



## We Are One AECI, for a Better World

Reviewed Condensed  
Consolidated Financial Results  
and Cash Dividend Declaration  
For the year ended 31 December 2025



# Our business at a glance

A proud history spanning over 100 years defines our global business, characterised by our pioneering spirit, resilience, agility, innovation and commitment to excellence.

AECI's expertise in optimising the use of explosives has been instrumental in advancing the South African mining and chemical industries. The ability to overcome local and global economic challenges and create value through profitable growth and disciplined capital allocation has contributed significantly to the South African economy over the past century.

The Group operates in over 20 countries on six continents and as at 31 December 2025, employed 5,459 people.

Below is a representation of the Group's operating business segments, products and services aligned to the corporate strategy.

Our segments	AECI Mining	AECI Chemicals	AECI Managed Businesses*	AECI Property Services and Corporate
<b>Products and services</b>	Businesses in this segment provide a mine-to-mineral solution for the international mining sector. The offering includes commercial explosives, initiating systems, blasting services and surfactants for explosives manufacture across the value chain to chemicals for ore beneficiation and tailings treatment.	Businesses in this segment supply traded, industrial and specialty chemical products; water treatment chemicals, technology and equipment; and plant and crop protection products and plant nutrients.	Businesses in this segment have been ringfenced for divestment. These businesses supply to customers in industrial and manufacturing, animal feed and products, and the textile sector.	Property Services relate mainly to property leasing and management in the office, industrial and retail sectors. Corporate includes centralised functions namely, Treasury and Finance; Human Capital; Safety, Health and the Environment; Stakeholder Relations; Company Secretarial; Risk and Compliance; Environmental, Social and Governance; Information Technology; and Strategy Execution.

There are varying levels of integration between the segments. This includes transfers of raw materials and finished goods, and property management services. Inter-segment pricing is determined on terms that are no more and no less favourable than transactions with unrelated external parties.

\* The sale and purchase agreement for the sale of Animal Health to Nutreco International B.V. (the South African subsidiary is Trouw Nutrition South Africa Proprietary Limited) was mutually terminated on 19 May 2025

\* The sale of the Baar-Ebenhausen assets, which forms part of Schirm Germany, was concluded at the end of June 2025

\* On 28 August 2025, the Group successfully completed its disposal of substantially all of the assets and certain specified liabilities in Schirm USA

\* On 27 November 2025, the Group completed the sale of the Food & Beverage Business to a South African-based private equity fund

# Reviewed condensed consolidated financial results and cash dividend declaration

## SAFETY

The Group continued to improve its safety performance and culture. The 12-month rolling Total Recordable Injury Rate (TRIR) improved to 0.20, from 0.31 at 31 December 2025. AECI places the highest priority on protecting the health and safety of all employees, underpinned by accountable leadership, active employee engagement, and a rigorous, risk-based approach to Environment, Health and Safety management.

The Group had no fatalities during the year.

## SUSTAINABILITY

### Our commitment to sustainability and creating enterprise value

The Group remains steadfast in its commitment to sustainability. It strives for excellence across environmental stewardship, social responsibility and sound governance (ESG). During the year under review, the Group focused on restating its baseline to align with the business structure and strategy, with a new five-year ESG goals set. The Group achieved a 10% reduction in its carbon footprint, marking important progress against its objectives. AECI recognises the complexities ahead and remains unwavering in achieving its 2050 Net Zero ambition.

The Company accelerated its social impact efforts with the launch of a flagship initiative, the AECI Future Leaders Challenge, created to inspire a new generation of ethical and effective young leaders.

### SETTING THE FOUNDATION FOR SUSTAINED LONG-TERM GROWTH

The Group focused on optimising and simplifying its portfolio to strengthen earnings quality, enhance cash generation, and improve the balance sheet.

Key achievements included:

- A **record EBITDA** of R2.7 billion in AECI Mining. EBITDA margins improved to 15%.
- **Strong free cash flow** conversion of 133% in AECI Chemicals.
- R2.2 billion realised from the disposal of non-core assets.
- A reduction in the Group's net debt from R3.7 billion to R0.5 billion.

Substantial progress was made during the year and a considerable uplift in operational and financial performance was achieved. Performance was impacted by operational challenges at the Group's flagship Modderfontein facility and the impact of inclement weather on operating activities in certain regions.

The Modderfontein operational challenges included power interruptions and disruptions in the supply of ammonia and lead azide. Good progress was made in the second half of the year to address these operational matters. Management is addressing these areas to protect value, strengthen operational reliability and keep the Group on track to deliver long-term value, already reflected in improved performance in the second half of the year.

### Statement from the Interim Group CEO - Dean Murray

"I am encouraged by the outstanding progress being made across the Group as we strengthen our position for long-term success.

I am especially proud of AECI Mining's excellent performance this year, with a record-high EBITDA and the excellent free cash flow generation achieved at AECI Chemicals. These achievements reflect the passion and commitment of our people and leadership.

The momentum we are building and opportunities ahead give me confidence in our collective ability to realise AECI's full potential."

# Reviewed condensed consolidated financial results and cash dividend declaration continued

## Results highlights

<p><b>Safety</b>  <b>TRIR<sup>1</sup> of 0.20</b>                      2024: 0.31</p>	<p><b>Revenue<sup>2</sup></b>  <b>R32,183 million</b>                      2024: R33,598 million</p>
<p><b>EBITDA<sup>2,3</sup></b>  <b>R3,412 million</b>                      2024: R3,034 million</p>	<p><b>Profit from operations<sup>2</sup></b>  <b>R1,530 million</b>                      2024: R1,544 million</p>
<p><b>Basic earnings/(loss) per share</b>  <b>343 cents</b>                      2024: (268) cents</p>	<p><b>Headline earnings per share</b>  <b>1,098 cents</b>                      2024: 716 cents</p>
<p><b>Working capital</b>  <b>15% of revenue</b>                      2024: 16%</p>	<p><b>Capital expenditure</b>  <b>R835 million</b>                      Expansion: R147 million                      Replacement: R688 million                      2024: R973 million</p>
<p><b>Gearing</b>  <b>4%</b>                      2024: 31%</p>	<p><b>Total dividend</b>  <b>228 cents per share</b>                      2024: 219 cents per share</p>

<sup>1</sup> 12-month rolling Total Recordable Injury Rate

<sup>2</sup> Continuing operations only, excludes Much Asphalt

<sup>3</sup> Earnings before interest, taxation, depreciation and amortisation calculated as profit from continuing operations and equity-accounted investees plus depreciation, amortisation and impairments

# Reviewed condensed consolidated financial results and cash dividend declaration continued

## SEGMENTAL REVIEW

### AECI Mining – Record EBITDA performance

The AECI Mining segment comprises the Mining Explosives and Mining Chemicals businesses.

#### Results for the year

The segment delivered EBITDA of R2,722 million (2024: R2,284 million), which represents the highest in its history, notwithstanding revenue declining to R17,622 million (2024: R19,108 million). The increase in EBITDA was mainly achieved through disciplined pricing and structural margin improvement.

The segment's revenue decline was driven mainly by lower overall sales volumes. Bulk explosives were affected by adverse weather across several regions. Detonator volumes decreased due to operational challenges at the Modderfontein facility, although electronic detonators recorded growth. Metallurgical chemicals volumes were also lower, following reduced production at a key customer in South Africa.

The EBITDA margin increased to 15% for the year (2024: 12%), supported by segment-wide focus on cost-efficiency initiatives, coupled with structural improvements that linked sourcing costs to contract pricing and a favourable product mix in the Asia-Pacific region. The South African explosives business delivered a notable improvement following the intentional exit from poor performing contracts, which were successfully replaced with new opportunities that positively impacted margins.

