Murray & Roberts Holdings Limited
(Registration number 1948/029826/06)
Audited Annual Financial Statements
for the year ended 30 June 2024

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Annual Financial Statements for the year ended 30 June 2024

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Responsibilities of directors for annual financial statements

The directors of Murray & Roberts Holdings Limited ("Company" or "Murray & Roberts") are responsible for the preparation of the annual financial statements that fairly present the state of affairs of Murray & Roberts Holdings Limited and its subsidiaries (together the "Group") at the end of the financial year and of the profit or loss and cash flows for that year in accordance with IFRS® Accounting Standards and per the requirements of the Companies Act No. 71 of 2008 ("Companies Act"). The directors of the Company are responsible for the maintenance of adequate accounting records and the preparation and integrity of the annual financial statements and related information.

To enable directors to meet these responsibilities:

a) The Murray & Roberts Board of directors ("Board") and management set standards and management implement systems of internal controls, accounting and information systems; and

b) The Audit & Risk Committee recommends Group accounting policies and monitors these accounting policies.

The directors are responsible for the systems of internal control. These systems are designed to provide reasonable, but not absolute assurance as to the reliability of the annual financial statements and to prevent and detect material misstatements and loss. The systems (including controls over the security over the Group and Company website and electronic distribution of annual reports and other financial information) are implemented and monitored by suitably trained personnel with appropriate segregation of authority and duties.

The directors believe, based on information and explanations from management, that the system of internal control is adequate for ensuring the:
- Reliability and integrity of financial and operating information
- Adequate safeguarding, verification and accountability of assets against unauthorised use or disposition
- Compliance of established systems with policies, procedures, laws and regulations

The internal audit function is led by the Group chief audit executive and comprises both internal employees and external resources when required. It serves management and the Board by performing an independent evaluation of the adequacy and effectiveness of risk management, internal controls, financial reporting mechanisms and records, information systems and operations, safeguarding of assets and adherence to laws and regulations.

The Group continues to address any control weaknesses which are identified, however, the Group's system of internal controls continues to provide a basis for the preparation of reliable annual financial statements in all material aspects.

The annual financial statements have been prepared in accordance with IFRS Accounting Standards, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act and are based on appropriate accounting policies, supported by reasonable judgements. These accounting policies have been applied consistently compared to the prior year except for the adoption of new or revised accounting standards as set out in note 44. The annual financial statements have been compiled under the supervision of DF Grobler CA(SA), (Group financial director) and the financial statements as set out on pages 20 to 93 have been audited in terms of Section 30(2) of the Companies Act of South Africa.

The directors are of the opinion that the Company and the Group have adequate resources to continue in operation for the foreseeable future based on forecasts and available cash resources and accordingly the annual financial statements have been prepared on a going concern basis.

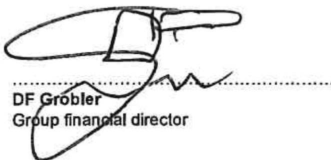
It is the responsibility of the external auditors to express an opinion on the Group and Company financial statements. For their unmodified opinion to the shareholders of the Company and Group refer to page 12 to 19.

APPROVAL OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements of the Company and the Group for the year ended 30 June 2024 as set out on pages 2 to 94 were approved by the Board of directors on 10 September 2024 and are signed on its behalf by:

SP Kana
Group chairman

HJ Laas
Group chief executive



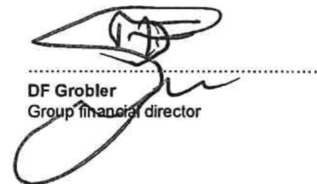
DF Grobler
Group financial director

Group chief executive and Group financial director responsibility statement on internal financial controls

Each of the directors, whose names are stated below, hereby confirm that:

(a) the annual financial statements set out on pages 20 to 94, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
(b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
(c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
(d) the internal financial controls are adequate and effective and can be relied upon in compiling the 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 committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
(f) We are not aware of any fraud involving directors.

HJ Laas
Group chief executive



DF Grobler
Group financial director

Certification by Company secretary

In terms of section 88(2)(e) of the Companies Act No. 71 of 2008, as amended ("Companies Act"), I, R Davies, in my capacity as Group company secretary, confirm that, to the best of my knowledge and belief, for the year ended 30 June 2024, Murray & Roberts Holdings Limited has filed with the Companies and Intellectual Property Commission all such returns and notices as are required of a public company in terms of the Companies Act and that all such returns and notices appear to be true, correct and up to date.

....

R Davies
Group company secretary
10 September 2024

Audit & Risk Committee Report

The audit & risk committee ("Committee") assists the Board to fulfil its supervisory role to ensure the integrity of financial reporting in terms of accounting standards and the Listings Requirements of the Johannesburg Stock Exchange Limited ("JSE"). It does so by evaluating the findings of the internal and external auditors, remedial actions taken and the adequacy and effectiveness of the system of internal financial controls required to form the basis for the preparation of reliable financial statements.

The Committee chairman reports on Committee deliberations and decisions at the Board meeting immediately following each Committee meeting. The internal and external auditors have unrestricted access to the Committee chairman. The independence of the external auditor is regularly reviewed and non-audit related services are pre-approved and notified.

GOVERNANCE OF RISK

The Committee fulfils a dual function – as an audit committee and as a risk committee. The committee assists the Board in executing its responsibility for risk governance. The committee regularly assesses the operation of the risk management system, ensuring its effectiveness. A report on risk is shared with the Board on a quarterly basis. Internal audit conducts regular and full assessments of the risk management function and framework, on which it reports to the committee. The committee is satisfied with the effectiveness of its oversight of risk governance in the group. A detailed report on risk and its management, as recommended in King IV, is contained in our integrated annual report in the Risk Management Report section.

MEMBERSHIP

The Group chairman, Group chief executive, Group financial director, group risk executive, chief audit executive and the external auditors all attend meetings by invitation.

TERMS OF REFERENCE

The Committee's responsibilities include:

- Reviewing annually the Risk Management Standard, encompassing the Group's risk principles, objectives, framework, organisational structures, functional disciplines and processes, as it applies to the strategic, corporate, business operational, project, prospect, and governance risk environments;
- Making recommendations to the Board concerning acceptable levels of risk tolerance and appetite;
- Ensuring that risk assessments are performed of the risks identified through effective business risk systems and findings, and that executive management engages in robust debate, to understand and effectively mitigate significant risk, with a clear assignment of ownership and accountability;
- Monitoring that risks are engaged and managed within the levels of tolerance and appetite approved by the Board;
- Identifying ESG risks and opportunities related to the Group, assessing the impact of such risks on the Company and advising the board of directors on strategies to manage risks and prudently pursue opportunities;
- Reviewing disclosure in the annual integrated report on the effectiveness of risk management and any material undue, unexpected, or unusual risk exposures;
- Assisting the Board to fulfil its responsibility with regard to financial and auditing oversight including internal financial controls;
- Monitoring and reviewing the Group's accounting policies, disclosures and financial information issued to stakeholders;
- Making recommendations to the Board to ensure compliance with IFRS Accounting Standards;
- Discussing and agreeing the scope, nature and priority of the external and internal audits including the reviewing of the quality and effectiveness of the external audit process;
- Nominating an independent auditor for shareholder approval, terms of audit engagement, determining external auditor fees, the nature and extent of non-audit related services and pre-approving contracts for non-audit related services;
- Reviewing fraud and information technology risk as they relate to financial reporting;
- Assisting the Board to oversee the development and implementation of an IT governance charter, strategy and policies that are integrated with the business strategy process, and which sustain and enhance the Company's strategic objectives, thereby improving the Company's performance and sustainability;
- Overseeing the implementation of IT processes and governance mechanisms, IT frameworks, policies, procedures and standards, ensuring IT governance alignment with corporate governance;
- Overseeing the information security strategy (including information security, information management and information privacy) and management's implementation of the strategy;
- Ensuring that there are processes in place to enable complete, timely, relevant, accurate and accessible IT reporting, firstly from management to the Board, and secondly by the Board in the integrated report;
- Receiving and dealing appropriately with any complaints relating to either accounting practices and internal audit or to the content or auditing of entities in the Group's annual financial statements or related matters;
- Reviewing the annual integrated report and recommending approval to the Board;
- Reviewing price sensitive information such as trading statements; and
- Performing functions required of an audit & risk committee on behalf of subsidiaries in the Group.

STATUTORY DUTIES

In addition to the duties set out in the terms of reference, the Committee performed the required statutory functions in terms of Section 94(7) of the Companies Act of South Africa.

EFFECTIVENESS OF THE EXTERNAL AUDIT PROCESS

The Committee reviews the quality and effectiveness of the external audit process. In particular, the Committee considers the independence of the external auditor. In this regard, the Committee has established an approvals framework for the pre-approval of non-audit services to be rendered by the external auditor and reviews these fees on an ongoing basis.

PricewaterhouseCoopers Inc. ("PwC") served as external auditor for the financial year ended 30 June 2024. The designated auditor was JFM Kotzé. The Committee considered his tenure and that of other key audit partners within the Group in order to reduce familiarity threats to independence.

The Committee is satisfied that the external auditor is independent and has nominated PwC for re-election at the forthcoming annual general meeting of shareholders. Due to designated auditor rotation requirements, OT Wentworth is nominated as the individual registered auditor for the financial year ending 30 June 2025. PwC and OT Wentworth are properly accredited.

