



iOCO

# HALF YEAR RESULTS 2025



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# Introduction

**Rhys Summerton**

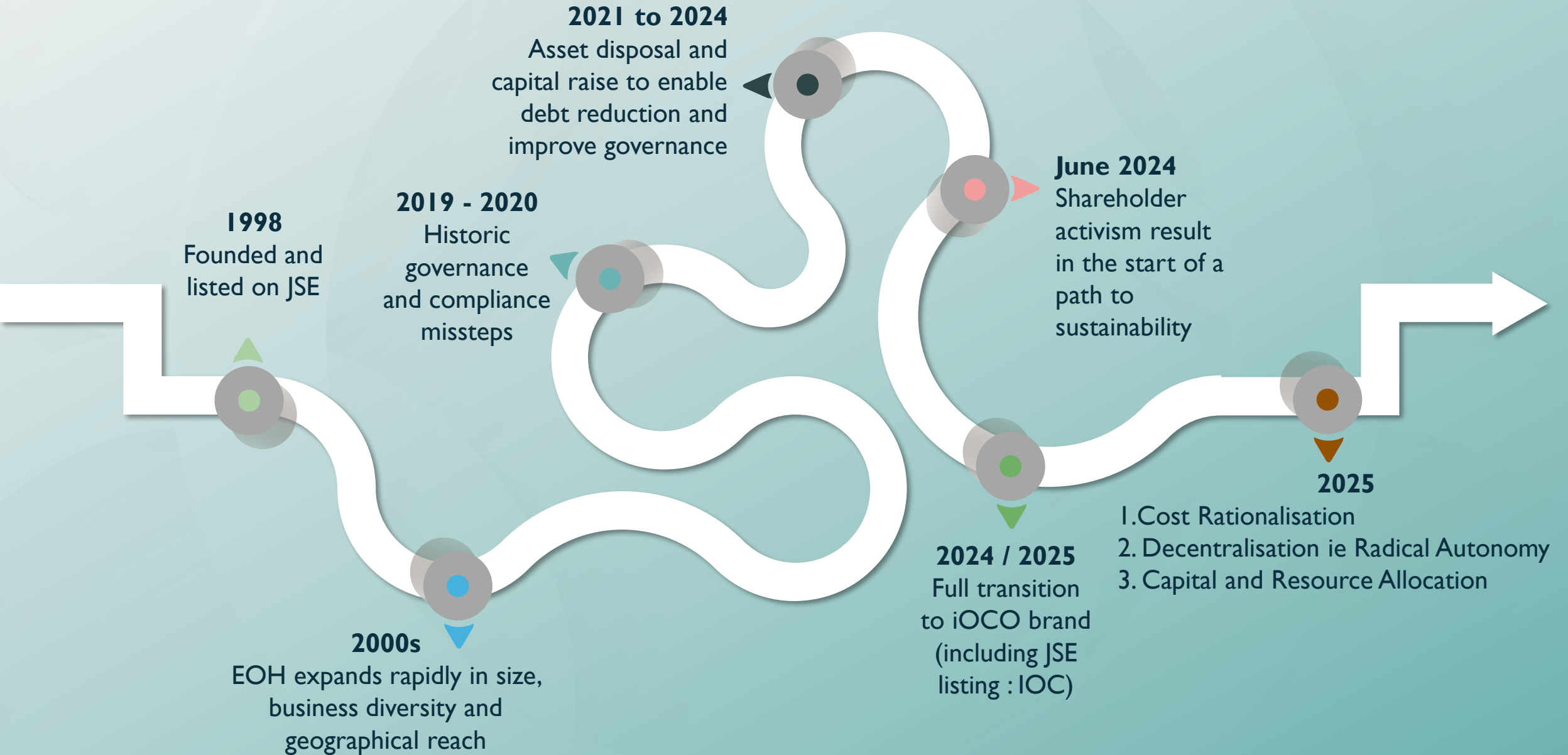
**Group Co – CEO**

iOCO



# Our history

iOCO



In July 2024 we introduced a new top leadership team and implemented a 3-stage strategic model



**Dennis Venter**  
Group Chief Executive Officer



**Ashona Kooblall**  
Group Chief Financial Officer



**Rhys Summerton**  
Group Chief Executive Officer

- 1 Cost rationalisation
- 2 Decentralisation / “Radical autonomy”
- 3 Capital and resource allocation