The Southern Africa region's EBITDA improved, owing to operational improvements across both the Mining Explosives and Mining Chemicals businesses. Bulk volumes were up in the region, compared to the prior year.

EBITDA across the rest of Africa increased, supported by solid contributions from Ghana and the Democratic Republic of Congo (DRC), where strong mining activity and favourable margins boosted overall results. The region remains poised for growth with previously announced contract wins expected to contribute to the next financial year.

The Asia-Pacific region delivered an exceptional increase in EBITDA performance, driven by the realignment of sourcing and sales contracts and a favourable product mix. These initiatives are expected to continue into the new financial year, together with recent contract wins.

Working capital as a percentage of revenue was higher at 15% (2024: 13%), primarily due to a deliberate build-up of inventory levels to support new contracts and operational requirements.

AECI Mining's capital expenditure for the year amounted to R613 million (2024: R619 million).

The segment improved free cash flow by 34% to R1,536 million (2024: R1,144 million). This equates to a 56% free cash flow conversion (2024: 50%).

#### 2026 focus areas

The segment enters 2026 with a stronger margin base, robust cash generation, and clear priorities to convert improved operational stability into long-term growth. The business will focus on strengthening operational reliability, enhancing its competitive advantage in key markets and driving purposeful growth by building on the strong foundations established in 2025.

The segment will focus on:

- Leverage industry-leading technology and innovation.
- The optimisation of the Modderfontein facility.
- Selectively expanding market share in Africa and Asia-Pacific.
- Operational excellence to improve supply chain reliability, quality, safety performance and cost discipline.
- Leverage strategic relationships with key stakeholders, including customers and suppliers.

# Reviewed condensed consolidated financial results and cash dividend declaration continued

## **AECI Chemicals - Strong free cash flow generation**

AECI Chemicals comprises the Industrial Chemicals, Specialty Chemicals, Water and Plant Health businesses.

### **Results for the year**

The segment's revenue for the year increased to R10,306 million (2024: R9,862 million). EBITDA decreased to R924 million (2024: R972 million), mainly due to pricing pressures coupled with the recognition of a net R64 million in expected credit losses. Excellent free cash flow generation of 133% was achieved.

Industrial Chemicals increased revenue by 10%, supported by volume gains. EBITDA for the year declined significantly, mainly driven by the recognition of a R53 million expected credit loss.

Specialty Chemicals' revenue declined by 3% due to weaker demand in key end-markets and operational issues that affected major customers, mainly in the first quarter of the year. EBITDA declined by 14% mainly due to lower revenue and obsolete stock write-offs.

Water's revenue increased by 4% mainly driven by a solid performance in the Public Water sector, which in turn was supported by higher volumes resulting from favourable rainfall during the year, the completion of a major water infrastructure project and stronger activity in the export market. EBITDA increased by 5% compared to the prior year as a result. A first-half reported expected credit loss of R49 million was fully recovered in the second half of the year.

Plant Health's revenue increased by 6% mainly due to new product sales. This was partially offset by regulatory constraints that reduced volumes and the elevated competition from new market entrants. The business recorded a 12% EBITDA improvement, mainly supported by better than expected in-house sales and record results from the Malawi business.

Working capital as a percentage of revenue improved significantly, decreasing to 14% from 18% in the prior year, well within the Group's guided range. This improvement was mainly driven by a stronger collection of trade receivables and an uplift in trade payables in the Plant Health business.

The segment's capital expenditure amounted to R81 million (2024: R88 million).

The segment improved free cash flow by 34% to R1,233 million (2024: R917 million). This equates to a 133% free cash flow conversion (2024: 94%).

### **2026 focus areas**

The segment will pursue defined strategic priorities to grow its market position, enhance operational reliability, and drive sustainable, margin-accretive growth with strong free cash flow generation.

The segment will focus on:

- Grow market position through new products and customer relationships.
- Disciplined cost and margin management.
- Focus on technology and innovation in the Water and Specialty Chemicals business.
- Continue to deliver solid, sustainable cash flows.

## **AECI Property Services and Corporate**

AECI Property Services provides property leasing and utility services to both internal and external customers, as well as corporate support services to the Group, including the execution of the corporate strategy.

The segment recorded an EBITDA loss of R398 million (2024: R299 million). The increased loss reflects continued investment in improving the Group's Information Technology and Procurement capabilities. These additional costs were centrally absorbed and were not allocated to the operating entities.

### **2026 focus areas**

The segment's major focus will be on managing all controllable costs to reduce expenditure levels and align them with industry standards. This will include a disciplined reduction in consulting related spend and targeted optimisation of selling, general and administrative expenses to enhance cost efficiency and organisational effectiveness.

## **AECI Managed Businesses**

The businesses within this segment have been identified for divestment. During the year, the sales of Much Asphalt, Baar-Ebenhausen, Schirm USA, and Food & Beverage, were completed.

The segment's revenue was R3,996 million (2024: R4,434 million) and EBITDA was R171 million (2024: R177 million).

### **2026 focus areas**

The majority of businesses within the Managed Businesses segment have been disposed of, fulfilling the Group's strategic objectives. The remaining businesses will continue to be managed for profitability and cash-flow generation, with their disposal to follow in an orderly manner where commercially viable. Due to the reduced size and scale of the segment, these businesses will no longer be reported on as a separate segment in 2026.

# Reviewed condensed consolidated financial results and cash dividend declaration continued

## Group financial performance

The Group delivered solid results, with earnings per share from continuing operations increasing by over 100% compared to 2024. This growth was primarily driven by improved EBITDA, mainly from AECl Mining and lower net finance costs supported by decreased debt levels.

Extracts of key Group financial metrics

Rand million (unless stated otherwise)	2025	2024	% change
Revenue <sup>1</sup>	32,183	33,598	(4)
EBITDA <sup>1</sup>	3,412	3,034	12
EBITDA margin (%)	11	9	22
Depreciation, amortisation and impairments <sup>1</sup>	1,850	1,461	27
Profit from operations <sup>1</sup>	1,530	1,544	(1)
Profit from operations margin (%)	5	5	—
Profit/(loss) for the year attributable to ordinary shareholders <sup>1</sup>	362	(283)	228
Basic earnings/(loss) per share (EPS) (cents)	343	(268)	228
Headline earnings per share (HEPS) (cents)	1,098	716	53
Cash generated from operations	3,550	3,345	6

<sup>1</sup> Continuing operations only

Revenue from continuing operations was 4% lower at R32,183 million (2024: R33,598 million) mainly driven by lower revenues in AECl Mining.

EBITDA from continuing operations grew by 12% following improved operational performance in AECl Mining. This was partially offset by higher losses in the AECl Property Services and Corporate segment and a softer operational performance in AECl Chemicals.

Profit from continuing operations decreased from R1,544 million in the prior year to R1,530 million.

Depreciation and amortisation from continuing operations were slightly behind the prior year at R1,029 million (2024: R1,084 million). An impairment charge of R821 million relating to the disposals within the Managed Businesses Segment and the annual impairment assessment at Schirm Germany were recorded for the year.

## Summary of impairments

Rand million	Property, plant and equipment	Right-of-use assets	Intangible assets	Goodwill	Other <sup>1</sup>	Total 2025	Total 2024
Business disposal impairments	187	115	22	123	27	474	—
Impairment of assets	105	50	21	185	—	361	397
Reversal of impairment	(14)	—	—	—	—	(14)	(20)
Total impairments	278	165	43	308	27	821	377
Discontinued operations impairments	7	—	8	—	—	15	732
Net impairment and derecognition of assets	285	165	51	308	27	836	1,109

Net finance costs from continuing operations decreased by 33% to R347 million (2024: R521 million) due to reduced debt levels and a lower effective interest rate.