Audit & Risk Committee Report (continued)

FINANCIAL DIRECTOR AND FINANCE FUNCTION

The Committee considered and satisfied itself of the appropriateness of the expertise, experience and performance of the Group financial director during the year. The Committee also considered and satisfied itself of the appropriateness of the expertise and adequacy of resources in the finance function as well as the experience of senior members of management responsible for the finance function.

INTERNAL AUDIT

The Group internal audit function was established to assist the Board and executive management with the achievement of their objectives and has remained a vital part of the Group's governance and combined assurance structures. Internal audit is an independent assurance provider on the adequacy and effectiveness of the Group's governance, risk management and control structures, systems and processes.

The centralised function operates in terms of a formal mandate, in conformance with the International Professional Practices Framework for Internal Audit. Internal audit assurance can only be reasonable and not absolute and does not supersede the Board's and management's responsibility for the ownership, design, implementation, monitoring and reporting of governance, risk management and internal controls.

The chief audit executive leads the internal audit function which covers the global operations and is resourced with both internal employees and external resources. It assists the Board and management in maintaining an effective internal control environment by evaluating those controls continuously, using a risk-based approach, to determine whether they are adequately designed, operating efficiently and effectively, and to recommend improvements. The internal audit assurance consists of independent evaluations of the adequacy and effectiveness of risk management, internal controls, financial reporting mechanisms and records, information systems and operations, safeguarding of assets (including fraud prevention) and adherence to laws and regulations. It includes a review of strategic risk mitigations, a risk-based review of major projects, key business processes and systems, the Group's sustainability information, IT governance and IT general controls. A combined assurance model was applied to ensure a coordinated approach to all assurance activities, appropriate to address the significant risks facing the Group.

The annual plan is based on an assessment of risk areas that internal audit and management identify, as well as focus areas highlighted by the Committee and management. The plan also considers work performed by other assurance providers in the Group. The annual audit plan is updated as appropriate to ensure it remains responsive to emerging risks and changes in the business. A comprehensive report on internal audit findings is presented to the Committee quarterly. Follow-up audits are conducted in areas where major internal control weaknesses are found. The internal audit activity has a quality assurance and improvement programme, and is subject to an independent external quality assurance review.

The independence, organisational positioning, scope and nature of work of the internal audit function were evaluated by the Committee in June 2024 and determined to be appropriate and consistent with the internal audit strategy and mandate. The Committee approved internal audit's risk-based audit plan for financial year 2025, having discussed the scope of work and its relationship to the Group's risks. The Committee met quarterly with the chief audit executive, in the absence of management. Furthermore, the chair of the Committee held regular one-to-one meetings with chief audit executive. This enables further evaluation of the work performed.

The internal audit function reports directly to the Committee and their mandate in relation to the internal audit function is to:

- Approve the appointment and dismissal of the chief audit executive;
- Review and recommend to the Board for final approval, the internal audit charter including, inter alia, the purpose, authority and responsibility of the internal audit activity;
- Receive a summary report of the major findings of all assurance and special investigation internal audits and management's responses. Review and track management's action plans to address results of internal audit assignments;
- Review the expertise, resources and experience of the Group's internal audit function, and disclose the results of the review in the integrated report;
- Review and provide input on the internal audit function's strategic plan, objectives, performance measures and outcomes;
- Review and approve the risk-based internal audit plan and make recommendations concerning internal audit projects. Review the internal audit function's performance relative to its audit plan. Review the coordination between the internal and external auditors and the resourcing and standing within the Group of the internal audit function;
- Monitor and evaluate the performance of the chief audit executive and the internal audit function in terms of agreed goals and objectives in order to provide input to management related to evaluating and recording of the performance in the Group's performance management system;
- Ensure that the internal audit activity has a quality assurance and improvement programme and that the results of these periodic assessments are presented to the Committee on an exception basis;
- Ensure that the internal audit activity has an external quality assurance review every five years;
- Review the results of the independent external quality assurance review and monitor the implementation of the internal audit activity's action plans to address any recommendations;
- Advise the Board about any recommendations for the continuous improvement of the internal audit activity; and
- Ensure that the chief audit executive has unrestricted access to the chairman of the Committee.

An internal audit charter, reviewed by the Committee and approved by the Board, formally defines the purpose, authority and responsibility of the internal audit function. The charter provides the chief audit executive direct access to the Group chief executive, Group financial director, chairman of the Committee and chairman of the Board.

Audit & Risk Committee Report (continued)

INTERNAL FINANCIAL CONTROLS

With regard to the Responsibility Statement in terms of paragraph 3.84(K) of the Listings Requirements, the Committee noted:

- The Responsibility Statement submitted by the Group chief executive and the Group financial director. The Group chief executive, the Group financial director and the internal auditors, based on the audit scope, reviewed the controls with regards to internal financial reporting and presented the findings to the Committee. The evaluation of controls by the Group chief executive and the Group financial director included:
  - The identification and classification of risks, including the determination of materiality;
  - Testing the design and determining the implementation of controls to address high risk areas;
  - Utilising internal audit to test the operating effectiveness of controls to address the high-risk areas on an annual basis, and other risk areas on a rotational basis; and
  - Obtaining control declarations from divisional and subsidiary management on the operating effectiveness of all key controls at year end.

Based on the above and the Group's system of internal control and risk management in FY2024, which included the design implementation and effectiveness of internal financial controls, a reasonable basis is provided for the preparation of reliable annual financial statements in all material aspects.

AUDIT AND ADMINISTRATION

Financial leadership in Murray & Roberts caters for growth in the business, including ongoing employment and redeployment of senior financial executives. The Group financial director and lead external audit partner attend selected contract and subsidiary reviews throughout the year. Audit close-out meetings are held between external auditors and operational management at year end. A detailed audit summary memorandum is prepared for all Group operating entities and a consolidated report is presented to the Committee. There are agreed procedures for the Committee to seek professional independent advice at the Group's expense, if necessary.

INTEGRATED REPORTING

The Committee recommended the Group's annual financial statements for Board approval and will recommend the annual integrated report for approval. It is satisfied that they comply with IFRS Accounting Standards on a going concern basis following an assessment of solvency and liquidity requirements. During the year under review, external service providers were appointed to provide assurance on selected sustainability information.

In preparation of the annual financial statements the Group has taken into consideration the feedback included in the Report Back on Proactive Monitoring of Financial Statements provided by the JSE.

ASSURANCE

Group assurance activities are embedded, sound and are continuously reviewed and where required redirected to ensure appropriate and effective coverage of the Group's operations, implementation of King IV™ principles and recommendations, and sustainability assurance. The Group's commitment to continuous improvement in achieving acceptable levels of assurance is underscored by various policy frameworks that were developed and implemented, including a stakeholder management framework, regulatory compliance and information management frameworks. The Opportunity Management System was developed in-house and continues to be enhanced to highlight project risks entering the Group's environment.

The multi-year rolling internal audit plan is designed to provide assurance that the major risks and key processes are effectively mitigated and managed, to recommend improvements and track the implementation of audit recommendations.

The Group Integrated Assurance Framework governs and coordinates the overall approach to Group risk management. This entails understanding, identifying, reporting, managing and mitigating Group risk, and includes the process of independently auditing Group policies, plans, procedures, practices, systems, controls and activities to ensure that the Group achieves the level of operational efficiency and compliance required by the Board.

The efforts of the various internal and external assurance providers are coordinated to ensure coverage of agreed risk areas and to minimise duplication and eliminate gaps.

A formal combined assurance model is in place and is reviewed annually by the Committee. Notwithstanding the output of the combined assurance model, board members form their own opinion on the integrity of the information and reports, and the degree to which an effective control environment has been achieved.

The Committee is satisfied that the group has optimised the assurance coverage obtained from management and internal and external assurance providers. The Committee is also satisfied that the various external assurances that are obtained and related systems and procedures are effective in achieving the following objectives:

- Enabling an effective internal control environment
- Supporting the integrity of information used for internal decision-making by management, the board and its committees
- Supporting the integrity of external reports
- Minimising assurance fatigue

KEY AUDIT MATTERS

Key audit matters are those that PwC noted, in their professional judgement, were of most significance in their audit of the consolidated financial statements of the current period:

- Estimation uncertainty involved in accounting for revenue from contracts with customers
- Recognition and recoverability of uncertified revenue balances
- Accounting for Middle East operations

Furthermore, the audit report contains an emphasis of matter in respect of material uncertainty relating to going concern.

SIGNIFICANT AREAS OF JUDGEMENT

The Committee assists the Board by performing an oversight role over financial reporting, which includes assessing the appropriateness of significant estimates and judgements specifically covered by the key audit matters and those disclosed in note 43 and note 45.

Audit & Risk Committee Report (continued)

GROUP AND COMPANY FINANCIAL STATEMENTS

It is our view that the Group and Company financial statements present fairly, in all material respects the Group and Company financial position of the Company and its subsidiaries as at 30 June 2024 and its Group and Company financial performance and its Group and Company cash flows for the year then ended in accordance with IFRS Accounting Standards and the requirements of the Companies Act. In preparation of the annual financial statements the Group and the Committee has taken into consideration the feedback included in the most recent Report Back on Proactive Monitoring of Financial Statements provided by the JSE. The Committee recommended the Group's and Company's annual financial statements to the Board for approval. It is satisfied that they comply with IFRS and that the financial statements have been prepared on a going concern basis following an assessment of solvency and liquidity requirements.

