



metrofile

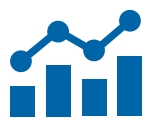
AUDITED SUMMARISED
CONSOLIDATED FINANCIAL RESULTS
FOR THE YEAR ENDED 30 JUNE **2025**



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Salient features



Revenue

R1 066m

↓ 7%



Operating profit*

R176m

↓ 12%



EPS

5.9c

↑ 51%



HEPS

13.3c

↓ 20%



Operating expenses

R789m

↓ 7%



Improvement in
net debt**

R479m

↓ 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.

Summarised consolidated statement of profit and loss

R'000	Notes	Audited 12 months ended 30 June 2025	Audited 12 months ended 30 June 2024
Revenue		1 066 132	1 140 546
Operating profit before interest, taxation, depreciation and amortisation (EBITDA)	6	276 750	287 337
Depreciation on property, plant and equipment		(49 273)	(37 603)
Depreciation on right-of-use asset		(37 607)	(36 162)
Amortisation		(13 546)	(13 802)
Operating profit before items below		176 324	199 770
Retrenchment, settlement and closure costs	7	(17 079)	(19 914)
Loss on disposal of asset held for sale	14	(1 316)	–
Impairment of goodwill	13	(30 529)	(53 588)
Operating profit		127 400	126 268
Net finance costs		(75 807)	(67 533)
Finance income		1 182	688
Finance costs		(62 549)	(54 362)
Finance costs on lease liabilities		(14 440)	(13 859)
Profit before taxation		51 593	58 735
Taxation		(26 544)	(36 119)
Profit for the year		25 049	22 616
Attributable to:			
Owners of the parent		24 850	16 615
Non-controlling interests		199	6 001
Profit for the year		25 049	22 616
Profit attributable to owners of the parent:			
Basic earnings per share (cents)	4	5.9	3.9
Diluted earnings per share (cents)	4	5.8	3.8

Summarised consolidated statement of other comprehensive income

R'000	Audited 12 months ended 30 June 2025	Audited 12 months ended 30 June 2024
Profit for the year	25 049	22 616
Other comprehensive income for the year	–	–
Currency movement on translation of foreign subsidiaries	(4 008)	(4 141)
Total comprehensive income for the year	21 041	18 475
Attributable to:		
Owners of the parent	21 043	12 688
Non-controlling interest	(2)	5 787

Summarised consolidated statement of financial position

R'000	Notes	Audited as at 30 June 2025	Audited as at 30 June 2024
ASSETS			
Non-current assets			
Property, plant and equipment	13	601 273	611 966
Goodwill		276 153	307 107
Intangible assets		51 874	60 854
Right-of-use assets		89 560	104 413
Deferred taxation assets		13 969	16 295
Total non-current assets		1 032 829	1 100 635
Current assets			
Inventories		5 580	14 418
Trade receivables		199 653	231 452
Other receivables		54 096	72 713
Tax receivables		7 177	12 736
Cash and cash equivalents		79 890	62 169
		346 396	393 488
Assets classified as held for sale		–	15 000
Total current assets		346 396	408 488
Total assets		1 379 225	1 509 123
EQUITY AND LIABILITIES			
Equity		484 223	522 238
Equity attributable to owners of the parent		478 092	516 105
Non-controlling interests		6 131	6 133
Non-current liabilities		691 049	738 579
Interest-bearing liabilities		559 259	599 525
Lease liabilities		80 749	90 251
Deferred taxation liabilities		51 041	48 803
Current liabilities		203 953	248 306
Trade and other payables		128 750	153 983
Provisions		16 474	22 874
Deferred revenue		20 474	19 786
Taxation		6 172	12 473
Lease liabilities		32 083	39 180
Bank overdraft		–	10
Total equity and liabilities		1 379 225	1 509 123