# Technology and innovation can grow people, businesses and nations

Our growth goes hand in hand with the success of our country

We're here to create opportunities, empower people and make a real difference

**LEVEL ONE B-BBEE**

showing our commitment to empowerment

**Our people & communities matter**

**Our country matters**



LEVEL ONE B-BBEE

iOCO





# Our purpose



Driving Technology transformation through ICT excellence



**Advisory**  
Designing and planning your future IT landscape and products



**Agile**  
iOCO helps organisations achieve agile business




**AI**  
Turning the potential of AI into practical and transformative solutions



**ERP**  
Powering the new enterprise.



**Financial Performance Management**  
On-time delivery of accurate, reliable financial information.



**Managed Services**  
Working toward your future of Anything-as-a-Service.



**QA & Software Testing**  
Assuring your investment.



**Automation**  
Transforming Organisations through Automation.



**Cloud**  
Navigating your journey to the cloud.



**Cybersecurity**  
Protect your business and assets.




**Data**  
Data at the centre of the digital revolution.



**Security & Building Management**  
iOCO offers comprehensive bespoke smart solutions to safeguard your premises, your people, and your business at all times.



**Software & Development**  
Imagine if you could Dev Anything?



**Talent**  
Find work you love, and people you click with at iOCO.

# Turnaround in motion

EBITDA  
**+150%**

EBITDA  
HI FY2025 **R252m**  
HI FY2024 R97m

EPS and HEPS  
**+200%**

Cash generated  
from operations  
**+100%**

  
Gross profit  
HI FY2025 **R823m**  
HI FY2024 R801m

  
Revenue  
HI FY2025 **R2 733m**  
HI FY2024 R2 920m

  
Operating profit  
**+500%**

  
PAT  
HI FY2025 Profit **R123m**  
HI FY2024 Loss R91m



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# Financial overview

**Ashona Kooblall**

**Group CFO**

iOCO



# HY25 Financial summary

for the half year ended 31 January 2025

R'm	HY25	HY24	% change
<b>Total revenue (excluding sold entities)</b>	<b>2 733</b>	2 920	(6.4%)
<b>Gross profit (excluding sold entities)</b>	<b>823</b>	801	2.8%
Gross margin %	<b>30.1%</b>	27.4%	
<b>Operating expenses</b>	<b>(609)</b>	(829)	(26.5%)
Operating margin %	<b>7.8%</b>	0.3%	
<b>Net finance cost</b>	<b>(48)</b>	(59)	(17.8%)
<b>Profit/(Loss) before tax</b>	<b>165</b>	(50)	433.7%
Taxation	<b>(42)</b>	(42)	(0.1%)
<b>Profit/(Loss) after tax</b>	<b>123</b>	(91)	235.1%
<b>EBITDA</b>	<b>252</b>	97	159.3%
EBITDA margin	<b>9.2%</b>	3.3%	
<b>HEPS (cents)</b>	<b>19</b>	(11)	272.7%