On behalf of the Committee:

……………………………………………………
A Muller
Audit & Risk committee chair
10 September 2024

Report of directors

NATURE OF BUSINESS

Murray & Roberts Holdings Limited is an investment holding company with interests in the mining market, and the renewable energy and power infrastructure markets in Sub-Saharan Africa.

The Company does not trade and its activities are undertaken through subsidiaries and joint operations. Information regarding the Group's major operating subsidiaries appears in Annexure 1 of the consolidated financial statements.

GROUP FINANCIAL RESULTS

Revenue from continuing operations increased to R13,5 billion (FY2023: R12,5 billion).The Group reported a profit before interest and tax from continuing operations of R170,1 million (FY2023: R90,6 million) and recorded an attributable loss of R135,8 million (FY2023: R3,2 billion earnings), representing a diluted loss per share of 34 cents (FY2023: 789 cents earnings). A diluted headline loss per share of 37 cents was recorded (FY2023:473 cents earnings).

Full details of the financial position and results of the Group are set out in these Group and Company financial statements. The Group and Company financial statements have been prepared in accordance with IFRS Accounting Standards. The accounting policies have been applied consistently compared to the prior year.

GOING CONCERN

DEVELOPMENTS IN THE BUSINESS

A smaller Murray & Roberts business

The voluntary administration of the Group’s companies in Australia in December 2022, which followed the impact of COVID-19 on Clough Limited, left the Group as a much smaller business, with a highly geared balance sheet and with liquidity constraints. Murray & Roberts is now a Group that provides engineering and contracting services primarily to the international mining market, and to the renewable energy and power infrastructure markets in Sub-Saharan Africa.

Mining Businesses

The Group’s mining businesses generate most of its revenue and earnings and recorded good results for the financial period ended 30 June 2024. These businesses are diversified across the northern and southern hemispheres, trading under the Cementation brand. Cementation Americas is one of the market leaders in the North American market and Murray & Roberts Cementation in the Southern African market. These businesses are experiencing good market conditions as evidenced by growth in the order book. The Group established a new company in Australia, Cementation APAC, to service the Australia/Asia Pacific region.

Renewable Energy and Power Infrastructure Business

OptiPower recorded an operating loss during the financial period ended 30 June 2024. The loss largely resulted from liquidity constraints experienced by the Group, giving rise to delays in procurement and resultant increased costs to complete current projects. Based on forecasts, management expects this business to return to profitability in the next 12 months considering increased investment in the renewable energy and transmission market sectors in South Africa.

Discontinued Middle East Operations

A Sale and Purchase Agreement for the sale of Murray & Roberts Contractors (Middle East) LLC (MRCME) and Murray & Roberts Contractors (Abu Dhabi) LLC (MRCAD) was concluded on 28 June 2024 and is subject to several conditions precedent.

The Al Mafraq Hospital project in Abu Dhabi was delivered by a joint venture in which MRCAD is a 30% member. Legal proceedings against the Abu Dhabi client regarding the project final account have failed to deliver a beneficial outcome for the joint venture. A UAE bank brought a claim for AED150 million (plus costs and interest) and a summons was issued against Murray & Roberts Limited through the High Court of South Africa, in relation to a Murray & Roberts Limited Parent Company Guarantee for bonds at the Al Mafraq Hospital project which were called by the client and paid out by the UAE bank. The legal proceedings are underway and are expected to be protracted and may take several years to conclude.

Should the sale of MRCME and MRCAD not be successful, the companies will be liquidated.

BANKING FACILITIES IN SOUTH AFRICA

The Group concluded a Common Terms Agreement with four South African banks (Banking Consortium) in November 2022 which inter alia provided for an overdraft facility of R0,65 billion and a term loan facility of R1,35 billion – a combined facility of R2 billion. At 30 June 2023, the overdraft facility was fully drawn, and the term loan was reduced to R0,35 billion after applying R1 billion of the proceeds arising from the sale of the Group’s 50% shareholding in the Bombela Concession Company in April 2023, to reduce the term loan. In October 2023, the Group agreed a deleveraging plan with the Banking Consortium.

At 30 June 2024, the term loan facility was fully repaid and the overdraft facility (of which R330 million was drawn down at year-end) reduced to R409 million. Debt was reduced through a special dividend from Cementation Americas in January 2024, cash from settling commercial issues on one of the Group’s mining projects in South Africa, and the sale of a non-strategic investment in Aarden Solar. Cementation Americas renewed its banking facilities which provided for a CAD35 million amortising term facility, utilised for a special dividend of CAD30 million to Murray & Roberts Limited during the financial year, in support of its deleveraging initiatives.

Report of directors (continued)

GOING CONCERN (continued)

The final milestone in the deleveraging plan was to refinance the remaining R409 million debt facility with the Banking Consortium. This milestone was not met by the milestone date and gave rise to a breach of the deleveraging agreement. This breach could have resulted in the facilities previously obtained, as detailed in Note 16 (Secured Liabilities), being called. The Board, however, subsequent to year-end signed a credit-approved term sheet with the Banking Consortium, which, subject to the achievement of certain milestones, provides for the remaining debt to be repaid by 31 January 2026. The terms of the credit-approved term sheet stays the call of the facilities and related securities.

The Board has resolved to sell non-core assets to meet the Group's obligations to the Banking Consortium. These assets have been independently valued and based on the valuations the value exceeds the value of the outstanding debt. If required, shareholder approval will be sought at the appropriate time.

The Board remains committed to refinance its debt with the Banking Consortium and negotiations with potential funders are continuing. Should the refinancing be successful, it will obviate the need for the disposal of assets.

The SA Group was in breach of the current ratio covenant as at 30 June 2024. New covenants were however agreed after year end and these covenants, when measured for the 30 June 2024 measurement period, were met.

GOING CONCERN ASSESSMENT

The Group performed a going concern assessment for year-end reporting purposes, taking the developments in the business and banking facilities in South Africa as outlined above into consideration, as well as the cash flow forecast as described below.

Cash Flow Forecast

Detailed cash flow forecasts for each of the Group's businesses were prepared for the 18-month period to December 2025, and stress-tested for key judgements and assumptions in relation to the secured and unsecured order book, forecast revenue and project margins, as well as the timing of cash flows. Based on these cash flow forecasts, the Group took the following aspects into consideration in assessing its liquidity needs and ongoing working capital requirements, its ability to repay the South African debt as it becomes due, and its ability to continue as a going concern:

• South African debt: On 28 August 2024, the Board signed a credit approved term sheet with the Banking Consortium, which provides for the current overdraft of R330 million plus further draw downs on the total available facility of R409 million to be repaid by 31 January 2026. Attempts to refinance this debt are ongoing, and a successful refinancing will obviate the need to sell non-core assets to repay this debt. Cash flows in the South African operations include a CAD10m dividend from Cementation Americas to be received prior to December 2024, to support the liquidity requirements of the South African operations.

• Banking Facilities: At 30 June 2024, the Group had the following facilities in place (disclosed in note 38.7):
- Banking facilities in South Africa: Direct facilities (overdraft and asset-based finance) of R0,8 billion, with R0,2 billion of unutilised facilities. Indirect facilities (contract related guarantees) of R2,2 billion with R0,1 billion of unutilised facilities. Currently, the Banking Consortium is only permitting drawdowns against the R409 million overdraft facility and all unutilised direct and indirect facilities are unavailable to the Group. The Group is in the process of finalising terms with alternative asset-based finance and guarantee providers.
- Foreign banking facilities: Direct banking facilities of R1,1 billion with R0,4 billion of unutilised facilities are available. Indirect banking facilities of R1,3 billion with R0,6 billion of unutilised facilities are available. Some of these facilities have limited availability for Group-wide use due to dividend distribution and intra-group limitations imposed by the foreign banks.

• Order Book: The Group has a strong secured order book which includes high-profile, multi-year projects.

• Outstanding Claims: There are several unresolved and long outstanding claims in favour of the Group, some of which are expected to be settled within the next 12 months forecast period.

• Working Capital Management: The Group is constantly reviewing working capital utilisation on projects and seeking ways to improve working capital management, which include agreeing new creditor and debtor terms and renegotiating onerous commercial arrangements on projects.

• Debt and Cost reduction: The Group is assisted by Deloitte as financial advisors in its efforts to reduce debt with the Banking Consortium, and to reduce cost. This included developing a sustainable capital structure and reducing overhead costs. Whilst it is continuing its efforts to refinance remaining debt with the Banking Consortium, the Group has implemented the following cost reduction initiatives:
- Rationalised the Group organisational structure;
- Reduced headcount at the Group corporate office;
- Reduced IT expenditure; and
- Reduced leased office floor space utilised by the South African operations.

Conclusion

Based on the above assessment, the Group is confident that it would be able to realise its assets and discharge its liabilities in the normal course of business. On 28 August 2024, a credit approved term sheet was signed with the Banking Consortium, providing for the remaining debt with the Banking Consortium to be repaid by 31 January 2026, and the directors, based on the information available and to the extent under the control of the directors, have no reason to believe that the signed term sheet will not be converted into a binding agreement. Furthermore, the cash flow forecasts show that Cementation Americas is expected to generate sufficient cash for it to declare the aforementioned dividends (subject to the close out of a commercial claim) to the South African operations. However, should this term sheet not be converted into a binding agreement, or dividends not be received from the international mining subsidiaries to support liquidity in South Africa, the Group may not be able to realise its assets and discharge its liabilities in the normal course of business. This gives rise to a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

Report of directors (continued)

UNCERTIFIED REVENUE

The Group's uncertified revenue increased to R498,7 million (FY2023:R445 million), due mainly to new claims in the financial year.

