ALTRON



Unaudited Consolidated Interim Results

for the six months ended 31 August 2026

Unaudited consolidated results

for the six months ended 31 August 2026

and cash dividend declaration

HEPS from continuing operations up **14%** and interim dividend up **15%**, supported by platform-led growth, higher-quality annuity revenue, **EBITDA** to operating cash conversion of **92%** and sustained momentum in IT Services.

PERFORMANCE HIGHLIGHTS

Continuing operations[1] for six months ended 31 August 2026 ("HY27")

- R5.1 billion revenue +5% (HY26: R4.8 billion), marking the Group's strongest interim top-line growth in three years.
  - R2.2 billion annuity revenue in the Platforms segment, +11%, representing 92% of Platform revenue (HY26: 89%; HY25: 88%; HY24: 82%).
  - This reflects the benefits of the Group's disciplined capital allocation towards higher-quality, more predictable platform businesses and the quality of the Group's earnings base, with Platforms contributing more than 95% of Group operating profit in HY27.
- R1.1 billion EBITDA[2], +16% (HY26: R938 million).
- 21.5% EBITDA margin, +210 bps (HY26: 19.4%).
- R622 million operating profit, +13% (HY26: R549 million).
- 12.3% operating profit margin, +90 bps (HY26: 11.4%).
- R385 million net profit after tax, +17% (HY26: R330 million).
- 109 cents HEPS, +14% (HY26: 96 cents).
- 96 cents EPS, +14% (HY26: 84 cents).
- R1.0 billion cash generated from operations, +32% (HY26: R762 million).
- 92% EBITDA to operating cash[3] conversion (HY26: 81%).
- Strong balance sheet and closing net cash position of more than R800 million, after R755 million dividend payment (FY26 final ordinary dividend and special dividend) to shareholders in June 2026.

The Board declared the following dividend to shareholders in HY27

- Interim ordinary dividend 55 cents per share, +15% (HY26: 48 cents) which translates into a pay-out ratio of 50%.
- Interim dividends have grown at a CAGR of approximately 30% over the past three years (HY24 to HY27), broadly tracking HEPS growth and reflecting the Group's consistent ability to convert earnings into shareholder returns. Supported by strong cash generation and disciplined capital allocation, Altron has maintained the flexibility to invest for future growth while delivering attractive returns to shareholders.
- Over the past three years, Altron has returned approximately R1.8 billion to shareholders through ordinary and special dividends. This demonstrates the Group's commitment to consistently returning earnings to shareholders while investing in growth and returning surplus capital when appropriate.

Notes

1. *Commentary included in this announcement relates to continuing operations, comparing HY27 to the prior comparative period, HY26, unless stated otherwise. Continuing operations include: Altron FinTech, Netstar, Altron HealthTech, Altron Security, Altron Digital Business, Altron Document Solutions and Altron Arrow. HY26 includes the impact of Nexus for five months, in discontinued operations. Nexus was disposed of effective 1 August 2025 (HY26) and thus has no impact in HY27.*
2. *Operating profit and Earnings before interest, tax, depreciation and amortisation ("EBITDA") is stated before capital items.*
3. *"Operating cash" reflects "cash generated from continuing operations" as disclosed. The comparative period, HY26, reflecting R784 million comprises: R762 million from continuing operations and R22 million discontinued operations.*

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Group results from total operations: operating profit R618 million (+20%), EBITDA R1.1 billion (+20%), EPS 95 cents (+44%), HEPS 108 cents (+24%).

Commenting on Altron's HY27 results, CEO Werner Kapp said: *"HY27 represents a strong start to our Transformative Growth strategy and reflects continued execution against the priorities outlined at our Capital Markets Day. The Group delivered its strongest interim top-line growth in three years, while continuing to improve the quality and predictability of earnings through a higher annuity revenue mix and strong cash generation, which increased 32%, to just over R1 billion generated in six months.*

Strong cash generation and a strong balance sheet enabled the Board to increase the interim dividend by 15%, while maintaining the flexibility to invest behind future growth opportunities and continue delivering attractive shareholder returns.

