

EOH

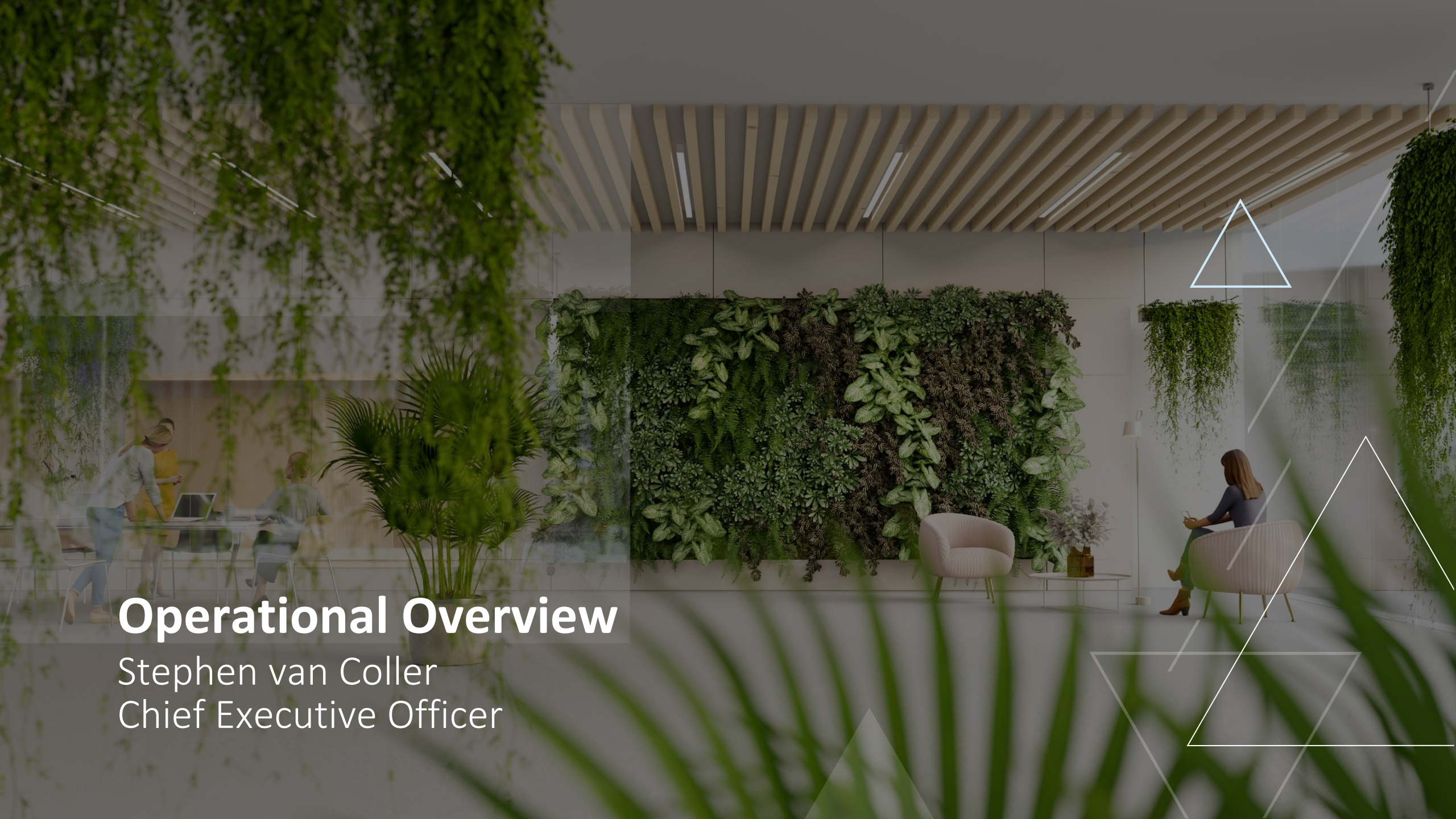


Annual Results Presentation

FY2021

EOH Holdings Limited



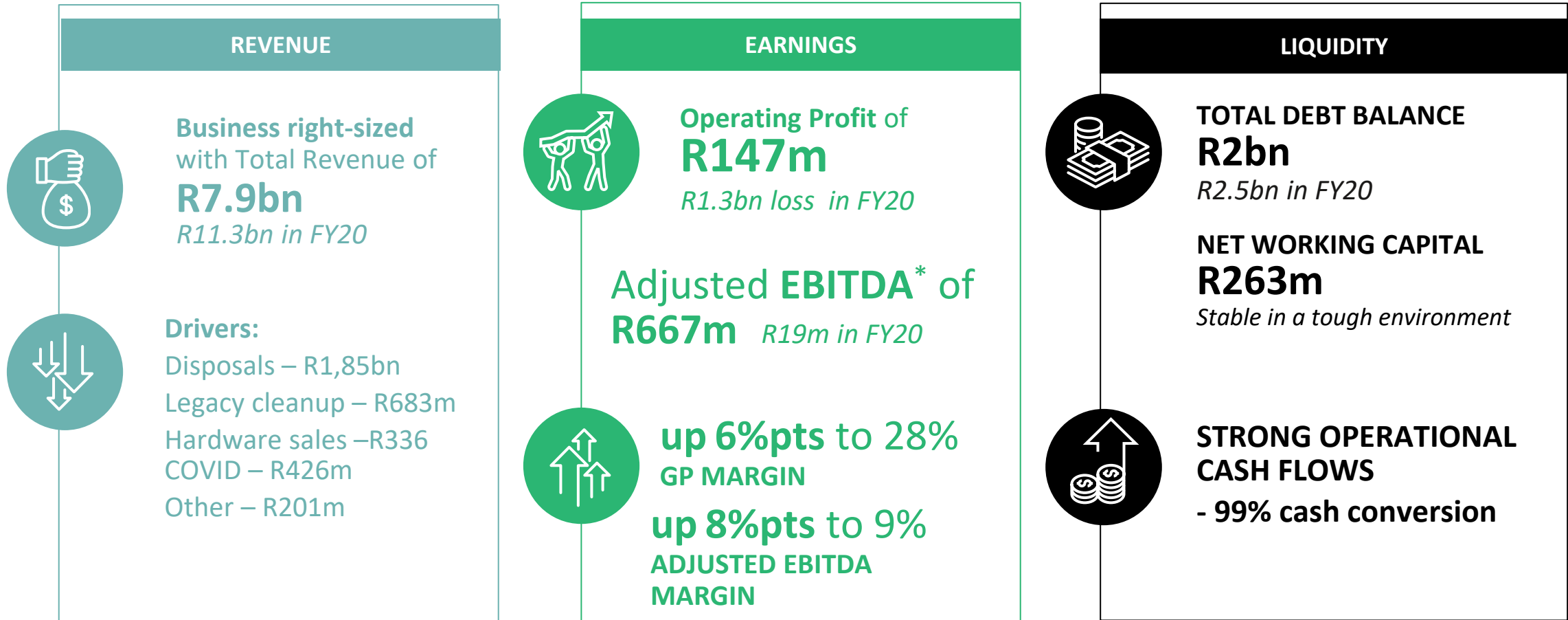


Operational Overview

Stephen van Coller
Chief Executive Officer

> FY2021 – an inflection point

Foundation set for executing on growth strategy



Note: All numbers include continuing and discontinuing operations

*Adjusted EBITDA is defined as profit/(loss) before depreciation, amortisation, share-based payment expense, gain/loss on disposal of subsidiaries and equity-accounted investments, impairments of nonfinancial assets, share of profit/loss of equity-accounted investments, remeasurement gain/losses on vendors for acquisition liability, interest income, interest expense and current and deferred tax.

> EOH now well positioned to serve evolving client needs

iOCO

Revenue: **R4.9bn**
Adjusted EBITDA: **R524m**
10,7% Margin



Sales & Advisory
2% of revenue



iOCO Technology
29% of revenue



iOCO Services
45% of revenue



iOCO Digital
24% of revenue



NEXTEC

Revenue: **R1.9bn**
Adjusted EBITDA: **(R35m)**
(1.8%) Margin



Infrastructure solutions
72% of Revenue



People solutions
28% of Revenue



IP

Revenue: **R1 bn**
Adjusted EBITDA: **R267m**
25.6% Margin



Sold for a base price of
R211m in November 2020
EV/PAT of 12,2x



Sold for a base price of
R334m
EV/PAT of 10,3x
Sale not yet unconditional

**INFORMATION
SERVICES**

In the process of being
sold – late stages of
negotiation

> Rocketlab Ventures is where we develop our exciting IP

				
Key Customers	Key Customers	Key Customers	Key Customers	Key Customers
    	   	   	    	   

5 stand alone early-stage product companies currently housed in iOCO
 Double digit y-o-y growth projected
 ~2,5% of revenue

> Premier partner to global technology providers



Positive momentum in new deals post-remediation

441 public sector deals won totalling **R3,1bn**



Major Telco

Contact centre optimization

R204m

Project duration: 3 years



Public Sector

Dev services

R199m

Project duration: 5 years



Utility

Payroll outsourcing solution

R114m

Project duration: 2 years



Major Mining Co.

Critical comms solution

R111m

Project duration: 3 years



Large Mixed-use Precinct development

Electronic surveillance & Security Control

R81m

Project duration: 3 years



Major Mining Co.