Summarised consolidated statement of changes in equity

R'000	Note	Share capital and share premium	Accumulated profit/(loss)	Other reserves	Attributable to owners of the parent	Non-controlling interest	Total equity
Balance as at 30 June 2023		540 072	23 683	(1 196)	562 559	6 069	568 628
IFRS 2 expense		–	–	7 495	7 495	–	7 495
Dividends declared		–	(67 623)	–	(67 623)	(4 856)	(72 479)
Fair value adjustment on acquisition related liabilities		–	4 510	–	4 510	–	4 510
Transactions with non-controlling interests	9	–	867	–	867	(867)	–
Share buy-back		(4 391)	–	–	(4 391)	–	(4 391)
Total comprehensive income for the year ended 30 June 2024		–	16 615	(3 927)	12 688	5 787	18 475
Balance as at 30 June 2024		535 681	(21 948)	2 372	516 105	6 133	522 238
IFRS 2 income		–	–	(4 505)	(4 505)	–	(4 505)
IFRS 2 exercised		–	–	(8 112)	(8 112)	–	(8 112)
Dividends declared		–	(46 439)	–	(46 439)	–	(46 439)
Total comprehensive income for the year ended 30 June 2025		–	24 850	(3 807)	21 043	(2)	21 041
Balance as at 30 June 2025		535 681	(43 537)	(14 052)	478 092	6 131	484 223

Summarised consolidated statement of cash flows

R'000	Audited 12 months ended 30 June 2025	Audited 12 months ended 30 June 2024
Cash flows from operating activities		
Cash generated from operations before net working capital changes	252 981	266 758
Decrease in net working capital	28 957	42 065
Cash generated from operations	281 938	308 823
Finance cost paid	(77 255)	(68 608)
Finance income received	1 182	688
Normal taxation paid	(22 881)	(41 692)
Net cash inflow from operating activities	182 984	199 211
Cash flows from investing activities		
Capital expenditure: expansion	(41 412)	(48 504)
Capital expenditure: replacement	(5 897)	(4 477)
Proceeds from sale of property, plant and equipment	18 914	1 986
Long-term vendor consideration	–	3 500
Net cash outflow from investing activities	(28 395)	(47 495)
Cash flows from financing activities		
Repayment of interest-bearing liabilities	(40 000)	–
Interest-bearing liabilities raised	–	108 584
Payment of lease liabilities	(35 669)	(36 037)
Dividends paid	(47 086)	(66 135)
Dividends paid to non-controlling interest	–	(4 856)
Purchase of treasury shares	–	(4 391)
Share based payment exercised	(8 112)	–
Settlement of acquisition related liabilities	–	(79 719)
Net cash outflow from financing activities	(130 867)	(82 554)
Net increase in cash and cash equivalents	23 722	69 162
Cash and cash equivalents at the beginning of the year	62 159	(4 407)
Effects of exchange rate movement on cash balances	(5 991)	(2 596)
Net cash and cash equivalents at the end of the year	79 890	62 159
Represented by:		
Cash and cash equivalents	79 890	62 169
Bank overdraft	–	(10)

Notes to the financial results

1. Basis of preparation and accounting policies

The directors take full responsibility for the preparation of these audited summarised consolidated Group results. The Group results and the full set of consolidated financial statements have been prepared under the supervision of Mr S Mansingh, CA(SA), MBA. The summarised financial information has been prepared in accordance with the framework concepts, measurement and recognition requirements of the IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards), issued by the IFRS Interpretations Committee, the Companies Act of South Africa as well as the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, and as a minimum contain the information as required by IAS 34: Interim Financial Reporting and the JSE Listings Requirements. The accounting policies and basis of preparation for the financial statements are in all respects consistent with those applied in the 2024 annual financial statements.

2. Audit opinion

The independent auditor, BDO, has issued its unmodified audit opinion, on the consolidated financial statements for the year ended 30 June 2025, in accordance with International Standards on Auditing. These summarised consolidated financial statements have been derived from the consolidated financial statements and are consistent in all material respects, with the consolidated financial statements. The unmodified audit report thereon is available in Appendix A of this report. The auditor's report does not necessarily report on all the information contained in this announcement. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a full copy of the auditor's report, together with the accompanying consolidated financial information, from the issuer's registered office or on the Company's website: <https://www.metrofile.com/investor-relations/>. Any reference to future financial performance included in this announcement has not been reviewed or reported on by the Company's auditor.

3. Summarised segmental information

The segmental information is based on information provided to the chief operation decision makers and operating profit is the key measure of segmental performance. Segmental disclosure consists of Metrofile Records Management ("MRM") South Africa, MRM Rest of Africa, MRM Middle East, Cloud and Content Services South Africa and Central and Eliminations.

