

Chairman's Letter

Huge's strength lies in its proven ability to sustain its customer real estate and leverage its existing infrastructure. Despite prevailing challenges, Huge has continued to deliver against the objectives of the Growing Huge Strategy and solidify its investment case. Where endurance is the path to sustainable success, Huge has invested in the basis to deliver that success.

The first half of 2020 has already proven to be an 'annus horribilis' for society as a whole, including the corporate community. The poor economy has subsequently been aggravated by a global pandemic. On behalf of the Board, we extend our heartfelt condolences to those people who have lost loved ones to COVID-19, as well as everyone who has been financially impacted by the associated national lockdown and social distancing policy.

The economic consequences of COVID-19 are severe. Many companies, both large and small, have had to take unprecedented measures to ensure survival and to support corporate South Africa. I am exceedingly proud of the resilience that Huge has demonstrated over this period. Under the robust leadership of Huge's executive management team,

operations have remained active as 'essential services', providing connectivity and communication services to Huge's customer real estate.

In the past 24 months, the economy has faltered and suitable opportunities for growth have become more challenging. Notwithstanding, Huge has continued to deliver satisfactory growth in revenue and earnings. In the face of COVID-19, Huge has demonstrated its defensive attributes and its capacity to withstand unprecedented and exceptional shocks.

Huge views its role as a responsible corporate citizen as paramount. Preserving the full operational complement of employees, without compromising their salaries, has been a key objective for the Board. Despite the extraordinary operating circumstances currently being experienced, Huge has maintained its entire employee base, without loss of income or redundancies. Non-executive directors have made voluntary



"Never cease chiseling your own statue"
 – Plotinus (205 – 270)

Duarte da Silva
 Chairman

"Success is not final; failure is not fatal; it is the courage to continue that counts"
 – Winston Churchill

emolument sacrifices. In addition, the Chief Executive Officer and the Chief Operating Officer have foregone any annual increases in their remuneration for FY2021.

It is Huge's customer real estate which informs its investment case, provides a foundation of sustainable annuity revenue and earnings which are defensive in nature, cumulatively creating a platform for growth and opportunity. This customer real estate is allowing Huge to explore IoT and payments as entry points for investment in Fintech. Huge is already exploring such initiatives, which involves creating bespoke financial offerings in partnership with financial institutions.

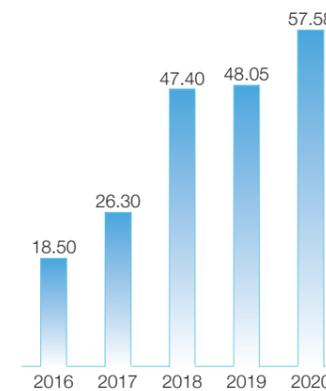
Huge's achievements in FY2020 have been facilitated by the addition of new executives. The new position of Chief Operating Officer was created at the start of FY2020, to which Andy Openshaw was appointed. This role is key in creating the link between the Board, the Chief Executive Officer and the managing directors of the various operating companies. We have seen the positive impact that Andy has made in this role and the work he has undertaken in FY2020 has created the platform for organic growth. Samantha Sequeira was appointed

as Chief Financial Officer at the start of FY2020 and the work she has undertaken in strengthening the financial reporting processes at Huge has been nothing short of remarkable. With the reporting foundation laid, Huge can now turn its attention to building the financial management foundations and assurance processes it needs to leverage more value from its strategic objectives.

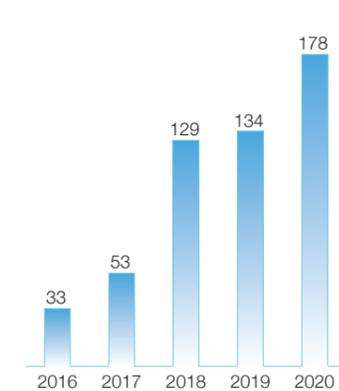
The ability to withstand the challenges imposed by COVID-19 will test the viability of many companies, including some of Huge's SME customers. In the short term, Huge's classification as an essential service provider has minimised any possible negative impact on its earnings. Going forward, a key focus for all companies will be balance sheet management, maintaining customers and protecting employees. The Board believes that, through the continued implementation of the Growing Huge Strategy, the Group is well positioned to meet this challenge. The ambition of Huge becoming a top 100 listed company on the JSE remains achievable.

I would like to take this opportunity to thank my colleagues on the Board for providing guidance in challenging times and to the executive management team for leadership and resilience.

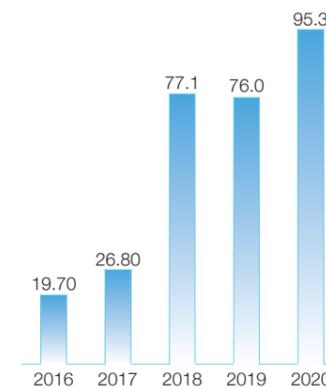
Earnings per share (cps)



EBITDA (Rm)



Net profit (Rm)



Operating profit (Rm)