Wireless comms infrastructure upgrade

R51m

Project duration: 1 year



International Online Education Platform

Tutoring services

R39m

Project duration: 1 year



TVET College

Supply of end-user
computing

R38m

Project duration: 5 years



Medical Scheme

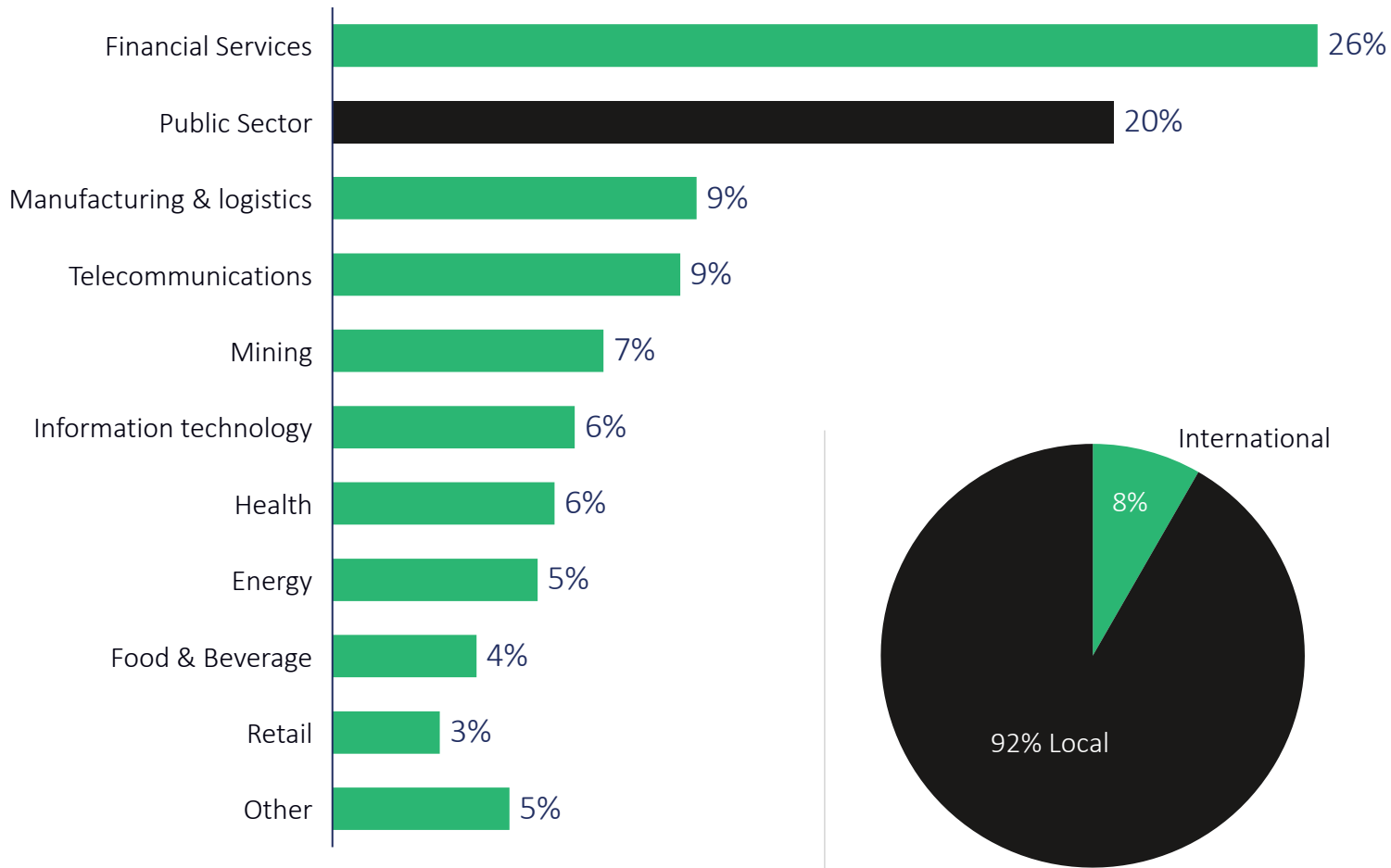
Business Continuity Services

R21m

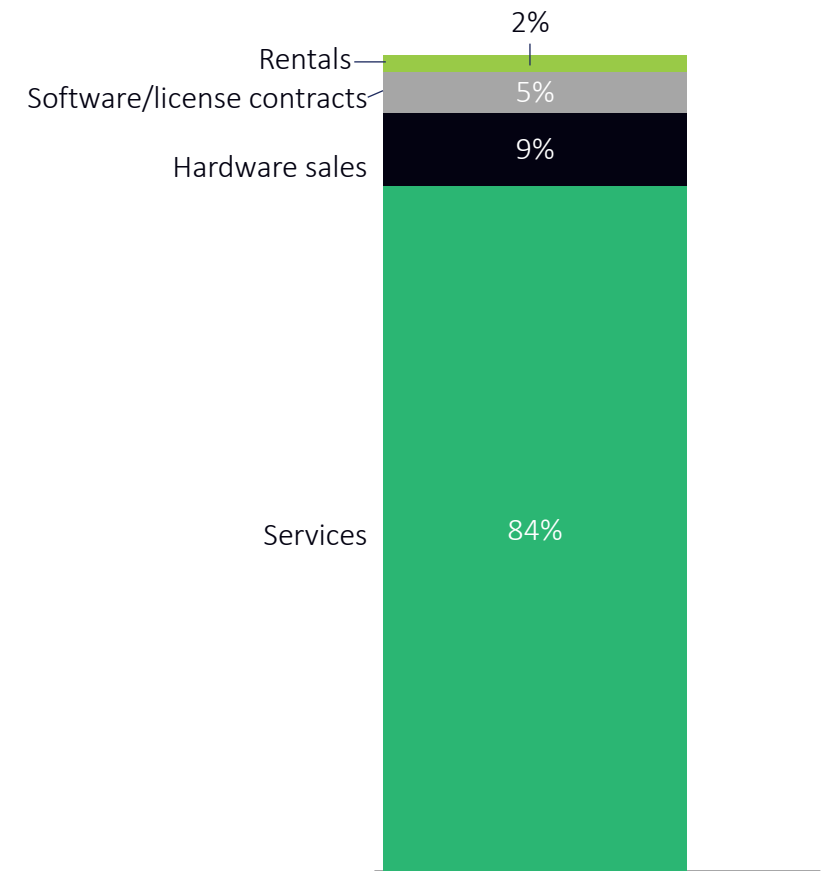
Project duration: 3 years

Resilient business diversified across clients & industries

Revenue exposure by industry & region



84% of revenue from services



> Leaving legacy issues behind

8 problematic legacy contracts



All contracts settled and terminated



Special investigations unit (SIU)



Commenced reimbursing for over-charging in 2 contracts

Resolution on remaining contract in negotiation



Legal process



Summons issued against former executives for malfeasance that endured during their tenure



SITA



SITA confirmed no longer pursuing blacklisting of EOH as did not have jurisdiction

DNT confirmed no notification received from any third party recommending blacklisting



> Our purpose is to SOLVE for...

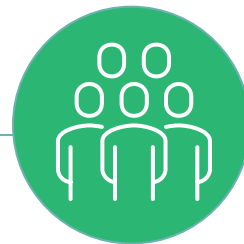
Our Clients

- Support during unrest
- Digital transformation



Our People

- Launch of new EVP
- Integrated wellness
- Diversity and Inclusion
- Reskilling and Upskilling
- Relief efforts during unrest

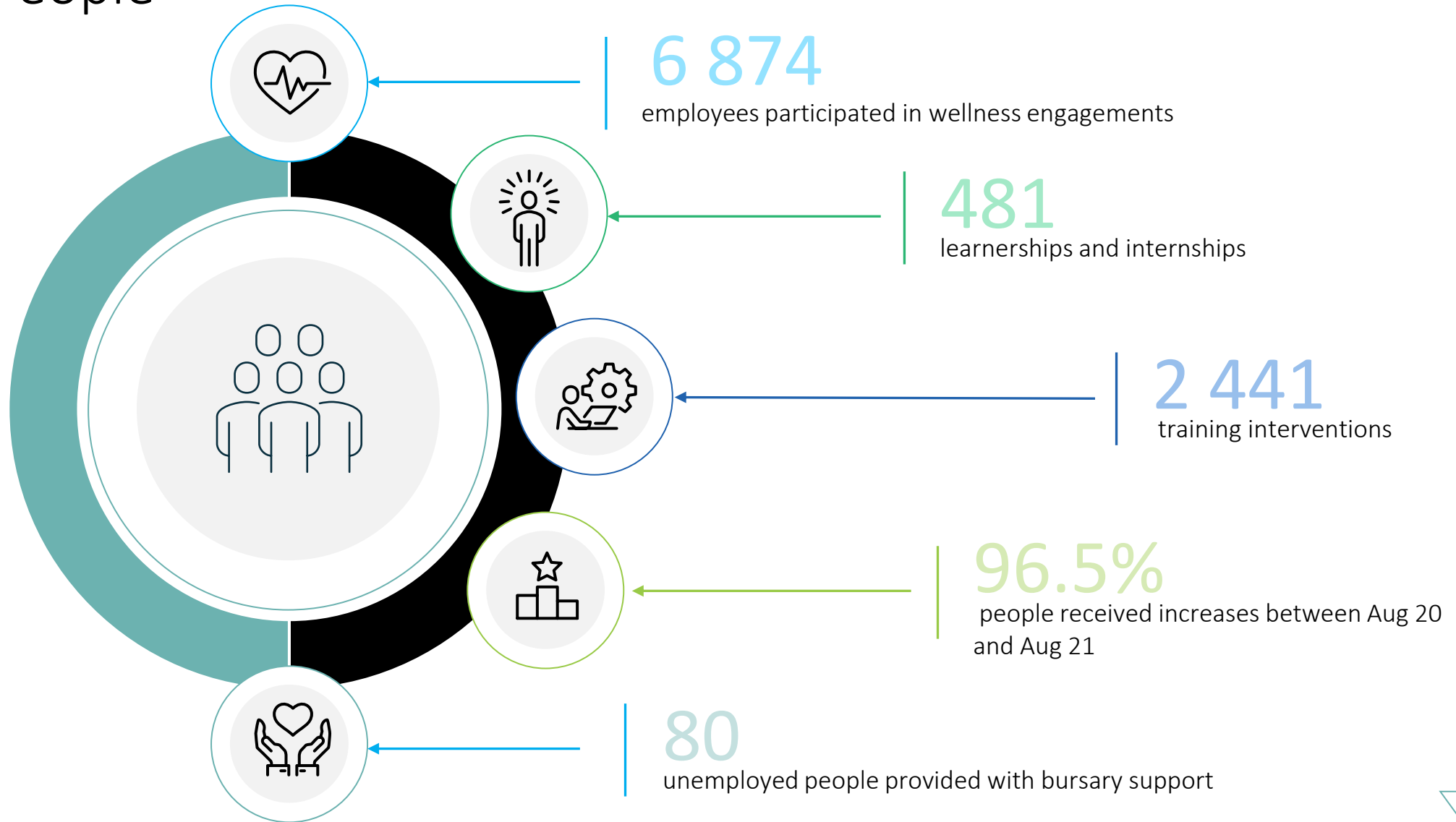


Our Communities

- RebuildSA
- Live Life Always partnership - Alex cleanup
- Enterprise Social Development
- Creating employment opportunities (YES initiative)



> People



Financial Overview

Megan Pydigadu
Financial Director

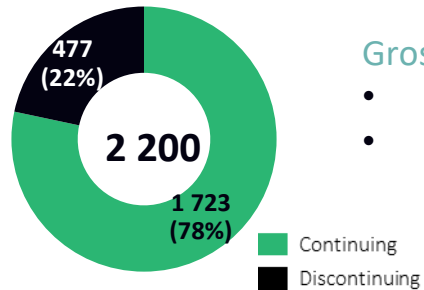
Income Statement



> 2021 Priorities delivered on

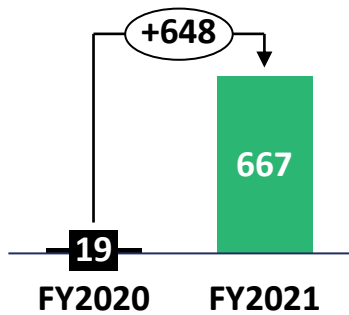
Quality earnings – YOY Improvement

✓ Operating profit: **R1.3bn loss to profit of R146m** for FY2021



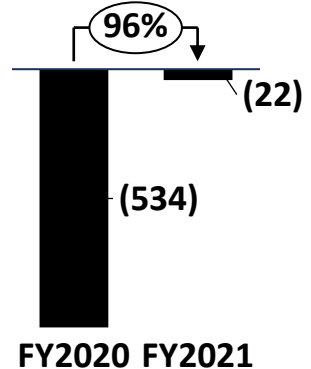
Gross Profit Rm

- Margin improvement from 22% to 28%
- Improvement across iOCO, NEXTEC and IP businesses



EBITDA Rm

- 9% EBITDA margin, closer to the medium-term target of 10%.



HEPS Cents

- Total headline loss per share improved by 96% with losses narrowing from 534 cents per share to 22 cents per share

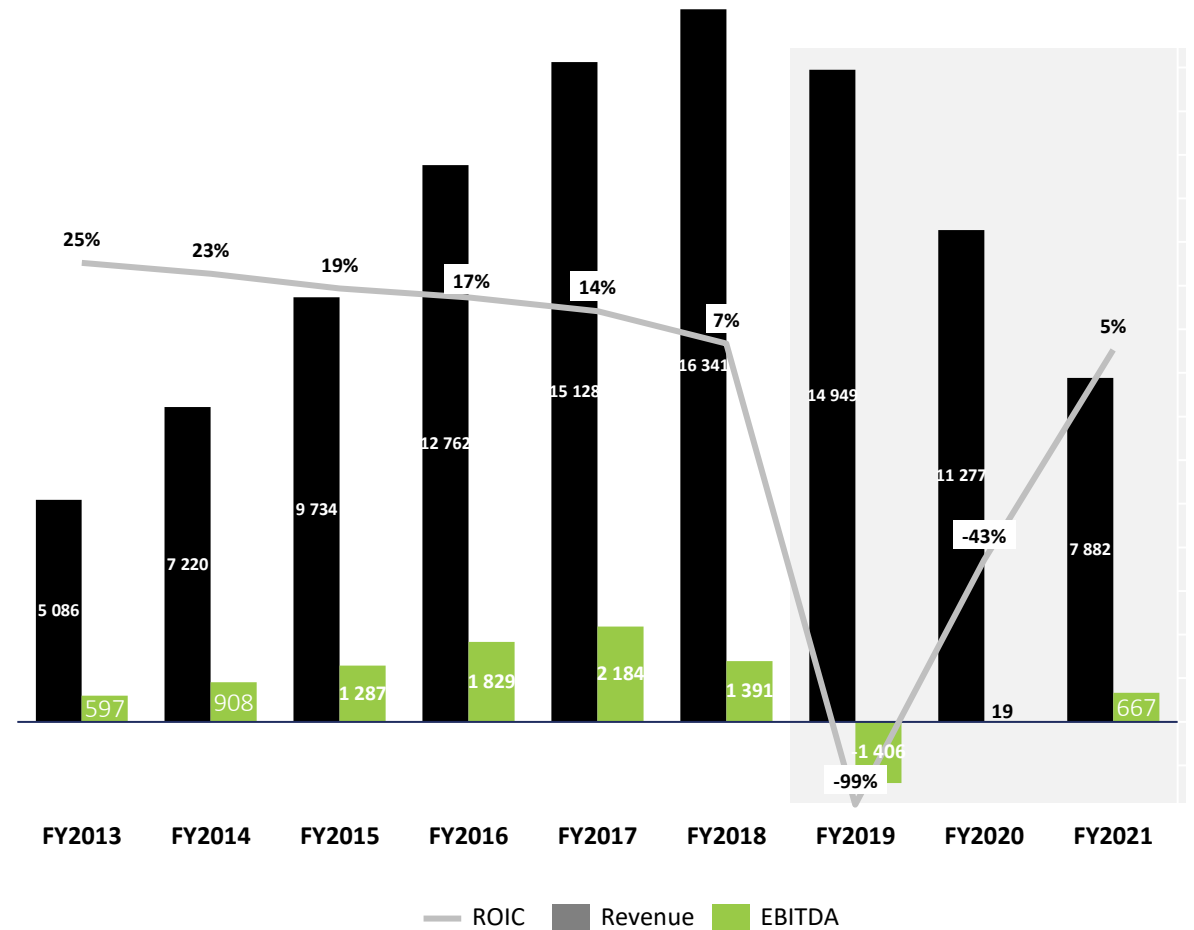
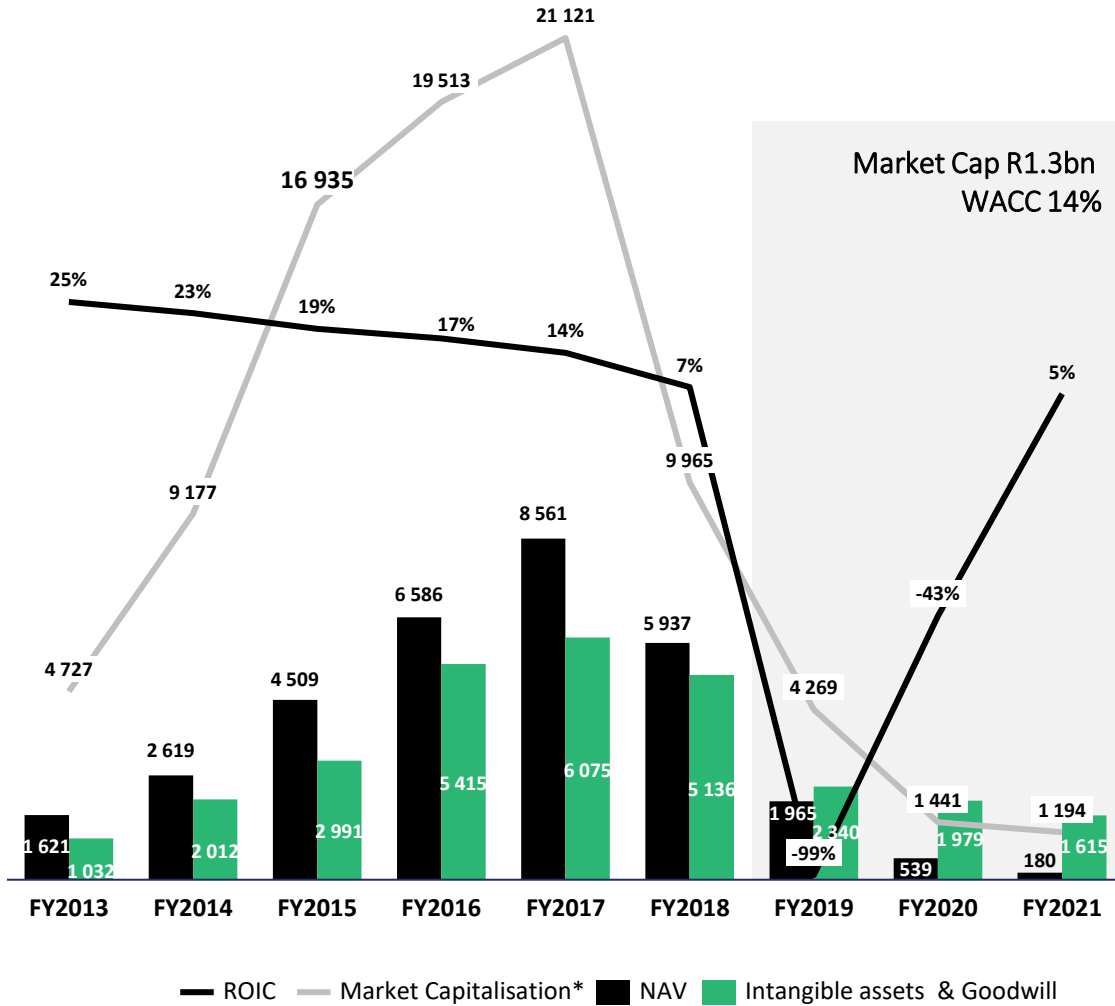
Improved capital structure & liquidity

