



ALTRON

**Interim financial results for
the six months ended 31 August 2025**

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ALTRON LIMITED

Registration number 1947/024583/06
(Incorporated in the Republic of South Africa)
Share code: AEL
ISIN: ZAE000191342
("Altron" or "Group" or "the Company")

Unaudited consolidated results

for the six months ended 31 August 2025

(“H1 FY26”) and cash dividend declaration

SALIENT FEATURES

- Continuing operations¹ revenue of R4.8 billion, down 1%. Group revenue down 4% to R4.9 billion.
- Continuing operations¹ earnings before interest, tax, depreciation and amortisation (“EBITDA”) of R938 million, up 4%. Group EBITDA up 2% to R905 million.
- Continuing operations¹ operating profit of R549 million, up 15%, positively impacted by the change in depreciation policy in Netstar. Group operating profit up 11% to R516 million.
- Continuing operations¹ headline earnings per share (“HEPS”) of 96 cents, up 22%. Group HEPS up 18% to 87 cents.
- Continuing operations¹ earnings per share (“EPS”) of 84 cents, up 12%. Group EPS down 6% to 66 cents, impacted by the Altron Nexus loss.
- Interim dividend of 48 cents, an increase of 20%.

R million	CONTINUING OPERATIONS ¹			GROUP (INCLUDING DISCONTINUED OPERATIONS ²)		
	H1 FY26	H1 FY25	% change ³	H1 FY26	H1 FY25	% change ⁴
Revenue	4 825	4 868	(1%)	4 914	5 104	(4%)
EBITDA ³	938	905	+4%	905	891	+2%
Operating profit ³	549	477	+15%	516	463	+11%
Net profit after tax	330	298	+11%	258	276	(7%)
HEPS	96 cents	79 cents	+22%	87 cents	74 cents	+18%
EPS	84 cents	75 cents	+12%	66 cents	70 cents	(6%)
Dividend				48 cents	40 cents	+20%

Notes

- Continuing operations include Netstar, Altron FinTech, Altron HealthTech, Altron Digital Business, Altron Security, Altron Document Solutions, Altron Arrow and excludes Altron Nexus.
- Discontinued operations includes Altron Nexus which was sold on 1 August 2025.
- Capital items excluded from EBITDA and operating profit, comprise loss and costs on disposals, impairments, capital rental devices written off, and lease modifications and terminations where applicable.
- All growth rates quoted are year-on-year and refer to the six months ended 31 August 2025 compared to the six months ended 31 August 2024, unless stated otherwise.

KEY BUSINESS DEVELOPMENTS

- Netstar continued its growth trajectory with subscribers growing by 11% to 2.1 million. The South Africa business delivered strong results, with the turnaround in Australia expected to return that business to profitability and make a positive contribution in the second half and for the full year of FY26. EBITDA increased by 10% and operating profit by 54%, positively impacted by the change in depreciation policy to more closely align with the new proven useful lives of capital rental assets and industry standards.
- Altron FinTech continued its strong performance, growing revenue 24%, EBITDA by 18% and operating profit by 20%. This was mainly driven by ongoing success in attracting new small and medium-sized enterprises (“SME”) customers to its collections and payment platform, supported by strong growth in sales and rentals of point-of-sale (“POS”) devices, and the related transaction throughput.
- Altron Digital Business has had a challenging half-year in a muted IT investment environment. It has implemented a profit improvement strategy and remains focused on executing current mandates and growing market share.
- Altron continues to invest in growth with R342 million growth capital expenditure in the period, focused primarily on Netstar, Altron FinTech, and systems and platforms.
- Altron recently launched its AI Factory, providing South African companies with enterprise-level AI infrastructure and services, enabling them to build cutting-edge AI solutions and innovate at a competitive price on an as-a-service basis.

Commenting on the results CEO Werner Kapp said, “I am pleased with this period’s strong financial performance in the challenging economic environment. I am particularly encouraged by the growth and returns in our Platforms segment, which we continue to invest behind to support Altron’s strategy. Our strong financial position and cash flow generation have allowed us to increase the interim dividend by 20%”.

Unaudited consolidated results

for the six months ended 31 August 2025

("H1 FY26") and cash dividend declaration (continued)

DETAILED FINANCIAL OVERVIEW

The positive momentum from the 2025 financial year carried into H1 FY26, with Altron delivering another strong set of results. Revenue from continuing operations declined by 1% to R4.8 billion, reflecting the challenging environment in the IT Services and Distribution businesses; however, this was offset by robust growth in the Platforms segment. Group revenue, including discontinued operations, fell by 4% due to a lower contribution from Altron Nexus in these results.

EBITDA from continuing operations increased by 4% to R938 million, while Group EBITDA rose by 2% to R905 million. At the operating profit level, continuing operations saw a 15% growth to R549 million, with Netstar, Altron FinTech, Altron HealthTech, and Altron Document Solutions all contributing significant double-digit growth. Operating profit was positively impacted by the change in Netstar's depreciation policy. The Group achieved a 11% rise in operating profit to R516 million.

The Group remains highly cash-generative and well-capitalised, providing a robust foundation and flexibility for executing its immediate strategic initiatives. Cash dividend for the period was increased by 20% to 48 cents per share, reflecting the strong growth in headline earnings.

Segmental overview

Altron organises its businesses into the following operating segments, in line with its strategy to be the leading platforms and IT services company in its chosen markets:

- **Platforms:** Netstar, Altron FinTech, and Altron HealthTech.
- **IT services:** Altron Digital Business, Altron Security and Altron Document Solutions.
- **Distribution:** Altron Arrow.
- **Other:** Consolidation and other international operations.

Altron Nexus was classified as held-for-sale in discontinued operations up to the date of its disposal on 1 August 2025.

CONTINUING¹ OPERATIONS

R million	H1 FY26	H1 FY25	% change ⁴
Revenue			
Platforms	2 179	1 943	+12%
IT services	2 410	2 597	(7%)
Distribution	288	376	(23%)
Other	(52)	(48)	(8%)
EBITDA³			
Platforms	881	776	+14%
IT services	92	157	(41%)
Distribution	19	35	(46%)
Other	(54)	(63)	+14%
Operating profit³			
Platforms	547	415	+32%
IT services	61	120	(49%)
Distribution	18	35	(49%)
Other	(77)	(93)	+17%

Unaudited consolidated results

For the six months ended 31 August 2025

(“H1 FY26”) and cash dividend declaration

(continued)

Platforms

The Platforms segment grew revenue by 12% to R2.2 billion, with EBITDA growing 14% to R881 million and operating profit up 32% to R547 million.

- Netstar revenue rose 8% to R1.2 billion, EBITDA grew 10% to R540 million, and operating profit increased 54% to R225 million.
 - Netstar continued to grow its market share with the subscriber base growing 11% to 2.1 million. 248 000 gross subscribers were added during the period, with 81 000 net subscriber additions. Consumer subscribers increased by 8%, while higher-margin enterprise customers grew by 16%. Churn, excluding original equipment manufacturer (“OEM”) partnerships, increased marginally from 17% to 18%.
 - Key operational metrics were maintained above target levels, with contract fulfilment rate and pre-fitment conversion rate above 90% and 60% respectively.
 - Netstar revised its depreciation policy at the start of the financial year, increasing the depreciation period for eligible capital rental devices from three to an average of five years, based on an independently calculated useful life assessment. This adjustment better aligns the depreciation pattern of these assets with their economic lifespan and industry norms. As a result, the depreciation expense was approximately R65 million lower for the period than it would have been under the previous policy. Excluding the change in depreciation policy, Netstar’s operating profit increased by 10%.
- Altron FinTech increased its revenue by 24% to R750 million, driven by ongoing success in attracting new SME customers to its collections and payment platform and expanding its customer base by over 40%, with the number of debit orders reaching 20 million, and value thereof reaching R24 billion, both increasing by more than 30%. In the Integrated Transaction Solutions business, sales and rentals of POS devices saw strong growth, with the related transaction throughput growing over 30%. EBITDA rose by 18% to R274 million, while operating profit grew by 20% to R257 million.
- Altron HealthTech revenue remained flat at R201 million, while EBITDA increased by 21% to R67 million, and operating profit grew by 20% to R65 million. Annuity revenue rose by 12%, supported by double-digit growth in both corporate and private practice network licence revenues and stable switching volumes. This was offset by a decline in project revenues. The adoption of data-driven services continues, particularly with the oncology solution, as well as an encouraging pipeline in the financial services market.

