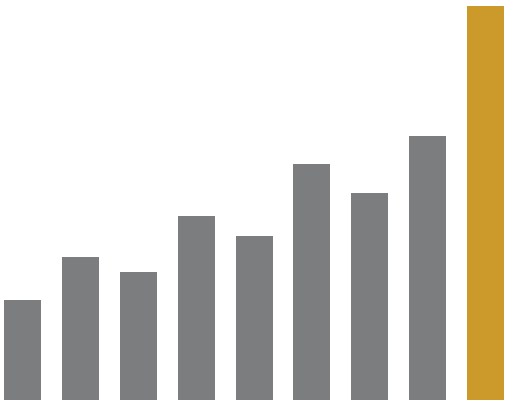
2026

INTEGRATED ANNUAL REPORT

TELE MASTERS HOLDINGS

TELE MASTERS HOLDINGS



TECHNOLOGY FOCUSED INVESTMENT COMPANY

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CORPORATE PROFILE

TeleMasters Holdings Limited ("TeleMasters" or "the Group") is a technology-focused investment group delivering integrated ICT solutions, digital infrastructure and next-generation technology services. Through its portfolio of businesses, including Catalytic Connections and Ultra DC, the Group combines connectivity, cybersecurity, cloud services, data centre infrastructure and business resilience to help organisations operate more securely, efficiently and reliably.

By leveraging the collective expertise and capabilities of its businesses, TeleMasters enables digital transformation, strengthens business continuity and creates sustainable value for customers, partners and shareholders through strategic growth and responsible investment.

OUR VISION

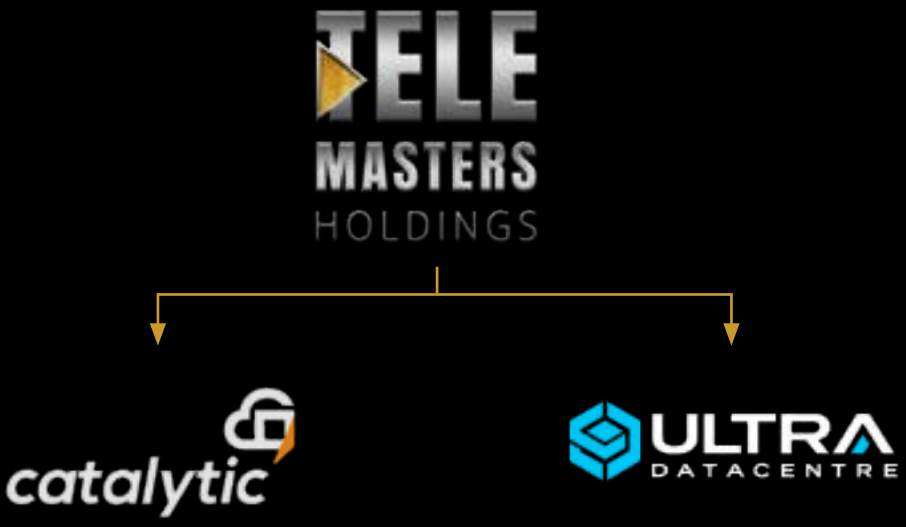
To be a trusted technology partner, enabling businesses to thrive in an increasingly connected and digital world. Through collaboration with our customers, partners and employees, we aim to deliver integrated, future-ready technology solutions that enhance customer experience, strengthen resilience and create lasting value.

OUR MISSION

Our mission is to build long-term partnerships by delivering reliable, tailored ICT solutions and digital infrastructure that address the evolving needs of our customers. By combining technical expertise, dependable connectivity, secure technology services and resilient data centre capabilities, we help organisations improve operational efficiency, enhance productivity, manage risk and optimise costs.

Through a customer-centric approach, dedicated service teams and a commitment to continuous innovation, we strive to deliver measurable value to businesses across industries and geographical locations.

The Group consists of the following entities:



Catalytic Connections (“Catalytic”) is a customer-centric ICT solutions provider specialising in cybersecurity, cloud solutions and managed services that enable businesses to operate securely, efficiently and with confidence. We help organisations navigate an increasingly complex digital landscape through tailored technology solutions that protect critical business assets, strengthen cyber resilience and support digital transformation.

Our solutions span cybersecurity, cloud services, cloud communications, connectivity and managed IT services, providing customers with the expertise and support of a trusted technology partner. By taking a proactive, integrated approach to technology management, we help businesses reduce risk, improve operational efficiency and build a secure, resilient foundation for sustainable growth.

At Catalytic, however, technology is only part of the solution. We believe that successful businesses are built on strong relationships, meaningful communication and trust. Our approach combines technical expertise with a genuine understanding of our customers' needs, ensuring that the technology we deliver serves a greater purpose: empowering people, enabling productivity and creating better business outcomes.

At Catalytic, we secure your technology, strengthen your resilience and enable your business to thrive in a connected, digital world.



Ultra Datacentre ("Ultra DC"), situated in Gauteng, South Africa, is a specialised data centre operator delivering secure, resilient and scalable colocation solutions. As a vendor and carrier-neutral facility, Ultra DC provides flexible infrastructure for enterprise, cloud, telecommunications, hyperscale, AI and high-performance computing workloads.

The facility offers intelligent rack infrastructure, secure physical environments, connectivity flexibility and substantial, scalable power capacity. Its strategic location supports both primary hosting and disaster recovery requirements, while its focus on operational resilience, monitoring and infrastructure reliability ensures support for mission-critical customer environments.

With its high-security, bunker-type building, which was previously designated as a National Key Point, and ongoing expansion plans, Ultra DC is positioning itself to accommodate increasing power densities, advanced cooling technologies and next-generation computing demands, providing customers with a scalable infrastructure partner for long-term growth.



CHAIRMAN AND CEO STATEMENT 2026



Pretorius, Mario Brönn
Chairman



Voigt, Jaco-Muller
Chief Executive Officer

Highlights of the Year

Last year we wrote that the groundwork we were laying would bear fruit by June. It has. For the year ended 30 June 2026, headline earnings per share rose to 4.69 cents from 1.08 cents, operating profit almost quadrupled to R4.1 million, and the Board declared five dividends totalling 1.0 cent per share, against three dividends totalling 0.3 cents last year.

None of this happened by accident. The market we operate in has not become any easier. South Africa's B2B technology sector remains crowded, technology itself remains commoditised, and business confidence still moves with every shift in the economy and the exchange rate. What changed is us. We simplified the Group, we sharpened our focus on recurring revenue, and we held the line on costs while the top line grew.

The most important decision of the past year was a structural one. As at 30 June 2025, the businesses of Contineo and PerfectWorx were combined into Catalytic. This year was the first full year in which our ICT Managed Solutions business operated as one company, under one brand, with one set of customers and one team. The results speak to the value of that simplicity.

At the core of our confidence is still something quite simple: we understand what customers need. They want simplicity, accountability and a partner they can trust. A single Catalytic, backed by Ultra Datacentre, lets us deliver exactly that.

Key measure	2026	2025	Change
Revenue (R million)	69.8	64.5	+8.2%
Gross profit (R million)	37.3	33.3	+11.8%
Gross profit margin	53.4%	51.7%	+1.7 pts
EBITDA (R million)	8.7	6.9	+26.3%
Operating profit (R million)	4.1	1.1	+269%
Headline earnings per share (cents)	4.69	1.08	+334%
Dividends declared per share (cents)	1.00	0.30	+233%
Cash and cash equivalents (R million)	7.7	7.2	+6.7%



Commentary on Operating Results

We continue to measure ourselves on the numbers that matter: recurring revenue, gross margin and cash. On all three, the business is in a stronger position than a year ago.

Revenue grew 8.2% to R69.8 million. More importantly, its quality improved. Services revenue, which is billed monthly and recognised over time, rose 10.2% to R67.3 million and now makes up 96% of Group revenue. Connection fees, the heart of our managed connectivity offering, grew 13.9% to R41.3 million. Data centre service fees grew 12.1% to R10.0 million. As expected, once-off equipment sales and data and airtime revenue declined, as we deliberately steer customers toward managed, contracted services.

Gross profit rose 11.8% to R37.3 million, and the gross margin improved from 51.7% to 53.4%. This is the clearest sign that the combination of our ICT businesses is working: one company buys better, sells more coherently and carries less duplication.

Financial discipline held. Other operating expenses rose by only 0.3% to R33.0 million. Because most of the gross profit growth flowed through to the bottom line, EBITDA rose 26.3% to R8.7 million and profit before tax increased to R3.2 million from R0.3 million. Profit attributable to shareholders was R2.6 million, up from R0.5 million.

Cash generated from operations was R5.6 million, down from R9.6 million last year. The difference is timing rather than trading: trade receivables increased by R2.0 million on the back of higher billing, and we paid down R1.6 million of trade payables. We continued to invest in our network and data centre, spending R4.0 million on property, plant and equipment, and we closed the year with R7.7 million in cash, R0.5 million more than we started with.

The Group's balance sheet remains sound. Total equity grew to R39.3 million, and borrowings of R8.1 million are modest relative to the earnings and cash the business now generates. During the year a subsidiary also repurchased 49 450 TeleMasters shares at an average of 98.87 cents per share.

Our Businesses

The Group now operates through two businesses, each reported as its own segment, each with a clear role.

Catalytic is focused on delivering an integrated Cloud and Cybersecurity strategy that enables businesses to operate securely, efficiently and with confidence. Through tailored cloud solutions, advanced cybersecurity and managed services, the business aims to strengthen cyber resilience, safeguard critical data and support business continuity. The focus for the coming year is to expand these capabilities across the existing customer base, deepen customer relationships and drive sustainable growth. The Group's ICT segment achieved revenue growth of 7.5% to R59.8 million and EBITDA of R6.6 million, while Catalytic Connections returned to a profit before tax of R0.2 million from a loss of R0.7 million.

Ultra Datacentre is strategically positioned to support the growing demand for secure, resilient and scalable data infrastructure. Its ultra-secure facility, location outside the main metropolitan data centre cluster, and substantial scalable power capacity provide a strong foundation for primary hosting, disaster recovery and business continuity. With infrastructure designed to accommodate evolving technology requirements, Ultra Datacentre is well positioned to support future growth, including the increasing power demands of AI and other data-intensive workloads.

Future Outlook

In a mature, crowded market, standing still is not an option. This year proved that our Connected ICT Services strategy works. The next step is to scale it. Our priorities for the 2027 financial year are clear:

- **Grow recurring revenue.** Sell the full Catalytic suite of connectivity, voice, collaboration, cloud and security into our existing customer base, and keep moving customers from once-off purchases to managed contracts.
- **Fill Ultra Datacentre.** Convert the capacity we have built into contracted revenue, and develop the partnerships that will let South African businesses test and grow AI capability on our infrastructure.
- **Convert profit into cash.** Tighten collections so that the growth in billing shows up in operating cash flow.
- **Keep costs disciplined.** Protect the operating leverage that turned an 8% revenue increase into a near fourfold increase in operating profit.
- **Reward shareholders.** Continue to consider dividends quarterly, guided by our reserves and the cash the business generates.

The Board and leadership team remained unchanged through the year, which gave the business the stability it needed to complete the integration. We have a young, driven team that has bought into the vision, and we are confident in where it is taking us.

Looking Ahead

In the end, nothing happens without trust.

To our customers: thank you for trusting us with your business through a year of change. We remain committed to strengthening these relationships and delivering technology solutions that create meaningful value.

To our team: your hard work, passion and dedication have been instrumental in achieving this year's results. Your commitment to the vision and ability to turn strategy into action continue to drive our progress.

As we look ahead, we remain focused on building a stronger, more integrated business, pursuing new opportunities for growth and delivering sustainable value.

The Board acknowledges its responsibility for the integrity of this Integrated Annual Report. The Directors, supported by the Audit and Risk Committee, have applied their collective mind to its preparation and presentation. The Board believes the report presents the material matters fairly and gives a balanced account of the Group's performance and prospects. The Board approved this Integrated Annual Report on 2 November 2026 and signed it on its behalf.



Pretorius, Mario Brönn

Chairman



Voigt, Jaco-Muller

Chief Executive Officer

THE BOARD



Mr Jaco-Muller Voigt
Chief Executive Officer



Mr Mario Brönn Pretorius
Non-Executive Chairman



Advocate Brandon Rodney Topham
Chief Financial Officer



Ms Michelle Julie Krastanov
Independent Non-Executive



Advocate Miller Moela
Independent Lead
Non-Executive Director

DIRECTORS' PROFILES

Mr Mario Brönn Pretorius
Non-Executive Chairman (69)

Mario matriculated at Afrikaans Hoër Seunskool, Pretoria in 1974 and obtained a Bachelor of Commerce degree in 1979 from the University of Potchefstroom. His early career exposed him to the international business world and he held marketing positions in Oslo, Norway, and in Ann Arbor, Michigan, in the United States of America.

In 1984 Mario obtained his Master of Business Administration from the University of Cape Town. In corporate life he spearheaded the listing of Aida Holdings Limited in 1987 and later served as a Non-Executive Director of Nimbus Holdings Limited in 1989. In 1991, he changed track from Managing Director to entrepreneur.

Mario has established various successful enterprises in legal services, telecommunications, real estate development and farming and successfully completed several management buy-outs in the mining supply and engineering sectors. He holds several professional short course qualifications and acts as Chairman of six companies and Chief Executive Officer ("CEO") of three other companies. In his spare time, he is an author of non-fiction books, providing insight into the corporate world.

As founder and former CEO of TeleMasters, Mario remains committed to expanding the scope and success of the Group.

Mr Jaco-Muller Voigt
Chief Executive Officer (52)

In 1996, Jaco earned a Bachelor of Social Sciences degree from the University of the Orange Free State. His professional journey began in 1998 when he joined DataPro in the communications industry. Over the years, he has held various management roles within the organisation which culminated in his role as a co-founder and Managing Director of Vox Telecom.

In 2007, Jaco decided to venture into entrepreneurship and founded PerfectWorx Consulting, a specialised consulting firm offering professional services to entities entering the Next Generation Network arena. PerfectWorx Consulting built a diverse client base in the telecommunications industry, including established operators and VANS operators.

In 2010, Jaco embarked on a new endeavour by launching Contineo Virtual Communications, a wholesale cloud communications provider. What initially began as a virtual PABX service evolved into a comprehensive unified communications platform, empowering businesses to efficiently manage and exchange various forms of information among mobile employees, virtual teams and geographically dispersed customers.

In 2020, both PerfectWorx and Contineo found a new home under the umbrella of TeleMasters through the acquisition of the two businesses. From 30 June 2025, the two businesses were combined into Catalytic Connections.

Jaco joined the TeleMasters Board on 12 May 2008. He assumed the role of CEO at TeleMasters on 1 January 2018 and leads the Group in the next phase of its development.

DIRECTORS' PROFILES (CONTINUED)

Advocate Brandon Rodney Topham
Chief Financial Officer (55)

Brandon served as an Executive Director and later as a Non-Executive Director for TeleMasters from February 2006 to January 2019 when he left to join the Financial Sector Conduct Authority as Divisional Executive for Enforcement. He rejoined the Board in June 2023.". He is an accomplished business executive with considerable local and international experience in forensic accounting, financial services, corporate governance, finance and commercial law.

Brandon is an experienced forensic accountant, having performed work in most industries in many areas of financial misconduct. He is a qualified Chartered Accountant in South Africa and in England & Wales, and an Admitted Advocate of the High Court of South Africa as well as a non-practising member on the roll of the Solicitors Regulation Authority of England & Wales. He holds the B.Proc, LLB, B.Compt, B.Compt (Hons), LLM and MBA degrees, among other qualifications.

He has held a number of leadership and advisory positions, including as Associate Professor of Practice at North-West University's business school.

Ms Michelle Julie Krastanov
Independent Non-Executive (60)

Michelle holds a B.Com and B.Acc from the University of the Witwatersrand, is a Chartered Accountant (SA) and JSE Approved Executive. Michelle joined Price Waterhouse (now PwC South Africa) in 1987 and completed her articles in January 1990. She was an Assistant Manager and Manager until early 1994 when she joined Kingfisher Finance International, a joint venture between Management and FirstCorp Merchant Bank. After the restructuring of FirstCorp Merchant Bank, Michelle formed a new entity, Kingfisher Corporate & Executive ("Kingfisher"), in January 1996 to retain employees and continue the business. Kingfisher focused primarily on corporate finance and JSE Listings for almost six years.

In October 2001, Michelle joined the Arcay group of companies to establish and manage the JSE sponsor business, becoming a shareholder in 2002 and thereafter growing the client base over the past 25 years. The sponsor business was acquired from the Arcay group through a management buyout in 2013 and has expanded into a corporate finance boutique, also handling listings on the Cape Town Stock Exchange and A2X markets. Michelle manages the sponsor business, acquiring full ownership in October 2019 and rebranded the company to AcaciaCap Advisors. She also runs a separate company secretarial business offering outsourced company secretarial services, primarily to listed companies.

Michelle has served on a number of listed company boards and audit and risk committees during her career. She has a sophisticated understanding of JSE Listings Requirements, IFRS and the Companies Act as well as extensive professional experience with deal structuring and business.

The Board considered her relationship with AcaciaCap Advisors, the Company's Designated Advisor, and is satisfied that she remains independent.

Michelle is the chair of the Audit and Risk Committee.

Advocate Miller Moela
Lead Independent Non-Executive (65)

Miller is an admitted Advocate of the High Court of South Africa. He holds a B.Com (Law), an LLB and a Postgraduate Diploma in Company Law. He was a Director and former shareholder of Arbor Capital Sponsors for a number of years until its restructure in 2017.

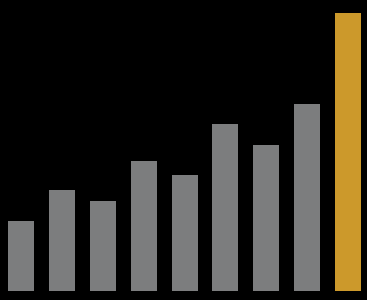
Miller worked in various roles, including the Listings Division of the Johannesburg Stock Exchange, for over 19 years, following which he left to join LPC Manhattan Moela, a JSE Sponsor and Designated Advisor, until the merger into Arcay Moela Sponsors in 2008, which later became Arbor Capital Sponsors. He has been involved in a number of listings on the JSE and has good knowledge of the JSE Listings Requirements.

He has held various Independent Non-Executive Director positions for a number of listed companies and is the Chair of the Social and Ethics Committee.

CORPORATE GOVERNANCE REPORT

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CORPORATE GOVERNANCE REPORT

The Board hereby confirms its commitment to the principles of integrity, competence, fairness, accountability, responsibility and transparency. Through this process, Shareholders and other stakeholders may derive assurance that the Group is being managed ethically in accordance with prudently determined risk parameters and in compliance with generally accepted corporate governance practices. The Board has examined the principles and practices of the King IV Code as well as the JSE Listings Requirements with regard to corporate governance. Due consideration has been given to the implementation of such prescriptions and guidelines within the Group. At a minimum, the Board has complied with the following:

1. Composition and Independence of the Board

The Directors bring a high standard of conduct and a wide range of experience, diversity, insight and independence of judgment on issues of strategy, performance and resources to the Board.

The Group has a unitary Board structure that operates under the guidance of the Non-Executive Chairman. The roles of Chairman and CEO are separated. The Board currently consists of three Non-Executive Directors and two Executive Directors. The Non-Executive Directors are not appointed under service contracts. Two of the three Non-Executive Directors are Independent.

The Directors' terms in office are as follows:

Director	Years on the Board
Pretorius, Mario Brönn – Non-Executive	18.5 years
Voigt, Jaco-Muller – Executive	18 years
Topham, Brandon Rodney – Executive	3 years
Krastanov, Michelle Julie - Non-Executive, Independent	3 years
Moela, Miller – Non-Executive, Independent	2 years

Due to the required rotation of Directors, Miller Moela will retire as a Director and will offer himself for re-election at the Annual General Meeting of Shareholders. His curriculum vitae is set out under the Directors' Profiles section of this report.

The Directors' remuneration is not linked to the Group's financial performance.

At each Board meeting, any interests that a Director may have on any matters on the meeting agenda are disclosed prior to the commencement of the meeting in accordance with section 75 of the Companies Act, No. 71 of 2008, as amended ("Companies Act"). All Directors are aware of their duty to make full disclosure of any interests and if there are any conflicts of interest, the Director concerned is recused from the meeting and does not participate in the decision making on the matter in which he or she has an interest.

Board meetings are attended by a representative of the Company's Designated Advisor, normally Mr Willie Snyman, in accordance with the JSE Listings Requirements for companies listed on the Alternative Exchange of the Johannesburg Stock Exchange ("AltX").

The Board meets quarterly. Directors are properly briefed in respect of special business prior to Board meetings and information is timeously provided to enable them to consider all the issues being dealt with. Directors make further enquiries where necessary.

The attendance of Directors at Board meetings during the year under review, considering their dates of appointment and/or resignation, was as follows:

Name	# of meetings	# of meetings attended
Pretorius, Mario Brönn	4	4
Voigt, Jaco-Muller	4	4
Krastanov, Michelle Julie	4	4
Moela, Miller	4	4
Topham, Brandon Rodney	4	4



CORPORATE GOVERNANCE REPORT (CONTINUED)

1.1. Chairman of the Board

The Chairman is a Non-Executive Director, the founder and former CEO of the Company. The Chairman is a member of the Audit and Risk Committee, although he does not chair the Audit and Risk Committee and was appointed as the Chairman of the Remuneration Committee towards the end of the 2024 financial year.

The roles and responsibilities of the Chairman include:

- Setting the ethical tone for the Board and the Group;
- Providing overall leadership to the Board;
- Managing relationships with Shareholders and stakeholders for trust and confidence;
- Meeting with the CEO and/or CFO and/or Company Secretary before Board meetings to discuss important issues and agree on the agenda, as required;
- Setting the agenda for Board meetings;
- Ensuring that complete, timely, relevant and accurate information is placed before the Board for informed decisions;
- Presiding over and ensuring productive Board meetings;
- Presiding over Shareholders' meetings;
- Formulating a work plan for the Board against its set objectives;
- Ensuring that the Board's decisions are executed;
- Managing Directors' conflicts of interest by ensuring Directors recuse themselves from voting on matters on which they have declared an interest;
- Ensuring the independence of the Independent Non-Executive Directors is evaluated annually;
- Acting as the link between the Board, the CEO and Management;
- Mentoring, developing and encouraging the Directors;
- Ensuring that a formal performance evaluation of the Board, the Directors and Board Committees is conducted biennially;
- Identifying the training needs of the Directors;
- Adopting a programme of continuing professional education of the Directors;
- Identifying and participating in the selection of the Board members;
- Overseeing the succession plan for the Board and senior management; and
- Recommending the removal of non-performing or unsuitable Directors.

1.2. Chief Executive Officer

The CEO is appointed by the Board. The CEO has the ultimate responsibility for all management functions but may delegate these to management team members. The CEO is not a member of the Remuneration Committee or Audit and Risk Committee, but is invited to attend the meetings of these Committees.

The roles and responsibilities of the CEO include:

- Establishing the organisational structure for the Group;
- Recommending or appointing the executive team;
- Organising succession planning for the executive team;
- Conducting performance appraisals for the executive team;
- Developing the Group's strategy over the short and long term for approval by the Board;
- Developing and recommending business plans and budgets;
- Monitoring and reporting on the Group's performance to the Board;
- Monitoring and reporting on the Group's compliance with laws and corporate governance to the Board; and
- Creating a corporate culture that promotes sustainable ethical practices, encourages integrity and fulfils the Group's social responsibility.

CORPORATE GOVERNANCE REPORT (CONTINUED)

2. Appointment and Re-election of the Board

Directors are appointed based on the needs of the Group and the nature of its business and to ensure diversity in terms of qualifications, technical expertise, industry knowledge, experience, nationality, age, culture, race and gender.

The size of the Group does not, at this point in time, warrant the establishment of a Nominations Committee and this function is handled by the Board as a whole.

The following procedures are followed regarding any changes to the Board:

- A Search Committee is formed to consider filling any vacancies on the Board and any Board Committees, unless this function is handled by the Board itself;
- The Search Committee undertakes a needs assessment and formulates a position description to be agreed by the Board;
- The Search Committee undertakes a search for suitable candidates to serve on the Board and/or any Board Committees, ensuring that any such candidates meet the Companies Act provisions;
- The Search Committee evaluates candidates identified through such search process;
- The Search Committee makes recommendations to the Board regarding the filling of any vacancy on the Board and / or any Board Committees;
- Any new appointment is considered by the Board as a whole; and
- The Company Secretary ensures that every new Director satisfies the JSE AltX Requirements for Directors, including completion of the JSE Directors Induction Programme, as well as relevant Companies Act provisions, and provides every new Director with an induction session to ensure that every new Board member understands the Group, the business environment and their role and responsibilities as a Director of the Company.

All of the Directors have completed the JSE Induction Programme and otherwise satisfy the requirements of the Companies Act to serve as a Director of the Company.

3. Roles and Functions of the Board

The Memorandum of Incorporation of the Company ("MOI") sets out the Directors' powers and conditions of appointment. The day-to-day management of the Group is vested in the Executive Directors.