- Gross Debt of R2bn
- R433m repaid to lenders reducing interest cost
- New facilities entered into with lenders to extend the funding profile
- Improved liquidity in the current year
- c.R300m further to be paid on conclusion of Sybrin

Working capital focus in a tough environment

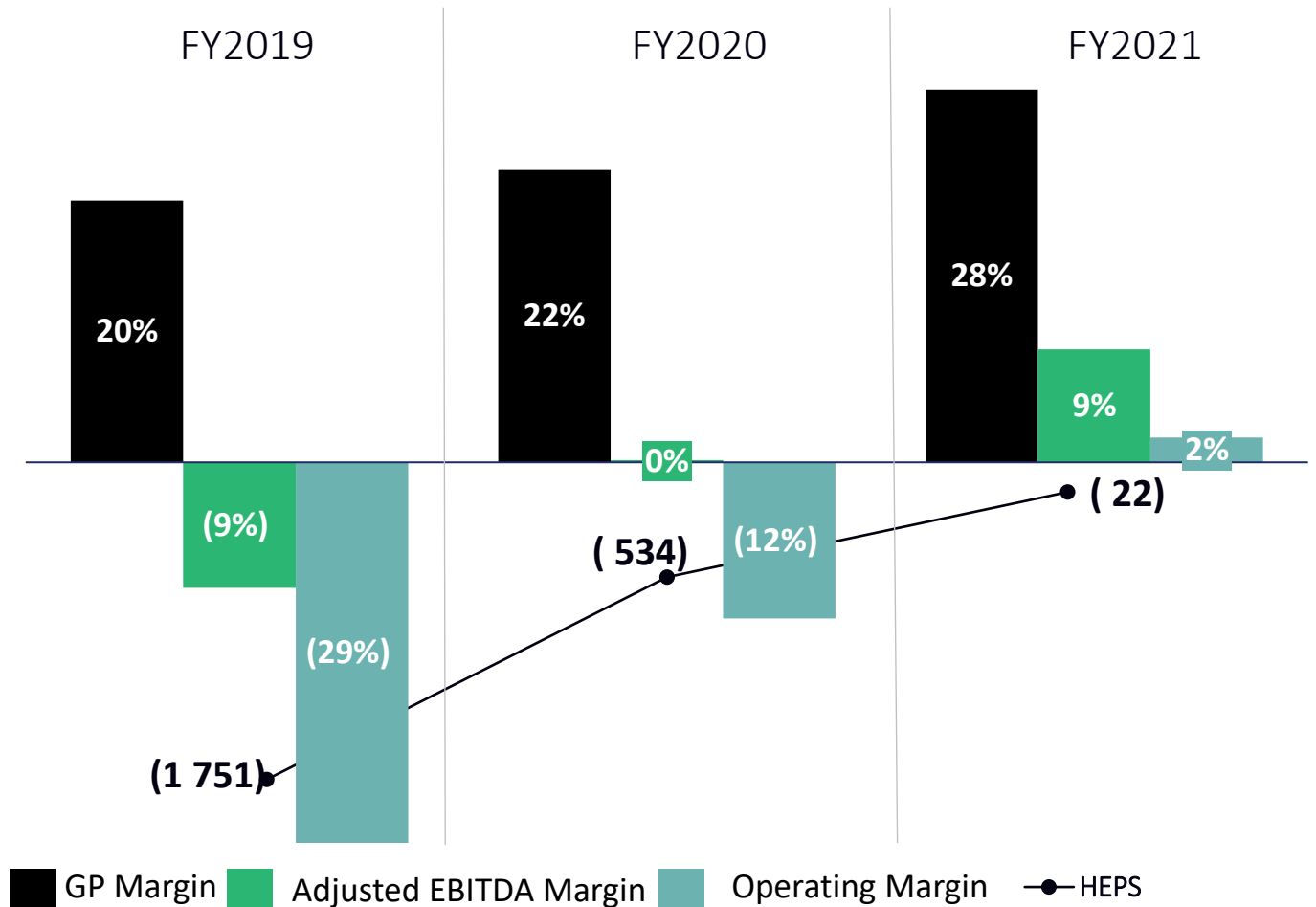
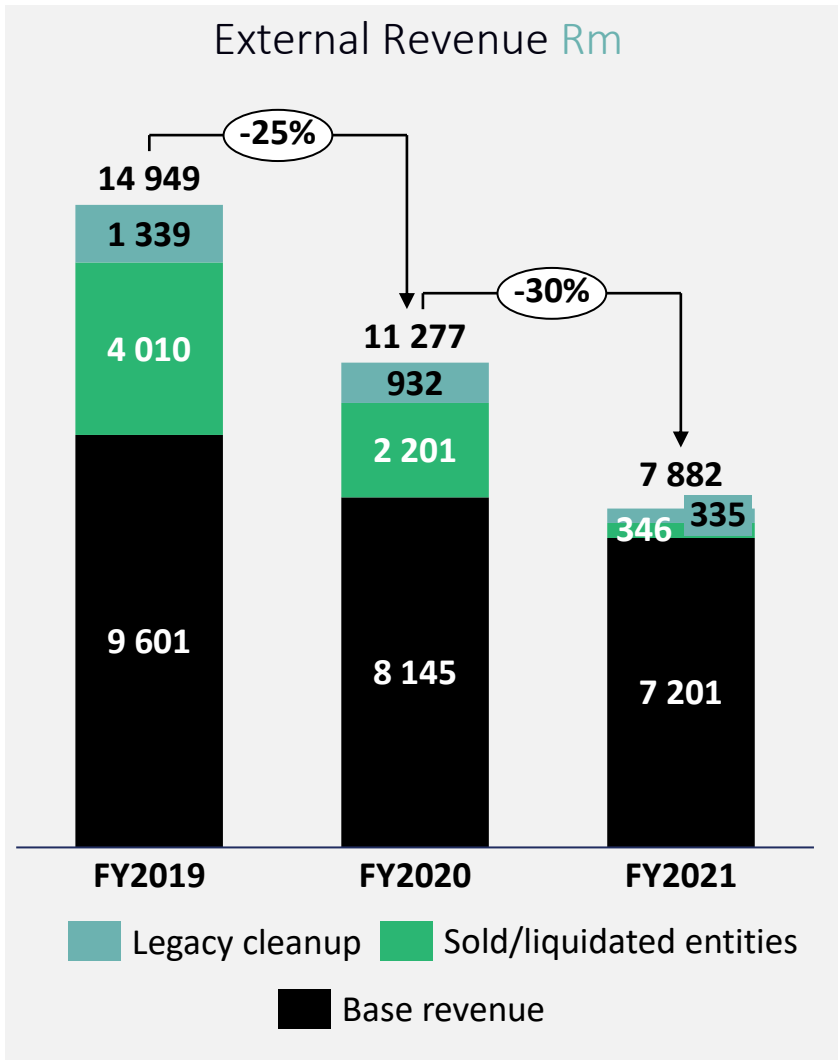
- NWC & debtors days remained steady in spite of cash constrained environment post-COVID
- Internal processes and governance more streamlined