The recognition of uncertified revenue is common practice for engineering and contracting companies and the Group is confident that revenue recognised as uncertified, will be certified and paid once attendant commercial matters have been resolved.

SEGMENTAL DISCLOSURE

The Group operated under two strategic businesses as at 30 June 2024. An analysis of the Group's results reflects the financial position and performance of each business (refer to Annexure 3 of the consolidated financial statements).

1. AUTHORISED AND ISSUED SHARE CAPITAL

Full details of the authorised and issued capital of the Company at 30 June 2024 are contained in note 11 of the consolidated financial statements.

The total number of ordinary shares that may be utilised for purposes of the Murray & Roberts Holdings Limited Employee Share Incentive Scheme ("Scheme") is limited to 5,0% (FY2023: 5,0%) of the total issued ordinary shares of the Company, currently 22 236 806 (FY2023: 22 236 806) ordinary shares. As no shares have been issued to date in connection with the Scheme, this limit remains unutilised.

In terms of the Forfeitable Share Plan ("FSP"), employees were allocated shares during the year by the remuneration committee totaling 1 297 083 shares (FY2023: 7 236 487). The shares held in escrow by the FSP on behalf of the beneficiaries were purchased on the market and have not been issued by the Company.

2. DIVIDEND

The Board considers a dividend on an annual basis post year end. The Board resolved not to decalre a dividend this year, as it is committed to growing the shareholder equity and reducing debt.

3. DISCONTINUED OPERATIONS

Discontinued operations comprise Middle East Operations, businesses included within the previous Southern Africa Infrastructure & Buildings Platform and the Genrec operations. Refer to note 32 for further details.

Middle East Operations
The Middle East Operations were classified as a discontinued operation in the 2020 financial year as a result of being abandoned, as defined in terms of IFRS 5. Subsequent to abandonment of the Middle East Operations, an agreement was entered into to dispose of the operations and as a result thereof these companies met the criteria, in terms of IFRS 5, to be classified as a disposal group held for sale. The sale and purchase agreement to dispose of the operations was subsequently executed on 30 August 2021. At 15 March 2024, the original sale and purchase transaction had not concluded due to regulatory approval not being achieved. A new sale and purchase agreement was concluded with a new purchaser on 28 June 2024. The Middle East Operations continue to meet the criteria to be classified as a disposal group held for sale in terms of IFRS 5.

4. SPECIAL RESOLUTION

During the year under review the following special resolutions were passed by shareholders:

- Fees payable to Non-Executive Directors

5. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any other matter or circumstance, other than noted above, arising since the end of the financial year not otherwise dealt with in the Group and Company annual financial statements which significantly affects the financial position at 30 June 2024 or the results of its operations or cash flows for the year then ended. Events that occurred after the reporting period were indicative of conditions that arose after the reporting period in the normal course of business and did not have a material impact on the current financial year results.

6. INTEREST OF DIRECTORS

The directors of the Company held direct beneficial interests in 2 388 608 ordinary shares of the Company's issued ordinary shares (FY2023: 2 388 608). Details of the ordinary shares held per individual director are listed below and also set out in note 39.3.

BENEFICIAL	Direct
30 June 2024	
DF Grobler	**375 456**
HJ Laas	**2 013 152**
30 June 2023	
DF Grobler	375 456
HJ Laas	2 013 152

At the date of this report, these interests remain unchanged.

Report of directors (continued)

7. DIRECTORS

At the date of this report, the directors of the Company were:

INDEPENDENT NON-EXECUTIVE

SP Kana (Chairman); JA Boggenpoel; R Havenstein; AK Maditsi; A Muller; CD Raphiri.

EXECUTIVE

HJ Laas (Group chief executive) and DF Grobler (Group financial director).

8. COMPANY SECRETARY

R Davies

The company secretary's business and postal addresses are:

Postal address
PO Box 1000
Bedfordview
2008

Registered office
The Interchange
22 Skeen Boulevard
Bedfordview
2007

9. AUDITORS

PricewaterhouseCoopers Inc. served as external auditor for the financial year ended 30 June 2024. The designated auditor was JFM Kotzé.

Consolidated statement of financial position as at 30 June 2024

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	Notes	2024	Restated* 2023	Restated* 1 July 2022
ASSETS				
Non-current assets				
Property, plant and equipment	2	**1 485.7**	1 571.8	4 397.4
Goodwill	3	**428.5**	441.8	1 371.7
Other intangible assets	4	**299.5**	311.1	650.1
Investment in associate companies	5	**-**	-	1.7
Other investments	6	**1.6**	1.7	1 443.8
Deferred taxation assets	20	**85.9**	92.6	562.6
Net investment in lease		**-**	-	1.3
Long-term receivables		**-**	-	2.1
Total non-current assets		**2 301.2**	2 419.0	8 430.7
Current assets				
Inventories	7	**142.8**	240.2	494.8
Amounts from contract customers	8	**2 823.9**	2 965.4	6 292.4
- Contract asset		**1 483.3**	1 433.7	2 901.0
- Contract receivable		**1 340.6**	1 531.7	3 391.4
Other receivables	9	**222.8**	398.4	1 768.5
Net investment in lease		**-**	-	1.6
Taxation assets	35	**17.5**	36.0	47.0
Cash and cash equivalents	10	**1 633.3**	1 263.5	2 255.8
Total current assets		**4 840.3**	4 903.5	10 860.1
Assets classified as held for sale	32	**1 018.8**	1 064.8	1 011.9
Total assets		**8 160.3**	8 387.3	20 302.7
EQUITY AND LIABILITIES				
Stated capital	11	**2 729.0**	2 693.9	2 684.8
Reserves	13 & 14	**826.7**	976.2	1 658.8
Retained earnings		**(2 000.3)**	(1 862.4)	1 318.9
Equity attributable to owners of Murray & Roberts Holdings Limited		**1 555.4**	1 807.7	5 662.5
Non-controlling interests	15	**3.3**	33.3	50.8
Total equity		**1 558.7**	1 841.0	5 713.3
Non-current liabilities				
Long term loans	17	**632.4**	706.2	1 192.6
Retirement benefit obligations	18	**3.4**	-	-
Long term provisions	19	**12.2**	7.9	24.7
Deferred taxation liabilities	20	**120.0**	147.2	89.4
Long term payables	21	**164.8**	218.9	82.9
Total non-current liabilities		**932.8**	1 080.2	1 389.6
Current liabilities				
Amounts to contract customers	8	**1 144.0**	702.3	2 514.2
Trade and other payables	23	**2 417.1**	2 531.5	5 891.8
Short term loans	24	**292.9**	347.5	623.1
Taxation liabilities	35	**27.0**	25.4	186.5
Provisions for obligations	25	**308.0**	254.0	214.3
Subcontractor liabilities	22	**156.9**	145.2	1 399.3
Bank overdrafts	10	**330.4**	479.4	1 525.8
Total current liabilities		**4 676.3**	4 485.3	12 355.0
Liabilities classified as held for sale	32	**992.5**	980.8	844.8
Total liabilities		**6 601.6**	6 546.3	14 589.4
Total equity and liabilities		**8 160.3**	8 387.3	20 302.7

**During the current year, the Group enhanced the presentation of the amounts from contract customers to separately present Contract Assets and Contract Receivables. The comparative information has been restated accordingly. Refer to note 41 for detail.*

Consolidated statement of financial performance for the year ended 30 June 2024

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	Notes	2024	2023
Continuing operations			
Revenue	26	**13 452.4**	12 460.2
Profit before interest, tax, depreciation and amortisation		**533.4**	451.4
Depreciation		**(341.3)**	(337.8)
Amortisation of intangible assets		**(22.0)**	(23.0)
Profit before interest and taxation	27	**170.1**	90.6
Interest expense	28	**(167.7)**	(280.2)
Interest income	29	**37.6**	13.7
Profit/(loss) before taxation		**40.0**	(175.9)
Taxation expense	30	**(123.5)**	(106.4)
Loss after taxation		**(83.5)**	(282.3)
Loss from equity accounted investments		**-**	(0.2)
Loss for the year from continuing operations		**(83.5)**	(282.5)
Loss from discontinued operations	32	**(52.3)**	(2 896.9)
Loss for the year		**(135.8)**	(3 179.4)
Attributable to:			
Owners of Murray & Roberts Holdings Limited		**(137.9)**	(3 181.3)
Non-controlling interests	15	**2.1**	1.9
		(135.8)	(3 179.4)

Basic and diluted loss per share were 34 cents (FY2023: 789 cents per share) and 34 cents (FY2023: 789 cents per share) respectively.
Continuing basic and diluted loss per share were 21 cents (FY2023: 71 cents loss per share) and 21 cents (FY2023: 71 cents loss per share) respectively.
For further details refer to note 33.