The Board's main responsibilities include:

- Setting and monitoring strategy and operations based on the economic, social and environmental sustainability of the Group over the short and long-term;
- Aligning Group strategy and performance with the interests and expectations of Shareholders;
- Establishing a proper corporate governance framework;
- Setting the ethical foundation for the Group through setting and adhering to a Code of Conduct;
- Examining opportunities and implementing measures to ensure that all opportunities are appropriately evaluated;
- Maintaining governance of risk;
- Maintaining governance of information and communications technologies ("ICT");
- Establishing a framework for the delegation of authority;
- Setting a formal process for the appointment of Directors;
- Appointing a competent, suitably qualified and experienced Company Secretary;
- Establishing an effective and independent Audit and Risk Committee and approving its charter, agenda and work plan;
- Establishing a Remuneration Committee to ensure that Directors and executives are remunerated fairly and responsibly;
- Ensuring that the Group complies with all applicable laws and considers adherence to rules, codes and standards;
- Ensuring the integrity of the Group's Integrated Annual Report; and
- Reporting on the effectiveness of the Group's system of internal controls.

Two of the Board members are involved in the Group's operations daily. While retaining overall accountability and subject to matters reserved to itself, the Board has delegated authority to run the Group's day-to-day affairs to the CEO.

Directors all have unfettered access to the Company Secretary. Directors are entitled to ask questions of any personnel and have unrestricted access to all Company documentation, information and property.

CORPORATE GOVERNANCE REPORT (CONTINUED)

4. Board Committees

The Board has the following three standing committees through which it executes some of its duties: Audit and Risk Committee, Remuneration Committee and Social and Ethics Committee.

4.1. Audit and Risk Committee

The Board has established an Audit and Risk Committee as part of the Board's commitment to ensure a sound system of internal controls to safeguard stakeholders' interests and the Group's assets. The terms and functioning of this Committee are fully set out in the Audit and Risk Committee report included in the Consolidated Annual Financial Statements ("AFS").

For the year under review, the Audit and Risk Committee consisted of three Non-Executive Directors, the majority of whom are independent. The Chief Financial Officer ("CFO"), all other Directors of the Company, the External Audit Partner and a representative of the Company's Designated Advisor are invited to attend all meetings but have no votes. All of the members of the Committee are financially literate.

Mr MB Pretorius brings invaluable industry-specific expertise, institutional knowledge and strategic oversight that outweighs his lack of formal independence. The Board believes his presence is critical to the Committee's effectiveness, and his non-executive status ensures he maintains an objective oversight role. The Board confirms that Mr Pretorius has not been involved in the day-to-day management of the Company's business during the past three financial years, nor was he an executive officer, full-time employee or prescribed officer of the Company or a related or inter-related company during the past three financial years.

This is a departure from King IV, which recommends that all members of the Audit and Risk Committee be independent Non-Executive Directors.

The Audit and Risk Committee convened on various occasions during the financial period under review as set out in the Audit and Risk Committee report included in the Consolidated Annual Financial Statements. The members of the Audit and Risk Committee met with the External Auditors and Executive Directors following completion of the audit for the year ended 30 June 2026.

The primary objective of the Audit and Risk Committee is to promote the overall effectiveness of corporate governance within the Group and includes:

- Ensuring the integrity of the Group's Integrated Annual Report, accounting and financial reporting systems;
- Ensuring compliance with applicable legislation and the requirements of regulatory authorities;
- Reviewing financial reports such as the Consolidated Annual Financial Statements, interim results announcements, integrated information, price-sensitive financial information, trading statements and circulars;
- Evaluating significant judgments and reporting decisions, including changes in accounting policies, significant unusual items and materiality;
- Recommending the Consolidated Annual Financial Statements and interim Financial Statements to the Board for approval;
- Reviewing the statement on going concern after taking into consideration the Group's future working capital requirements;
- Reviewing forecasts;
- Reporting on sustainability issues;
- Performing an annual review of the expertise, resources and experience of the Group's finance function including the CFO;
- Monitoring all contracts entered into by the Group in which any of the Directors are either beneficially or indirectly beneficially interested to ensure that all such contracts are fair and reasonable and in the best interest of the Group;
- Nominating for approval by Shareholders the appointment or re-appointment of the External Auditors and designated External Audit Partner who is independent of the Group;
- Approving the External Auditors' terms of engagement;
- Approving the External Auditor's remuneration;
- Reviewing, monitoring and reporting on the independence and objectivity of the External Auditors;
- Assessing the effectiveness of the external audit process annually;
- Defining a policy for the nature, extent and terms of non-audit services that may be performed by the external auditors for approval by the Board;
- Handling disagreements between management and the External Auditors;
- Engaging External Auditors to provide an assurance report on any summarised financial information;
- Addressing concerns raised by the External Auditors;
- Receiving notice of reportable irregularities in terms of the Auditing Profession Act, No. 26 of 2005 from the External Auditors;
- Advising on monitoring or enforcement actions against the Group;
- Ensuring that the appropriate systems are in place for monitoring risk, financial control and compliance with the law and codes of conduct;

- Performing an annual review of the design, implementation and effectiveness of internal financial controls;
- Reviewing arrangements made by the Group for "whistle blowing";
- Approving amendments to the Group's Code of Conduct;
- Reporting to Shareholders at the Annual General Meeting and internally to the Board on how the Audit and Risk Committee carried out its functions;
- Reviewing the external audit and commenting on the Consolidated Annual Financial Statements, policies and internal control;
- Ensuring compliance with the King IV Report on Corporate Governance and compliance with the Group's Code of Ethics;
- Reviewing the Group's top risk and mitigation strategies;
- Reviewing the Group's directors' and officers' liability insurance; and
- Seeking confirmation from management regarding the Group's IT infrastructure and that it adequately supports the sustainability and performance objectives of the Group.

The Audit and Risk Committee has explicit authority to investigate any matter under its terms of reference and has access to all the resources and information it requires in order to act on this authority.

The Audit and Risk Committee had four scheduled meetings during the period under review. The attendance of Committee members and invitees at the Audit and Risk Committee meetings during the year, taking into account their dates of appointment or resignation, was as follows:

Name	# of meetings	# of meetings attended
Krastanov, Michelle Julie (Chairman)	4	4
Pretorius, Mario Brönn	4	4
Moela, Miller	4	4
Voigt, Jaco-Muller (By invitation)	4	4
Topham, Brandon Rodney (By Invitation)	4	4



4.2. Remuneration Committee

The Remuneration Committee consists of three Non-Executive Directors, two of whom are independent. Mr MB Pretorius, the Chairman of the Board, chairs the Committee.

This is a departure from King IV, which recommends that an independent Non-Executive Director chairs the Remuneration Committee. The Board believes Mr Pretorius's knowledge of the Group and its people makes him best placed to chair the Committee, and two of its three members are independent.

The Remuneration Committee met twice during the period under review. The attendance of Committee members at the Remuneration Committee meetings during the year, taking into account their dates of appointment and / or resignation, was as follows:

Name	# of meetings	# of meetings attended
Pretorius, Mario Brönn (Chairman)	2	2
Krastanov, Michelle Julie	2	2
Moela, Miller	2	2

The primary objective of the Remuneration Committee is to set the remuneration of the Directors of the Company, including:

- Reviewing the Group's remuneration philosophy which dictates the remuneration policy;
- Considering the remuneration parameters for the CEO and Executive Directors;
- Reviewing proposed benefits to ensure that they are justified, correctly valued, and properly disclosed;
- Reviewing the recommendations of management on fee proposals for the Chairman and Non-Executive Directors and determining, in conjunction with the Board, the final proposals to be submitted to Shareholders for approval at the Annual General Meeting; and
- Ensuring proper disclosure of the remuneration of each individual Director and certain senior executives.

Remuneration Report

Background Statement

At the Annual General Meeting held on 19 February 2026, shareholders endorsed the Remuneration Policy and the Implementation Report. Both votes exceeded 75%, so the Board did not need to engage with dissenting shareholders. The Committee is satisfied that the Remuneration Policy met its objectives during the year. The Group retained its executive team and key staff, and the Board and senior management did not change.

Governance and the Remuneration Committee

Sections 30A and 30B of the Companies Act came into force on 22 May 2026. The Remuneration Policy is now tabled for approval by ordinary resolution at least every three years, or sooner if it changes materially. The Remuneration Report, including the implementation report, is tabled for approval by ordinary resolution at every Annual General Meeting. Both votes are binding. Non-Executive Directors' fees are approved separately by special resolution under section 66(9) of the Companies Act. Shareholders approved the current fees at the Annual General Meeting held on 19 February 2026 for the year commencing 1 July 2025. The fees payable from 1 July 2026 are tabled as Special Resolution 1 in the notice of this Annual General Meeting.

During the year the Remuneration Committee kept management and staff bonuses under review. Profitability improved in FY2026, but the Committee decided to keep bonuses deferred. It will reconsider them in FY2027.

Remuneration Policy

The Remuneration Policy of the Group is guided by the following principles:

- Directors' Remuneration: Remuneration for Directors is determined on a cost-to-company basis. Non-Executive Directors receive a fee, while Executive Directors receive a basic salary and certain fringe benefits. The amounts are based on each Director's level of responsibility and day-to-day activities. These packages are not tied to the Group's performance, and the Group does not operate a share incentive scheme.
- Contracts: The contracts do not allow for balloon payments upon termination or severance compensation due to any change in control.
- Fair and Equitable Salaries: Salaries are competitive, fair and benchmarked against comparable roles in the industry. Individual performance is reviewed annually and informs salary adjustments.
- Performance Payments: The Group has no short-term or long-term incentive scheme. Any discretionary bonus needs Remuneration Committee approval and is disclosed in the implementation report.
- Evaluation and Decision-Making: No individual, regardless of their position, is present when their performance is evaluated or their remuneration is discussed.
- Non-Discrimination: Remuneration decisions are made without discrimination of any kind.
- Executive Remuneration: Executive director remuneration is approved directly by the Remuneration Committee.

Implementation report: The remuneration of each Executive Director and prescribed officer and the fees of each Non-Executive Director is set out in Note 27 of the Consolidated Annual Financial Statements forming part of this report.

No Non-Executive Director received fees for additional work during the year. The Group did not deviate from the Remuneration Policy during the year.

Remuneration gap

Section 30B of the Companies Act requires the disclosures below for the year ended 30 June 2026. "Employee" has the meaning given in section 213 of the Labour Relations Act. Total remuneration includes salary, benefits, employer contributions to benefit funds and any incentive payments.

- Total remuneration of the highest-paid employee: R1 544 991
- Total remuneration of the lowest-paid employee: R124 270
- Average total remuneration: R514 386
- Median total remuneration: R457 204
- Remuneration gap (total remuneration of the top 5% highest-paid employees compared with the bottom 5% lowest-paid): 8.37 : 1

These figures cover the Group's 31 full-time employees at 30 June 2026, including the two Executive Directors. Total remuneration comprises salary, allowances, commission, overtime and employer contributions to medical aid and provident funds for the year. Remuneration of employees who joined during the year has been annualised. Five percent of 31 employees is 1.55, rounded to two employees in each 5% group.

4.3. Social and Ethics Committee

The Board has appointed a Social and Ethics Committee as required in terms of the Companies Act, which comprises two Non-Executive Directors and one Executive Director. The Committee has adopted a Charter and Terms of Reference to monitor Company activities with reference to the law and best practices.

The Social and Ethics Committee oversaw aspects of the company that have an impact on the environment and society and issues that can impact the company's long-term sustainability.

The Social and Ethics Committee met twice during the period under review. The attendance of Committee members at the Social and Ethics Committee meetings during the year, taking into account their dates of appointment, was as follows:

Name	# of meetings	# of meetings attended
Topham, Brandon Rodney	2	2
Krastanov, Michelle Julie	2	2
Moela, Miller (Chairman)	2	2

The Social and Ethics Committee undertook the following activities during the year under review and up to the date of this report:

- Received confirmation from management that the Group's activities are not in conflict with the United Nations Global Compact Principles;
- Oversaw review of the Group's Diversity Policy and Code of Conduct;
- Considered the Group's Black Economic Empowerment ("BEE") status in the context of the size and nature of the Group's business as well as licensing requirements, with the implementation of a 30% shareholding with the Sebenza Trust, which provides, *inter alia*, bursaries and financial support for deserving BEE students in the area of mathematics and science;
- Received feedback on the social projects undertaken by the Group and employees;
- Followed up on the awareness campaign on the functions of the Committee within the company and reported to the Board on aspects within the components of the Committee that can have a positive influence;
- The Committee reviewed the reporting on matters impacting the Committee responsibilities and will continue to enhance the provision of information, policies and monitoring to support an efficient and functional Committee;

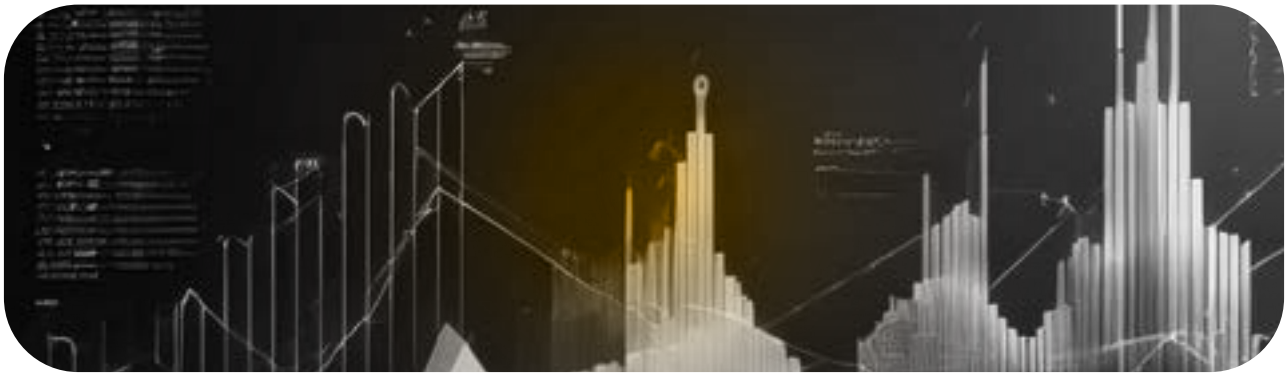
The Social and Ethics Committee confirms that:

- It has fulfilled its mandate as prescribed by the Companies Regulations to the Companies Act and there are no instances of material non-compliance to disclose; and
- To the best of its knowledge and belief, the Company continues to act in compliance with the provisions of the Companies Act, 2008 (No. 71 of 2008), its licensing requirements and in conformity with its Memorandum of Incorporation.

Attitude to Gratitude

The Group supports local organisations / charities on a regular basis. The goal is to invest our time in other people and ultimately change our attitudes to gratitude.

- We sponsor Voice and Data services to NGOs on a monthly basis.
- We supported Casual Day by buying merchandise – all proceeds went to support people with disabilities.
- We participated in Nelson Mandela Day by donating supplies and spending the day with a childcare centre.



CORPORATE GOVERNANCE REPORT (CONTINUED)

5. Risk Management

In line with the King IV Report, the Board is responsible for overall risk management within the Group. In this regard, the Board is assisted by the Audit and Risk Committee which reports to the Board. The Group, through the CEO, conducts strategic and operational risk management assessments throughout the year and the top risks and mitigation strategies are reviewed by the Audit and Risk Committee. The following material financial and non-financial risks specific to the Group have been identified:

Key Risk 1

Competitor Activity and Revenue Protection / Retention

Risk description	Risk response
Due to increased competition and low entry barriers for new entrants, pricing is becoming commoditised. Protecting and growing the Group's top-line revenue is a key success factor for building sustainable earnings growth.	The Group is committed to delivering a mix of organic growth and strategic acquisitions that fit into its overall strategy to grow the business and create and accelerate shareholder value. In this regard, the Group has implemented a service diversification strategy through its acquisition of a data centre business and undertaken a deliberate campaign to increase product offerings and cross-selling opportunities that deliver maximum solution value to customers and recurring revenue streams to the Group.

Key Risk 2

Regulatory Environment

Risk description	Risk response
A failure to achieve full compliance with regulatory requirements could expose the Group to regulatory sanctions and reputational damage. Key regulatory bodies active in the Group's business environment include but are not limited to the Independent Communications Authority of South Africa, the Information Regulator and the JSE Limited.	The Group and its subsidiaries submit reports to relevant regulators as required to comply with relevant legislation, regulations and prescriptions. The Group regularly reviews its commercial parameters and documentation with experts to ensure compliance with all of its regulatory, statutory and legal obligations. During the prior year, the Company secured a BEE 30% shareholder in the Catalytic business.

Key Risk 3

Information Security Risks and Digital Disruption

Risk description	Risk response
Cyber-attacks and hacking activities present increased and ongoing information security risks which could result in operational disruption and an inability to provide services, the exposure of clients' information, reputational damage and regulatory fines.	The Group makes extensive use of IT systems and digital technology in all areas of operations. Through services delivered by Group companies, such as cybersecurity, digital back–up solutions and disaster recovery, the Group has reduced its risk profile and exposure to such threats.

Key Risk 4

Financial Risks

Risk description	Risk response
The continued negative economic headwinds, both locally and internationally, bring increased risk to businesses including interest rate risks, liquidity, capital availability risks and cash flow risks and could have an impact on the Group's ability to maintain financial capacity to sustain and grow its business and to manage further unforeseen economic events.	Annual budgets and quarterly forecasts are prepared, and cash is managed on a weekly basis. The Group uses scenario planning as part of its strategic management process. Increased facilities were secured for expected growth at Ultra DC. A keen focus is maintained on areas within the Group's control to ensure revenue growth and cost containment. Good solid growth was experienced over the current year.

Key Risk 5

Failure of Utilities

Risk description	Risk response
The Group's business is dependent on the availability of core network assets. The inability of such assets to operate due to equipment failures caused by unreliable electricity and water supplies jeopardises the Group's ability to deliver services to its clients, earn revenue and retain customers.	The Group follows a risk mitigation strategy that assures maximum operational uptime. The Group's network architecture methodology consists of geo-redundant points of presence, independent multi-vendor failover capabilities and highly available equipment infrastructure. Quarterly workshop reviews focus on solution relevance.

Key Risk 6

Dependency on Suppliers

Risk description	Risk response
Dependency on the services provided by certain suppliers exposes the Group to various risks including susceptibility to supplier demands, product and service cost increases and the competitiveness and quality of the service offering.	The Group has strong and sustainable relationships with key suppliers which enable it to stay abreast of the latest technology advances and newest product releases. These relationships are enhanced by weekly communication with key suppliers regarding delivery commitments and the conclusion of Master Service Agreements with all suppliers.

6. Interests of Directors and Officers

The register of interests of Directors in contracts in terms of Section 75 of the Companies Act is available to members of the public on request. The interests of Directors and officers in the Group's securities as at 30 June 2026 are set out in the Directors' Report.

7. Company Secretary

The appointment and removal of the Company Secretary is a matter for the Board as a whole. The roles and responsibilities of the Company Secretary include:

- Assisting in setting the procedure for the appointment of Directors;
- Assisting in the proper induction, orientation, ongoing training and education of Directors;
- Assessing individual training needs of Directors and Executive Management in their fiduciary and governance responsibilities;
- Providing guidance on duties and responsibilities of the Board and the individual Directors;
- Providing guidance and advice to the Board on governance and legislation;
- Formulating the Board and Committee charters;
- Compiling and circulating Board packs;
- Assisting the Chairman and Committees with work plans;
- Obtaining responses and feedback on agenda items and matters arising;
- Ensuring proper recording of Board and Committee meetings and circulating the minutes timeously; and
- Assisting the Chairman with the annual evaluation of the Board, the Directors and senior management.

All Directors have access to the advice and services of the Company Secretary. The Group's Company Secretary also performs the company secretarial duties for the subsidiaries in the Group.

The Board is satisfied that Sascha Ramirez, a qualified Company Secretary, legal practitioner and admitted attorney of the High Court of South Africa, has the required skills and competencies to guide the Board on corporate governance and its legal duties. The Board is further satisfied that Ms Ramirez is independent of, and has an arm's-length relationship with, members of the Board.

8. Accounting and Auditing

The Board is committed to complying with IFRS® Accounting Standards, the Companies Act and the JSE Listings Requirements.

The External Auditors observe the highest level of business and professional ethics. The Audit and Risk Committee is satisfied that the External Auditors are independent of the Group. The External Auditors are given unrestricted access to all financial records and related data, including minutes of all meetings of Shareholders and of the Board and Board Committees. The Directors believe that all representations made to the External Auditors during their audit are valid and appropriate.

The External Auditors provide an independent assessment of systems of internal financial control to the extent necessary for the audit and express an independent opinion on whether the financial statements are fairly presented.

The External Auditors do not perform any non-audit services other than providing limited administrative tax assistance.

9. Internal Audit

The Group has not established an internal audit function to evaluate the Group's risk management, internal controls, governance processes and ethics as the Board is of the opinion that the Group is ethically and efficiently managed and that the costs of a separate internal audit function outweigh the benefits derived therefrom. Furthermore, the size of the business and the established internal control system do not warrant a full-time internal audit function. The Board will, in consultation with the Audit and Risk Committee, outsource certain work to external consultants as and when the need arises. The Board is satisfied that there is an ongoing process for identifying, evaluating and managing any significant risks.

In the absence of an internal audit function, the responsibility of monitoring risks and establishing a formal risk management policy and plan has been delegated to the Audit and Risk Committee. This Committee ensures that effective controls are in place to mitigate identified risks and ensure an effective internal control framework.

10. Stakeholder Relationships

The Board has adopted a policy of effective communication and engagement with all stakeholders. The Group seeks to provide a secure, healthy and participative social and working environment for its employees, partners, consultants and suppliers.

The Board encourages its stakeholders to attend the Group's general meetings where they will be provided with the opportunity to ask questions of the Board, the Audit and Risk Committee, the Social and Ethics Committee and the External Auditors.

CORPORATE GOVERNANCE REPORT (CONTINUED)

11. Closed and Prohibited Periods

The Company enforces a restricted period for dealing in shares in terms of which the Board disallows all Directors, employees, and other related parties from dealing in Shares from the time that the reporting period has elapsed to the time that the results are released and at any time that the Company is trading under a cautionary announcement or is considered to be in a prohibited period. A procedure for Directors to deal in Shares is in place and all affected persons have access to the Company Secretary and the Designated Advisor should they have any doubt as to whether they may trade.

The Company has an approved Share buy-back programme in place under its General Authority to repurchase shares. Shares were acquired in accordance with the rules set out in the programme during the closed period.

12. Code of Conduct

The Board subscribes to the highest level of professionalism and integrity in conducting its business and dealing with all its stakeholders.

In implementing the Group's Code of Conduct, the Board is guided by the following broad principles:

- Businesses should operate and compete in accordance with the principles of free enterprise;
- Free enterprise will be constrained by the observance of relevant legislation and generally accepted principles regarding ethical behaviour in business;
- Ethical behaviour is predicated on the concept of utmost good faith and characterised by integrity, reliability, and a commitment to avoid harm;
- Business activities will benefit all participants through a fair exchange of value or satisfaction of need; and
- Equivalent standards of ethical behaviour are expected from individuals and companies with whom business is conducted.

13. Governance of Information Technology

The Board has not adopted a formal charter and policies setting out the decision-making rights and accountability in relation to IT. During the year ended 30 June 2026, the Group established a dedicated Cyber Division ("Cyber Division") within its operational structure.

The Audit and Risk Committee has, in the absence of an IT steering committee, included IT risks and the measures to mitigate these risks as part of its risk management process and matrix. Measures have been implemented to address issues such as disaster recovery plans, privacy, cybersecurity and data protection concerns.

14. Sustainability Reporting

Our current business methodology and business offerings (ICT Solutions) remain at the leading edge of technological developments. These services ensure our long-term sustainability whilst embracing technologies which have a light environmental footprint.

The Board believes that the Group has adhered to its ethical standards during the year under review.

The overall well-being of the Group's employees is regarded as very important, and the Group encourages its employees to raise any issue with the Executive Directors.

The Group adopted a Health and Wellness policy.

The Group's office systems are aimed at reducing resource consumption over time and the Directors are continuously exploring ways in which to reduce paper, energy and water usage. The use of natural light and heating is optimised in the Group's current offices and recycling of waste is encouraged and implemented.

The Social and Ethics Committee, in collaboration with employees of the Group, continues to hold social drives to raise money for charitable events and programmes.

The Group continually reviews its sustainability practices in terms of industry best practices.

15. Transfer Office

JSE Investor Services (Pty) Limited acts as the Company's transfer secretary.

16. Designated Advisor

AcaciaCap Advisors Proprietary Limited acts as the Company's Designated Advisor in compliance with the JSE Listings Requirements.

17. Diversity Policy

The Board has adopted a diversity policy which guides the Board in filling vacancies as and when they occur. Appointments to the Board are based on levels of skill, acumen, qualifications, experience and actual or potential contributions to the Group, having due regard to employment equity, race, age, culture, gender diversity and field of knowledge. During the prior year, the Board appointed Advocate Miller Moela, being a black male with a legal background, to the Board. No new appointments were made during the year under review. The Board continues to seek ways to advance the goals of the Diversity Policy. The Board acknowledges that its current composition is not optimal in the context of this Policy, albeit improving, and continuously seeks to address this going forward.