IT services

The IT Services segment revenue decreased 7% to R2.4 billion. EBITDA decreased by 41% to R92 million, with operating profit down 49% to R61 million.

- Altron Digital Business revenue decreased by 10% to R1.5 billion. The IT Services industry remains muted, with the major corporate and public sector IT spenders delaying IT investments in this economic environment. Pressure was also felt from changes to OEM partner rebate structures implemented in January 2025. EBITDA decreased to a loss of R32 million from a profit of R47 million, and operating profit dropped from R34 million to an operating loss of R42 million. Altron Digital Business has implemented a profit improvement strategy aimed at removing R150 million from its cost base, the full impact of which will be felt in FY27. Altron Digital Business remains focused on executing its current mandates and growing market share. Altron Digital Business remains well-positioned for any upturn in the IT services industry.
- Altron Security revenue increased 2% to R252 million, with growth in software and managed services revenue offset by a pullback in integration and professional services. A change in agency versus principal mix reduced margins slightly, leading to EBITDA dropping 2% to R78 million. Operating profit increased 6% to R70 million, benefiting from a lower depreciation charge this period.
- Altron Document Solutions revenue decreased 5% to R697 million, EBITDA increased 53% to R46 million, and operating profit increased 65% to R33 million. The Africa business experienced top-line pressure, and changes in buying patterns were observed, with customers seeking more cost-effective and digitally enabled solutions. The A4 and eco-range of refurbished printers performed well, and software and digital solution sales more than doubled. EBITDA margins expanded by 2%, driven by the shift in sales mix and the profit improvement strategy implemented in FY2024 and FY2025.

Distribution

Altron Arrow reported revenue of R288 million, down 23%. As previously guided, the electronic component distribution industry has entered a global cyclical downturn, impacting the top line. EBITDA decreased 46% to R19 million, with operating profit down 49% to R18 million.

Unaudited consolidated results

for the six months ended 31 August 2025

(“H1 FY26”) and cash dividend declaration (continued)

Discontinued operations

Altron Nexus was sold during the period, effective 1 August 2025. Altron Nexus contributed revenue of R89 million, and an EBITDA and operating loss of R32 million for the period.

Capital structure and working capital

The Group continued to generate strong operating cash flows of R762 million from continuing operations¹, with net cash of R324 million (excluding merchant cash R187 million) on hand at 31 August 2025, after loan repayments of R425 million and dividend payments of R201 million.

The Group invested R370 million in capital expenditures, of which R342 million supported growth initiatives. This includes R216 million investment in Netstar’s capital rental devices, R32 million in Altron FinTech capital rental devices, and new initiatives including the AI Factory and HealthTech Oncology solutions of R28.7 million.

Working capital increased by R109 million to R1.5 billion, reflecting the growth in the Platforms segment and timing differences in IT Services.

INTERIM DIVIDEND

The Board approved a 20% increase in the interim dividend to 48.00 cents per share (38.40 cents net of 20% dividend withholding tax) for the six months ended 31 August 2025. This dividend will be payable to shareholders registered with the Company as of the close of business on the record date listed below.

The Board confirmed that the solvency and liquidity test as contemplated by the Companies Act, No. 71 of 2008, as amended, has been duly considered, applied, and satisfied. This is a dividend as defined in the Income Tax Act, No. 58 of 1962 and is payable from income reserves. The income tax number of the Company is 9725149711.

The number of ordinary shares in issue at the date of this declaration is 412 859 653, including 30 837 778 treasury shares.

The key dates related to the interim dividend are as follows:

Dividend dates	2025
Last day to trade <i>cum dividend</i>	Tuesday, 18 November
Commence trading <i>ex-dividend</i>	Wednesday, 19 November
Record date	Friday, 21 November
Interim dividend payment date	Monday, 24 November

Share certificates may not be dematerialised or re-materialised between Wednesday, 19 November 2025 and Friday, 21 November 2025, both days inclusive.

OUTLOOK

Commenting on the outlook, CEO Werner Kapp said, “We anticipate ongoing challenges for IT Services in the near term. Our priority remains investing in our Platforms, which deliver significant value for shareholders. We’re focused on executing our strategy, managing capital efficiently, making strategic investments, and driving sustainable, profitable growth to enhance long-term shareholder value.”

INTERIM RESULTS PRESENTATION

An investor presentation will be hosted virtually via webcast at 9:30am CAT on 3 November 2025, to present the Group’s financial results for the six months ended 31 August 2025. Registration to attend the webcast can be accessed via the following link:
<https://78449.themediaframe.com/links/altron251103.html>

Unaudited consolidated results

for the six months ended 31 August 2025

(“H1 FY26”) and cash dividend declaration

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FURTHER INFORMATION

This announcement may contain forward-looking statements that relate to Altron’s future operations and performance. Such statements have not been reviewed or reported on by the Company’s external auditors and are not intended to be interpreted as guarantees of future performance, achievements, financial or other results. They rely on future circumstances, some of which are beyond management’s control, and the outcomes implied by these statements could potentially be materially different from future results. No assurance can be given that forward-looking statements will be accurate; thus, undue reliance should not be placed on such statements.

For and on behalf of the Board.

Mr. S van Graan
Chairman

Mr. W Kapp
Group Chief Executive

Mr. C Snyman
Chief Financial Officer

Registered office

Altron Campus,
20 Woodlands Drive,
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South Africa,
2191

Unaudited consolidated results

for the six months ended 31 August 2025

(“H1 FY26”) and cash dividend declaration

(continued)

JSE equity sponsor

Investec Bank Limited

Transfer secretaries

Computershare Investor Services Proprietary Limited, 1st Floor, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196

Directors

Mr. S van Graan (Chairman)[#], Mr. W Kapp (Group Chief Executive)*, Mr. C Snyman (Chief Financial Officer)*, Mr. G Gelink[#], Dr. P Mnganga[#], Ms. S Rapeti[#], Mr. G Kouteris[#], Mr. H Christophers[#], Ms. N Siyotula[#], Mr. T Ngara**, Mr. A Ball**, Mr. B Dawson**