# Current trading conditions

**Improvement in  
working capital  
and free cashflow  
generation**

**Demand for  
digital, software,  
cloud, data, OT  
and software  
development  
remains strong**

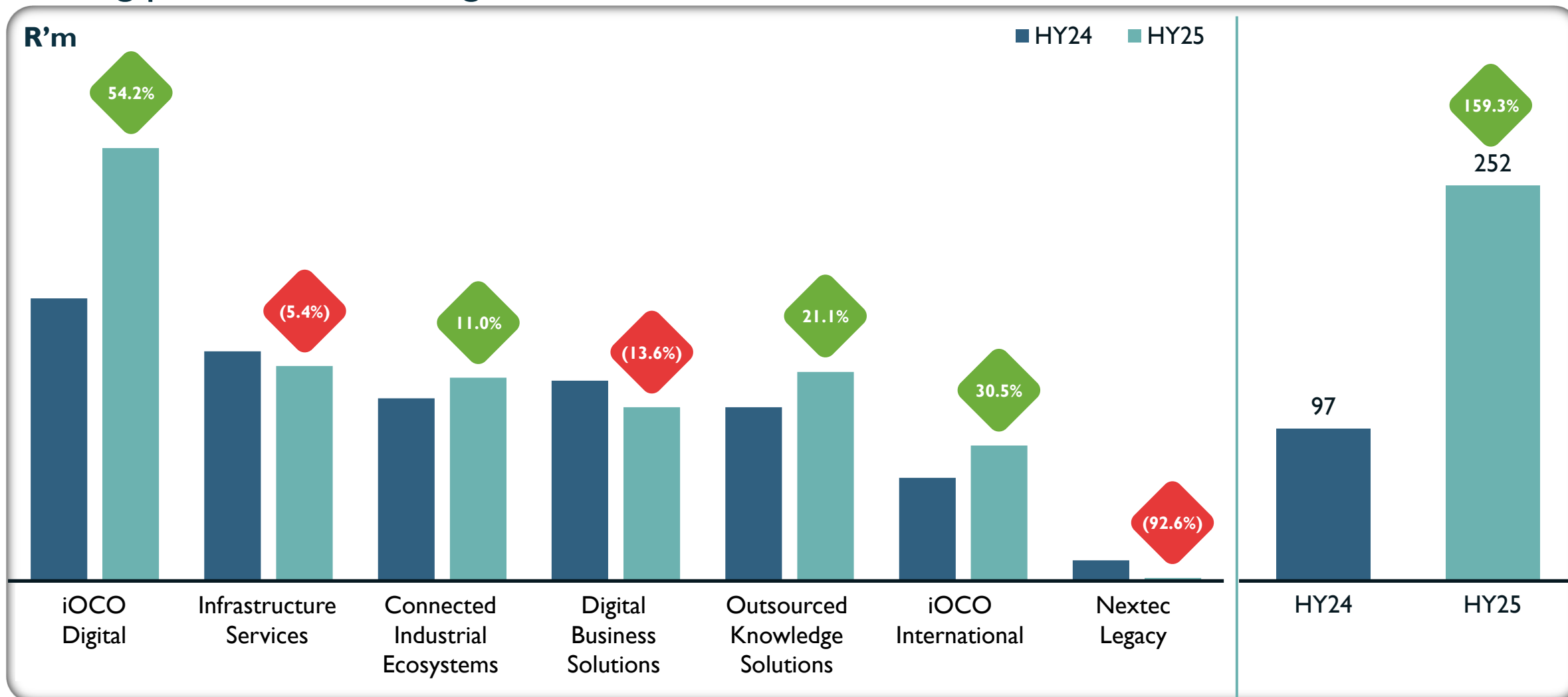
**Strong  
international  
performance as  
we grow iOCO  