Consolidated statement of comprehensive income for the year ended 30 June 2024

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	Notes	2024	2023
Loss for the year		**(135.8)**	(3 179.4)
OTHER COMPREHENSIVE (LOSS)/INCOME:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations	13 &15	**(119.0)**	576.3
Translation of foreign entities reclassified through profit or loss on derecognition		**-**	(1 250.1)
Remeasurement of retirement benefit obligations	14	**(8.4)**	-
		(127.4)	(673.8)
Other comprehensive loss for the year net of taxation		**(127.4)**	(673.8)
Total comprehensive loss for the year		**(263.2)**	(3 853.2)
Total comprehensive (loss)/income attributable to:			
Owners of Murray & Roberts Holdings Limited		**(265.3)**	(3 854.6)
Non-controlling interests		**2.1**	1.4
		(263.2)	(3 853.2)

Consolidated statement of changes in equity for the year ended 30 June 2024

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	Stated capital	Translation reserve	Other capital reserves	Retained earnings	Attributable to owners of Murray & Roberts Holdings Limited	Non-controlling interests	Total equity
Balance at 01 July 2022	2 684.8	1 600.4	58.4	1 318.9	5 662.5	50.8	5 713.3
Total comprehensive (loss)/income for the year	-	(673.3)	-	(3 181.3)	(3 854.6)	1.4	(3 853.2)
Treasury shares disposed	58.8	-	-	-	58.8	-	58.8
Treasury shares acquired	(66.9)	-	-	-	(66.9)	-	(66.9)
Utilisation of share-based payment reserve	17.2	-	(17.2)	-	-	-	-
Recognition of share-based payment	-	-	7.9	-	7.9	-	7.9
Dividends declared and paid	-	-	-	-	-	(18.9)	(18.9)
Balance at 01 July 2023	**2 693.9**	**927.1**	**49.1**	**(1 862.4)**	**1 807.7**	**33.3**	**1 841.0**
Total comprehensive (loss)/income for the year	**-**	**(119.0)**	**(8.4)**	**(137.9)**	**(265.3)**	**2.1**	**(263.2)**
Treasury shares disposed	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Treasury shares acquired	**(0.8)**	**-**	**-**	**-**	**(0.8)**	**-**	**(0.8)**
Utilisation of share-based payment reserve	**35.9**	**-**	**(35.9)**	**-**	**-**	**-**	**-**
Recognition of share-based payment	**-**	**-**	**13.8**	**-**	**13.8**	**-**	**13.8**
Dividend declared to non-controlling interest	**-**	**-**	**-**	**-**	**-**	**(32.1)**	**(32.1)**
Balance at 30 June 2024	**2 729.0**	**808.1**	**18.6**	**(2 000.3)**	**1 555.4**	**3.3**	**1 558.7**
Notes	11	13	14			15	

Consolidated statement of cash flows for the year ended 30 June 2024

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	Notes	2024	2023
Cash flows from operating activities			
Receipts from customers		**13 762.8**	25 738.2
Payments to suppliers and employees		**(12 555.4)**	(25 200.5)
Cash generated by operations	34	**1 207.4**	537.7
Interest received		**36.9**	19.1
Interest paid		**(160.5)**	(316.6)
Taxation paid	35	**(135.5)**	(186.3)
Taxation refund	35	**14.1**	58.2
Dividend paid to non-controlling interest		**(32.1)**	(18.9)
Net cash inflow from operating activities		**930.3**	93.2
Cash flows from investing activities			
Payment for acquisition of subsidiaries, net of cash acquired		**-**	(6.0)
Purchase of intangible assets other than goodwill	4	**(20.8)**	(5.8)
Purchase of property, plant and equipment	2	**(312.0)**	(651.6)
- Replacements		**(86.8)**	(136.1)
- Additions		**(332.0)**	(766.8)
- Acquisition of assets by means of a lease (non-cash)		**106.8**	251.3
Proceeds on disposal of intangible assets		**-**	16.8
Proceeds on disposal of property, plant and equipment		**106.6**	43.3
Proceeds on disposal of assets held for sale		**35.4**	127.0
Proceeds on disposal of investment in BCC (net of transaction costs)	6	**-**	1 216.8
Dividends received from the Bombela Concession Company	6	**-**	255.0
Cash and cash equivalents in deconsolidated subsidiaries		**-**	(1 298.4)
Proceeds on disposal of Aarden Solar	31	**73.4**	-
Other		**0.6**	(1.8)
Net cash outflow from investing activities		**(116.8)**	(304.7)
Cash flows from financing activities			
Net (acquisition)/disposal of treasury shares		**(0.8)**	(8.1)
- Acquisition of treasury shares		**(0.8)**	(66.9)
- Disposal of treasury shares		**-**	58.8
Net movement in borrowings	34	**(209.8)**	56.4
- Loans raised		**483.1**	1 981.0
- Loans repaid		**(645.8)**	(1 800.1)
- Leases repaid		**(47.1)**	(124.5)
Net movement in bank overdraft	34	**(145.6)**	(904.1)
- Overdraft drawdowns		**2 093.2**	1 303.0
- Overdraft repayments		**(2 238.8)**	(2 207.1)
Net cash outflow from financing activities		**(356.2)**	(855.8)
Total increase/(decrease) in net cash and cash equivalents		**457.3**	(1 067.3)
Net cash and cash equivalents at beginning of year		**1 272.5**	2 122.8
Effect of exchange rates		**(85.0)**	217.0
Net cash and cash equivalents at end of year^		**1 644.8**	**1 272.5**
^ Cash and cash equivalents balance comprises:			
- Cash	*10*	***1 633.3***	*1 263.5*
- Reclassification to held for sale	*32*	***11.5***	*12.4*
- Overdraft	*10*	***-***	*(3.4)*

Material accounting policy information

1. PRESENTATION OF FINANCIAL STATEMENTS

1.1. BASIS OF PREPARATION

These Group and Company financial statements (“financial statements”) have been prepared under the historical cost convention as modified by the revaluation of non-trading financial asset investments and financial assets at fair value through profit or loss. Non-current assets and disposal groups held for sale, where applicable, are stated at the lower of their carrying amount and fair value less cost to sell in accordance with IFRS 5.

The preparation of financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and conditions, actual results may ultimately differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of IFRS Accounting Standards that have a significant effect on the financial statements, and significant estimates made in the preparation of these Group and Company financial statements are discussed in note 43.

Standards, Interpretations and Amendments to published standards that are not yet effective are discussed in note 44.

The consolidated financial statements have been prepared on a going concern basis. Refer to note 45 for further commentary on going concern.

1.2. STATEMENT OF COMPLIANCE

These Group and Company financial statements are prepared in accordance with IFRS Accounting Standards and Interpretations adopted by the International Accounting Standards Board ("IASB"), and comply with the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, financial reporting pronouncements issued by the Financial Reporting Standards Council, the requirements of the JSE Limited Listings Requirements and the Companies Act. The Group and Company financial statements were approved for issue by the Board of Directors on 10 September 2024.

1.3. BASIS OF CONSOLIDATION

The Group consists of the consolidated financial position and the operating results and cash flow information of Murray & Roberts Holdings Limited ("Company"), its subsidiaries, its interest in joint operations and associates.

Subsidiaries are entities, including structured entities controlled by the Group. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of financial performance from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to owners of the Company and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

If a subsidiary uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to its financial statements in preparing the consolidated financial statements.

Intercompany transactions and balances on transactions between group companies are eliminated.

NON-CONTROLLING INTEREST LOANS
Certain shareholders elect to contribute to shareholder loans as opposed to stated capital.

Loans from non-controlling shareholders are classified as equity instruments rather than financial liabilities if both conditions (a) and (b) below, as required by IAS 32: *Financial Instruments: Presentation* , paragraph 16, are met.

(a) Loans from non-controlling shareholders includes no contractual obligations:
- to deliver cash or another financial asset to another entity; or
- to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the issuer or the Group.

(b) Loans from non-controlling shareholders will not or may not be settled in the issuer's or the Group's own equity instruments.

If the loans from non-controlling shareholders do not meet both conditions (a) and (b) they are classified as financial liabilities.

The raising or repayment of non-controlling interest loans that are classified as equity instruments has no impact on the effective shareholding of the non-controlling shareholder.

Material accounting policy information (continued)

1.4. BUSINESS COMBINATIONS

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a gain on bargain purchase.

Non-controlling interests that represent ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS Accounting Standard.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or gain on bargain purchase. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depend on how the contingent consideration is classified. Contingent consideration that is classified as equity is not measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 37: Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

GOODWILL
Goodwill is recognised as an asset at the acquisition date of a business. Goodwill on the acquisition of a subsidiary is included in intangible assets.

Goodwill is not amortised. Instead, an impairment test is performed annually or more frequently if circumstances indicated that it might be impaired. Any impairment is recognised immediately in profit or loss and is not subsequently reversed. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units expected to benefit from the synergies of business combinations. Any impairment loss of the cash generating unit is first allocated against the goodwill and thereafter against the other assets of the cash generating unit on a pro-rata basis.

Whenever negative goodwill (a gain on bargain purchase) arises, the identification and measurement of acquired identifiable assets, liabilities and contingent liabilities are reassessed. If a gain on bargain purchase still remains, it is recognised in profit or loss immediately.

On disposal of a subsidiary the attributable goodwill is included in the determination of the profit or loss on disposal. The same principle is applicable for partial disposals where there is a change in ownership, in other words a portion of the goodwill is expensed as part of the cost of disposal. For partial disposals and acquisitions with no change in ownership, goodwill is recognised as a transaction with equity holders.