* Executive Director

** Non-Executive Director

[#] Independent Non-Executive Director

Group Company Secretary

Ms. M Ngcobo

3 November 2025

Johannesburg

Condensed consolidated balance sheet

as at 31 August 2025

R millions	Note	31 August 2025 (Unaudited)	31 August 2024 (Unaudited)	28 February 2025 Audited
Assets				
<i>Non-current assets</i>				
Property, plant and equipment		309	371	304
Goodwill and other intangible assets		1 557	1 543	1 547
Right-of-use assets		350	393	410
Equity-accounted investments		1	1	2
Financial assets at amortised cost		—	134	—
Financial assets at fair value through other comprehensive income	6	21	21	21
Loans		44	—	—
Finance lease assets		355	368	357
Contract costs capitalised		843	730	780
Capital rental devices		699	500	580
Defined benefit asset		287	382	368
Deferred taxation		146	117	150
<i>Current assets</i>		3 912	4 406	4 593
Inventories		832	1 005	822
Trade and other receivables		2 288	2 281	2 379
Financial assets at fair value through profit and loss		1	2	9
Contract assets		147	48	96
Taxation receivable		42	63	75
Cash and cash equivalents		602	671	1 017
		3 912	4 070	4 398
Assets classified as held-for-sale	10	—	336	195
Total assets		8 524	8 966	9 112
Equity and liabilities				
<i>Total equity</i>		4 269	4 232	4 184
Attributable to Altron shareholders		4 096	4 071	4 015
Non-controlling interests		173	161	169
<i>Non-current liabilities</i>		1 623	1 550	1 612
Loans		203	226	217
Lease liabilities		681	727	733
Provisions		—	—	—
Contract liabilities		632	566	597
Deferred taxation		107	31	65
<i>Current liabilities</i>		2 632	3 184	3 316
Loans		196	620	623
Lease liabilities		108	82	95
Bank overdraft		91	25	24
Provisions		7	11	9
Trade and other payables		1 429	1 634	1 791
Financial liabilities at fair value through profit and loss		8	8	2
Contract liabilities		663	572	607
Taxation payable		130	132	116
		2 632	3 084	3 267
Liabilities classified as held-for-sale	10	—	100	49
Total equity and liabilities		8 524	8 966	9 112

Condensed consolidated statement of comprehensive income

for the six months ended 31 August 2025

R millions	Note	% Change	Six months ended 31 August 2025 (Unaudited)	Six months ended 31 August 2024 (Unaudited)	Year ended 28 February 2025 Audited
Continuing operations					
Revenue	13, 14	(1%)	4 825	4 868	9 588
Other income			25	24	107
Operating costs			(3 912)	(3 987)	(7 873)
Material and services consumed			(2 492)	(2 660)	(5 248)
Employees remuneration			(1 438)	(1 318)	(2 598)
Net impairment losses on financial assets			18	(9)	(27)
Earnings before interest, taxation, depreciation, amortisation, capital items, equity accounted profits and foreign exchange gains and losses on cash and cash equivalents. (EBITDA before capital items)*	14	4%	938	905	1 822
Depreciation and amortisation			(389)	(428)	(850)
Operating profit before capital items	14	15%	549	477	972
Capital items	4		(57)	(19)	(120)
Operating profit			492	458	852
Finance income			39	45	90
Finance expense			(70)	(81)	(177)
Foreign exchange gains and losses relating to cash and cash equivalents			(4)	(5)	(2)
Share of profits from equity accounted investments, net of taxation			–	–	3
Profit before taxation			457	417	766
Taxation			(127)	(119)	(150)
Profit for the period from continuing operations			330	298	616
Discontinued operations					
Revenue	13, 14	(62%)	89	236	343
Other income			–	11	16
Operating costs	9		(122)	(261)	(514)
Material and services consumed			(87)	(217)	(420)
Employees remuneration			(35)	(42)	(77)
Net impairment losses on financial assets			–	(2)	(17)
Earnings before interest, taxation, depreciation, amortisation, capital items and foreign exchange gains and losses on cash and cash equivalents. (EBITDA before capital items)*	14	(>100%)	(33)	(14)	(155)
Depreciation and amortisation			–	–	–
Operating loss before capital items	14	(>100%)	(33)	(14)	(155)
Capital items	4		(38)	(4)	(33)
Operating loss			(71)	(18)	(188)
Finance income			1	2	3
Finance expense			(1)	–	(1)
Foreign exchange gains and losses relating to cash and cash equivalents			–	(1)	1
Loss before taxation			(71)	(17)	(185)
Taxation			(1)	(5)	(16)
Loss for the period from discontinued operations			(72)	(22)	(201)
Profit for the period from total operations			258	276	415

* The Group presents in its condensed consolidated statement of comprehensive income earnings before interest, taxation, depreciation, amortisation, capital items, foreign exchange gains and losses relating to cash and cash equivalents and equity accounted profits from associates. This represents the contribution by The Group from its revenue after deducting the associated employee costs, materials and services consumed and net impairment losses on financial assets. This also includes other income earned; and finance lease interest income that is considered to be revenue for the Group.

Condensed consolidated Statement of comprehensive income (continued)

for the six months ended 31 August 2025

R millions	Note	Change %	Six months ended 31 August 2025 (Unaudited)	Six months ended 31 August 2024 (Unaudited)	Year ended 28 February 2025 Audited	
Other comprehensive income						
Items that will never be reclassified to profit or loss						
Remeasurement of defined benefit asset/obligation			-	-	(30)	
Items that are or may be reclassified subsequently to profit or loss						
Foreign currency translation differences in respect of foreign operations*			(5)	(17)	(30)	
Other comprehensive income for the period, net of taxation			(5)	(17)	(60)	
Total comprehensive income / (loss) for the period			253	259	355	
Net profit attributable to:						
Non-controlling interests			8	12	25	
Non-controlling interests from continuing operations			8	12	25	
Non-controlling interests from discontinued operations			-	-	-	
Altron equity holders			250	264	390	
Altron equity holders from continuing operations			322	286	591	
Altron equity holders from discontinued operations			(72)	(22)	(201)	
Net profit for the period			258	276	415	
Total comprehensive income attributable to:						
Non-controlling interests			8	12	25	
Non-controlling interests from continuing operations			8	12	25	
Non-controlling interests from discontinued operations			-	-	-	
Altron equity holders			245	247	330	
Altron equity holders from continuing operations			317	269	531	
Altron equity holders from discontinued operations			(72)	(22)	(201)	
Total comprehensive income for the period			253	259	355	
* This component of other comprehensive income is not subject to tax.						
Basic earnings per share from continuing operations		(cents)	12%	84	75	156
Diluted earnings per share from continuing operations		(cents)	11%	81	73	151
Basic loss per share from discontinued operations		(cents)	(>100%)	(18)	(5)	(53)
Diluted loss per share from discontinued operations		(cents)	(>100%)	(18)	(6)	(51)
Basic earnings per share from total operations		(cents)	(6%)	66	70	103
Diluted earnings per share from total operations		(cents)	(6%)	63	67	100

Condensed consolidated statement of changes in equity

for the six months ended 31 August 2025

R millions	Attributable to Altron equity holders			
	Share capital and premium	Treasury shares	Reserves	Retained earnings
Balance at 29 February 2024	1 241	(222)	(2 943)	5 855
Total comprehensive income for the period				
<i>Profit for the period</i>	–	–	–	264
<i>Other comprehensive income</i>				
Foreign currency translation differences in respect of foreign operations	–	–	(17)	–
Total other comprehensive income	–	–	(17)	–
Total comprehensive income / (loss) for the period	–	–	(17)	264
Transactions with owners, recorded directly in equity				
<i>Contributions by and distributions to owners</i>				
Dividends to equity holders	–	–	–	(125)
Issue of share capital	4	–	(4)	–
Treasury shares disposed	–	18	(8)	(5)
Share-based payment transactions	–	–	19	–
Total contributions by and distributions to owners	4	18	7	(130)
<i>Changes in ownership interests in subsidiaries</i>				
Total changes in ownership interests in subsidiaries	–	–	–	(6)
Total changes in ownership interests in subsidiaries	–	–	–	(6)
Total transactions with owners, recorded directly in equity	4	18	7	(136)
Balance at 31 August 2024 (unaudited)	1 245	(204)	(2 953)	5 983
Total comprehensive income / loss for the period				
<i>Profit for the period</i>	–	–	–	126
<i>Other comprehensive income</i>				
Foreign currency translation differences in respect of foreign operations	–	–	(13)	–
Remeasurement on net defined benefit asset	–	–	(30)	–
Total other comprehensive income	–	–	(43)	–
Total comprehensive income / (loss) for the period	–	–	(43)	126
Transactions with owners, recorded directly in equity				
<i>Contributions by and distributions to owners</i>				
Dividends to equity holders	–	–	–	(152)
Issue of share capital	14	–	(14)	–
Treasury shares disposed	–	11	(11)	(1)
Share-based payment transactions	–	–	14	–
Total contributions by and distributions to owners	14	11	(11)	(153)
<i>Changes in ownership interests in subsidiaries</i>				
Total changes in ownership interests in subsidiaries	–	–	–	–
Total transactions with owners, recorded directly in equity	14	11	(11)	(153)
Balance at 28 February 2025	1 259	(193)	(3 007)	5 956