Historical Context

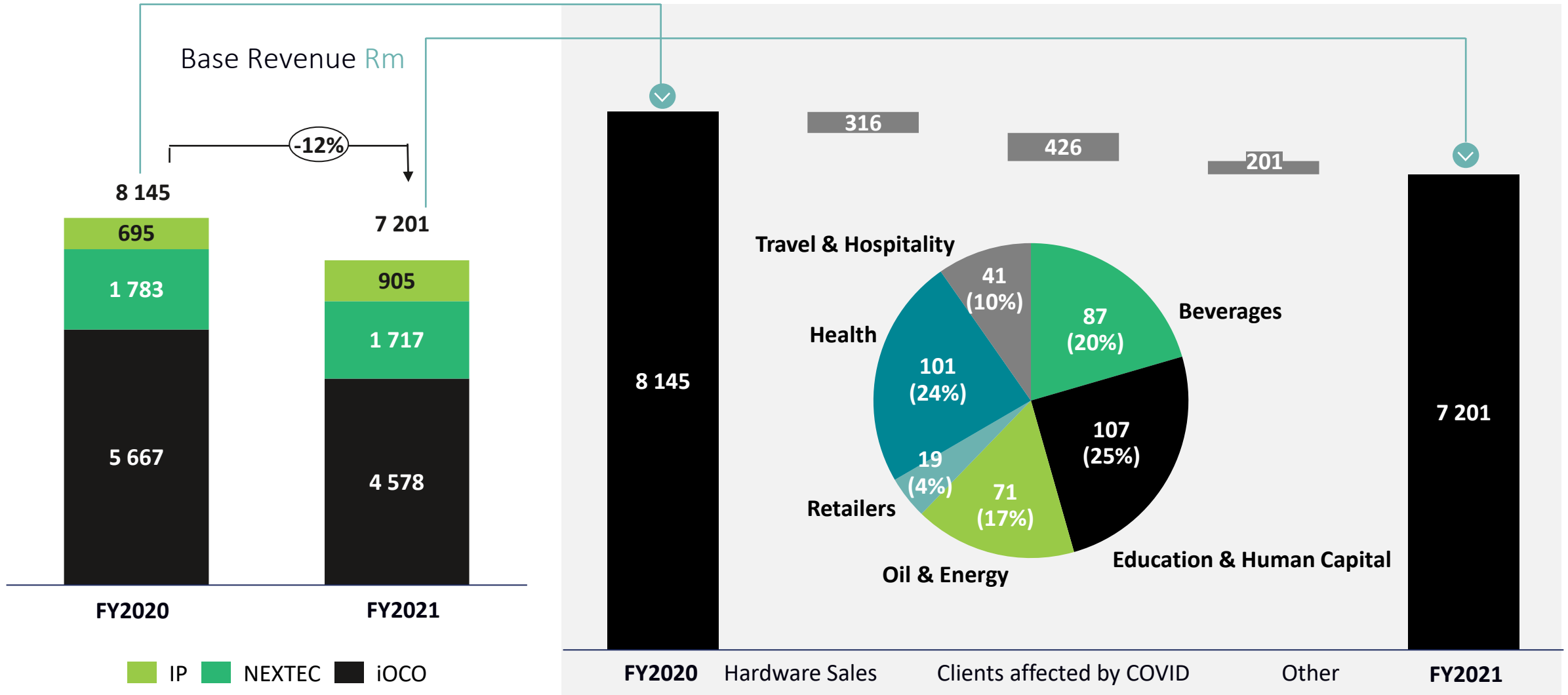


*Market cap calculated as average of monthly close

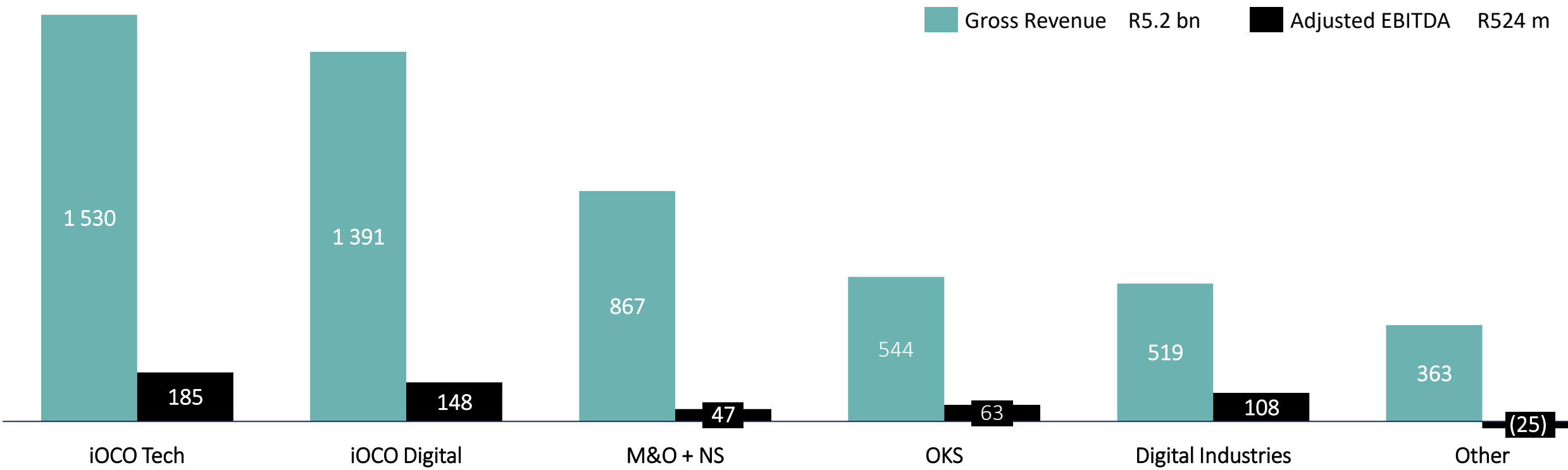
> Focus on quality of earnings paying off



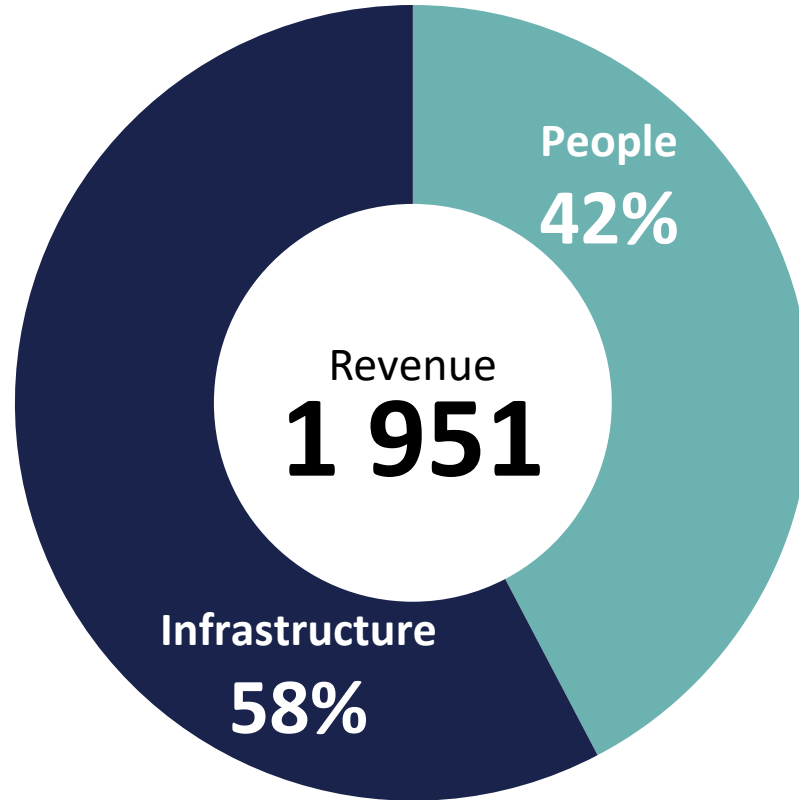
> Analysis of base revenue Rm



GP: 30% EBITDA: 12%	GP: 25% EBITDA: 11%	GP: 10% EBITDA: 5%	GP: 38% EBITDA: 12%	GP: 43% EBITDA: 21%	GP: 17% EBITDA: -7%
Revenue growth impacted by hardware sales decline due to supply shortage caused by global supply chain issues. Good margins in OEM space. Industry growth of 3% in hardware & 5% in software is expected.	App dev, automation, big data & move to the cloud is the main driver of future growth, with 14% industry growth projected. .	This business unit has been significantly impacted by COVID, with a significant decline in revenue due to customer cash constraints. 4% industry growth is projected.	Our OKS business contains some of our early stage IP Platform businesses.	Growth in adoption of OT in mining & heavy industry driving growth. Strong relationship with AVEVA.	This is largely made up of ringfenced public sector contracts and other discontinued services which are now substantially complete.