The benefits of our diversified, multi-platform ecosystem are increasingly evident, providing the financial capacity to invest for future growth in selected businesses while continuing to generate attractive returns for shareholders."

OUTLOOK

Commenting on Altron's strategy and outlook, CEO Werner Kapp said: *"Six months into our Transformative Growth strategy, our priorities remain clear. We are focused on protecting and strengthening our platform businesses by executing on our strategic objectives and sustaining a resilient, diversified earnings base.*

Our platform businesses operate in markets underpinned by the digitalisation of mobility, payments and identity, including the increasing digitalisation of the SME economy and healthcare data insights. We believe our multi-platform ecosystem remains structurally relevant, benefiting from long-term growth trends that continue to outpace the broader South African economy. Built on decades of operating experience, meaningful scale, embedded infrastructure and trusted customer relationships, Altron is well positioned to support customers as their digital needs evolve.

Revenue growth remains a key focus area across the Group. We continue to see attractive opportunities to invest behind our existing platforms, particularly within Netstar and Altron FinTech, while leveraging data insights, AI and technology across the Altron ecosystem to improve customer outcomes, enhance operational efficiency and unlock additional value from our platform assets.

The AI Factory is an important technology enabler of this strategy. Our focus remains on deploying proven AI capabilities across our operating companies to improve productivity, optimise costs and derive greater value from the platforms, data assets and customer ecosystems we have built.

Reflecting on our growth ambitions, Transformative Growth is not simply about growing revenue. It is about using Altron's platforms, data insights and AI capabilities to create greater value from the ecosystem than the individual businesses could achieve on their own.

Our strong balance sheet, improving earnings quality and disciplined capital allocation framework provide the flexibility to invest behind long-term growth opportunities, support shareholder returns and continue strengthening the Group's multi-platform ecosystem. This gives us confidence in the Group's medium-term growth prospects."

KEY FINANCIAL, STRATEGIC AND OPERATIONAL HIGHLIGHTS

Platforms

» **Altron FinTech**, the Group's largest contributor to operating profit in HY27, increased revenue by 14% to R858 million, EBITDA by 18% to R324 million and operating profit by 17% to R300 million. EBITDA margin expanded to 37.8% (HY26: 36.5%) and operating profit margin expanded marginally to 35.0% (HY26: 34.3%), supported by an annuity revenue base representing 87% of total revenue.

The business continues to benefit from operating leverage and scale advantages, with operating profit more than doubling over the past three years from R132 million in HY24 to R300 million in HY27.

Momentum remains strong, supported by continued customer acquisition, transaction growth and the expansion of its payments and collections ecosystem. Altron FinTech is well positioned to support the ongoing modernisation of South Africa's payments landscape, enabling increased digital payment adoption and the formalisation of SME and informal economy transactions through its scaled platform, deep industry participation and established (30 years+) payments ecosystem.

» **Netstar** delivered a resilient performance with annuity revenue increasing 11% to R1.2 billion and representing 94% of total revenue (HY26: 90%; HY24: 87%). This reflects the Group's deliberate shift towards higher-quality, recurring revenue streams through disciplined capital allocation and reinforces the predictability of Netstar's earnings base.

Overall revenue increased 6% to R1.3 billion, with annuity revenue growth partially offset by lower hardware sales (non-annuity revenue representing 6% of Netstar's revenue base). EBITDA increased 15% to R619 million, with EBITDA margin expanding by 370 basis points to 47.7%, driven primarily by growth in the South African business, including the OEM channel. Operating profit increased 10% to R248 million, with operating margin improving to 19.1% (HY26: 18.3%), while performance in other regions remained more subdued.