Total	Non-controlling interests	Total equity
3 931	146	4 077
264	12	276
(17)	–	(17)
(17)	–	(17)
247	12	259
(125)	(3)	(128)
–	–	–
5	–	5
19	–	19
(101)	(3)	(104)
(6)	6	–
(6)	6	–
(107)	3	(104)
4 071	161	4 232
126	13	139
(13)	–	(13)
(30)	–	(30)
(43)	–	(43)
83	13	96
(152)	(5)	(157)
–	–	–
(1)	–	(1)
14	–	14
(139)	(5)	(144)
–	–	–
(139)	(5)	(144)
4 015	169	4 184

Condensed consolidated statement of changes in equity (continued)

for the six months ended 31 August 2025

R millions	Attributable to Altron equity holders			
	Share capital and premium	Treasury shares	Reserves	Retained earnings
Total comprehensive income for the period				
<i>Profit for the period</i>	–	–	–	250
<i>Other comprehensive income</i>				
Foreign currency translation differences in respect of foreign operations	–	–	(5)	–
Total other comprehensive income	–	–	(5)	–
Total comprehensive income / (loss) for the period	–	–	(5)	250
Transactions with owners, recorded directly in equity				
<i>Contributions by and distributions to owners</i>				
Dividends to equity holders	–	–	–	(190)
Issue of share capital	18	–	(18)	–
Treasury shares disposed	–	–	–	–
Share-based payment transactions	–	–	38	–
Total contributions by and distributions to owners	18	–	20	(190)
<i>Changes in ownership interests in subsidiaries</i>				
Disposal of operations	–	–	(6)	–
Acquisition of operations	–	–	–	–
Total changes in ownership interests in subsidiaries	–	–	–	(6)
Total changes in ownership interests in subsidiaries	–	–	(6)	(6)
Total transactions with owners, recorded directly in equity	18	–	14	(196)
Balance at 31 August 2025 (unaudited)	1 277	(193)	(2 998)	6 010

The Board declared an interim dividend of 48 cents per share on 31 October 2025 (2025: 50 cents – final and 40 cents – interim).

Total	Non-controlling interests	Total equity
250	8	258
(5)	–	(5)
(5)	–	(5)
245	8	253
<hr/>		
(190)	(10)	(200)
–	–	–
–	–	–
38	–	38
(152)	(10)	(162)
<hr/>		
(6)	–	(6)
–	–	–
(6)	6	–
(12)	6	(6)
(164)	(4)	(168)
4 096	173	4 269

Condensed consolidated statement of cash flows

for the six months ended 31 August 2025

R millions	Note	Six months ended 31 August 2025	Six months ended 31 August 2024	Year ended 28 February 2025
		(Unaudited)	(Unaudited)	Audited
Cash flows from operating activities				
Cash generated from operations		784	712	1 736
Interest received		77	70	146
Interest paid		(103)	(107)	(210)
Dividends received from equity accounted investees and other investments		—	—	7
Taxation paid		(98)	(48)	(105)
Tax refund		36	—	1
Dividends paid, including to non-controlling interests		(201)	(128)	(285)
Net cash inflow from operating activities		495	499	1 290
Cash flows utilised in investing activities				
Proceeds on the disposal of operations, joint venture, investment and subsidiaries	7	(40)	—	3
Proceeds on the disposal of property, plant and equipment and intangible assets		4	3	9
Acquisition of intangible assets		(61)	(76)	(146)
Acquisition of property, plant and equipment		(61)	(67)	(110)
Cash outflow from other investing activities	8	(4)	(6)	(16)
Cash inflow from other investing activities	8	5	13	18
Acquisition of capital rental devices		(248)	(216)	(452)
Net cash outflow from investing activities		(405)	(349)	(694)
Cash flows utilised in financing activities				
Loans advanced		—	425	425
Loans repaid		(425)	(425)	(426)
Acquisition of non-controlling interests		—	—	—
Settlement of finance leases*		(91)	(76)	(130)
Lease payments		(53)	(49)	(100)
Net cash outflow from financing activities		(569)	(125)	(231)
Net increase / (decrease) in cash and cash equivalents		(479)	25	365
Cash and cash equivalents at the beginning of the period (excluding cash classified as held-for-sale) [#]		993	627	627
Effect of exchange rate fluctuations		(6)	(8)	(5)
Movement in cash classified as held-for-sale [#]		3	2	6
Net cash and cash equivalents at the end of the period**		511	646	993
* Principal lease payments in relation to rental finance lease liabilities				
** Cash and cash equivalents cash comprises:				
Cash at bank		415	551	748
Cash held on behalf of merchants		187	120	269
Bank overdrafts		(91)	(25)	(24)
Net cash and cash equivalents per the condensed consolidated statement of cash flows		511	646	993

Cash and cash equivalents at the beginning of the period has been represented to exclude cash classified as held-for-sale and as a result, the movement has been disclosed in "movement in cash classified as held-for-sale".

Notes to the condensed consolidated financial statements

for the six months ended 31 August 2025

1 General information

Altron Group's principal subsidiaries are Altron TMT Proprietary Limited (which includes various operating divisions); Netstar Proprietary Limited and the balance of the Netstar Group (including its Australian operations); and Altron Arrow Proprietary Limited.

Previously, Altron Nexus Proprietary Limited was classified as held-for-sale and a discontinued operation (note 10) and was disposed of on 1 August 2025 (note 7.1).

2 Basis of preparation

The condensed consolidated interim financial statements for the six months ended 31 August 2025 are prepared in accordance with International Financial Reporting Standard, IAS 34 *Interim Financial Reporting*, SAICA Financial Reporting Guides as issued by the Accounting Practices Committee (APC), Financial Pronouncements as issued by the Financial Reporting Standards Council (FRSC), and the requirements of the Companies Act of South Africa.

The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 28 February 2025, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

This report was compiled under the supervision of Mr C Snyman, Chief Financial Officer.

Going concern

The Group's budgets and cash flow projections, taking account of reasonably possible changes in operating performance, show that the Group should be able to operate into the foreseeable future within its existing borrowing facilities.

At the time of approval of the condensed consolidated interim financial statements for the six months ended 31 August 2025, the Board has a reasonable expectation that the Group has sufficient resources to continue in operation for the foreseeable future, which is not less than 12 months from the date of approval of these condensed consolidated interim financial statements.

The condensed consolidated interim financial statements therefore have been prepared on a going concern basis.

3 Principal accounting policies

The accounting policies applied in the preparation of the condensed consolidated financial statements are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated financial statements.

A number of amendments to accounting pronouncements are effective 1 March 2025, but they do not have a material effect on the Group's interim financial statements.