R'000	Revenue		EBITDA	
	Audited 12 months ended 30 June 2025	Audited 12 months ended 30 June 2024	Audited 12 months ended 30 June 2025	Audited 12 months ended 30 June 2024
MRM South Africa	687 100	768 606	250 543	225 690
MRM Rest of Africa	105 150	104 315	35 012	56 920
MRM Middle East	121 318	119 601	(1 158)	7 148
Cloud and Content Services South Africa**	152 564	148 024	30 057	37 124
Central and Eliminations	–	–	(37 704)	(39 545)
Total	1 066 132	1 140 546	276 750	287 337
South African operations	839 664	916 630	242 897	223 269
Non-South African operations	226 468	223 916	33 853	64 068

R'000	Operating profit		Tangible assets*	
	Audited 12 months ended 30 June 2025	Audited 12 months ended 30 June 2024	As at 30 June 2025	As at 30 June 2024
MRM South Africa	197 511	178 413	747 320	812 234
MRM Rest of Africa	10 833	39 777	141 056	157 218
MRM Middle East	(5 326)	2 148	96 050	110 551
Cloud and Content Services South Africa**	17 749	25 038	55 428	56 249
Central and Eliminations	(44 443)	(45 626)	(2 624)	(11 385)
Total	176 324	199 770	1 037 230	1 124 867
South African operations	170 817	157 845	800 124	857 097
Non-South African operations	5 507	41 925	237 106	267 770

* Tangible assets comprise of property, plant and equipment, inventories, trade and other receivables, cash and cash equivalents and right-of-use assets.

** 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.

Notes to the financial results continued

3. Summarised segmental information continued

R'000	Revenue streams				Total
	Secure storage	Digital services	Products and solutions	Business support services	
	2025				
MRM South Africa	513 263	67 864	56 207	49 766	687 100
MRM Rest of Africa	87 923	5 167	8 389	3 671	105 150
MRM Middle East	33 930	85 309	901	1 178	121 318
Cloud and Content Services South Africa	2 664	143 048	2 074	4 778	152 564
Total	637 780	301 388	67 571	59 393	1 066 132
R'000	2024				
MRM South Africa	500 316	63 890	153 065	51 335	768 606
MRM Rest of Africa	90 838	4 789	5 572	3 116	104 315
MRM Middle East	31 266	88 022	313	–	119 601
Cloud and Content Services South Africa	1 790	140 162	1 834	4 238	148 024
Total	624 210	296 863	160 784	58 689	1 140 546

The segment report is based on the information provided to the chief operational decision makers, Thabo Seopa and Shivan Mansingh.

4. Reconciliation of headline earnings

R'000	Audited 12 months ended 30 June 2025	Audited 12 months ended 30 June 2024
Reconciliation of headline earnings		
Profit attributable to owners of the parent	24 850	16 615
Adjusted for:		
Profit on disposal of plant and equipment	(873)	(480)
Loss on disposal of assets held for sale	1 316	–
Impairment of goodwill	30 529	53 588
Tax effect of above items	235	130
Headline earnings	56 057	69 853
Reconciliation of normalised headline earnings		
Headline earnings	56 057	69 853
Adjusted for:		
Retrenchment, settlement and closure costs	17 079	19 914
Tax effect of above items	(4 666)	(5 377)
Normalised headline earnings	68 470	84 390
Weighted average number of shares in issue ('000)	422 175	422 634
Diluted weighted average number of shares in issue ('000)*	431 523	440 329
Earnings per share (cents)		
– Basic	5.9	3.9
– Diluted	5.8	3.8
Headline earnings per share (cents)		
– Basic	13.3	16.5
– Diluted	13.0	15.9
Normalised headline earnings per share (cents)		
– Basic	16.2	20.0
– Diluted	15.9	19.2
Dividend per share (cents)		
– Interim dividend per share paid (cents)	4.0	7.0
– Final dividend per share proposed/paid (cents)	–	7.0

* Dilutive shares for the year ended 30 June 2025 amounted to 9.3 million shares (2024: 17.7 million shares).

Notes to the financial results continued

5. Financial risk

The Group is exposed to fixed and variable interest rates (3 month JIBAR interest rate benchmark plus interest rate scale) within its debt profile.

