



EOH

Integrated
Report
2023



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We exist to **improve** lives through the **technologies** we **create**, leaving the world better than we found it.

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Forward-looking statements

This Report contains forward-looking statements which are based on assumptions and management's view of EOH's future performance. Such statements are, by their nature, estimates, subject to risks and uncertainties, which may result in EOH's actual performance being different from that expressed or implied in any forward-looking statements. These statements have not been audited by EOH's external auditor.

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We welcome your feedback to ensure that we address the topics that are important to you.

Visit www.eoh.co.za
or email: ir@eoh.com
for the feedback form.

Our six capitals



Financial Capital



Manufactured Capital



Intellectual Capital



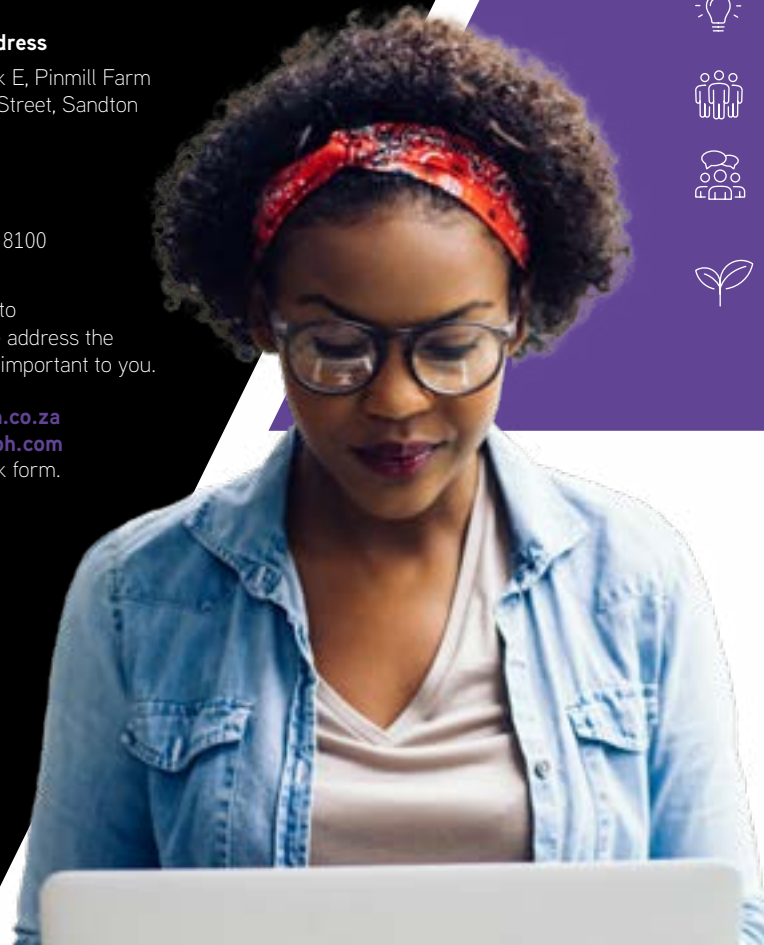
Human Capital



Social and Relationship Capital



Natural Capital



About this report.

In pursuit of **transparent reporting and ethical governance**, EOH Holdings Limited (including its subsidiaries) (hereinafter referred to as “EOH”, “the Company”, or “the Group”) is dedicated to providing stakeholders with insightful information to support **informed decision-making** concerning the Company’s value creation.

Scope of the Report

In this Report, the performance of the Company, as well as its associates and joint ventures (if any) is reviewed for the year ended 31 July 2023. The Report also covers EOH’s strategic value-creation model and governance practices, and provides an overview of the risks and opportunities encountered in the 2023 financial year. EOH is a future-focused company and is concurrently releasing an Environmental, Social and Governance (“ESG”) Report that covers the Company’s significant sustainability matters for the reporting period.

The full set of audited consolidated Annual Financial Statements are available on the Company website at <https://www.eoh.co.za/investor-relations/integrated-annual-reports/>.

Preparation of the Integrated Report

The following reporting requirements, guidelines and frameworks were considered in preparing this report:

- » Companies Act 71 of 2008 (“Companies Act”);
- » The Listings Requirements of the JSE Limited (“JSE Listings Requirements”);
- » The principles of the King IV Report on Corporate Governance™ or King IV™ (“King IV”)*;
- » The Global Reporting Initiative’s (“GRI”) Sustainability Reporting Standards;
- » The UN Sustainable Development Goals (“SDGs”);
- » International Financial Reporting Standards (“IFRS”); and the
- » International Integrated Reporting Council’s (“IIRC”) Integrated Reporting <IR> Framework.

EOH is making steady progress in following the guidelines of King IV, while also improving the incorporation of financial, social, governance and environmental information.

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Materiality

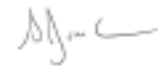
EOH’s Integrated Report focuses on information that is material to its business. Qualitative and quantitative materiality are considered in all cases. These determinations are made by the Executive Committee and applied across the Group. The Report provides a concise overview of EOH’s performance, prospects and ability to generate sustainable value for all its stakeholders. All relevant information has been included in this Report while considering the legitimate interests of all stakeholders.

Assurance

A combined assurance model was established to formalise and oversee combined assurance in the Group.

Board responsibility

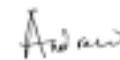
The Board, assisted by the Audit Committee, is responsible and accountable for the integrity of this Report. The executive management, with the assistance of a dedicated reporting team under the direction of the Chief Financial Officer, was responsible for preparing and consolidating this report. The Board believes that the report is a balanced and appropriate representation of the financial and operational performance of EOH and that the report was prepared in accordance with the IIRC’s Integrated Reporting <IR> Framework. The Board approved this Report on 16 October 2023.



Stephen van Coller
Group Chief Executive Officer



Megan Pydigadu
Group Chief Financial Officer



Andrew Mthembu
Chairman
16 October 2023

Our approach to the six capitals

- » EOH views the six capitals as valuable tools for assessing how an organisation’s activities generate and transform value. However, we also consider it a responsible reporting practice to accurately depict our internal decision-making processes. EOH is making progress in using the six capitals for internal reporting on value creation, and their incorporation in this report is evolving as we align more closely with the capitals framework;
- » To gain insights into our impact in terms of financial capital, please see our CFO’s Report on page 37;
- » For an overview of our impact related to relationship capital, please refer to our Stakeholder section on page 21;
- » To understand our impact in terms of human capital, please explore page 4, 34, as well as our 2023 ESG Report;
- » Our impact in terms of intellectual capital is increasingly woven throughout the report, spanning the “Our Business”, “Our Strategy” and “Our Performance” sections as we highlight intellectual property and leverage our operational and other reviews;
- » Given the nature of our business, we interpret manufactured capital as the solutions and outcomes we create for our clients. This interpretation is primarily reflected in the “Our Strategy” and “Our Performance” sections of the Report.














Material matters.

As EOH entered its **growth** phase, the Group’s focus shifted toward establishing a **solid foundation** for value creation, in line with its **GET strategy**.

We determined material matters through the following steps:

- 1 Assessed goals achieved against the transparency, liquidity and credibility aims of the Group’s turnaround journey (July 2022);
- 2 Distilled the key priorities that will advance the business (July 2022);
- 3 Evaluated the business priorities with the Board as part of the budget cycle and KPI process (August 2022);
- 4 Socialised and refined the business priorities with the broader Executive Leadership Team (September 2022);
- 5 Obtained Board ratification of the priorities (January 2023);
- 6 Socialised the priorities with all staff and shareholders and obtained feedback from these stakeholders (February 2023).

EOH identified its material matters and outlined specific objectives for dealing with each matter:

	Material matters	Objective	Capital impacted	Capital impacted Related sections
1	Capital structure	Creating a stable capital structure to reduce interest payments to lenders; improve financial results for shareholders and allow reinvestment into the business.	 	Financials
2	Business structure	Our business structure is designed to provide clear solutions tailored to distinct client needs and the establishment of Centres of Excellence. This structure also guarantees transparency in the drivers of our business model.	  	Our business; Six capital Value-creation model; Strategy section
3	Our clients	Driving growth through well-defined and intentional Go-To-Market activities designed to meet client needs and establish lasting client relationships.	 	Our business
4	Digitisation	Developing an automated, efficient environment that delivers quality insights, empowering the business to make swift decisions and take effective actions.	 	Strategy; Financials
5	Our employee value proposition	Creating an environment where the best technology talent can thrive is a critical driver of value. EOH prioritised achieving Top Employer accreditation to ensure it adheres to best workplace practices.		Talent achievements in the “Our strategy” section
6	Cultivating our own-IP	To future-proof our business model, we are focused on consistently innovating and developing proprietary intellectual property (“IP”). This ensures that the business moves away from a time-based revenue model and strengthens its competitive advantage. Our approach involves experimentation with new technology and investment in existing IP and scaling propositions (eg RLab and EasyHQ).	  	Strategy achievements in the “Our strategy” section

Our six capitals



Our approach to ESG.

The EOH ESG framework is distinctive in its focus and goes beyond considering sustainability in terms of the needs of its people and communities. It also delivers practical solutions for clients to help them achieve their sustainability goals. This commitment to action aligns seamlessly with and bolsters the United Nations Sustainable Development Goals (“UN SDGs”), which serve as a global agenda for the development path towards an equitable and shared future. The table below exemplifies how EOH’s ESG framework not only aligns with but also actively contributes to advancing the UN SDGs.

	EOH materiality	Our clients	Our business	Our community	
Environment	<p>Greenhouse gas (“GHG”) emissions</p> <p>Energy management, water and wastewater management</p>	<p>EOH businesses CES and JOAT provide environmental and social impact assessments, water solutions, and professional services to clients in the mining, industrial, manufacturing, and oil and gas sectors.</p>	<p>As a services business, EOH has a low emissions profile. We continue to challenge ourselves to efficiently manage and reduce emissions each year.</p>	<p>EOH supports entrepreneurs in launching green businesses and provides assistance with climate literacy initiatives.</p>	
Social	<p>Community impact</p> <p>Access and affordability</p> <p>Labour practices, employee health and safety</p>	<p>EOH’s People Solutions businesses maximise the creation of human capital value, encompassing recruitment, training and functional outsourcing for our clients.</p>	<p>Our talent is one of the key enablers of long-term sustainability and EOH believes an exceptional employee experience is critical for the success of both the Company and the individual. EOH strives to create an environment where talented individuals can thrive.</p>	<p>EOH supports a number of community-oriented projects to ensure we are ethical corporate citizens. We support community education, employability opportunities, volunteerism, and skills development in entrepreneurship as catalysts for change.</p>	
Governance	<p>Business ethics, systemic risk management, customer privacy and data security management of the legal and regulatory environment</p>	<p>Drawing from lessons learnt during the turnaround and enhancement of our governance, risk, and compliance controls and processes, EOH is developing world-class GRC solutions, available as platforms for our clients.</p>	<p>EOH’s approach to systemic risk management has cultivated a robust culture that protects and guides the Company as it works towards its strategic objectives, generating value for all stakeholders. This framework encompasses all aspects of the governance, legal and regulatory environment.</p>	<p>EOH recognises its responsibility in helping corporate South Africa to be part of the solution in the fight against corruption. We are strongly committed to sharing our learnings and being an example of rectifying past wrongdoings.</p>	

Our value creation in practice.

EOH is one of the largest end-to-end technology companies in Africa. The Group enables the operation of critical services across diverse industries through the development of innovative solutions that support its clients' ambitions.

*CES: EOH Coastal and Environmental Services
AIC: African, Indian, Coloured (people)*

Financial Capital

R6.26 billion Group revenue	75% revenue type from services	R164 million operating profit
R600 million capital raise value	R220 million additional allocations requested in capital raise	
R678 million debt paydown	13% reduction in interest charges	

Human Capital

Top Employer
Achieved Top Employer status in FY2023

R2.95 billion salaries paid in SA	> 4 900 employees
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R5.94 million
investment in upskilling or reskilling benefitting 458 employees (including 72% AIC and 36% female)

39% black employees	44% female employees	58% AIC employees
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50
number of graduates placed across Data, Application Development, Testing and Cloud (through our partnership with Capaciti)

74% AIC proportion of new hires and promotions	52% female proportion of new hires
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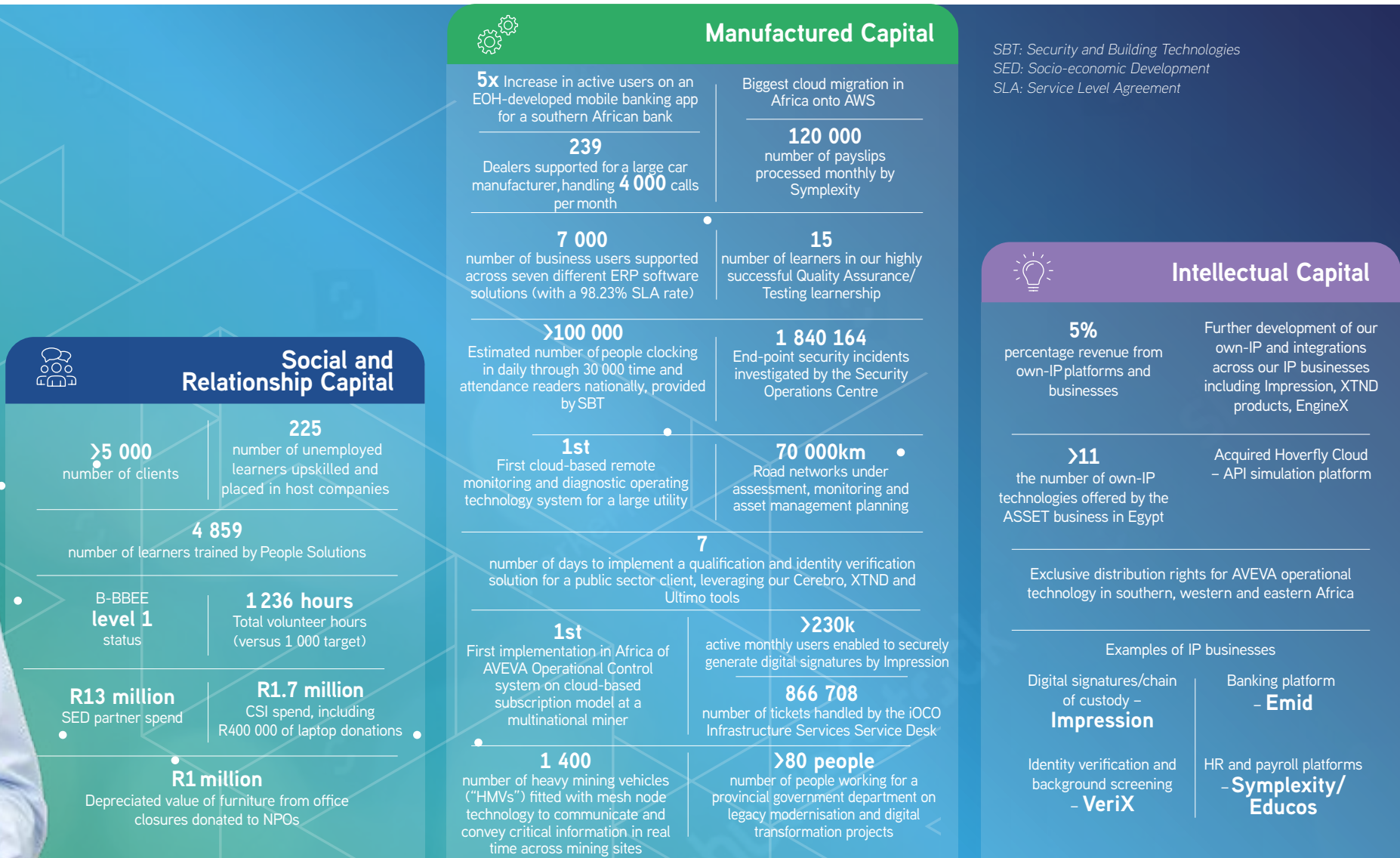
85% percentage of employees that are proud to work for EOH	174 people/R13 million saved number of new joiners placed by consolidated internal recruitment team and amount saved versus using external recruiters
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Natural Capital

18.4% reduction in CO ₂ emissions	9% reduction in water consumption
67% reduction in electricity consumption (off-set by an 82% increase in generator diesel consumption)	43% reduction in Company vehicle petrol/diesel consumption
4GW CES provided support for 4GW of new renewable energy projects	
90% reduction in ownership of properties since 2019	



Our value creation in practice *continued*



SBT: Security and Building Technologies
 SED: Socio-economic Development
 SLA: Service Level Agreement

Our business.

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Chairman's Report.

Building on firm foundations

EOH is finally on an exciting and promising growth path. In the past few years, we have built a stable footing for our Group's advancement by implementing innovative governance mechanisms, and these world-class measures are now bearing fruit.

Our transparent approach to transforming governance within EOH with best practices has led to a marked improvement in our relationship with all our stakeholders. In the past financial year, new and existing customers concluded longer-term contracts with the Group, giving the business the impetus to grow and innovate.

Reflecting on the events of the 2023 financial year, I am pleased to say that EOH has emerged as an influential leader in business governance in South Africa through grappling with its past governance crisis. Because we have successfully turned our business around, other organisations are inviting us to help them entrench practices that ensure transparency, compliance and good governance. We are sharing our experience to help them be bold and proactive in rooting out governance malpractice and setting benchmark standards.



Our transparent approach to transforming governance within EOH with best practices has led to a marked improvement in our relationship with all our stakeholders.

Andrew Mthembu
Chairman

Business environment

In the reporting period, our global operating environment was characterised by continued deglobalisation, driven by increasing geopolitical tensions between the United States and China. These frictions have resulted in a limited availability of IT infrastructure hardware. This had a moderate impact on our business as many of our large customers have already migrated to the cloud or adopted a hybrid cloud model.

A major political event that continues to affect our business is the war in Ukraine. The war has highlighted the importance of having digital business infrastructure and operations, which has led to steady demand for digital transformation from the business sector. But the war has also caused higher inflation globally, which in turn has led our customers to rein in spending and seek

greater efficiencies. EOH has responded to this challenge by providing innovative solutions that meet these requirements. One of the Group's competitive advantages is its ability to draw on a wide range of technologies to customise cost-effective solutions for our clients.

The effects of the Covid-19 pandemic continued to significantly impact our business in the 2023 financial year. The remote-working trend and shifting consumer demands have continued to accelerate the digital transformation of organisations that want to remain competitive. EOH has proved that it is well placed to solve for the needs of the business world in the digital economy.

Successful capital raise

Our shareholders expressed their confidence in the future of EOH when they fully subscribed for our rights issue in January 2023. Their bold, unconditional support for the capital-raising exercise was the culmination of a long and challenging journey of rebuilding the EOH balance sheet.

This vote of confidence shows that our shareholders believe EOH is a business of the future. The Group has turned its focus to building the business with the help of its future-fit information technology, operational technology and people solutions, which are core elements of its business strategy.

Chairman’s Report *continued*

The EOH Board’s key focus areas for the 2023 financial year:

EOH share price	The Board considered measures to address EOH’s stagnant share price.
Transparency in resolving legacy issues	The Board is resolving historical issues relating to a matter between the South African Revenue Service (“SARS”) and EOH Abantu and an EOH Mthombo tender. It is also concluding litigation cases against former executives of the Company.
EOH branding	The Board is discussing the feasibility of rebranding the EOH Group.
Succession planning for leadership	The Board is putting a succession plan in place to fill the role of Group CFO to ensure that the Group continues to be led by exceptional leaders.
GET strategy	The Board considered and approved the Group’s strategy and strategic direction for FY2023.

Strategy in action

Our Growth-Efficiency-Talent (“GET”) strategy is aligned with global trends in the information and communications technology (“ICT”) space. It promotes major trends like the deployment of data strategies and adoption of artificial intelligence (“AI”) for dynamic decision-making and greater business efficiency.

Other trends that inform our strategy include the growing need for computing power seen in forward-thinking groups moving to edge computing. Technology-as-a-Service is a trend that is integral to our business strategy: we have a dedicated legion of people who are experts in the cloud, AI and platform technologies, and readily serve our customers with these solutions.

Our rapid international expansion helps to ensure that we remain at the forefront of innovations and applications in global technology. ASSET, our Advanced Solutions and Smart Energy Technologies company in Egypt, is our second

Centre of Excellence. Here, talented people are creating technologies for the technologically advanced Middle Eastern market. These technologies complement the proprietary technologies we develop at the EOH Centre of Excellence in South Africa. There is a constant exchange of innovations between the two markets and world-class solutions from both regions are offered to the European market.

Our innovative proprietary solutions include our Governance-Risk-Management-and-Compliance-as-a-Service (“GRC-as-a-Service”) offering that we developed to improve governance at EOH and the NAMAA (in Arabic: growth, development) smart agriculture solution created by ASSET. These solutions, along with the host of other proprietary technologies we offer, are set to solve for clients in our established and new markets.

Clearly, our inventive people are leading EOH into the future. For this reason, our objective is for EOH to be the employer of choice where it

operates. We want to attract and retain the best talent in a world starved of IT skills. To this end, we have programmes in place such as MyNextMove and RiseUp Academy, which are upskilling our people and helping them to develop their careers within EOH.

Not only are we supporting our people in acquiring valuable new skills, but we are also creating an attractive work environment where they can express their creativity. It is exciting to see constant inventions coming out of the Group and satisfying to witness how talented people keep rising through the ranks. These are just two of many factors that make EOH a dynamic and rewarding place to work.

Solving for the community

In the past year, in addition to providing leading business solutions, EOH continued to solve for the greater good. Our established market, South Africa, is facing significant challenges and we believe the corporate sector has a large role to play in providing solutions. We shared our expertise and leadership with Business Leadership South Africa to assist government in addressing the energy, transport, logistics and crime crises in the country.

Because education is the cornerstone of solving the local unemployment and skills crisis, the Group worked with unemployed youth to improve their English and digital literacy, build their skills in maths and app development, and equip them with life skills. This translates into training people who can work for EOH and is a way to grow the skills base for the IT industry and prepare the youth for the demands of the Fourth Industrial Revolution.

Creating a prosperous future

I want to express my heartfelt thanks to all our employees for their dedication to EOH. They have showed the same trust in our Group as that expressed by our shareholders in our capital raise.

The Board and I realise we are privileged and blessed to have a workforce of this calibre. EOH has an inspiring collaborative culture and our people’s attitude of striving for excellence sets the Group up for more success as we move on to the next phase of our journey.

I also want to sincerely thank the EOH Executive Committee, which has spared no effort in moving the Group forward by implementing the GET strategy.

Finally, to my colleagues on the EOH Board, I would like to thank you for your support and guidance as we have moved through challenging times, dealt with our past and now positioned EOH to embrace the future and create significant value for all our stakeholders.



Andrew Mthembu
Chairman

Chief Executive Officer's Report.

As a Company with R6.3 billion revenue, more than 4 900 employees and more than 5 000 clients, EOH is deeply embedded in the South African IT landscape across both private and public sectors. I am incredibly proud of what we at EOH have achieved in the past five years.

We were enthused by the unanimous shareholder approval that we received to pursue the capital raise at our AGM in December 2022, but did not anticipate the overwhelming vote of confidence we received during the rights issue, with over R1 billion demand for the R500 million shares on offer and 91% of shareholders following their rights. For us this demonstrated the belief shareholders have in our value proposition and our Growth-Efficiency-Talent ("GET") strategy, which we are now able to execute with a fit-for-purpose capital structure and unencumbered by the large legacy debt and interest burden inherited from the previous leadership.

We have also made significant progress on closing the final legacy issues concerning Mehleketo Resourcing Proprietary Limited and the Highveld PAYE claim we are disputing with SARS, and hope to have these both resolved before our interim results. An immense amount of collaboration, negotiation and hard work by all stakeholders have positioned us to pursue our growth strategy without the need to constantly look over our shoulder but looking forward. I am most proud of our people who have continued to deliver

world-class solutions to our clients in the face of great uncertainty and limited resources.

I am very pleased with the operating performance that the businesses have delivered this year. In spite of one of the most challenging trading environments I have seen in my career and significant headwinds in the public sector and state-owned enterprises ("SOEs"), we managed to grow revenues by 3%, with our core Digital Enablement and International business growing by 2.6% and 22.5% respectively. We also managed to maintain our gross margin at 27.9%, which was encouraging.

Growth

As I have mentioned previously, this transition did not take place suddenly this year. It has been a steady journey of continual improvement each quarter, particularly after the Zondo Commission when we noticed a marked improvement in our

dialogue with clients, leading to larger and longer-term contracts. I am pleased to report this trend has continued despite the impact of the increasingly challenging business environment as detailed by our Chairman in his report. As we move forward, I am excited by our growth opportunities.

We have seen great traction with our international strategy in our Digital Enablement business. We made our first growth investment into this business in 2022 and have already seen a 45% increase in revenue, and are targeting R1 billion by 2025. Our depth of skills in South Africa and Egypt provide a significant cost advantage when working for international clients. We focus on areas where we can leverage this advantage, particularly in app development, data and analytics, cloud advisory and remote infrastructure support, especially where we

Another year of great change and continued improvement for EOH. With the completion of the **successful capital raise** we officially moved into a new Growth era.

Stephen van Coller
Chief Executive Officer

already support the South African operations of international clients.