in EMEA**

**Increased gross profit and margins along with tightly controlled  
operating costs meant EBITDA grew considerably**

**All earnings measures moved in tandem**

# EBITDA – Divisional performance

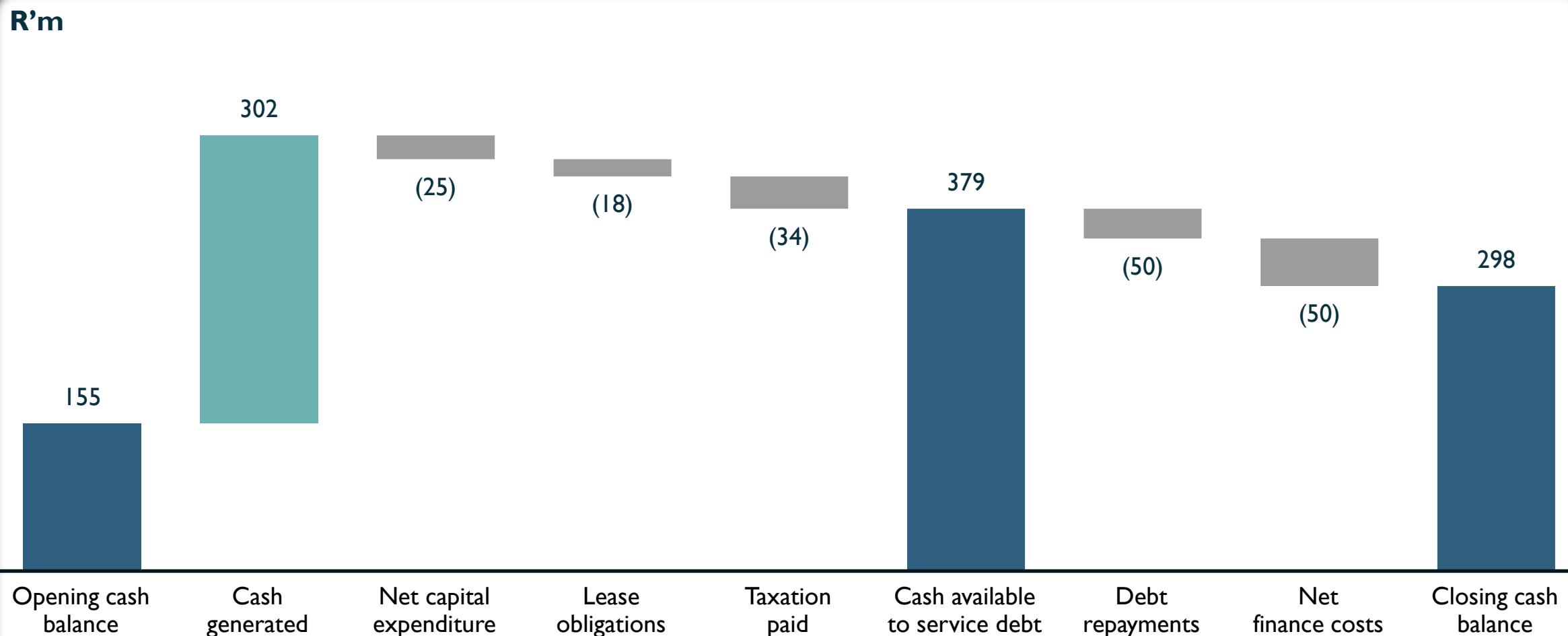
Strong performance in Digital, CIE, OKS and International