The interest rate exposure of the existing facilities is as follows:

R'000	Total facilities	Unutilised as at 30 June 2025	Capital outstanding as at 30 June 2025	Variable interest rate
RCF loan facility	150 000 000	–	150 000 000	3 month JIBAR plus margin
Bullet loan facility	352 000 000	–	352 000 000	3 month JIBAR plus margin
Accordion bullet RCF	100 000 000	40 000 000	60 000 000	3 month JIBAR plus margin
Working capital facility	150 000 000	150 000 000	–	Prime interest rate minus 1%
Total committed facilities	752 000 000	190 000 000	562 000 000	
Total uncommitted facilities	100 000 000	100 000 000		

Interest rate scale – margin premium

	Bullet/RCF loan (3 month JIBAR plus) %	Accordion loan (3 month JIBAR plus) %
Gross debt/EBITDA		
Greater than 2.5 times	2.75	2.50
Greater than 2.0 times, less than 2.5 times	2.50	2.25
Less than 2.0 times	2.25	2.00

6. Operating profit before interest, taxation, depreciation and amortisation (EBITDA)

Items included in EBITDA for the year are as follows:

R'000	Audited 12 months ended 30 June 2025	Audited 12 months ended 30 June 2024
Materials and consumables	(79 170)	(128 549)
Staff costs	(399 099)	(413 455)
Other operating expenses	(313 292)	(336 712)
Other operating income	2 179	25 507

7. Retrenchment, settlement and closure costs

During the period under review, various restructuring initiatives continued, specifically in the segments of Central and Eliminations, MRM South Africa as well as MRM Mozambique. The amount incurred during the period was R17 million.

8. Statement of financial position movements

Trade and other receivables has decreased as a result of continued improvements in customer collections. Right-of-use assets and lease liabilities both decreased as a result of unwinding of existing leases. During the year goodwill was impaired by R31 million. Refer to note 13.

Notes to the financial results continued

9. Transactions with non-controlling interests (NCI)

In the prior year, the Group purchased the remaining 30% shareholding of Metrofile Cloud (formerly, IronTree) for R70 million. As a result, the remaining balance of NCI relating to Metrofile Cloud of R0.9 million was transferred to accumulated profits.

10. Fair value estimates

The carrying value of financial instruments estimate their fair value.

11. Commitments

Metrofile owns or leases premises based on the prevailing economic realities in each country in which we operate. Capital investment plans for the next 12 months are expected to be R71 million (FY2025: R68 million).

12. Subsequent events

Other than the potential transaction referred to in the further cautionary announcement published on the Stock Exchange News Services (SENS) on 28 August 2025, no subsequent events have occurred after the reporting date as of 30 June 2025 and up to the date that the group's annual financial statements were approved.

13. Goodwill

In line with the annual requirement to assess goodwill for impairment, the various groups of cash generating units were assessed accordingly using the discounted cash flow method to determine the value in use. For the goodwill allocated to the asset held for sale, fair value less costs of disposal was used to assess for impairment.

Goodwill attributable to these CGUs was assessed for impairment and the following key assumptions were applied:

- Revenue growth rates of between 5% and 15% (2024: 4% - 16%).
- Cost growth rates of between 5% and 7% (2024: 6% - 8%).
- Discount rates (pre-tax WACC) of between 15% and 30% (2024: 14% - 32%).

R'000	Consolidated	
	2025	2024
Net carrying value of goodwill attributable to the following CGUs:		
MRM South Africa	151 641	151 641
MRM Kenya	16 602	47 131
MRM Botswana	25 740	26 165
Vysion	24 048	24 048
Metrofile Cloud	58 122	58 122
	276 153	307 107
Opening balance	307 107	373 542
Goodwill impaired	(30 529)	(53 588)
Goodwill reclassified as held for sale	–	(11 896)
Effect of foreign exchange differences*	(425)	(951)
Closing balance	276 153	307 107

* This relates to the foreign currency translation effect on foreign denominated goodwill.

Notes to the financial results continued

13. Goodwill continued

13.1 Goodwill impairment testing

Goodwill is allocated to the appropriate CGU according to the type of business and where it operates. The CGUs represent the identifiable assets for which an active market exists and which generate independent cash flows.

The carrying amount of goodwill is subject to an impairment test. The impairment tests are carried out on all goodwill and indeterminate life intangible assets within each CGU. Various economies have traded under challenging circumstances. The goodwill assessments have included consideration of these factors in the growth rates and discount rates. As at 30 June 2025 goodwill relating to MRM Kenya CGU was impaired by R31 million (2024: R54 million).

Impairment of goodwill arises when the recoverable amount of the CGU is less than the carrying value including goodwill. For the purpose of the goodwill impairment tests the carrying value of goodwill is grossed up to include the non-controlling interest. The recoverable amount is determined as the greater of the fair value, less costs to sell or the value in use. Therefore the value in use method is used to assess the goodwill for impairment.