» Having successfully scaled the business to more than two million subscribers, FY27 is a deliberate reset and investment year for Netstar. Alongside investments in platform modernisation and customer acquisition, management remains focused on strengthening the foundations required for the next phase of growth. South Africa's mobility ecosystem continues to evolve through the increasing adoption of connected vehicles, OEM-integrated telematics and data-driven mobility solutions.

» Netstar's scale, embedded infrastructure and mobility dataset position the business well for this transition, while the capabilities of Altron's AI Factory are increasingly being applied internally to improve productivity, automate routine processes and unlock greater value from the platform and its data assets.

IT Services

» **Altron Digital Business (ADB)** continued the positive momentum established in the second half of FY26, delivering significantly improved financial performance. Revenue increased 8% to R1.6 billion (HY26: R1.5 billion). EBITDA improved to a profit of R32 million (HY26: loss of R32 million) and operating profit increased to R22 million (HY26: operating loss of R42 million), representing a significant improvement in EBITDA and operating profit over a twelve-month period.

As Altron's technology enablement business, Digital Business plays an important role within the Group's broader ecosystem, helping customers navigate increasingly complex technology environments while supporting the delivery and scaling of capabilities across the Group.

The decisive turnaround actions implemented over recent years in response to structural changes in the IT services market, both globally and in South Africa, continue to deliver results. These actions included strengthening leadership, improving cost competitiveness through strategic sourcing initiatives, enhancing sales execution, transitioning service delivery towards an Agile Operations model and repositioning the business around areas of greater customer relevance. Increasing use of the capabilities of Altron's AI Factory within the business is further improving productivity, delivery efficiency and customer outcomes. Together, these initiatives are translating into stronger commercial execution, improved contract renewals, increased order intake and the ability to win higher-quality work, supporting sustainable financial improvement despite a challenging market backdrop.

» **Altron Document Solutions (ADS)** continued its strong momentum into HY27 and delivered another excellent performance despite subdued market growth. Revenue increased 4% to R722 million (HY26: R697 million), while EBITDA increased 30% to R60 million (HY26: R46 million), supported by EBITDA margin expansion to 8.3% (HY26: 6.6%). Operating profit increased 45% to R48 million (HY26: R33 million), reflecting continued operational discipline, a favourable product and service mix, and growing customer demand for digital print and AI-enabled workflow solutions. The business remains focused on customer relevance, expanding higher-value solutions and delivering consistent profitability and cash generation despite a challenging market backdrop.

» **Altron Security** successfully completed the deployment of Zambia's National Public Key Infrastructure ("PKI") in HY27, providing the trust foundation required for digital identity, digital signatures and secure online services, supporting the growing relevance of digital identity and trusted digital transactions across Africa.

The South African Government's Digital Transformation Roadmap and October 2026 announcements relating to digital identity reinforce the increasing importance of secure identity infrastructure as a foundational component of the country's evolving digital economy.

Altron Security's capabilities remain well aligned to these long-term structural trends through its established expertise in digital identity, authentication, digital signing and trust services.

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Group

» **Altron's AI Factory:** One year after taking a strategic decision to launch South Africa's first AI Factory, more than 100 AI-enabled use cases have been deployed across the Group, with adoption exceeding management's initial expectations (500+ employees applying AI tooling daily; 100+ developers building solutions within Altron's AI Factory; approximately 2 billion tokens produced across Altron AI Factory services daily). The AI Factory is a key enabler of Transformative Growth, supporting productivity improvements, cost optimisation, customer outcomes and data value realisation across Altron's businesses.

While AI adoption in South Africa remains at an early stage and regulatory frameworks continue to develop, Altron's approach remains disciplined. The focus is first on realising value internally through productivity gains, cost optimisation and improved customer outcomes, before selectively extending proven capabilities into customer-facing solutions where compelling opportunities exist.