Along with our Digital Enablement international strategy, we have also made good progress this year with our Operational Technology expansion into East and West Africa, on the back of securing the exclusive AVEVA distribution rights in these territories in 2022. We have invested R17 million in sales and execution capability along with office infrastructure, and brought in R40 million in our first year, which was a very encouraging start.

With the growth forecasts for the South African economy remaining depressed for the foreseeable future, the international businesses in Africa, Middle East, Europe and United Kingdom are an important part of our medium and long-term strategy, and we will continue to invest in these markets.

Chief Executive Officer's Report *continued*

We continue to innovate and develop solutions for our clients within our core IT infrastructure and digital businesses. In RocketLab, we are in the initial stages of building a pipeline of our own-IP platforms and starting to gain traction. Our intention is to leverage our own technology capabilities and partnerships to accelerate internal ventures in the IP space. Our EngineX initiative under Infrastructure Services aims to enhance and simplify how we offer a full IT-as-a-Service suite to small and medium enterprises ("SMEs") and mid-tier clients. This aligns with the trend of consumption-based IT spending for corporates seeking to maximise the value from their IT investments.

An innovative idea which sprung from our troubled past and really excites us is our newly launched EasyHQ, or Head-Office-as-a-Service. We took a decision when we needed to develop and implement new governance procedures for EOH that everything must be digital. We are now in a position where we not only have extremely efficient, world-class governance and head office systems, but also the ability to outsource this platform to our clients.

From Companies Act compliance and corporate secretarial procedures, to Know Your Customer ("KYC") and customer/supplier onboarding, to juristic and individual identity verification, employee performance management, training and labour law compliance, to tools such as attestations and digital signatories, EOH now has the ability to monetise its head office overhead structure. We offer this platform to clients on a fully independent or EOH-assisted hybrid model, as well as modularly, allowing clients great flexibility to select what they need and how it is delivered.

With the ever-increasing costs and time commitment required to manage a business's back and middle office, and comply with all legislation, we believe EasyHQ is a very attractive option for both SMEs and enterprise-level clients to make their head office functions more efficient and cost effective.

One of EOH's key competitive advantages which will underpin its growth is the breadth of its offering in IT Infrastructure Services and Applications, and Digital Enablement Solutions. This is particularly relevant dealing with larger contracts where time to market and internal capabilities make a difference. This is best demonstrated by the recent case study described below.

Case study

EOH's breadth of service capability and access to more than 4 900 employees' skills gives us a competitive advantage on large multi-faceted IT contracts.

EOH recently won a large South African corporate IT services contract. Our time to market and ability to call on EOH Group skills are very appealing to clients. We were able to:

- » scale from 10 to 70 consultants in one month, including all screening, interviews and employment contracting;
- » resolve call centre VoIP telephony issues quickly through our internal experts troubleshooting;
- » resolve database issues drawing on our data specialists;
- » source, configure, set up and deliver 70 laptops in one month through our Infrastructure-as-a-Service business, our Property and Facilities-as-a-Service business; and
- » set up and configured the call centre at one of our premises, including décor, in one month.

Working together with access to all our skills delivers benefits to clients that competitors struggle to commit to. We believe it is a unique value proposition in South Africa.

After reaching a stable product and service offering post our turnaround, a major focus this year has been the restructuring of our operations into four distinct "stripes", which are addressed in detail in "Our Business" (page 14). Each stripe benefits from aligned executive responsibility and incentives, customised sales and marketing strategies and, importantly, the independence to grow at the optimal rate considering the sector, capital and skills requirements. We now have the opportunity to focus and fine-tune our technology and service offerings, go-to-market strategies and execution capabilities for each of the stripes.

As a major IT services provider representing leading technologies, we are currently well placed to increase our market share. This, combined with the specific growth engines I have discussed above, gives us confidence that we can deliver on the growth strategy we detailed before our capital raise.

I am excited by the pipeline of short, medium and longer-term opportunities that we are pursuing which will underpin our revenue growth for the next few years.

Efficiency

One thing that I have learnt for sure is that it is always a good time to improve efficiency. In the current economic climate, especially locally in South Africa, we have to ensure that all expenses supporting our businesses is "money well spent".

A focus for EOH has been the outdated legal entity structure, created during the acquisition years in our history. We had 282 legal entities in our Group, with associated accounting, governance, property and other corporate overheads. We have made great strides reducing this to approximately 102 operating entities at year end, and with the refinancing of our debt facilities with a single lender, hope to reduce this to 75 by July 2024. Along with the overhead reduction, this will also realise tax efficiencies and associated cash flow benefits.

We launched our Enterprise Resource Planning ("ERP") system this year which is bringing significant benefits to our reporting and decision-making frameworks and timelines. Our ability to assess and analyse relevant and reliable information across many levels is making a real impact on our responsiveness to change.

As we have emerged from the corruption scandal era, which necessitated a very centralised and controlled head office oversight function, we will start moving towards releasing autonomy back into the business units so they can manage their own destiny. We have developed incentive structures across all our operations reflecting this, with leadership teams accountable for performance metrics within their control, ensuring each business can move towards its most efficient state.

Talent

Our employees are at the heart of our customer value proposition. EOH is a people and skills business and we will continue to invest in our people and structures as we strive to become the employer of choice in the IT industry.

Attaining Top Employer status this year was a big deal for us. Through extremely challenging periods we have endeavoured to maintain our employee value proposition ("EVP") and have continually increased our investment each year. Initiatives such as MyNextMove, where employees can map and manage their career path, to the RiseUp Academy,

Chief Executive Officer's Report *continued*

encouraging and facilitating upskilling, are providing EOHers tools to get the most out of their employment. Additionally, as our international expansion strategy bears fruit we are creating more opportunities for employees to grow and advance their careers with experience outside their home country.

We continue to support our employee's mental health and wellbeing by offering a comprehensive suite of care offerings for our people. This includes access to rejuvenating wellness days, dedicated support networks that explore various wellness aspects, engaging online yoga and fitness sessions, inspiring motivational talks, and vital mental health resources such as the Panda app.

Employee engagement is increasing with 78% of our more than 4 900 people completing our annual employee survey, up from around 49% last year. While providing us with great insight into what we are doing right and where we can improve, it demonstrates that our employees feel they are being heard and that their voice matters in EOH – this is tremendously encouraging for us.

IT skills are in high demand and we will continue to enhance our EVP, but with 85% of survey respondents saying they really enjoy working for EOH, and 90% of surveyed leavers saying they would come back for the right role, we feel we are on the right track.

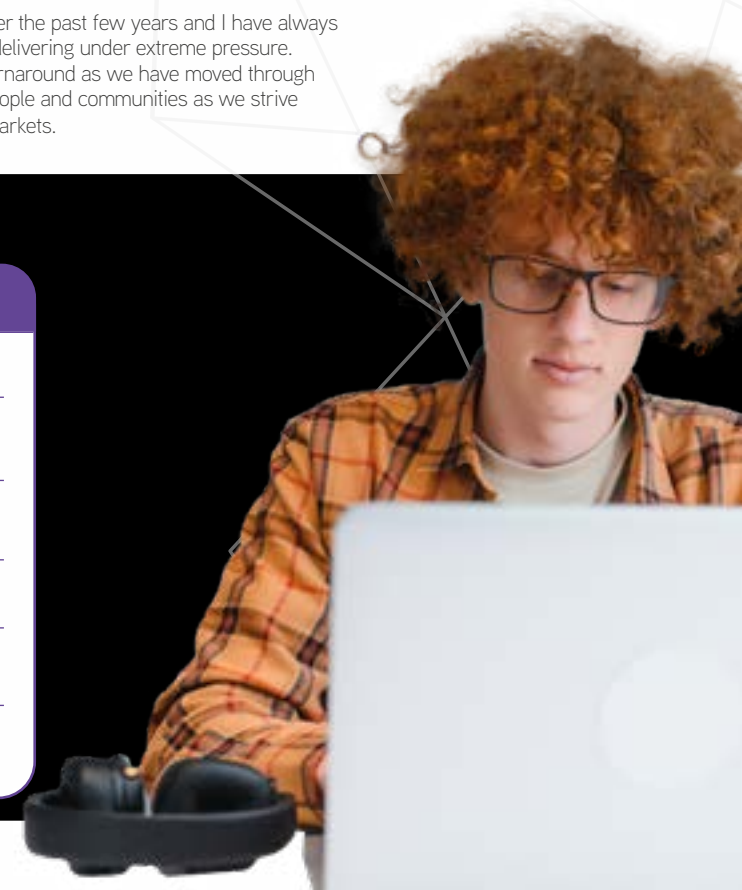
At EOH, we believe wholeheartedly in good corporate citizenship and understand that employees want to be proud to work for EOH. We believe we play an integral role in society with our ability to upskill our youth and provide opportunities and exposure to IT environments and job opportunities. EOH and its competitors are extremely relevant to South Africa's socio-economic challenges, and playing an active role in solving our problems as a company and industry is something we take very seriously.

The range of impactful socio-economic initiatives that have benefitted from our passion, skills and resources this year includes initiatives like Primestars that help young entrepreneurs start businesses in the green economy, WeThinkCode, a great initiative that addresses the scarcity of developers in the country, Stem-related education app Edu Hub and a number of bursary and scholarship programmes for students who are interested in careers in ICT. It gives us great pleasure and motivation to know we are contributing to transformation in our main market.

EOH and its employees have been on a tough journey over the past few years and I have always been impressed by our teams' resilience and tenacity in delivering under extreme pressure. The upside of this is that we have witnessed a cultural turnaround as we have moved through this process together. We will continue to invest in our people and communities as we strive toward our goal of being the employer of choice in our markets.

The impact we have made with our partners: Socio-economic development

SED partner	Project	Description	Rand value	Impact
Primestars	Step Up 2 a green start-Up	A programme focused on entrepreneurship and the green economy.	R1.5 million	11 513 youth
Afribiz	Period poverty project	This project is a transformative programme dedicated to addressing period poverty and empowering women based on the principles of women's empowerment.	R1 million	40 young females
Khula Foundation	Youth SED solvers project	A transformative programme dedicated to improving educational opportunities and empowering rural and under-resourced communities.	R0.5 million	6 000 learners
Belgium IT Varsity	ICT skills bursary programme	A bursary programme aimed at bridging the digital skills gap and empowering individuals to thrive in the digital age.	R3.5 million	18 ICT undergraduates
D-lab	Graduate development programme	Bespoke and innovative programme designed to thrive in today's competitive job market, to accelerate the development of graduates.	R1 million	30 graduates
WeThinkCode	ICT learnership	This is a pioneering initiative aimed at addressing the scarcity of developers in South Africa. It is designed to meet the growing demand for coding and programming skills in the digital age.	R5 million	50 graduates



Chief Executive Officer’s Report *continued*

SED partner	Project	Description	Rand value	Impact
Edu Hub	STEM-related education app	This innovative educational app assists school learners by providing digital study guides and tutoring, with a specific focus on STEM education.	R0.3 million	32 465 downloads
LU on Thought (“LOT”)	Digital literacy programme	The digital literacy programme is a comprehensive initiative aimed at early childhood development (“ECD”), primary and secondary-level students, focusing on equipping them with essential digital skills and knowledge.	R0.2 million	200 learners
Siphakeme	Early childhood development (“ECD”) programme	The programme offers creative, relevant, comprehensive and measurable training for pre-school educators in the ECD sector.	R0.2 million	Development of 15 ECD educators
Orange Memo	Youth empowerment workshops	The Youth Empowerment Programme equips young individuals with the skills, resources and guidance necessary to navigate their career paths successfully.	R0.2 million	300 youth

Corporate Social Investment

CSI partner	Project	Description	Rand value	Impact
Rise Against Hunger	Nutrition programme	A programme that improves nutrition and eliminates hunger.	R0.18 million	50 000 packed meals
Primestars	Gender-based violence (“GBV”) – What about the Boys	A comprehensive initiative that addresses and combats GBV by educating schoolboys. Dedicated to creating a safe and inclusive society that promotes respect, equality and dignity for all individuals. We provide scholarships as part of our commitment to promoting quality education in support of Sustainable Development Goal 4. We aim to ensure equal access to education and create opportunities for individuals who may face barriers in pursuing their educational goals.	R0.25 million	10 000 boys
Schools	Scholarships		R0.34 million	11 students

Outlook

For the first time since I joined EOH I can say that it is now very much about “business as usual”. We have solved for nearly all the legacy issues we inherited, restructured the business into the five stripes described above, and have capital available to allow each stripe to grow at their optimal rate.

As our businesses become more autonomous and our head office systems and governance structures more efficient, we are becoming more agile and responsive to change, an essential ingredient for success in today’s environment.

However, we do have to navigate the current challenging economic and political environment for the foreseeable future. Nevertheless, with EOH’s position at the heart of South Africa’s IT landscape and the growth engines described above, we remain excited but cautiously optimistic about the future.

Acknowledgements

There are many people that I owe a debt of gratitude to, including Megan Pydigadu, whose leadership, commitment and support have been critical to the success of our efforts to rescue EOH. I wish her all the best in her new endeavour, where I am confident she will continue to make a significant impact. A personal thank you as well to Fatima Newman, who is transitioning into a business leadership role, for her dedication and guidance in navigating the complex landscapes of legal, risk, compliance, and people management. Tackling these challenges has been a monumental undertaking. We wish her tremendous success in her new revenue-generating role ahead.

To the Board, thank you for your support and counsel during another busy and challenging year as we closed out legacy issues, concluded a capital raise and transitioned into a growth phase requiring investment into the business.

Finally, to our customers and people, thank you for the continued support and patience as we worked our way through the myriad of legacy issues and the financial position we were left in a few years ago. I look forward to working alongside this incredible team, delivering world-class technology solutions to our valued customers. You all make a real difference. Thank you.



Stephen van Coller
Group Chief Executive Officer

Value creation at EOH.

Our mission is to build technology platforms that transform business environments for our clients, streamline their operations and enhance the quality of life in their communities. This approach creates a ripple effect of value throughout the markets we serve.

Our values

AUTHENTICITY

PARTNERSHIP

ADAPTABILITY

INGENUITY

MASTERY

Our purpose

SOLVE
 We exist to improve lives through the technologies we create, leaving the world better than we found it.

Our ultimate objective

Creating IT platforms that transform businesses, enhancing the experiences of employees and customers.

360° design and management of IT infrastructure environments.

Bring together diverse talents to invent, develop and enable business agility and digital resilience for our customers.

Enhance the alignment between talent, regulatory and business practices.

Optimise control, efficiency and safety in industrial environments.

Manage, operate, automate industrial environments.

Core outcome: "Leave the IT to us"

Mid-term strategic focus

Growth

- » Clients
- » Solutions
- » Reach
- » Innovation

Efficiency

- » Anti-fragile
- » Save-to-invest
- » Adaptable

Talent

- » Growth
- » Experience
- » Reward

Our identity shapes our ultimate objective

Our strategy enables our mission

Financial Capital
 Deliver on financial outcomes and shareholder investment.

Manufactured Capital
 Produce solutions for clients spanning various sectors, with an emphasis on the Public Sector, Financial Services, Mining, ICT, Retail and Manufacturing.

Intellectual Capital
 Development of IP and bespoke technology solutions.

Human Capital
 Provide fulfilling employment and skills development.


Social and Relationship Capital
 A courageous and ethical partner who contributes to economic and social development, transformation and good governance.

Natural Capital
 A business that operates in an environmentally conscious way and assists clients with their environmental challenges.

Our business.

- » EOH is one of South Africa's largest technology services providers. The Group offers an array of solutions spanning the entire IT value chain, incorporating its own IP as well as the cutting-edge technologies from leading original equipment manufacturers ("OEMs");
- » EOH has structured its offerings around five primary value propositions, aiming to provide effective solutions to address the substantial IT challenges faced by its clients;
- » The fundamental ethos guiding EOH is to manage clients' IT systems, allowing them to concentrate on their core business operations;
- » EOH provides end-to-end technology services and integration. The Group supports clients through their digital transformation journeys, manages their infrastructure, offers GRC-as-a-Service ("GRCaaS"), provides People Solutions and tailors solutions for specific sectors; and
- » EOH is a vital technology partner for numerous leading JSE-listed blue-chip companies, key cities and government departments in South Africa. This positions the Group as an integral part of both the public and private sectors.

Who we serve



Revenue type

Services	75.2%
Software	14.6%
Hardware	9.9%
Rentals	0.3%

2023

Revenue exposure by industry

Financial Services	25.6
Manufacturing and logistics	14.7
Public sector	13.8
Mining	8.9
Telecommunication	7.5
Other	6.5
Retail	6.3
Energy	5.3
IT	4.4
Health	3.8
Construction	2.1
Personal Services	1.1


Clients and sectors

Focus sectors
Public sector, financial services, mining, telecommunications, retail, manufacturing

Number of clients
>5 000

Type of customers served
Private-sector clients across all sectors, from large blue-chip, to mid-sized corporates
Public sector clients across all segments

Our people have continued to deliver world-class solutions to our clients in the face of great uncertainty and limited resources.



Our business *continued*

What we offer

Infrastructure Services & Applications

Solutions encompassing the configuration, security and management of IT hardware, spanning from server rooms to end-user computing.

- » Infrastructure Services
- » Enterprise Applications
- » Software Reseller



Digital Enablement

Bringing together a diverse range of talents to innovate, create, deliver and enhance business agility and digital resilience for our customers.

- » Design and Strategic Advisory
- » Software Development
- » Data and Analytics
- » Intelligent Automation
- » Cloud and Security
- » Testing and Quality Assurance
- » RLab



International

Digital enablement solutions for new markets, expanding access to talent pools and attracting new clients.

- » Europe (UK, Switzerland)
- » Middle East



EasyHQ

Using expertise and technology to transform our clients' processes in managing their customers, people, suppliers, assets and infrastructure, communities and operating environments, as well as the risk and regulatory landscape that governs them.

- » GRCaaS
- » People Solutions



Operational Technologies

Solutions that help clients design, operate and optimise their critical information technology and infrastructure across all heavy industry sectors, including industrial, energy, mining, manufacturing, and oil and gas.

- » Connected Industrial Ecosystems (Operational Technology; Power Solutions; Connectivity Solutions)
- » Industrial Tech (Water Solutions); Security & Building Solutions; Engineering Consulting



% contribution to Group revenue

34%

18%

8%

13%

27%

Typical client profile

Clients of varying sizes seeking to manage and simplify their infrastructure environments.

Typical client profile

Large and enterprise-sized clients across various industries seeking to achieve business agility and digital resilience.

Typical client profile

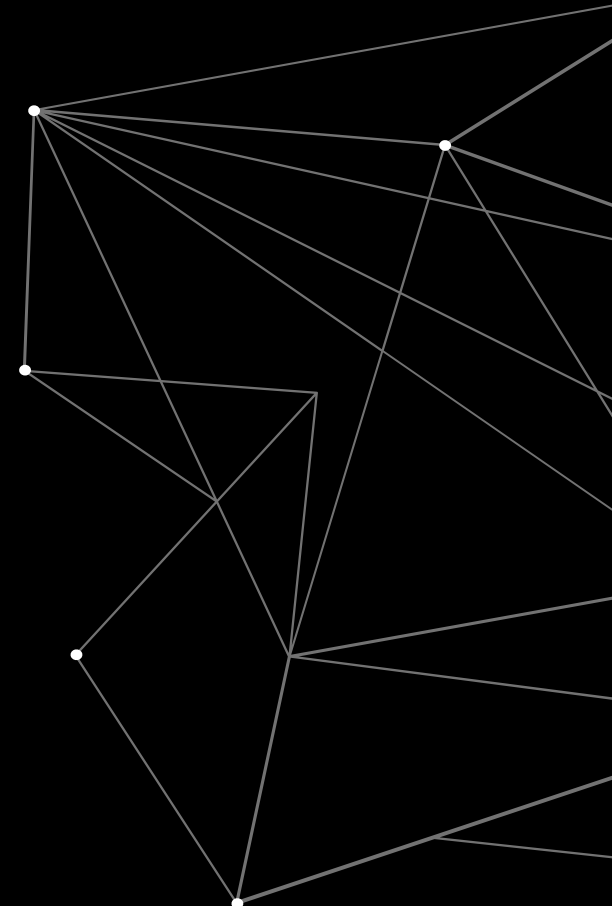
Middle East: Clients in sectors like financial services, agriculture and telecommunications.
UK/Switzerland: Clients seeking to leverage the Group's system integration and software resale capabilities.

Typical client profile

A broad spectrum of clients, ranging from emerging companies refining their governance, risk, compliance and people management frameworks, to established blue-chip firms and multinationals with intricate solution needs.

Typical client profile

Industrial, energy, mining, manufacturing, and oil and gas clients across Africa wanting to digitise their engineering and operations, and improve safety and efficiency.
Public and private-sector clients with large asset bases seeking to optimise their power and water usage.



Where we operate.

South Africa

South Africa is the Group's primary market, with over 20 years of operations. It's a vital hub for conducting business with the rest of Africa, which is important for our Digital Industries and Operational Technology businesses. EOH mainly follows its clients into other African countries, delivering solutions through an on-site and remote support model.

TAM**	R138 billion
# of clients	>4 700
Market growth	10.3% yoy/ FY2022 – FY2027 CAGR 10.1%
Market share***	-4.7%
# of employees	4 160

Europe

The UK serves as the main and largest market in Europe for the Group. Our strategy for expansion in the country revolves around our digital enablement services.

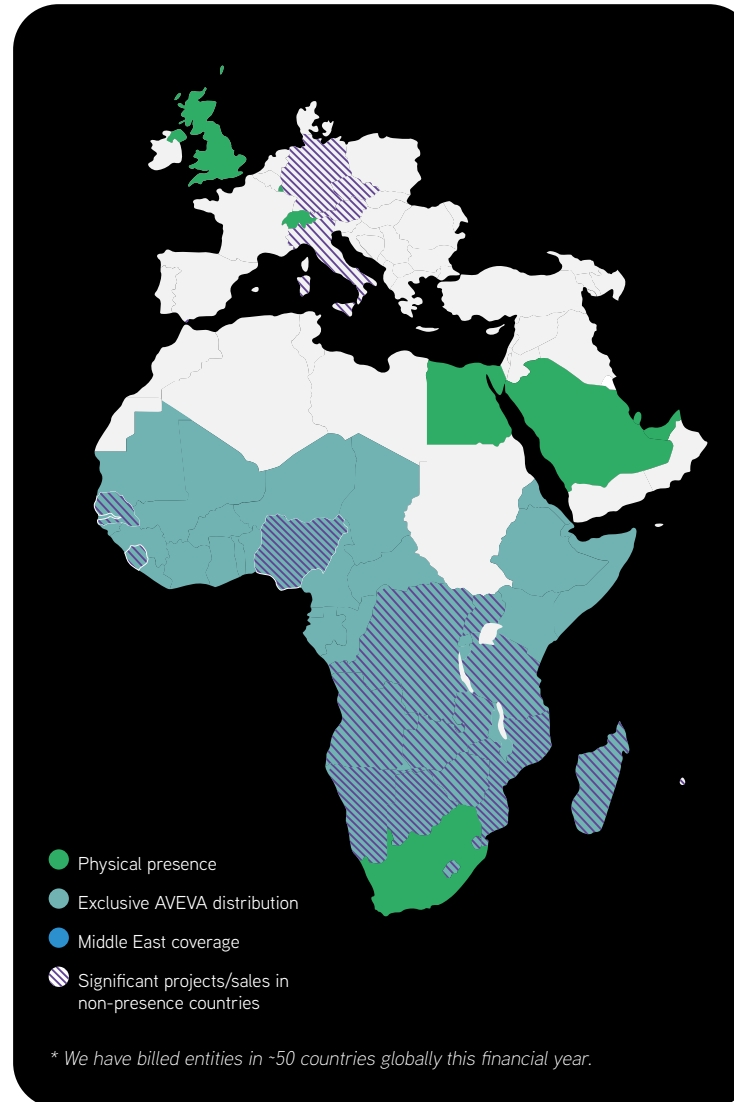
TAM* (UK only)	R860 billion (as of Jan 2023 analysis)
# of clients	UK: 80 Switzerland: 12
Market growth (UK only)	8.6% FY2020 – FY2025 CAGR (USD) (as of Jan 2023)
# of employees	27

Middle East

The Middle East operations, now based in Dubai, primarily aim to capitalise on the significant ASSET business in Egypt and extend the capabilities of both EOH SA and ASSET to the northern and southern Gulf regions.

TAM*	R782 billion (as of Jan 2023)
# of clients	> 250
Market growth	722 (including 23 spread across Kingdom of Saudi Arabia and UAE) (as of Jan 2023)
# of employees	722 (including 23 spread across Kingdom of Saudi Arabia and UAE)

Notes:
TAM – Total Addressable Market Size.
Euro/ME TAM assumes a USD/ZAR exchange rate of 17 and GBP/ZAR of 20.
Estimated Middle East TAM of c.USD46 billion and UK of c.GBP43 billion.
* Market size and growth measures as of January 2023.
** Estimated market size for 2022 calendar year.
*** Market share estimate based on BMIT market data and internal analysis.