The taxation expense for the year of R853 million reflected an effective tax rate (ETR) of 70% (2024: 71% from continuing operations). The ETR remains elevated mainly due to impairments, unutilised assessed losses, non-deductible expenses and foreign withholding taxes on dividends received from the foreign subsidiaries.

The Group's headline earnings per share increased by 53%, reflecting higher underlying profitability and excludes the impact of impairments recognised in determining EPS from continuing operations.

The discontinued operations recorded a loss for the year of R15 million, compared with a R560 million loss recognised in the prior year. The Much Asphalt disposal was treated as a discontinued operation.

Property, plant and equipment decreased from R5,910 million at 31 December 2024 to R4,543 million primarily due to the disposal of certain Managed Businesses. Intangible assets of R304 million (2024: R361 million) and goodwill of R1,300 million (2024: R1,608 million) were similarly impacted by the disposal of the Food & Beverage business and certain Schirm Group assets (i.e., Schirm USA and Baar-Ebenhausen).

# Reviewed condensed consolidated financial results and cash dividend declaration continued

## Group financial performance continued

Capital expenditure for the year was R835 million (2024: R973 million), of which R688 million related to maintenance (2024: R765 million), and R147 million related to expansion (2024: R208 million).

Cash generated from operations increased by 6% to R3,550 million (2024: R3,345 million).

Cash and cash equivalents increased by 65% to R3,934 million and net debt (including lease liabilities) decreased to R465 million (2024: R3,738 million), resulting in a gearing of 4% (2024: 31%). This was significantly lower than the guided range of 20% – 40%. The Group's net debt to EBITDA, as defined in covenant agreements, improved to 0.1 times (2024: 1.2 times), remaining well below the covenant maximum threshold of 2.5 times.

At 31 December 2025, the Group's net working capital as a percentage of revenue was 15% (2024: 16%), which was within the Company's guided range of 14% – 16%.

The Board applied the Group's dividend policy and has declared a final dividend of 128 cents per share based on the approved dividend cover policy.

Net asset value per share attributable to ordinary shareholders decreased to 11,025 cents (2024: 11,534 cents<sup>1</sup>).

<sup>1</sup> Restated, see note 1.1 of financial results

## Strategy

The Group's 2023 strategy laid a strong foundation for long-term growth through targeted disposals and rightsizing to optimise the Group's portfolio. These actions have enhanced earnings quality and strengthened the balance sheet.

The next phase will prioritise retaining and growing market share in the Group's core regions, reinvesting in high-quality assets, further strengthening balance sheet resilience and earnings quality and stabilising the leadership team, while continuing to focus on improved and sustainable quality of earnings.

### Strategic objectives

Following a comprehensive mid-term strategic review undertaken by the Board, the Group has refined its key objectives to ensure its strategic direction remains focused on delivering sustainable long-term value for stakeholders in a measured and predictable manner.

The Group will continue to focus on the following key strategic areas:

#### Leveraging AECL's strengths

- Capitalise on the Group's proven leading capabilities.
- Continuing to support and follow customers as they pursue high-potential growth opportunities.
- Deliver bespoke, integrated value-added solutions that drive meaningful value for customers.
- Maintain a strong commitment to innovation as a key source of competitive advantage.

#### Prioritise business resilience

- Investing in asset reliability to restore and strengthen operational resilience, with a specific focus on further optimising the flagship Modderfontein facility.
- Enhancing supply chain capabilities to improve overall resilience.
- Leveraging industry-leading technical expertise to elevate performance across all operations.

#### Pursuing improved quality of earnings

- Prioritising value-accretive volume growth.
- Enhancing the quality and consistency of earnings.
- Strengthening the balance sheet to ensure long-term resilience.
- Focusing on margin, product mix and cost management.

The core elements of the Group's 2023 strategy remain in place and will be executed with continued focus and discipline. The people and culture agenda will remain a central pillar, with insights gained from the culture survey ran in 2025 integrated into management practices and organisational development initiatives.

The Group's portfolio optimisation programme is substantially completed, following the successful disposals of the majority of the businesses earmarked for sale.

The functional and operational excellence pillar was pivotal in establishing a solid foundation from which the Group can pursue its ambition of achieving efficiencies. This pillar accelerated the development of processes, structures and systems required for effective execution. With this solid foundation in place and practice, initiatives will continue under the stewardship of the operating segments, where alignment and accountability are most effective. Oversight of progress tracking will remain within the corporate function.

Internationalisation efforts will continue, with a continued disciplined approach aligned to future growth priorities.

## Concluding Remarks

The Group is well positioned for long-term growth and will pursue opportunities in strategic regions, supported by a focused, disciplined capital-allocation framework. The Company will strive to enhance predictability by making decisions that are consistently guided by solid foundational principles.

# Reviewed condensed consolidated financial results and cash dividend declaration continued

## Directors' responsibility statement

The directors are responsible for the preparation and presentation of these reviewed condensed consolidated financial statements in accordance with IFRS® Accounting Standards (IFRS), and interpretations of those Standards as adopted by the International Accounting Standards Board (IASB), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the JSE Debt and Specialist Securities Listings Requirements (JSE and the JSE Listings Requirements) and in accordance with the requirements of the Companies Act No. 71 of 2008 (Companies Act). The directors are also responsible for such internal controls as the directors determine to be necessary to enable the preparation of reviewed condensed consolidated financial statements that are free from material misstatement, whether owing to fraud or error.

## Preparation of the year end results announcement

This announcement covers the reviewed condensed consolidated financial statements of the Group for the year ended 31 December 2025, which has been prepared in accordance with and contains the information required by IAS 34, Interim Financial Reporting, in accordance with IFRS and interpretations of those Standards as adopted by the IASB, SAICA Financial Reporting Guides issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and in accordance with the requirements of the Companies Act. The preparation of these reviewed condensed consolidated financial statements was supervised by the Chief Financial Officer, Ian Kramer CA(SA), in terms of section 29(1)(e) of the Companies Act, as amended.

## Approval of the reviewed condensed consolidated financial statements

These results have been reviewed by the Group's external auditors, Deloitte & Touche, who have expressed an unmodified review conclusion which appears on page 10.

Any forward-looking statements or indicators of future financial performance included in this announcement have not been reviewed or reported on by the Group's external auditors.

The reviewed condensed consolidated annual financial statements were approved by the Board of Directors of AECl on 24 February 2026 and signed by:

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**PG Sibiyi**  
Chairman

Signed by:  
  
E9ECF9A1EBCA4B8...

**I Kramer**  
Group Chief Financial Officer

Directors: PG Sibiyi (Chairman), I Kramer (Group CFO), ST Coetzer<sup>2</sup>, SA Dawson<sup>3</sup>, FFT De Buck, WH Dissinger<sup>1</sup>, P Mishic O'Brien<sup>4</sup>, AM Roets, N Moholi, J Ndlovu, B Mawasha

<sup>1</sup> German <sup>2</sup> Canadian <sup>3</sup> Australian <sup>4</sup> American

Investor Relations: I Lepere

Group Company Secretary: C Singh

# Reviewed condensed consolidated financial results and cash dividend declaration continued

## Dividend

### Declaration of final ordinary cash dividend No. 183

The Company's board of directors is pleased to announce that it has resolved to declare a gross final cash dividend of 128 cents per ordinary share in respect of the year ended 31 December 2025. The dividend is payable on Tuesday, 7 April 2026 to holders of ordinary shares recorded in the register of the Company at the close of business on the record date, being Thursday, 2 April 2026.

The last day to trade "cum" dividend will be Monday, 30 March 2026 and shares will commence trading "ex" dividend as from the commencement of trade on Tuesday, 31 March 2026.

