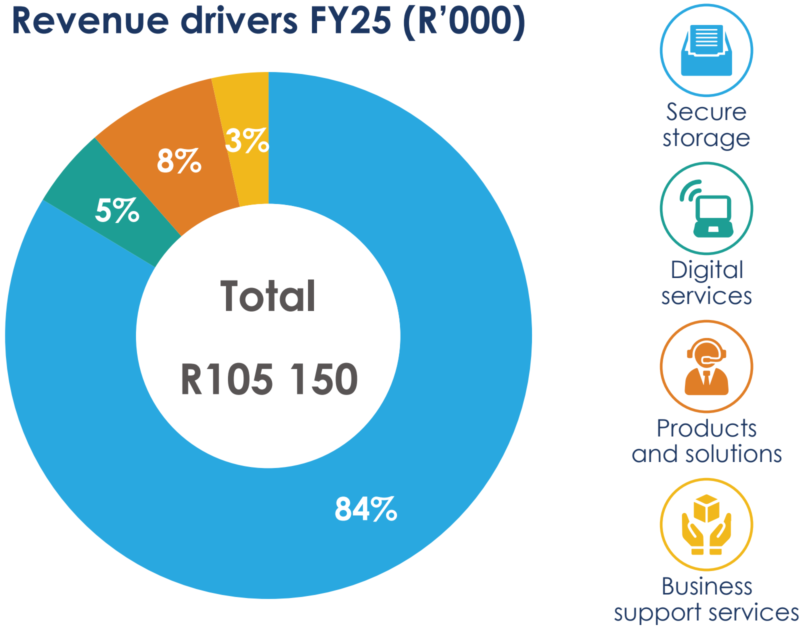
Divisional analysis: MRM Rest of Africa

R'000	Jun 2025	Jun 2024	Variance
Revenue	105 150	104 315	0.80%
Operating profit	10 833	39 777	(73%)
EBITDA	35 012	56 920	(38%)
Operating profit margin	10%	38%	(28%)
EBITDA margin	33%	55%	(22%)

Box movements ('000)



Revenue drivers FY25 (R'000)

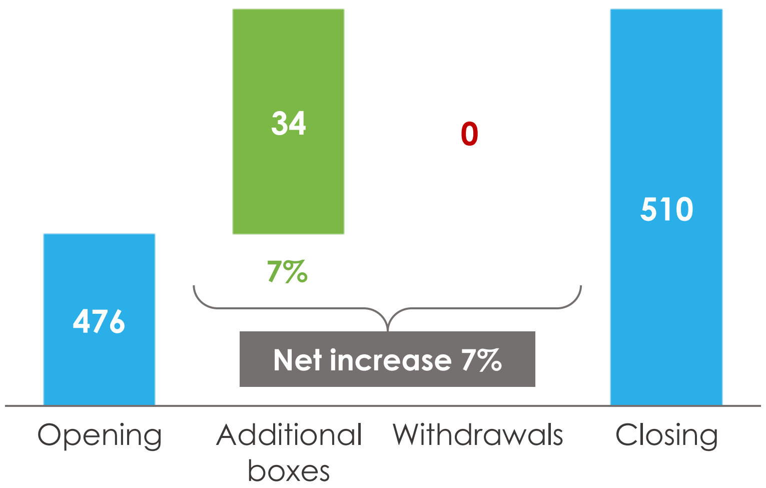


- Operations in Kenya, Botswana and Mozambique.
- Revenue marginally increased to R105m.
- Operating profit decreased 73% to R11m mainly due to the inclusion in the prior year of a once-off gain following positive resolution of a long-standing dispute with a customer in Kenya.
- Additional costs incurred in Kenya related to Cloud Services' setup costs, in line with strategic introduction of cloud offering, and higher operating costs.
- Excluding these items, margins similar, and operating profit increased, when compared to prior year.
- MRM Kenya experienced an overall decline in financial performance resulting in a goodwill impairment of R31m.
- Net box volumes decreased 9%.

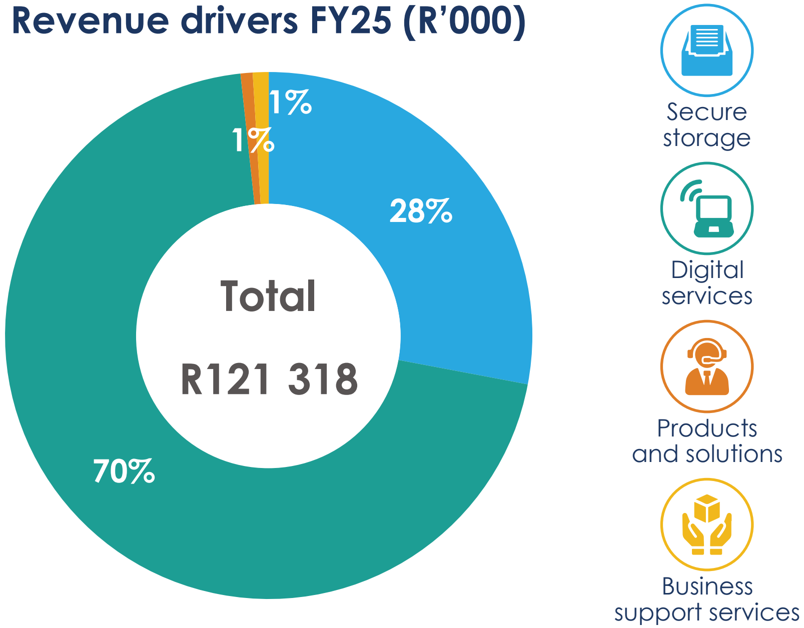
Divisional analysis: MRM Middle East

R'000	Jun 2025	Jun 2024	Variance
Revenue	121 318	119 601	1%
Operating (loss)/profit	(5 326)	2 148	(348%)
EBITDA	(1 158)	7 148	(116%)
Operating profit margin	(4%)	2%	(6%)
EBITDA margin	(1%)	6%	(7%)