» **B-BBEE ownership** was re-rated at 63% Black-Owned (previously 38%) and 35% Black-Women Owned (previously 21%), strengthening the Group's competitiveness in public sector and enterprise procurement.

DETAILED FINANCIAL OVERVIEW

Group performance continuing operations

Revenue increased by 5% to R5.1 billion (HY26: R4.8 billion) driven by 11% growth in Platforms annuity revenue to R2.2 billion (HY26: R1.9 billion), partially offset by lower hardware sales in Netstar (non-annuity revenue), resulting in an 8% increase in Platforms revenue overall. IT Services revenue increased by 4% to R2.5 billion (HY26: R2.4 billion) and Distribution revenue increased by 35% to R388 million (HY26: R288 million). A deliberate focus on deployment of capital into higher-margin, annuity revenue growth opportunities resulted in a higher contribution from the Platforms segments. In HY27 the Platforms segment contributed 47% to revenue, 93% to EBITDA and more than 95% to operating profit.

EBITDA increased by 16% to R1.1 billion (HY26: R938 million), with the EBITDA margin expanding by 210 bps to 21.5%. The improvement came from Netstar and Altron FinTech, and from the return of IT Services to profitability, with EBITDA in that segment increasing by 40% to R129 million (HY26: R92 million).

Depreciation and amortisation increased by 20% to R468 million (HY26: R389 million), reflecting growth in capital rental devices in Netstar and the scaling of the Altron FinTech POS device rental model.

Operating profit increased by 13% to R622 million (HY26: R549 million), with the operating profit margin up 90 bps to 12.3%.

Cash generated from continuing operations increased by 32% to R1.0 billion (HY26: R762 million). This represents a 92% EBITDA to operating cash conversion (HY26: 81%). Earnings quality has consistently improved, along with our ability to convert earnings into cash. The Group remains well capitalised, providing a solid foundation to execute its strategic priorities.

SEGMENTAL PERFORMANCE OVERVIEW[1]

Altron organises its businesses into the following operating segments:

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

Platforms

» R2.2 billion (HY26: R1.9 billion) annuity revenue in the Platforms segment, +11%, representing 92% of Platform revenue (HY26: 89%; HY25: 88%; HY24: 82%).
» R2.4 billion total revenue, +8% (HY26: R2.2 billion).
  » +11% annuity revenue growth partially offset by lower hardware sales (non-annuity).
» R1.0 billion EBITDA, +16% (HY26: R881 million).
» 43.1% EBITDA margin +270 bps (HY26: 40.4%).
» R619 million Operating profit, +13% (HY26: R547 million).

Altron FinTech maintained the momentum of FY26 into HY27, increasing its revenue by 14% to R858 million and EBITDA by 18% to R324 million (HY26: R274 million). Operating profit increased 17% to R300 million (HY26: R257 million). Ongoing success in the collection and payment platform continued to drive the strong performance, with healthy customer acquisition, particularly in the SME sector, and the number of debit orders and value thereof both growing 14%, leading to an increase in activity on the platform.

» In the Integrated Transaction Solutions business, rentals of point-of-sale ("POS") devices saw strong growth, increasing 61% during the period to over 30 000, in line with the strategy to grow annuity revenue.
» Annuity revenue represents 87% of Altron FinTech's total revenue.

1. *Altron Security remains fully included within the IT Services segment, consistent with previously reported segmental disclosure. As communicated at the FY26 results presentation and Capital Markets Day in June 2026, the Group continues to evaluate the separate disclosure of the Platform and IT Services components of Altron Security. Any future change in segmental disclosure will be introduced when appropriate and will include comparative information presented on a consistent basis to facilitate period-on-period comparability.*

Netstar increased annuity revenue by 11%, supported by growth in the OEM channel, increased penetration of enterprise customers and retention initiatives that reduced consumer churn. Overall revenue increased 6% to R1.3 billion, impacted by lower hardware sales, while EBITDA increased 15% to R619 million, driven primarily by the continued strong performance of the South African business.