A South African dividend withholding tax of 20% will be applicable to all shareholders who are not either exempt or entitled to a reduction of the withholding tax rate in terms of a relevant Double Taxation Agreement, resulting in a net final cash dividend of 102.4 cents per ordinary share payable to those shareholders who are not eligible for exemption or reduction. Application forms for exemption or reduction may be obtained from the Transfer Secretaries and must be returned to them on or before Thursday, 2 April 2026.

The issued share capital of the Company at the declaration date is 105 517 780 listed ordinary shares, and 3 000 000 listed cumulative preference shares. The dividend has been declared from the retained earnings of the Company.

Any change of address or dividend instruction must be received on or before Monday, 30 March 2026.

Ordinary shares may not be dematerialised or rematerialised between Tuesday, 31 March 2026 and Thursday, 2 April 2026, both days inclusive.

By order of the Board

### Cheryl Singh

*Group Company Secretary*

Woodmead, Sandton

### TRANSFER SECRETARIES

Computershare Investor Services (Pty) Ltd  
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196

and

Computershare Investor Services PLC  
PO Box 82, The Pavilions, Bridgwater Road, Bristol BS 99 7NH, England

### REGISTERED OFFICE

First floor, AECI Place, 24 The Woodlands, Woodlands Drive, Woodmead, Sandton

### EQUITY SPONSOR

One Capital Sponsor Services Proprietary Limited  
17 Fricker Road, Illovo, 2196

### DEBT SPONSOR

Questco Proprietary Limited  
10<sup>th</sup> Road, Investment Place, Block C, Ground Floor, Hyde Park, 2196

### AECI LIMITED

(Incorporated in the Republic of South Africa)

(Registration No. 1924/002590/06)

Tax reference No. 9000008608

Share code: AFE ISIN: ZAE000000220

Hybrid code: AFEP ISIN: ZAE000000238

Bond company code: AECI

LEI: 3789008641F1D3D90E85

(AECI or the Company or the Group)

# INDEPENDENT AUDITOR'S REVIEW REPORT ON CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## TO THE SHAREHOLDERS OF AECl LIMITED

We have reviewed the condensed consolidated financial statements of AECl Limited included on pages 11 to 28, which comprise the condensed consolidated statement of financial position as at 31 December 2025 and the condensed consolidated statement of profit or loss, condensed consolidated statement of other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the year then ended, and selected explanatory notes.

### Directors' Responsibility for the Condensed Consolidated Financial Statements

The directors are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for condensed financial statements, as set out in note 1 to the financial statements, 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 financial statements that are free from material misstatement, whether due to fraud or error.

The Listings Requirements require condensed consolidated financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS Accounting Standards as issued by the International Accounting Standards Board, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and also contain the information required by International Accounting Standard (IAS) 34, Interim Financial Reporting.

### Auditor's Responsibility


Our responsibility is to express a conclusion on these financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, which applies to a review of historical information performed by the independent auditor of the entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements of AECl Limited for the year ended 31 December 2025 are not prepared, in all material respects, in accordance with the requirements of the JSE Limited Listings Requirements for condensed financial statements, as set out in note 1 to the condensed consolidated financial statements, and the requirements of the Companies Act of South Africa.

Signed by:  
  
931109FC5DE6438...

**Deloitte & Touche**  
Registered Auditor

**Per: MLE Tshabalala**  
Partner  
24 February 2026

5 Magwa Crescent, Waterfall City, Waterfall, 2090  
South Africa

# Condensed consolidated statement of financial position

Rand million	Note	2025 Reviewed	2024 Reviewed <sup>1</sup>
<b>Assets</b>			
<b>Non-current assets</b>		<b>7,797</b>	9,807
Property, plant and equipment	7.1	4,543	5,910
Right-of-use assets	7.1	381	703
Investment properties		245	233
Intangible assets		304	361
Goodwill	7.1	1,300	1,608
Pension fund employer surplus accounts		184	287
Investment in joint venture		63	66
Investments in associates		144	141
Loans to associates		31	45
Other investments		248	259
Deferred tax assets		354	194
<b>Current assets</b>		<b>16,605</b>	16,067
Inventories		4,773	5,117
Trade and other receivables		6,810	7,616
Other investments		815	567
Taxation receivable		273	378
Cash and cash equivalents		3,934	2,389
Assets held for sale		—	1,504
<b>Total assets</b>		<b>24,402</b>	27,378
<b>Equity and liabilities</b>			
<b>Equity</b>		<b>11,633</b>	12,170
Ordinary share capital and reserves		11,473	12,001
Non-controlling interest		154	163
Preference share capital		6	6
<b>Non-current liabilities</b>		<b>4,351</b>	6,065
Deferred tax liabilities		306	403
Non-current debt		3,131	4,465
Lease liabilities		366	625
Non-current provisions and employee benefits		548	572
<b>Current liabilities</b>		<b>8,418</b>	8,776
Trade and other payables		6,930	7,259
Current debt		755	850
Lease liabilities		105	156
Loans from joint venture and joint operation		38	13
Taxation payable		548	467
Bank overdraft		42	31
Liabilities directly associated with assets held for sale		—	367
<b>Total liabilities</b>		<b>12,769</b>	15,208
<b>Total equity and liabilities</b>		<b>24,402</b>	27,378

<sup>1</sup> Restated, see note 1.1 of financial results

# Condensed consolidated statement of profit or loss

Rand million	Note	% change	2025 Reviewed	2024 Audited
<b>Revenue</b>	2	(4)	<b>32,183</b>	33,598
Net operating costs			<b>(30,653)</b>	(32,054)
<b>Profit from operations</b>		(1)	<b>1,530</b>	1,544
Share of profit of equity-accounted investees, net of taxation			<b>32</b>	29
<b>Profit from operations and equity-accounted investees</b>		(1)	<b>1,562</b>	1,573
Net finance costs			<b>(347)</b>	(521)
Finance costs			<b>(481)</b>	(645)
Finance income			<b>134</b>	124
<b>Profit before taxation</b>			<b>1,215</b>	1,052
Taxation expense	6		<b>(853)</b>	(747)
<b>Profit for the year from continuing operations</b>		19	<b>362</b>	305
<b>Loss for the year from discontinued operations</b>			<b>(15)</b>	(560)
<b>Profit/(loss) for the year</b>		236	<b>347</b>	(255)
Attributable to preference shareholders			<b>(4)</b>	(4)
Attributable to minority shareholders			<b>19</b>	(24)
<b>Attributable to the ordinary shareholders</b>			<b>362</b>	(283)
<b>Per ordinary share (cents):</b>				
Basic earnings/(loss)		228	<b>343</b>	(268)
Diluted basic earnings/(loss)			<b>339</b>	(266)
Basic earnings from continuing operations		36	<b>357</b>	263
Diluted basic earnings from continuing operations			<b>353</b>	261
Basic loss from discontinued operations		97	<b>(14)</b>	(531)
Diluted basic loss from discontinued operations			<b>(14)</b>	(527)
Ordinary dividends declared after the reporting date (cents)			<b>128</b>	219
Ordinary dividends paid per share (cents)			<b>319</b>	119

# Condensed consolidated statement of comprehensive income

Rand million	2025 Reviewed	2024 Audited
<b>Profit/(loss) for the year</b>	347	(255)
<b>Other comprehensive loss, net of taxation</b>		
Items that may be reclassified subsequently to profit or loss:		
• Foreign currency translation differences	(609)	76
• Effective portion of cash flow hedges	(4)	5
Items that may not be reclassified subsequently to profit or loss:		
• Remeasurement of post-retirement medical aid obligations	20	27
• Remeasurement of equity securities at fair value through other comprehensive income	(45)	(41)
<b>Total comprehensive loss for the year</b>	<b>(291)</b>	<b>(188)</b>
Attributable to preference shareholders	(4)	(4)
Attributable to minority shareholders	40	(27)
<b>Attributable to the ordinary shareholders</b>	<b>(255)</b>	<b>(219)</b>