CORPORATE GOVERNANCE REPORT (CONTINUED)

18. Application of the King IV Report on Corporate Governance for South Africa

TeleMasters Holdings Limited is a company listed on the Alternative Exchange of the Johannesburg Stock Exchange operated by the JSE Limited ("the JSE"). The Company complies with the principles of King IV and the mandatory corporate governance requirements of the JSE Listings Requirements, which stipulate that issuers must comply with certain specific requirements concerning corporate governance.

For the period ended 30 June 2026, TeleMasters applied the principles of King IV as set out below. Where its practices depart from the recommended practices, the departure and the reason for it are explained:

Leadership, Ethics and Corporate Citizenship

Principle 1

Leadership

Principle description

The Board should lead ethically and effectively.

Principle response

The Board exercises effective leadership, with each Director adhering to the duties of a Director. The Directors have the necessary competence and act ethically in discharging their responsibility to provide strategic direction and exercise control over the Company as provided for in the Board charter and MOI.

The Board Charter outlines the Board's roles and responsibilities, and the Board has adopted additional policies setting out the protocols applied on matters such as dealing with price sensitive information, Directors' dealings in the securities of the Company and declarations of conflicts of interest. Directors adhere to the Company's declarations of interest policy which is based on the requirements of the Companies Act 71 of 2008. The Board considers and takes note of the declarations of interests tabled, identifies and acts on untenable conflicts. Directors, executives and senior employees are prohibited from dealing in the Company's securities during certain prescribed periods. The Company Secretary regularly informs Directors, Executives and Senior Employees of the insider trading legislation and advises them of closed periods. A report on Directors' dealings in the Company's shares is tabled at each Board meeting and is disclosed in terms of the applicable JSE Listings Requirements.

The Group departs from the following King IV recommended practices:

- Audit and Risk Committee: Mr MB Pretorius, a Non-Executive Director who is not independent, is a member. The reasons are set out in paragraph 4.1.
- Remuneration Committee: The Committee is chaired by the Chairman of the Board, who is not independent. The reasons are set out in paragraph 4.2.
- Nominations Committee: The Board has not set up a nominations committee. Given the size of the Group, the Board as a whole performs this function.
- Internal audit: The Group has no internal audit function. Given the size of the business and its internal control system, the Board and the Audit and Risk Committee consider a separate function unwarranted. See paragraph 9 and Principle 15.
- Technology and information governance: The Board has not yet adopted a formal technology and information governance policy. It will do so in the 2027 financial year. See Principle 12.
- CEO succession: The Board has not adopted a formal CEO succession plan. The Remuneration Committee will reconsider this in the 2027 financial year. See Principle 10.

The Board is committed to driving the Group strategy and operations of the Group based on an ethical foundation.

In seeking to ensure the sustainability of the Group's business, it ensures that Directors act in the best interest of the Group and oversees the strategic direction and monitors the implementation and execution of the strategy by management to ensure accountability for the Group's performance. In adopting a risk-based approach to the Group's business, the Board considers the short- and long-term impact of the Group's operations on its stakeholders.

The Board exercises control through the governance framework of the Group which includes detailed reporting to the Board and its Committees, Board reserved decision-making authority and effective internal controls.

CORPORATE GOVERNANCE REPORT (CONTINUED)

18. Application of the King IV Report on Corporate Governance for South Africa (continued)

Principle 2

Organisational Ethics

Principle description

The Board should govern the ethics of the Group in a way that supports the establishment of an ethical culture.

Principle response

The Board has approved and oversees the Group's Code of Conduct, which is founded on the principles of responsibility, honesty, fairness, and respect. The Code of Conduct applies to all Directors, Officers, and Employees of the Group.

A whistleblowing policy is in place to enable stakeholders to report unethical conduct in a safe and confidential manner.

Principle 3

Responsible Corporate Citizenship

Principle description

The Board should ensure that the Group is and is seen to be a responsible corporate citizen.

Principle response

In accordance with its role of overseeing the Group's conduct as a good corporate citizen, the Board approves the strategy and priorities of the business, including material matters and, more specifically, those related to sustainability. Through stakeholder engagement, the Group has committed to understanding and being responsive to the interests and expectations of stakeholders.

It is a TeleMasters imperative to be a values-driven organisation and to fulfil its legal and moral obligations as a good corporate citizen. The Board, with the support of its Committees and Group Executives, oversees and monitors how the operations and activities of the Group affect its status as a responsible corporate citizen.



Strategy, Performance and Reporting

Principle 4

Strategy and Performance

Principle description

The Board should appreciate that the Group's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.

Principle response

The Board informs and approves the Group's strategy which is aligned with the purpose of the Group, the value drivers of its business and the legitimate expectations of its stakeholders and is aimed at ensuring sustainability and considers the risks facing the Group. The Board oversees and monitors, with the support of its Committees, the implementation and execution by management of the strategy and ensures that the Group accounts for its performance by, among other means, reporting and disclosure.

The Board continually monitors the risks of the Group to ensure continuity and sustainability.

Principle 5

Reporting

Principle description

The Board should ensure that reports issued by the Group enable stakeholders to make reasonable and informed assessments of the Group's performance and its short-, medium- and long-term prospects.

Principle response

The Board is responsible for the integrity of the Integrated Annual Report and the Consolidated Annual Financial Statements. The Audit and Risk Committee oversees the reporting process for the Board. It reviews the Integrated Annual Report and the Consolidated Annual Financial Statements and recommends both to the Board for approval.

Management proposes the reporting frameworks and the material matters to be reported on. The Audit and Risk Committee reviews them and the Board approves them. This report follows the Companies Act, the JSE Listings Requirements, IFRS® Accounting Standards and King IV.

Material matters are those that affect the Group's ability to create value over the short, medium and long term. Management identified them from the Group's strategy, its key risks (see Risk Management) and matters raised by customers, employees, shareholders and regulators during the year. The Board reviewed and approved them during the year.

The Board approved this Integrated Annual Report on 2 November 2026. It is published on the Company's website at www.telemasters.co.za, together with the Consolidated Annual Financial Statements, the notice of the Annual General Meeting and the Group's SENS announcements.



CORPORATE GOVERNANCE REPORT (CONTINUED)

18. Application of the King IV Report on Corporate Governance for South Africa (continued)

Governing Structures and Delegation

Principle 6

Primary Role and Responsibilities of the Board

Principle description

The Board should serve as the focal point and custodian of corporate governance in the Group.

Principle response

The Board has an approved Charter which it reviews annually. The Board Charter sets out its governance responsibilities, including its role, responsibilities, membership requirements and procedural conduct. The Board implements and monitors the governance practices within the Group.

The Board, as well as any Director or Committee, may obtain independent, external professional advice at the Group's expense concerning matters within the scope of their duties, and the Directors may request documentation from and set up meetings with management as and when required.

An appropriate governance framework and the necessary policies and processes are in place to ensure adherence to essential Group requirements and minimum governance standards. The number of Board and Board Committee meetings held during the year and Board members' attendance thereat is disclosed in the Group's Integrated Annual Report. The Board is satisfied that during the period under review, it has either fulfilled its responsibilities in accordance with its charter or explained the reasons for any deviation therefrom. As a direct Shareholder, the Company exercises its rights and is involved in the decision-making of its subsidiaries on material matters. Subsidiaries have adopted the governance framework as appropriate and have aligned it to their MOI.

Principle 7

Composition of the Board

Principle description

The Board should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.

Principle response

The majority of Shareholders believe in maintaining a small Board of Directors and the Board is satisfied that current Directors have an appropriate mix of business, commercial and industry knowledge as well as the skills and experience to discharge the Board's roles and responsibilities.

There is a clear distinction drawn between the roles of CEO and Chairman and these positions are occupied by separate individuals.

The Board is comprised of an appropriate balance of Executive, Non-Executive and Independent Non-Executive Directors and the capacity of each Director is disclosed in the Integrated Annual Report. The Chairman of the Board, being the founder of the Company, is a Non-Executive Director, but the majority of the Non-Executive Directors are independent. Advocate Miller Moela continues to serve as lead independent director for the year ended 30 June 2026. In terms of the MOI, one-third of Non-Executive Directors must retire at every Annual General Meeting and are eligible for re-election. When considering appointment or re-election of Directors, the Board considers the knowledge, skills and resources required for conducting the Group's business as well as the Board's size, diversity and demographics to ensure its effectiveness. A brief CV for each Director is included in the Integrated Annual Report.

Newly appointed Directors are inducted in the Company's business, Board matters, their duties and governance responsibilities as Directors under the guidance of the Company Secretary in accordance with each Director's specific needs. Directors receive briefings on new legal developments and changes in the risk and general business environment on an ongoing basis.

At each Board meeting, any interest that any Director may have on any matters on the meeting agenda are disclosed prior to the commencement of the meeting and all Directors are aware of their duty to make full disclosure of any interests. If a Director has any interest in a matter being considered by the Board, the Director concerned is recused from the meeting and does not participate in the decision making on the matter in which they have an interest.

CORPORATE GOVERNANCE REPORT (CONTINUED)

18. Application of the King IV Report on Corporate Governance for South Africa (continued)

Principle 8

Committees of the Board

Principle description

The Board should ensure that its arrangements for delegation within its own structures promote independent judgment and assist with the balance of power and the effective discharge of its duties.

Principle response

Board Committees have been established to assist the Board in discharging its responsibilities. The Committees of the Board comprise the Audit and Risk Committee, the Remuneration Committee and the Social and Ethics Committee.

The Committees are appropriately constituted, and members are appointed by the Board except for the Audit and Risk Committee whose members are nominated by the Board and elected by Shareholders.

Where necessary, external advisors, Executive Directors and members of Management attend Board Committee meetings by invitation. Board Committees play an important role in enhancing high standards of governance and achieving increased effectiveness within the Group. Formal terms of reference are established and approved for each Board Committee which are reviewed regularly. Each Board Committee has its own Charter.

The Board considers the allocation of roles and associated responsibilities and the composition of membership across Board Committees holistically to achieve the following objectives: effective collaboration through cross-membership between Committees, where required; coordinated timing of meetings; and avoidance of duplication or fragmented functioning in so far as possible.

There is a balanced distribution of power in respect of membership across Board Committees so that no individual has the ability to dominate decision-making and no undue reliance is placed on any individual.

A delegation by the Board of its responsibilities to any Board Committee will not by or of itself constitute a discharge of the Board's accountability.

The Chairman of each Board Committee reports back to the Board on the matters discussed by the relevant Committee at the next Board meeting and the Board applies its collective mind to the information, opinions, recommendations, reports, and statements presented by the Chairman of each Board Committee.

Any member of the Board who is not a member of any Board Committee is entitled to attend any Board Committee meeting as an observer but is not entitled to a vote on any of such Committee's decisions.

Audit and Risk Committee

The Board has an Audit and Risk Committee comprising only Non-Executive Directors and its independence and effectiveness are reviewed on an annual basis. The Audit and Risk Committee is constituted as a statutory Committee of TeleMasters in respect of its statutory duties in terms of section 94(7) of the Companies Act and a Committee of the Board in respect of all other duties assigned to it by the Board.

The Audit and Risk Committee performs the functions as set out in the Companies Act. Adequate processes and structures have been implemented to assist the Committee in providing oversight and ensuring the integrity of financial reporting, internal control and other governance.

As at the date of this report, the Audit and Risk Committee consists of three Non-Executive Directors, the majority of whom are independent. Members of the Committee are elected by Shareholders. All Committee members are financially literate.

The Audit and Risk Committee provides independent oversight of, among others, the effectiveness of the Group's assurance services with a focus on combined assurance arrangements including external assurance service providers, the finance function and the integrity of the Consolidated Annual Financial Statements and to the extent delegated by the Board, other external reports issued by the Company. The Committee also considers annually and satisfies itself of the appropriateness of the expertise and experience of the CFO and the finance function.

The performance of the Audit and Risk Committee and significant issues dealt with during the year are described in the Report of the Audit and Risk Committee included in the Consolidated Annual Financial Statements.

Remuneration Committee

The Remuneration Committee is responsible for overseeing remuneration. All members of the Committee are Non-Executive Directors.

The Chairman of the Board chairs the Remuneration Committee.

Social and Ethics Committee

The Social and Ethics Committee is responsible for overseeing and reporting on ethics, responsible corporate citizenship, sustainable development and stakeholder relationships. It is also responsible for executing the statutory duties set out in the Companies Act.

Principle 9

Evaluations of the Performance of the Board

Principle description

The Board should ensure that the evaluation of its own performance and that of its Committees, its Chair and its individual members, support continued improvement in its performance and effectiveness.

Principle response

The Board is responsible for evaluating the effectiveness and performance of the Board, its Committees and individual Directors every second year. The Chairman of the Board, assisted by the Company Secretary, leads the evaluation process.

The Board determines the number of external Directorships and other positions a Director may hold, taking into consideration the relative size and complexity of the other organisation. The Chairman annually considers the commitments of Directors and whether the individual Directors have sufficient time to fulfil the responsibilities as a Director to ensure they can still execute their job effectively and are free from conflicts that cannot be managed satisfactorily. Should the Chairman be of the view that a Director is over-committed or has an unmanageable conflict, the Chairman will meet with that Director to discuss the resolution of the matter.

The role of the Chairman is formalised and every second year an assessment of the Chairman's ability to add value and his performance against what is expected of his role and function is conducted by the Board. The evaluation of the Chairman's performance did not take place during the year under review. Advocate Miller Moela, as lead Independent Director, will lead the evaluation of the Chairman in the 2027 financial year and the Board will report on the outcome in the 2027 Integrated Annual Report. The Board is responsible for succession planning for the position of the Chairman.

Principle 10

Appointment and Delegation to Management

Principle description

The Board should ensure that the appointment of, and delegation to, management contributes to role clarity and the effective exercise of authority and responsibilities.

Principle response

The Board approves and regularly reviews the framework and top-level delegation of authority in terms of which matters are delegated to the CEO. The CEO is the highest executive decision-making authority of the Group and is delegated with authority from and is accountable to the Board for the successful implementation of the Group strategy and the overall management and performance of the Group in a manner consistent with enhancing long-term Shareholder value.

The CEO's contract stipulates that he is required to provide the Company with one month's notice should he decide to resign and provides for a restraint of trade period of twelve months within a limited area.

The CEO is not a member of the Remuneration or the Audit and Risk Committees but attends meetings of these Committees by invitation.

The CEO and the Board will agree on whether the CEO may take up additional professional positions including membership on other governing bodies outside the Group. Time constraints and potential conflicts of interests will be considered and balanced against the opportunity for professional development.

A formal CEO succession plan has not been adopted but is a matter that has been discussed by the Remuneration Committee during the past year and will be reconsidered in the upcoming year. In the interim, management of the underlying subsidiaries are invited to present at the quarterly Board meetings on their respective operations to broaden their experience and introduce them to Board procedures.

Ms Sascha Ramirez was appointed as the Company Secretary in 2018 and ensures that the Board is independently and professionally guided on matters of corporate governance and its legal duties and is adequately supported in the coordination and functioning of both it and its Committees.

Governance Functional Areas

Principle 11

Risk Governance

Principle description

The Board should govern risk in a way that supports the Group in setting and achieving its strategic objectives.

Principle response

The Board has responsibility for the governance of risk and approves the Risk Policy that gives effect to its risk appetite. The Board is assisted primarily in this regard by the Audit and Risk Committee which coordinates the risk register and the management of the risk profile and Policy. The Group's Risk Policy reaffirms that the Group is committed to effective risk management in pursuit of its strategic objectives with the ultimate aim to grow value sustainably for all stakeholders by embedding risk management into key decision-making processes.

The Board approves the Group's risk profile and financial risk appetite and tolerance levels to ensure that risks are managed within these levels. The Board also considers the risk environment from time to time as deemed appropriate and based on materiality and changes in the external and internal environments.

To support the Board in ensuring effective risk management oversight, the Audit and Risk Committee is responsible for ensuring the effective monitoring of relevant Group risks. In monitoring and providing oversight on the Group's risk, the Audit and Risk Committee considers potential risks and / or opportunities as appropriate.

Principle 12

Technology and Information Governance

Principle description

The Board should govern technology and information in a way that supports the Group setting and achieving its strategic objectives.

Principle response

Technology is both how the Group runs its business and what it sells. The Board keeps overall responsibility for technology and information governance. The Audit and Risk Committee oversees it for the Board, and in the absence of an IT steering committee it includes technology and information risks in the Group's risk register.

The Board has not yet adopted a formal technology and information governance charter or policy setting out decision-making rights and accountability. Until now the Board has relied on the Audit and Risk Committee's oversight and on management's operational policies. The Board accepts this is no longer enough for a cybersecurity and data centre group. It will adopt a technology and information governance policy. The policy will set out who decides what, how technology risk is reported and how performance is measured.

Management keeps operational policies and work instructions covering network management, hardware maintenance, software licensing, antivirus protection, server checks, backup and disaster recovery.

Key areas of focus during the year:

- The Group set up a dedicated Cyber Division. It delivers managed cybersecurity services to clients, oversees the Group's own cyber risk and incident response, and is developing a Group-wide Cyber Risk Governance Framework.
- The Group continued to test disaster recovery and backup arrangements across its network and at Ultra Datacentre.
- The Group protected personal information as required by the Protection of Personal Information Act (POPIA).

Monitoring effectiveness:

- The Audit and Risk Committee receives regular reports from the Cyber Division on the Group's cyber risk, incidents and controls.
- No material cyber incidents or personal information breaches were reported to the Board during the year ended 30 June 2026.
- The External Auditors consider IT general controls to the extent relevant to the audit.

Planned areas of focus for FY2027:

- Adopting the technology and information governance policy.
- Completing and adopting the Cyber Risk Governance Framework.
- Setting rules for the use of artificial intelligence within the Group and in services offered to clients at Ultra Datacentre.
- Reviewing data centre resilience and power capacity as customer power densities increase.

CORPORATE GOVERNANCE REPORT (CONTINUED)

18. Application of the King IV Report on Corporate Governance for South Africa (continued)

Principle 13

Compliance Governance

Principle description

The Board should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the Group being ethical and a good corporate citizen.

Principle response

The Group maintains a compliance governance framework to ensure adherence to applicable laws, regulations, and codes. There were no material regulatory contraventions during the year ended 30 June 2026. To the extent that legal and regulatory matters have an impact on the financial statements, reports are presented to the Audit and Risk Committee.

Principle 14

Remuneration Governance

Principle description

The Board should ensure that the Group remunerates fairly, responsibly, and transparently to promote the achievement of strategic objectives and positive outcomes in the short-, medium- and long-term.

Principle response

The Group has a rewards strategy and policy which translates into competitive and appropriate reward outcomes.

The Remuneration Committee is tasked by the Board to independently approve and oversee the implementation of a Remuneration Policy that will encourage the achievement of the Group strategy and grow stakeholder value sustainably.

The Remuneration Policy aims to enable the attraction and retention of skilled resources and ensure that rewards are aligned with Shareholder interests.

The Company issues an implementation report on remuneration of each Director by publishing the prescribed information individually in its Consolidated Annual Financial Statements.

The Remuneration Policy and the Remuneration Report are tabled at the Annual General Meeting for approval by ordinary resolution, as sections 30A and 30B of the Companies Act require. If 25% or more of the voting rights exercised are cast against either resolution, the Company will use the voting results announcement to invite dissenting shareholders to engage with the Remuneration Committee, in line with the JSE Listings Requirements. It will report on the outcome and any steps taken in the next Remuneration Report. If either resolution is not approved, the consequences in sections 30A and 30B apply."

Principle 15

Assurance

Principle description

The Board should ensure that assurance services and functions enable an effective control environment and that these support the integrity of information for internal decision-making and of the Company's external reports.

Principle response

In light of the size and nature of business of the Group, the Board and the Audit and Risk Committee are of the opinion that the appointment of a separate internal audit function is unwarranted. The Audit and Risk Committee is responsible for the quality and integrity of TeleMasters' Integrated Annual Reporting. The Board, with the support of the Audit and Risk Committee, satisfies itself that the combined assurance model is effective and sufficiently robust for the Board to be able to place reliance on the combined assurance underlying the statements that the Board makes concerning the integrity of the Company's external reports.

The Board is satisfied that the Group maintains a system of internal financial controls that is designed to provide assurances on the maintenance of proper accounting records and the reliability of financial information used within the business and for publication. The system contains self-monitoring mechanisms and actions are taken to correct deficiencies as they are identified.

CORPORATE GOVERNANCE REPORT (CONTINUED)

18. Application of the King IV Report on Corporate Governance for South Africa (continued)

Stakeholder Relationships

Principle 16

Stakeholders

Principle description

In the execution of its governance role and responsibilities, the Board should adopt a stakeholder-inclusive approach that balances the needs, interests, and expectations of material stakeholders in the best interests of the Group over time.

Principle response

The Group aims to ensure a systematic and integrated approach to stakeholder engagement across the Group, facilitated through engagement, to enable increased assurance to the Board that all stakeholder issues have been identified, prioritised, and appropriately addressed.

The Board considers issues around stakeholder perceptions and has oversight of stakeholder engagement and management. Reporting by management to the Board equips the Board with the necessary information to enable it to take the legitimate interests and expectations of stakeholders into account in its decision-making.

It is a business imperative for the TeleMasters Group that it understands and is responsive to the needs and interests of our key stakeholder groups which include: employees; government and regulators; Shareholders; the communities around our operations; suppliers and customers; and business partners. Individual stakeholders within these groups are highly diverse with sometimes competing interests. The Company is therefore constantly seeking to improve the way in which it engages with its stakeholders to effectively respond to this complexity and diversity.

Interaction with stakeholders happens during the ordinary course of business at multiple levels across the Group and the Company strives to resolve disputes with its stakeholders effectively and expeditiously.

The Company publishes its most recent financial performance, historical information, including its annual reports, as well as all SENS and other regulatory announcements, on its website.

The Company invites and encourages all Shareholders to attend the upcoming Annual General Meeting which will take place on 27 November 2026.

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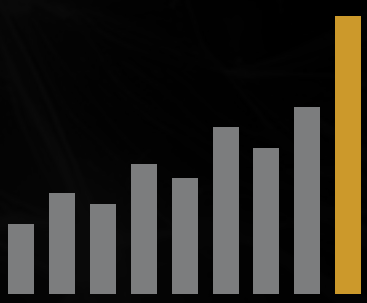
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SHAREHOLDERS' DIARY

Annual Report Approved
2 November 2026

Annual Report Dispatched
3 November 2026

Annual General Meeting
27 November 2026

Last day to trade
17 November 2026

Record date
20 November 2026

Proxies due
09h00 Wednesday, 25 November 2026

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given:

That the Annual General Meeting of Shareholders of the Company ("AGM") will be held at the office of Catalytic, 74 Waterfall Drive, Waterfall Corporate Campus, Building 5, First Floor, Waterfall City, Johannesburg, at 09:00 on **Friday, 27 November 2026**. The record date on which Shareholders must be recorded as such in the register maintained by the transfer secretaries of the Company for purposes of determining which Shareholders are entitled to attend and vote at the Annual General Meeting is **Friday, 20 November 2026**. The last day to trade in order to be eligible to vote at the AGM will accordingly be **Tuesday, 17 November 2026**. The record date for Shareholders to be recorded in the register in order to receive this notice is **Friday, 23 October 2026**. The purpose of the meeting is to present the Consolidated Annual Financial Statements and to consider and, if deemed fit, to pass, with or without non-material modifications, the following resolutions:

1. **Presentation of the Consolidated Annual Financial Statements.**

   The Consolidated Annual Financial Statements of the Group for the year ended 30 June 2026, together with the reports of the Directors, the Audit and Risk Committee and the Auditor, and the report of the Social and Ethics Committee, will be presented to Shareholders as required by sections 30(3)(d) and 61(8)(a) of the Companies Act. No resolution is required.

2. **Ordinary resolution number 1 - Director retirement and re-election**

   "RESOLVED THAT Adv M Moela, who retires in accordance with the provisions of the Company's Memorandum of Incorporation but, being eligible, offers himself for re-election, be and is hereby re-elected as a Director of the Company."

   A curriculum vitae for Adv Moela is set out under Directors' Profiles on page 8 of the Integrated Annual Report.

   In order for this ordinary resolution to be adopted, the support of 50% of the voting rights exercised on the resolution by Shareholders present or represented by proxy at the Annual General Meeting and entitled to exercise voting rights on the resolution is required.

3. **Ordinary resolution number 2 – Appointment of auditors and remuneration**

   "RESOLVED THAT the re-appointment of Nexia SAB&T as the auditors, with Mr Aneel Darmalingam as the designated auditor, be and is hereby approved and that the Audit and Risk Committee be and is hereby authorised to determine the remuneration of the auditors."

   In order for this ordinary resolution to be adopted, the support of 50% of the voting rights exercised on the resolution by Shareholders present or represented by proxy at the Annual General Meeting and entitled to exercise voting rights on the resolution is required.