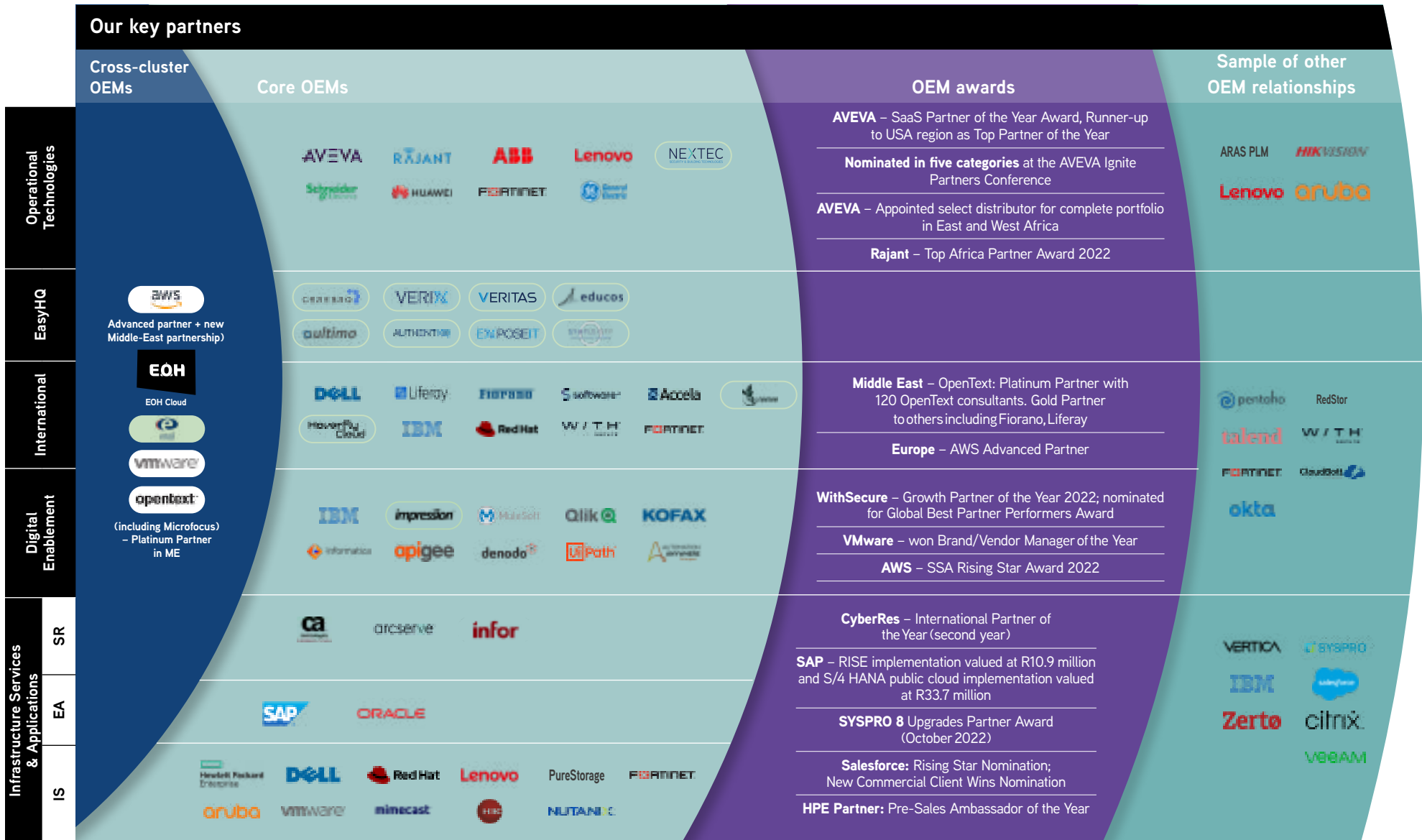
* We have billed entities in ~50 countries globally this financial year.

Philosophy

- 1 South Africa**
Primary physical hub with the greatest capabilities
- 2 Rest of Africa**
Opportunistic for most, but of greater significance for Operational Technologies
- 3 Europe**
Expansion is driven by the digital enablement offering
- 4 Middle East**
Capitalise on the substantial ASSET business in Egypt

Our business partners.

Own-IP



What we do.

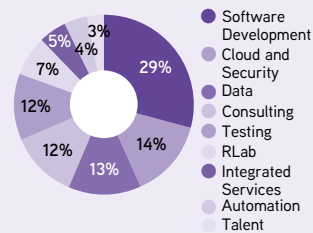
What we offer

Digital Enablement

Business description

What sets us apart is our seamless integration of various disciplines. From strategic design and advisory services to software development, data management, intelligent automation, quality assurance, DevOps, cloud solutions and security, we have a full spectrum of capabilities that fuel innovation and drive growth.

Line of business revenue split*



Own-IP

- » Emid (RLab)
- » Impression (RLab)

Key OEMs

- » AWS
- » IBM
- » Qlik
- » Informatica
- » Apigee
- » Denodo
- » Mulesoft
- » UiPath
- » Automation Anywhere
- » Mimecast

Businesses/capabilities

Digital strategy and design

» Operating as an innovative business technology and design consultancy, we offer a range of services, including strategic advice, agile coaching and technical implementation.

Custom software development

» We develop software applications and platforms, along with application programming interfaces ("APIs"), custom solutions, microservices and integration solutions. The goal is to bring clients' ideas to life, enhancing competitive advantage and transforming customer experiences.

Journey to the cloud

» As an agnostic platform provider equipped with a versatile range of cloud solutions and expertise, we guide businesses securely on their cloud journey and facilitate growth in this way.

Intelligent automation

» We provide intelligent automation advisory and Centre of Excellence ("CoE") outsourcing services to drive efficiency and uncover cost-saving opportunities in businesses.

Security

» We ensure the protection of users, applications and infrastructure for businesses by employing a combination of expert security and consulting services.

Quality assurance

» We offer advanced frameworks and automated testing solutions that seamlessly integrate with the software development cycle, reducing the time needed to bring technology to market.

Data and analytics

» We assist organisations to harness the potential of data to obtain valuable insights and foster growth. Our comprehensive range of data services includes advisory, implementation and managed services. Additionally, we provide strategic solutions in machine learning and AI.

RLab

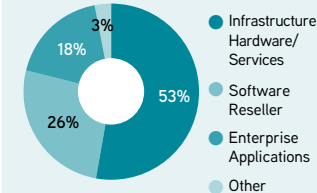
» We specialise in leveraging emerging digital trends to drive the growth of both our own and external intellectual property. As a bespoke venture studio, RLab has the expertise and capabilities to generate, develop, expand and successfully launch unique concepts, ensuring profitable outcomes.

Infrastructure Services & Applications

Business description

We deliver comprehensive infrastructure solutions and managed services for the entire IT ecosystem, empowering businesses to achieve optimal efficiency and productivity. Security is seamlessly integrated into every layer of our solutions and services.

Line of business revenue split



Key OEMs

- » CA/Broadcom
- » Software
- » Arcserve
- » Infor
- » Oracle
- » SAP
- » Salesforce
- » HP Enterprise
- » Dell
- » Fortinet
- » Citrix
- » Veeam
- » Huawei

Businesses/capabilities

Compute

» We offer a range of services including data-centre solutions, end-user workspace, IT management and security, and platform engineering services.

Enterprise infrastructure and platforms

» We provide assessments, advisory, consulting and innovative solutions to manage businesses' IT strategies and legacy systems in an on-premises, hosted or hybrid cloud environment.

Managed services

Working toward the future of Anything-as-a-Service ("XaaS")
 » We offer end-to-end, consumption-based, managed ICT services designed to keep businesses operating smoothly and securely.

Professional services

» We develop compliant and practical transformation journey roadmaps, assisting clients in the transition from their current state to successfully implementing their business digitisation and modernisation plans.

Cybersecurity services

» We provide cybersecurity consulting and advisory, along with products from leading global cybersecurity software vendors. We monitor cybersecurity, manage cybersecurity events and implement post-event recovery measures to protect businesses and assets.

Enterprise apps

» We help clients streamline operations, improve performance, and strengthen customer relationships through three distinct service areas: enterprise resource planning, enterprise performance management and customer relationship management.

Anything-Infrastructure-as-a-Service ("Infra XaaS")

We optimise and automate entire IT ecosystems.
 » We offer a consumption-based infrastructure service model that grants businesses access to a comprehensive suite of ICT capabilities, skills and technologies necessary to empower their operations.

Software Reseller

» Our expert local representatives provide software resale and services for established global OEMs.

* Revenue splits based on gross revenue including inter and intra-cluster revenues.

What we do *continued*

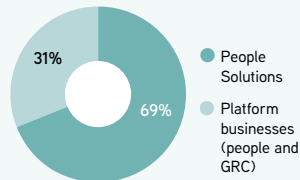
What we offer

EasyHQ

Business description

We focus on essential non-revenue-generating functions of our clients' businesses, directly influencing customer, staff and supplier experiences. Additionally, we manage Company risks, enhance regulatory compliance and improve governance standards, all of which contribute to financial performance and long-term sustainability.

Line of business revenue split



Own-IP

- » Cerebro
- » Ultimo
- » AuthentiQ
- » Veritas
- » VeriX
- » ExposéT & Exposé IT+
- » Educos
- » Symplexity

Businesses/capabilities

Governance, legal, risk and compliance solutions: GRCaaS

- » We power GRCaaS with our proprietary platforms, automating vital GRC processes. Additionally, we offer expert advisory and services, including GRC function outsourcing, audit reviews, GRC training, investigations, legal solutions and more;
- » XTND – We offer a range of digital identity and verification services, innovative voice analytics and market-leading fraud, forensics and cybersecurity capabilities;
- » Inlexso – Our legal experts are expanding into Legal-Tech via our proprietary and other platforms.

People solutions and platforms

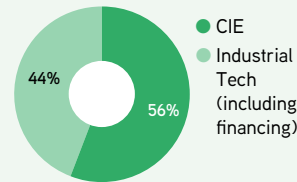
- » We provide recruitment services and solutions linked to broad-based black economic empowerment ("B-BBEE") compliance, learnerships and professional development programmes;
- » Our end-to-end talent solutions include recruitment, talent mapping, executive search as well as outsourcing of labour-intensive functions for clients;
- » Symplexity and Educos – Our HR and payroll platforms (including payroll outsourcing) are tailored to suit a diverse range of customer requirements.

Operational Technologies

Business description

Our solutions enable effective management and operation in the mining and manufacturing environments, with a focus on safety, production and efficiency.

Line of business revenue split



Own-IP

- » Workforce management software and hardware controllers
- » IST automated meter reading systems
- » IST ecWIN (energy management system)
- » i-RAMS (OT asset management solution)

Key OEMs

- » AVEVA
- » Schneider Electric
- » Rajant
- » Fortinet
- » ABB
- » Huawei
- » Lenovo

Businesses/capabilities

Connected industrial ecosystems ("CIE")

We are a leading provider of Operational Technology ("OT") software, solutions and services.

Operational technology

- » We are the exclusive distributor of AVEVA industrial software solutions and possess complementing expertise in implementing complex process automation and management systems;
- » We provide industrial process automation solutions, from advisory to turnkey solutions;
- » We offer managed services for the critical OT infrastructure systems at the heart of manufacturing and production operations;
- » We provide a unified asset life-cycle solution for core assets within the OT environment.

Energy solutions

- » We provide power infrastructure management, engineering information systems and energy management systems for utilities and energy-intensive industrial and commercial consumers;
- » We offer energy monitoring and audits, management and backup power solutions that are delivered by industry-leading experts and technology.

Connectivity solutions

- » To address complex wireless communications needs, we provide network design and implementation, and physical infrastructure deployment.

Industrial technology

Security and building solutions

- » We provide security and workforce management solutions (hardware and software) for large employers.

Engineering consulting

- » We offer specialised advisory across a wide range of engineering disciplines;
- » We deliver electrical engineering and power solutions;
- » We specialise in industrial engineering and logistics;
- » Our offering includes a supply chain and logistics firm specialising in the design and development of warehousing and distribution facilities;
- » We conduct environmental management and impact assessment, providing environmental and social advisory services;
- » We offer specialised, GIS-Centric software for the infrastructure asset management market;
- » We perform optimal analysis, planning and management of water distribution, sewer and electricity reticulation systems.

Water solutions

- » We assist major water consumers in effectively managing water usage costs through our expertise in optimising water systems.

Financing solutions

- » We supply comprehensive equipment-leasing services and tailored leasing solutions, along with value-added offerings such as maintenance, management and enhancements to cash flow.



What we do *continued*

What we offer

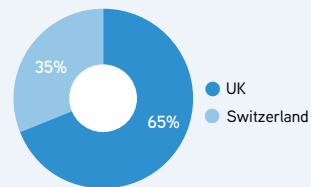
Our International Business diversifies our portfolio and mitigates risks in the South African business, serves as a gateway for scalability, provides access to skills and enhances the employee value proposition.

UK and Switzerland

Business description

We maintain offices in both the UK and Switzerland. These offices have dedicated teams specialising in specific business areas and also serve as sales offices for EOH SA. Our international expansion typically concentrates on product areas that align with our Digital Enablement business, including data and analytics, artificial intelligence, cloud and quality assurance.

Geography revenue split



Own-IP

- » Hoverfly Cloud (Hosted, high-performance API simulations)

Key OEMs

- » AWS (global partner status), MicroFocus
- » IBM, Fortinet, WithSecure, VMWare, RedHat

Businesses/capabilities

United Kingdom

- » Cloud – Managed cloud, data management, hyperscale and consulting;
- » AppDev – We augment the capacity of businesses in this domain while simultaneously developing their digital transformation and development squad capabilities;
- » Data and Analytics – Managed services, databases and virtualisation, migrations, architecture and engineering;
- » Security – Incorporating DevSecOps, endpoint and vulnerability management, as well as Red-Hat data protection;
- » IP – We provide API virtualisation services to complement software development capability.

Switzerland

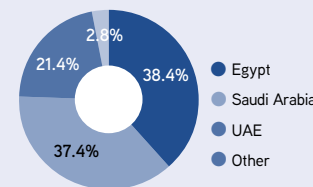
- » Software resale and procurement (IBM, MicroFocus, Qlik, RedHat, Citrix, Zyllo, Wiz);
- » Software and SaaS asset management, including professional services (Adobe, Oracle);
- » Cloud and security-managed services;
- » EOH/iOCO sales office;
- » IP – Provide API virtualisation services to complement software development capability.

Egypt and the Middle East

Business description

- » Our ASSET business in Egypt holds a prominent position in the Egyptian market, boasting around 600 developers and professionals who specialise in custom development, outsourcing and the sales of an expansive IP software portfolio;
- » Regional branches in the UAE and Saudi Arabia target northern and southern Gulf regions, offering ASSET and EOH Digital Solutions.

Geography revenue split



Businesses/capabilities

Core capabilities

- » Custom software development;
- » Mobile app development;
- » E-commerce platforms;
- » Portals and intranets;
- » Outsourcing;
- » Micro-services;
- » Offshore development capability;
- » Strong portfolio of own-IP platforms in Financial Services, Agriculture and Telecommunications.

Own-IP

- » NAMAA Crop farming smart solution (Launched July 2023)
- » Arrow – Correspondence management system
- » Jupiter – Content management solution
- » Jupiter Cloud – SaaS content management solution
- » A3Maly – ERP system
- » Nile360 – Non-life insurance management system
- » Qiyas – Comprehensive assessment solution
- » Multiple telecomm value-added services (Focus™, ASSET mPay, Extra Balance, Mobile Air Transfer©, Reach)
- » Campaignster – Campaign management solution
- » MMS – Meeting management solution
- » ASSET POS – Point-of-sale solution

Key OEMs

- » OpenText – Platinum partner ~120 people
- » AWS – New partnership across Egypt and Gulf
- » Liferay
- » Software AG
- » Dell Technologies
- » Fiorano
- » Accela



Our stakeholders.

Stakeholder engagement

Our understanding of stakeholder needs and expectations informs our business approach, enabling us to identify risks and adapt to change effectively. We engage proactively and transparently with key stakeholders, including business partners, suppliers, investors, lenders, community groups, employees and the media. Stakeholder engagement is one of our governance objectives that are aligned with our purpose, philosophy and values.

Quality of our stakeholder relationship determined through self-assessment.

- » **Poor:** Existing relationship, however, more engagement is required to improve quality of the relationship.
- » **Fair:** Positive relationship with room for improvement.
- » **Strong:** Strong, mutually beneficial relationship.

Strong

Employees

Our employees are vital stakeholders that support the Group’s ability to generate value by developing and delivering our products and services to our customers.

Accountable for relationship: People and Culture

Engagement initiatives	Key focus areas	Issues management
<ul style="list-style-type: none"> » Monthly employee engagements led by the CEO; » Regular people and culture email communications; » Surveys, polls and consultations; » Employment equity forums; » Intranet updates; » Diversity and inclusion roundtables; » An interactive induction for new employees. 	<ul style="list-style-type: none"> » Fair remuneration; » Reputation management; » Professional and personal growth; » Career advancement; » Diversity and inclusivity; » More in-person engagement opportunities; » Better work-life integration and stress management. 	<ul style="list-style-type: none"> » Offering an enhanced employee value proposition (“EVP”) based on frameworks and strategies that are in line with best practice; » Enhancing transparency in people-related matters; » Performing ongoing assessment of remuneration practices; » Executing proactive career and performance management: <ul style="list-style-type: none"> » Aligning our people practices to global standards as demonstrated by our Top Employer certification in 2023; » Conducted roadshows across South Africa where the executive team shared the business strategy and engaged with our people; » Providing an integrated wellness offering.

Defining success
An inclusive culture bolstered by a workforce that takes pride in being part of EOH and shares strong alignment with the Company’s values and purpose.

Strong

Customers

We offer our technologies to various customers in both private and public sectors. Building strong relationships with these customers is essential for our business to stay profitable and sustainable.

Accountable for relationship: Commercial Go-To-Market

Engagement initiatives	Key focus areas	Issues management
<ul style="list-style-type: none"> » Personal communication from leadership; » Strategic and key account executives; » Customer engagement forums and events; » Customer service desks and support solutions. 	<ul style="list-style-type: none"> » Ensuring continuity of service delivery; » Addressing ongoing demand for ICT innovation; » Providing support for remote work; » Providing assurance of ethical service and operations. 	<ul style="list-style-type: none"> » Ensuring consistent and transparent communications through engagement plans; » Sustaining quality assurance and certification programme; » Maintaining client delivery in the new hybrid work context; » Articulating industry-specific solutions; » Implementing a range of innovation initiatives including Solvathons, IP development processes and a digital API marketplace to bring ICT innovation to our clients.

Defining success
The success of our client relationships is contingent on acquiring new clients, expanding the use of our services within existing accounts, retaining clients and ensuring customer satisfaction. These factors collectively drive our overall revenue growth. In the context of our diverse range of technology solutions, this is accomplished through meaningful client engagement and comprehensive coverage of accounts and segments.

Our stakeholders *continued*



Investors, analysts and shareholders

Investors and shareholders provide financial capital in the form of equity to support the Group's operations, with the expectation of receiving a corresponding return on their investment. Analysts offer their views of the Group's potential and can shape investors' and shareholders' perceptions of the Group.

Accountable for relationship: Investor Relations

Engagement initiatives

- » SENS announcements;
- » Email interactions;
- » Investor roadshows and one-on-one meetings;
- » Investor conferences;
- » Annual general meeting ("AGM") interactions;
- » Public relations activities and media outreach;
- » Annual Integrated Report;
- » Corporate website.

Key focus areas

- » Capital restructuring and debt management;
- » Completion of the business turnaround to pursue growth;
- » Navigating the challenging global and local economy;
- » Resolving legacy issues;
- » Ensuring availability of IT skills;
- » Refining the remuneration policy.

Issues management

- » The Group has successfully completed the rightsizing and optimisation of its capital structure. The Group raised R600 million in 2023 through a R500 million rights issue and R100 million specific share issue. The Group's debt is now R687 million;
- » The Group's financial performance showed sustained improvement following the successful turnaround and capital restructuring in FY2023;
- » The management team consistently monitors the diverse political and socio-economic factors that impact its operations, both in South Africa and internationally. They actively steer the Group's business in response to these macroeconomic challenges;
- » The Group continues to focus on closing the last remaining legacy issue, namely the PAYE tax dispute regarding 2012 in one of the staff outsourcing businesses;
- » During the year, the Group updated its remuneration policies, which were endorsed and implemented after the 2022 AGM.

Defining success

Enabling investor understanding of the EOH business model and growth strategy to drive an accurate valuation of the EOH share price within the market.



Debt funders

Debt funders provide financial capital to fund the Group's activities. Due to our high levels of debt, we have prioritised the execution of a deleveraging strategy to reduce our debt to more manageable levels.

Accountable for relationship: Treasury

Engagement channels

- » All public sources of communication (SENS, website, client and staff communications);
- » Monthly reporting forums;
- » Regular lender meetings;
- » Facility agent;
- » Legal counsel engagements;
- » Bilateral discussions.

Key focus areas

- » Capability to execute strategy;
- » Group financial position and performance;
- » Compliance with commitments under loan agreements;
- » Complexity and volume of legal requirements.

Issues management

- » Ongoing restructuring efforts to enhance value;
- » Successful execution of the deleveraging strategy;
- » Offering transparent financial status reporting;
- » Securing independent assurance for future proofing;
- » Communicating the progress of capability-building efforts.

Defining success

Establishing an optimal capital structure resulting in significantly lower and more manageable financing costs and improved cash flow generation.

Our stakeholders *continued*

Fair

Media

Media coverage of the Group can significantly influence our reputation and serves as an important communication channel for our wider stakeholder community.

Accountable for relationship: Investor Relations and Communications

Engagement channels

- » SENS announcements;
- » Interviews and media house engagements;
- » Media releases;
- » Editorials;
- » Corporate website;
- » Social media and blogs.

Key focus areas

- » EOH financial performance and strategy;
- » EOH recapitalisation;
- » Industry trends and macroeconomic issues;
- » Anti-corruption topics;
- » IT skills availability and development;
- » Diversity, equity and inclusion.

Issues management

- » Conducting strategic media interventions supported by social media content;
- » Ongoing tracking of media coverage, social commentary and market sentiment;
- » Proactively engaging with the media;
- » Being responsive to media queries;
- » EOH leadership and business specialists are available to engage with the media on key issues;
- » Executives regularly engage with journalists to foster an understanding of the business (primarily after results, SENS announcements and press releases);
- » Continuously updating media coverage on the EOH website;
- » Influencing public discourse through op-eds and thought leadership articles authored by executives.

Defining success

Ongoing open and transparent interactions with key and tier 1 business media and trade platforms, as well as building relationships with journalists who cover EOH stories. Open engagement with the broader media through timeous responses to queries and issues. Providing media with the opportunity to interact with EOH leadership and spokespeople for commentary and meaningful engagement.

Strong

Suppliers, enterprise development and technology partners

Suppliers, enterprise development and technology partners support the services and products we supply to our customers. Ensuring strong relationships with these stakeholders is essential to maintain our capacity to create value.

Accountable for relationship: Procurement

Engagement channels

- » Via Group and business procurement functions;
- » Direct interaction with senior executives;
- » Virtual technology roadshows and conferences;
- » Intensive enterprise supplier development ("ESD") engagements;
- » Public and private-sector tenders.

Key focus areas

- » Potential reputation risk with small, medium and microenterprise ("SMME") partners on long-term contracts when facing delivery challenges;
- » EOH's contractual risk and liabilities related to SMME deliverables when acting as the primary contractor;
- » Meeting transformation goals in the new ICT sector code;
- » Consistency in Procurement Policy implementation;
- » Procurement costs and supply chain transparency limitations.

Issues management

- » Conducting supplier vetting and onboarding to assess reputational risks and delivery capabilities;
- » Using contractual frameworks for risk management on a back-to-back basis;
- » Providing ongoing market updates regarding progress with legacy contracts;
- » Creating ring-fenced procurement opportunities for black-owned SMMEs;
- » Nurturing a pool of suitably qualified black-owned SMME partners through ESD initiatives;
- » Consistently challenging and enhancing procurement processes through digitisation.

Defining success

Sustainable and strategic partnerships as we establish EOH as a partner of choice and a key technology partner, managed through approved frameworks.

Our stakeholders *continued*



Regulatory bodies and professional associations

Government oversees and regulates business operations, and maintaining a positive relationship with regulators is essential to uphold our operating licence. Industry organisations like Business Unity South Africa (“BUSA”) and Business Leadership South Africa (“BLSA”) offer platforms for sharing best practices and create a cohesive channel for conveying business needs to the government.

Accountable for relationship: Governance, Risk and Compliance

Engagement channels

- » Direct engagement with regulators as per their stipulated requirements;
- » Professional interactions involving task teams, workshops, industry-specific forums, surveys and written feedback on proposals and draft legislation.

Key focus areas

- » Compilation of amendments to multiple legislations within the Financial Intelligence Framework aimed at rectifying observed Anti-Money Laundering (“AML”) and Anti-Bribery and Corruption (“ABC”) deficiencies identified by the Financial Action Task Force;
- » B-BBEE industry specific sector code targets;
- » The Companies Amendment Bill.

Issues management

- » Consistently interacting with legislators through professional associations to contribute to the formulation of new laws aimed at enhancing governance and countering fraud and corruption within South Africa;
- » EOH played a role in the research undertaken to assess the effects of the existing B-BBEE legislation;
- » Statutory and regulatory compliance;
- » Collaboration with professional associations.

Defining success

Sustained discussions with regulatory bodies, addressing previous areas of concern, while advancing future objectives. Further fostering collaboration through our memberships with BUSA and BLSA to influence the development of regulatory and economic policies.