# Condensed consolidated statement of changes in equity

Rand million	2025 Reviewed	2024 Reviewed <sup>1</sup>
Total comprehensive loss for the year	(291)	(188)
Dividends paid	(359)	(155)
Share-based payment reserve	77	2
Part disposal of subsidiary	36	—
Equity at the beginning of the year (restated <sup>1</sup> )	12,170	12,511
Equity at the end of the year (restated <sup>1</sup> )	11,633	12,170
Made up as follows:		
Ordinary share capital	106	106
Reserves	1,373	1,965
• Foreign currency translation reserve	1,366	1,954
• Other reserves	(170)	(124)
• Share-based payment reserve	177	135
Retained earnings	9,994	9,930
Non-controlling interest	154	163
Preference share capital	6	6
Equity at the end of the year	11,633	12,170

<sup>1</sup> Restated, see note 1.1 of financial results

# Condensed consolidated statement of cash flows

Rand million	2025 Reviewed	2024 Audited
<b>Cash generated by operations</b>	<b>3,550</b>	3,345
Dividends received	25	—
Finance cost paid	(446)	(595)
Finance income received	135	127
Taxation paid	(899)	(907)
Changes in working capital	137	(74)
Cash outflows relating to defined-benefit and post-retirement medical aid obligations	(21)	(15)
Cash flows relating to non-current provisions and employee benefits	(12)	2
<b>Cash available from operating activities</b>	<b>2,469</b>	1,883
Dividends paid	(359)	(155)
<b>Cash flows from operating activities</b>	<b>2,110</b>	1,728
<b>Cash flows from/(utilised by) investing activities</b>	<b>1,239</b>	(1,035)
<b>Net replacement to maintain operations</b>	<b>(510)</b>	(637)
Replacement of property, plant and equipment	(688)	(765)
Proceeds from disposal of property, plant and equipment, investment property and intangible assets	178	128
<b>Investments to expand operations</b>	<b>1,749</b>	(398)
Acquisition of property, plant and equipment	(147)	(208)
Investments	(305)	(120)
Proceeds from disposal of businesses, net of cash disposed (note 7)	2,213	—
Acquisition of a subsidiary	(37)	—
Loans to and from joint ventures	25	(70)
<b>Net cash generated before financing activities</b>	<b>3,349</b>	693
<b>Cash flows utilised by financing activities</b>	<b>(1,676)</b>	(217)
Capital repayments of lease liabilities	(216)	(205)
Proceeds from debt raised	1,760	578
Repayment of debt	(3,199)	(601)
Loans to and from associates and other investments	1	47
Share based payments	(22)	(36)
<b>Increase in cash and cash equivalents</b>	<b>1,673</b>	476
Cash and cash equivalents at the beginning of the year	2,417	1,901
Translation (loss)/gain on cash and cash equivalents	(198)	40
<b>Cash and cash equivalents at the end of the year<sup>1</sup></b>	<b>3,892</b>	2,417
Continuing operations	3,892	2,358
Discontinued operations	—	59

<sup>21</sup> 2025: Cash and cash equivalents of R3,934 million (which includes restricted cash of R61 million) and a bank overdraft of R42 million  
2024: Cash and cash equivalents of R2,389 million (which includes restricted cash of R173 million) and a bank overdraft of R31 million

# Headline earnings per share

Rand million	2025 Reviewed	2024 Audited
<b>Headline earnings are derived from:</b>		
Profit/(loss) attributable to ordinary shareholders	362	(283)
Impairment of goodwill	308	27
Impairment arising from held for sale asset	15	732
Impairment of property, plant and equipment	278	306
Impairment of other assets	27	—
Surplus on disposal of investment property and property, plant and equipment	(16)	(44)
Impairment of right-of-use assets	165	2
Impairment of intangible assets	43	42
Taxation effects of the above items	(23)	(27)
<b>Headline earnings from continuing and discontinued operations</b>	<b>1,159</b>	<b>755</b>
	2025 Reviewed	2024 Audited
Headline earnings (cents)	1,098	716
Diluted headline earnings (cents)	1,086	710

# Reconciliation of the weighted average number of ordinary shares for diluted earnings/(loss) per share

Millions of shares	2025 Reviewed	2024 Audited
Weighted average number of ordinary shares for the basic earnings/(loss) per share	105.5	105.5
Dilutive adjustment for potential ordinary shares <sup>1</sup>	1.2	0.8
<b>Weighted average number of ordinary shares for diluted earnings/(loss) per share</b>	<b>106.7</b>	<b>106.3</b>

<sup>1</sup> Relates to performance shares and value unlock incentive shares

# Segmental analysis

## Basis of segmentation

The Group has four reportable segments, as stated below. Each business division offers different products and services and is managed separately because each requires different technology and marketing strategies.

Reportable segments	AECI Mining	AECI Chemicals	AECI Managed Businesses	AECI Property Services and Corporate
<b>Operations</b>	Businesses in this segment provide a mine-to-mineral solution for the international mining sector. The offering includes commercial explosives, initiating systems, blasting services and surfactants for explosives manufacture across the value chain to chemicals for ore beneficiation and tailings treatment.	Businesses in this segment supply traded, industrial and specialty chemical products; water treatment chemicals, technology, and equipment; and plant and crop protection products and plant nutrients.	Businesses in this segment have been ringfenced for divestment. These businesses supply to customers in industrial and manufacturing, animal feed and products, and the textile sector.	Property Services relate mainly to property leasing and management in the office, industrial and retail sectors. Corporate includes centralised functions namely, Treasury and Finance; Human Capital; Safety, Health and the Environment; Stakeholder Relations; Company Secretarial; Risk and Compliance; Environmental, Social and Governance; Information Technology; and Strategy Execution.

There are varying levels of integration between the segments. This includes transfers of raw materials and finished goods, and property management services. Inter-segment pricing is determined on terms that are no more and no less favourable than transactions with unrelated external parties.

# Segmental analysis continued

## Information relating to reportable segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM has been identified as AECI's Executive Committee. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on the reports reviewed by the CODM, which are used to make strategic decisions.

Information relating to each reportable segment is set out below. Management makes decisions based on management accounting information, which reflects revenue plus costs by business division.

Rand million	2025	2024	2025	2024	2025	2024
	Reviewed	Audited	Reviewed	Audited	Reviewed	Audited
	External revenue		Inter-segment revenue		Total segment revenue	
AECI Mining	17,536	19,010	86	98	17,622	19,108
AECI Chemicals	10,129	9,688	177	174	10,306	9,862
AECI Managed Businesses	3,995	4,429	1	5	3,996	4,434
AECI Property Services and Corporate	523	471	175	161	698	632
Inter-segment	—	—	(439)	(438)	(439)	(438)
Continuing operations	32,183	33,598	—	—	32,183	33,598
Discontinued operations	588	2,899	—	—	588	2,899
	32,771	36,497	—	—	32,771	36,497

Rand million	Depreciation		Amortisation		Impairments	
AECI Mining	614	589	3	9	13	135
AECI Chemicals	128	107	14	14	41	—
AECI Managed Businesses	201	281	30	37	767	242
AECI Property Services and Corporate	59	61	—	—	—	970
Inter-segment	(20)	(14)	—	—	—	(970)
Continuing operations	982	1,024	47	60	821	377
Discontinued operations	—	59	—	11	15	732
	982	1,083	47	71	836	1,109

Rand million	Profit/(loss) from operations		EBITDA <sup>1</sup>		Capital expenditure	
AECI Mining	2,089	1,550	2,722	2,284	613	619
AECI Chemicals	712	823	924	972	81	88
AECI Managed Businesses	(827)	(383)	171	177	106	135
AECI Property Services and Corporate	(457)	(1,330)	(398)	(299)	35	43
Inter-segment	13	884	(7)	(100)	—	—
Continuing operations	1,530	1,544	3,412	3,034	835	885
Discontinued operations	(6)	(522)	9	280	—	88
	1,524	1,022	3,421	3,314	835	973