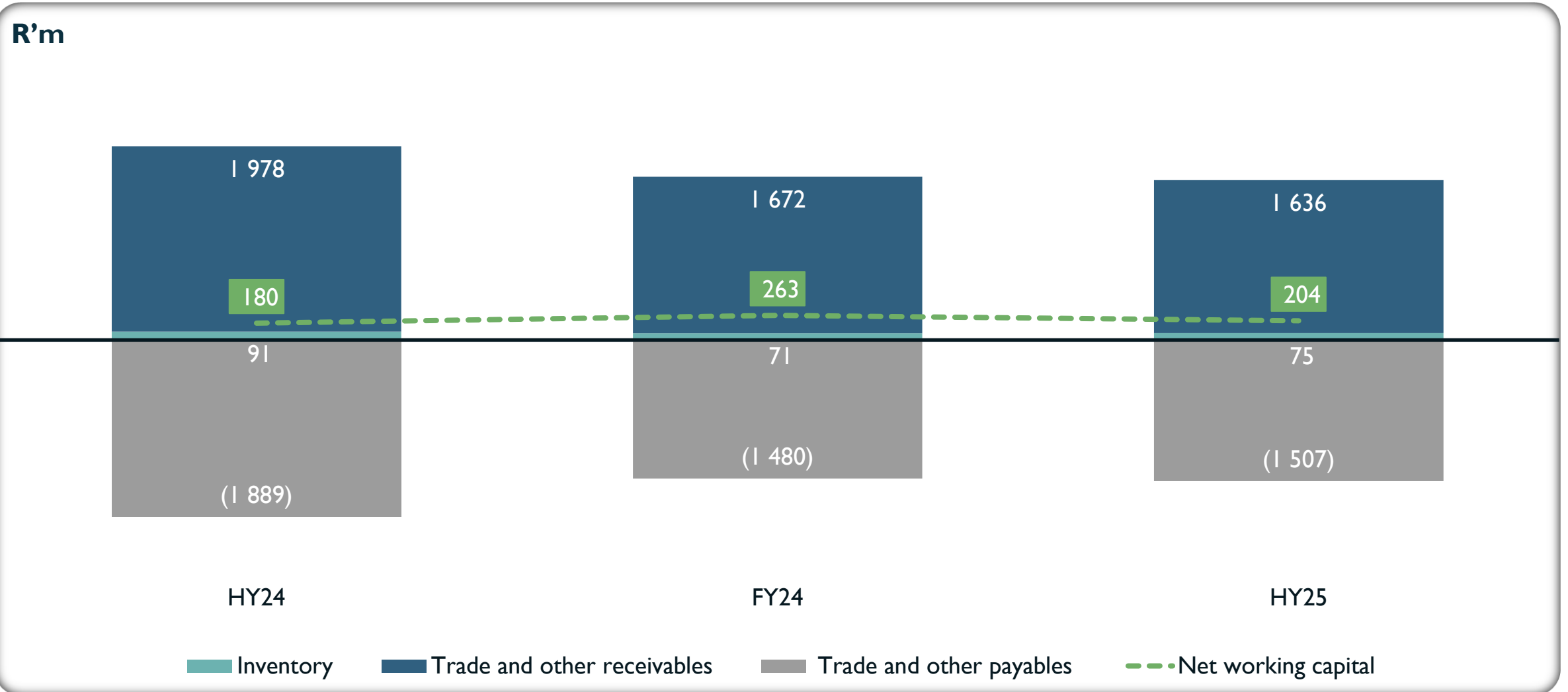
# Cash flow

Positive cash flow generation with an overall net cash increase of R143m



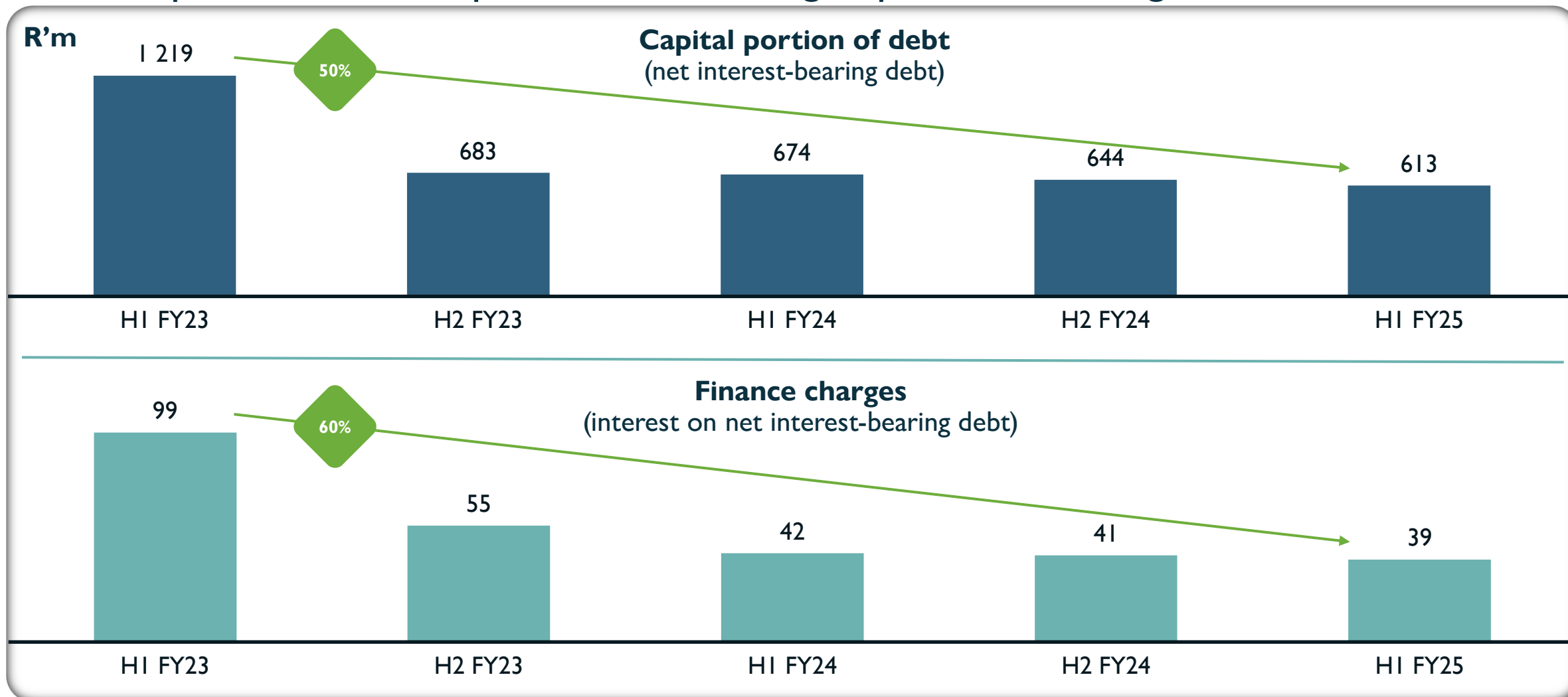