4. **Ordinary resolution number 3 – General authority to allot and issue shares for cash**

   "RESOLVED THAT, the Directors of the Company be and are hereby authorised, by way of general authority, to allot and issue all or any of the authorised but unissued shares in the capital of the Company as they in their discretion deem fit, subject to the following limitations:

   The shares which are the subject of the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such equity securities or rights that are convertible into a class already in issue;

   This authority shall not endure beyond the next Annual General Meeting of the Company nor shall it endure beyond 15 months from the date of this meeting, whichever comes soonest;

   There will be no restrictions in regard to the persons to whom the shares may be issued provided that such shares are to be issued to public Shareholders (as defined by the JSE Listings Requirements) and not to related parties;

   Upon any issue of shares which, together with prior issues during any financial year, will constitute 5% or more of the number of shares of the class in issue, the Company shall, by way of an announcement on Stock Exchange News Service ("SENS"), give full details thereof, including the effect on the net asset value of the Company and earnings per share;

Any such issue will only be made to public shareholders, as defined in paragraphs 7.38 to 7.40 of the JSE Listings Requirements, and not to related parties, save therefore that related parties may participate in a general issue for cash through a bookbuild process provided that (i) related parties may only participate with a maximum bid price at which they are prepared to take-up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price the relevant related party will be "out of the book" and not be allocated shares; and (ii) equity securities must be allocated equitably "in the book" through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild;

The number of ordinary shares that may be issued shall not in the current financial year, in aggregate, exceed 28 741 415 twenty eight million seven hundred and forty one thousand four hundred and fifteen shares (including any shares which are compulsorily convertible into ordinary shares), being 50% of the Company's issued ordinary shares at the date of this notice of Annual General Meeting; and

The maximum discount at which shares may be issued is 10% of the weighted average traded price of the Company's shares over the 30 business days prior to the date that the price of the issue is determined or agreed by the Directors of the applicant."

In order for this ordinary resolution to be adopted, the support of 50% of the voting rights exercised on the resolution by Shareholders present or represented by proxy at the Annual General Meeting and entitled to exercise voting rights on the resolution is required.

5. Ordinary resolution number 4 – Appointment of Ms MJ Krastanov as member and Chair of the Audit and Risk Committee

"RESOLVED THAT, the appointment of Ms MJ Krastanov as a member and Chair of the Audit and Risk Committee of the Company for the forthcoming year ending 30 June 2027 and until the next AGM be and is hereby approved."

A curriculum vitae for Ms MJ Krastanov is set out under Directors' Profiles on page 8 of the Integrated Annual Report.

In order for this ordinary resolution to be adopted, the support of 50% of the voting rights exercised on the resolution by Shareholders present or represented by proxy at the Annual General Meeting and entitled to exercise voting rights on the resolution is required.

6. Ordinary resolution number 5 – Appointment of Mr MB Pretorius as member of the Audit and Risk Committee

"RESOLVED THAT the appointment of Mr MB Pretorius as a member of the Audit and Risk Committee of the Company for the forthcoming year ending 30 June 2027 and until the next AGM be and is hereby approved."

A curriculum vitae for Mr MB Pretorius is set out under Directors' Profiles on page 7 of the Integrated Annual Report.

In order for this ordinary resolution to be adopted, the support of 50% of the voting rights exercised on the resolution by Shareholders present or represented by proxy at the Annual General Meeting and entitled to exercise voting rights on the resolution is required.

7. Ordinary resolution number 6 – Appointment of Adv. M Moela as member of the Audit and Risk Committee

"RESOLVED THAT, subject to the approval of Ordinary Resolution number 1, the appointment of Adv. M Moela as a member of the Audit and Risk Committee of the Company for the forthcoming year ending 30 June 2027 and until the next AGM be and is hereby approved."

A curriculum vitae for Adv. M Moela is set out under Directors' Profiles on page 8 of the Integrated Annual Report.

In order for this ordinary resolution to be adopted, the support of 50% of the voting rights exercised on the resolution by Shareholders present or represented by proxy at the Annual General Meeting and entitled to exercise voting rights on the resolution is required.

NOTICE OF THE ANNUAL GENERAL MEETING (Continued)

8. **Ordinary resolution number 7 – Appointment of Adv. M Moela as member and Chair of the Social and Ethics Committee**

   "RESOLVED THAT, subject to the approval of Ordinary Resolution number 1, the appointment of Adv. M Moela as a member and Chair of the Social and Ethics Committee of the Company for the forthcoming year ending 30 June 2027 and until the next AGM be and is hereby approved."

   A curriculum vitae for Adv. M Moela is set out under Directors' Profiles on page 8 of the Integrated Annual Report.

   In order for this ordinary resolution to be adopted, the support of 50% of the voting rights exercised on the resolution by Shareholders present or represented by proxy at the Annual General Meeting and entitled to exercise voting rights on the resolution is required.

9. **Ordinary resolution number 8 – Appointment of Ms MJ Krastanov as member of the Social and Ethics Committee**

   "RESOLVED THAT the appointment of Ms MJ Krastanov as a member of the Social and Ethics Committee of the Company for the forthcoming year ending 30 June 2027 and until the next AGM be and is hereby approved."

   A curriculum vitae for Ms MJ Krastanov is set out under Directors' Profiles on page 8 of the Integrated Annual Report.

   In order for this ordinary resolution to be adopted, the support of 50% of the voting rights exercised on the resolution by Shareholders present or represented by proxy at the Annual General Meeting and entitled to exercise voting rights on the resolution is required.

10. **Ordinary resolution number 9 – Appointment of Mr BR Topham as member of the Social and Ethics Committee**

    "RESOLVED THAT the appointment of Mr BR Topham as a member of the Social and Ethics Committee of the Company for the forthcoming year ending 30 June 2027 and until the next AGM be and is hereby approved."

    A curriculum vitae for Mr BR Topham is set out under Directors' Profiles on page 8 of the Integrated Annual Report.

    In order for this ordinary resolution to be adopted, the support of 50% of the voting rights exercised on the resolution by Shareholders present or represented by proxy at the Annual General Meeting and entitled to exercise voting rights on the resolution is required.

11. **Ordinary resolution number 10 - Approval of the Company's Remuneration Policy**

    To approve the Company's Remuneration Policy, as set out on page 15 of the 2026 Integrated Annual Report, available at www.telemasters.co.za

    "RESOLVED THAT, in accordance with section 30A of the Companies Act, the Company's Remuneration Policy, as set out on page 15 of the Company's 2026 integrated annual report, be and is hereby approved."

    Reason for and effect

    The reason for ordinary resolution number 10 is to give effect to the requirements of section 30A of the Companies Act, which recently came into effect, and requires all public companies to adopt a remuneration policy and submit such policy to shareholders for approval by ordinary resolution at an annual general meeting.

    Once approved, the Remuneration Policy will remain valid for a period of three years, after which it must be reapproved by shareholders every three years. Should the Remuneration Policy not be approved by the requisite majority of shareholders, the Company will be required to submit the Remuneration Policy for approval at the next annual general meeting or at a shareholders' meeting convened for that purpose, in accordance with the Companies Act.

    In order for this ordinary resolution to be adopted, the support of 50% of the voting rights exercised on the resolution by Shareholders present or represented by proxy at the Annual General Meeting and entitled to exercise voting rights on the resolution is required.

NOTICE OF THE ANNUAL GENERAL MEETING (Continued)

12. Ordinary resolution number 11 – Approval of Company's Remuneration Report

"RESOLVED THAT, in accordance with section 30B of the Companies Act, the Company's Remuneration Report, including the implementation report contained therein, as set out on page 15 of the Company's 2026 Integrated Annual Report, be and is hereby approved."

Reason for and effect

The reason for ordinary resolution number 11 is that section 30B of the Companies Act, which recently came into effect, requires all public companies to prepare a remuneration report in respect of the preceding financial year and to present such report to shareholders for approval at the annual general meeting.

The effect of this resolution, if approved, will be the endorsement by shareholders of the Company's Remuneration Report for the financial year under review.

Should the Remuneration Report not be approved by the requisite majority of shareholders, the Company will be required to comply with the procedures prescribed in section 30B of the Companies Act. These include engaging with dissenting shareholders through a consultation process to ascertain and discuss their concerns regarding the Remuneration Report.

In addition, the remuneration committee will be required to present, at the next annual general meeting, an explanation of the manner in which shareholder concerns were considered and addressed. Shareholders are referred to sections 30B(4) and 30B(5) of the Companies Act for further details regarding the consequences of non-approval of the Remuneration Report.

In order for this ordinary resolution to be adopted, the support of 50% of the voting rights exercised on the resolution by Shareholders present or represented by proxy at the Annual General Meeting and entitled to exercise voting rights on the resolution is required.

13. Special resolution number 1 – Non-Executive Directors' remuneration

"RESOLVED THAT the Non-Executive Directors remuneration for the two years commencing 1 July 2026, which shall not exceed the amounts detailed below, excluding VAT, be and is hereby approved."

	Amount per annum
Mr MB Pretorius	R399 996
Ms MJ Krastanov	R249 000
Adv. M Moela	R249 000
Any other new appointment	R249 000

In addition, remuneration of up to 30% of the above amount may be paid to Non-Executive Directors in relation to specific additional work required, which work and remuneration will be determined by disinterested directors.

Shareholders are required to approve the remuneration of Non-Executive Directors. This special resolution requires the support of at least 75% of the voting rights exercised on the resolution in terms of Section 66(9) of the Act.

14. Special resolution number 2 - General authority to repurchase shares in terms of section 48 of the Companies Act

"Resolved that the Board of Directors of the Company is hereby authorised, by way of a renewable general authority, to approve the purchase of its own ordinary shares by the Company, or to approve the purchase of ordinary shares in the Company by any subsidiary of the Company, upon such terms and conditions as the Board of Directors of the Company may from time to time determine, provided that:

- The general repurchase of ordinary shares in the aggregate in any one financial year by the Company does not exceed 5% (five percent) of the Company's issued ordinary share capital as at the beginning of the financial year;
- The general repurchase of securities will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
- Authorisation thereto has been given by the Company's Memorandum of Incorporation ("MOI");
- This general authority shall only be valid until the Company's next Annual General Meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this Special Resolution;
- General repurchases may not be made at a price greater than 10% (ten percent) above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction is effected (the JSE should be consulted for a ruling if the applicant's securities have not traded in such five business day period);

NOTICE OF THE ANNUAL GENERAL MEETING (Continued)

- At any point in time, the Company may only appoint one agent to effect any repurchases on the Company's behalf;
- A resolution has been passed by the Board of Directors confirming that the Board has authorised the general repurchase, that the Company passed the solvency and liquidity test and that, since the test was done, there have been no material changes to the financial position of the Group;
- Any such general repurchase will be subject to the applicable provisions of the Companies Act (including sections 114 and 115 to the extent that section 48(8) is applicable in relation to that particular repurchase);
- Any such general repurchases are subject to exchange control regulations and approval at that point in time;
- The number of shares purchased and held by a subsidiary or subsidiaries of the Company shall not exceed 10% (ten percent) in aggregate of the number of issued shares in the Company at the relevant times;
- The Company or its subsidiary may not repurchase securities during a prohibited period as defined in the JSE Listings Requirements unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and have been submitted to the JSE in writing prior to the commencement of the prohibited period; and
- When the Company has cumulatively repurchased 3% (three percent) of the initial number of the relevant class of securities, and for each 3% (three percent) in aggregate of the initial number of that class acquired thereafter, an announcement will be made in accordance with paragraph 11.27 of the JSE Listings Requirements."

Reason and effect of special resolution number 2:

Special resolution number 2 is proposed to provide a general approval and authority in terms of section 5.72 of the JSE Listings Requirements for the acquisition by the Company and / or its subsidiaries of securities (as that term is defined in the Companies Act), issued by the Company.

The Board's intention in proposing special resolution number 2 is to enable the Company and its subsidiaries, subject to the requirements of the Companies Act, JSE Listings Requirements and the Company's MOI, to acquire (repurchase) ordinary shares issued by the Company should the Board consider that it would be in the interest of the Company and / or its subsidiaries to do so.

In order for this resolution to be adopted, the support of at least 75% of the voting rights exercised on the resolution by Shareholders present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution is required.

Disclosures in regard to other JSE Listings Requirements applying to special resolutions and applying to special resolution number 2:

The JSE Listings Requirements prescribe certain disclosures which are disclosed in the Consolidated Annual Financial Statements and the Integrated Annual Report as set out below:

Major Shareholders of the Company are set out in Note 12 on page 81 of the Integrated Annual Report; The share capital of the Company is set out in Note 11 on page 81 of the Integrated Annual Report;

There has been no material change in the financial or trading position of the Company and its subsidiaries since the date of publication of the Company's audited annual financial statements on 19 October 2026; and

The Directors of the Company will not effect a general repurchase of ordinary shares as contemplated above unless, in addition to complying with the requirements of the Companies Act, the following conditions as contemplated by the JSE Listings Requirements are met:

The Company and the Group are in a position to repay their debt in the ordinary course of business for a period of 12 months after the date of the notice of the Annual General Meeting;

The Company's and the Group's assets at fair value will be in excess of the liabilities of the Company and the Group for a period of 12 months after the date of the notice of the Annual General Meeting. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest Consolidated Annual Financial Statements, which comply with the Companies Act;

The share capital and reserves of the Company and the Group are adequate for a period of 12 months following the date of the notice of the Annual General Meeting; and

The available working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the notice of the Annual General Meeting.

NOTICE OF THE ANNUAL GENERAL MEETING (Continued)

15. Ordinary resolution number 12 – Authority to execute requisite documentation

"RESOLVED THAT any Director of the Company or the Company Secretary be and hereby is authorised to do all such things and sign all such documents issued by the Company and required to give effect to the special resolutions and ordinary resolutions passed at the Annual General Meeting."

In order for this ordinary resolution to be adopted, the support of 50% of the voting rights exercised on the resolution by Shareholders present or represented by proxy at the Annual General Meeting and entitled to exercise voting rights on the resolution is required.

Directors' responsibility statement

The Directors, whose names appear on page 6 of the Integrated Annual Report, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution 2 and certify that, to the best of their knowledge and belief, no facts have been omitted that would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this resolution and additional disclosures in terms of section 11.26 of the JSE Listings Requirements pertaining thereto contain all such information required by law and the JSE Listings Requirements.

Electronic Participation

In terms of section 61(10) of the Companies Act, 71 of 2008, as amended, every Shareholders' meeting of a public Company must be reasonably accessible within South Africa for electronic participation by Shareholders. Shareholders wishing to participate electronically in the Annual General Meeting are required to deliver written notice to the transfer secretaries, JSE Investor Services (Pty) Limited, One Exchange Square, 2 Gwen Lane, Sandown, Sandton, 2196 by no later than 09h00 on 25 November 2026 that they wish to participate via electronic communication at the Annual General Meeting (the "Electronic Notice").

In order for the Electronic Notice to be valid it must contain:

If the Shareholder is an individual, a certified copy of their identity document and / or passport;

If the Shareholder is not an individual, a certified copy of a resolution by the relevant entity and a certified copy of the identity documents and / or passports of the persons who passed the relevant resolution. The relevant resolution must set out whom from the relevant entity is authorised to represent the relevant entity at the Annual General Meeting via electronic communication;

A valid e-mail address (the "contact address"); and

If the Shareholder wishes to vote via electronic communication, Notice of such must be sent by no later than 24 (twenty four) hours before the commencement of the Annual General Meeting, the Company shall use its reasonable endeavours to notify a Shareholder at their contact address of the relevant details through which the Shareholder can participate via electronic communication.

A form of proxy which sets out the relevant instructions for use is attached for those members who wish to be represented at the Annual General Meeting of members. Duly completed forms of proxy must be lodged with the transfer secretaries, JSE Investor Services (Pty) Limited, One Exchange Square, 2 Gwen Lane, Sandown, Sandton, 2196 by no later than 09h00 on 25 November 2026 or thereafter hand it to the Company or the Chairman of the meeting prior to the commencement of the meeting on 27 November 2026.

By order of the Board



Ramirez, Sascha Company Secretary

74 Waterfall Drive, Waterfall Corporate Campus, Building 5, First Floor,

Waterfall City

FORM OF PROXY

For use by certificated and "own name" registered dematerialised Shareholders of the Company ("Shareholders") at the Annual General Meeting of Shareholders of the Company to be held at the office of Catalytic, 74 Waterfall Drive, Waterfall Corporate Campus, Building 5, First Floor, Waterfall City, Johannesburg, at 09h00 on 27 November 2026 ("the Annual General Meeting") and at any adjournment thereof.

I/We (please print) _____

of (address) _____

being the holder of _____ ordinary shares in the Company, hereby appoint

1. _____ or failing him/her,

2. _____ or failing him/her,

the chairman of the Annual General Meeting

as my / our proxy to act for me/us and on my / our behalf at the Annual General Meeting which will be held for the purpose of considering and, if deemed fit, passing, with or without non-material modification, the resolutions to be proposed thereat and at any adjournment thereof and to vote for and/or against the resolutions and/or abstain from voting in respect of the ordinary shares registered in my/our name/s, in accordance with the following instructions:

Number of votes (one vote per share)	For	Against	Abstain
Ordinary resolution number 1 – Director retirement and re-election – M Moela			
Ordinary resolution number 2 – Appointment of auditors and remuneration			
Ordinary resolution number 3 – General authority to allot and issue shares for cash			
Ordinary resolution number 4 – Appointment of MJ Krastanov as member and Chair of Audit and Risk Committee			
Ordinary resolution number 5 – Appointment of MB Pretorius as member of Audit and Risk Committee			
Ordinary resolution number 6 – Appointment of M Moela as member of Audit and Risk Committee			
Ordinary resolution number 7 – Appointment of M Moela as member and Chair of the Social and Ethics Committee			

FORM OF PROXY (CONTINUED)

Number of votes (one vote per share)	For	Against	Abstain
Ordinary resolution number 8 – Appointment of MJ Krastanov as member of the Social and Ethics Committee			
Ordinary resolution number 9 – Appointment of BR Topham as member of the Social and Ethics Committee			
Ordinary resolution number 10 – Approval of the Company's Remuneration Policy			
Ordinary resolution number 11 – Approval of the Company's Remuneration Report			
Special resolution number 1 – Non-Executive Directors' remuneration			
Special resolution number 2 – General authority to repurchase shares			
Ordinary resolution number 12 – Authority to execute requisite documentation			

Signed at on 2026

Signature

Assisted by me (where applicable)

Name Capacity Signature

(Please print in BLOCK LETTERS)

Certificated Shareholders and dematerialised Shareholders with "own name" registration

If you are unable to attend the Annual General Meeting of Shareholders to be held at 09h00 on Friday, 27 November 2026 at the office of Catalytic, 74 Waterfall Drive, Waterfall Corporate Campus, Building 5, First Floor, Waterfall City, Johannesburg, and wish to be represented thereat, you should complete and return the attached form of proxy in accordance with the instructions contained therein and lodge it with, or post it to, the transfer secretaries, JSE Investor Services (Pty) Limited, One Exchange Square, 2 Gwen Lane, Sandown, Sandton, 2196 to be received by them by no later than 09h00 on 25 November 2026 or thereafter hand it to the Company or the Chairman of the meeting prior to the commencement of the meeting on 27 November 2026.

NOTES TO THE PROXY FORM

Dematerialised Shareholders other than those with "own name" registration

If you hold dematerialised shares through a CSDP or broker other than with an "own name" registration, you must timeously advise your CSDP or broker of your intention to attend and vote at the Annual General Meeting in order for your CSDP or broker to provide you with the necessary authorisation to do so or, should you not wish to attend the Annual General Meeting in person, you must timeously provide your CSDP or broker with your voting instruction in order for the CSDP or broker to vote in accordance with your instruction at the Annual General Meeting.

- Each member is entitled to appoint one or more proxies (who need not be members of the Company) to attend, speak and, on a poll, vote in place of that member at the Annual General Meeting;
- A member may insert the name of a proxy or the names of two alternative proxies of the member's choice in the space provided, with or without deleting "the chairman of the Annual General Meeting". The person whose name stands first on the form of proxy and who is present at the Annual General Meeting will be entitled to act as proxy to the exclusion of those whose names follow;
- A member's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that member in the appropriate box/es provided. Failure to comply with the above will be deemed to authorise the chairperson of the Annual General Meeting, if he/she is the authorised proxy , to vote in favour of the resolutions at the Annual General Meeting, or any other proxy to vote or to abstain from voting at the Annual General Meeting as he/she deems fit, in respect of all the member's votes exercisable thereat;
- A member or their proxy is not obliged to vote in respect of all the ordinary shares held or represented by them but the total number of votes for or against the resolutions and in respect of which any abstention is recorded may not exceed the total number of votes to which the member or their proxy is entitled;
- Forms of proxy must be lodged with the transfer secretaries of the Company by no later than 09h00 on 25 November 2026 or thereafter hand it to the Company or the Chairman of the meeting prior to the commencement of the meeting on 27 November 2026;
- The completion and lodging of this form of proxy will not preclude the relevant member from attending the Annual General Meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such member wish to do so;
- Any alterations or corrections to this form of proxy must be initialled by the signatory/ies;
- Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company's transfer office or waived by the chairperson of the Annual General Meeting; and
- The chairperson of the Annual General Meeting may reject or accept any proxy form which is completed and/or received other than in accordance with these instructions and notes, provided that he is satisfied as to the manner in which a member wishes to vote.

SUMMARY OF RIGHTS

Summary of rights established by section 58 of the Companies Act, 71 of 2008 ("Companies Act"), as required in terms of subsection 58(8)(b)(i):

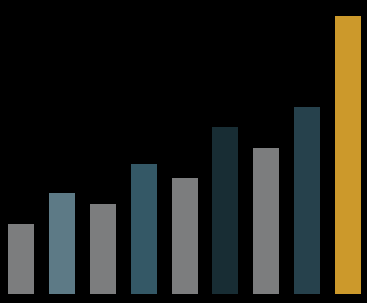
- A Shareholder may at any time appoint any individual, including a non-Shareholder of the Company, as a proxy to participate in, speak and vote at a Shareholders' meeting on his or her behalf (section 58(1)(a)), or to give or withhold consent on behalf of the Shareholder to a decision in terms of section 60 (Shareholders acting other than at a meeting) (section 58(1)(b));
- A proxy appointment must be in writing, dated and signed by the Shareholder, and remains valid for one year after the date on which it was signed or any longer or shorter period expressly set out in the appointment, unless it is revoked or expires earlier (section 58(2));
- A Shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the Shareholder (section 58(3)(a));
- A proxy may delegate his or her authority to act on behalf of the Shareholder to another person, subject to any restriction set out in the instrument appointing the proxy ("proxy instrument")(section 58(3)(b));
- A copy of the proxy instrument must be delivered to the Company, or to any other person acting on behalf of the Company, before the proxy exercises any rights of the Shareholder, at a Shareholders' meeting (section 58(3)(c)) and in terms of the MOI at least 48 hours before the meeting commences;
- Irrespective of the form of instrument used to appoint a proxy: the appointment is suspended at any time and to the extent that the Shareholder chooses to act directly and in person in the exercise of any rights as a Shareholder (section 58(4)(a));
- the appointment is revocable unless the proxy appointment expressly states otherwise (section 58(4)(b));
- and if the appointment is revocable, a Shareholder may revoke the proxy appointment by cancelling it in writing or by making a later, inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company (section 58(4)(c));
- The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the Shareholder as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered as contemplated in as set out above (section 58(5));
- If the proxy instrument has been delivered to a Company, as long as that appointment remains in effect, any notice required by the Companies Act or the Company's MOI to be delivered by the Company to the Shareholder must be delivered by the Company to the Shareholder (section 58(6)(a), or the proxy or proxies, if the Shareholder has directed the Company to do so in writing and paid any reasonable fee charged by the Company for doing so (section 58(6)(b));
- A proxy is entitled to exercise, or abstain from exercising, any voting right of the Shareholder without direction, except to the extent that the MOI or proxy instrument provides otherwise (section 58(7)); and
- If a Company issues an invitation to Shareholders to appoint one or more persons named by the Company as a proxy, or supplies a form of proxy instrument: the invitation must be sent to every Shareholder entitled to notice of the meeting at which the proxy is intended to be exercised (section 58(8)(a)); the invitation or form of proxy instrument supplied by the Company must:
- bear a reasonably prominent summary of the rights established in section 58 of the Companies Act (section 58(8)(b) (i));
- contain adequate blank space, immediately preceding the name(s) of any person(s) named in it, to enable a Shareholder to write the name, and if desired, an alternative name of a proxy chosen by the Shareholder (section 58(8)(b)(ii));
- provide adequate space for the Shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution(s) to be put at the meeting, or is to abstain from voting (section 58(8)(b)(iii)); the Company must not require that the proxy appointment be made irrevocable (section 58(8)(c)); and the proxy appointment remains valid only until the end of the meeting at which it was intended to be used (section 58(8)(d)).