# Segmental analysis continued

Rand million	2025 Reviewed	2024 Audited	2025 Reviewed	2024 Audited	2025 Reviewed	2024 Audited
	Cost of sales		Administrative costs		Salaries and other costs	
AECI Mining	10,109	12,115	3,876	4,152	3,117	2,999
AECI Chemicals	8,124	7,642	990	917	818	795
AECI Managed Businesses	2,846	3,180	2,513	1,383	1,001	1,192
AECI Property Services and Corporate	361	321	159	1,631	562	479
Inter-segment	(435)	(429)	(555)	(1,289)	—	—
Continuing operations	21,005	22,828	6,983	6,794	5,498	5,465
Discontinued operations	428	2,108	49	534	61	256
	21,433	24,936	7,032	7,328	5,559	5,721

Rand million	Inventory	Operating assets <sup>2,3</sup>	Operating liabilities <sup>2,3</sup>			
AECI Mining	2,319	2,191	9,188	9,786	(2,573)	(3,174)
AECI Chemicals	2,226	2,195	6,266	6,489	(3,132)	(2,804)
AECI Managed Businesses	227	993	1,701	5,610	(357)	(699)
AECI Property Services and Corporate	2	2	1,288	940	(847)	(606)
Inter-segment	(1)	(1)	(87)	(135)	(21)	23
Continuing operations	4,773	5,380	18,356	22,690	(6,930)	(7,260)
Discontinued operations	—	(263)	—	1,504	—	(367)
	4,773	5,117	18,356	24,194	(6,930)	(7,627)

Rand million	Operating assets <sup>2,3</sup>	Operating liabilities <sup>2,3</sup>		
South Africa	12,621	14,255	(4,112)	(3,861)
Rest of Africa	3,515	4,150	(2,565)	(2,682)
Rest of World	2,220	4,285	(253)	(717)
Continuing operations	18,356	22,690	(6,930)	(7,260)

<sup>1</sup> Earnings before interest, taxation, depreciation and amortisation calculated as profit from operations and equity-accounted investees plus depreciation, amortisation and impairment. Non-IFRS measure, reviewed.

<sup>2</sup> Operating assets comprise property, plant and equipment, right-of-use assets, investment properties, intangible assets, goodwill, inventories, trade and other receivables and assets classified as held for sale. Operating liabilities comprise trade and other payables

<sup>3</sup> Non-IFRS measure (see note 9)

## Other salient features

Rand million	2025 Reviewed	2024 Reviewed
Capital expenditure	835	973
– expansion	147	208
– replacement	688	765
Capital commitments	436	807
– contracted for	177	87
– not contracted for	259	720
Future rentals on short-term and low value assets	17	40
– payable within one year	17	40
Net debt <sup>1, 3</sup>	465	3,738
EBITDA (continuing operations) <sup>4</sup>	3,412	3,034
Depreciation (continuing operations)	982	1,024
Amortisation (continuing operations)	47	60
Impairment (continuing operations)	821	377
Gearing (%) <sup>2, 3</sup>	4	31
Current assets to current liabilities <sup>3</sup>	2.0	1.8
Net asset value per ordinary share (cents) <sup>3</sup>	11,025	11,534
ZAR/EUR closing exchange rate (rand)	19.44	19.56
ZAR/EUR average exchange rate (rand)	20.17	19.83
ZAR/USD closing exchange rate (rand)	16.57	18.90
ZAR/USD average exchange rate (rand)	17.85	18.34

<sup>1</sup> Current and non-current debt, including current and non-current finance lease liabilities and a bank overdraft, less cash and cash equivalents

<sup>2</sup> Net debt as a percentage of equity

<sup>3</sup> Non-IFRS measure and not reviewed (see note 9)

<sup>4</sup> Earnings before interest, taxation, depreciation and amortisation calculated as profit from operations and equity-accounted investees plus depreciation, amortisation and impairment. Non-IFRS measure, reviewed.

# Notes

## 1. Basis of preparation and accounting policies

The reviewed condensed consolidated financial results are prepared in accordance with the JSE Listings Requirements and the JSE Debt and Specialist Securities Listings Requirements for reports, the requirements of the Companies Act applicable to financial statements, and the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council. The JSE Listings Requirements require financial statements to be prepared in accordance with and containing the information required by IAS 34: Interim Financial Reporting and the South African financial reporting requirements (as applicable). The accounting policies applied in the preparation of these reviewed condensed consolidated financial results are in terms of IFRS® Accounting Standards (IFRS), and interpretations of those Standards as adopted by the International Accounting Standards Board (IASB) and in accordance with the requirements of the Companies Act and are consistent with those applied in the previous consolidated financial statements.

The condensed consolidated financial statements have been prepared on a going concern basis.

### 1.1 Correction of misstatement

During the current financial year, management identified that an Excess-of-Loss (XoL) policy had been incorrectly treated as an off-balance-sheet arrangement in prior years. In terms of IFRS 9, Financial Instruments, the policy gives rise to contractual rights to receive cash flows when loss events exceed the Group's retention threshold and therefore meets the definition of a financial asset.

Accordingly, the Group has corrected this misstatement by recognising the XoL policy as a financial asset measured at fair value through profit or loss.

The restatement has been applied retrospectively, with the opening balance of retained earnings restated for the earliest comparative period presented. There is no impact on the statement of profit and loss, comprehensive income and cash flows.

Effect on Statement of Financial Position:

Rand million	2023 (as previously reported)	Adjustments	2023 Restated
Other investments (Non-current)	71	137	208
<b>Total assets</b>	<b>71</b>	<b>137</b>	<b>208</b>
Deferred tax liabilities	520	37	557
Equity	12,411	100	12,511
<b>Total equity and liabilities</b>	<b>12,931</b>	<b>137</b>	<b>13,068</b>

Rand million	2024 (as previously reported)	Adjustments	2024 Restated
Other investments (Non-current)	122	137	259
<b>Total assets</b>	<b>122</b>	<b>137</b>	<b>259</b>
Deferred tax liabilities	366	37	403
Equity	12,070	100	12,170
<b>Total equity and liabilities</b>	<b>12,436</b>	<b>137</b>	<b>12,573</b>

There is no impact on basic and diluted earnings per share.

# Notes continued

## 2. Revenue

Rand million	2025 Reviewed	2024 Audited
<b>AECI Mining</b>	<b>17,622</b>	19,108
Sale of goods	16,159	17,691
Sale of goods and related product application services	1,463	1,417
<b>AECI Chemicals</b>	<b>10,306</b>	9,862
Sale of goods	8,303	7,995
Sale of goods and related product application services	2,003	1,867
<b>AECI Managed Businesses</b>	<b>3,996</b>	4,434
Sale of goods	3,996	4,434
<b>AECI Property Services and Corporate</b>	<b>572</b>	506
Sale of services	572	506
<b>Discontinued operations</b>	<b>588</b>	2,899
Sale of goods	588	2,899
<b>Revenue recognised at a point in time</b>	<b>33,084</b>	36,809
<b>AECI Property Services and Corporate</b>	<b>126</b>	126
Rental income	126	126
Inter-segment	(439)	(438)
<b>Total revenue – continuing and discontinued operations</b>	<b>32,771</b>	36,497
<b>Total revenue – continuing operations</b>	<b>32,183</b>	33,598

# Notes continued

## 2. Revenue continued

Disaggregation of revenue by geographic end market

Rand million	2025 Reviewed	2024 Audited
SACU <sup>1</sup>	18,624	20,880
Rest of the African continent	7,199	7,741
Rest of the world	6,948	7,876
<b>Total revenue - continuing and discontinued operations</b>	<b>32,771</b>	<b>36,497</b>

<sup>1</sup> Southern African Customs Union comprising South Africa, Botswana, Eswatini, Lesotho and Namibia

Revenue includes foreign and export revenue of R15,423 million (2024: R16,934 million).