A sensitivity analysis was performed on all CGUs by reasonably changing the key assumptions as disclosed below to their high and low end ranges. A 2% decrease in revenue growth rates would result in a R10 million impairment in Kenya and a R2 million impairment in Vysion. No impairment was identified on any of the other CGUs.

13.2 Key assumptions used in value-in-use calculations

Cash flow projections in functional currency

The value in use is calculated using the forecasted cash inflows and outflows which are expected to be derived from continuing use of the CGU and its ultimate disposal. Cash flow projections for financial forecasts are based on past experience, expected revenue, operating margins, working capital requirements and capital expenditure, based on approved budgeted financial information as well as available external market data.

The expected revenues are based on market assumptions, volume growth and price increases. No significant change in market share was assumed during the forecasted period of five years and is based on the average market share in the period immediately before the forecast period. Volume growth was based on average growth experienced in recent years. The cash flows are determined in local currency of the country and discounted using rates appropriate for that currency. The present value is then translated at the spot exchange rate at the reporting date.

Operating margins reflect past experience but are adjusted for any expected changes for the individual CGU. Cash flow projections cover a five-year forecast period, which are then extrapolated into perpetuity using applicable terminal growth rates.

The key inputs used in arriving at projected cash flows were as follows:

Revenue growth rates

Revenue growth rates applied in revenue and margins are determined based on future trends within the industry, references to economic indicators eg inflation rates, annual GDP growth rates, geographic location and past experience within the operating divisions. Growth rates can fluctuate from year to year based on the assumptions used to determine these rates.

The Group used steady growth rates to extrapolate revenues beyond the forecasted period, which were consistent with publicly available information relating to long term average growth rates for each of the markets in which the respective CGUs operate.

Notes to the financial results continued

13. Goodwill continued

13.2 Key assumptions used in value-in-use calculations continued

Discount rates applied

A key assumption in the impairment assessment is the discount rate. The discount rates were determined by management using an independent specialist and present the current market assessment of the risks for each CGU. The rates take into consideration the time value of money and the individual risks of the underlying assets that have not been taken into account in the cash flow projections. The discount rate calculations are derived from the CGUs' weighted average cost of capital being the cost of debt and the cost of equity.

The cost of equity was arrived at by using the capital asset pricing model (CAPM) which, where necessary, takes into account an equity risk premium, country risk premiums and a small stock premium. The CAPM uses market betas of comparable entities in arriving at the cost of equity. In some markets, equity risk premiums have increased slightly, primarily due to higher country risk premiums. The cost of debt is based on the cost of interest-bearing borrowings and lease obligations the CGU has to service. The cost of debt has decreased across all markets.

The debt-to-equity ratio applied by arriving at the weighted average cost of capital was determined by applying market value weights based on theoretical target gearing levels, giving consideration to industry averages and using data of comparable entities. The inclusion of lease obligations into cost of debt has increased the debt weighting in the cost of capital. The decrease in the cost of equity and cost of debt across all markets as well as the increase in equity weighting to align to comparable entities has resulted in a decrease in discounted rates applied, with the exception of Vysion's discount rate increasing due to sector adjustments to the cost of equity and cost of debt.

The rates would be as follows:

CGU	Discount rates (pre-tax WACC)		Revenue growth rates	
	2025	2024	2025	2024
MRM South Africa	16% – 18%	18% – 21%	5% – 8%	5% – 8%
MRM Kenya	28% – 30%	29% – 32%	8% – 12%	4% – 10%
MRM Botswana	14% – 16%	14% – 20%	6% – 9%	6% – 9%
Vysion	23% – 25%	18% – 22%	5% – 10%	6% – 9%
Metrofile Cloud*	19% – 21%	20% – 24%	13% – 18%	13% – 16%

* In the current year, IronTree Internet Services CGU was renamed to Metrofile Cloud.

13.3 Impairment of goodwill

The impairment charge to goodwill is included in the summarised consolidated statement of profit and loss. As at 30 June 2025 goodwill was impaired by R30.6 million (2024: impairment charge of R53.6 million) recognised in profit and loss.

The goodwill accumulated impairments by CGUs were as follows:

R'm CGU	Accumulated impairment of goodwill	
	2025	2024
MRM Kenya*	181.6	151.1
Total	181.6	151.1

* The financial performance of MRM Kenya has continued to be challenging and has resulted in an impairment of R30.6 million (2024: R53.6 million).