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GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Nature of business and principal activities	TeleMasters delivers full telecommunications, internet connectivity, cloud solutions and data storage to businesses across South Africa
Directors	MB Pretorius JM Voigt BR Topham MJ Krastanov M Moela
Registered office	74 Waterfall Drive Waterfall Corporate Campus Building 5, First Floor Waterfall City, Gauteng 1685
Business address	74 Waterfall Drive Waterfall Corporate Campus Building 5, First Floor Waterfall City, Gauteng 1685
Postal address	Postnet Suite 51 Private Bag X81 Halfway House Gauteng 1685
Bankers	First National Bank Limited Capitec Bank Limited
Auditors	Nexia SAB&T Registered Auditors
Secretary	S Ramirez
Company registration number	2006/015734/06
Tax reference number	9683978143
Level of assurance	These annual financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa No 71, as amended.
Preparer	The annual financial statements were internally prepared under the supervision of: BR Topham

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The reports and statements set out below comprise the annual financial statements presented to the shareholders:

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DECLARATION BY COMPANY SECRETARY

The Company Secretary certifies that the Group has lodged with the Companies and Intellectual Property Commission all such returns as are required by a public company in terms of Section 88(2)(e) of the Companies Act, as amended, and that all such returns are true, correct and up to date to the extent that the Company Secretary has been informed.



S Ramirez

Company Secretary

12 October 2026

AUDIT AND RISK COMMITTEE REPORT

Introduction

The Audit & Risk Committee ("Committee") is an independent statutory committee appointed on an annual basis by Shareholders at the AGM in accordance with section 94 of the Companies Act, 71 of 2008 ("Companies Act"). This report considers the statutory and delegated duties of the Committee as well as the Committee's responsibilities in terms of the JSE Listings Requirements and the King IV Code on Corporate Governance ("King IV").

The Audit & Risk Committee's primary role is to assist the Board to discharge its corporate governance and oversight responsibilities by ensuring:

- the integrity of the Group's financial and corporate reporting;
- adequate systems of internal control are in place regarding financial risk; and
- internal control systems are operating effectively.

The Committee exercises its functions through close liaison and communication with management and external auditors and has an independent role with accountability to both the Board and Shareholders. The Committee does not assume the functions of management which remain the responsibility of the Executive Directors, officers and other members of senior management.

1. Composition and governance

The Board is satisfied that the members of the Committee satisfy the requirements to serve as members of the audit committee as set out in Section 94(5) of the Companies Act 71 of 2008 and Regulation 42 of the Companies Regulations, 2011 and have adequate knowledge and experience to perform their duties. The majority of the members of the Committee are independent non-executive directors.

The composition of the Committee and attendance of meetings by its members for the 2026 financial year are set out below, noting that 4 meetings were held during the year under review:

Name	Number of meetings required to attend	Number of meetings attended
Krastanov, Michelle (Chairperson)	4	4
Moela, Miller	4	4
Pretorius, Mario Brönn	4	4

Biographies of Committee members are set out in the Integrated Annual Report under the Directors' Profile section.

The Chief Financial Officer, all other Directors of the Company, the external audit partner and a representative of the Company's designated advisor are invited to attend all Committee meetings but are not eligible to vote. All members of the Committee are financially literate.

Four Audit & Risk Committee meetings were held during the year under review, aligned with the committee's annual work plan and key reporting timelines. The key focus areas of these meetings were:

- the financial performance of the Group;
- the review of interim and annual financial statements of the Group and the related JSE announcements;
- confirmation of the solvency and liquidity of the Group;
- considering and recommending, if appropriate, the payment of quarterly dividends to the Board;
- confirming the independence of the external auditors, review of the external audit plan and recommending the approval of audit fees by the Board;
- maintaining oversight of the external audit process;
- maintaining oversight of the risk management process including a review of the risk management framework and risk registers;
- maintaining oversight over IT Governance;
- confirming the Group's compliance with laws and regulations;
- reviewing the adequacy of directors' liability insurance;
- reviewing and responding to JSE correspondence arising from the pro-active monitoring of financial statements process implemented by the JSE;

AUDIT AND RISK COMMITTEE REPORT

1. Composition and governance (continued)

- reviewing significant accounting considerations and key audit matters in respect of the external audit for the year ended 30 June 2026;
- assessing the adequacy of the Group's finance function; and
- assuring that the tax matters of the Group are being looked after.

2. Terms of reference

The Audit & Risk Committee has adopted formal terms of reference dealing with membership, structure and levels of authority which are approved by the Board and reviewed and updated as deemed necessary by the Committee and the Board. Minor changes were adopted during the financial year under review. The roles and responsibilities of the Committee have been fully addressed in Paragraph 4.1 of the Corporate Governance Report included in this Integrated Annual Report. The Committee has explicit authority to investigate any matter under its terms of reference and has access to all the resources and information it requires in order to act on this authority. The Committee is satisfied that, in respect of the year under review, it has discharged its duties in accordance with its terms of reference and has complied with its legal and regulatory responsibilities.

3. External Audit

Satisfied itself in terms of Paragraph 3.84(g)(iii) of the JSE Listings Requirements that Nexia SAB&T and the designated individual audit partner, Mr Johandré Engelbrecht, were suitable for appointment, noting that the JSE amended its Listings Requirements regarding the accreditation of auditors;

Received written confirmation from Nexia SAB&T that they are independent of the Group and that the criteria for independence as set out in the rules of IRBA and international bodies have been followed. The Committee is accordingly satisfied that Nexia SAB&T is independent of the Group;

Recommended to shareholders that Nexia SAB&T be appointed as independent external auditors for the Company and its subsidiaries and the appointment of Mr Aneel Darmalingam as the independent designated auditor for the Company for the financial year ending 30 June 2027 in compliance with Companies Act and the Listings Requirements of the JSE Limited;

Approved the external audit engagement letter detailing the scope and cost of the audit;

Confirmed the pre-approval authorisation process for any services that the external auditor may provide and that the external auditor did not perform any non-audit services to the Group other than the assistance with the submission of income tax returns to the South African Revenue Service;

Concurred that the adoption of the going concern premise in the preparation of the annual financial statements was appropriate;

Accordingly, and having reviewed the results of the most recent Independent Regulatory Board of Auditors (IRBA), International Standard on Quality Management (ISQM 1), engagement inspection of Nexia SAB&T and all audit engagement partners that will be involved with the Group audit for the 2027 financial year, including the designated individual auditor, Mr. Aneel Darmalingam, and satisfied itself that there are no current material matters that have not been addressed by Nexia SAB&T, the Committee has nominated, for approval at the AGM, the reappointment of Nexia SAB&T as registered auditors for the 2027 financial year.

4. Accounting practices and key audit matters

The Committee satisfied itself that the accounting policies and the annual financial statements of the Group for the year ended 30 June 2026 are compliant with provisions of IFRS Accounting Standards, the Companies Act and the JSE Listings Requirements and considered these in light of the findings of the JSE's Report Back on the Proactive Monitoring of Financial Statements.

The Committee furthermore considered the following key and significant audit matters identified in respect of the financial year ended 30 June 2026:

- Revenue recognition due to the large number of subscription clients with varying contractual terms and services;
- Impairments of goodwill and intangible assets with an indefinite useful life;
- Judgement related to the recognition and recoverability of deferred tax assets originating from tax losses against future taxable profits;
- Allowance for expected credit losses in accordance with IFRS Accounting Standards 9;

AUDIT AND RISK COMMITTEE REPORT

4. Accounting practices and key audit matters (continued)

- Risk of management overriding controls;
- Determining of existence, appropriate useful lives and residual values of items of property, plant and equipment, right-of-use assets and intangible assets, taking into account their current condition, remaining economic life and realisable value at the conclusion of use; and
- Transactions with related parties and related party disclosures.

5. Financial and internal control

The Group has established and maintains internal controls and procedures to manage significant risks and control deficiencies identified by management or the external auditors. These controls, which are reviewed on a regular basis, provide reasonable assurance against the possibility of material financial or internal control failures.

The Committee is satisfied that the Group has optimised the assurance coverage obtained from management and external assurance providers in accordance with a combined assurance model and that the size of the business and the established internal control system do not warrant a separate full-time internal audit function. The Committee is also satisfied that the combined assurance model and related systems and procedures enable an effective internal control environment that supports the integrity of internal and external reports.

Based on its continuous review of the design, implementation and effectiveness of TeleMasters' systems of internal financial controls and on reports from management and the external auditors on the results of the audit, the Committee is satisfied that the Group's systems of internal financial controls are effective and form a basis for the preparation of reliable financial statements. No findings have come to the attention of the Committee that would indicate a material breakdown in internal controls during the year under review.

6. Evaluation of the Chief Financial Officer and the finance function

The Audit & Risk Committee evaluated the appropriateness of the expertise and experience of Mr Topham prior to his appointment and has subsequently reviewed his performance and confirmed his continued suitability and that his expertise and experience is appropriate to meet the responsibilities of the position.

The Committee is constantly evaluating the appropriateness, expertise and adequacy of resources of the Group's financial function and the effectiveness of the senior members of management responsible for the finance function.

7. Consolidated Annual Financial Statements

The Committee reviewed the external audit scope, plans and findings as well as internal management reports to determine the effectiveness of management systems and internal controls during the year. The Committee continued to monitor key risks identified and their mitigation and how subsidiaries are performing to achieve the Group's strategy and satisfied itself that the accounting policies and financial statements of the Group are appropriate and comply with IFRS Accounting Standards, the JSE Listings Requirements and the requirements of the Companies Act.

In its consideration of the consolidated annual financial statements, the Committee reviewed the following:

- The quality and integrity of the Integrated Annual Report;
- The financial statements and announcements in respect of the results;
- The appointment, remuneration, independence and performance of the external auditors and the audit process, including the approval of non-audit services by the external auditor;
- The effectiveness of risk management and controls;
- Internal financial controls and systems;
- Sustainability issues;
- IT governance; and
- Compliance governance.

AUDIT AND RISK COMMITTEE REPORT

8. Committee statement

After review and consideration of feedback received from management and the external auditor, the Committee has resolved that the financial records may be relied upon as the basis for preparation of the consolidated annual financial statements.

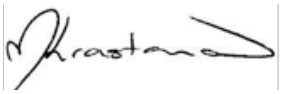
The Committee has considered and discussed the consolidated annual financial statements and associated reports with both management and the external auditors. During this process, the Committee, inter alia:

- Evaluated significant judgments and reporting decisions;
- Determined that the going-concern basis of reporting is appropriate;
- Evaluated the material factors and risks that could impact on the Annual Financial Report and associated reports;
- Considered the findings of the JSE's Report Back on the Proactive Monitoring of Financial Statements, where applicable;
- Evaluated the completeness of the financial and sustainability discussion and disclosures and is satisfied that the Group has established appropriate financial reporting procedures and that those procedures are operating in accordance with Paragraph 5.7(h)(ii) of the JSE Listings Requirements;
- Discussed the treatment of significant and unusual transactions with management and the external auditors;
- Considered the internal controls and systems designed to provide assurance as to the reliability and integrity of the financial statements, noting that the system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve the Group's business objectives;
- In conjunction with other Board Committees, considered the non-financial information disclosed in the Integrated Annual Report and assessed its consistency with operational and other information known to the Audit & Risk Committee members; and
- Considered the external auditor's report and is satisfied that the information is reliable and consistent with the financial results.

The Committee considers that the consolidated annual financial statements comply in all material respects with the statutory requirements of the various laws and regulations governing disclosure and reporting in the consolidated annual financial statements and that the consolidated annual financial statements comply in all material respects with IFRS Accounting Standards, the SAICA Financial Reporting Guides and Financial Reporting Pronouncements as well as the requirements of the Companies Act and the JSE Listings Requirements.

The Committee has recommended to the Board that the consolidated annual financial statements be adopted and approved by the Board.

On behalf of the Audit and Risk Committee



M Krastanov

Chairperson Audit & Risk Committee

12 October 2026

DIRECTORS' RESPONSIBILITIES AND APPROVAL

The Directors are required in terms of the Companies Act of South Africa No. 71 of 2008, as amended, to maintain adequate accounting records and are responsible for the content and integrity of the consolidated annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated annual financial statements fairly present the state of affairs of the Group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with IFRS Accounting Standards. The external auditors are engaged to express an independent opinion on the consolidated annual financial statements.

The consolidated annual financial statements are prepared in accordance with IFRS Accounting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. To enable the Directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Directors have reviewed the Group's cash flow forecast and, in light of this review and the current financial position, they are satisfied that the Group has or had access to adequate resources to continue in operational existence for the foreseeable future.

The consolidated annual financial statements have been audited by the independent auditing firm, Nexia SAB&T, who have been given unrestricted access to all financial records and related data, including minutes of all meetings of Shareholders, the Board of Directors and Committees of the Board. The auditors' report is presented on pages 54 to 60.

The consolidated annual financial statements set out on pages 61 to 95, which have been prepared on the going concern basis, were approved by the board of directors and were signed on their behalf by:

Approval of the Consolidated Annual Financial Statements



JM Voigt



BR Topham

12 October 2026

CEO AND CFO RESPONSIBILITY STATEMENT ON INTERNAL FINANCIAL CONTROLS

In terms of section 5.9 of the JSE Listings Requirements, the directors, whose names are stated below, hereby confirm that:

(a) the consolidated annual financial statements set out on pages 61 to 95, fairly present in all material respects the financial position, financial performance and cash flows of the Group in terms of IFRS Accounting Standards;

(b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the consolidated annual financial statements false or misleading:

(c) internal financial controls have been put in place to ensure that material information relating to the Group has been provided to effectively prepare the consolidated annual financial statements of the Group;

(d) the Internal Financial Controls are adequate and effective and can be relied upon in compiling the consolidated annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;

(e) where we are not satisfied, we have disclosed to the Audit and Risk Committee and the external auditors any deficiencies in design and operational effectiveness of the Internal Financial Controls and have remediated the deficiencies; and

(f) we are not aware of any fraud involving directors.



JM Voigt

Chief executive officer



BR Topham

Chief financial officer

12 October 2026

DIRECTORS' REPORT

The Directors have pleasure in submitting their report on the consolidated annual financial statements of TeleMasters Holdings Limited and its subsidiaries (the Group) for the year ended 30 June 2026.

1. Review of financial results and activities

TeleMasters Holdings is a diversified technology investment company. Entities within the Group are complementary towards each other with a key focus on enhancing digital transformation, empowering next generation interconnectivity and accelerating smart working environments. The vision of the Group is to create and accelerate shareholder value through responsible growth, acquisitions and investments with focus on technology.

Full details of the financial position, results of operations and cash flows of the Group are set out in these consolidated annual financial statements.

2. Authorised and issued share capital

The authorised and issued share capital as at 30 June 2026 is set out in note 11 of these consolidated annual financial statements.

As at 30 June 2026, there were 57 482 830 issued ordinary shares and 442 517 170 unissued ordinary shares. The unissued ordinary shares are under the control of the Directors subject to the provisions of the Companies Act and the JSE Listings Requirements.

During the period under review a subsidiary of the Company purchased 49 450 shares in the Company for an average purchase price of 98.87 cents per share as part of the Group's share repurchase programme. These shares are being held as treasury shares.

There have been no changes to the authorised or issued share capital during the year under review.

3. Dividends

The Board does not link the payment of dividends primarily to the current year's operating results but considers dividends in relation to the Company's reserves of R20.4 million at 30 June 2026 (R18.3 million as at 30 June 2025) and cash generated by operations. The Board considers the working capital requirements of the Company for the next 12-month period, among other considerations, when determining any dividend. The Board considers the payment of dividends to be a significant reason why shareholders invest in the Company and regards the principle of paying quarterly dividends as important. The payment of a dividend is accordingly considered on a quarterly basis.

The following dividends were declared during the period under review:

1. Dividend number 67 of 0.1 cents per share was declared on 22 August 2025 and paid to all shareholders recorded in the share register of the Company at the close of business on 25 August 2025;
2. Dividend number 68 of 0.2 cents per share was declared on 24 October 2025 and paid to all shareholders recorded in the share register of the Company at the close of business on 27 October 2025; and
3. Dividend number 69 of 0.2 cents per share was declared on 19 December 2025 and paid to all shareholders recorded in the share register of the Company at the close of business on 22 December 2025.
4. Dividend number 70 of 0.2 cents per share was declared on 24 April 2026 and paid to all shareholders recorded in the share register of the Company at the close of business on 28 April 2026.
5. Dividend number 71 of 0.3 cents per share was declared on 26 June 2026 and paid to all shareholders recorded in the share register of the Company at the close of business on 17 July 2026.

During the comparative year ended 30 June 2025, the Group declared three dividends totaling 0.3 cents per share.

DIRECTORS' REPORT

4. Directorate

The Directors in office during the year and at the date of this report are as follows:

Directors	Nationality	Designation
MB Pretorius	South African	Non-executive
JM Voigt	South African	Executive
BR Topham	South African	Executive
MJ Krastanov	South African	Independent Non-executive
M Moela	South African	Independent Non-executive

There have been no changes to the directorate for the year under review.

5. Interest of directors and officers in the company securities

During the financial year, no contracts were entered into which Directors or officers of the company had an interest and which significantly affected the business of the company. Related party transactions are disclosed in note 26 of the consolidated annual financial statements.

Interest in shares	2026 Direct	2025 Direct	2026 Indirect	2025 Indirect
MB Pretorius	-	-	35 700 000	35 700 000
JM Voigt	8 611 006	8 611 006	-	-
BR Topham	642 228	642 228	-	-
	9 253 234	**9 253 234**	**35 700 000**	**35 700 000**

There were no share transactions with Directors during the current and prior year.

There were no changes in the interests of directors in the Company between the end of the financial year and the date of approval of the Consolidated Annual Financial Statements.

6. Subsidiary companies

The Group holds voting rights in the following subsidiaries listed below.

Subsidiary	% Voting Rights 2026	% Voting Rights 2025
Catalytic Connections (Pty) Ltd	70.00%	70.00%
Spice Telecom (Pty) Ltd	100.00%	100.00%
Ultra DataCentre (Pty) Ltd	100.00%	100.00%
Contineo Virtual Communications (Pty) Ltd (dormant post restructure)	100.00%	100.00%
PerfectWorx Consulting (Pty) Ltd (dormant post restructure)	100.00%	100.00%

All subsidiaries are incorporated in the Republic of South Africa and the nature of their business is the provision of telecommunications & internet services, similar to that of its parent.

7. Borrowing powers

In terms of the Memorandum of Incorporation of the Company, the Directors may exercise all the powers of the Company to borrow money as they consider appropriate

8. Special resolutions

At the Company's Annual General Meeting held on 19 February 2026, the following special resolutions were passed:

- Non-Executive Directors' remuneration for the year commencing 1 July 2025 was approved by the Shareholders.
- General authority to repurchase shares in terms of Section 48 of the Companies Act.
- General authority to enter into funding agreements, provide loans or other financial assistance in terms of Section 44 and Section 45 of the Companies Act.

DIRECTORS' REPORT

9. Events after the reporting period

The Directors are unaware of any significant adjusting or disclosable events that have occurred between the end of the financial year and the date of this report that may materially affect the Group's results for the year under review or its financial position as at 30 June 2026.

10. Going concern

The Directors believe that the Company has adequate financial resources to continue in operation for the foreseeable future and accordingly the consolidated annual financial statements have been prepared on a going concern basis. The Directors have satisfied themselves that the Company is in a sound financial position and that it has access to sufficient resources to meet its foreseeable cash requirements.

The Directors are not aware of any new material changes that may adversely impact the Company. The Directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Company.

11. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa No 71, as amended.

12. Litigation statement

There are currently no legal or related proceedings against the Company, of which the Board is aware, which may have or have had in the 12 months preceding the date of this report, a material effect on the position of the Company.

13. Auditors

Nexia SAB&T acted as the Company's Auditors for the period ended 30 June 2026 and will be nominated to continue in office in accordance with Section 90 of the Companies Act, as amended, for re-appointment at the Annual General Meeting. The independence and remuneration of the Auditors was confirmed by the Audit & Risk Committee.

14. Secretary

The company secretary is Ms S Ramirez.

Postal address:
Postnet Suite 51
Private Bag X81 Halfway House Gauteng
1685

Business address:
74 Waterfall Drive
Waterfall Corporate Campus Building 5,
First Floor Waterfall City,
Gauteng
1685

15. Major and public shareholders

Details of the major shareholders are provided in note 12 of the consolidated annual financial statements.

16. Composition of the Board and other Committees

The Directors' designations, responsibilities and other key information, as well as the responsibilities and Committee composition for each Director, are fully disclosed in the Corporate Governance Report included in the Integrated Annual Report.

The composition of the Board Committees, as well as the attendance of the Directors and the Committee meetings, is fully disclosed in the Corporate Governance Report.

Nexia SAB&T

119 Witch-Hazel Avenue
Highveld Technopark
Centurion
0157
T: +27 (0) 12 682 8800
info@nexia-sabt.co.za
www.nexia-sabt.co.za

Independent auditor's report

To the Shareholders of TeleMasters Holdings Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of TeleMasters Holdings Limited and its subsidiaries (the group) set out on pages 61 to 95, which comprise the consolidated statement of financial position as at 30 June 2026; and the consolidated statement of profit or loss and other comprehensive income; the consolidated statement of changes in equity; and the consolidated statement of cash flows for the year then ended; and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of TeleMasters Holdings Limited and its subsidiaries as at 30 June 2026, and its consolidated financial performance and consolidated cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code), as applicable to audits of financial statements of public interest entities, and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error, and they are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Our determination of materiality is a matter of professional judgement and is affected by our perception and understanding of the financial information needs of intended users, which is the quantitative and qualitative factors that determine the level at which relevant decisions taken by users would be affected by a misstatement. These factors helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the consolidated financial statements as a whole.

Audit. Tax. Advisory.

Chairperson: Mrs A Zange
Chief Executive Officer: Mr MF Sulaman
SAB&T Chartered Accountants Incorporated t/a Nexia SAB&T
Company Registration Number: 1997/018869/21 | IRBA Registration Number: 921297
Offices in: Bloemfontein, Cape Town, Centurion, Durban, Johannesburg, Kimberley, Nelspruit, Polokwane, Port Elizabeth, Rustenburg
B-BBEE rating: Level 1 Contributor in terms of Generic Scorecard - B-BBEE Codes of Good Practice
SAB&T Chartered Accountants Incorporated is a member of Nexia, a leading, global network of independent accounting and consulting firms.
Please see the "Member firm disclaimer, https://nexia.com/member-firm-disclaimer/" for further details.
SAB&T Chartered Accountants Incorporated is an authorised financial services provider.
* A full list of directors is available for inspection at the company's registered office or on request.

Based on our professional judgement, we determined final materiality for the consolidated financial statements as follows:

	Consolidated financial statements
Final materiality	R 523 513
Basis for determining materiality	0.75% of Revenue
Rationale for the materiality benchmark applied	We considered revenue as the most appropriate benchmark as, in our view, it is the benchmark against which the performance of the group is most likely to be measured by users. The revenue is considered a more stable and relevant indicator of the groups financial performance.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality.

During our audit, we reassessed initial materiality and found no reason to change from our original assessment at planning.

Group audit scope

We tailored the scope of our group audit to obtain sufficient appropriate audit evidence to provide a basis for our opinion on the consolidated financial statements as a whole. In doing so, we considered the structure of the Group, the nature of its activities, the accounting processes and controls, and the assessed risks of material misstatement.

We designed our group audit by identifying and assessing the risks of material misstatement in the consolidated financial statements and determining the nature, timing and extent of audit procedures necessary to respond to those risks. Significant professional judgement was exercised in determining the components at which audit work, if any, was required to obtain sufficient appropriate audit evidence in support of the group audit opinion.

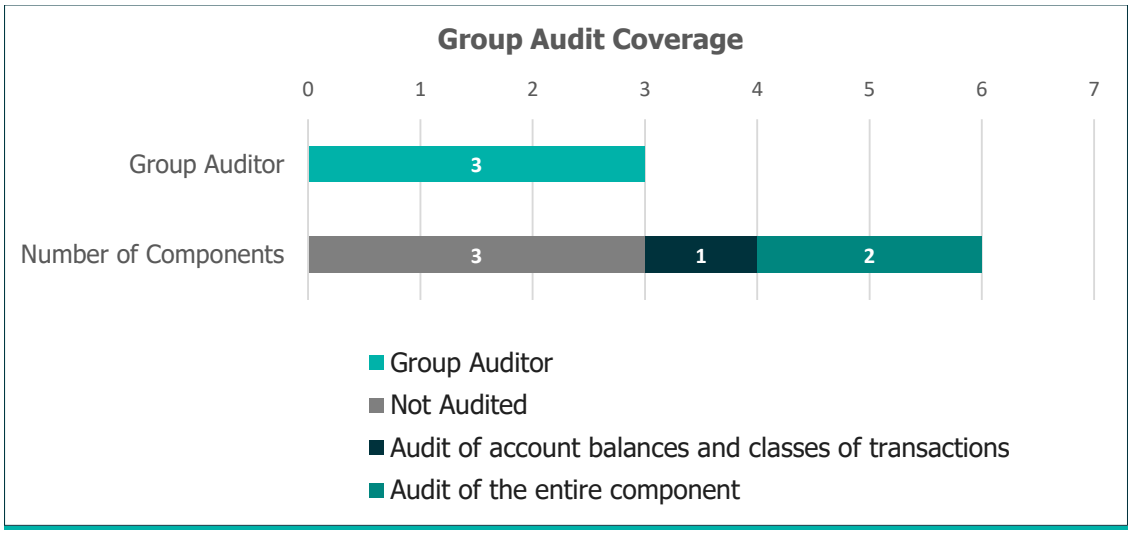
In performing the risk assessment, we obtained an understanding of the Group and its components and considered component-specific risks, the nature and magnitude of account balances, classes of transactions and disclosures, and how these contributed to the assessed risks of material misstatement in the consolidated financial statements.