Society and communities

EOH’s commitment to socio-economic development projects advances community development and stands as a core element of our sustainable business strategy. This commitment steers the Group in cultivating and upholding an authentic transformative culture concerning B-BBEE, transformation and corporate governance.

Accountable for relationship: People and Culture

Engagement channels

- » Newsletters;
- » Social media (LinkedIn);
- » Stakeholder meetings;
- » Community events;
- » Annual Integrated Report;
- » Corporate website;
- » Quarterly reports.

Key focus areas

- » Education and skills development;
- » Initiatives to enhance education access, quality and digital skills development;
- » Economic empowerment;
- » Initiatives promoting entrepreneurship, job creation and economic opportunities for communities;
- » Environmental sustainability;
- » SED programmes that minimise environmental impact and promote sustainable practices;
- » Inclusivity and diversity across all aspects of the business.

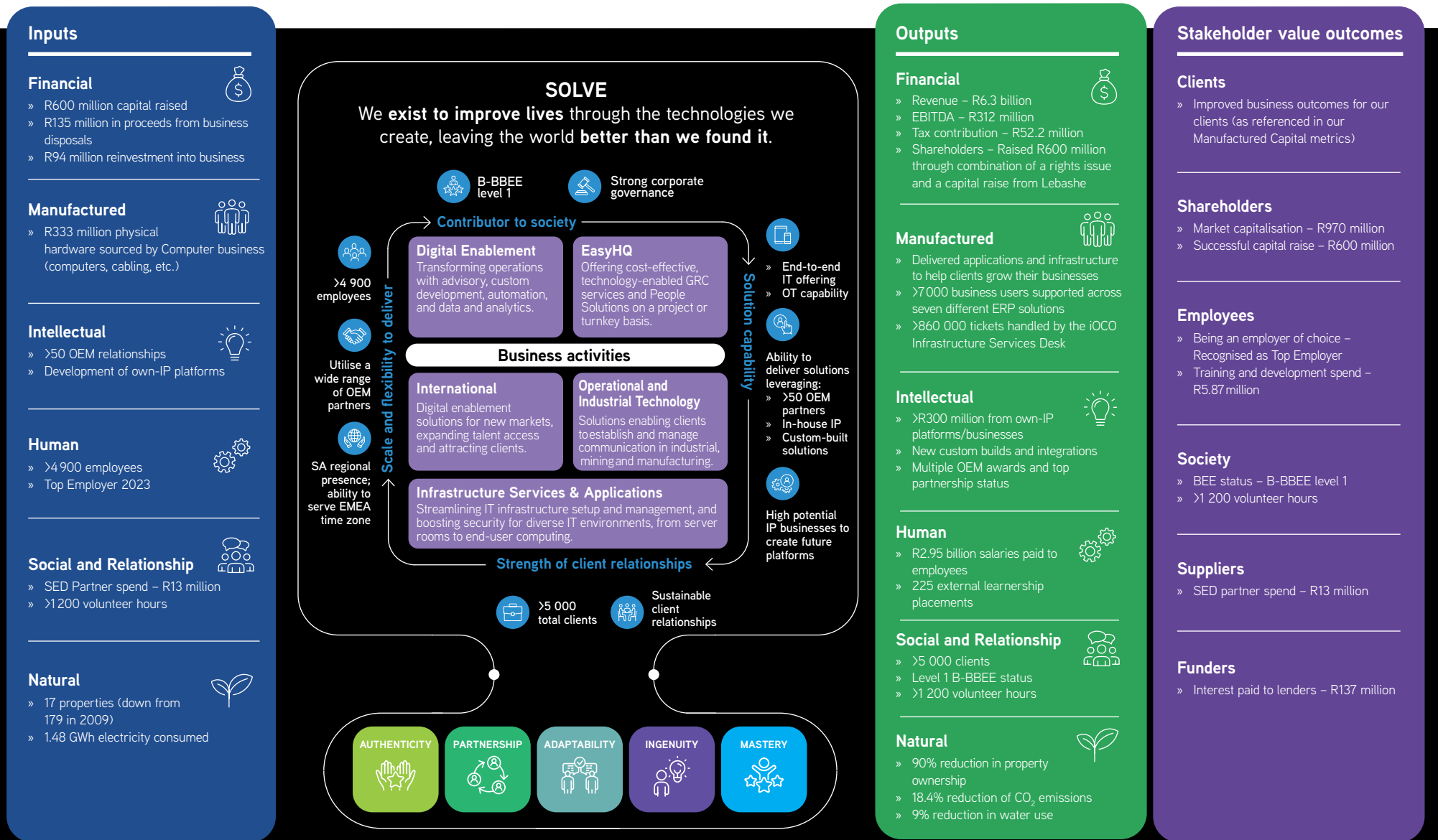
Issues management

- » Upholding open and transparent communication channels to promptly address concerns and regularly share updates;
- » Actively listening to stakeholder concerns and feedback, ensuring that their perspectives are considered and integrated into decision-making;
- » Regularly providing reports on SED activities, progress and impact, ensuring transparency and accountability;
- » Emphasising continuous improvement: using feedback and insights to identify areas for enhancement and making necessary adjustments to SED initiatives.

Defining success

Playing a significant role in facilitating economic access, enhancing people’s lives through improved education, increased income, skills development and employment opportunities that contribute to active economic participation.

Business model.



Risk overview and principle risks.

Our approach to enterprise risk management continues to evolve, to ensure agility, resilience and relevance.

The Board and executive leadership continue to set the organisation's tone in all matters concerning governance and risk.

We are building on the enterprise risk management controls we introduced based on our experiences during the business turnaround. The goal is to empower our business units and functions, equipping them with the tools and knowledge necessary to maintain EOH's commitment to responsible corporate citizenship and ethical business practices.

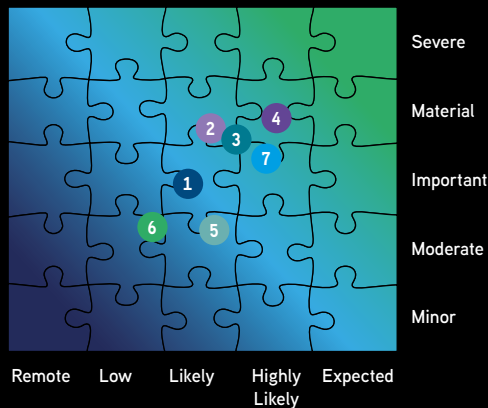
The ultimate aim is to achieve business enablement, allowing our innovators to confidently promote our business and offerings by drawing on our past experiences. In this way, our business

will support our objectives and contribute to EOH's growth.

We also aim to foster an informed risk environment that encourages innovation, invention, collaboration, and the commercialisation of opportunities. Key policies include the Whistleblower Policy, Anti-Bribery and Corruption Policy, Code of Conduct, Diversity, Equity and Inclusion Policy, and Information Security Policy.

Forums: Enterprise risk is efficiently managed through various forums within the organisation, including the Credit Committee, Operational Risk Committee and the Risk and Governance Subcommittee at Board level. Each forum operates with its own specific terms of reference.

- 1 People
- 2 Cyber threats
- 3 B-BBEE
- 4 Macroeconomic
- 5 Liquidity
- 6 ERP
- 7 Legacy matters



Priority risks

Impact

Mitigation

People

The globalisation of work is making it increasingly challenging to retain key resources. More opportunities are accessible for different roles, as remote work removes geographic limitations. Retaining resources is crucial for business continuity and service delivery.

We have adopted a varied Ways of Work policy in order to cater for the diversity of the business and retention of talent. Extensive work has been done in the development of emerging talent and a robust talent and succession process is in place. A global mobility standard is in place to cater to the migration of talent.

Broad-based Black Economic Empowerment

We need to bolster our efforts to ensure we comply with B-BBEE legislation and maintain our level 1 B-BBEE rating. New public procurement regulations allow government entities to determine how they assess and rate bidding companies. Failure to meet these criteria could render a bidding company ineligible for participation.

We are consistently investing in B-BBEE initiatives and programmes with a specific focus on advancing black women ownership. We regularly measure and assess transformation objectives to ensure the best possible outcomes for all stakeholders. The organisation also explores collaborations with other service providers where advantageous and evaluates each opportunity for compliance before responding.

Cyber threats

Cyber threats are on the rise and becoming more advanced. They could seriously harm our business, service providers and customers. The increase in remote work and global collaboration makes the risk of cyber breaches even higher.

We have enhanced our IT resources and infrastructure. We have implemented measures such as cloud security enhancements, device and resource scanning for breaches and unauthorised software, data backups, and regular training to safeguard against cyber threats. Additionally, we continually enhance our protocols and business continuity plans in response to newly identified threats.

Macroeconomic factors

We need to monitor numerous factors that could potentially impact our business. South Africa's perceived stance on the Russia-Ukraine war and its inclusion in the Financial Action Task Force ("FATF") Grey List could significantly impact our organisation. These developments might affect our relationships with OEMs based in the US and EU, as well as our ability to meet customer obligations. Additionally, whether South Africa actively participates in the Africa Growth and Opportunity Forum and the outcome of the 2024 national elections in the country could significantly influence inflation.

We continue to monitor all aspects of macroeconomic risks and take appropriate measures to mitigate them. We consistently evaluate and verify third-party engagements through a thorough onboarding and due-diligence procedure, which includes cross-referencing against the Office of Foreign Assets Control ("OFAC") Sanctions List and other criteria. We actively collaborate with customers, suppliers and stakeholders to ensure alignment with project objectives.

Liquidity

Macroeconomic factors can affect our business, as well as those of our suppliers and customers, potentially leading to financial constraints.

Thanks to our successful R600 million capital raise, we have significantly lowered our debt burden. Furthermore, we are actively enhancing cash collections and engaging with stakeholders to adeptly manage cash flow expectations.

Resolution of final legacy issues

We continue to manage our last legacy issues: we are engaging with the Special Investigating Unit ("SIU") regarding past public sector contracts, collaborating with the Directorate for Priority Crime Investigation ("DPCI") on criminal investigations, and addressing disputes with SARS concerning the former Highveld business unit.

We maintain proactive engagement and provide support to the appropriate authorities to ensure a fair outcome for all stakeholders. Our engagements are supported by a team of internal and external subject matter experts.

ERP implementation

We recently implemented a single cloud-based Enterprise Resource Planning ("ERP") system across the Group, which went live in March 2023. We may not achieve the expected efficiencies.

While the ERP system is already in operation, we have established a dedicated team to ensure the timely and efficient completion of the solution's implementation. We offer regular training and provide feedback to the organisation to facilitate a seamless transition. We also follow a structured process to evaluate opportunities for driving further efficiencies into the business and measuring return on investment.

External risks

Risk unchanged

Risk increasing

Risk decreasing



Our strategy.

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The GET philosophy.

The end of the 2022 financial year marked the conclusion of the business turnaround with the Group returning to business-as-usual.

From August 2022, EOH turned its attention to investing in the business and promoting its growth agenda.

The Group redefined its strategic priorities as Growth, Efficiency and Talent (“GET”) – the key components of its growth strategy. Each element of GET represents the following:

G

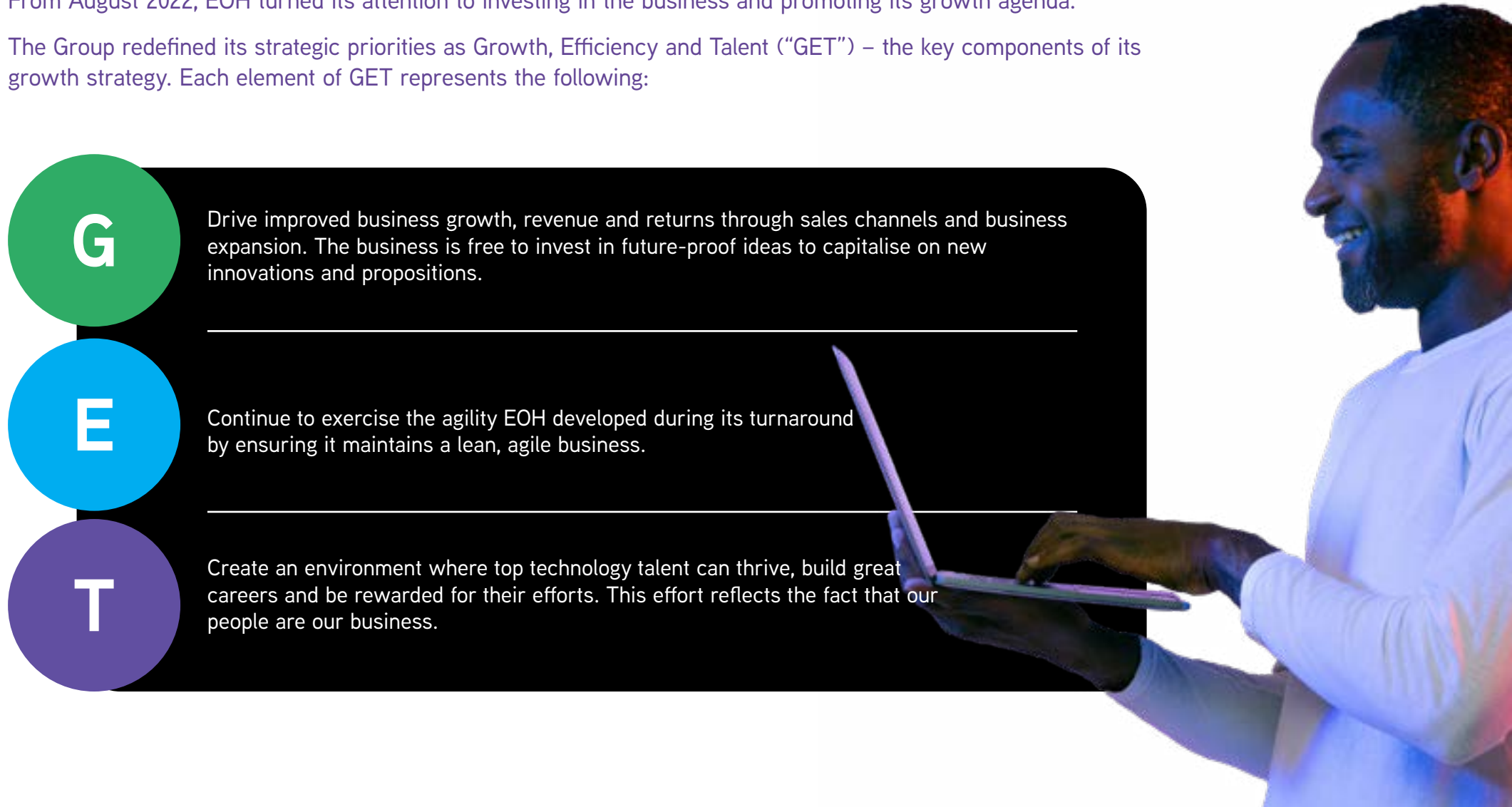
Drive improved business growth, revenue and returns through sales channels and business expansion. The business is free to invest in future-proof ideas to capitalise on new innovations and propositions.

E

Continue to exercise the agility EOH developed during its turnaround by ensuring it maintains a lean, agile business.

T

Create an environment where top technology talent can thrive, build great careers and be rewarded for their efforts. This effort reflects the fact that our people are our business.



Our FY2023 GET strategic objectives.

	Core outcome	What does it mean?	Key themes	
G <hr/> Growth	10% growth on revenue and EBITDA	<ol style="list-style-type: none"> 1 Focus on clients <hr/> 2 Deepening our solutions (value propositions (“VP”)) <hr/> 3 Future-proofing and experimentation 	<ul style="list-style-type: none"> » Accelerate sales drive and coverage approach » Diverse client base – increase penetration » Enhance pricing and process methodologies » Focus on delivery and quality <hr/> » Accelerate business expansion (eg International) » Refine and enhance VP » Leverage OEM partnering and execution framework <hr/> » Build out Group’s new IP platforms » Grow existing contribution from IP businesses 	 Achievement
E <hr/> Efficiency	<5% cost growth	<ol style="list-style-type: none"> 4 Create an anti-fragile, robust business <hr/> 5 Adaptable to the changing environment <hr/> 6 Build a save-to-invest culture 	<ul style="list-style-type: none"> » Secure appropriate Group capital structure » Close out remaining legacy issues <hr/> » ERP implementation (December 2022) <hr/> » Optimise resources – #do once, reuse, repeat » Simplification of business structure (Tetris) 	 Achievement
T <hr/> Talent	Cooldest place to work	<ol style="list-style-type: none"> 7 Robust reward approach <hr/> 8 Invest in development and growth <hr/> 9 Outstanding employee experience 	<ul style="list-style-type: none"> » Personalised » Flexible » Holistic <hr/> » Reskilling and upskilling » Talent leadership retention » Inclusion – focus on diversity » Wellness <hr/> » Onboarding » Communication and engagement » Enable fun, flexible work environment 	 Achievement

Progress on our strategic objectives.

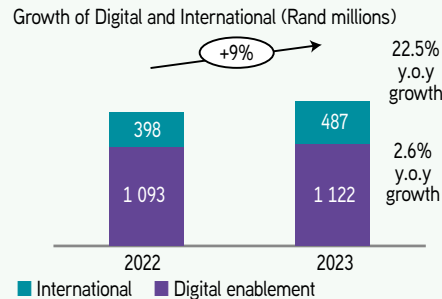


Growth

1 Focus on clients

Accelerating sales drive and coverage approach

- » **Digital SA** has been successful in adapting its sales model to sell its full range of digital capabilities. The business has made significant gains, including a three-year contract with a motor manufacturing client valued at R68 million per year and multiple large contracts with existing telecommunications clients.
- » **Middle East** – Our Middle East operations have achieved impressive year-on-year growth, advancing us towards our goal of reaching R1 billion in international revenue by 2025. In the Middle East, our revenue contribution has seen substantial growth, with the following breakdown: Egypt – 40%, Saudi Arabia – 40%, and the United Arab Emirates – 20%. EOH has made progress with building out its Middle Eastern business by leveraging its capabilities in South Africa and Egypt. Sales teams have been put in place to cover the northern and southern Gulf regions, although the business primarily focuses on opportunities in Saudi Arabia, the United Arab Emirates (“UAE”) and Qatar.
- » The business has established a network of resellers to market EOH’s IP capabilities in Saudi, UAE and Qatar.
- » The promotion of EOH’s capabilities across the Middle East, including AI, analytics and the Cloud, are progressing slower than expected and the Group is working with its South African teams to improve the engagement model.
- » The Europe business reached its target of a 25% increase in revenue while maintaining profitability.



- » **Operational Technologies (“OT-IT”)** – The Digital Industries, ScanRF and IST businesses have been grouped together under a single business pillar to enrich the business portfolio and enhance the customer experience in the operational domain. The organisations have demonstrated clear synergies within a short period. The consolidation of the business pillar is currently underway and opportunities for business growth are on the rise.
- » **EasyHQ** – Several proof-of-concepts have been launched, and the first cluster-wide proposition is being developed for launch in FY2024.
- » **Infrastructure Services & Applications** – The Software Reseller business is dedicated to improving the effectiveness of its sales team, with a particular focus on both client retention and client growth across various portfolios.

Enhancing diversity of client base and increasing market penetration

- » EOH made significant strides in further embedding itself within key accounts, particularly in the financial services, telecommunications and mining sectors.
- » Growing the public sector business has been challenging – while the business pipeline is robust, it has been challenging to close business agreements and this is compounded by lingering legacy issues.
- » **Digital SA** – The business expanded its market share within existing tier 1 accounts and secured a new tier 1 client in a different industry, requiring a substantial team of 70 tech staff to support and maintain their core client platforms. Ongoing multi-year projects persist in the financial services and telecommunications sectors, with a noteworthy project involving the migration of the entire IT infrastructure to the cloud for one of South Africa’s largest and most established financial services providers.
- » **Europe** – EOH gained five new clients (from a total of seven at the start of the year) in the Swiss region. The Group established two new routes to market in the UK and Switzerland for Group IP sales.

Focusing on delivery and quality

- » As a key supporter (Platinum Sponsorship) of CIO South Africa, EOH has played a role in strengthening this community. The Group has also continued to invest in sharing expert insights. The far-reaching impact we are making can be seen in the emergence of industry leaders.
- » **Digital SA** adopted agile practices and business principles, enabling successful project delivery. We quickly scaled our teams to meet client needs, despite a shortage of tech skills in the SA market, by deploying tech staff in custom agile squads to serve clients effectively. We also served as the Technology Partner for the Multichoice Innovation Fund’s Africa Accelerator programme, which facilitated an investor readiness programme for 29 Pan-African startups.
- » **EasyHQ** – The People Solutions business has been streamlined and is looking to scale its offerings through technology from FY2024.
- » **Infrastructure Services & Applications** – The Enterprise Applications business has effectively collaborated with credible and skilled enterprise development (“SME”) partners to support our client deliveries. The Software Reseller division has successfully implemented a “right-first-time” methodology to prevent rework and reduce associated costs.

Progress on our strategic objectives *continued*

Growth

G

2 Enhanced solutions (Value propositions)

Ramping up our business expansion

- » The Group achieved growth in the Digital SA business of 5% while maintaining a gross margin of 27%, as well as growth of 24% in the Middle East and Europe; The Middle East met its growth targets by increasing regular business by 12%.
- » **OT-IT** – The Digital Industries business has taken proactive steps to invest in growth. They secured exclusive distribution rights for AVEVA in East and West Africa, bolstered their sales capabilities and generated R40 million within a short period. The business has also established a substantial pipeline of promising opportunities.
- » **EasyHQ** – The Board approved the new EasyHQ proposition in January 2023. Since then, we have started a process of rebranding the newly formed cluster, appointed key leaders to drive the new offerings into the market, and focused on developing and scaling our intellectual property further.



VERIX AUTHENTIC EXPOSEIT
aultimo CEREBRO

- » **Infrastructure Services & Applications** – The opportunity remains to strengthen the value proposition links between our Software Reseller and Enterprise Applications businesses.

Refining and enhancing value proposition

- » **Digital SA** – Consolidated multiple consulting businesses to improve our value for clients. This step has been key in developing new value propositions and serving as a sales channel for the Digital business.
- » Attracting and retaining top technology talent in South Africa has been a core focus, and it remains a priority. During the year, we consolidated our recruitment teams and established a dedicated Digital Talent team to support us in recruitment efforts. We also enhanced our employee value proposition (“EVP”) to improve retention. These efforts have been pivotal to our success in scaling for clients this year.
- » **Infrastructure Services & Applications** – While the business is transitioning to an as-a-Service business model, the Infrastructure Services business secured its first outsourced and hosted platform sale in the second half of the financial year.
- » **International** – We have made progress in establishing Egypt as a hub for our Global Delivery Centre – we have engaged more than 300 resources for operations in the Gulf and Egypt. Our next priority is to bolster delivery capacity for South African clients, while also boosting our South African development teams.
- » **Europe** – We are consistently structuring the broad services portfolio from South Africa into targeted offerings throughout the region. We are capitalising on our robust OEM relationships and recent intellectual property acquisitions to achieve this.



Progress on our strategic objectives *continued*

G

Growth

2 Enhanced solutions (Value propositions) continued

Leveraging OEM partner and execution framework

- » **Middle East** – A strong foundation has been laid with the original equipment manufacturers (“OEMs”) in the region, including a significant partnership with Tech Data, the largest global technology distribution organisation. An AWS partnership has been initiated in Egypt, with plans for extension into the Gulf.
- » **Europe/Middle East** – Our international AWS practice has been established, with dedicated practices in Egypt and the UK. These practices are set to expand into their respective regions.
- » **Infrastructure Services & Applications** – We have made strides in refining our focus through close collaboration with core OEMs. The Software Reseller business has been capitalising on the OEMs’ focus on moving to Software-as-a-Service (versus on-premises models), by driving these conversions across the client base. Software Reseller has also been focused on adding new OEM partners to improve their offering and leverage existing domain expertise (eg in Data and Analytics).

3 Future-proofing and experimentation

Developing our new IP platforms

- » **Infrastructure Services & Applications** – EngineX, a digital platform that harnesses our Compute and Managed Services businesses, catering to the mid-market, is currently in development. Although the holistic solution is still in progress, we have seen adoption and revenue generation from individual modules and components of the EngineX solution. The end-to-end model is being tested in a production pilot with a chosen channel partner and pilot client.
- » **EasyHQ** – We are expanding our IP solutions and enhancing current capabilities with offerings like Ultimo, AuthentIQ, VeriX, and ExposeIT. We are also upgrading our Cerebro platform to encompass organisational process needs, including legal, sales and talent management, beyond GRC.

Growing existing contributions from IP businesses

- » **RLab** – We have streamlined our portfolio of underperforming IP businesses, with a renewed focus on growing the Impression and Emid businesses.
- » Additionally, we are pursuing the acceleration of our internal IP build and development by leveraging our venture capability. Our primary focus is to develop industrial-grade products for the market and start the shift from services to platform or product business models.
- » **Middle East** – We launched the NAMAA smart agriculture solution as a digital tool to enhance decision-making for agricultural operations. We have launched a comprehensive implementation model and the NAMAA-Light SaaS (Software-as-a-Service) model. While the business is not yet profitable, it has shown promise with new customer sign-ups.
- » **International** – The team acquired an IP business, Hoverfly Cloud, specialising in hosted, high-performance API simulations. This acquisition adds to our existing blue-chip customer-base.