Disaggregation of revenue by segment and geographic end market

2025 Rand million	SACU <sup>1</sup>	Rest of the African continent	Rest of the world <sup>2</sup>	Inter- segment	Total segment revenue
AECI Mining	6,930	6,108	4,497	87	17,622
AECI Chemicals	9,051	923	155	177	10,306
AECI Managed Businesses	1,531	168	2,296	1	3,996
AECI Property Services and Corporate	524	—	—	174	698
Inter-segment	—	—	—	(439)	(439)
Continuing operations	18,036	7,199	6,948	—	32,183
Discontinued operations	588	—	—	—	588
<b>Total revenue – continuing and discontinued operations</b>	<b>18,624</b>	<b>7,199</b>	<b>6,948</b>	<b>—</b>	<b>32,771</b>

2024 Rand million	SACU <sup>1</sup>	Rest of the African continent	Rest of the world <sup>2</sup>	Inter- segment	Total segment revenue
AECI Mining	7,053	6,651	5,306	98	19,108
AECI Chemicals	8,690	884	114	174	9,862
AECI Managed Businesses	1,844	129	2,456	5	4,434
AECI Property Services and Corporate	471	—	—	161	632
Inter-segment	—	—	—	(438)	(438)
Continuing operations	18,058	7,664	7,876	—	33,598
Discontinued operations	2,822	77	—	—	2,899
<b>Total revenue – continuing and discontinued operations</b>	<b>20,880</b>	<b>7,741</b>	<b>7,876</b>	<b>—</b>	<b>36,497</b>

<sup>1</sup> Southern African Customs Union comprising South Africa, Botswana, Eswatini, Lesotho and Namibia

<sup>2</sup> Included in Rest of the World is revenue of R3,334 million (10.4% of total revenue from continuing operations) (2024: R3,967 million (11.8% of total revenue from continuing operations)) relating to Australia

## 3. Cash and debt covenants

The Company's net borrowing position at 31 December 2025 was R465 million compared to R3,738 million at 31 December 2024, with undrawn finance facilities of R5,025 million. All covenant requirements were met.

## 4. Related parties

The Group entered into various sale and purchase transactions with related parties in the Group in the ordinary course of business, the nature of which was consistent with those previously reported. Those transactions were concluded on terms that were no more or no less favourable than transactions with unrelated external parties. All transactions and balances with these related parties have been eliminated appropriately in the consolidated results.

# Notes continued

## 5. Financial instruments and financial risk management

Categories of financial instruments and fair values

Rand million	Carrying amount		Fair value	
	2025 Reviewed	2024 Reviewed*	2025 Reviewed	2024 Reviewed*
<b>Financial assets</b>				
At fair value through other comprehensive income – equity instrument <sup>1</sup>	109	116	109	116
• Listed shares – Level 1	9	53	9	53
• Unlisted shares – Level 3	100	63	100	63
At fair value through profit or loss <sup>2</sup>	919	733	819	633
• Forward exchange contracts – Level 2	44	102	44	102
• Money market investment in collective investment scheme – Level 1	631	389	631	389
• Excess-of-Loss (XoL) policy investment – Level 1*	100	100	100	100
• Employer surplus accounts – Level 1	144	142	144	142
Amortised cost	9,789	9,094		
• Trade and other receivables <sup>3</sup>	5,769	6,613		
• Cash and cash equivalents <sup>4</sup>	3,934	2,389		
• Loans receivable <sup>3</sup>	15	7		
• Interest-bearing non-current loans to associates <sup>4</sup>	31	45		
• Loans and receivables relating to other investments <sup>4</sup>	40	40		
	<b>10,817</b>	<b>9,943</b>		

\* Restated, see note 1.1 of financial results

Rand million	Carrying amount		Fair value	
	2025 Reviewed	2024 Audited	2025 Reviewed	2024 Audited
<b>Financial liabilities</b>				
Amortised cost	(10,631)	(10,853)		
• Trade and other payables <sup>3</sup>	(6,646)	(5,461)		
• Bank overdraft <sup>4</sup>	(42)	(31)		
• Loans from joint venture and joint operation <sup>4</sup>	(38)	(13)		
• Debt <sup>5</sup>	(3,886)	(5,315)		
• Interest accrued	(19)	(33)		
At fair value through profit or loss	(64)	(60)	(64)	(60)
• Forward exchange contracts – Level 2	(64)	(60)	(64)	(60)
	<b>(10,695)</b>	<b>(10,913)</b>		

<sup>1</sup> Designated at initial recognition to be carried at fair value through other comprehensive income

<sup>2</sup> Measured at fair value through profit or loss because the asset is not measured at either amortised cost nor at fair value through other comprehensive income

<sup>3</sup> The fair values for financial instruments such as short-term receivables and payables have not been disclosed because their carrying amounts are a reasonable approximation of their fair value

<sup>4</sup> The fair values do not materially differ from the carrying amounts

<sup>5</sup> The fair values of the interest-bearing debt have not been disclosed as they are not materially different from their carrying amounts

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred. There were no transfers between Levels 1, 2 or 3 of the fair value hierarchy during the current reporting year.

The following fair value techniques were used:

- Level 1: The fair value is based on the market value of the publicly traded shares in an active market
- Level 2: The fair values are based on authorised financial institution quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.
- Level 3: The investments has been valued at the net asset value at the reporting date.

The movements in Level 3 fair value instruments is due to the purchase of shares in Jevons Robotics Pty Limited of R38 million and a fair value decrease of R1 million.

# Notes continued

## 6. i Taxation expense

Rand million	2025 Reviewed	2024 Audited
Current taxation expense	(1,090)	(757)
South African and foreign normal taxation	(983)	(629)
Foreign withholding taxes	(107)	(128)
Deferred taxation	237	10
South African and foreign deferred taxation	237	10
<b>Total income taxation expense</b>	<b>(853)</b>	<b>(747)</b>

## 6. ii Reconciliation of taxation rate

%	2025 Reviewed	2024 Audited*
South African standard rate	27	27
Interest limitation	3	4
Impairments <sup>1</sup>	9	10
Non-deductible expenses <sup>2</sup>	13	10
Capital gains	—	1
Foreign withholding taxes <sup>3</sup>	9	12
Prior-year adjustments	1	(1)
Difference in tax rates	(2)	(2)
Special allowances	(1)	2
Unrecognised and unutilised assessed losses <sup>4</sup>	10	6
Other	1	2
<b>Effective rate on profit before taxation</b>	<b>70</b>	<b>71</b>

<sup>1</sup> Impairments recognised on investments and goodwill not deductible for tax purposes

<sup>2</sup> Non-deductible expenses mainly relate to legal and consulting fees, overseas travel, depreciation, interest and penalties and certain provisions

<sup>3</sup> Foreign withholding taxes incurred on dividends and license fees received from foreign jurisdictions

<sup>4</sup> Unutilised assessed losses relate to entities where it is not considered probable that sufficient future taxable profits will be generated to utilise such losses

\* The effective tax rate has been calculated with reference to profit from continuing operations only. The total Group effective tax rate, including discontinued operations, is 71% (2024: 148%)

# Notes continued

## 7. Disposal of businesses

During the current financial year, AECI disposed of multiple businesses as part of the current strategy execution.