- Netstar's subscriber base increased 8% to 2.3 million. South African subscribers (excluding OEM partnerships) increased 11%, supported by 9% growth in consumer subscribers and 17% growth in higher-margin enterprise subscribers. Churn remained stable at approximately 16%.
- Australia, representing less than 5% of the subscriber base, has stabilised and is profitable, although growth continues to lag the South African business.
- Annuity revenue represented 94% of Netstar's total revenue (HY26: 90%). Within South Africa, annuity revenue represented 96% of revenue, highlighting the quality and predictability of the business' earnings base.

Altron HealthTech continues to deliver solid profitability and cash generation increasing EBITDA by 13% to R76 million (HY26: R67 million), supported by EBITDA margin expansion of 380 bps to 37.1% (HY26: 33.3%), on modest revenue growth, increasing 2% to R205 million (HY26: R201 million). The management team is focused on accelerating revenue through stronger commercial execution in the corporate market and exploring the potential of data value realisation initiatives.

- Altron HealthTech's experience in processing and managing data, built through decades of participation in South Africa's healthcare ecosystem (switching +100 million claims, representing +R120 billion in value; historically having processed +15 million patient records and serving +20 000 medical practices, annually) provides a strong foundation for exploring the potential of data-driven health care insights, including for improved patient outcomes.
- Annuity revenue represents 98% of Altron HealthTech's total revenue.

IT Services

IT Services increased revenue by 4% to R2.5 billion (HY26: R2.4 billion), its first period of revenue growth after the restructuring of the past two years. EBITDA increased to R129 million (HY26: R92 million) and operating profit was up 62% to R99 million (HY26: R61 million).

Altron Digital Business' profit improvement achieved in the second half of FY26 carried into HY27, and revenue is now growing. Revenue is up 8% to R1.6 billion (HY26: R1.5 billion), evidence of this top line momentum.

- Order intake and contract renewals improved, and integrating AI Factory capabilities into the customer offering is supporting renewals and new proof-of-concept engagements with large enterprise customers.

Altron Security revenue decreased 18% to R207 million (HY26: R252 million) and EBITDA decreased 53% to R37 million (HY26: R78 million) due to software revenue recognition timing in the platform component of the Altron Security business (identity and digital signing) and a constrained enterprise spending environment in the IT Services component of Altron Security, which is a significantly smaller component, comprising less than 20% of Altron Security revenues.

- The platform-based identity and digital signing businesses generate annuity revenue comprising approximately 80% of Altron Security's revenue. The long-term opportunity in national digital identity, public key infrastructure and digital signing remains intact, with Altron Security retaining a strong strategic position in these markets.
- Management has started pursuing corrective action to improve profitability in the IT Services component of Altron Security.

Altron Document Solutions continued its positive momentum into HY27, increasing revenue by 4% to R722 million (HY26: R697 million) despite a challenging print and IT services market. Revenue grew 5% compared to the second half of FY26, which traditionally benefits from seasonal examination printing volumes, highlighting the momentum achieved through innovation, customer-led solutions and focused commercial execution. EBITDA increased 30% to R60 million (HY26: R46 million), with EBITDA margin expanding 170 basis points to 8.3% (HY26: 6.6%). Operating profit increased 45% to R48 million (HY26: R33 million), reflecting continued operational discipline and effective cost management.

- The business continues to build on its established customer base and trusted customer relationships to expand adjacent revenue streams and deliver innovative, fit-for-purpose solutions, including managed services, digital workflow solutions, and AI-enabled software and support services.
- This customer-centric approach is supporting revenue growth and margin expansion despite a structurally challenged market backdrop.

Distribution

Altron Arrow, while a relatively small contributor to Group, had a strong first half and entered FY27 with positive momentum. Revenue increased 35% to R388 million, (HY26: R288 million) and operating profit increased 33% to R24 million (HY26: R18 million). Having moved through the bottom of the cycle, the order book is growing, and the business has recorded a positive book-to-bill ratio for the first time in two years, supporting an encouraging outlook.