LOSS OF CONTROL OF SUBSIDIARY
When the Group loses control over a subsidiary the carrying amount of the subsidiary’s assets and liabilities are derecognised together with any associated non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss.

1.5. JOINT ARRANGEMENTS

Joint arrangements are those entities in which the Group has joint control. Under IFRS 11: *Joint Arrangements*, joint arrangements are classified as either joint operations or joint ventures depending upon the contractual rights and obligations that each investor has in the joint arrangement. The Group's interest in joint arrangements, classified as joint ventures are accounted for using the equity method of accounting and are initially recognised at cost while those classified as joint operations are accounted for by recognising the joint operator's proportionate share of the assets, liabilities, revenue and expenses of the joint operation. The results of joint arrangements are included from the effective dates of acquisition and up to the effective dates of the disposal.

Intercompany transactions, balances and unrealised gains on transactions between the Group and its joint arrangements are eliminated on consolidation. Unrealised losses are eliminated and are also considered an impairment indicator of the asset transferred. Accounting policies of joint arrangements have been changed where necessary to ensure consistency with policies adopted by the Group.

Material accounting policy information (continued)

1.6. INVESTMENTS IN ASSOCIATE COMPANIES

Associates are entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost, with the exception of service concession investments which are venture capital in nature and measured at fair value through profit or loss. The Group's investments in associates include goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its associates' post-acquisition profits or losses is recognised in the statement of financial performance, and its share of post-acquisition movements in reserves is recognised in reserves through other comprehensive income (where applicable). The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses unless it has incurred obligations or made payments on behalf of the associate. The total carrying value of associates is evaluated annually for impairment. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36: *Impairment of Assets* to the extent that the recoverable amount of the investment subsequently increases.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

1.7. SEPARATE COMPANY'S FINANCIAL STATEMENTS

In the separate financial statements of the Company, the investment in a subsidiary company is carried at cost less accumulated impairment losses, where applicable.

Financial assets such as investments in subsidiaries and amounts due from subsidiary companies, are assessed for impairment at each reporting date. Under IFRS 9, the Company calculates the allowance for credit losses by using the expected credit loss (ECL) model for financial assets.
These financial assets are deemed to be impaired when one or more detrimental events have occurred such as:

- Significant financial difficulty of the subsidiary;
- Liquidation, voluntary administration, business rescue proceedings or other forms of financial reorganisation are implemented; or
- Any other event where the likelihood of full settlement is remote.

The Company monitors its credit exposure to loans advanced to the subsidiary on an ongoing basis by assessing the subsidiary's financial position at reporting date.

1.8. FOREIGN CURRENCIES

FOREIGN CURRENCY TRANSACTIONS
A foreign currency transaction is recorded, on initial recognition in functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous audited financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised in other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised in other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in functional currency by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the cash flow.

FOREIGN CURRENCY MONETARY ITEMS
Exchange differences arising on translation are recognised in profit or loss except for those arising on equity loans that are denominated in the functional currency of either party involved. In those instances, the exchange differences are taken directly to equity as part of the foreign currency translation reserve.

FOREIGN OPERATIONS
The results and financial position of a foreign operation are translated into the presentation currency using the following procedures:

- assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position;
- income and expenses for each item of profit or loss are translated at exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognised in the statement of other comprehensive income and accumulated as a separate component of equity, being the foreign currency translation reserve.

Material accounting policy information (continued)

1.8. FOREIGN CURRENCIES (continued)

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve, except to the extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interest.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are transferred to the consolidated statement of financial performance and other comprehensive income as part of the profit or loss on disposals.

Exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised initially in the statement of other comprehensive income and accumulated in the foreign currency translation reserve. On the disposal of a foreign operation, all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition of that foreign operation are treated as assets and liabilities of the foreign operation.

The cash flows of a foreign subsidiary are translated at the exchange rates between the functional currency and the foreign currency at the dates of the cash flows.

1.9. FINANCIAL INSTRUMENTS

CLASSIFICATION, INITIAL RECOGNITION AND SUBSEQUENT MEASUREMENT
Classification depends on the business model and contractual cash flow characteristics for which the financial instruments were obtained/incurred and takes place at initial recognition.

The Group classifies financial assets and liabilities into the following categories:

FINANCIAL ASSETS AT AMORTISED COST
Financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets are stated at amortised cost. Amortised cost represents the original amount less principal repayments received, the impact of discounting to net present value and a provision for impairment, where applicable.

Other receivables are initially recognised at fair value, and are subsequently classified and measured at amortised cost using the effective interest rate method.

Contract receivables and retentions are initially recognised at the amount certified and invoiced, and are subsequently classified and measured at amortised cost using the effective interest rate method.

Contract receivables and retentions comprise amounts due in respect of certified or approved amounts by the client or consultant at the reporting date for which payment has not been received and amounts held as retentions on certified amounts at the reporting date.

Cash and cash equivalents comprise cash on hand, demand deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Bank overdrafts are not offset against positive bank balances unless a legally enforceable right of offset exists, and there is an intention to settle the overdraft and realise the net cash simultaneously, or to settle on a net basis. For the purpose of the statement of cash flows, cash and cash equivalents are offset against bank overdrafts, except for overdrafts which form part of financing activities.

All short term cash investments are invested with major financial institutions in order to manage credit risk.

FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS
Financial assets, other than those held for trade, are classified in this category if the financial assets are managed, and their performance evaluated, on a fair value basis in accordance with a documented investment strategy, and where information about these financial instruments are reported to management on a fair value basis. Under this basis the Group's concession equity investment is the main class of financial instruments so designated. The fair value designation once made is irrevocable.

Measurement is initially at fair value, with transaction costs and subsequent fair value adjustments recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on financial assets. Fair value is determined in a manner as described in note 6.

Service concession investments are classified and measured at fair value through profit or loss. All other investments are classified as financial assets at amortised cost and accounted for accordingly.

IMPAIRMENT OF FINANCIAL ASSETS
Financial assets, other than those at fair value through profit or loss, are assessed for impairment at each reporting date. Under IFRS 9, the Group calculates the allowance for credit losses by using the expected credit loss (ECL) model for financial assets. ECLs are measured at the present value of all cash shortfalls arising from a credit default event, discounted at the original effective interest rate.

Material accounting policy information (continued)

1.9. FINANCIAL INSTRUMENTS (continued)

The Group has the following types of financial assets that are subject to the expected credit loss model:
- contract receivables;
- and other receivables (trade receivables, amounts owing from joint arrangements and sundry loans)

While cash and cash equivalents are also subject to impairment requirements of IFRS 9, no impairment loss was identified or recognised in the current period.

The IFRS 9 simplified approach was applied in determining the ECL for trade receivables and contract receivables which uses a lifetime expected loss allowance for all trade receivables and contract assets to be recognised from initial recognition of the receivable. A lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial asset.

Financial assets are considered to have low credit risk when they have a low risk of default and the counterparty has a strong capacity to meet its contractual cash flows in the near term. Impairment losses on trade receivables and contract receivables are presented as impairment losses within operating expenses. Subsequent recoveries of amounts previously written off are presented as a reversal of impairment losses previously recognised within other operating income.

The Group considers a trade receivable to be credit impaired when one or more detrimental events have occurred such as:
- Significant financial difficulty of the customer;
- Liquidation, business rescue proceedings or other forms of financial reorganisation are implemented; or
- Any other event where the likelihood of full settlement is remote.

In instances where the Group determines a receivable to be credit-impaired, the receivable is excluded from the portfolio for the purposes of calculating an ECL and a specific credit loss is raised based on an assessment of the individual circumstances relating to the default event.

For the other financial assets, the Group recognises ECLs that reflects changes to the individual credit risk profile of each financial asset at the reporting date.

Expected credit losses are recognised:
- For credit exposures for which there has not been a significant increase in credit risk since initial recognition, expected credit losses are provided for credit losses that could result from default events that are possible within the next 12 months;
- When the credit risk of financial assets significantly increased and the resultant credit quality is not low risk, then credit losses are provided for over the remaining life of the exposure;
- When financial assets have already become credit impaired (or default events have occurred), a lifetime approach is adopted on the net amount less allowance. These are individually assessed.

A financial asset is considered to be in default when contractual payments are 90 days past due.

Contract receivables and other receivables, are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the failure of a debtor to engage in a repayment plan and a failure to make contractual payments for a period of greater than 120 days past due.

The carrying amount of a financial asset is reduced through the use of an allowance account and changes to this allowance account are recognised in profit or loss. Subsequent recoveries of amounts previously written off are credited against the allowance account.

Refer to note 38.6 Financial risk management for additional ECL disclosure.

DERECOGNITION OF FINANCIAL ASSETS

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 entity. 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.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

EQUITY INSTRUMENTS AND FINANCIAL LIABILITIES

Financial liabilities and equity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

EQUITY INSTRUMENTS

Equity instruments issued by the Company are recognised as the proceeds received, net of direct issue cost.

Material accounting policy information (continued)

1.9. FINANCIAL INSTRUMENTS (continued)

TREASURY SHARES
The cost of an entity's own equity instruments that it has reacquired (“treasury shares”) is deducted from equity. A gain or loss is not recognised on the purchase, sale, issue, or cancellation of treasury shares. Treasury shares may be acquired and held by the entity or by other members of the consolidated Group. Consideration paid or received is recognised directly in equity.