The below table highlights the disposals which occurred during the year and the proceeds received from each individual sale:

Rand million	Much Asphalt	Food & Beverage	Schirm <sup>1</sup>	Other <sup>2</sup>	Total
Property, plant and equipment	—	82	934	2	1,018
Right-of-use assets	—	124	49	—	173
Intangible assets	—	—	24	—	24
Goodwill	—	39	82	2	123
Inventories	—	420	30	7	457
Accounts receivable	—	313	74	6	393
Lease liabilities	—	(157)	(46)	—	(203)
Accounts payable	—	(365)	(58)	(2)	(425)
Taxes	—	—	—	3	3
Pension fund	—	—	—	(3)	(3)
Non-controlling interest	—	—	—	36	36
Net Identifiable assets and liabilities classified as held for sale (excluding cash)	1,106	—	—	—	1,106
<b>Net assets disposed of (excluding cash)</b>	<b>1,106</b>	<b>456</b>	<b>1,089</b>	<b>51</b>	<b>2,702</b>
Impairments on disposal	(15)	(236)	(229)	(9)	(489)
<b>Proceeds on disposal, net of cash</b>	<b>1,091</b>	<b>220</b>	<b>860</b>	<b>42</b>	<b>2,213</b>

<sup>1</sup> Schirm includes both the disposal of Baar-Ebanhausen assets and all of Schirm USA assets and certain specified liabilities.

<sup>2</sup> Other relates to the disposal of Improchem Mauritius and Kenya under the Chemicals segment, and the localisation sale of 30% in AECI Tanzania in the AECI Mining segment.

# Notes continued

## 7.1 Summary of impairments

During the financial year ended 31 December 2025, the Group completed several strategic disposals as part of its portfolio optimisation programme. These transactions resulted in significant impairments to property, plant and equipment (PPE), right-of-use (ROU) assets, and goodwill, which the below summary accounts for the substantial movements in these asset categories.

Rand million	Property, plant and equipment	Right-of-use assets	Intangible assets	Goodwill	Other <sup>1</sup>	Total 2025	Total 2024
Business disposal impairments	187	115	22	123	27	474	—
Impairment of assets	105	50	21	185	—	361	397
Reversal of impairment	(14)	—	—	—	—	(14)	(20)
Total impairments	278	165	43	308	27	821	377
Discontinued operations impairments	7	—	8	—	—	15	732
Net impairment and derecognition of assets	285	165	51	308	27	836	1,109

<sup>1</sup> Remaining impairment loss following initial allocation to goodwill, with subsequent proportionate distribution to non-current assets. Any residual impairment is then attributed to current assets.  
All allocations are performed in compliance with IFRS 5 and IAS 36 requirements.

### Disposal of Much Asphalt

On 31 March 2025, the Group successfully completed its disposal of its 100% shareholding in Much Asphalt (Pty) Ltd, related entities and businesses (Much Asphalt) to a consortium comprising of Old Mutual Private Equity and Sphere Holdings. The transaction was concluded on a “locked-box” structure effective 31 December 2024, subject to ordinary course leakage provisions. The transaction closed in line with the previously guided purchase consideration of R1,150 million.

A final loss on the disposal of the Much Asphalt Disposal Group amounted to R15 million.

### Disposal of Baar-Ebenhausen assets

On 30 June 2025, Schirm Germany entered into a sale agreement with German-based private buyers (BEH Buyers), in terms of which Schirm Germany disposed of its assets in Baar-Ebenhausen, including the property, fixed assets and inventory relating to the site (BEH Assets). Schirm Germany transferred a lump sum of EUR 500,000 to cover environmental liabilities. The conclusion of the BEH Disposal has resulted in all risks and rewards associated with the BEH Assets transferring to the BEH Buyers. The BEH Disposal is in line with AECI’s strategy of disposing non-core assets, coupled with its ongoing efforts to turnaround the Schirm Germany business.

### Disposal of Schirm USA

On 28 August 2025, the Group successfully completed its disposal of substantially all of the assets and certain specified liabilities in Schirm USA, Inc related entities and businesses (Schirm USA) to Liberation Chem-Toll, LLC (LCT) for a disposal consideration of US\$60 million. LCT is wholly owned by members of Schirm USA’s previous management team. The disposal consideration was settled on closing by way of cash proceeds of US\$40 million and the issuance of two convertible secured subordinated promissory notes (Seller Notes), set off by certain specified liabilities assumed by LCT. The Seller Notes were subsequently disposed of to a third party, which transaction closed on 18 December 2025.

### Disposal of the Food & Beverage Business

On 27 November 2025, AECI successfully completed the disposal of all of the assets and certain liabilities in the Food & Beverage business to a South African-based private equity fund.

### Application of cash proceeds

All cash proceeds from disposals have been utilised in line with AECI’s disciplined capital allocation framework.

## 8. Contingent liabilities

The Group is involved in legal proceedings and is in consultation with its legal counsel, assessing the outcome of these proceedings, on an ongoing basis. As proceedings develop, the Group's management makes provision in respect of legal proceedings, where appropriate.

AECI Mining faces what is expected to be a substantial claim and is defending legal proceedings by a contractual counterparty arising from the grounding and loss of a vessel chartered by AECI Mining. It is alleged that the grounding and loss was caused by improper stowage and lashing of the cargo and that AECI Mining was responsible and is liable therefore in terms of the charter. The claim has not yet been formally pleaded or quantified. AECI Mining is advised by its external legal team that there is a risk that the claimant may seek to arrest property belonging to AECI Mining to secure the claim and could seek security. AECI Mining is informed by its external legal team that it is premature to advise on either the merits or quantum of the claim, whilst investigations are underway.

SANS Technical Fibers, LLC (SANS) faces a claim relating to the Paycheck Protection Program (PPP) funding awarded through two forgivable loans from the U.S. Small Business Administration during 2021/22 to support payroll and related costs during the COVID-19 pandemic. The U.S. Department of Justice (DOJ) is currently reviewing SANS's eligibility for one of the loans. The matter remains under investigation, and the outcome cannot be reliably estimated at this stage.

Other litigations, current or pending, are not likely to have a material adverse effect on the Group.

## 9. Non-IFRS measures

To provide a more meaningful assessment of the Group's performance, non-IFRS measures are included in disclosures made. The non-IFRS measures are described in the respective notes and statements where disclosure is included.

Non-IFRS measures are the responsibility of the Group's directors and have not been reviewed by the external auditors. These measures may not be comparable to other similarly titled measures of performance of other companies. Non-IFRS measures are not an IFRS requirement, nor a JSE Listings Requirement and is a measurement used by the CODM.

## 10. Changes in the composition of the entity

On 28 February 2025, the Group announced the implementation of a new Broad-Based Ownership Scheme. The transaction entails that the AECI Foundation subscribes to a new class of ordinary shares in AECI Mining Limited, a wholly owned subsidiary of AECI Limited resulting in the AECI Foundation, holding an effective interest of 15.5% in AECI Mining Limited.

In terms of IFRS 10, Consolidated Financial Statements, the AECI Foundation (previously Tiso AEL Development Trust) is consolidated into the AECI Group.

## 11. Events after the reporting date

The reportable event disclosed below, occurred after the reporting date.

As part of AECI's commitment to inclusive growth and shared value, the Group has concluded the implementation of a new Employee Share Scheme (ESS) currently valued at an estimated value of R185 million over four years which comes into effect in 2026. The Scheme enables eligible employees to participate directly in AECI's long-term value creation through equity ownership. As the arrangement does not involve the issuance of additional ordinary shares, it does not create potential ordinary shares in terms of IAS 33 Earnings per share and therefore has no dilutive effect on earnings per share.

The ESS supports the alignment of employee and shareholder interests, strengthens retention and engagement, and reinforces a performance-driven ownership culture across the Group. By extending participation in the Group's future growth, the ESS forms an integral part of AECI's broader human capital and sustainability strategy and contributes to positioning the Group as an employer of choice.



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