Progress on our strategic objectives *continued*

Efficiency

E

4 Creating an anti-fragile, robust business

- » EOH accomplished a successful capital raise of R600 million in January 2023 through a combination of a rights issue and a specific capital raise from strategic partner Lebashe. The rights issue was substantially oversubscribed, with over 91% of shareholders following their rights and additional allocations of R220 million requested.
- » EOH refinanced its debt with the banks, consolidating it under a single lender with standardised rates and terms.
- » Legacy issues – SARS – A PAYE provision has been made related to a SARS dispute which we have now taken to the High Court to find a solution, after trying unsuccessfully on six separate occasions to settle with SARS.
- » Legacy issues – Mehleketo – A provision has been made for the settlement with the Mehleketo liquidators.
- » The remaining legacy issues have been resolved; however, provisions have been set aside for potential payments, which could affect debt levels and cash flow.

5 Being adaptable to the changing environment

- » We continue to focus on implementing a group-wide data strategy with the following key objectives:
 - » Ensuring regulatory compliance in data governance and data management;
 - » Enhancing cost efficiency through optimisation of group-wide data storage, computing, and management;
 - » Leveraging data for optimisation and insights across client, product and operational initiatives at a group-wide level.
- » Successfully implemented in March 2023, we remain dedicated to integrating the new Enterprise Resource Planning (“ERP”) system, target operating model and processes to drive efficiency throughout the Group. Notably, no significant issues were observed during the ERP implementation — an accomplishment in itself. We continue to work towards harnessing the full potential of the technology.

6 Building a save-to-invest culture

- » EOH has improved financial efficiencies by reducing headcount by about 480 people.
- » Regarding legal entities, we started the year with 107 legal entities and concluded with 102 legal entities by year end, with a further 22 legal entities prepared for deregistration.

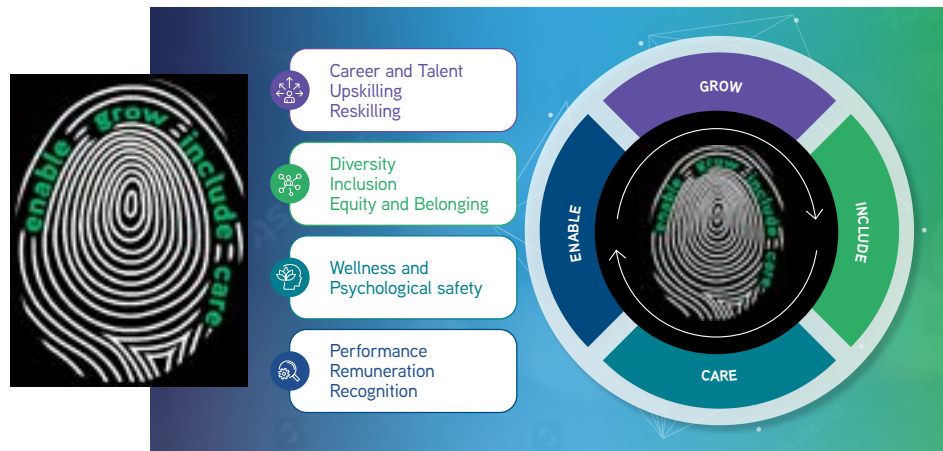


Progress on our strategic objectives *continued*



Talent

Our employee value proposition is central to the Solver DNA, ensuring that we create a culture that enables our people to grow, feel cared for and included.



Our talent initiatives have focused on developing a robust reward approach, accelerating investment in development and growth as well as building an outstanding employee experience.

The EOH Group has received Top Employer certification from the Top Employers Institute, the global authority on excellence in people practices. The accolade demonstrates that EOH is succeeding in building a forward-thinking workplace that allows its diverse staff contingent to grow and thrive. It also signals that the Group is well equipped to implement its growth strategy in future.

What is highly encouraging is the Group’s performance against global best practices in the following areas: business strategy, people strategy and leadership, ethics and integrity, and diversity and inclusion.

We have made significant strides in empowering women at EOH. Currently, 44% of our workforce comprises women and, in FY2023, women accounted for 52% of promotions and 44% of new hires. At the senior level, women represent 44% of our Group Executive Committee and make up 75% of the EOH Board. Additionally, African, Indian and Coloured (“AIC”) individuals comprise 76% of our employees.



EOH achieves **Top Employer status**

Progress on our strategic objectives *continued*



Talent

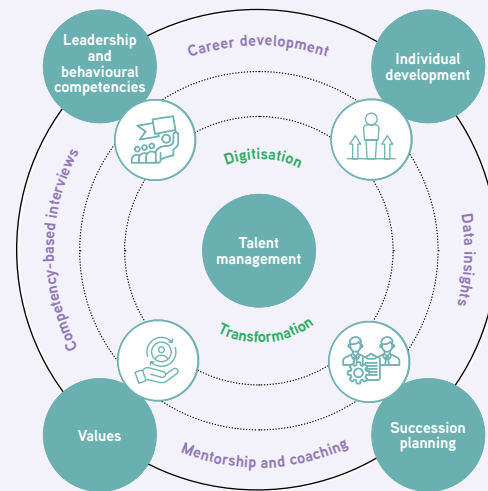
7 Robust reward approach

- » During the annual general meeting (“AGM”) held on 13 December 2022, the Company secured the necessary 75% approval for both the Remuneration Policy and Implementation Report.
- » The Group has completed a review of all existing benefits and is currently exploring additional benefit options.

8 Invest in development and growth

EOH adopts an integrated approach to talent management. We offer a fully automated, digitised platform that facilitates career development through competency-based interviews, mentorship and coaching for individual growth, as well as leadership and behavioural competencies for values-driven succession planning.

Integrated process



- » The Group's outstanding performance in obtaining the Top Employer certification in the areas of business strategy, people strategy and leadership can be attributed to its dedicated programmes and initiatives designed to support and develop employees within the Company.
- » Investing in the development of our employees' skills remains a top priority at EOH. In the past year, we invested R5.87 million in upskilling and reskilling initiatives, benefitting 458 employees. Notably, 72% of those trained were AIC candidates and 36% were female.
- » We have also made significant progress in the following areas:
 - » Leadership programmes – Developing and implementing these throughout the Group, including tailored programmes on inclusive leadership, adaptive leadership and self-leadership.
 - » New talent management process – In our commitment to retaining top talent and future-proofing our business, we have launched our new talent management process. This process assesses the competencies of our Solvers in relation to leadership and our Company's values, helping to identify potential career opportunities and areas for development.
 - » In My Shoes virtual reality unconscious-bias programme – This EOH-developed programme has been rolled out across the Group and presented to external clients.
- » Additionally, we are proud to share that we were finalists for five Gender Mainstreaming Awards, winning first place for three of them as well as the overall “Gender Mainstreaming Champion” award.

9 Outstanding employee experience

- » The Top Employer certification process informs the development of a roadmap for the continuous improvement of our employee value proposition.
- » In the area spanning diversity and inclusion, EOH shone for its efforts to create a workplace where everyone is respected for being their true selves and doing their best work as a result. The Group has established an array of forums and platforms to this end, and it is a signatory to United Nations principles which promote these objectives.
- » A recent employee survey, which achieved a 78% response rate, revealed that 92% of employees take pride in working for EOH, while 85% are excited to start their workday with us.
- » The Group has introduced new applicant tracking and video interviewing tools; and talent acquisition training is underway.
- » An employee listening strategy has been developed; and the Group is investigating a single platform for engaging with employees. Further, EOH has seen an increase in its employee survey response rate from 49% in FY2022 to 78% in FY2023.
- » The Group maintains a hybrid work model for specific employee segments.
- » EOH activated social engagements in the form of roadshows in our three key business regions in South Africa in the past reporting period.
- » We have provided a wide range of wellness initiatives, including an employee assistance programme, bimonthly support networks on wellness topics, online yoga and fitness classes, and access to mobile applications focused on mental health support.

Our performance.

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Chief Financial Officer's Report.

In the year under review, we achieved important milestones in a tough environment.

Our focus areas for the 2023 financial year were:

- » finalising our capital structure;
- » driving total revenue growth at good margins, primarily through our iOCO Digital business, our international expansion; and
- » the implementation of the fit-for-purpose Enterprise Resource Planning ("ERP") system to drive business efficiencies.

I am pleased to say that we have delivered on all our focus areas for 2023.

Capital structure

Rightsizing the capital structure has been a business imperative that allows EOH to move forward and pursue a growth strategy. It immediately improves earnings and ultimately leads to unlocking value for shareholders. Key to this has been the rights issue, successfully completed in February 2023.

We successfully completed a R600 million capital raise, comprising a R500 million rights issue and a R100 million specific share issue to our strategic partner, Lebashe Investment Group.

Total demand for the R500 million rights issue, including underwriting commitments, amounted to R1.03 billion, with over 91% of shareholders following their rights and requests for excess allocations totalling R220 million. This level of support, especially in the current economic environment, demonstrates strong backing for EOH's strategy and investment case.

The proceeds of the capital raise were used to pay down the majority of EOH's bridge facility. Combined with the proceeds from the sale of Network Solutions and Hymax SA, totalling R104 million, and amounts held in escrow relating to prior year disposals of R19 million, this resulted in an overall debt reduction of R678 million, reducing the outstanding debt to R683 million.

The strengthening of the capital structure, along with improved trading results, allowed for a debt restructuring with a single lender at markedly lower interest rates. It also freed up cash flow for significant investments in business growth.

Performance

The operating environment in South Africa remains challenging due to high inflation and the South African Reserve Bank's response of increasing interest rates. This has put consumers, companies and the public sector under extreme pressure,



We remain firmly committed to **South Africa** and its people, and continue to seek opportunities to **address challenges** and **support** the business community.

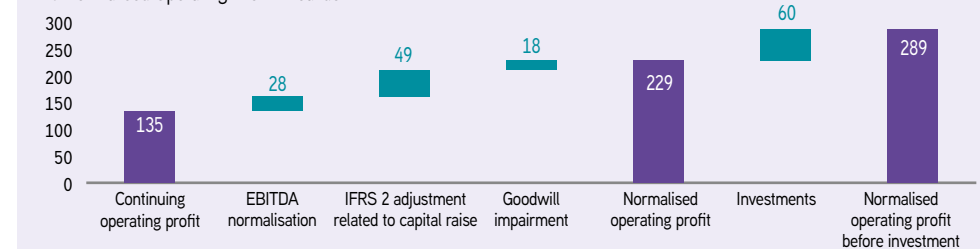
Megan Pydigadu
Chief Financial Officer

dampening growth forecasts for the economy. Liquidity in the market is tightening, with businesses taking a conservative approach to cash management.

Notwithstanding the tough economic environment, the Group achieved top-line growth of 3% in revenue from continuing operations. When unpacked by growth focus, International and Digital segments saw growth of 22.5% and 2.6%, respectively, with International hitting close to the R500 million revenue mark.

Our gross margins from continuing business remained stable at 28%, and we achieved a 35% improvement in operating profit from continuing operations, reaching R135 million in the current year. Furthermore, we incurred once-off items in the current year which, when normalised, results in an operating profit of R229 million, a 24% increase over the continuing normalised operating profit of R184 million achieved in the prior financial year.

FY23 Normalised Operating Profit Breakdown



* Values in the graph might include slight variations due to rounding.

Chief Financial Officer’s Report *continued*

The Group’s interest charge decreased significantly from H1-2023 despite rising interest rates, primarily due to the R600 million capital raise and the refinancing of consortium facilities with a single bank at improved interest rates. However, the delay in the rights issue due to factors beyond the Group’s control resulted in an unbudgeted extra interest cost of R74 million, which will not recur in 2024.

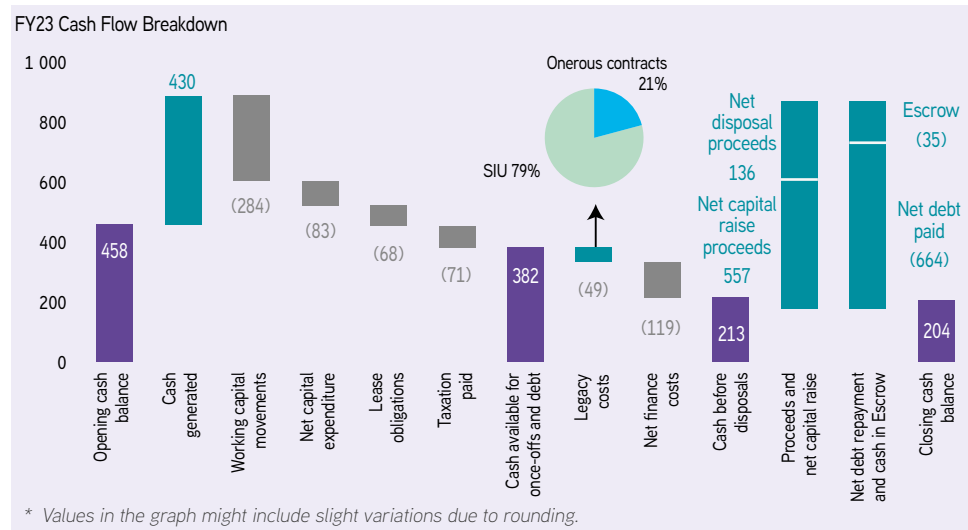
As we create a more normal legal entity structure, we saw a decrease in our tax cost from continuing operations from R70 million to R52 million in the current year. We have finally been able to utilise some of our assessed losses, which we previously did not recognise on the balance sheet.

We ultimately delivered a loss for the year from continuing operations of R81 million, which is a significant improvement from the R160 million in the prior year. The loss is directly attributable to the heavy interest burden, which is now resolved and should not be a factor in the new year.

We saw an improvement of 32% against the prior year’s continuing remeasured* headline loss per share from 28 cents to 19 cents and continuing remeasured* loss per share showed 47% improvement, from 38 cents to 20 cents.

* Remeasured to utilise same number of weighted average shares post the capital raise to ensure comparability.

Cash generation from total operations was R108 million. We did see an increase in cash investment into working capital of R282 million, which was largely related to our International and Operational Technology businesses. This increase was a direct result of the revenue growth we achieved. Our net working capital is now stable at R334 million despite a tough economic environment and a general tightening of liquidity in the market.



Digitisation

We continue to drive digitisation and automation of our business and went live with our cloud-based Enterprise Resource Planning (“ERP”) system in March 2023. We have seen the system stabilise relatively quickly and expect to deliver efficiencies in the new financial year, unlocking simplicity in the business.

Legacy issues

We have made significant progress in closing out final legacy issues. The following items remain, and we hope to have them resolved before our FY24 interim results:

- » a PAYE dispute with SARS. This dates back to 2012 and is long outstanding. We have taken SARS to the High Court to find a solution while we continue to engage with SARS to find a solution. We are evaluating our options as how best to proceed to reach an ultimate settlement of this ongoing issue;
- » settlement with the Mehleketo liquidator which we are close to finalising.

Appreciation

My time at EOH has come to an end. At the outset, we aimed to save as many jobs as we could, create transparency as we worked through a very dark time closing out the fraud and corruption issues for the EOH Group, establish

a new standard of ethics and integrity in how we do business, stabilise an organisation with a great history of innovation and ensure the Group is on a sustainable footing. I believe we have achieved this thanks to an incredible group of people who had a vision and purpose. We have also created a uniquely digitised internal environment.

I would like to express my gratitude to the Board for their support and wisdom, to Stephen and Fatima, who have been visionary and courageous, and the best Executive Directors I have ever had the privilege to work with. To the rest of the amazing Exco team – Brian, Marius, Natasha and Ziaad – thank you.

To the finance team, who have been tenacious and shown true grit through our journey, I appreciate all you have done for EOH and to get us to this point.

Thank you to all the EOH Solvers who have made it possible to turn around EOH.

EOH is now ready for its next chapter, on the path to its growth story, and continuing to make a difference in the lives of our customers and society at large.



Megan Pydigadu
Chief Financial Officer

Consolidated financial statements.

Consolidated statement of financial position

As at 31 July 2023

Figures in Rand thousand	2023	2022
Assets		
Non-current assets		
Property, plant, equipment and right-of-use assets	145 360	184 788
Intangible assets	93 571	83 515
Goodwill	668 924	674 574
Other financial assets	15 968	18 150
Deferred taxation	112 125	105 705
Finance lease receivables	1 226	10 723
	1 037 174	1 077 455
Current assets		
Inventories	73 727	90 122
Other financial assets	59 311	13 851
Current taxation receivable	42 381	35 095
Finance lease receivables	20 804	70 592
Trade and other receivables	1 959 103	1 828 655
Cash and cash equivalents	235 948	410 955
	2 391 274	2 449 270
Assets held for sale	–	225 532
Total assets	3 428 448	3 752 257
Equity and liabilities		
Equity		
Stated capital	4 774 521	4 217 285
Shares to be issued to vendors	–	393
Other reserves	111 578	494 754
Accumulated loss	(4 325 319)	(4 678 738)
Equity attributable to the owners of EOH Holdings Limited	560 780	33 694
Non-controlling interests	26 889	26 360
Total equity	587 669	60 054

Figures in Rand thousand	2023	2022
Liabilities		
Non-current liabilities		
Other financial liabilities*	2 489	496 486
Lease liabilities	33 324	51 438
Deferred taxation	25 095	28 258
	60 908	576 182
Current liabilities		
Other financial liabilities*	836 006	937 876
Current taxation payable	27 006	36 481
Lease liabilities	34 099	55 449
Trade and other payables	1 698 995	1 700 828
Provisions	183 765	315 751
	2 779 871	3 046 385
Liabilities directly associated with assets held for sale	–	69 636
Total liabilities	2 840 779	3 692 203
Total equity and liabilities	3 428 448	3 752 257

* In terms of a strict interpretation of IAS 1 paragraph 69, the debt is viewed as current liabilities as at 31 July 2023 based on the interest-cover ratio. With effect from 6 October 2023 this debt has been reclassified back to non-current liabilities. Refer to note 17 for more detail in the Annual Financial Statements.



Consolidated financial statements *continued*

Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 July 2023

<i>Figures in Rand thousand</i>	2023	2022
Continuing operations		
Revenue	6 229 322	6 031 100
Cost of sales	(4 482 844)	(4 341 284)
Gross profit	1 746 478	1 689 816
Net financial asset impairment losses	(79 017)	(59 719)
Operating expenses	(1 532 486)	(1 530 455)
Operating profit	134 975	99 642
Investment income	10 552	26 322
Finance costs	(174 327)	(216 292)
Loss before taxation	(28 800)	(90 328)
Taxation	(52 194)	(69 918)
Loss for the year from continuing operations	(80 994)	(160 246)
Profit for the year from discontinued operations	28 968	141 847
Loss for the year	(52 026)	(18 399)
Other comprehensive income		
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences on translation of foreign operations [^]	(25 511)	(10 028)
Reclassification of foreign currency translation differences on loss of control and joint control [^]	–	(71 716)
Total comprehensive loss for the year	(77 537)	(100 143)
(Loss)/profit attributable to:		
Owners of EOH Holdings Limited	(57 576)	(24 868)
Non-controlling interests	5 550	6 469
	(52 026)	(18 399)
Total comprehensive (loss)/profit attributable to:		
Owners of EOH Holdings Limited	(78 066)	(107 628)
Non-controlling interests	529	7 485
	(77 537)	(100 143)
From continuing and discontinued operations (cents)*		
Loss per share	(13)	(9)
Diluted loss per share	(13)	(9)
From continuing operations (cents)*		
Loss per share	(20)	(62)
Diluted loss per share	(20)	(62)

* Comparative figures previously reported have been amended to reflect the effects of the bonus element of the renounceable rights offer to qualifying shareholders. Further detail regarding this transaction is provided in note 15 in the Annual Financial Statements.

[^] These components of other comprehensive income do not attract any tax.

Consolidated statement of cash flows

For the year ended 31 July 2023

<i>Figures in Rand thousand</i>	2023	2022
Cash generated from operations	108 468	402 875
Investment income received	10 429	10 156
Interest paid	(137 538)	(213 920)
Taxation paid	(71 243)	(79 182)
Net cash (outflow)/inflow from operating activities	(89 884)	119 929
Cash flows from investing activities		
Additions to property, plant and equipment	(49 669)	(47 119)
Proceeds on the sale of property, plant, equipment and intangible assets	9 425	21 121
Intangible assets acquired	(42 751)	(48 015)
Cash receipt from disposal of businesses, net of cash given up	135 354	747 843
Cash inflow relating to other financial assets	–	5 000
Cash outflow relating to other financial assets	–	(40 032)
Increase in restricted cash	(717 155)	(812 948)
Decrease in restricted cash	679 748	823 816
Net cash inflow from investing activities	14 952	649 666
Cash flows from financing activities		
Proceeds from the issue of shares	600 000	–
Transaction costs incurred on the issue of shares	(42 764)	–
Proceeds from other financial liabilities	14 464	–
Repayment of other financial liabilities	(678 580)	(745 003)
Principal elements of lease payments	(60 476)	(92 074)
Net cash outflow from financing activities	(167 356)	(837 077)
Net decrease in cash and cash equivalents	(242 288)	(67 482)
Cash and cash equivalents at the beginning of the year	410 955	437 237
Assets held for sale at the beginning of the year	47 412	88 444
Assets held for sale at the end of the year	–	(47 412)
Exchange (losses)/gains on cash and cash equivalents	(11 999)	168
Cash and cash equivalents at the end of the year	204 080	410 955

Segment performance.

Digital Enablement

Figures in Rand thousand

	FY2023	FY2022	% change
Revenue	1 122 490	1 093 818	2.6
Adjusted EBITDA	136 370	165 492	(17.6)
Gross profit (%)	29.4	28.0	

EOH's clients continue to modernise and digitalise their IT infrastructures to achieve efficiencies and enhance customer experiences. This ongoing trend remains a key driver of growth in this business. Taking into consideration that the Shandon business was disposed of during the prior year, the business has seen organic growth of 7%. The business also invested in growth initiatives in application development and its RocketLab platforms amounting to R15 million.

Infrastructure Services & Applications

Figures in Rand thousand

	FY2023	FY2022	% change
Revenue	2 136 989	2 414 635	(11.5)
Adjusted EBITDA	137 500	184 659	(25.5)
Gross profit (%)	28.7	28.0	

The Infrastructure Services business continued with its strong H1-2023 performance into H2-2023. The business benefitted from a rebound in hardware sales to existing clients as well as healthy new client growth, however, the challenges in the Enterprise Applications and Software business continued in the second half of the year, overall impacting on top line growth and margins coming under pressure.

Operational Technologies

Figures in Rand thousand

	FY2023	FY2022	% change
Revenue	1 666 564	1 612 637	3.3
Adjusted EBITDA	51 870	88 393	(41.3)
Gross profit (%)	27.3	30.3	

Pressure in the public sector and SOE businesses has continued to impact this cluster with low revenue growth. EOH remains focused on strategies to diversify this pillar's client base, reducing reliance on the public sector and SOE businesses. This effort includes, but is not limited to, its investment in East and West Africa where it holds exclusive AVEVA distribution rights. The East and West Africa investments have continued to yield positive results, with the strong traction seen in the current year. This cluster also includes the remaining NEXTEC legacy businesses which contribute over R700 million of revenue and make a R51 million loss.

EasyHQ

Figures in Rand thousand

	FY2023	FY2022	% change
Revenue	844 548	929 879	(9.2)
Adjusted EBITDA	121 415	98 595	23.1
Gross profit (%)	34.3	34.4	

While the business remains under top-line pressure due to the current economic climate and challenges in the SOE sector, their core cost structure remains closely managed. Notably, the contact centre businesses have successfully completed a turnaround and are now making a positive contribution to the Group's profitability. Despite the top-line pressures, the profitability improved thanks to a strong focus on efficiency.

International

Figures in Rand thousand

	FY2023	FY2022	% change
Revenue	487 587	398 036	22.5
Adjusted EBITDA	55 814	39 531	41.2
Gross profit (%)	35.3	32.9	

The International business in Egypt, the Middle East and Europe maintained its positive momentum into H2-2023 as the Group continued its investments to accelerate growth, which also yielded benefits from a profitability perspective.

Three-year review.