FINANCIAL LIABILITIES AT AMORTISED COST
Non-trading financial liabilities are recognised at amortised cost. Amortised cost represents the original debt less principal payments made, the impact of discounting to net present value and amortisation of related costs.

Trade and other payables are liabilities to pay for goods and services that have been received or supplied and have been invoiced or formally agreed with the supplier. Trade and other payables are initially recognised at fair value and are subsequently classified and measured at amortised cost using the effective interest rate method.

Subcontractor liabilities represent the actual unpaid liability owing to subcontractors for work performed including retention monies owed. Subcontractor liabilities are initially recognised at fair value and are subsequently classified and measured at amortised cost using the effective interest rate method.

LOANS TO/FROM GROUP COMPANIES
These include loans to and from holding companies, fellow subsidiaries, subsidiaries, joint operations and associates and are recognised initially at fair value plus direct transaction costs.

Loans to group companies are classified as financial assets measured at fair value initially and subsequently at amortised cost.

Loans from group companies are classified as financial liabilities measured at amortised cost.

BANK OVERDRAFTS AND BORROWINGS
Bank overdrafts and borrowings are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group’s accounting policy.

1.10. AMOUNTS FROM/TO CONTRACT CUSTOMERS

Contract assets and contract liabilities are determined on a contract by contract basis and represent the group’s progress towards the satisfaction of the performance obligations stipulated in the terms of each of its contracts. To determine the progress towards the satisfaction of performance obligations on each contract, the Group uses either the input or output method as described in accounting policy note 1.22 Revenue.

AMOUNTS FROM CONTRACT CUSTOMERS
Amounts from contract customers comprises contracts in progress (contract asset), uncertified claims and variations (contract asset), amounts receivable on contracts (contract receivable) and retentions receivable (contract receivable).

CONTRACT ASSETS
Contracts in progress is recognised to the extent that the gross amounts of costs incurred on a contract plus recognised profit (less recognised losses) exceeds the amounts invoiced on the contract.

Uncertified claims and variations are recognised to the extent that it is highly probably that the related revenue will not reverse. The Group uses legal experts, engineers and quantity surveyors in determining the amounts to be recognised in respect of these uncertified balances.

CONTRACT RECEIVABLES
Amounts receivable on contracts and retentions receivable relate to amounts which have been certified by the customer and have been invoiced. These amounts are recognised as financial assets and are accounted for in terms of IFRS 9. Refer to accounting policy note 1.9 Financial Instruments in this regard.

AMOUNTS TO CONTRACT CUSTOMERS
Amounts to contract customers (a contract liability) relates to amounts that are received in excess of the work completed. These amounts are comprised of advance payments received and over-certified balances on work performed.

Over-certified balances are recognised to the extent that the amounts invoiced on the contract exceed the gross amounts of costs incurred on a contract plus recognised profit (less recognised losses).

Advance payments received are assessed on initial recognition to determine whether it is probable that it will be repaid in cash or another financial asset. In this instance, the advance payment is classified as a non-trading financial liability that is carried at amortised cost. If it is probable that the advance payment will be repaid with goods or services, the liability is carried at historic cost. Refer to accounting policy note 1.9 Financial Instruments in this regard.

Material accounting policy information (continued)

1.11. INTANGIBLE ASSETS OTHER THAN GOODWILL

An intangible asset is an identifiable, non-monetary asset that has no physical substance. An intangible asset is recognised when it is identifiable, the Group has control over the asset, it is probable that economic benefits will flow to the Group and the cost of the asset can be measured reliably.

COMPUTER SOFTWARE
Acquired computer software that is significant and unique to the business is capitalised as an intangible asset on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software programs are capitalised as intangible assets only if it qualifies for recognition. In all other cases these costs are recognised as an expense incurred.

Costs that are directly associated with the development and production of identifiable and unique software products controlled by the Group and that will probably generate economic benefits exceeding one year, are recognised as intangible assets. Direct costs include the costs of software development employees and an appropriate portion of relevant overheads. Computer software is amortised on a systematic basis over its estimated useful life from the date it becomes available for use.

PATENTS AND OTHER RIGHTS, TRADEMARKS AND CUSTOMER RELATIONSHIPS
Separately acquired patents and other rights, trademarks and customer relationships are recognised at the purchase price and other costs that are directly associated with the acquisition including professional fees, costs of registration and employee benefits. When acquired as part of a business combination, these assets are recognised at fair value on the acquisition date.

With the exception of trademarks, these intangible assets have a finite life and are amortised over its estimated useful life from the date it becomes available for use.

Trademarks with an indefinite useful life are not amortised, but tested annually for impairment.

OTHER INTANGIBLE ASSETS
Other Intangible assets comprise intangible assets in progress. Intangible assets in progress are non-monetary assets without physical substance that are in the process of being developed or acquired and are not yet available for use. These assets include costs directly attributable to the development or acquisition process and are expected to generate future economic benefits for the Group once completed.
Intangible assets in progress are initially measured at cost, which includes all expenditures directly attributable to preparing the asset for its intended use. Upon completion and readiness for use, the total cost is transferred to the relevant category of intangible assets. No amortisation is charged on intangible assets in progress. Amortisation commences when the asset is complete and available for use, and has been transferred to the appropriate category of intangible assets.

1.12. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are tangible assets that the Group holds for its own use or for rental to others and which the Group expects to be used for more than one period. Property, plant and equipment could be constructed or purchased by the Group. The consumption of property, plant and equipment is reflected through a depreciation charge designated to reduce the asset to its residual value over its useful life. The useful lives of property, plant and equipment are set out in note 2.

The residual value, useful life and depreciation method of each asset is reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

MEASUREMENT
All property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, except for land, which is stated at cost less accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the item and includes transfers from equity of any gains or losses on qualifying cash flow hedges of currency purchases of property, plant and equipment.

SUBSEQUENT COSTS
Subsequent costs are included in an asset's carrying value only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Day-to-day servicing costs are recognised in profit or loss for the year incurred.

RIGHT-OF-USE ASSETS
Assets held under leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

COMPONENTS
The amount initially recognised in respect of an item of property, plant and equipment is allocated to its significant components and where they have different useful lives, are recorded and depreciated separately. The remainder of the cost, being the parts of the item that are individually not significant or have similar useful lives, are grouped together and depreciated as one component.

DEPRECIATION
Depreciation is calculated on the straight-line or units of production basis at rates considered appropriate to reduce the carrying value of each component of an asset to its residual value over its estimated useful life.

Depreciation commences when the asset is in the location and condition for its intended use by management and ceases when the asset is derecognised or classified as held for sale.

Material accounting policy information (continued)

1.12. PROPERTY, PLANT AND EQUIPMENT (continued)

IMPAIRMENT

Where the carrying value of an asset is greater than its estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying value in line with its recoverable amount.

DISMANTLING AND DECOMMISSIONING COSTS

The cost of an item of property, plant and equipment includes the initial estimate of the costs of its dismantlement, removal, or restoration of the site on which it was located.

ASSETS UNDER CONSTRUCTION

Assets under construction are tangible assets that are in the process of being built or developed and have not yet been completed or made available for use. These assets are measured at cost, including all costs directly attributable to the construction or development process; and are expected to be used by the Group for its operations once completed. Routine maintenance costs are expensed as incurred and are not included in the carrying amount of assets under construction. The total cost of assets under construction is transferred to the relevant category of property, plant, and equipment upon the asset's completion and readiness for use.

No depreciation is charged on assets under construction. Depreciation commences when the asset is complete and available for use, and has been transferred to the appropriate category of property, plant, and equipment.

1.13. IMPAIRMENT OF ASSETS

At each reporting period the Group assesses whether there is an indication that an asset may be impaired. If any such indication exists, the asset is tested for impairment by estimating the recoverable value of the related asset. Irrespective of whether there is any indication of impairment, goodwill acquired in a business combination is tested for impairment on an annual basis.

When performing impairment testing, the recoverable amount is determined for the individual asset for which an objective indication of impairment exists. If the asset does not generate cash flows from continuing use that are largely independent from other assets or groups of assets, the recoverable amount is determined for the cash-generating unit ("CGU") to which the assets belong.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using the post-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which the estimates of future cash flows have not been adjusted.

1.14. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell through profit or loss. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

1.15. INVENTORIES

Inventories comprise raw materials, consumable stores and in the case of manufacturing entities, work-in-progress and finished goods. Consumable stores include minor spare parts and servicing equipment that are either expected to be used over a period less than 12 months or for general servicing purposes. Consumable stores are recognised in profit or loss as consumed.

Inventories are valued at the lower of cost or net realisable value.

The cost of inventories is determined using the following cost formulas:

- Raw materials - First In, First Out ("FIFO") or Weighted Average Cost basis.
- Finished goods and work-in-progress - cost of direct materials and labour including a proportion of factory overheads based on normal operating capacity.

Net realisable value represents the estimated selling price in the ordinary course of the business less all estimated costs of completion and costs incurred in marketing, selling and distribution.