Box movements ('000)



Revenue drivers FY25 (R'000)

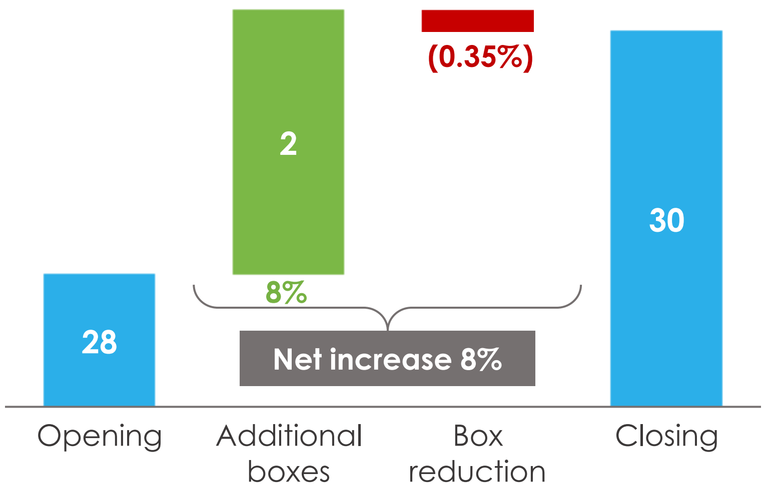


- Operations in United Arab Emirates, Oman and Saudi Arabia.
- Following a slow-down in intake of projects, revenue marginally increased to R121m.
- Operating loss of R5m incurred due to continued challenges on margins.
- Performance has seen a slight improvement when compared to 2HFY24.
- Do not expect an immediate change in the environment in the Middle East, have implemented various measures to mitigate challenges.
- Net box volume growth of 7%.

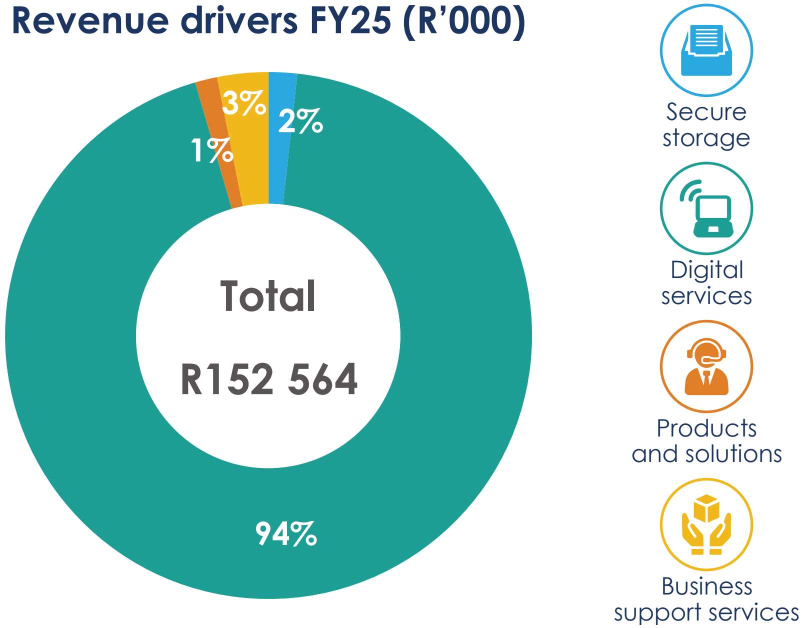
Divisional analysis: Cloud and Content Services*

R'000	Jun 2025	Jun 2024	Variance
Revenue	152 564	148 024	3%
Operating profit	17 749	25 038	(29%)
EBITDA	30 057	37 124	(19%)
Operating profit margin	12%	17%	(5%)
EBITDA margin	20%	25%	(5%)

Box movements ('000)



Revenue drivers FY25 (R'000)



- Includes Metrofile VYSION and Metrofile Cloud (previously IronTree).
- Overall, revenue increased 3% to R153m.
- Operating profit down 29% to R18m.
- Metrofile Cloud continued to demonstrate consistent growth and improved operating profit by 10% to R25m, mainly as a result of growth in hosting services.
- Metrofile VYSION, which includes workflow automation services, had a challenging period as operating results declined to a loss of R7m.

*In the current year, the Group updated its segment reporting. Products and Services South Africa is now represented by Cloud and Content Services South Africa The prior year figures have been updated for comparative purposes.

FY26 KEY PRIORITIES

FY26 key priorities

MRM South Africa warehouse consolidation

Geographical strategic review

Preserve and expand core business

Further enhance digital growth through additional solutions metrofile

THANK YOU