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

4 Capital items

R millions	Note	Six months ended 31 August 2025 (Unaudited)	Six months ended 31 August 2024 (Unaudited)	Year ended 28 February 2025 (Audited)
Continuing operations				
Net profit / (loss) on disposal of property, plant and equipment		2	(1)	1
Loss on the disposal of operations, joint venture and investment		–	–	(1)
Impairment of property, plant and equipment		(9)	–	(63)
Impairment of goodwill		(10)	–	–
Impairment of contract costs capitalised		–	(1)	(1)
Capital rental devices written off		(37)	(17)	(50)
Impairment of right-of-use assets		(3)	–	(6)
		(57)	(19)	(120)
Discontinued operations				
Loss on disposal of subsidiary		(37)	–	–
Impairment on held-for-sale disposal groups	10	(1)	(4)	(33)
		(38)	(4)	(33)
Total operations		(95)	(23)	(153)

5 Earnings per share

		Six months ended 31 August 2025 (Unaudited)	Six months ended 31 August 2024 (Unaudited)	Year ended 28 February 2025 (Audited)
Headline earnings per share from continuing operations	(cents)	96	79	178
Headline earnings per share from discontinued operations	(cents)	(9)	(5)	(44)
Headline earnings per share from total operations	(cents)	87	74	134
Diluted headline earnings per share from continuing operations	(cents)	93	77	173
Diluted headline earnings per share from discontinued operations	(cents)	(9)	(5)	(43)
Diluted headline earnings per share from total operations	(cents)	84	72	130

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

5 Earnings per share (continued)

	Six months ended 31 August 2025 (Unaudited)	Six months ended 31 August 2024 (Unaudited)	Year ended 28 February 2025 (Audited)
5.1 Reconciliation between attributable earnings and headline earnings from total operations			
(R millions)			
Earnings attributable to shareholders	250	264	390
Capital items (note 4)	95	23	152
Costs relating to disposal of operations	—	—	—
Tax effect of capital items	(12)	(5)	(32)
Non-controlling interest in capital items	—	—	—
Headline earnings	333	282	510
Headline earnings per share from total operations	(cents)	87	74
			134
5.2 Reconciliation between attributable earnings and headline earnings from continuing operations			
(R millions)			
Earnings attributable to shareholders	322	286	591
Capital items (note 4)	57	19	119
Tax effect of capital items	(12)	(5)	(32)
Headline earnings	367	300	678
Headline earning per share from continuing operations	(cents)	96	79
			178
5.3 Reconciliation between attributable earnings and headline earnings from discontinued operations			
(R millions)			
Loss attributable to shareholders	(72)	(22)	(201)
Capital items (note 4)	38	4	33
Headline earnings	(34)	(18)	(168)
Headline earnings per share from discontinued operations	(cents)	(9)	(5)
			(44)

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

5 Earnings per share (continued)

	Six months ended 31 August 2025 (Unaudited)	Six months ended 31 August 2024 (Unaudited)	Year ended 28 February 2025 (Audited)
5.4 Reconciliation of weighted average number of shares	Number of shares	Number of shares	Number of shares
Issued shares at the beginning of the year	412 055 395	411 018 564	411 018 564
Effect of own shares at the beginning of the year	(30 837 778)	(32 287 468)	(32 287 468)
Weighted average effect of shares issued and own shares disposed of during the year	229 595	272 182	360 653
Weighted average effect of own shares traded during the year	—	311 182	764 857
Weighted average number of shares	381 447 212	379 314 460	379 856 606
5.5 Reconciliation between number of shares used for earnings per share and diluted earnings per share			
Weighted average number of shares	381 447 212	379 314 460	379 856 606
Dilutive options	15 230 702	12 754 002	11 970 239
Weighted average number of shares (diluted)	396 677 914	392 068 462	391 826 845
5.6 Reconciliation between earnings and diluted earnings			
Profit earnings attributable to shareholders (R millions)	250	264	390
Diluted profit / earnings	250	264	390
5.7 Reconciliation between headline earnings and diluted headline earnings			
Headline earnings (R millions)	333	282	510
Diluted headline earnings	333	282	510
Diluted headline earnings per share from total operations (cents)	84	72	130

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

6 Financial instruments measured at fair value

(a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amounts of these financial assets and liabilities are considered to be a reasonable approximation of fair value.

31 August 2025 R millions	Carrying amount		Fair value			
	Measured at fair value	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value						
Preference share investment in Technologies Acceptances	21	21	–	–	21	21
Receivables Proprietary Limited	1	1	–	1	–	1
Forward exchange contracts	22	22	–	1	21	22
Financial liabilities measured at fair value						
Forward exchange contracts	(8)	(8)	–	(8)	–	(8)
	(8)	(8)	–	(8)	–	(8)
28 February 2025 R millions	Carrying amount		Fair value			
	Measured at fair value	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value						
Preference share investment in Technologies Acceptances	21	21	–	–	21	21
Receivables Proprietary Limited	9	9	–	9	–	9
Forward exchange contracts	30	30	–	9	21	30
Financial liabilities measured at fair value						
Forward exchange contracts	(2)	(2)	–	(2)	–	(2)
	(2)	(2)	–	(2)	–	(2)

The carrying amounts of financial assets that are not subsequently measured at fair value i.e. financial assets at amortised cost is considered to approximate the fair value.

The carrying amount of financial liabilities that are not subsequently measured at fair value i.e. financial liabilities at amortised cost is considered to approximate the fair value.

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

6 Financial instruments measured at fair value (continued)

(a) Accounting classifications and fair values (continued)

The different levels as disclosed in the table above have been defined as follows:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3	Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(b) Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Forward exchange contracts	Market comparison technique: The fair value of foreign exchange contracts are marked-to-market by comparing the contracted forward rate to the present value of the current forward rate of an equivalent contract with the same maturity date.	Not applicable	Not applicable
Preference share in Technologies Acceptances Receivables Proprietary Limited	The dividend growth model was used to determine the fair value of the preference share using the historic dividends that were received from the investment.	Discount rate of 12.21% (February 2025: 12.21%) Annual perpetuity growth 0% (February 2025: 0%)	The estimated fair value would increase / (decrease) if: <ul style="list-style-type: none">the discount rate was lower / (higher) by 1% then the value would increase / (decrease) by R2million;the annual perpetuity growth rate was higher / (lower) by 1% then the value would increase / (decrease) by R2 million.

Transfers

There were no transfers between levels 1, 2 or 3 of the fair value hierarchy for the years ended 31 August 2025 and 28 February 2025.

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

7 Proceeds on the disposal of operations, joint venture, investment and subsidiaries

7.1 Current year disposals

Disposal of Altron Nexus Proprietary Limited ("Altron Nexus")

Altron Nexus was classified as held-for-sale during July 2023 and was sold to Lumiotech Holdings Proprietary Limited, effective 1 August 2025.

Prior to disposal, an impairment loss of R1 million was recognised specifically relating to Altron Nexus held-for-sale assets and liabilities (note 10). The carrying value of the assets and liabilities disposed of are disclosed below:

	31 August 2025 (Unaudited)
R millions	
Current assets	220
Inventory	91
Trade and other receivables	87
Contract assets	2
Cash and cash equivalents	40
Non-current liabilities	(57)
Loans (incl lease liabilities)	(57)
Current-liabilities	(120)
Loans (incl lease liabilities)	(1)
Trade and other payables including contract liabilities	(119)
Disposal value	43
Share based payment reserve recycled	(2)
Share option reserve recycled	(4)
Loss on disposal	(37)
Proceeds received	
Cash and cash equivalents disposed	(40)
Proceeds received net of cash disposed	(40)

7.2 Prior year disposals

During the prior year, the Group did not dispose of any operations.