CAPITAL STRUCTURE AND WORKING CAPITAL

Cash generated from continuing operations increased by 32% to R1.0 billion (HY26: R762 million). Taxation paid increased to R152 million (HY26: R98 million). Dividends paid, including non-controlling interests, amounted to R755 million (HY26: R201 million), reflecting the FY26 final ordinary dividend and the special dividend paid in June 2026.

Capital expenditure increased by 21% to R447 million (HY26: R370 million), of which 91% was growth capital expenditure. The bulk was invested in capital rental devices in Netstar and POS devices in Altron FinTech, each supported by multi-year customer contracts. Maintenance capital expenditure increased 46% to R41 million (HY26: R28 million) attributable to investment in Netstar's and Altron

FinTech's systems, infrastructure resilience and platform maintenance.

The Group ended the period in a net cash position of more than R800 million, despite returning R755 million to shareholders during the period. This reflects the continued improvement in earnings quality, strong cash conversion and the Group's disciplined capital allocation framework, providing significant flexibility to fund organic growth, pursue earnings-accretive opportunities and continue returning capital to shareholders where appropriate.

INTERIM CASH DIVIDEND

The Group's dividend policy is to distribute at least 50% of headline earnings from continuing operations, with reference to earnings and cash conversion.

The Board has approved and declared an interim gross ordinary cash dividend of 55.00 cents per ordinary share (HY26: 48.00 cents per share) for the six months ended 31 August 2026. The net dividend amounts to 44.00 cents per share for shareholders liable to dividend withholding tax at 20%.

This represents a payout ratio of at least 50% of HEPS, maintained for more than three years, reflecting a disciplined and sustainable approach to shareholder returns.

In accordance with the provisions of Strate, the electronic settlement and custody system used by JSE Limited, the relevant dates for the dividend are as follows:

	2026
Last day to trade *cum* dividend	Tuesday, 17 November
Shares commence trading *ex* dividend	Wednesday, 18 November
Record date	Friday, 20 November
Payment date	Monday, 23 November

Share certificates may not be dematerialised or re-materialised between Wednesday, 18 November 2026 and Friday, 20 November 2026, both days inclusive.

The Board has considered and is satisfied that the Company will meet the solvency and liquidity test immediately after payment of the dividend. The dividend constitutes a dividend as defined in the Income Tax Act, 1962 and is paid from income reserves. The Company's income tax reference number is 9725149711. Dividend withholding tax of 20% will be withheld from shareholders who are not exempt from dividend withholding tax.

The number of ordinary shares in issue at the date of this declaration is 422 168 943, including 30 837 778 treasury shares.

HY27 RESULTS PRESENTATION

Shareholders are reminded that Altron will host a virtual presentation at 9:30am SAST today (Monday, 2 November 2026), to present the HY27 results to investors.

- The webcast registration link is https://www.corpcam.com/Altron02112026Invitation and can be accessed on the Altron Investor Relations website www.altron-investors.com
- A Questions and Answers facility will be available via webcast during the live presentation or can be emailed to investors@altron.com
- The HY27 results presentation, webcast details (including the registration link) and supporting investor materials can be accessed on the Altron Investor Relations website http://www.altron-investors.com

FORWARD-LOOKING STATEMENTS DISCLAIMER

This announcement may contain forward-looking statements about the Group's operations, financial position and prospects. Such statements are based on current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results to differ materially. Forward-looking statements have not been reviewed or reported on by the Company's external auditors. The Group does not undertake to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

For and on behalf of the Board.



Mr S van Graan
Chairman



Mr W Kapp
Group Chief Executive Officer



Mr C Snyman
Group Chief Financial Officer

Johannesburg
2 November 2026

CORPORATE INFORMATION

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