In determining whether audit work was required at any component, we considered, amongst other matters:

- whether any individual component had events or conditions that could give rise to a risk of material misstatement in the consolidated financial statements;
- whether sufficient appropriate audit evidence needed to be obtained from the component's financial information;
- the significance of the component's contribution to the Group's financial position, financial performance and cash flows, including relevant account balances, classes of transactions and disclosures;
- the nature and extent of the risks identified at the component;
- whether the component was subject to a statutory audit or other assurance engagement under local legislation.

Based on our assessment, there were 6 components within the group structure. Each consolidated legal entity was considered to be an individual component to be assessed. All components are based in South Africa.

In assessing the risk of material misstatement to the consolidated financial statements and ensuring adequate quantitative coverage of significant accounts, we summarise below the extent of audit work performed at the components in support of the group audit opinion.



Throughout the audit, the group engagement team remained responsible for directing, supervising and reviewing the work performed and for evaluating the sufficiency and appropriateness of the audit evidence obtained.

For the components that were not audited, we considered if there were any events or conditions in these components that required additional procedures required.

Based on our understanding of the Group and its components, the risk assessment procedures performed and the audit evidence obtained, we concluded that sufficient appropriate audit evidence was obtained to support our opinion on the consolidated financial statements as a whole.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

Key Audit Matter	**How our audit addressed the key audit matter**
Goodwill impairment	
The consolidated financial statements recognised goodwill in the amount of R23 million (2025: R23 million) as disclosed in note 5 to	As part of our response to these key audit matters, we: • Evaluated the determination of the cash generating units and confirmed the application thereof by management was reasonable considering the nature of the underlying operations;

Key Audit Matter	How our audit addressed the key audit matter
the consolidated financial statements. The directors are required to perform an annual impairment test on the recoverability of goodwill. The directors performed their assessment using discounted cash flow models to determine the value in use for each appropriate cash generating unit. There are several key complex assumptions and judgements applied in the valuation models, which include amongst others: revenue growth rate; operating margins, terminal growth rate and weighted average capital discount rate applied to the projected cash flows, as well as consideration of the continuing impact of emerging risks on the assessment. Accordingly, the impairment test of goodwill is a key audit matter due to the significant judgement and estimations involved in determining the recoverable amount of the cash generating unit.	• Reviewed the impairment assessment approach applied by management and confirmed the methodology applied is consistent with international valuation standards; • Analysed the future projected cash flows used in the models to determine whether they are reasonable and supportable given the current economic climate and expected future performance of the cash generating unit to which the goodwill relates; • Compared the projected cash flows, including the assumptions relating to revenue growth rates and operating margins, against historical performance to test the reasonableness of the directors' projections, as well as testing the underlying calculations and obtained corroborative evidence where a significant increase in forecast earnings was noted; • Analysed the terminal growth rate to determine whether it was fair and reasonable; • Recalculated a discount rate for each cash generating unit using our independently sourced data and incorporated a further risk premium for the impact of forward-looking information as required, which we compared against managements inputs to determine whether their assessment was fair and reasonable. We found the methods, assumptions and data used by the directors to be appropriate based on historical performance, future outlook and current prevailing circumstances. We considered the goodwill impairment assessment disclosures to be appropriate.
Revenue Recognition	
As disclosed in note 16**,** the consolidated financial statements include revenue of R69.8 million (2025: R64.5 million). The Group has a large number of subscription clients, with varying contractual terms, generating revenue from various services on a monthly basis, which increases the risk associated with recognition and measurement of revenue. Revenue occurrence is therefore considered to be a key audit matter due to the large number of subscription clients with varying contractual terms and services.	As part of our response to these key audit matters, we: • Assessed and evaluated the design and implementation of key internal financial controls related to revenue recognition; • Assessed the appropriateness of the application of revenue recognition and measurement principles in accordance with the requirements of IFRS 15: Revenue from contracts with customers; • Performed substantive analytical procedures in respect of revenue recognition throughout the financial period in order to identify significant anomalies for further assessment; • Verified that a sample of revenue transactions recognised in the billing system was accurately recognised and measured in accordance with the terms and conditions of the contractual agreements and the requirements of IFRS 15: Revenue from contracts with customers; • We selected transactions before and after the reporting period end, to confirm the transactions were recognised in the correct financial period.

Key Audit Matter	How our audit addressed the key audit matter
	We found that the recognition and measurement of revenue was appropriate. We considered the revenue disclosures to be appropriate.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "TeleMasters Holdings Limited Consolidated Annual Financial Statements for the year ended 30 June 2026" and in the document titled "TeleMasters Holdings Limited Annual Financial Statements for the year ended 30 June 2026", which includes the Directors' Report, the Audit Committee's Report and the Declaration by Company Secretary, as required by the Companies Act of South Africa and the CEO and CFO Responsibility Statement on Internal Financial Controls as required by the JSE Limited Listing Requirements, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. The other information does not include the consolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we do receive and read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, we may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Responsibilities of the Directors for the Consolidated Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may be reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Nexia SAB&T

Report on Other Legal and Regulatory Requirements

Audit Tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that Nexia SAB&T has been the auditor of TeleMasters Holdings Limited for 15 years.

Disclosure of Fee-related Matters

In terms of the EAR Rule, we disclose the following fee-related matters:

	Amount
Audit services fees paid or payable in relation to the audit for the year ended 30 June 2026 for TeleMasters Holdings Limited and its subsidiaries (Group)	R754,000
Non-audit services	R34,000

We confirm that the total fees do not exceed 15% of our total revenue.

NexiaSAB&T

Nexia SAB&T
Johandre Engelbrecht
Director
Registered Auditor
14 October 2026

STATEMENT OF FINANCIAL POSITION

as at 30 June 2026

Figures in Rand	Note(s)	2026	2025
Assets			
Non-Current Assets			
Property, plant and equipment	3	14 671 952	14 194 722
Right-of-use assets	4	1 363 803	1 815 202
Goodwill	5	22 952 676	22 952 676
Intangible assets	6	333 840	367 675
Deferred tax	7	3 471 307	4 016 809
		42 793 578	**43 347 084**
Current Assets			
Inventories	8	724 938	626 370
Trade and other receivables	9	4 427 688	2 600 650
Current tax receivable		53 618	15 914
Cash and cash equivalents	10	7 692 232	7 210 151
		12 898 476	**10 453 085**
Total Assets		**55 692 054**	**53 800 169**
Equity and Liabilities			
Equity			
Equity Attributable to Equity Holders of Parent			
Share capital	11	15 293 322	15 342 209
Retained income		20 380 483	18 301 945
		35 673 805	33 644 154
Non-controlling interest	13	3 669 720	3 792 013
		39 343 525	**37 436 167**
Liabilities			
Non-Current Liabilities			
Borrowings	14	4 843 131	4 181 108
Lease liabilities	4	1 335 063	1 839 151
		6 178 194	**6 020 259**
Current Liabilities			
Trade and other payables	15	5 952 124	7 514 432
Borrowings	14	3 300 968	2 116 909
Lease liabilities	4	500 211	413 102
Current tax payable		166 077	221 174
Dividend payable		250 955	78 126
		10 170 335	**10 343 743**
Total Liabilities		**16 348 529**	**16 364 002**
Total Equity and Liabilities		**55 692 054**	**53 800 169**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 30 June 2026

Figures in Rand	Note(s)	2026	2025
Revenue	16	69 809 679	64 546 123
Cost of sales		(32 532 519)	(31 196 399)
Gross profit		**37 277 160**	**33 349 724**
Other operating income	17	67 068	778 308
Movement in credit loss allowances		(212 737)	(79 422)
Other operating expenses		(33 045 666)	(32 942 318)
Operating profit	18	**4 085 825**	**1 106 292**
Investment income		355 927	323 382
Finance costs paid	19	(1 236 155)	(1 162 800)
Profit before taxation		**3 205 597**	**266 874**
Taxation	20	(679 817)	(119 440)
Profit for the year		**2 525 780**	**147 434**
Other comprehensive income		-	-
Total comprehensive income for the year		**2 525 780**	**147 434**
Profit attributable to:			
Owners of the parent		2 648 073	528 325
Non-controlling interest		(122 293)	(380 891)
		2 525 780	**147 434**
Total comprehensive income attributable to:			
Owners of the parent		2 648 073	528 325
Non-controlling interest		(122 293)	(380 891)
		2 525 780	**147 434**
Earnings per share			
Per share information			
Basic earnings per share (cents)	21	4.68	0.93
Diluted earnings per share (cents)	21	4.68	0.93

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2026

Figures in Rand	Share capital	Share premium	Total share capital	Retained income	Total attributable to equity holders of the group/ company	Non-con-trolling interest	Total equity
Balance at 01 July 2024	**5 698**	**15 377 899**	**15 383 597**	**22 234 257**	**37 617 854**	**(118 382)**	**37 499 472**
Profit for the year	-	-	-	528 325	528 325	(380 891)	147 434
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**528 325**	**528 325**	**(380 891)**	**147 434**
Purchase of own / treasury shares	-	(41 388)	(41 388)	-	(41 388)	-	(41 388)
Transfer between reserves	-	-	-	(4 291 286)	(4 291 286)	4 291 286	-
Dividends	-	-	-	(169 351)	(169 351)	-	(169 351)
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**(41 388)**	**(41 388)**	**(4 460 637)**	**(4 502 025)**	**4 291 286**	**(210 739)**
Balance at 01 July 2025	**5 698**	**15 336 511**	**15 342 209**	**18 301 945**	**33 644 154**	**3 792 013**	**37 436 167**
Profit for the year	-	-	-	2 648 073	2 648 073	(122 293)	2 525 780
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the year	**-**	**-**	**-**	**2 648 073**	**2 648 073**	**(122 293)**	**2 525 780**
Purchase of own / treasury shares	-	(48 887)	(48 887)	-	(48 887)	-	(48 887)
Dividends	-	-	-	(569 535)	(569 535)	-	(569 535)
Total contributions by and distributions to owners of company recognised directly in equity	**-**	**(48 887)**	**(48 887)**	**(569 535)**	**(618 422)**	**-**	**(618 422)**
Balance at 30 June 2026	**5 698**	**15 287 624**	**15 293 322**	**20 380 483**	**35 673 805**	**3 669 720**	**39 343 525**
Note(s)	11	11	11			13	

STATEMENT OF CASH FLOWS

for the year ended 30 June 2026

Figures in Rand	Note(s)	2026	2025
Cash flows from operating activities			
Cash generated from operations	22	5 573 487	9 647 326
Finance costs paid	19	(1 236 155)	(1 145 338)
Tax paid	23	(221 237)	(485 514)
Net cash from operating activities		**4 116 095**	**8 016 474**
Cash flows used in investing activities			
Purchase of property, plant and equipment	3	(3 990 927)	(6 026 862)
Proceeds from sale of property, plant and equipment	3	79 726	198 443
Receipts from restricted cash		-	690 000
Interest income received		355 927	323 382
Net cash used in investing activities		**(3 555 274)**	**(4 815 037)**
Cash flows from /(used in) financing activities			
Repayments of borrowings	14	(2 674 600)	(1 137 649)
Proceeds from borrowings	14	3 458 432	4 500 000
Purchase of treasury shares		(48 887)	(41 388)
Cash repayments on lease liabilities	4	(416 979)	(4 448 720)
Dividends paid	24	(396 706)	(180 261)
Net cash from /(used in) financing activities		**(78 740)**	**(1 308 018)**
Total cash movement for the year		**482 081**	**1 893 419**
Cash and cash equivalents at the beginning of the year		7 210 151	5 316 732
Cash and cash equivalents at the end of the year	10	**7 692 232**	**7 210 151**

ACCOUNTING POLICIES

1. Material accounting policies

Management has considered the amendments to IAS 1 and principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these financial statements.

1.1 Basis of preparation

The consolidated annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS Accounting Standards and International Financial Reporting Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these consolidated annual financial statements, the JSE Listings Requirements and the Companies Act of South Africa No. 71 of 2008, as amended.

These consolidated annual financial statements comply with the requirements of the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The consolidated annual financial statements have been prepared on the historic cost convention and incorporate the principal accounting policies set out below. They are presented in Rands, which is the Group's functional currency.

These accounting policies are consistent with the previous period.

1.2 Consolidation Basis of consolidation

The consolidated annual financial statements incorporate the annual financial statements of the Company and all subsidiaries. Subsidiaries are entities which are controlled by the Group.

The results of subsidiaries are included in the consolidated annual financial statements from the effective date of acquisition to the effective date of disposal.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the Group's interest therein, and are recognised within equity. Losses of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions and are recognised directly in the Statement of Changes in Equity.

Business combinations

Business combinations for companies under common control are applicable where the business of a subsidiary is transferred from one subsidiary to another subsidiary. Where such a transaction occurs the receiving company recognised the assets and liabilities of the transferring company at their respective carrying values as at the date of transfer, which aligns with the Group carrying values. Where these subsidiaries have non-controlling shareholders, the non-controlling interest is measured at the equivalent percentage of the net carrying value of assets (including goodwill) and liabilities on date of transfer. The change in non-controlling interest is recognised as a transfer of reserves in the Statement of Changes in Equity.

1.3 Significant judgements and sources of estimation uncertainty

The preparation of consolidated annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the consolidated annual financial statements, are outlined as follows:

1.3 Significant judgements and sources of estimation uncertainty (continued)

Taxation

Judgement is required in determining the provision for income tax due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast budgets from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the year end date could be impacted. (Refer note 7.)

Sale and leaseback transactions

Management exercises significant judgement in determining whether transactions structured as sale and leaseback arrangements meet the requirements for a sale in terms of IFRS 15 and, consequently, qualify for sale and leaseback accounting under IFRS 16. Where control of the underlying asset is not transferred to the counterparty, the transaction is accounted for as a financing arrangement rather than a sale and leaseback. In such circumstances, the underlying asset continues to be recognised by the Group and the proceeds received are recognised as a financial liability and subsequently measured in accordance with IFRS 9. The assessment considers the substance of the contractual arrangements, including rights retained by the Company and whether control of the asset has been transferred to the counterparty.

Key sources of estimation uncertainty Impairment of trade receivables

Judgement is required in the assumptions used for calculating the Expected Credit Loss (ECL). The Group has financial assets classified and measured at amortised cost that are subject to the expected credit loss model requirements of IFRS 9. Refer note 9 for information on the expected credit loss allowance.

Goodwill impairment

The Group tests annually whether goodwill has suffered any impairment, or more frequently if events or changes in circumstances indicate that it may be impaired. The assumptions used in the impairment testing are set out in the goodwill note

5 of the Consolidated Annual Financial Statements. The recoverable amounts of the cash generating units have been determined based on value-in-use calculations. These calculations require the use of estimates in relation to the projections of future cash flows, the projected growth rate, the terminal value of the business and the discount rate.

The input factors most sensitive to change are management estimates of future cash flows based on budgets and forecasts, growth rates and discount rates. Further detail on these assumptions has been disclosed in the goodwill note 5.

Useful lives of property, plant and equipment

Management applies judgement and estimates in assessing the appropriateness of the useful lives and residual values of plant and equipment. Plant and equipment are reviewed annually on an individual basis to determine their useful life and residual value. Residual value is the estimated amount which the group will currently obtain from disposal of the asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life. The method of depreciation is annually reviewed and considered whether it is still appropriate.

The actual useful lives and residual values may vary depending on a variety of factors such as the nature of item, rapid technological advances, the condition as result of current usage and the expected physical wear and tear of each item of plant and equipment. The measurement of residual values of assets is also based on management's judgement whether the assets will be sold or used to the end of their economic lives and the estimation of what their condition will be like at that time. Refer paragraph 1.4 for estimated useful lives.

1.3 Significant judgements and sources of estimation uncertainty (continued)

Intangible assets

Judgement is required when determining the useful life and residual value of intangible assets. Intangible assets are reviewed annually on an individual basis to determine their useful life and residual value. Useful life is determined after taking into account the period of time over which the Group will earn revenue from the intangible asset. Residual values are assumed to be zero, due to the unique nature of the intangible assets of a defined term.

The Group tests annually whether intangible assets with indefinite lives have suffered any impairment, in accordance with the accounting policy stated in paragraph 1.5. The recoverable amounts of certain cash-generating units have been determined based on value-in use calculation. These calculations require the use of estimates. Refer note 6 for detail surrounding the estimations utilised in these calculations.

Revenue - Integrated solutions

The Group enters into contracts with customers to provide integrated solutions. Contracts are assessed individually to determine whether the products and services are distinct, i.e. the product or service is separately identifiable from the other promises in the contract with the customer and whether the customer can benefit from the goods or services either on its own or together with other resources that are readily available.

The nature of the promised goods or services are inputs into a working solution and the customer does not derive value from the stand-alone goods and services. The Group provides a significant integrated service and individual components are highly interdependent to the service being provided. The Group has applied its judgement and views these arrangements as a single performance obligation that needs to be met as the customer cannot benefit from either the goods or the services separately.

Revenue - Assessment of leases relating to customer premises equipment

Management exercises significant judgement in determining whether the contracts continuing on a month-to-month basis contain a lease in terms of IFRS 16. It has been determined that while the customer premise equipment such as routers and handsets, data centre racks and other IT equipment represents an identified asset, the customer does not have the right to direct how and for what purpose the equipment is used throughout the period of use. The customer is unable to direct the use of routers and handsets in any manner other than as intended by the Group, as part of a integrated service offering, and the customer does not have direct access to data centre racks and other IT equipment, which is interchangeable at the discretion of the Group as and when it determines necessary. The Group, being the supplier, has such a right and therefore such arrangements do not contain a lease. Furthermore, the Group provides various ancillary services which is significant and complementary to the equipment as an integrated solution. It is on this basis that management has concluded that revenue from such contracts should be recognised under IFRS 15 (Revenue from Contracts with Customers).

1.4 Property, plant and equipment

Property, plant and equipment is initially measured at cost and is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, when applicable. Cost includes all of the expenditure which is directly attributable to the acquisition of the asset and costs incurred subsequently to add to the asset.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	10 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	6 years
Racks and IT equipment	Straight line	3 - 10 years
Leasehold improvements	Straight line	shorter of useful life and lease term
Routers and handsets	Straight line	3 years

There was no significant impact from the change of the estimated useful life in the current year.

There were no indicators of impairment for property, plant and equipment and no impairment tests were performed.

ACCOUNTING POLICIES

1.5 Intangible assets

Intangible assets are initially recognised at cost, and subsequently carried at cost less any accumulated amortisation and any impairment losses. The residual values, amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Acquired computer software and licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

Useful lives for intangible assets has been assessed as follows:

Item	Depreciation method	Average useful life
Licenses Computer software	Straight line	Indefinite 3 years

1.6 Leases

Group as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the company is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are diminished.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the company uses its weighted average incremental borrowing rate.

Right-of-use assets

The right-of-use assets are depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

Right-of-use assets have been depreciated as follows:

Item	Depreciation method	Average useful life
Buildings	Straight line	5 - 10 years (term of lease)
Racks	Straight line	10 years (useful life)

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. No material changes were made.

1.7 Impairment of assets

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

ACCOUNTING POLICIES

1.7 Impairment of assets (continued)

Irrespective of whether there is any indication of impairment, the Group also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is so allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes, and is not larger than an operating segment as defined by paragraph 5 of IFRS 8 Operating Segments before aggregation.

1.8 Financial instruments

Note 28 Financial instruments and risk management presents the financial instruments held by the Group based on their specific classifications.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Group are presented below:

FINANCIAL ASSETS AT AMORTISED COST

Classification

Trade and other receivables (note 9), and cash and cash equivalents (note 10) are classified as financial assets subsequently measured at amortised cost.

Recognition and measurement

Financial assets are measured, at initial recognition, at fair value plus transaction costs, if any. A trade receivable without a significant financing component is initially measured at the transaction price.

They are subsequently measured at amortised cost.

Measurement and recognition of expected credit losses - Simplified approach on trade receivables

The measurement of expected credit losses for trade receivables is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default.

The assessment of the probability of default and loss given default is based on historical data, adjusted by forward-looking information as afore-mentioned described. The exposure at default is the gross carrying amount of the financial asset at the reporting date.

The Group makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate. The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. Details of the provision matrix is presented in note 9.

Credit risk

Details of credit risk related to financial assets are included in the specific notes and the financial instruments and risk management (note 28).

ACCOUNTING POLICIES

1.8 Financial instruments (continued)

Measurement and recognition of expected credit losses - General approach on other receivables

The Group recognises a loss allowance for expected credit losses on all financial assets measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective amount.

The Group measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS

9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables.

The Group measures the loss allowance for all other financial assets by following the general approach. The loss allowance is measured at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on these financial assets has not increased significantly since initial recognition, then the loss allowance is measured at 12 month expected credit losses (12 month ECL).

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, as well as consideration of various external sources of actual and forecast economic information, such as forecast economic growth and inflationary pressures. The Group furthermore considers the financial position of the counterparty, their liquidity and solvency, and their ability to service the payment obligations as and when they become due and payable. Where deemed necessary the Group will consider the forecast financial performance of the counterparty to determine if there are any increases in credit risk which need to be taken into consideration.

Irrespective of the outcome of the above assessment, the credit risk on a financial asset is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increases in credit risk before the amount becomes past due.

By contrast, if a financial asset is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk on the financial asset has not increased significantly since initial recognition. A financial asset is considered to have a low credit risk where there has not been any historical default and the counterparty is considered to be a reputable institution.

Definition of default

For purposes of internal credit risk management purposes, the Group considers that a default event has occurred if there is either a breach of financial agreements by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the Group considers that default has occurred when a payment for a financial asset is more than 30 days past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Write off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

ACCOUNTING POLICIES

1.8 Financial instruments (continued)

FINANCIAL LIABILITIES AT AMORTISED COST

Classification

Trade and other payables (note 15) and borrowings (note 14) are classified as financial liabilities and subsequently measured at amortised cost, except for VAT and indirect taxes, which is not a financial liability and is measured at cost.

Liquidity and interest rate risk

Financial liabilities expose the Group to liquidity risk and interest rate risk. Refer to note 28 for details of risk exposure and management thereof

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The Group derecognises financial liabilities when its obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

1.9 Tax

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognised for all deductible temporary differences and the carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which these can be utilised.

1.10 Inventories

Inventories consist of routers and handsets held for sale in the ordinary course of business. Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is assigned using the first-in, first-out (FIFO) formula. The same cost formula is used for all inventories having a similar nature and use to the entity. When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised.

1.11 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are recognised at par value and classified as ‘share capital’ in equity. Any amounts received from the issue of shares in excess of par value is classified as ‘share premium’ in equity.

Treasury shares

Shares in the Company held by subsidiaries of the Group are treated as a reduction in the Group’s equity.

1.12 Dividend distribution

Dividend distribution to the Group’s shareholders is recognised as a liability in the Group’s financial statements if the amount has been declared but not yet paid at year end.

Dividends are recognised as a liability in the period in which they are declared.

ACCOUNTING POLICIES

1.13 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.14 Revenue from contracts with customers

The Group recognises revenue from the following major sources:

- Sales of goods - Equipment sales
- Rendering of services - Connection/subscription fees
- Rendering of services - Airtime
- Rendering of services - Service fees

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The consideration specified in the contract is the same as the transaction price. The Group recognises revenue when the performance obligation relating to each specific contract has been satisfied. There are no performance obligations outstanding at the end of year. There are no transactions which include transaction prices that have variable considerations.

At the inception of a contract with a customer, the Group assesses the goods or services promised in the contract and identifies as a performance obligation each promise to transfer to the customer either a good or service (or bundle of goods or services) that is distinct; or a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer.

Performance obligations are satisfied either at a point in time or over time. Where performance obligations are satisfied over time, the Group recognises revenue for the services rendered within each time frame in accordance with the contract terms and pricing for the given time frame. Given the nature of the contracts completed over time, this method provides a faithful depiction of the transfer of goods and services for performance obligations satisfied over time. Subscription/ connectivity fees are recognised over time in the monthly period to which the services relate. The revenue for the airtime and services is recognised over time as the services are provided. Services purchased by a customer beyond the contract are treated as a separate contract and recognition of revenue from such services is based on the actual voice or data usage, or is made upon the expiration of the Group's obligation to provide the services. For post-paid contracts, customers usually pay monthly in equal installments over the contract term together with the additional billing for out-of-bundle usage.

In some instances, the Group provides multiple services to customers in a single contract. Where it is the intention of the Group to provide an end to end solution, these are considered as an integrated set of activities and treated as a single performance obligation.