# Working capital

Continuous focus on balance sheet health and working capital management



# Term Debt

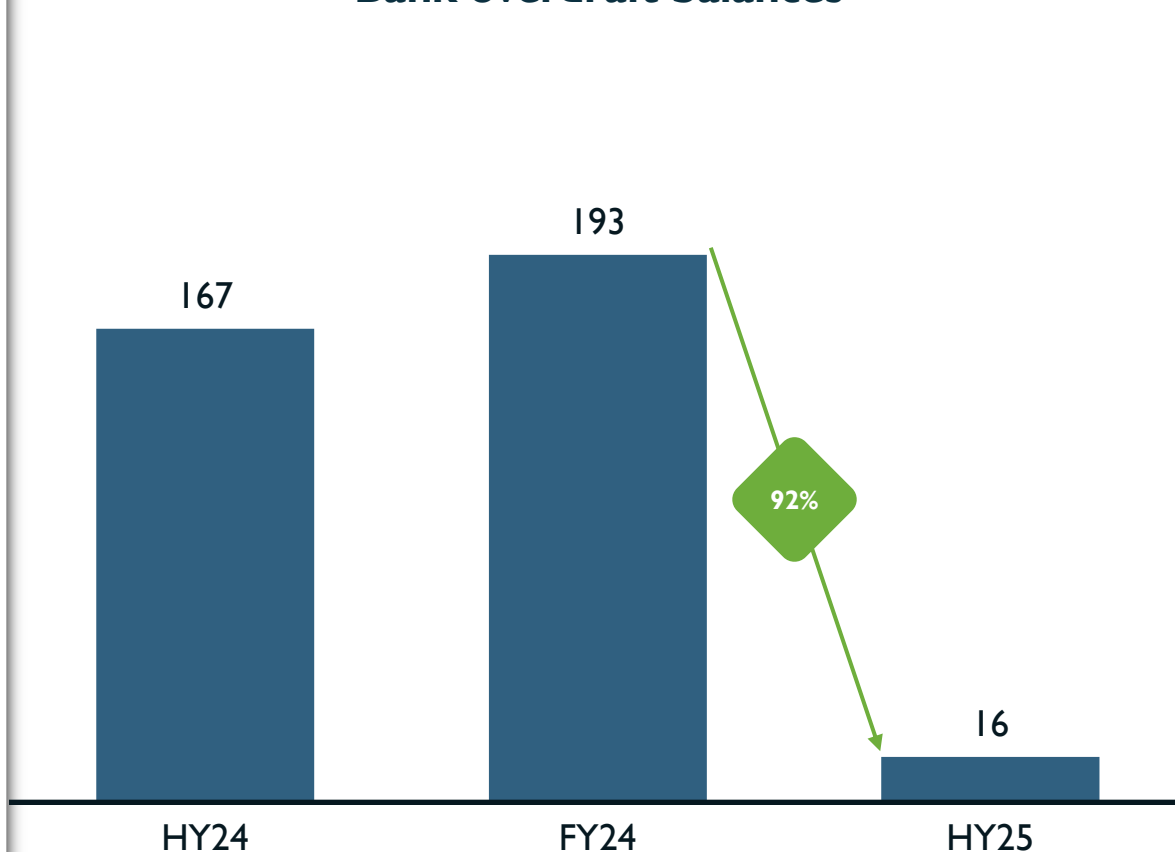
R70m capital and interest paid in HY25 through operational cash generated