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

8 Other cash flows

8.1 Cash outflow from other investing activities

R millions	31 August 2025 (Unaudited)	31 August 2024 (Unaudited)	28 February 2025 (Audited)
Loans advanced to associates and other investments	(1)	–	(1)
Advances made to TAR during the year	(3)	(6)	(15)
	(4)	(6)	(16)

8.2 Cash inflow from other investing activities

Repayment received from TAR during the year	5	13	18
	5	13	18

9 Significant events, transactions and movements

9.1 Credit risk, concentration risk and significant judgement applied by management

Gross trade receivable balance with Thobela Telecoms (RF) Proprietary Limited ("Thobela")

Altron Nexus formed part of a consortium named Thobela Telecoms (RF) (Pty) Ltd ("Thobela"), which was awarded a tender by the City of Tshwane ("COT") for the provision of a municipal broadband network project on 9 June 2015 ("BOT agreement").

Following a judgment brought by the COT to review and set aside the tender process, Altron Nexus, along with Thobela and ABSA Bank Ltd, applied for leave to appeal to the Supreme Court of Appeal ("SCA"), which was duly granted and on 5 October 2020 the SCA ruled in favour of Altron Nexus and the other appellants, by declaring the BOT agreement valid and binding. The COT filed an application for an appeal against the SCA judgement in the Constitutional Court, which was rejected and dismissed with cost on 19 May 2021.

After the Constitutional Court ruling, Thobela engaged the COT and sought a practical resolution to give effect to roll out the BOT agreement and attend to the outstanding debt owing to Thobela. The parties were unable to reach consensus on a certain portion of Thobela's damages claim and accordingly it was agreed to refer the matter to arbitration. During the arbitration proceedings and following the COT's pleading which amounted to a repudiation of the BOT agreement, Thobela cancelled the BOT agreement. The cancellation is disputed by COT. The parties are in the process to address all disputes relating to the BOT agreement and all claims arising out of the disputed cancellation of the BOT agreement through arbitration.

During July 2025, the shares held by Altron Nexus in Thobela were sold to Altron Nexus Smart Cities (Pty) Ltd ("Altron Smart Cities"), and the trade receivable balance and the investment loan advanced by Altron Nexus to Thobela was transferred to Altron Smart Cities. Subsequent to this, Altron Nexus was disposed of (note 7.1).

As at the end of the reporting period, Altron Smart Cities has a balance of R309 million (2025: R nil) and Altron Nexus R nil (2025: R309 million) outstanding from Thobela for work performed with regards to the COT Project. Altron Smart Cities resolved to record an ECL impairment allowance amounting to R284 million (2025: R284 million), resulting in a net debtor balance of R25 million (2025: R25 million).

The above methodology was also applied to the investment loan advanced to Thobela, and an ECL allowance of R1 million (2025: Rnil) was recognised against the investment loan during the 6 month period ending 31 August 2025, bringing the total ECL allowance to R104 million (2025: R103 million).

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

9 Significant events, transactions and movements (continued)

9.1 Credit risk, concentration risk and significant judgement applied by management (continued)

The ECL relating to the joint venture investment loan and the receivable may be summarised as follows:

R millions	25 August 2025			28 February 2025		
	Gross	Impairment	Net	Gross	Impairment	Net
<i>Interest in joint venture – Thobela</i>						
Balance at the beginning of the year	103	(103)	–	102	(102)	–
Increase in loan	1	–	1	1	–	1
Increase in ECL allowance*	–	(1)	(1)	–	(1)	(1)
Balance at the end of the year	104	(104)	–	103	(103)	–
<i>Trade receivables</i>						
Balance at the beginning of the year	309	(284)	25	309	(266)	43
Increase in ECL allowance*	–	–	–	–	(18)	(18)
Balance at the end of the year	309	(284)	25	309	(284)	25

* The increase in the ECL allowance is included in net impairment losses on financial assets within discontinued operations.

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

10 Assets and liabilities classified as held-for-sale and discontinued operations

10.1 Assets and liabilities classified as held-for-sale and discontinued operations during the current year

During the current year, the Group did not classify any other operations as held-for-sale.

10.2 Assets and liabilities classified as held-for-sale and discontinued operations from the previous year

Altron Nexus

During July 2023, the decision was made to restructure Altron Nexus. Upon further analysis, the Board concluded that the restructured Altron Nexus business is no longer regarded as core to the Group's operations and strategy, and it will actively explore opportunities to dispose of the business.

The unsuccessful extension of the GBN phase 3 contract resulted in the termination of the Broadband Network Services business unit. With the restructure of consolidating the Enterprise Networking business into the Altron Digital Business (previously Altron Systems Integration) operation, Altron Nexus remained with only non-core Critical Communications operations, which are expected to be saleable on a standalone basis.

The relevant held-for-sale requirements of IFRS 5 were met and the Group disposed of Altron Nexus effective 1 August 2025 (note 7.1). Altron Nexus is reported as a separate operation and represents a major line of business. The Altron Nexus results (up to 31 July 2025) have therefore been included in the results from discontinued operations.

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

10 Assets and liabilities classified as held-for-sale and discontinued operations (continued)

10.3 Financial performance and cash flow information

10.3.1 Net assets of business held-for-sale:

	31 August 2025 (Unaudited)	31 August 2024 (Unaudited)	28 February 2025 (Audited)
R millions			
Right-of-use assets			
Property, plant and equipment	-	23	-
Deferred taxation	-	20	-
Non-current assets	-	43	-
Inventories	-	108	87
Trade and other receivables, including derivatives	-	177	104
Contract assets	-	1	1
Cash and cash equivalents	-	7	3
Current assets	-	293	195
Assets classified as held-for-sale	-	336	195
Lease liabilities	-	-	3
Non-current liabilities	-	-	3
Lease liabilities	-	-	1
Trade and other payables, including derivatives	-	99	42
Contract liabilities	-	1	3
Current liabilities	-	100	46
Liabilities classified as held-for-sale	-	100	49

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

10 Assets and liabilities classified as held-for-sale and discontinued operations (continued)

10.3 Financial performance and cash flow information (continued)

10.3.2 Breakdown of disposal groups held-for-sale and impairment losses:

R millions	31 August 2025	Cumulative impairments	Total
	Altron Nexus		
Assets classified as held-for-sale			
Non-current assets			
Current assets	–	–	–
Liabilities classified as held-for-sale			
Non-current liabilities			
Current liabilities	–	–	–

Reconciliation of cumulative impairment losses at 31 August 2025

	Property, plant and equipment	Right-of-use assets	Total
Impairment losses at 28 February 2025	(33)	(6)	(39)
Altron Nexus	(33)	(6)	(39)
Impairment losses recognised during the period	(1)	–	(1)
Altron Nexus	(1)	–	(1)
Disposed during the year	34	6	40
Cumulative impairment losses at 31 August 2025	–	–	–

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

10 Assets and liabilities classified as held-for-sale and discontinued operations (continued)

10.3 Financial performance and cash flow information (continued)

10.3.2 Breakdown of disposal groups held-for-sale and impairment losses (continued):

R millions	31 August 2024	Cumulative impairments	Total
	Altron Nexus*		
Assets classified as held-for-sale			
Non-current assets	346	(10)	336
Current assets	53	(10)	43
	293	–	293
Liabilities classified as held-for-sale			
Current liabilities	100	–	100
	100	–	100

* Excludes net intergroup payables and borrowings amounting to R214m.