Three-year historic view (continuing business)

		FY2023	FY2022	FY2021
Summarised income statement				
Revenue	(R'000)	6 229 322	6 031 100	6 472 428
Adjusted EBITDA	(R'000)	322 216	364 235	435 703
Operating profit	(R'000)	134 975	99 642	55 209
Net finance charges	(R'000)	(163 775)	(189 970)	(268 087)
Tax	(R'000)	(52 194)	(69 918)	(97 249)
EPS*	(cents)	(20)	(38)	(70)
HEPS*	(cents)	(19)	(28)	(38)
Summarised statement of financial position				
Goodwill	(R'000)	668 924	674 574	745 844
Other assets	(R'000)	490 746	747 951	1 808 530
Net working capital	(R'000)	333 835	217 949	244 834
Net cash	(R'000)	204 080	410 955	437 237
Equity and reserves	(R'000)	587 669	60 054	177 794
Secured bank debt	(R'000)	683 176	1 310 502	2 061 321
Other liabilities	(R'000)	426 740	680 873	997 330
Summarised statement of cash flows				
Cash generated from operations	(R'000)	108 468	402 875	404 942
Net interest paid	(R'000)	(127 109)	(203 764)	(215 927)
Tax paid	(R'000)	(71 243)	(79 182)	(109 918)
Cash proceeds from disposals of businesses	(R'000)	135 354	747 843	212 936
Cash flows from other investing activities	(R'000)	(120 402)	(98 177)	1 608
Debt repaid	(R'000)	(678 580)	(741 053)	(512 864)
Net proceeds from share issues	(R'000)	557 236	–	–
Cash flows from other financing activities	(R'000)	(46 012)	(96 024)	(100 534)
Net decrease in cash and cash equivalents	(R'000)	(242 288)	(67 482)	(318 557)
Profitability and returns				
Gross profit margin	(%)	28.0	28.0	26.0
Operating profit margin	(%)	2.2	1.7	0.9
EBITDA margin	(%)	5.2	6.0	6.7
ROIC	(%)	12.1	13.0	10.5
WACC	(%)	15.5	14.8	15.1
Liquidity and debt coverage				
Interest cover	(times)	1.8	1.7	1.6
Debt to EBITDA	(times)	2.1	3.6	4.7

* Comparative figures previously reported for 2022 and 2021 have been remeasured to utilise the same number of weighted average shares post the capital raise to ensure comparability.



Governance.

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Board composition.

The Board and executives are unwavering in their commitment to providing lasting, sustainable value to their stakeholders, including employees, shareholders and partners. Their actions are guided by a shared purpose, philosophy and set of values.

Non-executive Directors



<p>Andrew Mthembu (67) Chairman and Independent Non-executive Director</p>	<p>Jesmane Boggenpoel (50) Independent Non-executive Director</p>	<p>Mike Bosman (62) Independent Non-executive Director</p>	<p>Bharti Harie (53) Independent Non-executive Director</p>	<p>Andrew Marshall (68) Independent Non-executive Director</p>	<p>Jabu Moleketi (66) Non-executive Director</p>
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Skills and expertise

- CG** Corporate Governance (including legal and compliance)
- ESL** Executive and Strategic Leadership
- RM** Risk Management
- SUS** Sustainability
- FI** Finance, Investments and M&A
- HR** HR and Talent Development
- ICT** ICT experience (including IoT, digital and innovation)
- SSR** Strategic Stakeholder Relations
- LCB** Listed company board member experience
- B** Banking
- IB** International Business
- CPR** Communications and PR

Qualification	Qualification	Qualification	Qualification	Qualification	Qualification
BSc in Chemistry and Biology, BSc in Civil Engineering, MSc in Construction Management, Executive Management Programme (Wharton and University of Chicago Booth School of Business)	BCom in Accounting, BAcc, CA(SA), Master’s in Public Administration (Harvard JFK School of Government)	BCom Honours in Financial Accounting, LLM, CA(SA), Advanced Management Programme (Harvard)	BA LLB, LLM, Admitted Attorney, Notary and Conveyancer	BCom Honours	Post-graduate diploma in Economic Principles (University of London), MSc in Financial Economics (University of London), Advanced Management Programme (Harvard Business School)
Appointed 20 June 2019	Appointed 1 July 2018	Appointed 20 June 2019	Appointed 1 January 2021	Appointed 21 May 2020	Appointed 1 September 2020
Committee membership Member: Asset Disposal and Strategic Acquisition Committee Member: Governance and Risk Committee Permanent invitee to all Board committees	Committee membership Chairman: Governance and Risk Committee Member: Audit Committee Member: Information and Technology Committee	Committee membership Chairman: Audit Committee Member: Governance and Risk Committee Member: Remuneration and Nomination Committee Member: Asset Disposal and Strategic Acquisition Committee	Committee membership Chairman: Social and Ethics Committee Member: Remuneration and Nomination Committee Member: Governance and Risk Committee	Committee membership Chairman: Asset Disposals and Strategic Acquisitions Committee Member: Audit Committee Member: Information and Technology Committee	Committee membership Member: Remuneration and Nomination Committee Member: Social and Ethics Committee

Board composition *continued*

Non-executive Directors



CG ESL FI HR ICT LCB B

Nosipho Molope (59)
Independent Non-executive Director

Sipho Ngidi (68)
Independent Non-executive Director

Qualification
BScience, BAccounting Sciences Honours, CTA, CA(SA)

Qualification
BCom Honours in Economics

Appointed
1 January 2021

Appointed
20 February 2020

Committee membership
Chairman: Information and Technology Committee
Member: Audit Committee
Member: Social and Ethics Committee

Committee membership
Chairman: Remuneration and Nomination Committee
Member: Risk and Governance Committee
Member: Social and Ethics Committee

Executive Directors



CG ESL RM SUS FI HR ICT SSR LCB B IB CPR

Stephen van Coller (57)
Group Chief Executive Officer

Megan Pydigadu (49)
Group Chief Financial Officer

CG ESL RM SUS FI HR ICT SSR LCB B IB CPR

Fatima Newman (52)
Group Executive: EasyHQ (effective 1 August 2023); Chief Risk Officer (until 31 July 2023)

Qualification
BCom in Management Accounting, HDip Acc, CA(SA), ACMA(UK)

Qualification
BCom in Accounting, HDip Acc, CA(SA)

Qualification
BA in Law, Certificate in Compliance Management, Leadership Programme (Singularity University) BA Psychology (Wits University)

Appointed
1 September 2018

Appointed
15 January 2019

Appointed
31 July 2019

Committee membership
Permanent invitee to all subcommittee meetings

Committee membership
Permanent invitee to all subcommittee meetings

Committee membership
Permanent invitee to all subcommittee meetings

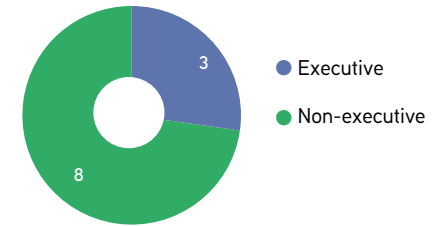
Skills and expertise

- CG** Corporate Governance (including legal and compliance)
- ESL** Executive and Strategic Leadership
- RM** Risk Management

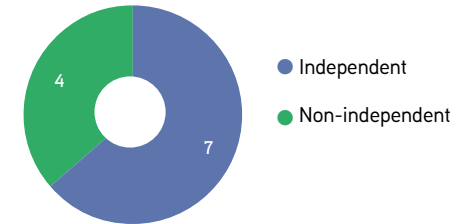
- SUS** Sustainability
- FI** Finance, Investments and M&A
- HR** HR and Talent Development
- ICT** ICT experience (including IoT, digital and innovation)

- SSR** Strategic Stakeholder Relations
- LCB** Listed company board member experience
- B** Banking
- IB** International Business
- CPR** Communications and PR

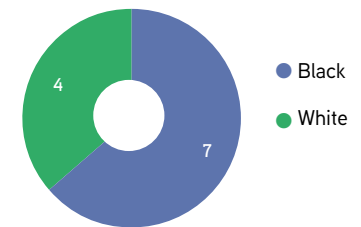
Executive



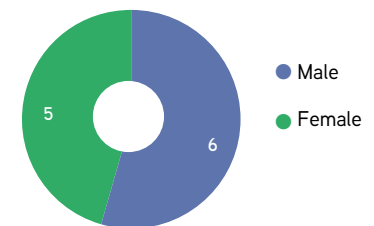
Independence



Race



Gender



Board composition *continued*

	Board	Independent Board	Audit Committee	Risk and Governance Committee	Social and Ethics Committee	Remuneration and Nomination Committee	Technology and Information Committee	Asset Disposal and Strategic Acquisition Committee
Number of meetings	15	3	3	3	3	3	3	8
Executive Directors								
Stephen van Coller (CEO)	15	3	3	3	3	3	3	8
Megan Pydigadu (Group CFO)	15	3	3	3	3	3	3	8
Fatima Newman	15	3	3	3	3	3	3	8
Non-executive Directors								
Andrew Mthembu*	15	3	3	3	3	3	3	7
Andrew Marshall*	15	3	3				3	8
Mike Bosman*	15	3	3	3		3		8
Sipho Ngidi	13			3	3	3		
Jesmane Boggenpoel*	13	3	3	3			3	
Jabu Moleketi	13				3	3	3	
Bharti Harie	15			3	3	3		
Nosipho Molope	10		3		3		3	

* Appointed to the independent Board required in respect of the rights issue.

Corporate governance.

Rooted in ethical principles and strong governance, EOH's leadership has shifted its focus to fostering innovation and driving growth.

The Board and the leadership team have successfully established and fostered a culture of ethics and compliance, adhering to corporate governance principles. As a result, sound corporate governance is deeply ingrained throughout the organisation and its subsidiaries.

Building on this strong foundation, the Board and leadership are now turning their focus towards promoting growth, efficiency, talent and innovation. While remaining committed to ethical leadership and corporate governance, they also recognise the significance of embracing change and exploring new opportunities at EOH.

To facilitate this transition, the Board and leadership continue to monitor and enhance both awareness and governance training programmes for all EOH employees. Ensuring that employees and stakeholders understand and adhere to the organisation's ethical and regulatory obligations remains a top priority, with compliance attestations playing a key role in achieving this objective.

EOH subscribes to the spirit of good corporate governance outlined in King IV and the Group continued to report in accordance with King IV during the 2023 financial year. Governance processes have been implemented across the business and the Directors confirm the Group has, in all material respects, applied the 16 principles of King IV, and where it was unable to fully apply the principle, an explanation has been provided in the King IV Report.

The application and explanation of the Group's implementation of each King IV principle, as required in terms of the JSE Listings Requirements, is

reviewed and updated annually in the King IV Report which is available on the Group's website at www.eoh.co.za.

EOH has proactively sought the expertise of best-practice professionals in various fields to reinforce its governance capabilities and support its vision. These experts provide invaluable insights and guidance, enabling EOH to tailor its governance solutions to the evolving compliance and governance demands of the organisation.

By incorporating the knowledge gained from these experts, EOH will leverage its robust ethical foundation to drive growth and innovation. The Board and leadership's steadfast commitment to ethical leadership and best-practice governance principles will continue to steer the organisation's strategic decisions, ensuring a sustainable and responsible approach to growth and innovation.

EOH's unitary Board, which adeptly navigated the organisation through past challenges, is now poised to lead EOH into its next phase of growth. The Board members continue to guide and refine EOH's vision through their collective skills, experience, knowledge and perspectives.

As of the reporting date, the Board comprised 11 directors, including three Executive Directors and seven independent Non-executive Directors. One Non-executive Director is not classified as independent. Regarding diversity, seven members of the Board identify as black and five members are women.

Zondo Commission: Commission of Inquiry into Allegations of State Capture

EOH has been commended for its unwavering commitment to combatting corruption and addressing past wrongdoing, particularly through its active engagement with the Zondo Commission's Inquiry into Allegations of State Capture.

Chief Justice Raymond Zondo has praised EOH's proactive approach, which involves openly disclosing historical wrongdoing within its ranks, making reparations, collaborating with authorities and taking measures to prevent future misconduct. This approach set EOH apart as a positive example in the eyes of the Commission.

The Zondo Commission has specifically lauded EOH's transparency and cooperation, noting that the Company's actions stand out as a "unique case" among those under investigation. Chief Justice Zondo attributed EOH's transformation to the leadership of Stephen van Coller, whose initiatives have driven the Group's constructive approach. Despite acknowledging past issues related to the public sector, EOH's initiative and collaborative approach have been recognised as significant strides forward. Amid challenges and scrutiny, EOH has demonstrated its commitment to ethical corporate conduct and accountability.

The Commission has highlighted EOH as a standout contributor to investigating historical wrongdoing and has praised the Company's willingness to confront its past while striving to create a better future for the South African community. While its State Capture Report recommends that some contracts are investigated further, it acknowledges and appreciates EOH's dedication to transparency, collaboration and positive change.

Board effectiveness

The Board is committed to conducting ongoing evaluations to confirm their capacity as capable and responsible leaders of EOH. The most recent Board evaluation was carried out in February 2022, and the next official and independent evaluation is scheduled for FY2024. During this evaluation, there will also be a review of EOH's Board Charter.

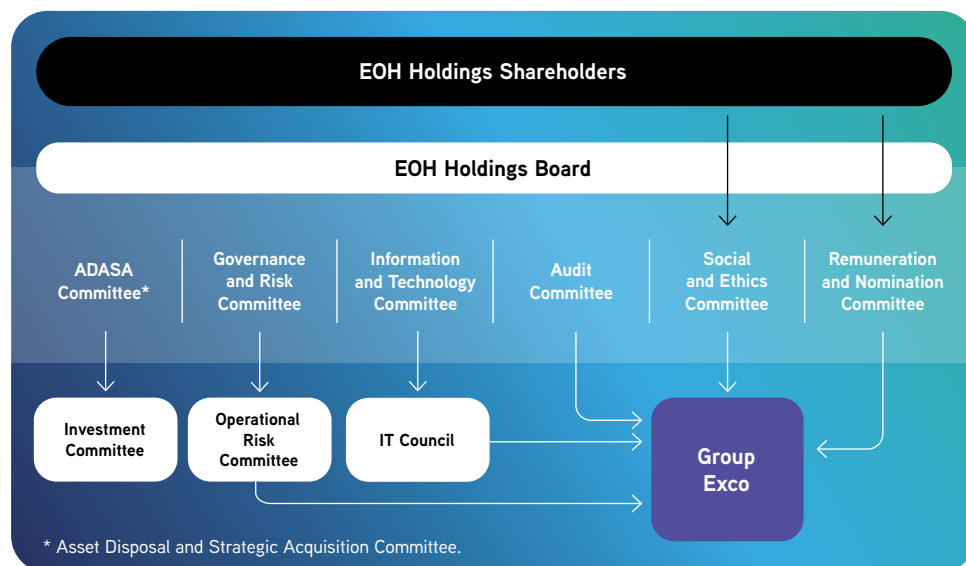
Board Charter

The Board remains committed to following the recommendations of King IV, and the Board Charter will remain unchanged until the scheduled review. The Charter outlines the following Board functions:

- » Providing input into the Group's strategic direction;
- » Exercising effective leadership based on an ethical foundation and a sound GRC framework;
- » Ensuring the Group conducts itself in line with principles of fairness, accountability, transparency, responsibility, competence and integrity;
- » Establishing and applying an appropriate GRC framework throughout the Group;
- » Overseeing the adoption and implementation of the Code of Ethics across the Group;
- » Ensuring that the Group is a responsible corporate citizen and is perceived as such;
- » Defining levels of materiality and risk tolerance;
- » Governing risk and opportunities to align with the Group's objectives;
- » Ensuring the adequacy and effectiveness of the Group's internal control systems and procedures;
- » Ensuring appropriate technology systems are in place;
- » Approving the annual budget and operating plan of the Group;
- » Approving EOH's Annual Financial Statements and public statements while ensuring the integrity of these documents;
- » Considering, and, if appropriate, declaring distributions according to the provisions of the Companies Act;
- » Ensuring fair, responsible and transparent remuneration within the Group;
- » Communicating transparently and promptly with internal and external stakeholders;
- » Ensuring the overall sustainability of the Group.

Corporate governance *continued*

In line with King IV recommendations, the Board maintains several subcommittees to support its oversight role. The subcommittees listed below function according to terms of reference endorsed by the Board. Each subcommittee has a specific area of focus and the necessary expertise to fulfil its mandate.



Company Secretary

The Board appointed Mpeo Nkuna as the permanent Group Company Secretary on 1 November 2022. The Board is confident that she possesses the appropriate qualifications, competence and experience to provide the necessary support, along with assistance from the various functional heads within the organisation.

Audit Committee

The committee oversees financial reporting, internal controls, and risk management processes. It ensures the integrity of financial statements, compliance with accounting standards, and the effectiveness of

internal and external audits. The committee evaluates the adequacy of risk management systems and assesses the independence and performance of external auditors.

Governance and Risk Committee

The committee is responsible for ensuring good governance principles and practices within the organisation. Additionally, it oversees the implementation of and adherence to compliance principles and the organisation’s risk management framework and processes. This committee is also tasked with approving the organisation’s policies and ensuring their alignment with established frameworks and values.

Information and Technology Committee

The committee is responsible for managing and overseeing information technology within the organisation. Its main function is to align IT strategies with business objectives, assess IT risks and monitor cybersecurity measures. The committee also evaluates IT investments, ensures data privacy practices are in place, and verifies compliance with relevant regulations.

Remuneration and Nomination Committee

The committee develops and recommends remuneration policies for the Board, executive management and key employees. Its main objective is to align remuneration practices with the Company’s strategy, drive performance, and attract and retain top talent. The committee also oversees compliance with regulations and disclosure requirements. For more detailed activities, please see page 50.

Social and Ethics Committee

The committee oversees the Company’s performance in social, ethical and sustainability areas. It assesses the Company’s impact on society, including stakeholder relationships, corporate citizenship initiatives, and compliance with relevant laws and codes. The committee promotes responsible business practices, ethical conduct and sustainability throughout the organisation. For more detailed activities, please refer to the 2023 ESG Report.

Asset Disposals and Strategic Acquisition Committee (“ADASA”)

This committee is formed on a temporary basis and its duties include reviewing and approving asset sale transactions, assessing potential acquisitions and providing recommendations to the Board of Directors and/or the management team.

Committee restructure

The Board has implemented Board structures to ensure the appropriate balance of power, ethics and objectivity in the boardroom. Internal assessments have been conducted on the independence of the directors to confirm that no one director has unfettered powers of decision-making.

During the year-end cycle of Board and committee meetings in July 2023, the Remuneration and Nomination Committee revised the committee structures, recommending the following changes:

- » a consolidation of the Governance and Risk Committee and the Information and Technology Committee into the Audit Committee;
- » the Audit Committee subsequently being renamed the Audit and Risk Committee;
- » the dissolution of the ADASA Committee. Should the need arise to consider any disposals, acquisitions or other strategic transactions, an ad hoc committee would then be established for that purpose.

The Board approved these changes, recognising the need to adapt to the evolving requirements of the Company while also achieving greater efficiencies and maintaining compliance with statutory requirements. Effective from 1 August 2023, the remaining committees and their compositions are as follows:

- » Audit and Risk Committee: Mike Bosman, Andrew Marshall, Jesmane Boggenpoel, Nosipho Molope;
- » Remuneration and Nomination Committee: Sipho Ngidi, Jabu Moleketi, Bharti Harie, Mike Bosman;
- » Social and Ethics Committee: Bharti Harie, Jabu Moleketi, Nosipho Molope, Sipho Ngidi.

Leadership team.



	Stephen van Coller	Megan Pydigadu	Fatima Newman	Natasha Andrykowsky	Marius de la Rey	Brian Harding	Ziaad Suleman
Appointed to Exco	September 2018	January 2019	April 2019	May 2019	April 2019	October 2019	July 2021
Role and Responsibility	Group Chief Executive Officer	Group Chief Financial Officer	Group Executive: EasyHQ (effective 1 August 2023); Chief Risk Officer (until 31 July 2023)	Group Executive: Strategy & Corporate Development	Group Executive: iOCO Services	Group Executive: iOCO Digital & International	Group Chief Commercial Officer
Qualifications	<ul style="list-style-type: none"> » CA(SA) » ACMA(UK) » H Dip Acc (UKZN) » BComm Honours (Stellenbosch University) 	<ul style="list-style-type: none"> » CA(SA) » H Dip Acc (Wits University) » BComm (University of Natal/PMB) 	<ul style="list-style-type: none"> » BA Psychology (Wits University) » Certificate in Compliance Management » Leadership Programme (Singularity University) » Certificate in Compliance Management » BA Law 	<ul style="list-style-type: none"> » BSc: Chemical Engineering (1st Class Honours) (UCT) 	<ul style="list-style-type: none"> » H Dip Tax (Wits University) » Bachelor of Accounting (Wits University) » CA(SA) Bachelor of Accounting (Wits University) » Bachelor of Commerce (Wits University) 	<ul style="list-style-type: none"> » Management Development Programme (GIBS) » LLB Honours (UKZN) » BPROC (UKZN) 	
Previously held positions	<ul style="list-style-type: none"> » Two years at MTN on Group Executive as VP: Digital Services, Data Analytics and Business Development/VP: Strategy, Mergers and Acquisitions; » Ten years at Absa Group – last seven years on Absa Group Executive Committee and Barclays Capital EMEA Executive Committee as CEO: Absa Corporate and Investment Banking Africa; » Nine years, nine months at Deutsche Bank, last role: Head of Global Banking on South Africa Executive Committee and Africa Foundation; » Three years audit and accounting articles at Ernst and Young. 	<ul style="list-style-type: none"> » Seven years at MiX Telematics as CFO; » Four years as Group Financial Controller at Bateman Engineering N.V.; » Four years as Senior Divisional Financial Manager at De Beers Group; » Five years at Deloitte – Articles and two years as Audit Manager. 	<ul style="list-style-type: none"> » One year, nine months – Executive: Business Risk Management and Compliance at MTN Group; » Five years at Absa Corporate and Investment Bank Africa as Head of Compliance, and Head of Private Side Advisory Compliance; » Nine years at Macquarie First South; » Three years at Arcay Group. 	<ul style="list-style-type: none"> » Thirteen years of strategic and operational roles in Corporate and Investment Banking, including Group Head of International Banking in South Africa; and Strategy Head for Corporate and Investment Banking; » Six years of Strategic and Management Consulting at Monitor Group. 	<ul style="list-style-type: none"> » Five years at Absa as Chief Executive: Customer Channels, Distribution and Coverage; » Five years at Standard Bank South Africa, with roles including Head of Group Real Estate and Head of Channel Development; » Ten years at Mugg n Bean Restaurants, including four years as Group MD and six years as multiple store owner. 	<ul style="list-style-type: none"> » Twelve years at EOH with roles including Regional Executive for Western Cape, and Head of Microsoft Coastal; » Seven years as owner/director of Airborne Consulting which was ultimately sold to EOH; » One-and-a-half years at Software Futures as Marketing Director; » Two years at Software Futures as Head of Microsoft Solutions; » Two years at Software Futures as Head of Vodacom business. 	<ul style="list-style-type: none"> » Fourteen years with IBM sub-Saharan Africa, including seven years as Chief Operating Officer SSA and seven years as Chief General Counsel SSA; » Senior Advisory roles at BCX and Neotel; » Currently represents South Africa as the Chair of the Digital Economy at BRICS; » Non-executive Director of Collective X – the South African initiative focused on addressing the digital skills demand.

Remuneration Report.

The foundational work done in previous financial years culminated in FY2023 with the approval of the Group's remuneration policy, Implementation Report and share plan at the AGM. We continue to focus on entrenching fair and equitable remuneration practices across a diverse Group of businesses in a manner that is sustainable and aligned with shareholder requirements.



In FY2023, our objectives included focusing on shareholder engagement concerning key remuneration items, aiming to finalise and obtain approval for the EOH share plan, and making progress on the pay equity remediation plan.

Committee composition

The committee comprises three Independent Non-executive Directors and one Non-independent Non-executive Director. It is chaired by an Independent Non-executive Director.

The membership of the committee is as follows:

- » Siphon Ngidi (Chairman of the committee)
- » Mike Bosman
- » Bharti Harie
- » Jabu Moleketi

Attendees at committee meetings include the Chief Executive Officer, the Chief Financial Officer, the Chief Risk Officer, the HR Executive, the Company Secretary and other persons with specific skills and expertise to assist the committee in discharging its functions.

The number of meetings and attendance per committee member is shown on page 46.

The Board is satisfied that the members of the committee have the necessary skills and experience to enable the committee to fulfil its duties.

Roles of the committee

The committee assists the Board in exercising its function of ensuring that the Company remunerates its employees fairly, responsibly and transparently. This is achieved through the implementation of affordable, competitive and equitable reward practices that promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.

Roles and responsibilities related to remuneration:

- » Ensure that the Remuneration Policy promotes the achievement of strategic objectives and encourages individual and team performance;

- » Annually review the Remuneration Strategy and Policy, which includes higher-level strategic principles that inform the policy and its implementation. Oversee the annual implementation of the policy to ensure its ongoing relevance;
- » Ensure that Executive Directors are remunerated for their contribution to the Company's overall performance, after giving due regard to the interest of the shareholders and to the financial and commercial health of the Company;
- » Advise on the remuneration of Non-executive Directors;
- » Ensure that the Company remunerates directors, management and employees fairly, responsibly and transparently, and oversee the establishing and administering of remuneration at all levels in the Company;
- » Approve material human resources policies for the EOH Group;
- » Approve proposals on new short and long-term incentive schemes and, where appropriate, make recommendations to the Board for approval by shareholders;
- » Oversee the preparation of the Remuneration and Nomination Committee's Report. This report includes a background statement, the overall Remuneration Policy, and the Implementation Report, which forms part of the Integrated Report;
- » Review the outcome of the implementation of the Remuneration Policy to determine whether it effectively promotes the achievement of strategic objectives and encourages individual performance;
- » Ensure that the Remuneration Policy and the Remuneration Implementation Report is put to a non-binding advisory vote at the annual general meeting of shareholders once a year;
- » Ensure that the process outlined in King IV regarding shareholder engagement is followed when the Remuneration Policy or the Remuneration Implementation Report (or both) receives votes against by 25% or more of the voting rights at the annual general meeting of shareholders.

The committee will recommend necessary improvements to the Board in the remuneration areas they oversee.