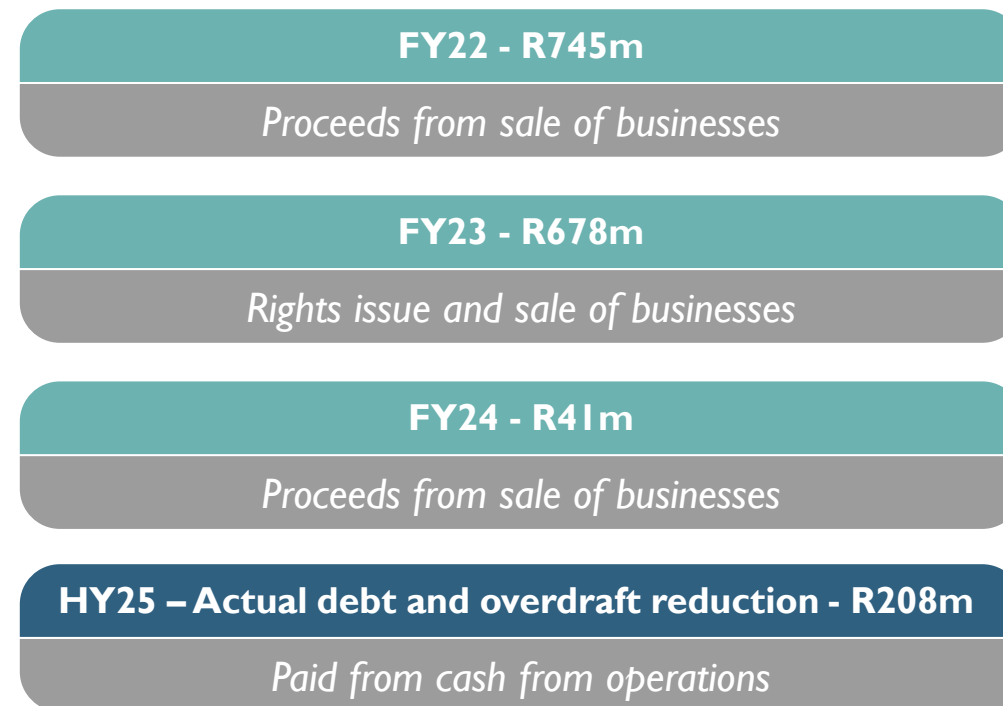


R'm

## Bank overdraft balances



## Historical bank debt payments



# Balance sheet

Key focus on value creation and net asset value growth

R'm	HY25	FY24
<b>Total assets</b>		
<b>Non-current assets</b>	<b>904</b>	926
<b>Current assets</b>	<b>2 086</b>	2 160
Trade and other receivables	1 636	1 672
Cash and cash equivalents	314	347
Other current assets	136	140
<b>Total assets</b>	<b>2 990</b>	3 086
<b>Total liabilities</b>		
<b>Non-current liabilities</b>	<b>591</b>	624
Other financial liabilities	553	587
Other non-current liabilities	37	37
<b>Current liabilities</b>	<b>1 783</b>	1 964
Trade and other payables	1 507	1 480
Other financial liabilities	191	373
Other current liabilities	85	111
<b>Total liabilities</b>	<b>2 374</b>	2 588
<b>Total equity</b>		
Equity attributable to iOCO	583	467
Non-controlling interest	34	31
<b>Total equity</b>	<b>617</b>	499

# Ratios

R'm

## Annualised return on assets

	FY25	FY24
Profit after tax	247	(183)
Total assets	2 990	3 604
	 8%	(5%)

## Annualised return on equity

	FY25	FY24
Profit after tax	247	(183)
Total equity	617	506
	 40%	(36%)

## Current ratio

	HY25	FY24
Current assets	2 086	2 160
Current liabilities	1 783	1 964
	 1.2	1.1

## Gearing ratio

	HY25	FY24
Other financial liabilities	745	960
Total equity	617	499
	 1.2	1.9



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# Outlook

**Rhys Summerton**

**Group Co – CEO**

iOCO



# Progress on our 3 Stage Recovery plan

1. Cost rationalisation

2. Decentralisation / “Radical autonomy”

3. Capital and resource allocation

# Stage 1 – Cost rationalisation

Annualised cost savings executed +R270m



Head office & shared services – **R150m**

Internal IT costs – **R36m**

Business restructuring – **R30m**

External audit fees – **R22m**

Property – **R22m**

Consulting & advisory – **R12m**

*Cost rationalisation has  
run ahead of schedule  
and is now complete*



# Stage 2 – Decentralisation / radical autonomy

## Head Office



**Ashona Kooblall**  
Group CFO

## iOCO South Africa



**CE: Conrad Blignaut**  
Intelligent Technology  
Solution (ITS)



**CE: Beavin de Kock**  
Digital



**CE: Dion Govender**  
Connected Industrial  
Ecosystems (CIE)



**CE: Clydie Cronje**  
Outsourced Knowledge  
Solutions (OKS)

## iOCO International



**CE: Essam Elbadri**  
Middle East



**CE: Richard Vester**  
Global Cloud and UK

**Core team in place to spearhead growth, drive high performance and a next level work ethic**

**Reset strategy focused on organic growth, market expansion and targeted acquisitions**

**Business growth levers identified and harnessed – 2025 will form the base for scale and growth**

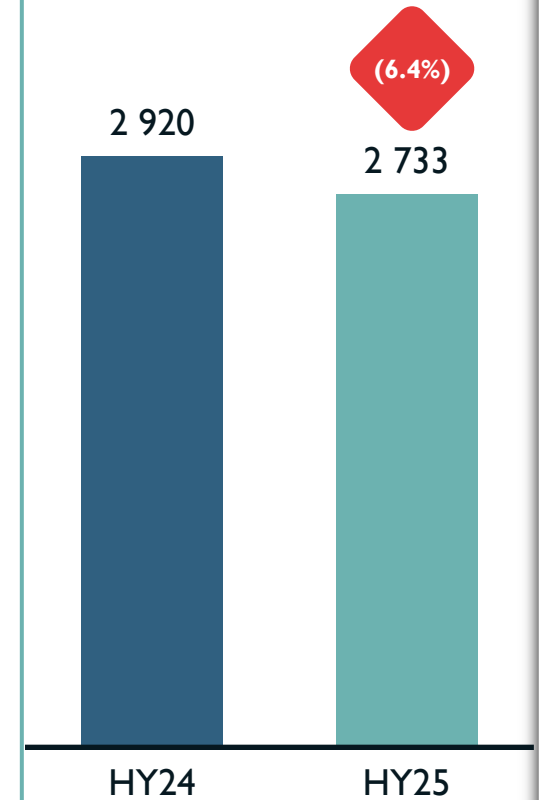
**Redefined leadership incentive models to drive growth**