Reconciliation of cumulative impairment losses at 31 August 2024

R millions	Property, plant and equipment	Right-of-use assets	Total
	Altron Nexus		
Impairment losses at 29 February 2024			
	(5)	(1)	(6)
Impairment losses recognised during the period	(4)	–	(4)
Altron Nexus	(4)	–	(4)
Cumulative impairment losses at 31 August 2024			
	(9)	1	(10)

R millions	28 February 2025	Cumulative impairments	Total
	Altron Nexus		
Assets classified as held-for-sale			
Non-current assets	234	(39)	195
Current assets	39	(39)	–
	195	–	195
Liabilities classified as held-for-sale			
Non-current liabilities	49	–	49
Current liabilities	3	–	3
	46	–	46

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

10 Assets and liabilities classified as held-for-sale and discontinued operations (continued)

10.3 Financial performance and cash flow information (continued)

10.3.2 Breakdown of disposal groups held-for-sale and impairment losses (continued):

Reconciliation of cumulative impairment losses at 28 February 2025

	Property, plant and equipment	Right-of-use assets	Total
Impairment losses at 29 February 2024	(5)	(1)	(6)
Altron Nexus	(5)	(1)	(6)
Impairment losses recognised during the period	(28)	(5)	(33)
Altron Nexus	(28)	(5)	(33)
Cumulative impairment losses at 28 February 2025	(33)	(6)	(39)

10.4 Cash flows generated / (utilised) by discontinued operations:

R millions	31 August 2025	31 August 2024	28 February 2025
Cash flows from operating activities	19	(10)	(147)
Cash flows utilised in investing activities	(2)	–	(2)
Cash flows utilised in financing activities	21	8	142
Net increase / (decrease) in cash and cash equivalents	38	(2)	(7)

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

11 Related party transactions

The Group has a related-party relationship with joint ventures, investments and key management.

R millions	Six months ended 31 August 2025 (Unaudited)	Six months ended 31 August 2024 (Unaudited)	Year ended 28 February 2025 (Audited)
<i>Transactions</i>			
Key management remuneration	28	15	41
<i>Dividends received</i>			
Mediswitch Namibia Proprietary Limited	–	–	3
<i>Balances</i>			
Thobela Telecoms (refer to note 9.1)	25	43	25
Funds advanced to Joint Venture	104	102	103
Trade receivables	309	309	309
Total expected credit loss	(388)	(368)	(387)

12 Events after the reporting period

Declaration of dividend

The Board declared an interim gross dividend of 48 cents per share on 31 October 2025.

Change in directors

Effective 8 September 2025, the Altron Group appointed Nonzukiso Siyotula as an independent non-executive director and as a member of the Audit and Risk Committee.

The directors are not aware of any other material events after the reporting period that will have an impact on the financial position, performance or cash flows of the Group.

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

13 Revenue by segment

The Altron Group is a diversified Group which derives its revenues and profits from a variety of sources.

Segmentation is based on the Group's internal organisation and reporting of revenue based upon internal accounting presentation.

Revenue by reportable segment is disaggregated by major product / service and geographic region below.

31 August 2025

Continuing operations

R millions	Netstar	Altron FinTech	Altron HealthTech	Platforms
Revenue by product				
Project related revenue	3	–	–	3
Over time	3	–	–	3
Sale of goods and related services	1 223	643	6	1 872
At a point in time	124	66	6	196
Over time	1 099	577	–	1 676
Maintenance, support and outsource services	2	62	–	64
At a point in time	2	–	–	2
Over time	–	62	–	62
Training and skills management	–	–	–	–
Over time	–	–	–	–
Software, cloud and licenses, including software assurance services	–	17	102	119
At a point in time	–	17	3	20
Over time	–	–	99	99
Software application and development	–	–	–	–
Over time	–	–	–	–
Switching and other transactional services	–	28	93	121
At a point in time	–	–	93	93
Over time	–	28	–	28
Total revenue from contracts with customers	1 228	750	201	2 179
Rental Finance income	–	–	–	–
Total revenue	1 228	750	201	2 179
Revenue by geographic region				
South Africa	1 025	748	198	1 971
Rest of Africa	2	2	3	7
Total Africa	1 027	750	201	1 978
Europe	–	–	–	–
Rest of world	201	–	–	201
Total international	201	–	–	201
Total revenue	1 228	750	201	2 179

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

Altron Digital Business	Altron Security	Altron Document Solutions	IT Services	Distribution Altron Arrow	Corporate and consolidation and other international operations	Continuing operations
285	—	—	285	—	(5)	283
285	—	—	285	—	(5)	283
354	197	338	889	288	(15)	3 034
354	197	288	839	288	(14)	1 309
—	—	50	50	—	(1)	1 725
563	55	330	948	—	(32)	980
23	—	273	296	—	—	298
540	55	57	652	—	(32)	682
6	—	—	6	—	—	6
6	—	—	6	—	—	6
239	—	—	239	—	—	358
—	—	—	—	—	—	20
239	—	—	239	—	—	338
14	—	—	14	—	—	14
14	—	—	14	—	—	14
—	—	—	—	—	—	121
—	—	—	—	—	—	93
—	—	—	—	—	—	28
1 461	252	668	2 381	288	(52)	4 796
—	—	29	29	—	—	29
1 461	252	697	2 410	288	(52)	4 825
1 336	226	658	2 220	254	(59)	4 386
62	16	39	117	5	—	129
1 398	242	697	2 337	259	(59)	4 515
12	2	—	14	—	7	21
51	8	—	59	29	—	289
63	10	—	73	29	7	310
1 461	252	697	2 410	288	(52)	4 825

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

13 Revenue by segment (continued)

31 August 2025

Discontinued operations

R millions	Altron Nexus
Revenue by product	
Project related revenue	26
Over time	26
Sale of goods and related services	44
At a point in time	44
Maintenance, support and outsource services	9
Over time	9
Software, cloud and licenses, including software assurance services	10
Over time	10
Total revenue from contracts with customers	89
Rental finance income	—
Total revenue	89
Revenue by geographic region	
South Africa	88
Rest of Africa	1
Total Africa	89
Total revenue	89
Total revenue – total operations	4 914

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

13 Revenue by segment (continued)

31 August 2024

Continuing operations

R millions	Netstar	Altron FinTech	Altron HealthTech*	Platforms
Revenue by product				
Project related revenue				
Over time	1	–	–	1
Sale of goods and related services	1 134	498	6	1 638
At a point in time	119	49	6	174
Over time	1 015	449	–	1 464
Maintenance, support and outsource services	–	74	–	74
At a point in time	–	–	–	–
Over time	–	74	–	74
Training and skills management	–	–	–	–
Over time	–	–	–	–
Software, cloud and licenses, including software assurance services	–	8	103	111
At a point in time	–	8	91	99
Over time	–	–	12	12
Software application and development	–	–	–	–
Over time	–	–	–	–
Switching and other transactional services	–	27	92	119
At a point in time	–	–	92	92
Over time	–	27	–	27
Total revenue from contracts with customers	1 135	607	201	1 943
Rental finance income	–	–	–	–
Total revenue	1 135	607	201	1 943
Revenue by geographic region				
South Africa	910	605	199	1 714
Rest of Africa	3	2	2	7
Total Africa	913	607	201	1 721
Europe	–	–	–	–
Rest of world	222	–	–	222
Total international	222	–	–	222
Total revenue	1 135	607	201	1 943

* Comparative information has been restated because the classification of software sales at a point in time and over time in HealthTech were adjusted due to incorrect reporting in the prior year.