Roles and responsibilities concerning the nomination of directors:

- » Regularly assess the skills, knowledge, expertise, structure, size and composition of the Board and Board committees. Recommend any necessary adjustments, appointments or new formations to the Board;
- » Establish a clear and transparent process for director appointments including:
 - » Identifying and participating in the selection of suitable candidates for Executive and Non-executive Director roles;
 - » Reviewing the results of background checks on potential candidates before their nomination, taking into account the provisions of sections 69 and 162 of the Companies Act and the recommendations of King IV on Corporate Governance for South Africa, 2016 ("King IV") regarding director attributes;
 - » Providing recommendations to the Board on the appointment, removal and resignation of Executive and Non-executive Directors;
- » Review and report to the Board on the effectiveness of the succession planning policies for the Board Chairman, Chief Executive and Executive Directors;
- » Identify qualified individuals for potential election as members of the Board and Board committees. Recommend these individuals to the Board for appointment in accordance with the Company's Memorandum of Incorporation ("Moi"). Establish a transparent procedure for selecting individuals for such recommendations;
- » Annually assess the independence of Non-executive Directors, considering all relevant corporate governance requirements. Make recommendations to the Board based on this assessment;
- » Ensure that directors receive proper onboarding and induction;
- » Ensure that directors receive ongoing training as needed;

Remuneration Report *continued*

» Assist the Chairman and the Board in evaluating the performance of the Board, its committees and individual directors.

Terms of service

Executive Directors

» The minimum terms and conditions applied to South African Executive Directors are governed by legislation. The notice period for these directors is three months. In exceptional situations involving the termination of an

Executive Directors' services, the Remuneration Committee (assisted by independent labour law legal advisers) oversees the settlement of terms;

» Executive Directors are permitted to serve as Non-executive Directors on one other public Company Board with the express permission of the Chief Executive and the Remuneration and Nomination Committee. This excludes directorships where the Company holds a strategic investment in that public company (ie nominee directorship);

» Fees paid to nominee directors accrue to the Company and not to the individual directors concerned.

Non-executive Directors

Non-executive Directors are appointed by the shareholders at the annual general meeting ("AGM"). Interim Board appointments are permitted between AGMs and are made in accordance with Group Policy. Interim appointees retire at the next AGM when they may make themselves available for re-election.

Remuneration Policy

To align with our commitment to fair and responsible remuneration and governance objectives, the committee has conducted a review of the Remuneration Policy and practices. We are satisfied that they remain relevant and that remuneration practices are in alignment with the policy objectives.

Activities during the year

The committee met three times during the year to fulfil its responsibilities.

The committee's key focus areas for the 2023 financial year included:

Focus areas	Response
Remuneration	<ul style="list-style-type: none"> » Pay equity year-on-year analysis was completed and presented to the committee, showing an overall improvement; » Remuneration Policy was approved at the AGM; » Salary pay scales have been updated and approved for the new year; » Annual increase guidelines and principles were approved; » Internal benchmarking identified and high-level pay inequalities are to be addressed in a phased and continually improving manner; » Share ownership plan was approved at the AGM.
Succession plan	<p>The committee has reviewed the succession plans for the Group Executive.</p> <p>a. Succession planning has been implemented across the business for all management levels.</p>
Nomination of directors	<ul style="list-style-type: none"> » The committee revised the structures and membership of the Board's committees; » The committee satisfied itself in regard to the independence of the Non-executive Directors.

Focus for 2024

Our primary focus for the next financial year will mainly be on fair and equitable remuneration as we reinforce a pay-for-performance philosophy. As per section 6(2) of the Employment Equity Act, we have an approved remedial strategy which focuses on pay equity and we are pleased to note an overall year-on-year improvement. A review will be conducted across key divisions to align to market-related remuneration categories.

Conclusion

The committee is satisfied that it carried out its responsibilities as stated in its terms of reference for the reporting period.



Mr Siphon Ngidi

Chairman, Remuneration and Nomination Committee

Remuneration Report *continued*

EOH Reward Strategy: Remuneration Policy

The EOH Total Reward Strategy aligns with EOH’s GET strategy, People and Culture Strategy, and our organisational values. Our Reward Philosophy is a set of beliefs that forms the foundation for the Total Reward Strategy. It also guides our remuneration policies and practices and serves as the basis for the principles and framework of reward processes throughout EOH. We reward based on the value created, contributions, and performance, and we uphold the principle of equal pay for equal work.

EOH’s reward philosophy aims to provide maximum flexibility within ethical boundaries in how we utilise, deploy and reward our workforce. It also offers individuals maximum choice in how they structure and receive their rewards. This approach fosters a performance-oriented environment by promoting growth and development and making fair distinctions among people based on their contributions, as evidenced by their performance, competence, behaviour and commitment to EOH’s objectives.

Furthermore, it ensures accountability and ownership of the reward process within Executive Management, allowing them to connect it with their business objectives and manage it fairly and equitably. This approach strikes a balance between affordability and improving employees’ quality of life.

The objective of the Reward Philosophy is to enable EOH to achieve the following:

- » Attract high-performing skills in a competitive labour market influenced by both local and international demand for skills;
- » Retain competent and high-calibre employees who enhance organisational performance and support EOH’s commitment to achieving its vision;
- » Encourage the development of competencies required to meet future business needs;
- » Promote transparent, consistent, fair and equitable remuneration practices that support diverse and individual needs;
- » Provide a “Total Reward” approach by creating the appropriate mix of fixed and variable remuneration as well as non-financial rewards that meet EOH’s needs;
- » Motivate and reward individual and team performance that enables ongoing growth and sustainability for EOH;
- » Comply with applicable legislation, Company policies and conditions of service for all employees across EOH;
- » Align with the principles of good corporate governance, ensuring an appropriate share of value for all stakeholders;
- » Withstand scrutiny by key stakeholders.

The Reward Strategy is designed to be aligned with EOH’s business strategy and the execution thereof. The strategic intention is to achieve a balance between growth and financial sustainability, thus securing the future of EOH. This in turn will maximise the performance and effectiveness of EOH, increasing value for stakeholders such as employees and customers.

Ongoing engagement with shareholders

During the AGM held on 13 December 2022, the Company secured the necessary 75% approval for both the Remuneration Policy and Implementation Report. The voting results from the most recent AGM as well as previous ones are provided below:

	13 December 2022		3 December 2021	
	For	Against	For	Against
Remuneration Policy	83.51%	16.49%	51.84%	48.16%
Implementation Report	83.51%	16.49%	71.55%	28.45%

At the AGM held on 13 December 2022, shareholders cast their votes on the adoption of the EOH 2022 Share Plan and the authorisation to issue shares according to section 41(1) of the Companies Act in relation to the EOH 2022 Share Plan. The voting outcomes were as follows:

	13 December 2022	
	For	Against
Ordinary resolution number 5: Adoption of the 2022 EOH Share Plan	87.47%	12.53%
Special resolution number 5: Authorise the issue of shares in respect of the EOH 2022 Share Plan	91.68%	8.32%

During the year, the Company procured the services of 21st Century to assist with the EOH 2022 Share Plan. Based on its review of the Company and its key employees, the Remuneration and Nomination Committee (“RemCo”) considers 21st Century to be independent and objective.

EOH remains committed to engaging with shareholders to seek and incorporate feedback where appropriate to consistently refine and enhance remuneration practices. This is done in line with our corporate objectives and strategy.

Key remuneration factors

In 2023, the RemCo discussed and approved the following remuneration matters:

- » Enhanced governance principles in the Remuneration Policy with reference to fair and responsible remuneration;
- » External reviews of Remuneration Policy, short-term incentive (“STI”) plans and approved new long-term incentive (“LTI”) plans;
- » Internal benchmarking and addressing high-level pay inequalities progressively and in an ongoing manner;

Remuneration Report *continued*

- » External benchmarking and competitiveness;
- » Internal pay scales and implementation strategy;
- » Improved Employee Value Proposition (“EVP”);
- » Remuneration Policy;
- » FY2024 salary increase principles and mandate;
- » FY2023 short-term incentive awards;
- » FY2023 long-term incentivisation through the interim cash-based unit LTI, pending approval of the EOH 2022 Share Plan by shareholders;
- » Presentation of the EOH 2022 Share Plan for approval to the AGM on 13 December 2022.

Remuneration across the Company is designed to reward employees according to the income range associated with the relevant roles. Remuneration is also in line with market trends and the qualifications, experience, knowledge and performance of the employee. Remuneration is structured in a manner that is fair and responsible and takes into account levels of responsibility, accountability, competencies, institutional IP, performance and scarcity of skills (internal equity).

The Company employs salary benchmarks to ascertain the market relevance (external equity) of its remuneration. Annual benchmarking is conducted against comparable firms in the market to evaluate its competitiveness. This process serves as a key input in the annual salary review, taking into account considerations of affordability and the sustainability of the Company’s remuneration practices.

Salaries are reviewed each year in the context of macroeconomic factors, including the consumer price index, market and trading conditions, skills shortages in specific areas, and salary surveys and benchmarks. Increases are considered based on market information, organisational performance, affordability, and changes in scope of work and roles. Increases are recommended by business unit leaders and approved by the Line of Business Executive, with line of sight provided to the Company CEO.

The Company CEO, Chief Financial Officer (“CFO”) and Chief Risk Officer (“CRO”) are employed in executive employment contracts with a notice period of three months. All Executive Directors sign restraint of trade agreements for a minimum period of 12 months following their resignation as directors. Executive employment contracts do not include provisions that result in payments on termination of employment or office.

We measure performance against our strategic objectives by monitoring pre-defined KPAs on a bi-annual basis.

A malus and clawback policy has been approved and implemented. This policy is designed to grant the RemCo the authority to make adjustments or implement clawback for incentives paid as part of short or long-term incentive plans in the event of a breach of a material obligation. A breach includes actions such as a material misstatement of financials or a violation of the Code of Conduct that leads to reputational damage or legal action.

The full Remuneration Policy is available on our website at www.eoh.co.za.

Total remuneration

Total remuneration encompasses the combination of:

- » guaranteed fixed remuneration;
- » short-term incentives (“STIs”); and
- » long-term incentives (“LTIs”).

Guaranteed package

The Company’s cost-to-company remuneration approach provides employees with some flexibility and choice regarding compulsory benefits.

The cost-to-company structure includes:

Cost-to-company is guaranteed and usually paid irrespective of the Group’s performance. The Company seeks to offer competitive remuneration relative to its peers, and internal pay-scale medians are set at or as close as possible to the appropriate market median, while considering affordability.

To ensure aligned and appropriate remuneration competitiveness, we conduct an annual review of salaries, considering an employee’s performance, their position on the salary scale and pay equity. Annual increase guidelines are presented to the RemCo for review and sign-off, and any resultant increase is effective from 1 August each year.

Pay positioning beyond the internal scale’s maximum may be applicable to individuals possessing scarce and/or critical skills.

A market premium or allowance is granted for skills that are in high demand within the Company.

In rare cases, compensation below the median range may be offered to individuals who exhibit exceptional performance but are new to their roles and are still in the process of fully developing within their positions.

Compensation composition

A market-related pay mix is allocated to each job grade, divided into guaranteed, STI and LTI elements. The ultimate goal of this pay mix is to facilitate talent recruitment and retention of talent while aligning with the Company’s economic performance objectives.

The STI and LTI percentages, determined by job grade, depend on factors such as the line of sight, influence and accountability associated with that grade. While LTIs are typically equity-settled, cash settlement can be approved by the RemCo. STIs are generally cash-settled.

Set out below is the targeted pay mix for Executive Directors under threshold, target and stretch or maximum performance.

Short-term incentive plan (“STI plan”)

The STI plan rewards eligible employees for achieving pre-determined KPIs during the year. It reinforces the alignment of individual KPIs with the overall business strategy. The EOH Board may select divisional executives, senior managers and key employees as participants in the STI.



Remuneration Report *continued*

Executive Directors

In FY2023, based on objectives set by the Board, the following key performance areas were determined for the Executive Directors:

	KPA weightings		
	CEO	CFO	CRO
Financial performance	40%	30%	20%
Meet revenue and EBITDA targets as budgeted for 2023			
Adjusted EBITDA cash conversion ratio greater than 80% (excluding cash outflows on legacy ring-fenced issues)			
Revenue growth target of 9% for 2023			
Adjusted EBITDA cash conversion ratio greater than 80% (excluding cash outflows on legacy ring-fenced issues)			
Operating profit margin target of 3%			
Bank debt restructuring completed, and rights issue closed			
Generate free cash flow of R75 million to invest in strategic growth initiatives			
Business sustainability	30%	30%	30%
SME Engine Room platform live			
SpaceX implemented			
Tetris project completed			
Cost efficiencies			
Restructure completed			
Social	20%	20%	30%
Maintain race and gender diversity year-on-year			
Show improved performance year-on-year against FY2020 baseline EVP result			
STI Bonus Pool in place			
LTI implemented			
Succession plans in place			
Governance and risk	10%	20%	20%
90% completion of compliance training and declarations			
Improvement shown in critical risk items identified			
Accurate and timeous closeout of audit findings			
Total	100%	100%	100%

Targets are set at threshold (80%), on-target (100%) and stretch (120%). These criteria apply to each KPA and will be calculated separately for each KPA to establish the weighted performance.

Remuneration Report *continued*

Governance, risk and compliance gatekeeping

In line with good governance and corporate processes, employees must meet all of the following requirements to qualify for an incentive:

- » Full compliance to all Company policies within the employee's business area, including, but not limited to, bid processes, disclosures and sign-off requirements. A final determination is made by the Company CEO and CRO regarding policy non-compliance based on the degree of negligence or wilful blindness by the employee, taking into account any appropriate remediation taken by the employee to intervene or stop negligent non-policy compliance;
- » All GRC compulsory training completed on time in the relevant Learning Management System ("LMS") Portal;
- » All attestations completed and updated on the GRC portal, including those of direct employees (where applicable).

STI payments

Payments for the STI that have been approved by the GRC gatekeeper are contingent on the overall performance of EOH and require RemCo approval. Additionally, the employee must meet the following conditions:

- » They must be employed by the Company when the incentive becomes payable;
- » They must not be under disciplinary action, facing misconduct charges, or subject to a forensic investigation;

- » They must not be under scrutiny for poor work performance;
- » They must not have been terminated or be in the process of serving their notice period.

Long-term incentive plans ("LTIs")

LTIs aim to align divisional executives and management with the Company's interests. These plans incentivise and reward exceptional performance from employees who can influence EOH Group members' or divisions' performance by aligning their interests with those of EOH shareholders and the Company's strategic direction. Eligibility to participate in an LTI is limited to divisional executives, senior managers and key employees selected by the EOH Board.

Previous LTI schemes

The Company has historically had three share schemes: the EOH Holding Company Share Participation Scheme ("EOH Share Trust"), the Mthombo Trust and the Share Ownership Plan 2018 ("2018 SOP"). Awards within these schemes have concluded, and this information is provided solely for the purpose of comprehensiveness.

The EOH Share Trust

The last award granted by the EOH Share Trust occurred in October 2018. This award is anticipated to complete vesting by 2023, and its term will conclude in 2028. The EOH Share Trust will not be included in the future remuneration framework and will be terminated on expiry of the last awards.

The Mthombo Trust

The last award was made in 2018 and is expected to conclude vesting in FY2023, with the term expiring in 2028. The Mthombo Trust is not likely to form part of the future remuneration structure.

The 2018 SOP will be replaced by the EOH 2022 Share Plan

The final awards within the scheme were granted in FY2020 to employees who endured a 25% salary reduction for three months. This measure was taken to address the Company's liquidity and sustainability challenges resulting from the Covid-19 pandemic. No awards were granted through the scheme in 2021 or 2022.

The EOH 2022 Share Plan

Following the review of the Company's existing incentive schemes and the previously proposed EOH 2020 Share Plan ("Share Plan"), a new conditional performance share plan was adopted by shareholders with a pleasing 87% approval at the AGM on 13 December 2022.

EOH's Remuneration Policy governs awards to eligible employees, considering factors such as an employee's status, role, current remuneration and the desired pay mix for on-target performance at vesting. The Malus and Clawback Policy grants the RemCo the authority to adjust or claw back any incentives paid as part of the STI or LTI plan due to a material obligation breach.

Remuneration Report *continued*

In summary, the salient features of the EOH 2022 Share Plan are set out below:

Salient feature	Description																														
Eligibility	At the discretion of RemCo, any executive, senior manager, manager, or key employee of any employer company, including any Executive Director holding salaried employment or office, may be elected to participate in the Share Plan.																														
Target setting	<ul style="list-style-type: none"> » Performance share vesting matrix: <ul style="list-style-type: none"> » Below threshold – 0% vesting » Threshold – 80% vesting » On-target – 100% vesting » Stretch – capped at 120% vesting » Percentages for vesting are based on the desired (market) pay mix at vesting. Quantum awarded is a percentage of the cost-to-company which will result in the desired pay mix at vesting for on-target performance. 																														
Performance criteria	<p>The performance criteria to govern the vesting will be determined annually for each award.</p> <p>The RemCo, in consultation with the Board, will establish suitable performance conditions and performance periods for each performance award, considering the business environment at the time of granting the award.</p> <p>The following performance criteria will apply:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Performance measure</th> <th style="text-align: center;">Weighting</th> <th style="text-align: center;">Threshold</th> <th style="text-align: center;">Target</th> <th style="text-align: center;">Stretch</th> </tr> </thead> <tbody> <tr> <td>Growth in headline earnings per share (“HEPS”) relative to CPI</td> <td style="text-align: center;">25%</td> <td style="text-align: center;">CPI + 2%</td> <td style="text-align: center;">CPI + 3%</td> <td style="text-align: center;">CPI + 4%</td> </tr> <tr> <td>Return on invested capital in excess of weighted average costs of capital (“WACC”)</td> <td style="text-align: center;">25%</td> <td style="text-align: center;">WACC</td> <td style="text-align: center;">WACC + 2%</td> <td style="text-align: center;">WACC + 4%</td> </tr> <tr> <td>Earnings before interest, taxes, depreciation and amortisations (“Adjusted EBITDA”) to operating cash conversion</td> <td style="text-align: center;">25%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">90%</td> </tr> <tr> <td>Transformation</td> <td style="text-align: center;">15%</td> <td style="text-align: center;">15 points</td> <td style="text-align: center;">16 points</td> <td style="text-align: center;">17 points</td> </tr> <tr> <td>Skills development</td> <td style="text-align: center;">10%</td> <td style="text-align: center;">16 points</td> <td style="text-align: center;">18 points</td> <td style="text-align: center;">20 points</td> </tr> </tbody> </table> <p>As an overarching performance condition in alignment with good governance, all mandatory Group risk and compliance training and attestation must be completed.</p>	Performance measure	Weighting	Threshold	Target	Stretch	Growth in headline earnings per share (“HEPS”) relative to CPI	25%	CPI + 2%	CPI + 3%	CPI + 4%	Return on invested capital in excess of weighted average costs of capital (“WACC”)	25%	WACC	WACC + 2%	WACC + 4%	Earnings before interest, taxes, depreciation and amortisations (“Adjusted EBITDA”) to operating cash conversion	25%	70%	80%	90%	Transformation	15%	15 points	16 points	17 points	Skills development	10%	16 points	18 points	20 points
Performance measure	Weighting	Threshold	Target	Stretch																											
Growth in headline earnings per share (“HEPS”) relative to CPI	25%	CPI + 2%	CPI + 3%	CPI + 4%																											
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Earnings before interest, taxes, depreciation and amortisations (“Adjusted EBITDA”) to operating cash conversion	25%	70%	80%	90%																											
Transformation	15%	15 points	16 points	17 points																											
Skills development	10%	16 points	18 points	20 points																											
Performance period	Three years																														
Vesting	Not earlier than three years from the award date.																														
Dividend rights	Awards include rights to dividend equivalents on vesting. This amount is equal to the regular dividends that the Company would have paid for each share during the period from the award date to the vesting date, multiplied by the number of vested shares. The RemCo has the discretion to decide how to settle the dividend equivalents, whether in cash or in shares of equivalent value.																														
Settlement	Net settlement method.																														



Remuneration Report *continued*

The settlement of vested shares is intended to be done through net-settlement in equity. However, the Share Plan allows the RemCo to opt for either equity or cash settlement at its discretion. Equity settlement can involve the allotment and issuance of new shares, the allocation of treasury shares, and/or the acquisition of shares in the open market on behalf of participants. RemCo's selection of the settlement method, combined with the net settlement approach, aims to minimise equity dilution when settling the Share Plan.

Termination of employment

The treatment of benefits under the Share Plan in case of employment termination depends on whether it is a "no-fault" or "fault" termination, as illustrated in the table below:

Definition	No-fault termination	Fault termination
	<p>No-fault termination is the termination of employment of a participant due to:</p> <ul style="list-style-type: none"> » death; » injury, disability or ill health, as certified by a qualified medical practitioner nominated by the relevant employer company; » dismissal based on operational requirements as contemplated in the Labour Relations Act 66 of 1995; or » disinvestment of the employer company or retirement on or after the retirement date. <p>In addition, the Company may, in its sole and absolute discretion, determine at the relevant time a specific reason or reasons that constitute "no-fault determination".</p>	<p>Fault termination is the termination of employment due to:</p> <ul style="list-style-type: none"> » misconduct; » poor performance; » other dismissible offence; or » resignation by the participant.
Benefits in terms of the conditional performance shares	Performance shares will be pro-rated for the time period until the termination date and further adjusted by a performance factor, which RemCo, in its discretion, will apply based on EOH's performance as of the termination date.	All conditional performance shares will be forfeited.

Malus and clawback

To further align the interests of shareholders with executives, a formal Malus and Clawback Policy was approved and adopted in July 2021 to apply to all incentives in the Company. The right to invoke clawback is applicable for a period of two years after the payment of any STI or settlement of any LTI awards.

The RemCo, in its discretion, shall be entitled to recoup settled and/or paid incentives (clawback), in full or part, and reduce or cancel, any unpaid, unvested and/or unsettled incentives (malus) when trigger event(s) occur. A trigger event is an incident or action of an employee that negatively impacted or caused reputational damage to the Company, such as:

- » misbehaviour or material error by a participating employee or where the actions or conduct of an employee, in the reasonable opinion of the RemCo, resulted in reputational damage to the Company;
- » the Company suffers a material downturn in financial performance or a material failure of risk management;
- » awards have been based on misleading statements and/or material misstatements of the Company's financial results, or information arises which would have caused benefits to lapse or would have resulted in the RemCo exercising its discretion differently had the information been known at the time;
- » the Company has suffered a material financial loss as a result of actions or circumstances attributable directly to an employee or which could have been avoidable by the reasonable actions of an employee;
- » an act or omission of a participant, which in the reasonable opinion of the RemCo, amounts to serious misconduct;

Remuneration Report *continued*

- » an event or behaviour involving, or attributable to, a participant (and, for the avoidance of doubt, any previous participant) who has received an award in the past and has received any shares or cash as a result of such past award which has led or may reasonably lead to censure under laws, regulations or rules of any stock exchange or other applicable regulatory authority applicable to any Group entity;
- » RemCo, at its discretion, deems it necessary to apply malus and clawback.

Non-executive Director remuneration

Non-executive Directors sign engagement letters with the Company, which set out their duties and remuneration terms. The terms of office of Non-executive Directors is governed by the MoI, which provides that one-third of directors retire by rotation.

The remuneration of Non-executive Directors is based on proposals from RemCo, which are submitted to the Board for approval. The committee annually reviews Non-executive Director remuneration and makes recommendations to the Board for approval, which is subsequently tabled at the AGM for approval.

The fees of the Non-executive Directors are considered annually and determined in light of market benchmarks and with reference to the commitment and responsibilities associated with the role. Each Non-executive Board member receives a fixed annual retainer and fixed fee per meeting. An additional hourly fee is paid for unscheduled meetings if the meeting lasts less than three hours, or a full meeting fee if the meeting lasts longer than three hours (excluding the Chairman and the Lead Independent Non-executive Director). The Non-executive Directors' remuneration is paid quarterly in arrears.

Expenses, such as travel and accommodation in relation to normal Board activities, as well as any relevant training, are reimbursed.

Non-executive Directors are specifically excluded from participation in any STI and LTI schemes of the Company. Additionally, Non-executive Directors do not receive any post-retirement benefits.

Implementation Report

The Implementation Report details the outcome of implementing the approved Remuneration Policy and framework during the year under review. The Remuneration Policy and framework were implemented company-wide at all levels,

rewarding excellent performance to ensure the retention of key talent and high performers while appropriately addressing poor performance.

Remuneration disclosure of the CEO, CFO, CRO and Non-executive Directors' remuneration:

Executive Directors 2023 guaranteed pay

The independent benchmark data obtained from 21st Century in October 2020 for the CEO's guaranteed remuneration, STI and LTI were considered. The benchmark was based on the following organisational parameters:

- » the type of organisation (industry and structure);
- » financial parameters;
- » number of employees;
- » number of core businesses; and
- » the number of locations and geographical areas operated in.

Further benchmark data obtained in the Willis Towers Watson Executive Compensation Multi-Nationals Customer Executive survey and the High-Tech Willis Towers Watson industry-specific survey was also considered.

Following the zero-increase awarded to Executive Directors in FY2022, an average increase of 5% was awarded to Executive Directors and employees in FY2023.