# Revenue – Half year overview

6.4% revenue decline driven by

- 1 Lost contracts from the prior year
- 2 Lower contribution from public sector
- 3 Reduction in hardware sales due to reduce fiscal spend
- 4 Impact of IFRS Accounting

**FY25 will form the basis for revenue growth from FY26 onwards**



# Early signs of strategy working – new wins

## CIE – R72m

Oil and Gas pipeline automation  
Critical OT information infrastructure  
Clean power and monitoring systems  
Mining software subscriptions  
Operational technology software  
Road authority asset management software  
Gold mining operational tech  
Retailer UPS maintenance

## ITS – R354m

Core Mainframe Partner  
Infrastructure & Storage Modernisation  
Virtualisation Solutions Partner  
Infrastructure Management Services  
Hybrid Enterprise Application Platform Partner  
Digital Workplace Enablement  
ERP Implementation Projects  
Virtualisation Solutions Partner (Nutanix)  
Hybrid Cloud Solutions

## INTERNATIONAL – R91m

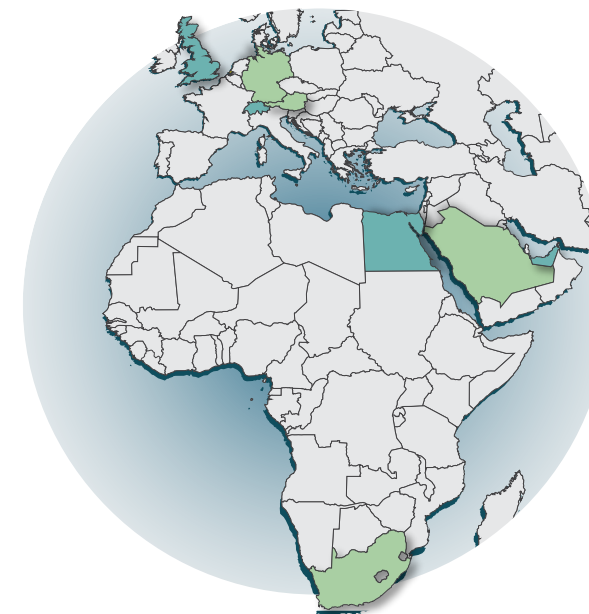
Software  
Cloud platforms  
Software as a service platform  
Own-IP  
Open text  
Custom development

## OKS – R15m

Training services  
Human capital management  
Temporary employment services  
Forensic services  
Legal services

## DIGITAL – R142m

Agricultural management application  
AI solution  
Banking cyber security software  
Digital security solutions  
Development services  
Social security licenses  
Cross border payments application  
Software  
Private wealth testing services  
Resource managed services



# Outlook

## Strategic inputs

Utilise  
own IP

High  
performance  
culture

Strategic  
alliances

## KEY ENABLERS

### INTERNAL LEVERS

#### Growth

- ▶ Grow market share and public sector
- ▶ Improve cross-sell capability
- ▶ Grow international footprint
- ▶ Increase annuity revenue
- ▶ Aggressively sell own IP
- ▶ Conclude key strategic acquisitions
- ▶ Develop business growth partner strategy

#### Efficiency

- ▶ Improve service delivery
- ▶ Working capital optimisation
- ▶ Improve productivity through digitalisation
- ▶ Remove cost duplication
- ▶ Collapse legal entities not required
- ▶ Streamline value chains

#### Talent

- ▶ Develop our technical expertise
- ▶ Improve the employee experience

Front-end  
investment

Redesign  
organisation

Acquisition  
capital



# Stage 3 - Capital and resource allocation

## HI FY25 improvement

- **R302 million** cash generated from operations, driven by strong EBITDA cash conversion and a fundamental working capital correction
- Reduction in costly overdraft
- Overdraft effectively managed throughout the period, significantly reducing interest charges

### Interest paid on overdraft

FY24: **R22 million**

HI FY25: **R6 million**

**Reduction**  
**in interest expenses, highlighting the**  
**effective management of the overdraft**

## Capital allocation outlook

- iOCO remains committed to sustain EBITDA performance with a strong cash conversion
- Key capital allocation decision driven by reducing bank debt by year end
- Highly cash generative business provides opportunities for share buy backs and acquisitions once gearing is reduced

# Market guidance

Market guidance with  
range for full FY25 year

NET BANK DEBT:EBITDA  
1:1



Long term guidance

Double digit free cashflow per  
share growth off FY25 base

Investor day scheduled for 14 October 2025

**Thank you**

iOCO