R-35m EBITDA



-R46m

19%
GP margin

-4%
EBITDA margin

R45m EBITDA losses relating to
Pia Solar and Autospec

R11m
EBITDA

19%
GP margin

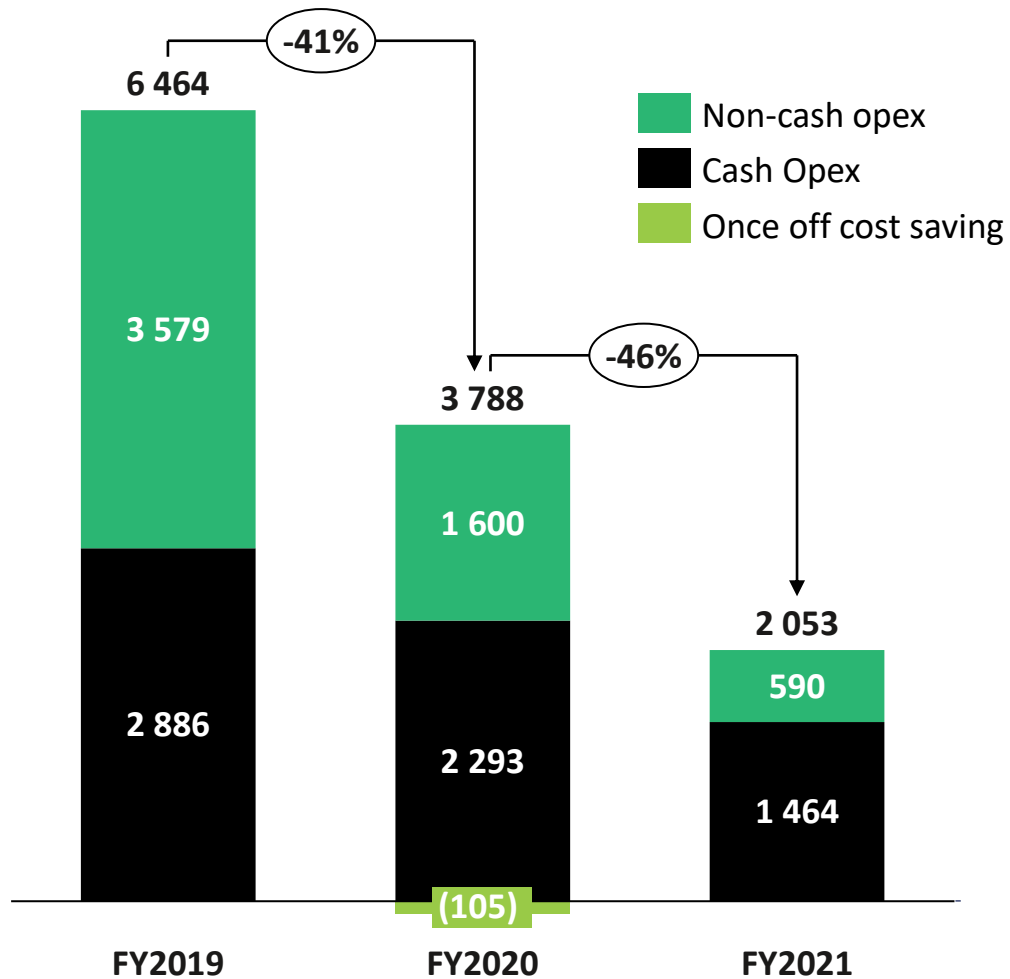
1%
EBITDA margin

NEXTEC
THE POWER OF PEOPLE AND TECHNOLOGY REALISED

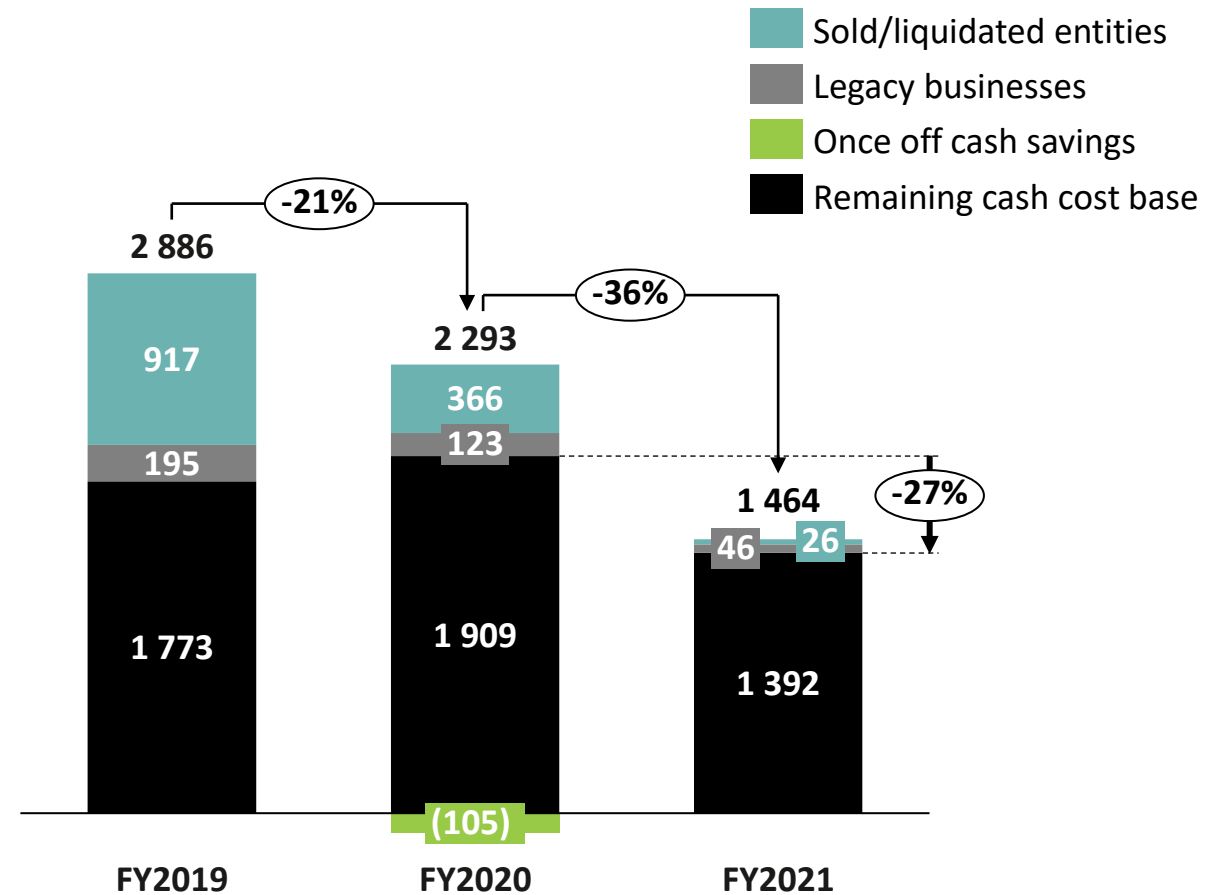
OPEX

Positive JAWS resulting in operating profit

Cash vs non-cash opex Rm



Cash cost base remaining after disposals and legacy clean-up Rm

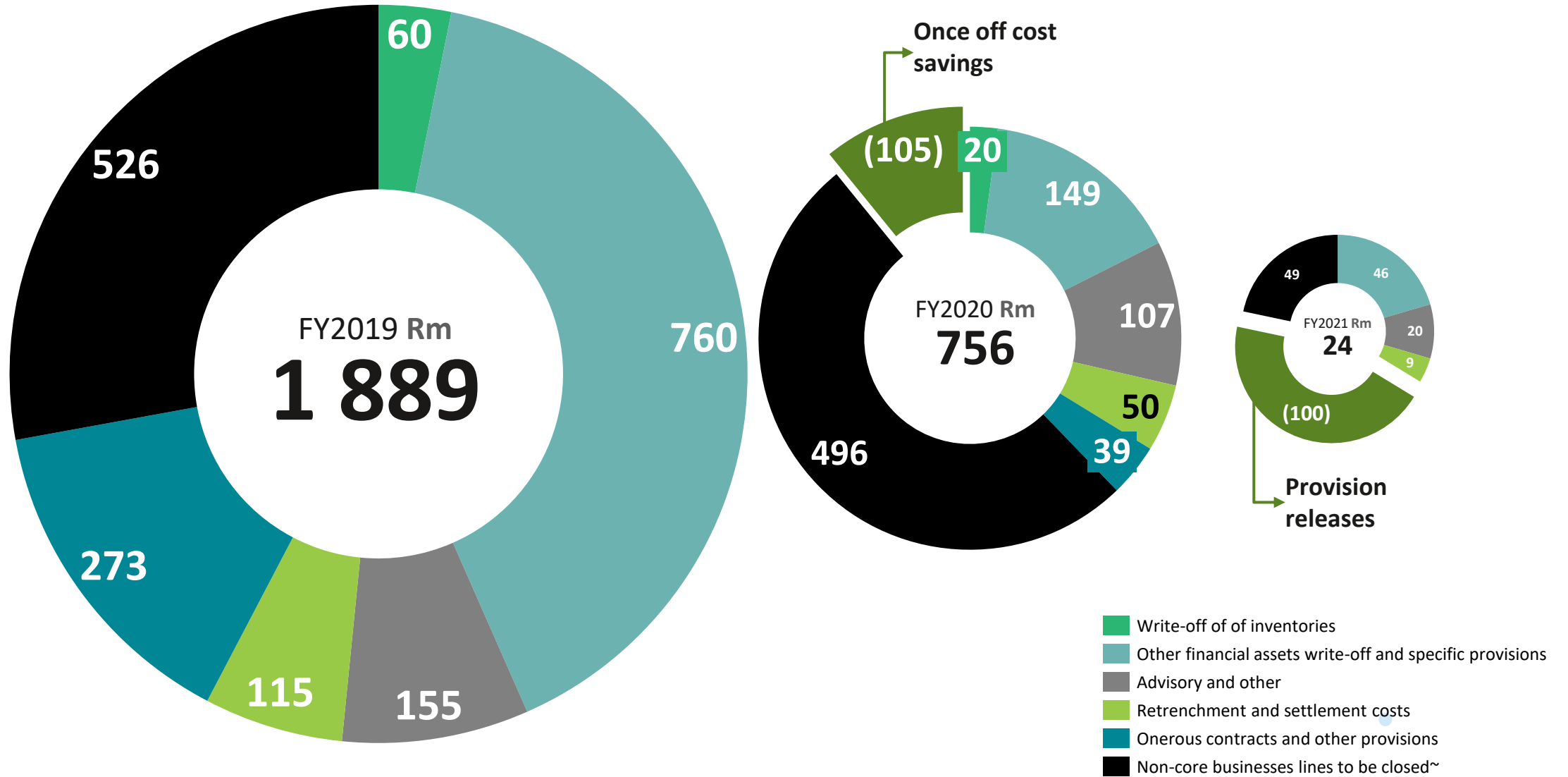


> EBITDA

Drastic decline in one-offs showing sustainable stability

Rm	FY2021	FY2020	Δ FY2021 VS FY2020	Δ% FY2021 VS FY2020
Operating Profit/ (Loss)	147	(1 319)	1 466	(111%)
EBITDA Adjustments	520	1 338	(818)	(61%)
Depreciation & amortisation	275	498	(223)	(45%)
Impairment losses	183	522	(340)	(65%)
Gains/(Losses) on disposals	47	264	(217)	(82%)
Other	16	54	(38)	(70%)
Adjusted EBITDA	667	19	648	3 379%
Normalisation adjustments	24	756	(732)	(97%)
Normalised EBITDA	691	775	(84)	(11%)

> Decline in adjustments as business stabilises

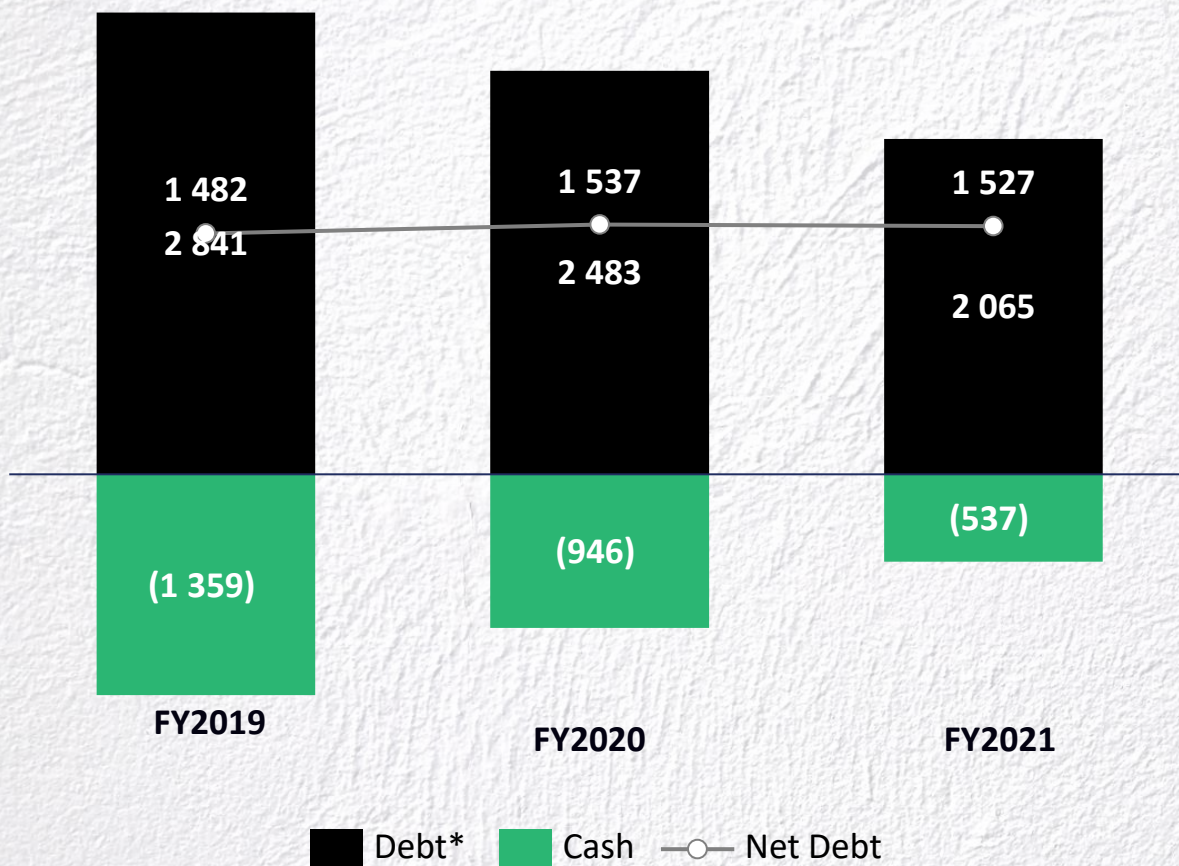


Balance Sheet



> Debt Rm

Net debt to EBITDA ratio down to 2.4 from 89.0



The Group has signed a Common Terms Agreement (“CTA”) with its lenders on **20 October 2021** the principal features being:



R500 million Senior facility repayable in 3 years’ time with a 100% bullet payment; and



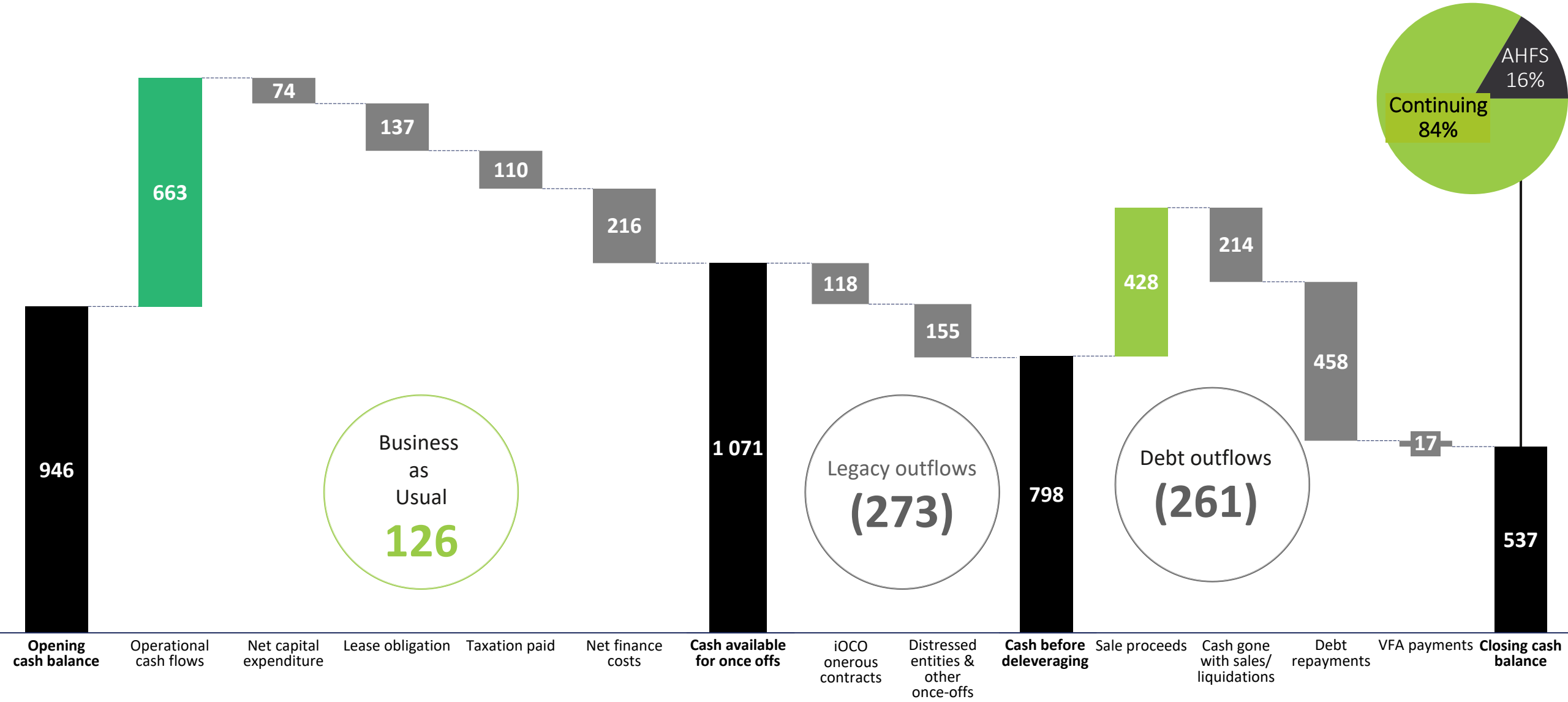
R1 500 million Bridge facility repayable on 31 October 2022. The bridge will principally be repaid through a combination of disposals of non-core assets, internally generated cash flows and additional capital from debt and/ or equity providers.



Over time, we believe that the business should achieve a gearing level of c.1.0x to 1.5x Net Debt / Adjusted EBITDA (LTM) which will position the business for future growth opportunities.