The performance obligation with respect to the sale of goods is recognised when the Group entity has delivered its products to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Recognition does not occur until the products have been delivered to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed or the Group has objective evidence that all criteria for acceptance have been satisfied.

ACCOUNTING POLICIES

1.14 Revenue from contracts with customers (continued)

When the Group performs by transferring goods or services to a customer before the customer is invoiced, the amount receivable is disclosed separately as a contract asset in trade and other receivables.

Payments by customers are typically made within 30 days for major customers and 30 days for other customers of revenue being recognised.

The transaction price is allocated to each performance obligation in a contract on a relative stand-alone selling price basis where contracts have more than one performance obligation. The entity has adopted the expected cost-plus margin approach to determine the stand-alone selling prices. Under this approach, the entity's markup percentage is added to the expected standalone cost price of the promised good or service to the customer to get to a standalone selling price. No judgment is used in determining the standalone selling prices.

Disaggregation of revenue

The disaggregation of revenue from each category is presented in note 16 of the financial statements.

1.15 Earnings per share and headline earnings per share

The calculation of earnings per share (EPS) is based on the profit/(loss) for the period attributable to ordinary shareholders and the weighted average number of ordinary shares in issue during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares in issue for any dilutive potential ordinary shares. Headline earnings per share is calculated in accordance with circular 1/2023 issued by the South African Institute of Chartered Accountants.

1.16 Segmental reporting

IFRS 8 requires an entity to report financial and descriptive information about its reportable segments which are operating segments or aggregations of operating segments that meet specific criteria. Operating segments are components of an entity about which separate financial information is available and that is evaluated regularly by the Chief Operating Decision Maker.

The Chief Executive Officer is the Chief Operating Decision Maker ("CODM") of the Group.

The reportable segments reflect the operating model of the Group and are consistent with the way the business is managed and reported on by the CODM. Management monitors the operating results of its business units separately for the purpose of resource allocation and performance assessment. Monthly management meetings are held to evaluate the individual segment performance. The CODM does not monitor assets and liabilities by segment.

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

There was no material impact on the implementation of any standards and interpretations during the current financial year.

2.2 Standards and interpretations not yet effective

The group has chosen not to early adopt any standards and interpretations. Standards will be implemented in the applicable year for which they are mandatory.

The impact of the implementation of IFRS 18 has not yet been fully assessed by management. However based on an initial assesment it is not expected to result in material changes to the disclosure and presentation of information in the financial year ended 30 June 2028.

The group has also not yet determined the application of IFRS 19.

There is unlikely to be a material impact on the future implementation of any other standards.

3. Property, plant and equipment

	2026			2025		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	550 677	(531 420)	19 257	550 677	(441 167)	109 510
Motor vehicles	449 484	(281 673)	167 811	449 484	(251 002)	198 482
Office equipment	630 606	(248 808)	381 798	216 977	(181 568)	35 409
Racks and IT equipment	8 700 456	(5 458 821)	3 241 635	9 587 904	(5 179 976)	4 407 928
Routers and handsets	21 232 310	(11 342 803)	9 889 507	17 192 380	(8 878 178)	8 314 202
Leasehold improvements	1 406 508	(434 564)	971 944	1 287 524	(158 333)	1 129 191
Total	**32 970 041**	**(18 298 089)**	**14 671 952**	**29 284 946**	**(15 090 224)**	**14 194 722**

Reconciliation of property, plant and equipment - 2026

	Opening balance	Additions	Disposals	Transfers to inventory **	Transfers	Depreciation	Total
Furniture and fixtures	109 510	-	-	-	-	(90 253)	19 257
Motor vehicles	198 482	-	-	-	-	(30 671)	167 811
Office equipment	35 409	413 628	-	-	-	(67 239)	381 798
Racks and IT equipment	4 407 928	70 165	-	-	(945 485)	(290 973)	3 241 635
Routers and handsets	8 314 202	4 450 400	(93 587)	(347 273)	945 485	(3 379 720)	9 889 507
Leasehold improvements	1 129 191	118 984	-	-	-	(276 231)	971 944
	14 194 722	**5 053 177**	**(93 587)**	**(347 273)**	**-**	**(4 135 087)**	**14 671 952**

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Transfers to inventory **	Transfers from right of use assets *	Depreciation	Total
Furniture and fixtures	205 281	-	-	-	-	(95 771)	109 510
Motor vehicles	67 366	191 692	(32 461)	-	-	(28 115)	198 482
Office equipment	21 029	23 414	(1 619)	-	-	(7 415)	35 409
Racks and IT equipment	1 066 229	36 872	(1 530)	-	4 553 056	(1 246 699)	4 407 928
Routers and handsets	6 230 088	5 325 829	(277 558)	(587 305)	-	(2 376 852)	8 314 202
Leasehold improvements	48 859	1 192 554	-	-	-	(112 222)	1 129 191
	7 638 852	**6 770 361**	**(313 168)**	**(587 305)**	**4 553 056**	**(3 867 074)**	**14 194 722**

* Transfers from right-of-use assets relate to assets where the lease liability has been early settled and the Group has retained ownership of the asset in accordance with the original agreement.

** Transfers to inventory relate to routers and handsets that have reached their end of contract term, and have been reclassified to inventory at their carrying value where they can be sold.

Property, plant and equipment encumbered as security

Refer to note 14 for details of property, plant and equipment encumbered as security for borrowings.

Contractual commitments

There were no significant contractual commitments for the acquisition of property, plant and equipment.

4. Right-of-use assets and lease liabilities (Group as lessee)

The group leases premises for Ultra DataCentre. The lease term is ten years, with thirty-six months (2025: fourty-eight months) remaining at year end. Monthly repayments are R54 796 (2025: R52 502).

There are no extension or termination options on the lease agreement. There are no restrictions or covenants imposed by the lease. No arrangements have been entered into for contingent rent. There were no leases to which the group is committed to which have not yet commenced.

Interest rates are the rates implicit in the lease. Leases early settled or expired in the prior year:

- Head office premises - five years - There was eight months remaining on the lease at the beginning of the prior year. Monthly repayments were R198 240 until conclusion.
- Racks - three to five years - There was an average of seven-teen months remaining on the leases at the beginning of the prior year. Monthly repayments were R173 336. The leases for these racks were settled in the prior year.

Details pertaining to leasing arrangements, where the Group is lessee are presented below:

	2026			2025		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Premises	3 758 781	(2 394 978)	1 363 803	3 758 781	(1 943 579)	1 815 202

Reconciliation of right-of-use assets - 2026

	Opening balance	Depreciation	Closing balance
Premises	1 815 202	(451 399)	1 363 803

Reconciliation of right-of-use assets - 2025

	Opening balance	Transferto property, plant and equipment*	Depreciation	Closing balance
Premises	3 445 836	-	(1 630 634)	1 815 202
Racks	4 756 613	(4 553 056)	(203 557)	-
IT Equipment	15 929	-	(15 929)	-
	8 218 378	**(4 553 056)**	**(1 850 120)**	**1 815 202**

*During the prior period the Group entered into a medium term loan agreement with Capitec Bank Limited in the amount of R3 500 000 which was utilised to settle the outstanding lease liabilities, following which the data centre equipment was transferred from right-of-use assets to property, plant and equipment. The loss on the settlement of the lease liability was R300 707. The data centre equipment now serves as security over these borrowings.

	2026	2025
Other disclosures		
Interest expense on lease liabilities	241 928	509 224
Expenses on short-term leases included in operating expenses	1 812 308	750 000
Total cash outflow from leases	416 979	4 448 720
Lease liabilities		
Non-current liabilities	1 335 063	1 839 151
Current liabilities	500 211	413 102
	1 835 274	**2 252 253**

Maturity analysis and exposure to liquidity risk

Refer to note 28 Financial instruments and risk management for the details of the maturity analysis and liquidity risk exposure and management.

5. Goodwill

	2026 Cost	2026 Accumulated impairment	2026 Carrying value	2025 Cost	2025 Accumulated impairment	2025 Carrying value
Goodwill	22 952 676	-	22 952 676	22 952 676	-	22 952 676

	2026	2025
The carrying amount of goodwill relates to the following cash generating units		
ICT Managed Solutions	17 662 173	17 662 173
Data Centre Services	5 290 503	5 290 503
	22 952 676	**22 952 676**

The Group assessed the recoverable amount of goodwill from all acquisitions in both the current and previous financial year, and determined that the goodwill allocated to the cash generating units was not impaired. The accounting policy that has been applied in assessing impairment of goodwill is set out in note 1.3.

The key assumptions of the cash flow forecast used to determine the present value of the future cash flows from the cash generating unit of the group, over a five year period were based on:

- revenue growth of the respective CGU's over the forecast period; and
- discount rates.

The key assumptions are determined based on external sources of information and past experience from actual results. The revenue growth rate reflects the long term inflationary increases expected to realise.

A discounted cash flow method (value in use) was used to determine the present value of the future cash flows from the cash generating unit. A discount rate, based on a pre-tax risk free rate obtained from bonds issued by government adjusted for a risk premium to reflect the investment requirements of the Group and specific risks related to the cash generating unit were used in discounting the projected cash flows over a 5-year period.

2026	Revenue growth rates	Discount rates
ICT Managed Services	5.00 %	19.82 %
Data Centre Services	5.00 %	18.41 %

2025	Revenue growth rates	Discount rates
ICT Managed Services	4.40 %	18.71 %
Data Centre Services	4.40 %	17.67 %

Sensitivity Analysis

The value of a 1% (2025: 1%) increase or decrease in the discount rates and 1% (2025: 1%) decrease or increase in revenue growth rates applied to the discounted cash flow resulted in a change in value in use as indicated below.

In all instances the value per the discounted cash flow remains in excess of the carrying value of the cash generating unit, therefore no impairment is required to be recognised.

2026

	Difference due to change in the discount rate - 1% Increase	Difference due to change in the discount rate - 1% Decrease	Difference due to change in growth rate - 1% Increase	Difference due to change in growth rate - 1% Decrease
ICT Managed Services	(4 298 722)	4 929 951	2 954 201	(2 580 616)
Data Centre Services	(1 241 568)	1 444 722	907 835	(781 806)

5. Goodwill (continued)

2025

	Difference due to change in the discount rate - 1% Increase	Difference due to change in the discount rate - 1% Decrease	Difference due to change in growth rate - 1% Increase	Difference due to change in growth rate - 1% Decrease
ICT Managed Services	(2 298 342)	2 659 222	1 669 803	(1 451 732)
Data Centre Services	(904 671)	1 053 373	658 736	(566 432)

6. Intangible assets

	2026			2025		
	Cost / Valuation	Accumulated amortisation	Carrying value	Cost / Valuation	Accumulated amortisation	Carrying value
Licences - indefinite life	300 000	-	300 000	300 000	-	300 000
Computer software	1 590 850	(1 557 010)	33 840	1 590 850	(1 523 175)	67 675
Total	**1 890 850**	**(1 557 010)**	**333 840**	**1 890 850**	**(1 523 175)**	**367 675**

Reconciliation of intangible assets - 2026

	Opening balance	Amortisation	Total
Licences - indefinite life	300 000	-	300 000
Computer software	67 675	(33 835)	33 840
	367 675	**(33 835)**	**333 840**

Reconciliation of intangible assets - 2025

	Opening balance	Amortisation	Total
Licences - indefinite life	300 000	-	300 000
Computer software	136 352	(68 677)	67 675
	436 352	**(68 677)**	**367 675**

Assessment of indefinite life

The Communications Network Services (ECNS) licences were acquired from external parties, and are not limited to use over a specific period. Licences acquired from external parties are considered to have an indefinite useful life as they do not have regulatory renewal requirements or technological or market obsolescence. No change in circumstances occurred during the current or prior year to indicate a change in the determination of the indefinite useful lives for impairment of licences.

The indefinite life intangible assets were part of the acquisition of Catalytic Connections (Pty) Ltd, and are included in the ICT Managed Solutions cash generating unit. They are integral to the assumptions used in the determination of the recoverable amount and are identical to those disclosed in note 5 (goodwill) which also forms part of the annual impairment assessment.

Contractual commitments

The Group has no contractual commitments for the acquisition of intangible assets.

7. Deferred tax

	2026	2025
Deferred tax liability		
Licences	(81 000)	(81 000)
Prepayment	(150 956)	-
Right-of-use assets	(1 351 270)	(939 465)
Total deferred tax liability	**(1 583 226)**	**(1 020 465)**
Deferred tax asset		
Credit losses allowances	59 068	18 127
Employee related accruals	450 833	444 933
Property, plant and equipment	623 177	911 580
Lease liabilities	1 450 777	998 789
Deferred tax balance from temporary differences other than unused tax losses	2 583 855	2 373 429
Tax losses available for set off against future tax income	2 470 678	2 663 845
	5 054 533	5 037 274
Total deferred tax asset	**5 054 533**	**5 037 274**

The deferred tax assets and the deferred tax liabilities have been disclosed on a net basis per company as follows:

	2026	2025
Deferred tax liability	(1 583 226)	(1 020 465)
Deferred tax asset	5 054 533	5 037 274
Total net deferred tax asset	**3 471 307**	**4 016 809**
Reconciliation of deferred tax asset / (liability)		
At beginning of year	4 016 809	3 644 767
Increases (decrease) in tax loss available for set off against future taxable income	(193 167)	(1 190 779)
Taxable / (deductible) temporary difference on lease liabilities	451 988	(1 034 421)
Taxable / (deductible) temporary difference on credit loss allowance	40 941	9 688
Taxable / (deductible) temporary difference on employee related accruals	5 900	(31 140)
Taxable / (deductible) temporary difference on right of use assets	(411 805)	1 707 114
Taxable / (deductible) temporary difference on property, plant and equipment	(288 403)	911 580
Taxable / (deductible) temporary difference on prepayments	(150 956)	-
	3 471 307	**4 016 809**

Recognition of deferred tax asset

The deferred tax asset has been raised based on the assessment of the financial forecasts per entity by management that there will be future taxable profits against which the associated tax losses and deductible temporary differences can be utilised.

This forecast is based on the continued uptake in data centre services being provided by the Group, coupled with the continued uptake in networking and telecommunications services being provided. The Group has continued to decrease operating expenditure further in the current period as evidence from the Statement of Profit or Loss, the benefit of which will result in the utilisation of carried forward tax losses as demonstrated in the current financial period.

8. Inventories

	2026	2025
Routers and handsets	724 938	626 370

The cost of inventory recognised as an expense in cost of sales during the year was R2 135 285 (2025: R2 536 462). During the current year inventory of R74 969 (2025: R 68 577) was written off.

Inventory pledged as security

No inventory has been pledged as security.

9. Trade and other receivables

	2026	2025
Financial instruments:	3 678 504	2 037 796
Trade receivables		
Loss allowance	(291 693)	(78 956)
Trade receivables at amortised cost	3 386 811	1 958 840
Deposits	79 466	75 682
Contract assets	218 770	278 939
Other receivables	18 575	8 135
Non-financial instruments:		
VAT	163 965	166 415
Prepayments	560 101	112 639
Total trade and other receivables	**4 427 688**	**2 600 650**
Financial instrument and non-financial instrument components of trade and other receivables		
At amortised cost	3 703 622	2 321 596
Non-financial instruments	724 066	279 054
	4 427 688	**2 600 650**

Exposure to credit risk

Trade receivables and contract assets inherently expose the Group to credit risk, being the risk that the Group will incur financial loss if customers fail to make payments as they fall due. The management of credit risk is outlined in note 28. There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

The average credit period on trade receivables is 30 days (2025: 30). No interest is charged on outstanding trade receivables. The customer base is large and widespread, with a result that there is no specific significant concentration of credit risk. Customer deposits held are disclosed in note 15. The cumulative value of trade receivables written off in the current and prior years that were still subject to enforcement activities at year end was R1 952 039 (2025: R1 366 626).

The deposits and other receivables were assessed for impairment and the amount was not considered to be material to the Group.

The provision matrix has been developed by making use of default experience over the past 12 to 18 months on trade receivables, but also incorporated forward looking information, such as inflation, economic growth, credit rating of South Africa and general economic conditions of the industry as at the reporting date. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The increase in the gross carrying amount of trade debtors is in respect of a single debtor, which led to the increase in the credit loss allowance as at year end.

9. Trade and other receivables

The loss allowance provision is determined as follows:

Expected credit loss rate:	2026 Estimated gross carrying amount at default	2026 Loss allowance (Lifetime expected credit loss)	2025 Estimated gross carrying amount at default	2025 Loss allowance (Lifetime expected credit loss)
Less than 30 days past due: 1.28% (2025: 0.18%)	3 118 259	(40 182)	1 784 256	(3 274)
31 - 60 days past due: 12.08% (2025: 0.44%)	314 850	(38 047)	83 162	(366)
61 - 90 days past due: 87.06% (2025: 18.01%)	71 787	(62 500)	112 404	(20 241)
more than 90 days past due: 86.95% (2025: 95.00%)	173 608	(150 964)	57 974	(55 075)
Total	**3 678 504**	**(291 693)**	**2 037 796**	**(78 956)**

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:

	2026	2025
Opening balance	(78 956)	(41 676)
Balances derecognised and amounts written off as non-recoverable	78 956	41 676
Provision raised on new trade receivables	(291 693)	(78 956)
Closing balance	**(291 693)**	**(78 956)**

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts due to the short term nature thereof.

10. Cash and cash equivalents

	2026	2025
Cash and cash equivalents consist of:		
Cash on hand	9 652	12 198
Bank balances	7 658 038	7 186 428
Short-term deposits	24 542	11 525
	7 692 232	**7 210 151**

Credit quality of cash at bank and short-term deposits, excluding cash on hand

Credit risk exposure arising on cash and cash equivalents is managed by the Group through dealing with well-established financial institutions with high credit ratings. The credit quality of cash at bank and short term deposits, excluding cash on hand can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

	2026	2025
Credit rating		
zaA-1+ (2025: zaA-1+)	7 658 038	7 186 428
BB- (2025: BB-)	24 542	11 525
	7 682 580	**7 197 953**

Fair value of cash and cash equivalents

The fair value of current cash and cash equivalents approximates their carrying amounts due to their short term nature.

11. Share capital

Figures in Rand	2026	2025
Authorised		
500 000 000 Ordinary shares of R0.0001 each	50 000	50 000
Reconciliation of number of shares issued:		
Reported as at 01 July	56 584 461	56 628 822
Shares purchases by subsidiaries	(49 450)	(44 361)
	56 535 011	**56 584 461**
Comprising		
Total shares in issue	57 482 830	57 482 830
Total treasury shares held	(947 819)	(898 369)
	56 535 011	**56 584 461**

442 517 170 unissued ordinary shares are under the control of the Directors subject to the provisions of the Companies Act of South Africa and the JSE Listings Requirements.

Figures in Rand	2026	2025
Issued		
Ordinary	5 698	5 698
Share premium	22 318 392	22 318 392
Share issue cost written off against share premium	(462 403)	(462 403)
Capital distribution of share premium	(5 460 000)	(5 460 000)
Treasury shares held by subsidiary	(1 108 365)	(1 059 478)
	15 293 322	**15 342 209**

A subsidiary of the Company purchased 49 450 (2025: 44 361) shares in the Company for an average purchase price of 98.87 cents (2025: 93.29 cents) per share as part of the Group's share repurchase programme. These shares are being held as treasury shares.

12. Shareholder analysis

	% Holding	No. of Shareholders	No. of shares
Shareholders holding more than 5% at year end (30 June 2026)			
Maison D'Obsession Trust	62.11 %	1	35 700 000
JM Voigt	14.98 %	1	8 611 006
LP Pieton	8.70 %	1	4 999 999
Public and non-public shareholders			
Directors (Direct and Indirect)	78.20 %	3	44 953 234
Treasury shares held by subsidiary	1.64 %	1	947 819
Public and staff with no restrictions on dealings	20.16 %	1 011	11 581 777

13. Non-controlling interest

Figures in Rand	2026	2025
Opening Balance	3 792 013	(118 382)
Profit/(loss) for the period	(122 293)	(380 891)
Transfer of reserves	-	4 291 286
Non-controlling interest recognised in equity	**3 669 720**	**3 792 013**

On 1 April 2024 the Company converted 1,000 ordinary no-par value shares in Catalytic Connections (Pty) Ltd into 1,000 redeemable cumulative preferential shares for a total value of R25 912 792, recognised as a financial liability by Catalytic Connections (Pty) Ltd. The preference share issued was in order to recognise the pre-acquisition equity attributable to the Company to which the non-controlling shareholders of Catalytic Connections (Pty) Ltd had no rights to in accordance with the shareholders' agreement.

Simultaneously with the share conversion noted above, 70 ordinary no-par value shares were issued at a value of R1.00 per share (70%) to TeleMasters Holdings Limited. Subsequent thereto, 30 (30%) ordinary shares were issued by Catalytic Connections (Pty) Ltd to Sebenza Education and Empowerment Holdings (Pty) Ltd at a value of R1.00 per share.

The above conversion and subsequent issue of shares resulted in the Groups effective equity interest in Catalytic Connections (Pty) Ltd decreasing from 100% to 70% with effect from 31 March 2024.

The proceeds from the dilution of the equity interest was the nominal value of the ordinary shareholding issued.

Transfer of reserves

On 30 June 2025, the business of PerfectWorx Consulting (Pty) Ltd and Contineo Virtual Communications (Pty) Ltd was transferred into Catalytic Connections (Pty) Ltd, as a transaction under common control. The assets and liabilities were transferred at their carrying values as at the date of transfer, increasing the net asset value of Catalytic Connections (Pty) Ltd. The transfer of reserves is the related increase in the non-controlling share of Catalytic Connections (Pty) Ltd for the increase in the net asset value and the attributable combined goodwill.

Summary financial information for Catalytic Connections (Pty) Ltd

	Catalytic Connections (Pty) Ltd 30 June 2026	Catalytic Connections (Pty) Ltd 30 June 2025
Non-current assets	11 448 001	11 771 402
Current assets	6 323 360	5 328 087
Total assets	17 771 361	17 099 489
	17 771 361	**17 099 489**

Summarised statement of financial position - Liabilities

	Catalytic Connections (Pty) Ltd 30 June 2026	Catalytic Connections (Pty) Ltd 30 June 2025
Other non-current liabilities	1 967 957	31 109 659
Current liabilities	64 988 014	34 766 799
Total liabilities	66 955 971	65 876 458
	66 955 971	**65 876 458**

13. Non-controlling interest (continued)

Summarised statement of net equity

	Catalytic Connections (Pty) Ltd 30 June 2026	Catalytic Connections (Pty) Ltd 30 June 2025
Goodwill allocated to Group	17 662 173	17 662 173
Pre-acquisition equity not attributable to non-controlling interest	27 814 837	27 814 837
Common control reserve not attributable to non-controlling interest*	15 940 000	15 940 000
Subtotal	61 417 010	61 417 010
Less net liabilities position as taken from above	(49 184 610)	(48 776 968)
Net equity value at Group	**12 232 400**	**12 640 042**

30% Ownership interest held by non-controlling interest

	30 June 2026	30 June 2025
Carrying amount of non-controlling interest	3 669 720	3 792 013
	3 669 720	**3 792 013**

*The common control reserve relates to the combination of PerfectWorx Consulting (Pty) Ltd and Contineo Virtual Communications (Pty) Ltd as at 30 June 2025. This is a transaction within the group, eliminated for consolidation reporting purposes, therefore, other than the 30% allocated to the non-controlling interest on implementation, there is no further impact on the group results.

Summarised statement of profit or loss and other comprehensive income

	Catalytic Connections (Pty) Ltd 30 June 2026	Catalytic Connections (Pty) Ltd 30 June 2025
Revenue	66 596 494	59 138 431
Cost of sales	(32 730 926)	(35 611 846)
Gross profit	33 865 568	23 526 585
Other income and expenses	(33 621 182)	(24 214 401)
Profit (loss) before tax	244 386	(687 816)
Tax expense	(652 029)	(581 821)
Total comprehensive loss	(407 643)	(1 269 637)
Loss allocated to non-controlling interest	(122 293)	(380 891)

** The total comprehensive loss for the 2025 year is prior to the combination of PerfectWorx Consulting (Pty) Ltd and Contineo Virtual Communications (Pty) Ltd as at 30 June 2025.