Notes to the financial results continued

14. Assets held for sale

In the current year, the sale of the assets held for sale was concluded and proceeds of R15 million were received. The Group disposed of the asset held for sale and recognised a loss of R1 million.

15. Going concern

Performance

Revenue decreased by 7% primarily due to the exit of the Tidy Files manufacturing operations. Due to continued challenges, particularly in the Middle East as well as the Rest of Africa, offset by growth in MRM South Africa, EBITDA declined by 4% to R277 million. Cash generated from operations amounted to R282 million. Collections from debtors improved in the last 12 months. The Group's net cash position improved to R80 million and the Group has unutilised facilities of R150 million. Improvement of working capital and margins continues to be the Group's operational priority.

Solvency and Liquidity

As at 30 June 2025, the consolidated statement of financial position reflected total equity of R484 million.

The Group has externally imposed capital requirements in terms of debt covenants. The covenants, which are calculated on a basis pre IFRS 16 Leases, require the Group to maintain a net debt to EBITDA of less than 2.5 times and an EBITDA to net interest expense ratio of no less than 3.5 times.

At 30 June 2025, in line with the requirements of the Group's covenants, net debt to EBITDA was 2.15 times and net interest ratio was 3.62 times. The requirements are expected to continue to be met in the foreseeable future.

The Group continues to strictly monitor capital expenditure in order to ensure positive working capital management.

Commentary on the results

The Group in context

Over the past four decades, Metrofile has established a credible and trusted reputation of being a leader in information governance and management offering quality products and services to organisations of all sizes and sectors across South Africa, Kenya, Botswana, Mozambique and the Middle East. We operate from 69 facilities at 34 locations covering 116 250 square meters of warehousing space. Metrofile's services assist clients in structuring, managing and accessing their information in any format, in any location, at any given time. Our clients are guided to ensure that adherence to all legislative requirements is met and that their most valuable asset, their information, is protected. We partner with our clients on their digital transformation journey with our digital services and solutions, whilst retaining our core offerings, such as the physical management of records and information. These digital offerings include the provision of data management services, including cloud backup, disaster recovery and specialised hosting in a private cloud, as well as business process optimisation through the use of advanced electronic information management systems. By providing end-to-end services across all aspects of the information management lifecycle, we are well placed to meet the evolving demands of our clients and to assist them on their digital transformation journey, which includes digitising processes from end-to-end. Empowerment partner and strategic shareholder, Mineworkers Investment Company, owns 39.20% (30 June 2024: 39.20%) of Metrofile's equity (net of treasury shares).

Results overview

Results overview for the year:

- Revenue from ongoing operations, excluding the exited Tidy Files manufacturing operations, increased by 5% to R1 066 million, driven by continued growth in secure storage and cloud services, partially offset by declines in content services and image processing.
- Operating profit decreased by 12% to R176 million, and EBITDA declined by 4% to R277 million, primarily due to a decline in content services by Metrofile Vysion as well as continued margin pressure in Kenya and the Middle East.
- Headline earnings per share (HEPS) decreased by 20% to 13.3 cents, and normalised HEPS declined by 19% to 16.2 cents.
- Net debt reduced by 11% to R479 million, reflecting continued strong cash generation.

Results review

The Group delivered a disappointing performance for the full year, notwithstanding the continued recovery of MRM South Africa and strong growth in cloud services. Despite headwinds in Rest of Africa and the Middle East, strategic initiatives and leadership changes supported operational improvements. Robust cash generation enabled further deleveraging of the balance sheet.

Financial review

Revenue

Revenue decreased by 7% to R1 066 million, mainly due to the reduction in product sales following the exit of the Tidy Files manufacturing operation. Demand for cloud services remained strong and now contributes 34% (FY2024: 32%) of our digital services revenue.

Secure storage contributed 60% to Group revenue and was up 2% mainly as a result of price increases as well as additional revenue generated from paper services. We have noted an increase in the number of destruction requests from our clients that has placed pressure on storage box volumes. Closing box volumes for the Group as at 30 June 2025 were 11.0 million (30 June 2024: 11.1 million). Gross box volume intake increased by 6% from new and existing clients and was offset by destructions and withdrawals of 8%. Net box volumes decreased in South Africa by 2% and in the Rest of Africa by 9%, but showed growth in the Middle East of 7%.