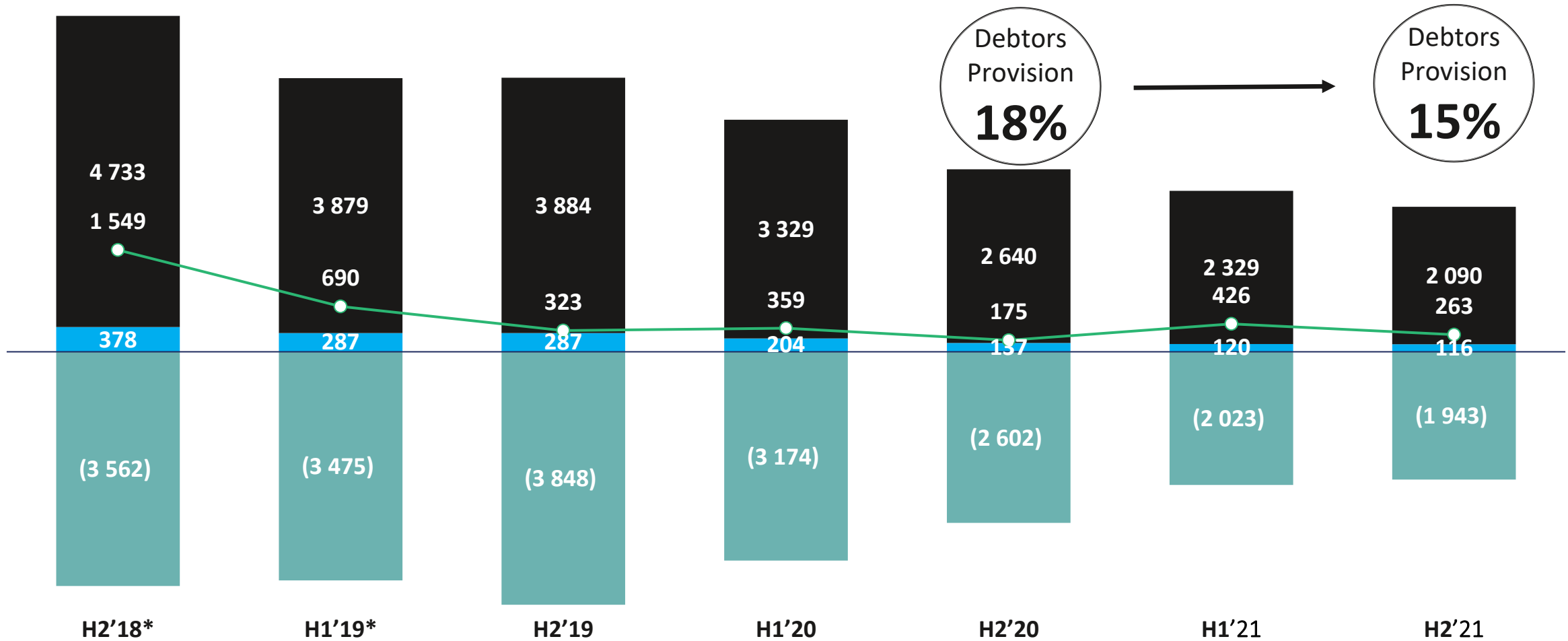
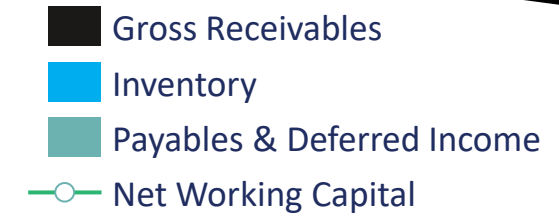
* Includes all debt to lenders' consortium

> Cash bridge Rm



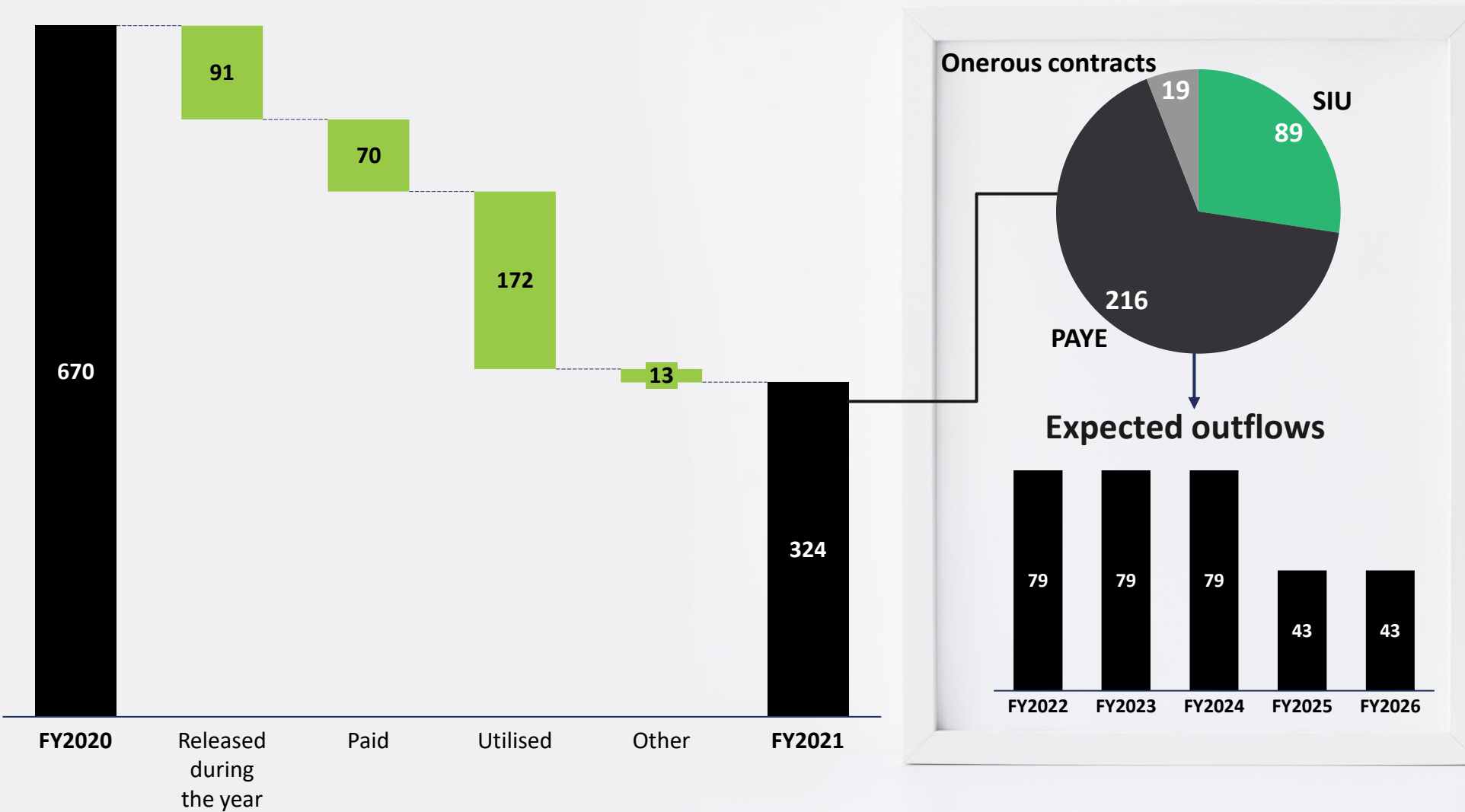
> Net working capital stable in a tough environment

Debtors' days stayed constant at 65 days



> Provisions Rm

Steady decline after settlements and reversals



> Disposals

Disposal	Industry	Financial year	Enterprise value# Rm	Cash proceeds received Rm	Cash proceeds to be received Rm	EV/PAT multiple
CCS - 70%	Construction software	FY2019	651	444	0	19,2
CCS - 30%	Construction software	FY2020	476	143	0	14,0
DENIS	Dental health fund administrators	FY2021	250	224	17	7,2
Syntell	Traffic management IP	FY2021	207	175	0	12,2
Sybrin	Fintech	FY2022*	410	0	334	10,3
				986	351	

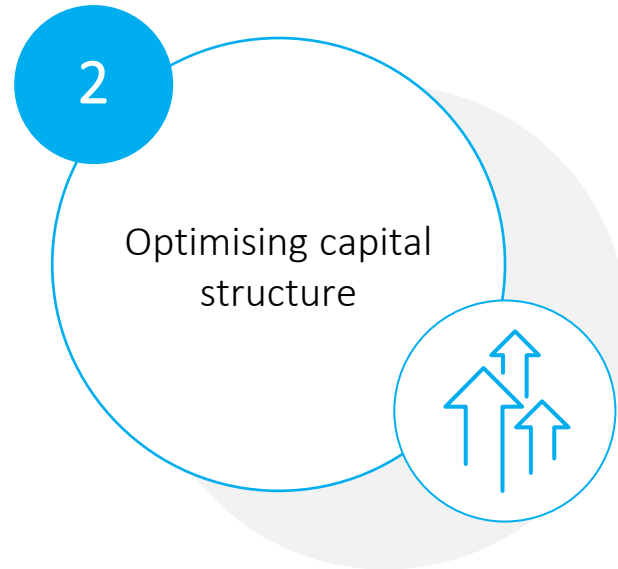


* Transaction expected to close in first half of FY2022
 # Enterprise Value post debt



> Priorities

2022 and beyond



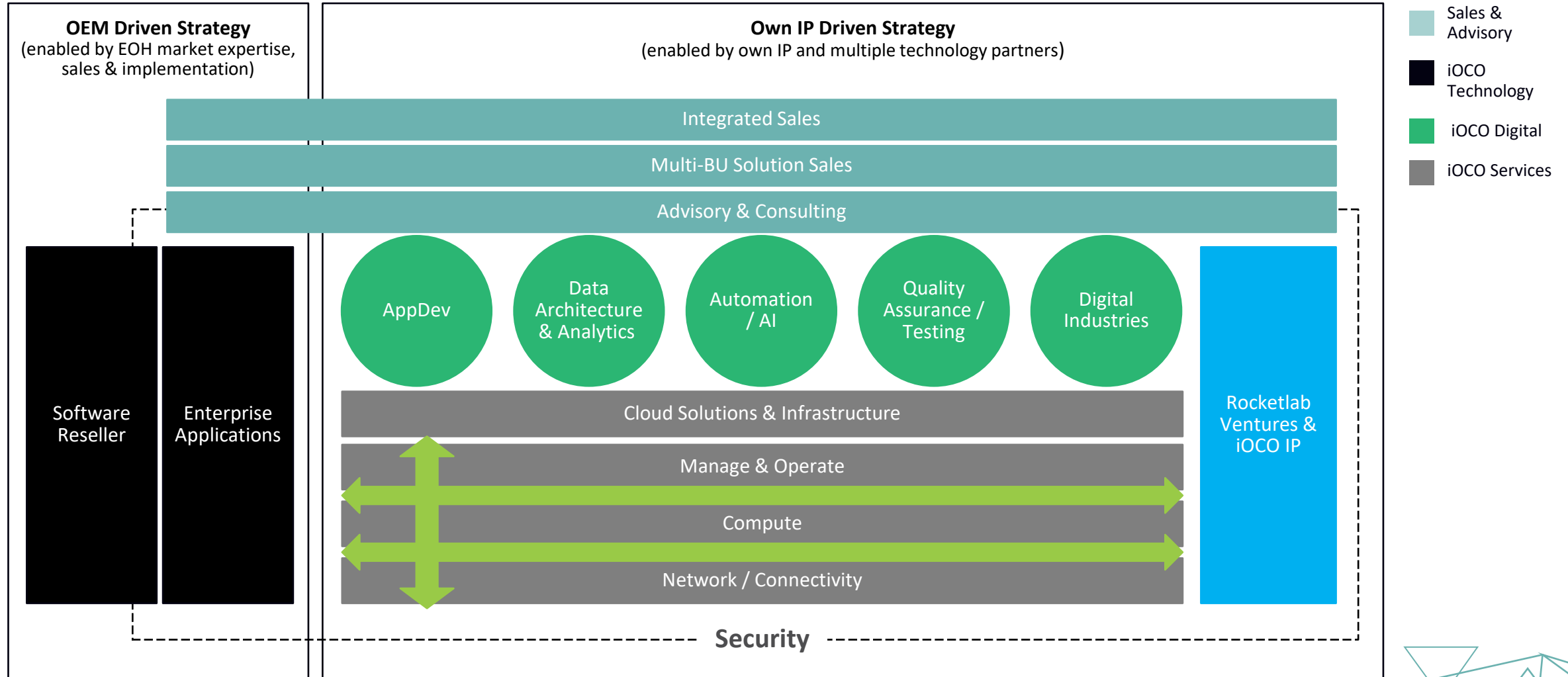
EOH Commercial Overview

Ziaad Suleman

Chief Commercial Officer



> iOCO provides products and solutions across the ICT value chain



> NEXTEC provides Infrastructure and People solutions



Following our OEM's as a strategic partner in our Journey



GE Digital



NEXTEC is one of the leading technology systems integrator with best-in-class people solutions

1

Saved **52 megalitres** of water for the **City of Cape Town**. That is **450 Olympic size swimming pools per month**

2

Implemented **Smart Estate Security Solutions** into South Africa's largest residential estate

3

Provided **1 million + hours** of **online tutoring** to mainland China in a **year**

4

Lead Western Cape in designing a strategy to **manage school** and **hospital assets**

5

Provided **Engineering resources** for projects in **KwaZulu Natal** and **Mpumalanga**

6

Provided an **environmental health survey** in **Lesotho**

7

Provided **smart electronic solutions, CCTV camera, security and wifi**, to the **largest SA university**

8

Designed and completed a **120 000 m² distribution centre**. The **largest in South Africa**

9

Was the **Principal advisor** to the **first OEM (Automotive)** to achieve **Level 1 B/BBEE contributor status**

10

Supplied a **wireless mesh communication solution** to a large **global mining organisation**