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

Altron Digital Business	Altron Security	Altron Document Solutions	IT Services	Distribution Altron Arrow	Corporate and consolidation and other international operations	Continuing operations
280	—	—	280	—	(24)	257
280	—	—	280	—	(24)	257
295	15	485	795	376	(15)	2 794
295	15	416	726	376	(14)	1 262
—	—	69	69	—	(1)	1 532
597	232	205	1 034	—	(8)	1 100
35	1	25	61	—	(1)	60
562	231	180	973	—	(7)	1 040
—	—	—	—	—	7	7
—	—	—	—	—	7	7
275	—	11	286	—	(4)	393
—	—	7	7	—	—	106
275	—	4	279	—	(4)	287
161	—	—	161	—	—	161
161	—	—	161	—	—	161
11	—	—	11	—	(4)	126
—	—	—	—	—	—	92
11	—	—	11	—	(4)	34
1 619	247	701	2 567	376	(48)	4 838
—	—	30	30	—	—	30
1 619	247	731	2 597	376	(48)	4 868
1 499	241	668	2 408	283	(55)	4 350
52	2	63	117	6	—	130
1 551	243	731	2 525	289	(55)	4 480
16	2	—	18	—	7	25
52	2	—	54	87	—	363
68	4	—	72	87	7	388
1 619	247	731	2 597	376	(48)	4 868

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

13 Revenue by segment (continued)

31 August 2024

Discontinued operations

R millions	Altron Nexus
Revenue by product	
Project related revenue	192
Over time	192
Sale of goods and related services	34
At a point in time	34
Software, cloud and licenses, including software assurance services	10
Over time	10
Total revenue from contracts with customers	236
Rental finance income	–
Total revenue	236
Revenue by geographic region	
South Africa	236
Total Africa	236
Total revenue	236
Total revenue – total operations	5 104

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

14 Reporting segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. The Group determines and presents operating segments based on the information that is internally provided to the Group's Executive Committee, who is the Group's Chief Operating Decision-Makers (CODM). An operating segment's operating results are reviewed regularly by the CODM to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Group's headquarters).

In addition to revenue, segment results are reported to the CODM with two measures of profitability:

- Operating profit before capital items ("Operating Income before capital items"); and
- Earnings before interest, taxation, depreciation, amortisation, capital items, equity accounted profits and foreign exchange gains and losses on cash and cash equivalents ("EBITDA before capital items").

Segmental analysis

The segmental information has been prepared to highlight the continuing and discontinued operations. This provides more insight into revenue, EBITDA before capital items and operating profit before capital items and depreciation disclosed in the condensed consolidated statement of comprehensive income.

During July 2023, Altron Nexus was classified as a discontinued operation and held-for-sale. During the current year Altron Nexus was sold, effectively 1 August 2025 (note 7.1)

The measures presented below, with the exception of Cost of goods sold – Direct materials, Cost of goods sold – Services and Employees remuneration, are those that the CODM or the Group monitors on an ongoing basis.

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

14 Reporting segments (continued)

The segment revenues, EBITDA before capital items and operating profit before capital items generated by each of the Group's segments are summarised below.

	Revenue		EBITDA before capital items				Operating profit before capital items		
	31 Aug 2025	31 Aug 2024	28 Feb 2025	31 Aug 2025	31 Aug 2024	28 Feb 2025	31 Aug 2025	31 Aug 2024	28 Feb 2025
Netstar	1 228	1 135	2 277	540	489	935	225	146	255
Altron FinTech	750	607	1 282	274	232	457	257	215	423
Altron HealthTech	201	201	397	67	55	122	65	54	120
Platforms	2 179	1 943	3 956	881	776	1 514	547	415	798
Altron Digital Business	1 461	1 619	3 241	(32)	47	109	(42)	34	83
Altron Security	252	247	397	78	80	114	70	66	86
Altron Document Solutions	697	731	1 417	46	30	84	33	20	61
IT services	2 410	2 597	5 055	92	157	307	61	120	230
Altron Arrow	288	376	669	19	35	69	18	35	67
Distribution	288	376	669	19	35	69	18	35	67
Corporate and consolidation and other international operations		(48)	(92)		(63)	(68)		(93)	(123)
	(52)			(54)			(77)		
Other	(52)	(48)	(92)	(54)	(63)	(68)	(77)	(93)	(123)
Continuing operations	4 825	4 868	9 588	938	905	1 822	549	477	972
Altron Nexus	89	236	343	(32)	(14)	(149)	(32)	(14)	(148)
Other	—	—	—	(1)	—	(6)	(1)	—	(7)
Discontinued operations	89	236	343	(33)	(14)	(155)	(33)	(14)	(155)
Altron Group	4 914	5 104	9 931	905	891	1 667	516	463	817

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

mmarised as follows:

Cost of goods sold - Direct materials (included in materials and services consumed)			Cost of goods sold - Services (included in materials and services consumed)			Employees remuneration		Depreciation			
31 Aug 2025	31 Aug 2024	28 Feb 2025	31 Aug 2025	31 Aug 2024	28 Feb 2025	31 Aug 2025	31 Aug 2024	28 Feb 2025	31 Aug 2025	31 Aug 2024	28 Feb 2025
(266)	(404)	(884)	(225)	(33)	(65)	(512)	(440)	(903)	(333)	(360)	(716)
(712)	(688)	(1 386)	(580)	(740)	(1 419)	(815)	(762)	(1 467)	(31)	(37)	(77)
(230)	(295)	(524)	-	-	-	(29)	(27)	(54)	(1)	(1)	(2)
58	39	86	-	17	17	(82)	(89)	(174)	(24)	(30)	(55)
(1 150)	(1 348)	(2 708)	(805)	(756)	(1 467)	(1 438)	(1 318)	(2 598)	(389)	(428)	(850)
(53)	27	-	(6)	(208)	(262)	(35)	(42)	(77)	-	-	-
(1 203)	(1 321)	(2 708)	(811)	(964)	(1 729)	(1 473)	(1 360)	(2 675)	(389)	(428)	(850)

Notes to the condensed consolidated Financial statements (continued)

for the six months ended 31 August 2025

14 Reporting segments (continued)

Segment EBITDA before capital items can be reconciled to operating profit before capital items as follows:

	31 August 2025	31 August 2024	28 February 2025
EBITDA before capital items	905	891	1 667
Reconciling items:			
Depreciation – Property, plant and equipment	(44)	(45)	(87)
Depreciation – Right-of-use assets	(48)	(46)	(95)
Amortisation	(40)	(53)	(107)
Amortisation of costs incurred to acquire contracts and capital rental devices	(257)	(284)	(561)
Total operating profit before capital items	516	463	817
Discontinued operating loss before capital items	33	14	155
Continuing operating profit before capital items	549	477	972

15 Contingent liabilities

Dispute with the South African Revenue Service

Altron is currently in a dispute with the South African Revenue Service regarding a historic tax submission. Based on the view by our attorneys that we have reasonable prospects of success with defending the dispute, Altron will not be making a provision at this stage.

Supplementary information

(Total operations – unaudited)

R millions	31 August 2025	31 August 2024	28 February 2025
Depreciation and amortisation	389	428	850
	(7)	(1)	(7)
Net foreign exchange (loss) / gain included in operating income	(3)	5	(6)
Net foreign exchange (loss) / gain relating to cash and cash equivalents	(4)	(6)	(1)
Cashflow movements			
Capital expenditure (including intangibles)	122	143	256
Net movement on capital rental devices	119	69	28
Additions	248	216	259
Written off during the year	(37)	(17)	(19)
Amortisation for the year	(92)	(130)	(212)
Contingent liabilities			
Refer to note 15 for more detail on contingent liabilities			
Ratios (total operations)			
EBITDA margin	18.4%	17.5%	16.8%
Return on equity (continuing operations) – averaged	17.3% **	14.7% **	17.1%
Return on assets	20.7% **	16.7% **	15.6%
Return on net assets	17.0% **	14.5% **	13.0%
Current ratio	1,5:1	1,4:1	1,4:1
Acid test ratio	1,2:1	1,1:1	1,1:1

** Annualised.



ALTRON

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