The following levels of guaranteed pay applied to the Executive Directors:

<i>Executive Director</i>	2023	2022
Stephen van Coller (CEO)	R10 500 000	R10 000 000
Megan Pydigadu (CFO)	R7 087 500	R6 750 000
Fatima Newman (CRO)	R6 457 500	R6 150 000

Remuneration Report *continued*

2023 STI performance and pay

In line with the malus or clawback clause specified in the Remuneration Policy, any incentive will be subject to the executive guaranteeing and undertaking that they have not personally, whether directly or indirectly, been involved in any incident or action that might negatively impact or cause reputational damage to the Group, nor have they involved EOH. All incentives are governed by the provisions outlined in the Malus and Clawback Policy.

Taking into account the market benchmarks, the following on-target STI potential was awarded and approved by the Board and RemCo:

Executive Director	2023	2022
Stephen van Coller (CEO)	R5 250 000	R4 180 000
Megan Pydigadu (CFO)	R2 362 500	R1 859 000
Fatima Newman (CRO)	R2 152 500	R1 710 000

Targets are established at three levels: threshold (80%), on-target (100%), and stretched (120%). These targets will apply to each Key Performance Area ("KPA") and will be aggregated per KPA to determine the weighted achievement.

The table below shows the extent to which the Executive Directors met the performance measure targets for FY2023:

Stephen van Coller (CEO)

Key performance area ("KPA")	KPA weighting (%)	Award opportunity	STI award
Financial performance	40	R2 100 000	R1 641 521
Business sustainability	30	R1 575 000	R1 141 000
Social goals	20	R1 050 000	R966 000
Governance and risk	10	R525 000	R507 500
Total	100	R5 250 000	R4 256 012

Megan Pydigadu (CFO)

Key performance area ("KPA")	KPA weighting (%)	Award opportunity	STI award
Financial performance	30	R708 750	R554 010
Business sustainability	30	R708 750	R513 450
Social goals	20	R472 500	R434 700
Governance and risk	20	R472 500	R456 750
Total	100	R2 362 500	R1 958 910

Fatima Newman (CRO)

Key performance area ("KPA")	KPA weighting (%)	Award opportunity	STI award
Financial performance	20	–	R336 510
Business sustainability	30	R645 750	R467 810
Social goals	30	R645 750	R594 090
Governance and risk	20	R430 500	R416 150
Total	100	R2 152 500	R1 814 560

2023 LTI performance and pay Stephen van Coller (CEO)

On joining EOH as CEO on 1 September 2018, Stephen van Coller was awarded 1 000 000 share options through the EOH Share Trust at a strike price of R19.00. At the time of joining, the Company faced distress due to unresolved corruption matters, leading to a significant drop in EOH's share price. Given the current share price levels, the 1 000 000 share options are substantially out of the money, and their realisable value is anticipated to be zero over the foreseeable future. These options are set to expire in 2028.

In FY2020, on 19 December 2019, 452 830 conditional performance shares were granted at R13.25 per share. These shares vest equally in four tranches on 1 August 2021, 2022, 2023 and 2024, contingent on continued employment and share price performance on each vesting date.

No LTI awards were given during FY2021 and FY2022, as award approvals hinged on the EOH 2020 Share Plan's endorsement. Regrettably, the required 75% vote for share issuance under the EOH 2020 Share Plan was not secured at the AGM on 20 January 2021. Had the EOH 2020 Share Plan been approved, performance shares worth R6 600 000 would have been granted in both FY2021 and FY2022.

Awards totalling R6 600 000 were issued under the CBLTI scheme – the FY2021 award at an underlying EOH share price of R4.76 and the FY2022 award at an underlying EOH share price of R6.64.

Megan Pydigadu (CFO)

Megan Pydigadu received 62 021 conditional performance shares upon joining EOH as CFO in FY2019. These shares were granted on 15 January 2019 and vest in four equal tranches on 15 January 2021, 2022, 2023 and 2024, respectively. Consequently, 15 501 shares vested in FY2023.

No LTI awards were granted during FY2021 and FY2022 due to pending approval under the EOH 2020 Share Plan. If the EOH 2020 Share Plan had been approved, performance shares valued at R3 million would have been awarded in both the FY2021 and FY2022 financial years.

Awards totalling R3 million were granted under the CBLTI scheme. The FY2021 award was based on an underlying EOH share price of R4.76, while the FY2022 award was based on an underlying EOH share price of R6.64.

Remuneration Report *continued*

Fatima Newman (CRO)

In both FY2021 and FY2022, no LTI awards were granted, as these awards were contingent on approval from the EOH 2020 Share Plan. Had the EOH 2020 Share Plan been approved, performance shares with a value of R3 million would have been granted in each of the FY2021 and FY2022 financial years.

Awards totalling R3 million were conferred under the CBLTI scheme. The FY2021 award was based on an underlying EOH share price of R4.76, while the FY2022 award was based on an underlying EOH share price of R6.64.

Unvested awards and cash flow

	Award date	Number awarded	Award price	Opening balance 1 August 2022	Granted during FY2023	Vested during FY2023	Forfeited during FY2023	Closing balance 31 July 2023	Fair value 31 July 2023 ⁽⁷⁾	Vested during FY2023	Vesting price	Un-exercised and unvested balance at 31 July 2023
<i>Executive Directors</i>												
Stephen van Coller (CEO)												
Share Trust*	13 November 2018	1 000 000	R19.00	500 000	–	250 000	–	250 000	–	–	–	250 000
Share Ownership Plan**	19 December 2019	452 830	R13.25	339 830	–	–	113 207	226 623	R344 467	–	–	226 623
Cash-Based Unit LTI***	12 August 2022 – Original	1 386 555	R4.76 ⁽¹⁾	–	1 386 555	1 206 304 ⁽²⁾	180 251 ⁽²⁾	–	–	1 206 304 ⁽²⁾	R1.57 ⁽³⁾	–
	Rights Issue Adjustment	3 856 084 ⁽⁴⁾	R– ⁽⁴⁾	–	3 856 084	3 354 792 ⁽²⁾	501 292 ⁽²⁾	–	–	3 354 792 ⁽²⁾	R1.57 ⁽³⁾	–
	12 August 2022 – Original	993 975	R6.64 ⁽⁵⁾	–	993 975	–	–	R1 510 842	R1 510 842	–	–	993 975
	Rights Issue Adjustment	2 763 250 ⁽⁴⁾	R– ⁽⁴⁾	–	2 763 250	–	–	2 763 250	R4 200 141	–	–	2 763 250
	12 December 2022 – Original	1 377 733	R5.03 ⁽⁶⁾	–	1 377 733	–	–	1 377 733	R2 094 154	–	–	1 377 733
	Rights Issue Adjustment	3 830 098 ⁽⁴⁾	R– ⁽⁴⁾	–	3 830 098	–	–	3 830 098	R5 821 749	–	–	3 830 098
Subtotal								R13 971 353				

* The EOH Share Trust.

** The 2018 Share Ownership Plan (2018 SOP).

*** The Cash-Based Unit Long-Term Incentive Scheme.

⁽¹⁾ VWAP on effective date of award – 31 July 2020 of 476 cents.

⁽²⁾ 87% vested based upon performance criteria achieved.

⁽³⁾ 10-day VWAP on vesting date of 31 July 2023.

⁽⁴⁾ Dilution factor of 3.78 – Additional CBULTI Performance Units x 2.78 required.

⁽⁵⁾ 10-day VWAP on effective date of award – 31 July 2021 of 664 cents.

⁽⁶⁾ 10-day VWAP on effective date of award – 31 July 2022 of 503 cents.

⁽⁷⁾ Closing share price on 31 July 2023 of 152 cents.



Remuneration Report *continued*

		Award Date	Number awarded	Award price	Opening balance 1 August 2022	Granted during FY2023	Vested during FY2023	Forfeited during FY2023	Closing Balance 31 July 2023	Fair value 31 July 2023 ⁽⁷⁾	Vested During FY2023	Vesting price	Un-exercised and unvested balance at 31 July 2023
<i>Executive Directors</i>													
Megan Pydigadu (CFO)													
Share Ownership Plan**		15 January 2019	62 021	R32.25	31 010	–	15 505	–	15 505	R23 568	15 505	R3.78	15 505
Cash-Based Unit LTI***		12 August 2022 – Original	630 252	R4.76 ⁽¹⁾	–	630 252	548 319 ⁽²⁾	81 933 ⁽²⁾	–	–	548 319 ⁽²⁾	R1.57 ⁽³⁾	–
		Rights Issue Adjustment	1 752 765 ⁽⁴⁾	R– ⁽⁴⁾	–	1 752 765	1 524 906 ⁽²⁾	227 859 ⁽²⁾	–	–	1 524 906 ⁽²⁾	R1.57 ⁽³⁾	–
		12 August 2022 – Original	451 807	R6.64 ⁽⁵⁾	–	451 807	–	–	451 807	R685 227	–	–	451 807
		Rights Issue Adjustment	1 256 023 ⁽⁴⁾	R– ⁽⁴⁾	–	1 256 023	–	–	1 256 023	R1 909 155	–	–	1 256 023
		12 December 2022 – Original	626 242	R5.03 ⁽⁶⁾	–	626 242	–	–	626 242	R951 888	–	–	626 242
		Rights Issue Adjustment	1 740 953 ⁽⁴⁾	R– ⁽⁴⁾	–	1 740 953	–	–	1 740 953	R2 646 249	–	–	1 740 953
Subtotal										R6 216 087			
Fatima Newman (CRO)													
Cash-Based Unit LTI***		12 August 2022 – Original	630 252	R4.76 ⁽¹⁾	–	630 252	548 319 ⁽²⁾	81 933 ⁽²⁾	–	–	548 319 ⁽²⁾	R1.57 ⁽³⁾	–
		Rights Issue Adjustment	1 752 765 ⁽⁴⁾	R– ⁽⁴⁾	–	1 752 765	1 524 906 ⁽²⁾	227 859 ⁽²⁾	–	–	1 524 906 ⁽²⁾	R1.57 ⁽³⁾	–
		12 August 2022 – Original	451 807	R6.64 ⁽⁵⁾	–	451 807	–	–	451 807	R685 227	–	–	451 807
		Rights Issue Adjustment	1 256 023 ⁽⁴⁾	R– ⁽⁴⁾	–	1 256 023	–	–	1 256 023	R1 909 155	–	–	1 256 023
		12 December 2022 – Original	626 242	R5.03 ⁽⁶⁾	–	626 242	–	–	626 242	R951 888	–	–	626 242
		Rights Issue Adjustment	1 740 953 ⁽⁴⁾	R– ⁽⁴⁾	–	1 740 953	–	–	1 740 953	R2 646 249	–	–	1 740 953
Subtotal										R6 192 519			
Total										R22 176 787			

* The EOH Share Trust.

** The 2018 Share Ownership Plan (2018 SOP).

*** The Cash-Based Unit Long-Term Incentive Scheme.

⁽¹⁾ VWAP on effective date of award – 31 July 2020 of 476 cents.

⁽²⁾ 87% vested based upon performance criteria achieved.

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⁽⁶⁾ 10-day VWAP on effective date of award – 31 July 2022 of 503 cents.

⁽⁷⁾ Closing share price on 31 July 2023 of 152 cents.

No payments were made on termination of employment or office during the year.

Remuneration Report *continued*

Tables of FY2023

Stephen van Coller (appointed 1 September 2018)

		Awarded for 2023		2022		Single-figure remuneration for 2023		2022	
1	Fixed remuneration	R10 500 000	R10 000 000	1	Fixed remuneration	R10 500 000	R10 000 000		
2	Short-term incentives ("STIs")	R4 256 012	R4 180 000	2	Short-term incentives ("STIs")	R4 256 012	R4 180 000		
3	LTI awarded – FY2023	R6 930 000	–	4	LTI vested	–	R883 015		
	– FY2022	R6 600 000		5	CBULTI vested	R7 160 921	R883 015		
	– FY2021	R6 600 000							
Total reward		R34 886 012	R1 418 000	Total reward		R21 916 933	R15 063 015		

¹ Cost-to-company, which includes a guaranteed fixed salary and benefits.

² STI payable FY2023, which is derived from the performance for the year ended 31 July 2023, subject to Board approval.

³ The 2022 Share Plan not approved at time of awards. Award for FY2023, and committed awards for FY2022 and FY2021 made under the CBLTI.

⁴ On 13 November 2022, 250 000 share options were exercisable. As the strike price was R19.00 per option, the realisable value was zero. On 19 December 2022, 113 207 shares forfeited.

⁵ On 31 July 2023, 4 561 096 units, representing 87% (performance-based vesting) of the award with an effective date of 1 July 2021 vested on 31 July 2023 at the 10-day VWAP of R1.57.

Megan Pydigadu (appointed 15 January 2019)

		Awarded for 2023		2022		Single-figure remuneration for 2023		2022	
1	Fixed remuneration	R7 087 500	R6 750 000	1	Fixed remuneration	R7 087 500	R6 750 000		
2	Short-term incentives ("STIs")	R1 958 910	R1 859 000	2	Short-term incentives ("STIs")	R1 958 910	R1 859 000		
3	LTI awarded – FY2023	R3 150 000	–	4	LTI vested	R58 609	R103 884		
	– FY2022	R3 000 000		5	CBULTI vested	R3 254 963			
	– FY2021	R3 000 000							
Total reward		R18 196 410	R8 609 000	Total reward		R12 359 982	R8 712 884		

¹ Cost-to-company, which includes a guaranteed fixed salary and benefits.

² STI payable FY2023, which is derived from the performance for the year ended 31 July 2023, subject to Board approval.

³ The 2022 Share Plan not approved at time of awards. Award for FY2023, and committed awards for FY2022 and FY2021 made under the CBLTI.

⁴ On 15 January 2022, 15 505 shares were exercised at a share price of R3.78 per share.

⁵ On 31 July 2023, 2 073 225 units, representing 87% (performance-based vesting) of the award with an effective date of 1 July 2021 vested on 31 July 2023 at the 10-day VWAP of R1.57.



Remuneration Report *continued*

Fatima Newman (appointed 31 July 2019)

		Awarded for 2023		2022		Single-figure remuneration for 2023		2022	
1	Fixed remuneration	R6 457 500	R6 150 000	1	Fixed remuneration	R7 087 500	R6 150 000		
2	Short-term incentives ("STIs")	R1 814 560	R1 710 000	2	Short-term incentives ("STIs")	R1 814 560	R1 710 000		
3	LTI awarded – FY2023	R3 150 000	–	4	CBULTI vested	R3 254 963	–		
	– FY2022	R3 000 000							
	– FY2021	R3 000 000							
Total reward		R17 422 060	R7 860 000	Total reward		R12 157 023	R7 860 000		

¹ Cost-to-company, which includes a guaranteed fixed salary and benefits.

² STI payable FY2023, which is derived from the performance for the year ended 31 July 2023, subject to Board approval.

³ The 2022 Share Plan not approved at time of awards. Award for FY2023, and committed awards for FY2022 and FY2021 made under the CBLTI.

⁴ On 31 July 2023, 2 073 225 units, representing 87% (performance-based vesting) of the award with an effective date of 1 July 2021 vested on 31 July 2023 at the 10-day VWAP of R1.57.

Remuneration Report *continued*

Non-executive Directors' fees

Non-executive Directors' fees are reviewed by the RemCo and the Board and proposed to shareholders for approval at the AGM. Fees paid to Non-executive Directors during FY2023 are shown in the table below, and the proposed fees for FY2024 are set out in the notice of the AGM.

<i>Directors' fees</i>	FY2023 R'000	FY2022 R'000
Sipho Ngidi	923	798
Jesmane Boggenpoel	974	853
Andrew Mthembu (Chairman)	1 621	1 388
Mike Bosman	1 122	1 148
Andrew Marshall	946	938
Jabu Moleketi	759	658
Nosipho Molope	939	773
Bharti Harie	938	763

Note: Extraordinary Board and/or committee meetings were held during FY2023 which impacted the directors' fees mentioned above.

Compliance with policy

The remuneration disclosure presented in this report is based on remuneration decisions that have been made in compliance with the Remuneration Policy. There have been no known deviations from the policy in the current financial year.

Remuneration for FY2024

When establishing the remuneration for Executive Directors for FY2024, benchmarks will be taken into account. These benchmarks will consider factors such as the role's level of responsibility, complexity, job grade and organisational parameters such as EOH's size, nature and structure.

For the FY2024 period, the performance measures and weightings for the STI will remain largely consistent with those of FY2023.

<i>Key performance area ("KPA")</i>	KPA weighting
Financial performance	40%
Business sustainability	30%
Social goals	20%
Governance and risk	10%
Total	100%

Share information.

Rights issue

On 13 December 2022, EOH's shareholders unanimously approved a rights issue proposed by the Board during an extraordinary general meeting. The total capital raised from the rights issue and specific issue amounted to R600 million. Existing shareholders, who owned 30% of the issued shares, provided irrevocable undertakings to fully exercise their rights. Lebashe Investment Group Proprietary Limited also agreed to subscribe for an additional R100 million shares. Leading up to the capital raise, EOH secured underwriting agreements with three investment management companies to subscribe for any shares not taken up by the existing shareholders.

In February 2023, EOH successfully concluded the rights issue with existing shareholders taking up all the available shares. The fact that the capital raise was oversubscribed by 135% indicates that EOH's turnaround efforts have been successful and that investor confidence in the Group has been restored.

EOH used the proceeds from the rights issue and specific issue to settle the majority of its senior bridge facility, reducing interest payments by approximately R100 million annually. The remaining debt was refinanced with Standard Bank of South Africa Limited, which granted new long-term facilities and general banking facilities to replace the previous debt. This step led to a substantial reduction in interest rates and administration costs.

The Chairman of the EOH Board expressed pride and confidence in the Company, both before and on conclusion of the capital raise.

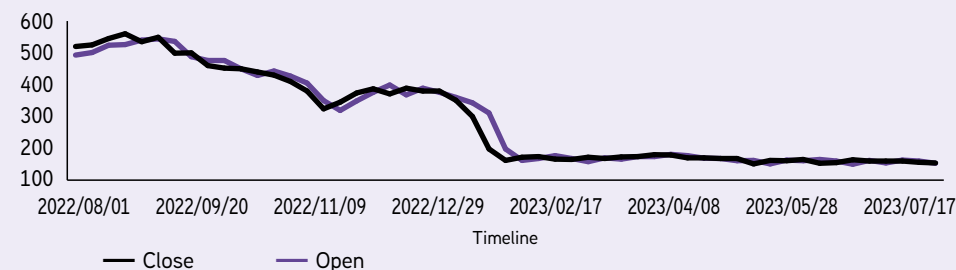
Summary of shareholder information

Top 5 shareholders as at 31 July 2023		Number of shares	Percentage shareholding
1	Lebashe Group (Consolidated)	127 998 548	20.06
2	Government Employees Pension Fund	43 122 369	6.76
3	Peresec Prime Brokers Proprietary Limited	32 204 319	5.05
4	Metal Industries Benefit Funds Administrators	30 367 537	4.76
5	HSBC Private Bank Suisse SA Omnibus	29 599 407	4.64
		263 292 180	41.27

As at 31 July 2023

Name	EOH Holdings Limited
Stock Exchange	Johannesburg ("JSE")
Code	EOH
Issued Shares	638 083 421
Market Cap	R969.9 million
Transfer Secretary	Computershare
Share Price	152

Share price trend (cents)



Share information *continued*

The Board and the leadership team have successfully established and fostered a culture of ethics and compliance, adhering to corporate governance principles. As a result, sound corporate governance is deeply ingrained throughout the organisation and its subsidiaries.

Building on this strong foundation, the Board and leadership are now shifting their focus towards promoting growth, efficiency, talent and innovation. While remaining committed to ethical leadership and corporate governance, they also recognise the significance of embracing change and exploring new opportunities at EOH.

To facilitate this transition, the Board and leadership continue to monitor and enhance both awareness and governance training programmes for all EOH employees. Ensuring that employees and stakeholders understand and adhere to the organisation's ethical and regulatory obligations remains a top priority, with compliance attestations playing a key role in achieving this objective.

Range of units

<i>Share range</i>	Number of shareholders	% of shareholders	Number of shares	% of issued capital
1 – 1 000	8 901	64.61	1 539 820	0.24
1 001 – 10 000	2 896	21.02	10 776 069	1.69
10 001 – 50 000	1 211	8.79	29 548 713	4.63
50 001 – 100 000	323	2.34	23 529 153	3.69
100 001 – 500 000	315	2.29	66 219 385	10.38
500 001 – 1 000 000	51	0.37	37 769 726	5.92
1 000 001 shares and over	79	0.57	468 700 555	73.45
	13 776	100.00	638 083 421	100.00

Breakdown by domicile

<i>Domicile</i>	Number of shareholders	% of shareholders	Number of shares	% of issued capital
Non-resident shareholders	191	1.39	53 413 217	8.37
Resident shareholders	13 585	98.61	584 670 204	91.63
	13 776	100.00	638 083 421	100.00

Ordinary shares

Issued capital	638 083 421
Total holders	13 776

Glossary.

Financial

Adjusted EBITDA	Profit/loss before depreciation, amortisation, share-based payments, gain/loss on disposal of subsidiaries and associates, impairments of non-financial assets, loss on disposal of assets, changes in fair value of vendors for acquisition liability, interest income, interest expense, corporate overheads and current and deferred tax
Dividend yield	Dividend per share as a percentage of market value per share at year end
Earnings per share	Net profit/(loss) for the year attributable to the owners of EOH Holdings Limited divided by the weighted average number of ordinary shares in issue during the year
EBITDA margin	EBITDA as a percentage of total revenue
ELC	Entity level control
FSCP	Financial Statement Closure Process
Gross profit margin	Gross profit as a percentage of total revenue
Headline earnings	Net profit for the year adjusted for profit/loss on sale of property, plant and equipment, investments and impairment losses on non-financial assets
Headline earnings per share	Headline earnings divided by the weighted average number of ordinary shares in issue during the year
Normalised operating profit	Operating profit with one-off items excluded
Operating profit margin	Operating profit as a percentage of total revenue
Price to earnings ratio	Market value per share divided by headline earnings per share at year end
Price to net asset value ratio	Market value per share divided by net asset value per share at year end
RACM	Risk and control matrix
ROIC	Return on invested capital
WACC	Weighted average cost of capital

Non-financial

AIC	African, Indian and Coloured
AML	Anti-Money Laundering
XaaS	Anything-as-a-Service
APIs	Application programming interfaces
AI	Artificial intelligence
BAU	Business as usual
BLSA	Business Leadership South Africa
BUSA	Business Unity South Africa
CO₂e	Carbon dioxide equivalent
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CRO	Chief Risk Officer
CES	Coastal and Environmental Services
DWS	Department of Water and Sanitation
EVP	Employee value proposition
ERP	Enterprise resource planning
ESD	Enterprise supplier development
ESG	Environmental, Social and Governance
FY	Financial Year
GET	Growth-Efficiency-Talent (Strategy)
GRI	Global Reporting Initiative
GRC	Governance, risk, and compliance



Glossary *continued*

GRCaaS	GRC-as-a-Service
GHG	Greenhouse gas
ICT	Information and communication technology
IaaS	Infrastructure-as-a-Service
IP	Intellectual property
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
IoT	Internet of Things
JSE	Johannesburg Stock Exchange
KPIs	Key performance indicators
King IV	King IV Report on Corporate Governance™
LTIs	Long-term incentives
M&A	Mergers and acquisitions
PaaS	Platform-as-a-Service
RPA	Robotic process automation
SBT	Security and building technologies
STIs	Short-term incentives
SMME	Small, medium or micro-enterprise
SED	Supplier and enterprise development
SDGs	United Nations Sustainable Development Goals

Corporate information.

EOH Holdings Limited

Incorporated in the Republic of South Africa

Registration number: 1998/014669/06

JSE share code: EOH

ISIN: ZAE000071072

("EOH" or "the Company" or "the Group")

Directorate

Non-executive

Andrew Mthembu

Andrew Marshall

Bharti Harie

Jabu Moleketi

Jesmane Boggenpoel

Mike Bosman

Nosipho Molope

Sipho Ngidi

Executive

Stephen van Coller (Group Chief Executive Officer)

Megan Pydigadu (Group Chief Financial Officer) (resigned effective 31 October 2023)

Fatima Newman (Chief Risk Officer – until 31 July 2023; Group Executive: EasyHQ – effective 1 August 2023)

Company Secretary

Neill O'Brien (interim appointment 1 October 2022, resigned 31 October 2022)

Mpeo Nkuna (appointed 1 November 2022)

Registered address

1st Floor, Block E, Pinmill Farm, 164 Katherine Street, Sandton, Gauteng, 2148

PO Box 59, Bruma, 2026

Telephone

+27 (0) 11 607 8100

Website

www.eoh.co.za

Investor email

ir@eoh.com

Auditor

PricewaterhouseCoopers Inc.

4 Lisbon Lane, Waterfall City, Jukskei View, 2090

Sponsor

Java Capital Trustees and Sponsors Proprietary Limited

(Registration number 2006/005780/07)

6th Floor, 1 Park Lane

Wierda Valley,

Sandton, 2196

(PO Box 522606, Saxonwold, 2132)

South Africa

Transfer Secretaries

Computershare Investor Services Proprietary Limited

(Registration number: 2004/003647/07)

Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196

(Private Bag X9000, Saxonwold, 2132)

South Africa



www.eoh.co.za