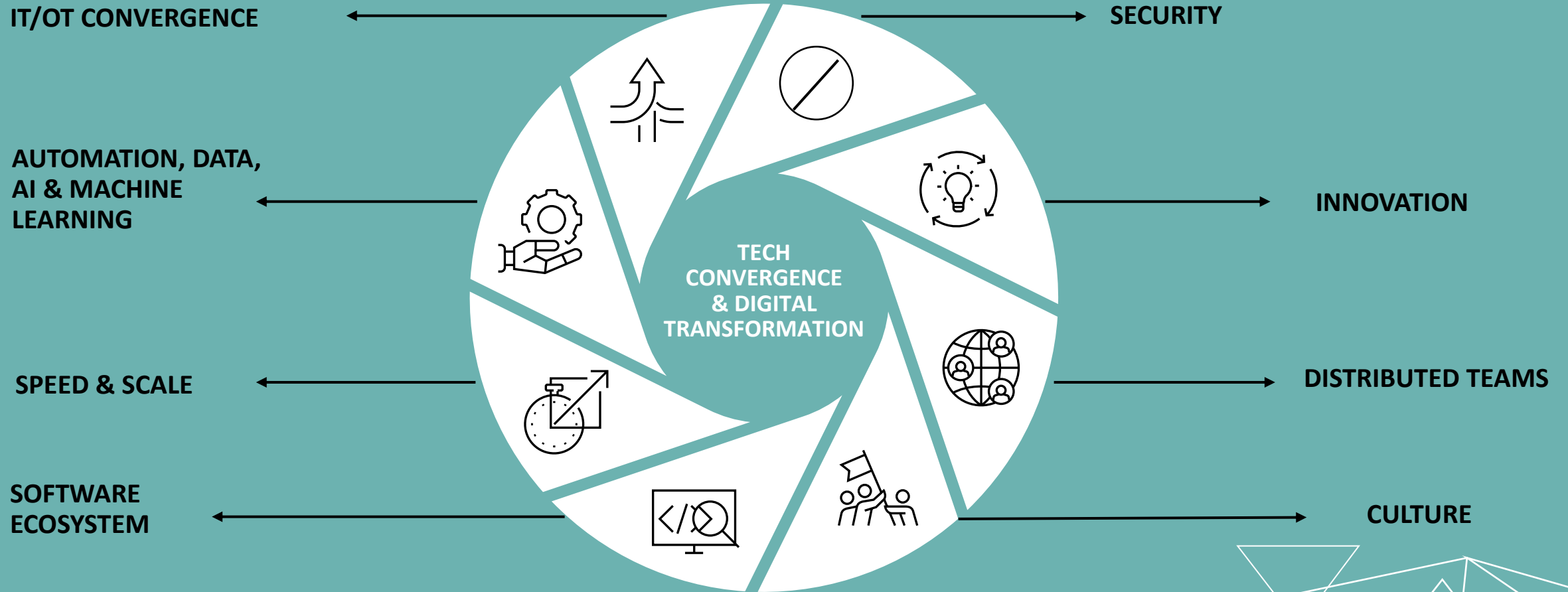
NEXTEC

THE POWER OF PEOPLE AND TECHNOLOGY REALISED

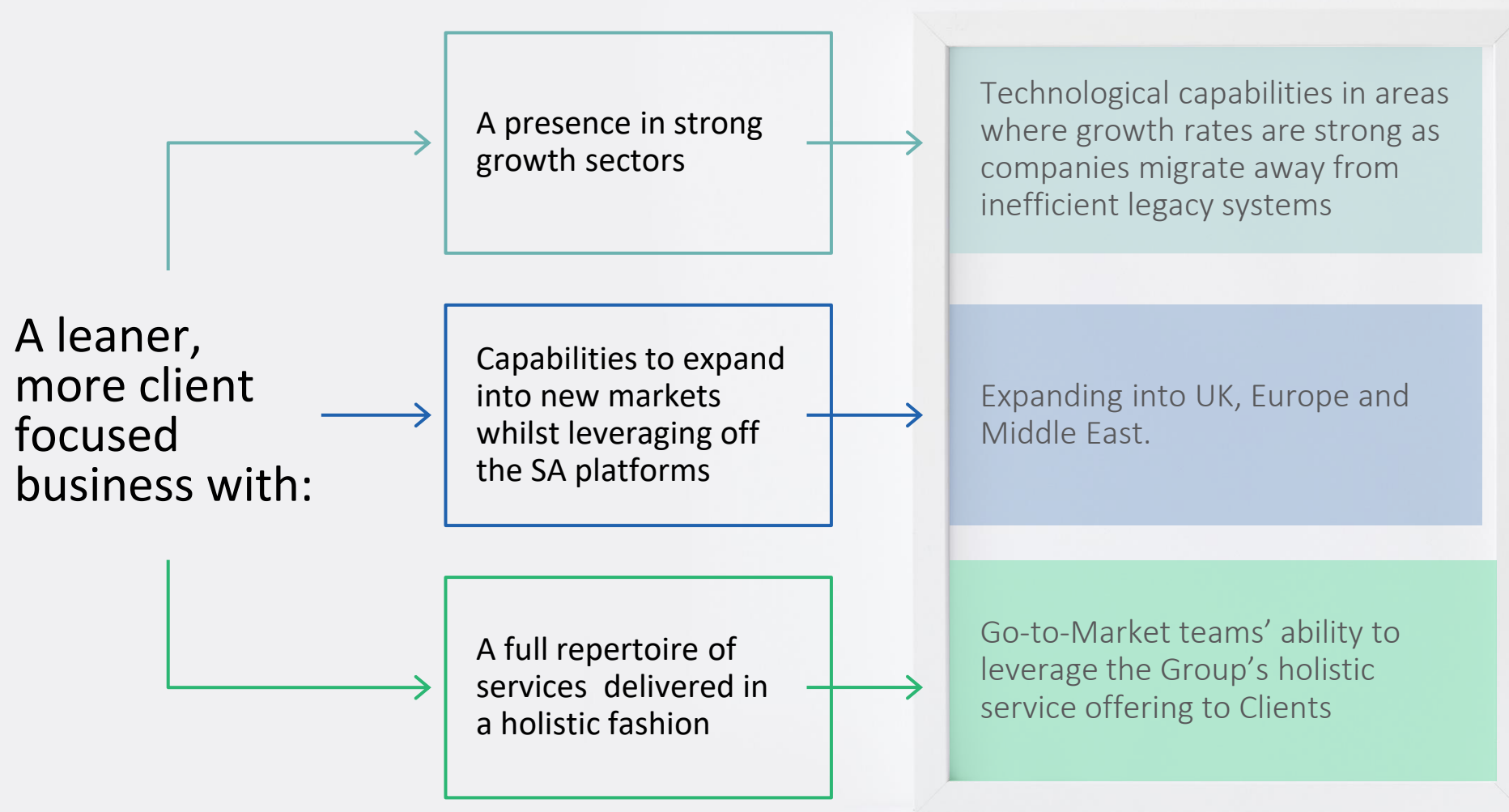


> Digital trends

Trends affecting our clients in 2021-2022



> Drivers of our Value Proposition



Our International footprint is a base for expansion

South Africa to serve Sub-Saharan Africa

Middle East - Egypt, Saudi Arabia & UAE - # OF CLIENTS 170

Egypt positioned as a hub to expand into the Middle East

Current Offering

- Software Reseller & Digital offerings: AppDev, intranets, portals
- Own IP largely business apps

Expansion Opportunities

- Cloud & Security and sell own IP
- Offer more Digital Industries
- Export AppDev services into ME, UK and EU markets from Egypt

UK & Europe England, Switzerland & Czech Republic - # OF CLIENTS 63

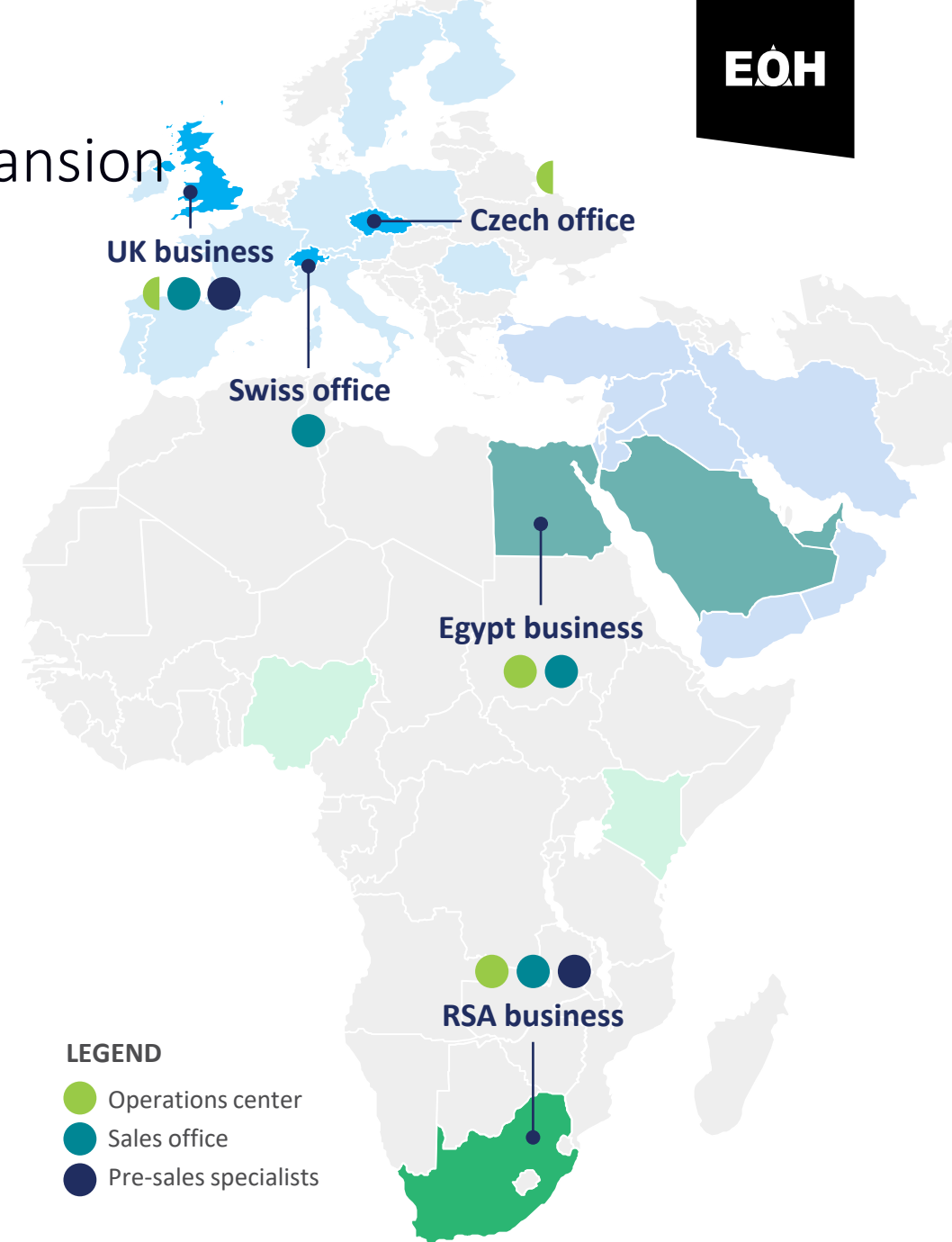
UK operating as a springboard for Europe

Current Offerings

- Microsoft licensing consulting & advisory, Cloud & Security, Software reseller
- Application mgmt.: DevOps, ITSM, App testing, App Performance
- Cloud operations centre

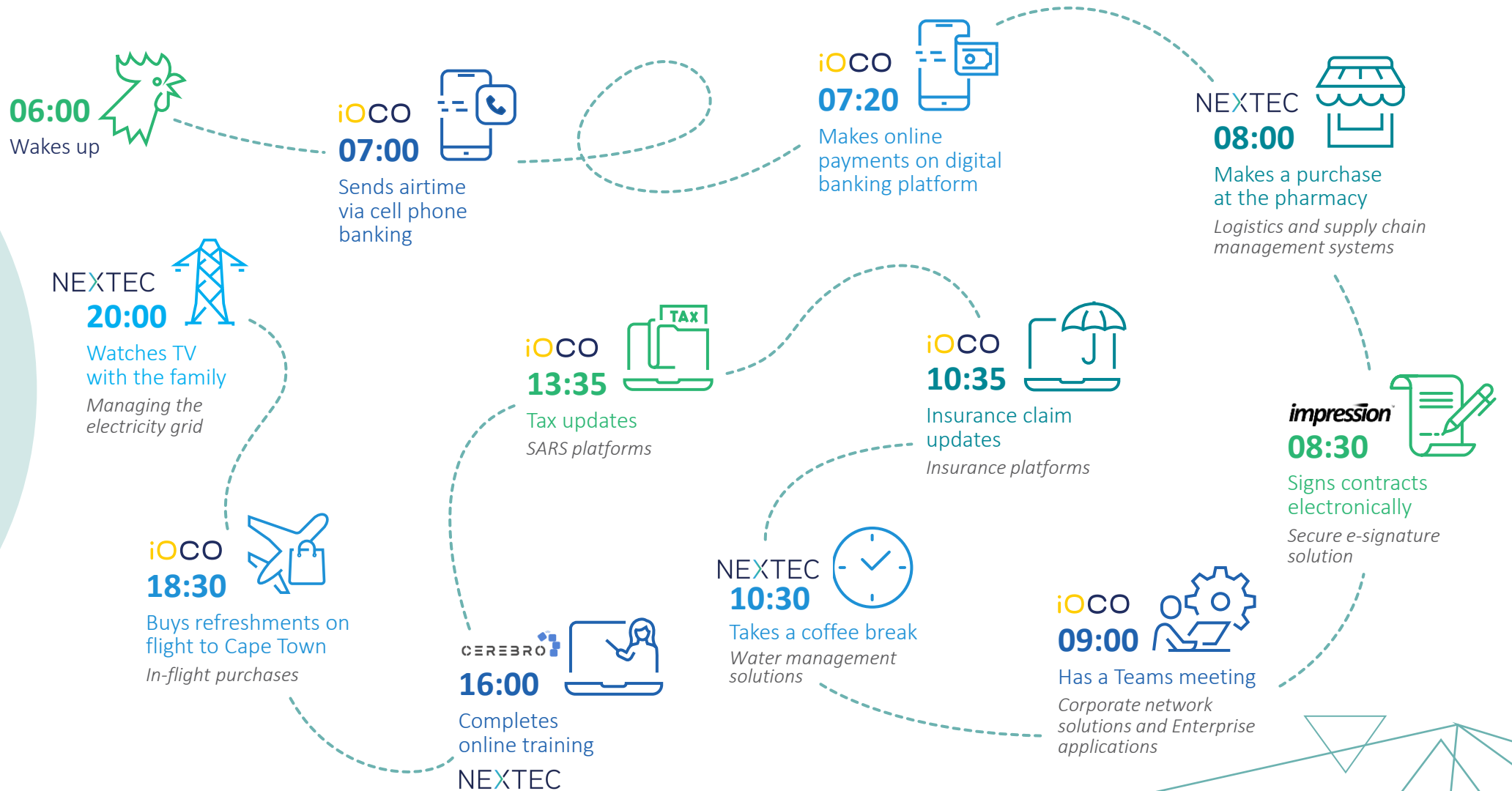
Expansion Opportunities

- Actively sell AppDev, Data, Security, Own IP and more cloud consulting.
- SA customers that have UK/EU presence.
- Partner/vendor expansion