Digital services contributed 28% to Group revenue and marginally grew by 1% year-on-year following 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 South Africa. Digital services continued to be our second largest revenue contributor and despite a weaker period, this solution offering has been our largest growth area over the recent years.

Products and solutions' revenue decreased by 57% mainly due to the exit of the Tidy Files manufacturing operation. Business support services decreased by 2% following a reduction in work area recovery services. Products and solutions and business support services each contribute 6% to Group revenue.

Commentary on the results continued

Operating profit

Operating profit, before retrenchment, settlement and closure costs, reduced by 12% to R176 million (FY2024: R200 million). Positive progress has been made in resolving operational challenges from the prior year particularly in MRM South Africa that has 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 a reduction in profit margins in the Middle East and Kenya.

Cash and debt

Net finance costs were 12% higher at R76 million (FY2024: R68 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 11% to R479 million (FY2024: R537 million) as a result of continued strong cash generation.

Review of operations

MRM South Africa

Revenue from MRM South Africa's ongoing operations increased by 4% primarily due to the growth in secure storage, product sales and image processing volumes. Following a challenging prior year, the action plans to address these challenges have resulted in improvements in financial performance. An enhanced focus on customer service, as well as the resolution of various operational challenges, has seen a recovery in margin as well as an increase in the sales pipeline.

As a result of the positive progress due to the turnaround initiatives, operating profit increased by 11% to R198 million (FY2024: R178 million) and EBITDA increased by 11% to R251 million (FY2024: R226 million). Cash collections have increased and contributed to the overall group improvement in cash generated from operations following the successful resolution of various long-standing customer queries, enhanced customer engagement and the successful resolution of some operational challenges.

MRM Rest of Africa

MRM Rest of Africa consists of operations in Kenya, Botswana and Mozambique. Revenue marginally increased to R105 million (FY2024: R104 million) and operating profit decreased by 73% to R11 million (FY2024: R40 million). The reduction in operating profit from the prior year was mainly due to the inclusion in the prior year of a once-off gain following the positive resolution of a long-standing dispute with a customer in Kenya. During the current period under review, additional costs incurred in Kenya related to Cloud Services' setup costs in line with the strategic introduction of the cloud offering, as well as higher operating costs. Excluding these items, the margin was similar and operating profit increased when compared to the prior year. MRM Kenya experienced an overall decline in financial performance that resulted in an impairment of R31 million of goodwill.

MRM Middle East

MRM Middle East consists of operations in the United Arab Emirates, Oman and Saudi Arabia. Following a slow-down in the intake of projects, revenue marginally increased to R121 million (FY2024: R120 million). The region incurred an operating loss of R5 million (FY2024: R2 million operating profit) due to continued challenges on margins, however the performance has seen a slight improvement when compared to the second half of the prior year. While we do not expect an immediate change in the environment in the Middle East, we have implemented various measures to mitigate these challenges.

Cloud and Content Services South Africa

Our Cloud and Content Services South Africa suite of offerings includes Metrofile VYSION and Metrofile Cloud (previously IronTree). Overall, revenue increased by 3% to R153 million (FY2024: R148 million) with operating profit decreasing by 29% to R18 million (FY2024: R25 million). Metrofile Cloud continued to demonstrate consistent growth and improved operating profit by 10% to R25 million (FY2024: R23 million), 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 R7 million (FY2024: operating profit of R2 million).

Commentary on the results *continued*

Update relating to the potential transaction

Metrofile shareholders are referred to the further cautionary announcement dated 28 August 2025 in terms of which shareholders were advised that discussions relating to the potential acquisition of the Company (the "Potential Transaction") by Main Street 2093 (RF) Proprietary Limited, a special purpose company through which the Potential Transaction will be implemented and wholly owned by a holding company ("HoldCo"), continue to progress and remain at an advanced stage, although the timeline has been extended due to regulatory engagements. Shareholders were further advised to continue to exercise caution when trading in their Metrofile shares until a further announcement is made.

As previously advised, HoldCo is a newly incorporated limited liability private company incorporated in Delaware which shareholding is currently held by WndrCo LLC ("WndrCo"), Mr James Simmons and his family and selected high net worth individuals. WndrCo is a multi-stage technology investment firm founded in 2016 with a thematic focus of consumerisation of software. WndrCo employs professionals in Silicon Valley and New York City with strong operating capabilities and unique networks of partners. Its investor base includes leading institutions, corporate partners and family offices.