14. Borrowings

Figures in Rand	2026	2025
Held at amortised cost		
Capitec Bank Ltd	4 586 519	4 073 895
The borrowings related to Capitec Bank Limited comprise three facilities. R1 000 000 working capital facility repayable in full by 28 February 2027, carrying interest at prime plus 2%. R3 500 000 medium term loan facility, securitised as noted below, repayable in 60 equal installments of R82 349, carrying interest at prime plus 3%, with 40 months remaining on the term, and a R1 100 000 medium-term loan facility, securitised as noted below, repayable over 60 months through monthly instalments of R25 169, carrying interest at prime plus 3%, with 54 months remaining on the term.		
4Tek Finance (Pty) Ltd The borrowings related to contracts with 4Tek Finance (Pty) Ltd are for the acquisition of routers and handsets. The repayment periods vary between 36 and 60 months (2025: 36 and 60 months) and the interest rate is prime interest rate plus 5.35%. The borrowings are repaid in monthly instalments of R20 965 (2025: R20 965). As at year end approximately 34 months (2025: 46 months) remain on the term.	470 289	627 795
Merchant West (Pty) Ltd The borrowings related to the contract with Merchant West is for the acquisition of routers and handsets. The repayment period varies between 24 and 60 months and the interest rates range between 16.35% and 17.90% per annum. The borrowings are repaid in monthly instalments payable in advance, ranging from R11 325 to R46 674. As at year end, approximately 16 to 43 months remain on the term.	2 618 593	702 557
The Rental Company (Pty) Ltd The borrowings related to contracts with The Rental Company (Pty) Ltd are for the acquisition of routers and handsets. The repayment periods vary between 24 and 60 months and the interest rate is between prime interest rate plus 6% and prime interest rate plus 10% (2025: prime interest rate plus 6% and prime interest rate plus 10%). The borrowings are repaid in monthly instalments of R8 367 (2025: R8 403). As at year end approximately 4 months (2025: 16 months) remain on the term.	32 111	116 613
JM Voigt The borrowings related to JM Voigt (Executive Director) are for IT Equipment. The repayment period is 36 months and the interest rate is prime plus 4.50%, which is considered to be market related. The loan is unsecured. The borrowings are repayable in monthly installments of R36 853 (2025: R36 853). As at year end approximately 12 months (2025: 24 months) remain on the term.	436 587	777 157
	8 144 099	**6 298 017**
Split between non-current and current portions		
Non-current liabilities	4 843 131	4 181 108
Current liabilities	3 300 968	2 116 909
	8 144 099	**6 298 017**

The carrying value of the property, plant and equipment (note 3) serving as collateral for the loans from Capitec Bank Ltd, 4Tek Finance (Pty) Ltd, Merchant West (Pty) Ltd and The Rental Company (Pty) Ltd was R4 617 622 (2025: R5 641 056).

The following security has been registered in the current period in relation to the Capitec Bank facility:

- Suretyship limited to R3 500 000 by TeleMasters Holdings Limited for the benefit of Ultra DataCentre (Pty) Ltd;
- Suretyship limited to R3 500 000 by Catalytic Connections Proprietary Limited for the benefit of Ultra DataCentre (Pty) Ltd;
- Registration of General and Special Notarial Bond for the amount of R3 500 000 in favour of Capitec Bank Ltd, over all movable assets of Ultra DataCentre (Pty) Ltd.
- Guarantee provided by Catalytic Connections (Pty) Ltd for R4 100 000, for the benefit of Ultra DataCentre (Pty) Ltd
- Guarantee provided by Telemasters Holdings Limited for R4 100 000, for the benefit of Ultra DataCentre (Pty) Ltd.

Refer to note 25 changes in liabilities arising from financing activities for details of the movement in the borrowings during the reporting period.

Fair value of borrowings

The fair value of borrowings approximates their carrying amounts due to the terms being market related.

15. Trade and other payables

Figures in Rand	2026	2025
Financial instruments:		
Trade payables	3 280 890	4 858 921
Accruals	238 000	364 163
Deposits received	39 457	39 457
Non-financial instruments:		
Employee related payable	320 876	270 566
Accrued leave pay	1 269 920	948 070
VAT	403 151	333 425
Accrued directors fees	399 830	699 830
	5 952 124	**7 514 432**
Financial instrument and non-financial instrument components of trade and other payables		
At amortised cost	3 558 347	5 262 541
Non-financial instruments	2 393 779	2 251 892
	5 952 124	**7 514 432**

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts due to the short term nature thereof.

16. Revenue

Figures in Rand	2026	2025
Revenue from contracts with customers		
Sale of goods	2 538 526	3 481 265
Rendering of services	67 271 153	61 064 858
	69 809 679	**64 546 123**
Disaggregation of revenue from contracts with customers		
Sale of goods		
Equipment sales - at a point in time (ICT Managed Solutions)	2 538 526	3 481 265
Rendering of services		
Connection fees - over time (ICT Managed Solutions)	41 327 354	36 291 190
Data and airtime - over time (ICT Managed Solutions)	6 403 839	8 203 738
Other service fees - over time (Data Centre Services)	10 007 100	8 926 213
Other service fees - over time (ICT Managed Solutions)	9 532 860	7 643 717
	67 271 153	**61 064 858**
Total revenue from contracts with customers	**69 809 679**	**64 546 123**

Refer to note 32 for segment reporting.

17. Other operating income

Figures in Rand	2026	2025
Cost recovery	-	735 177
Bad debts recovered	37 833	25 017
Foreign exchange gains	29 659	38 721
Other income	1 600	87 447
Loss on disposal or non-current assets	(2 024)	(108 054)
	67 068	**778 308**

18. Operating profit

Operating profit for the year is stated after charging (crediting) the following, amongst others.

These expenses all relate to administrative overheads and are included under other operating expenses.

Figures in Rand	2026	2025
Auditor's remuneration - external		
Audit fees	835 633	837 825
Remuneration, other than to employees		
Consulting and professional services	4 246 997	4 043 568
Secretarial services	600 685	593 910
	4 847 682	**4 637 478**
Employee costs		
Salaries, wages, bonuses and other benefits	15 616 508	14 219 962
Retirement benefit plans: defined benefit expense	111 549	116 848
Total employee costs	**15 728 057**	**14 336 810**
Depreciation and amortisation		
Depreciation of property, plant and equipment	4 135 087	3 867 074
Depreciation of right-of-use assets	451 400	1 850 118
Amortisation of intangible assets	33 836	68 676
Total depreciation and amortisation	**4 620 323**	**5 785 868**
Losses on disposals, scrappings and settlements		
Property, plant and equipment	2 024	114 730
Settlement of lease liability	-	300 707

Refer to note 4 for lease expenses.

19. Finance costs paid

Figures in Rand	2026	2025
Lease liabilitieS	241 928	509 224
Borrowings	924 904	637 946
Other interest paid	69 323	15 630
Total finance costs	**1 236 155**	**1 162 800**

20. Taxation

Figures in Rand	2026	2025
Major components of the tax expense		
Current		
Local income tax - current period	128 436	491 482
Deferred		
Originating and reversing temporary differences	551 381	(372 042)
	679 817	**119 440**
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense.		
Accounting profit	3 205 597	266 874
Tax at the applicable tax rate of 27% (2025: 27%)	865 511	72 056
Tax effect of adjustments on taxable income		
Donations	12 474	29 716
Legal fees not tax deductible	-	34 460
Tax loss not previously recognised	(127 458)	-
Recoveries and other income	(70 710)	(16 792)
	679 817	**119 440**

21. Earnings per share

Basic and diluted earnings per share

Basic and diluted earnings per share is determined by dividing profit attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is equal to basic earnings per share because there are no dilutive potential ordinary shares in issue.

Figures in Rand	2026	2025
Basic and diluted earnings per share		
Basic earnings per share (cents)	4.68	0.93
Diluted earnings per share (cents)	4.68	0.93
Weighted average number of ordinary shares	56 539 193	56 607 591
Headline earnings and diluted headline earnings per share		
Headline earnings per share (cents)	4.69	1.08
Diluted headline earnings per share (cents)	4.69	1.08
Weighted average number of ordinary shares	56 539 193	56 607 591
Reconciliation between earnings and headline earnings		
Earnings for the year attributable to equity holders of the parent	2 648 073	528 325
Adjusted for:	2 024	114 730
Loss on disposal of property, plant and equipment - Gross amount		
Loss on disposal of property, plant and equipment - Taxation thereon	(547)	(30 977)
Headline earnings	2 649 550	612 078

22. Cash generated from operations

Figures in Rand	2026	2025
Profit before taxation	3 205 597	266 874
Adjustments for non-cash items:	4 620 323	5 785 868
Depreciation, amortisation, impairments and reversals of impairments		
Losses on sale of assets and liabilities	2 024	114 730
Net movements in credit loss allowances	212 737	79 422
Settlement of lease liability	-	300 707
Adjust for items which are presented separately:	(355 927)	(323 382)
Interest income		
Finance costs	1 236 155	1 162 800
Changes in working capital:	248 705	618 673
(Increase) decrease in inventories		
(Increase) decrease in trade and other receivables	(2 033 818)	519 829
Increase (decrease) in trade and other payables	(1 562 309)	1 121 805
	5 573 487	**9 647 326**

23. Tax paid

Figures in Rand	2026	2025
Balance at beginning of the year	(205 260)	(199 292)
Current tax recognised in profit or loss	(128 436)	(491 482)
Balance at end of the year	112 459	205 260
	(221 237)	**(485 514)**

24. Dividends paid

Figures in Rand	2026	2025
Balance at beginning of the year	(78 126)	(89 036)
Dividends	(569 535)	(169 351)
Balance at end of the year	250 955	78 126
	(396 706)	**(180 261)**

25. Changes in liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities - 2026

	Opening balance	Additional borrowings for property, plant and equipment	Total non-cash movements	Cash flows	Closing balance
Borrowings	6 298 017	1 062 250	1 062 250	783 832	8 144 099
Finance lease liabilities	2 252 253	-	-	(416 979)	1 835 274
	8 550 270	**1 062 250**	**1 062 250**	**366 853**	**9 979 373**
Total liabilities from financing activities	**8 550 270**	**1 062 250**	**1 062 250**	**366 853**	**9 979 373**

Reconciliation of liabilities arising from financing activities - 2025

	Opening balance	Lease settlement	Additional borrow-ings for property, plant and equipment	Interest accrued not paid	Total non-cash movements	Cash flows	Closing balance
Borrowings	2 174 700	-	743 504	17 462	760 966	3 362 351	6 298 017
Lease liabilities	6 400 266	300 707	-	-	300 707	(4 448 720)	2 252 253
	10 749 666	**300 707**	**1 487 008**	**34 924**	**1 822 639**	**2 275 982**	**8 550 270**
Total liabilities from financing activities	**10 749 666**	**300 707**	**1 487 008**	**34 924**	**1 822 639**	**2 275 982**	**8 550 270**

26. Related parties

Relationships

Executive directors	JM Voigt BR Topham
Non-executive directors	MB Pretorius M Moela MJ Krastanov
Related parties in which key management and / or non-executive directors have a beneficial interest:	
MB Pretorius	Zero Plus Trading 194 (Pty) Ltd Spero Sensors and Instruments (Pty) Ltd
A Voigt (spouse of a Director)	Level This CC
M Krastanov	AcaciaCap Advisors (Pty) Ltd
Significant shareholder of subsidiary	Sebenza Education and Empowerment Holdings (Pty) Ltd

26. Related parties (continued)

Figures in Rand	2026	2025
Related party balances		
Loan accounts - Owing (to) by Directors		
JM Voigt *	(436 587)	(777 157)
Trade payable owing to related party of director		
Level This CC	172 500	-
Sales to associate of director		
Spero Sensors and Instruments (Pty) Ltd	1 483 777	1 111 508
Consulting fees paid to associate of director		
Level This CC	1 860 000	1 860 000
AcaciaCap Advisors (Pty) Ltd	277 550	278 650
Zero Plus Trading 194 (Pty) Ltd	271 591	266 700
Related party transactions		

* Refer to note 14 for terms of loan.

27. Directors' emoluments Executive

2026 Directors' emoluments	Basic salary	Expense allowances	Total
Services as director or prescribed officer			
JM Voigt	1 440 000	104 991	1 544 991
BR Topham	600 000	-	600 000
	2 040 000	**104 991**	**2 144 991**
2025			
Directors' emoluments			
Services as director or prescribed officer			
JM Voigt	1 440 000	164 878	1 604 878
BR Topham	600 000	-	600 000
	2 040 000	**164 878**	**2 204 878**

Non-executive **2026**	Fees for services as director	Total
Directors' emoluments		
Services as director or prescribed officer		
MB Pretorius	399 996	399 996
MJ Krastanov	249 000	249 000
M Moela	249 000	249 000
	897 996	**897 996**
2025		
Directors' emoluments		
Services as director or prescribed officer		
MB Pretorius	399 996	399 996
MJ Krastanov	249 000	249 000
M Moela	249 000	249 000
	897 996	**897 996**

28. Financial instruments and risk management Categories of financial instruments

Categories of financial assets

2026	Note(s)	Amortised cost	Total	Fair value
Trade and other receivables	9	3 703 622	3 703 622	3 703 622
Cash and cash equivalents	10	7 692 232	7 692 232	7 692 232
		11 395 854	**11 395 854**	**11 395 854**
2025				
Trade and other receivables	9	2 321 596	2 321 596	2 321 596
Cash and cash equivalents	10	7 210 151	7 210 151	7 210 151
		9 531 747	**9 531 747**	**9 531 747**

Categories of financial liabilities

2026	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other payables	15	3 558 347	-	3 558 347	3 558 347
Borrowings	14	8 144 099	-	8 144 099	8 144 099
Lease liabilities	4	-	1 835 274	1 835 274	1 835 274
Dividend payable		250 955	-	250 955	250 955
		11 953 401	**1 835 274**	**13 788 675**	**13 788 675**
2025					
Trade and other payables	15	5 262 541	-	5 262 541	5 262 541
Borrowings	14	6 298 017	-	6 298 017	6 298 017
Lease liabilities	4	-	2 252 253	2 252 253	2 252 253
Dividend payable		78 126	-	78 126	78 126
		11 638 684	**2 252 253**	**13 890 937**	**13 890 937**

Capital risk management

The Group's capital structure consists of cash and cash equivalents and equity attributable to equity holders of the Group which comprises issued share capital, share premium and accumulated earnings. The Group's capital management objective is to achieve an effective weighted average cost of capital while continuing to safeguard the Group's ability to meet its liquidity requirements, repay borrowings as they fall due and continue as a going concern, whilst concurrently ensuring that at all times its credit worthiness is considered to be at least investment grade. Management reviews the capital structure, analyses interest rate exposure and reevaluates treasury management strategies in the context of economic conditions and forecasts regularly. This could lead to an adjustment to the dividend yield and/or an issue or repurchase of shares.

This policy is consistent with that of the comparative period. The Group is not subject to any external capital requirements.

The capital structure and gearing ratio of the company at the reporting date was as follows:

Figures in Rand	Notes	2026	2025
Borrowings	14	8 144 099	6 298 017
Lease liabilities	4	1 835 274	2 252 253
Trade and other payables	15	5 952 124	7 514 432
Total borrowings		**15 931 497**	**16 064 702**
Cash and cash equivalents	10	(7 692 232)	(7 210 151)
Net borrowings		**8 239 265**	**8 854 551**
Equity		39 343 525	37 436 167
Gearing ratio		21 %	24 %

28. Financial instruments and risk management (continued)

Financial risk management

Overview

There have been no substantive changes to the Group exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note. Information disclosed has not been disaggregated as the financial instruments used by the Group share the same economic characteristics and market conditions.

Risk management is carried out by management under policies approved by the Board. The Board provides principles for overall risk management, as well as policies covering specific areas, such as interest rate risk and credit risk. The directors monitor their collections from the Group' receivables, movement in prime lending rates and the risks that the Group is exposed to based on current market conditions, on a monthly basis.

The principal financial instruments used by the Group, from which financial risk arises, are as follows:

- Trade and other receivables;
- Cash and cash equivalents;
- Trade and other payables;
- Borrowings;
- Lease liabilities; and
- Dividends payable.

The Group is currently exposed to credit risk, liquidity risk and interest rate risk (which comprises cash flow interest rate risk).

The main purpose of financial liabilities is to raise finance to fund the acquisition of plant and equipment and intangible assets, working capital and future acquisitions.

Procedures for avoiding excessive concentration of risk include:

Credit risk

- Maintaining a wide customer base;
- Continually looking for opportunities to expand the customer base;
- Reviewing current developments in technology in order to identify any product line which may increase margins in the future;
- Subjecting all customers to a credit verification procedure before agreements are entered into;
- Reviewing the trade debtors' age analysis weekly with the intention of minimising the Group's exposure to bad debts;
- Reviewing the financial performance and profit forecasts for related counterparties; and
- Placing a customer on hold should the customer be identified as having cash flow difficulties. Liquidity risk
- Maintaining cash balances;
- Effecting necessary price increases as and when required; and
- Reviewing the Group's bank accounts daily and transferring excess funds from the main current account to other facilities in order to increase the interest earnings to the Group.

28. Financial instruments and risk management (continued)

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group is exposed to credit risk on trade and other receivables (note 9) and cash and cash equivalents (note 10). The management of credit risk exposure is detailed in the individual notes.

The maximum exposure to credit risk is presented in the table below:

		2026			2025		
	Note	Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Trade and other receivables	9	4 719 381	(291 693)	4 427 688	2 679 606	(78 956)	2 600 650
Cash and cash equivalents	10	7 692 232	-	7 692 232	7 210 151	-	7 210 151
		12 411 613	**(291 693)**	**12 119 920**	**9 889 757**	**(78 956)**	**9 810 801**

Liquidity risk

The Group is exposed to liquidity risk, which is the risk that the Group will encounter difficulties in meeting its obligations as they become due.

The Group manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through cash generated from operations and shareholder funding when required. Deposits are held with reputable financial institutions. The management of liquidity risk is also achieved by monitoring the economy to ensure that necessary price increases are effected. There have been no defaults or breaches on trade payables during the course of the financial year.

The maturity profile of contractual cash flows are presented in the following table. The cash flows are undiscounted contractual amounts.

2026	Note	Less than 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total	Carrying amount
Non-current liabilities							
Borrowings	14	-	2 554 434	2 110 864	927 484	5 592 782	4 843 131
Lease liabilities	4	-	723 376	759 545	15 589	1 498 510	1 335 063
Current liabilities							
Trade and other payables	13	3 558 347	-	-	-	3 558 347	3 558 347
Borrowings	14	4 215 316	-	-	-	4 215 316	3 300 968
Lease liabilities	4	687 263	-	-	-	687 263	500 211
Dividend payable		250 955	-	-	-	250 955	250 955
		8 711 881	**3 277 810**	**2 870 409**	**943 073**	**15 803 173**	**13 788 675**

2025	Note	Less than 1 year	1 to 2 years	2 to 3 years	Over 3 years	Total	Carrying amount
Non-current liabilities							
Borrowings	14	-	1 920 217	1 439 293	1 897 221	5 256 731	4 181 108
Lease liabilities	4	-	689 783	724 241	776 084	2 190 108	1 839 151
Current liabilities							
Trade and other payables	15	5 262 541	-	-	-	5 262 541	5 262 541
Borrowings	14	2 939 222	-	-	-	2 939 222	2 116 909
Lease liabilities	4	655 257	-	-	-	655 257	413 102
Dividend payable		78 126	-	-	-	78 126	78 126
		8 935 146	**2 610 000**	**2 163 534**	**2 673 305**	**16 381 985**	**13 890 937**

28. Financial instruments and risk management (continued)

Interest rate risk

The Group policy with regards to financial assets, is to invest cash at floating rates of interest and to maintain cash reserves in short-term investments in order to maintain liquidity, while also achieving a satisfactory return for shareholders.

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

Interest rate profile

The interest rate profile of interest bearing financial instruments at the end of the reporting period was as follows:

		Average effective interest rate		Carrying amount	
	Note	2026	2025	2026	2025
Variable rate instruments:					
Assets					
Cash and cash equivalents	10	4.25 %	5.25 %	7 692 232	7 210 150
Liabilities					
Borrowings	14	16.50 %	17.50 %	(8 144 099)	(6 298 017)
Lease liabilities	4	12.90 %	12.90 %	(1 835 274)	(2 252 253)
				(9 979 373)	**(8 550 270)**
Net variable rate financial instruments				**(2 287 141)**	**(1 340 120)**

Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date.

At 30 June 2026 (30 June 2025) if the prime interest rate had been 1.00% per annum (2025: 1.50%) higher or lower during the period, with all other variables held constant, profit or loss for the year would have been R25 044 (2025: R14 674) lower or higher.

29. Going concern

The Directors believe that the Group has adequate financial resources to continue in operation for the foreseeable future and accordingly the Consolidated Annual Financial Statements have been prepared on a going concern basis. The Directors have satisfied themselves that the Group is in a sound financial position and that it has access to sufficient resources to meet its foreseeable cash requirements.

The Directors are not aware of any new material changes that may adversely impact the Group. The Directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Group.

30. Events after the reporting period

The Directors are unaware of any significant adjusting or disclosable events that have occurred between the end of the financial year and the date of this report that may materially affect the Group's results for the year under review or its financial position as at 30 June 2026.

31. Litigation

There are currently no legal or related proceedings against the Group, of which the Board is aware, which may have or have had in the 12 months preceding the date of this report, a material effect on the consolidated position of the Group.

32. Segmental information

The reportable segments reflect the operating model of the Group and is consistent with the way the business is managed and reported on by the CODM.

Management monitors the operating results of its business units separately for the purpose of resource allocation and performance assessment. Monthly management meetings are held to evaluate the individual segment performance. The CODM does not monitor assets and liabilities by segment.

The Group's reporting segments are: ICT Managed Solutions, Data Centre Services and Corporate. The entities included in these segments as listed below are managed and reported on as a single business unit due to the interdependencies between the entities.

ICT Managed Solutions

Catalytic Connections (Pty) Ltd, Contineo Virtual Communications and PerfectWorx Consulting (collectively providing "ICT Managed Solutions") is a diversified ICT managed segment providing ICT managed solutions to medium and small enterprises through a comprehensive suite of products and services focused on digital connectivity through its unique dual-link connectivity with carrier diversity, seamless scalable & smart cloud communications solutions, reliable & scalable cloud solutions and cutting-edge security solutions.

Data Centre Services

Ultra Data Centre (Pty) Ltd ("Data Centre Services") built and operates a vendor & carrier neutral data centre facility located outside of Pretoria which features several unique capabilities including smart rack infrastructure, ultra- secure physical environment, and connectivity vendor redundancy. Due to its location just outside the principal jurisdictions of many other data centres, it specializes in ultra-secure disaster recovery capabilities but also functions as a primary data centre for clients. Unique among data centres, it has massive and scalable utility power availability.

32. Segmental information (continued) 2026

		Revenue			Separately disclosable items			
2026	Total segment revenue	Inter-segment revenue	Revenue from external customers	EBITDA	Depreciation and amortisation	Interest revenue	Interest expense	Net profit or loss before taxation
ICT Managed Solutions	59 802 579	-	59 802 579	6 576 363	(3 184 367)	6 742	(3 155 368)	243 371
Data Centre Services	12 736 293	(2 729 193)	10 007 100	3 198 239	(2 459 456)	-	(696 773)	42 010
Corporate	4 300 000	(4 300 000)	-	(281 380)	(44 660)	2 970 463	-	2 644 423
Consolidation	(7 029 193)	7 029 193	-	(787 074)	1 068 160	(2 621 278)	2 615 985	275 793
Total	**69 809 679**	**-**	**69 809 679**	**8 706 148**	**(4 620 323)**	**355 927**	**(1 236 156)**	**3 205 597**

		Revenue			Separately disclosable items			
2025	Total segment revenue	Inter-segment revenue	Revenue from external customers	EBITDA	Depreciation and amortisation	Interest revenue	Interest expense	Net profit or loss before taxation
ICT Managed Solutions	66 459 060	(10 839 149)	55 619 911	22 803 988	(3 673 353)	67 934	(3 327 677)	15 870 892
Data Centre Services	11 139 010	(2 212 798)	8 926 212	2 853 310	(1 512 622)	-	(582 670)	758 018
Corporate	3 088 000	(3 088 000)	-	4 802 381	(599 898)	3 172 735	(167 642)	7 207 576
Consolidation	(16 139 947)	16 139 947	-	(23 567 514)	-	(2 917 287)	2 915 189	(23 569 612)
Total	**64 546 123**	**-**	**64 546 123**	**6 892 165**	**(5 785 873)**	**323 382**	**(1 162 800)**	**266 874**

The net loss before tax for ICT Managed Services has been incurred is as a result of the preference share interest payable to the Company and is not related to operational activities

No single customer comprised more than 10% of the Group's revenues in the current and prior year. There were no non-current assets belonging to the Group that are domiciled outside of South Africa in the current and prior year. There was no revenue from foreign countries in the current and prior year.

32. Segmental information (continued)

The significant variance between in profit before taxation between the 2025 to 2026 financial periods related to the ICT Managed Solutions segment is due to investment and other income which is eliminated at group level.

Segment assets and liabilities

2026	Total assets	Total liabilities
ICT Managed Solutions	23 439 355	(66 754 246)
Data Centre Services	9 950 738	(9 478 823)
Corporate	74 038 872	(7 536 236)
Consolidation	(51 736 911)	67 420 776
Total	**55 692 054**	**(16 348 529)**
2025		
ICT Managed Solutions	17 189 172	(65 876 456)
Data Centre Services	10 762 726	(10 321 473)
Corporate	72 234 730	(7 483 557)
Consolidation	(46 386 459)	67 317 484
Total	**53 800 169**	**(16 364 002)**

Tell:
087 945 0000
E-mail:
Shareholders@masters.co.za
Web:
www.telemasters.co.za

Address:
74 Waterfall Drive,
Waterfall Corporate Campus, Building 5, First Floor,
Waterfall City, Midrand, 1685