> A day in the life of a SA Citizen

Unmatched capabilities across all sectors of the economy



Stephen van Coller
Chief Executive Officer

OUTLOOK



> Sustainable competitive advantage

Network & Reach



Diverse client base
across sectors

~5000 total
clients



Enduring
client relationships



Strong partnerships

50 strategic OEM partners

Depth & Breadth of Offering



End-to-end
ICT offering



High potential
IP business to create
future platforms



Ability to
serve across
EMEA time zone

Scale to deliver large projects



~6000
full-time

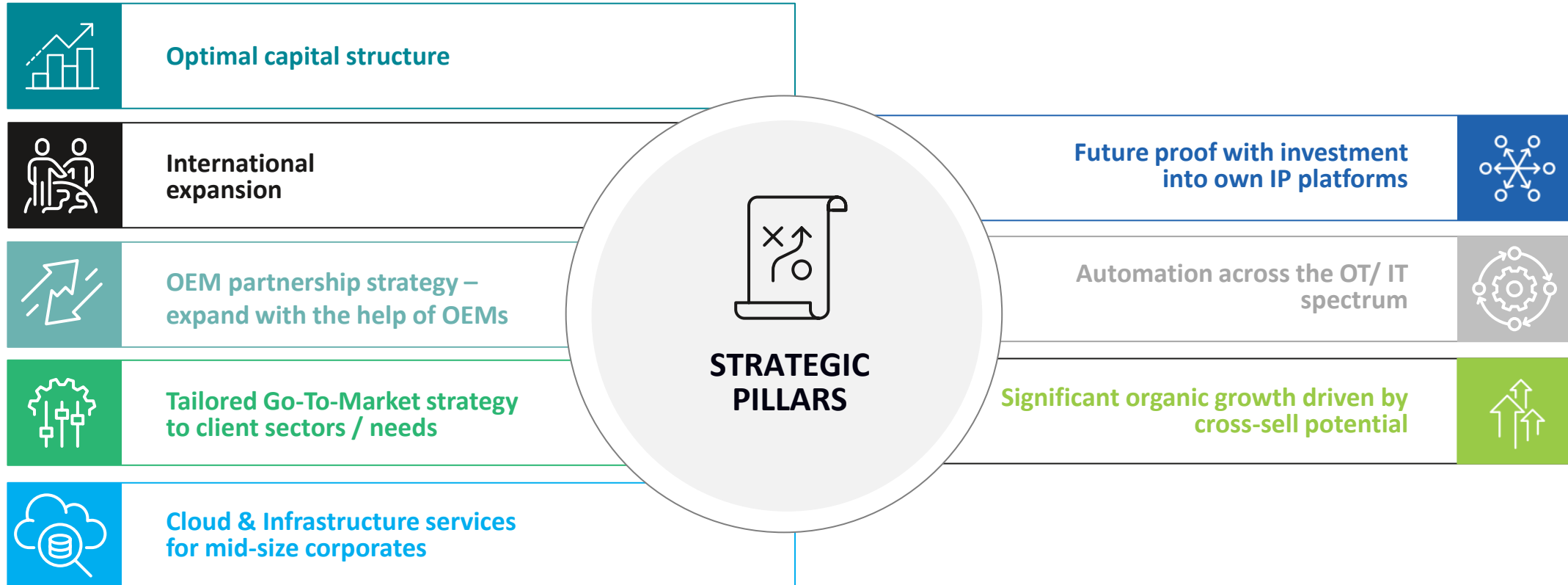


~380
developers



up to **500**
partnership
certifications

> Significant potential provides foundation for growth



E^oH

Thank you

Investor Relations: IR@eoh.com



> Disclaimer

CAUTIONARY REGARDING FORWARD-LOOKING STATEMENTS

We may make statements that are not historical facts and relate to analyses and other information based on forecasts of future results and estimates of amounts not yet determinable. These are forward looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995.

Words such as “prospects” “believe” “anticipate” “expect” “intend” “seek” “will” “plan” “indicate” “could” “may” “endeavour” and “project” and similar expressions are intended to identify such forward looking statements but are not the exclusive means of identifying such statements.

By their very nature forward-looking statements involve inherent risks and uncertainties both general and specific and there are risks that predictions forecasts projections and other forward-looking statements will not be achieved. If one or more of these risks materialise or should underlying assumptions prove incorrect actual results may be very different from those anticipated.

The factors that could cause our actual results to differ materially from the plans objectives expectations estimates and intentions expressed in such forward-looking statements are discussed in each year’s annual report. Forward looking statements apply only as of the date on which they are made and we do not undertake other than in terms of the Listings Requirements of the JSE Limited any obligation to update or revise any of them whether as a result of new information future events or otherwise. Any profit forecasts published in this report are unaudited and have not been reviewed or reported on by EOH's external auditors.

Appendix 1: Income Statement

Continuous and sustained improvement

Rm	FY2021			FY2020		
	Audited	Continuing	Discont.	Audited	Continuing	Discont.
Revenue	7 882	6 874	1 008	11 277	8 772	2 505
Gross Profit	2 200	1 723	477	2 469	1 798	671
Operating expenses	(2 053)	(1 687)	(366)	(3 788)	(2 734)	(1 054)
Operating (loss)/ profit	147	36	111	(1 319)	(937)	(383)
Net finance costs	(273)	(268)	(5)	(392)	(385)	(7)
Share of equity-accounted loss	3	3	0	9	(1)	10
Taxation	(157)	(97)	(60)	8	60	(52)
Loss for the period	(280)	(326)	46	(1 693)	(1 262)	(431)
Adjusted EBITDA	667	471	196	19	(125)	144
Gross margin	28%	25%	47%	22%	20%	27%
Operating margin	2%	1%	11%	(12%)	(11%)	(15%)
EBITDA margin	8%	7%	19%	0%	(2%)	6%
HEPS (cents)	(22)	(109)		(534)	(505)	

Appendix 2: Balance Sheet

Assets

R'000	Audited 31 July 2021		Audited 31 July 2020	
	Total	Continuing	Total	Continuing
Non-current Assets				
Property, plant, equipment and right-of-use assets	398 452	341 464	789 664	544 846
Intangible assets	382 676	64 493	458 288	112 967
Goodwill	1 215 808	745 844	1 520 818	916 743
Equity-accounted investments	14 239	8 260	17 689	6 689
Other financial assets	60	-	60 881	60 881
Deferred taxation	128 023	116 853	232 103	200 972
Finance lease receivables	8 030	8 030	55 120	55 120
	2 147 288	1 284 944	3 134 563	1 898 218
Current Assets				
Inventory	115 745	112 548	137 030	113 754
Other financial assets	11 058	11 058	155 980	137 109
Finance lease receivables	101 299	101 299	69 396	67 720
Current taxation receivable	41 385	38 563	73 655	53 940
Trade and other receivables	2 090 274	1 928 570	2 640 316	2 116 576
Cash and cash equivalents	913 346	824 902	974 580	645 837
	3 273 107	3 016 940	4 050 957	3 134 936
Assets held for sale		1 118 511		2 152 366
Total Assets	5 420 395	5 420 394	7 185 520	7 185 520

Balance Sheet

Equity & Liabilities

R'000	Audited 31 July 2021		Audited 31 July 2020	
	Total	Continuing	Total	Continuing
Equity				
Stated capital	4 217 285	4 217 285	4 250 219	4 250 219
Shares to be issued to vendors	393	393	15 300	15 300
Other reserves	598 500	598 500	924 862	924 862
Retained earnings	(4 658 537)	(4 658 537)	(4 680 506)	(4 680 506)
Equity attributable to the owners of EOH Holdings Limited	157 641	157 641	509 875	509 875
Non-controlling interest	20 153	20 153	29 624	29 624
	177 794	177 794	539 499	539 499
Liabilities				
Non-current liabilities				
Other financial liabilities	3 676	-	5 674	5 674
Lease liabilities	80 750	80 669	171 699	171 699
Deferred taxation	91 923	59 482	142 774	111 291
	176 349	140 151	320 147	288 664
Current liabilities				
Other financial liabilities	2 181 631	2 179 858	2 662 291	2 632 775
Current taxation payable	51 290	45 591	87 036	49 329
Lease liabilities	99 568	82 641	189 266	104 723
Trade and other payables	1 644 471	1 497 263	2 253 889	1 603 046
Deferred income	299 022	299 022	348 014	348 014
Provisions	402 607	324 299	670 125	670 125
Bank overdraft	387 665	387 665	115 253	115 253
	5 066 254	4 816 339	6 325 874	5 523 265
Liabilities held for sale		286 111		834 092
Total Liabilities	5 242 601	5 242 601	6 646 021	6 646 021
Total equity and liabilities	5 420 394	5 420 395	7 185 520	7 185 520

Appendix 3: Digital transformation and automation

Digital innovation is at the heart of our 4000+ strategic and technical specialists

JOURNEY TO THE CLOUD

Public Cloud - AWS, GCP, Azure, OEM Cloud offerings - Oracle, SAP & IBM, Migrated major hospital group into the cloud

CUSTOM SOFTWARE DEVELOPMENT

On prem or cloud native development & integration. Revenue Service e-filing, Large Bank Mobile Banking Platform, Large Telco commercialized API platform. Stock Exchange post trade system

DATA & ANALYTICS

Large Corporate Investment bank, customer 360 platform driving smart marketing, new product sales and one view of customer. International Mining Group – Diesel Fuel rebate solution. The system pulls data together and calculates rebates

INTELLIGENT AUTOMATION

Large, multinational telecommunications company - call centre automation. Major insurer – Automation of core processes, FICA and switching reducing human input by 70%. Large Logistics company – digitized and automated proof of delivery. International Petro Chemical – Automated IT service management and remediation

CONSULTING AND HUMAN CENTERED DESIGN

3 major banks in SA we design customer journeys, user experience and user interfaces across Retail and Business Banking as well as Corporate Investment Banking
Major SA & African Telco – User Experience & User Interface design across African opcos for mobile channel

QUALITY ASSURANCE

Major SA & African Telco – Full testing platform & service with automation from development to production
Major insurer – Full software testing service driving automation ensuring quality and performance of applications

SECURITY

SA Insurer - Full security outsource
Large manufacturer – analyzing privacy risk and implementing POPIA controls

We have the capabilities to meet opportunities presented by market drivers, as companies migrate away from inefficient legacy systems and embrace automation, and digital transformation



> Appendix 4: The International business commercial strategy centres on:

CUSTOMER NEEDS

- Help with emerging tech
- Customer experience
- Cloud advice
- Platform agility
- Specialised skills
- Industry experience in certain areas
- Increase value, reduce costs
- Agile delivery
- A partner that really can deliver and knows what they are doing
- As-a-service solutions
- Partner that is easy to engage with partner



TARGET CUSTOMERS OR SEGMENTS

Corporate/mid-market

- Financial Services
- Retail
- Manufacturing
- Communications
- Government
- GTM Partners

Follow the customer from SA.



OUR UNIQUE VALUE PROPOSITION

- Global presence, local relevance
- Customer centric – close touch
- End-to-end trusted digital thinking, listening, doing partner.
- Agility of a small organisation with large corporate infrastructure.
- Demystify/simplify the digital transformation journey, tech partnerships, get value, optimisation from tech
- Delivery partner to large tech vendors



FUTURE CUSTOMERS



SMMEs | Fintech | Startups | Public sector