Dividend declaration

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 and the full year dividend per share decreased by 71% (FY2024: final dividend of 7 cents per share).

Changes to the Board of Directors

Mary Bomela left the employment of MIC and her role on the Metrofile Holdings board changed to an independent non-executive director effective 25 March 2025. No other changes were made to the Board of Directors subsequent to the changes reported at the release of the interim results on 3 March 2025.

Shareholders are further referred to the SENS announcement published on 9 July 2025 regarding the withdrawal of the Group Chief Financial Officer appointment of Bradley Swanepoel. Following subsequent discussion between Metrofile and Bradley, it has been mutually agreed that Bradley will no longer be taking up the position of Group CFO and Executive Director, and his appointment was accordingly withdrawn. Shivan Mansingh will continue in his dual role as Metrofile Holdings Limited Group CFO and Managing Director of Metrofile Records Management South Africa until further advised.

Outlook

We expect continued recovery from MRM South Africa and further expansion of our cloud services in line with our digital strategy. However, the external operating environment in the Middle East and certain African markets remains challenging. Management remains focused on geographic and operational optimisation to enhance profitability. The geographical strategic review has commenced; however, is subject to the outcome of the potential transaction.

The leadership changes made during 1H FY2025 are gaining traction, and we are focused on driving a robust digital-first product suite that aligns with clients' evolving needs. Cash generation remains strong, supporting our aim to reduce gearing and invest in technology-led solutions.

Forward-looking statement

Statements on future financial performance have not been reviewed or audited by the Group's external auditors. The Group cannot guarantee that any forward-looking statement will materialise and, accordingly, readers are cautioned not to place undue reliance on these. The Group disclaims any intention and assumes no obligation to update or revise any forward-looking statement, even if new information becomes available as a result of future events or for any other reason, other than as stipulated by the JSE Listings Requirements.

Lindiwe Mthimunye
Chairman of the Board

Thabo Seopa
Group Chief Executive Officer

Illovo
8 September 2025

Corporate information

Directors

LE Mthimunye (Chairman)^{^*}, P Langeni (Executive Deputy Chairman), Thabo Seopa (CEO), S Mansingh (CFO), SV Zilwa^{†*}, MS Bomela^{^*}, A Khumalo^{^*}, CS Seabrooke^{^*}, DL Storom^{*}, L Rood (Alternate)^{^*}.

[^] Independent

^{*} Non-executive


[†] Lead independent

Company Secretary

EM Smuts

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The Standard Bank of South Africa Limited

Transfer secretaries


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METROFILE HOLDINGS LIMITED:
Incorporated in the Republic of South Africa
(Registration number 1983/012697/06)
Share code: MFL ISIN: ZAE000061727
("Metrofile" or "the Company" or "the Group")

Appendix A

Independent Auditor's Report on the Summarised Consolidated Financial Statements to the shareholders of Metrofile Holdings Limited

Opinion

The summarised consolidated financial statements of Metrofile Holdings Limited, contained in the accompanying report, which comprise the summarised consolidated statement of financial position as at 30 June 2025, the summarised consolidated statement of profit and loss and summarised consolidated statement of other comprehensive income, the summarised consolidated statement of changes in equity and the summarised consolidated statement cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Metrofile Holdings Limited for the year ended 30 June 2025.

In our opinion, the accompanying summarised consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the requirements of the JSE Limited Listings Requirements for reports, as set out in note 1 to the summarised financial statements, and the requirements of the Companies Act of South Africa as applicable to summarised financial statements.

Summarised Consolidated Financial Statements

The summarised consolidated financial statements do not contain all the disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board, the SA financial reporting requirements and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summarised consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The Audited Consolidated Financial Statements and our Report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 8 September 2025. That report also includes

- the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

Directors' responsibility for the summarised consolidated financial statements

The directors are responsible for the preparation of the summarised consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements, set out in the note 1 to the summarised financial statements, and the requirements of the Companies Act of South Africa as applicable to summarised financial statements.

The Listings Requirements require summarised consolidated financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS Accounting Standards as issued by the International Accounting Standards Board, the SA financial reporting requirements and to also, as a minimum contain the information required by International Accounting Standard (IAS) 34, *Interim Financial Reporting*.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summarised consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

BDO South Africa Inc.

BDO South Africa Incorporated
Registered Auditors

Mandisi Mantyi
Director
Registered Auditor

8 September 2025

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