Material accounting policy information (continued)

1.16. LEASES

At inception of a contract, the Group assesses whether the contract is, or contains a lease. A contract is, or contains, a lease if it conveys the right to control the use of the identified asset for a period of time and in exchange for consideration.
The following is assessed to determine if a contract conveys the right to control the use of an identified asset:

- Whether the contract involves the use of an identified asset, which may be specified explicitly or implicitly. The asset must be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the Group does not have the right to use the identified asset
- Whether the Group has the right to obtain substantially all of the economic benefits from the use of the identified asset throughout the period of use
- Whether the Group has the right to direct the use of the identified asset throughout the period of use only if:
  - The Group has the right to direct how and for what purpose the asset is used
  - The relevant decisions about how and for what purpose the asset is used is predetermined and the Group has the right to operate the asset without the supplier having the right to change those operating instructions or the Group has designed the asset in a way that predetermined how and for what purpose the asset will be used

THE GROUP AS A LESSEE
At the commencement of the lease term, a right-of-use asset and a lease liability is recognised on the statement of financial position.

The right-of-use asset is measured at cost comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The lease liability is measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the incremental borrowing rate is utilised.

Lease payments included in the measurement of the lease liability include:
- fixed payments, including in substance fixed payments, less any incentives receivable;
- variable lease payments that depend on an index or rate, initially measured at the index or rate as at the commencement date;
- amounts payable under residual value guarantees;
- the exercise price of an option if this is reasonably certain to be exercised; and
- payments of penalties for terminating the lease if this is accounted for in the lease term.

Right-of-use assets are accounted for as property, plant and equipment. They are depreciated using the straight-line or unit of production basis at rates considered appropriate to reduce the carrying value over the estimated useful lives to the estimated residual values. Where it is not certain that an asset will be taken over by the Group at the end of the lease, the asset is depreciated over the shorter of the lease period and the estimated useful life of the asset.

Lease payments are allocated between the lease finance cost and the capital repayment using the effective interest rate method. Lease finance costs are charged to the statement of financial performance as they become due. The carrying amount of the lease liability is remeasured to reflect any reassessment, lease modifications or revised in-substance fixed payments. The amount of the remeasurement is recognised as an adjustment to the right-of-use asset and any further reduction required is recognised in profit or loss.

SHORT-TERM AND LOW VALUE LEASES
Leases with a lease term of less than 12 months or leases of assets which are low value in nature are not recognised on the statement of financial position. The lease payments on these leases are recognised as an expense on a straight-line basis over the lease term.

THE GROUP AS A LESSOR

FINANCE LEASES
If a lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset, the lease is classified as a finance lease by the Group.

As an intermediate lessor, the Group accounts for its interests in the head lease and the sublease separately. The Group assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

Amounts due from lessees are recognised as receivables at the amount of the Group's net investment in the lease. The net investment in the lease is measured at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group as an intermediate lessor utilises the discount rate for the head lease, adjusted for any initial direct costs associated with the sublease, to measure the net investment in the lease.

Lease payments included in the measurement of the net investment in the lease include:
- fixed payments, including in substance fixed payments, less any incentives receivable;
- variable lease payments that depend on an index or rate, initially measured at the index or rate as at the commencement date;
- any residual guarantees provided to the Group as lessor by the lessee, a party related to the lessee or a third party unrelated to the Group that financially capable of discharging the obligations under the guarantee;

Material accounting policy information (continued)

1.16. LEASES (continued)

- the exercise price of an option if this is reasonably certain to be exercised; and
- payments of penalties for terminating the lease if this is accounted for in the lease term.

Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

OPERATING LEASES
Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.17. PROVISIONS AND CONTINGENCIES

Contingent assets and contingent liabilities are not recognised. Contingencies are disclosed in note 37.

RESTRUCTURING
A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it (a constructive obligation). The measurement of a restructuring provision includes only the direct expenditure arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

ONEROUS CONTRACTS
Present obligations arising under onerous contracts are recognised and measured as provisions.

An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.
When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately through profit or loss, to the extent that the remaining contract costs are deemed to be unavoidable in terms of IAS 37. Estimating the total contract costs involves a significant level of estimation and judgement. Refer to note 43 for further disclosure in this regard.

1.18. SHARE-BASED PAYMENTS

An expense is recognised where the Group received goods or services in exchange for shares or rights over shares ("equity-settled transactions") or in exchange for other assets equivalent in value to a given number of shares or rights over shares ("cash-settled transactions").

Employees, including directors, of the Group receive remuneration in the form of share-based transactions, whereby employees render services in exchange for shares or rights over shares ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined independently by using the Binomial Lattice model. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Group ("market conditions").

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity over the period in which the non-market performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (vesting date).

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which is treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

For cash-settled transactions, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at each reporting period.

Where there are any vested share options which have not been exercised by the employees and have expired, the cumulative expense recognised in the share-based payment reserve is reclassified to retained earnings.

Material accounting policy information (continued)

1.19. EMPLOYEE BENEFITS

DEFINED CONTRIBUTION PLANS
Under defined contribution plans the Group's legal or constructive obligation is limited to the amount that it agrees to contribute to the fund. Consequently, the actuarial risk that benefits will be less than expected and the investment risk that assets invested will be insufficient to meet expected benefits, is borne by the employee. Such plans include multi-employer or state plans.

Employee and employer contributions to defined contribution plans are recognised as an expense in the year in which incurred.

DEFINED BENEFIT PLANS
Under defined benefit plans, the Group has an obligation to provide the agreed benefits to current and former employees. The actuarial and investment risks are borne by the Group. A multi-employer or state plan that is classified as a defined benefit plan, but for which sufficient information is not available to enable defined benefit accounting, is accounted for as a defined contribution plan.

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Methods, with actuarial valuations being carried out at each reporting period date.

The current service cost as well as net interest expense in respect of defined benefit plans is recognised as an expense in the year to which it relates. Past service costs are recognised immediately in profit or loss. Experience adjustments, effects of changes in actuarial assumptions and plan amendments in respect of existing and retired employees are recognised in other comprehensive income as remeasurements in the period in which they arise. Deficits arising on these funds, if any, are recognised immediately in respect of retired employees and over the remaining service lives of current employees.

The defined benefit obligation in the statement of financial position, if any, represents the present value of the defined benefit obligation as adjusted for unrecognised actuarial gains and losses and unrecognised past service cost, and are reduced by the fair value of planned assets. Any asset resulting from this calculation is limited to unrecognised actuarial losses and past service cost, plus the present value of available refunds and reductions in future contribution to the plan.

1.20. TAXATION

Income taxation expense represents the sum of current and deferred taxation.

CURRENT TAXATION ASSETS AND LIABILITIES
The current taxation asset/liability is based on taxable profit/loss for the year. Taxable profit/loss differs from profit/loss as reported in the statement of financial performance because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's asset/liability for current taxation is calculated using taxation rates that have been enacted or substantively enacted by the reporting date.

DEFERRED TAXATION ASSETS AND LIABILITIES
Deferred taxation is based on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used in the computation of the taxable profits, and is accounted for using the balance sheet liability method. Deferred taxation liabilities are generally recognised for all taxable temporary differences and deferred taxation assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition, other than in business combinations, of other assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profits.

Deferred taxation liabilities are recognised for the taxable temporary differences arising from investments in subsidiaries, and interests in joint arrangements, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not be reversed in the foreseeable future. Deferred taxation assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of a deferred taxation asset is revised at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the asset or part of the asset to be recovered.

Deferred taxation is calculated at the substantively enacted rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred taxation is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity in which case the deferred taxation is also charged or credited directly to equity.

Deferred taxation assets and liabilities are offset when there is a legal enforceable right to offset deferred taxation assets against liabilities and when the deferred taxation relates to the same fiscal authority.

UNCERTAIN TAX POSITIONS
Where there is uncertainty over income tax treatments, the Group applies the requirements of IFRIC 23 when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates ('tax amounts').

Material accounting policy information (continued)

1.20. TAXATION (continued)

UNCERTAIN TAX POSITIONS (continued)

The Group applies the requirements as follows:

- Judgement is applied to determine whether each tax treatment should be considered independently or whether some tax treatments should be considered together;
- The assumption is made that a taxation authority with the right to examine any amounts reported to it will examine those amounts and will have full knowledge of all relevant information when doing so;
- Tax amounts are determined on a basis that is consistent with the tax treatment included in the Group's income tax filings if the Group concludes that it is probable that a particular tax treatment will be accepted by the taxation authorities; and
- Tax amounts are determined using the most likely amount or expected value of the tax treatment (whichever provides better predictions of the resolution of the uncertainty) where the Group concludes that it is not probable that a particular tax treatment will be accepted by the taxation authorities.

1.21. RELATED PARTIES

Parties are considered to be related if one party has the ability to control or jointly control the other party or exercise significant influence over the party in making financial and operating decisions. The requirements of IAS 24*: Related Party Disclosures* are applied in identifying related parties and related party transactions.

Related party transactions are those where a transfer of resources or obligations between related parties occur, regardless of whether or not a price is charged.

1.22. REVENUE

The Group applies IFRS 15: *Revenue from Contracts with Customers* .

IFRS 15:56 states that variable consideration should only be included in the transaction price, when recognising revenue, to the extent that it is highly probable that a significant reversal will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

IFRS 5 defines “highly probable” as “significantly more likely than probable”, where “probable” means “more likely than not” (IFRS 5: Appendix A).

Due to the higher threshold required for recognition and measurement purposes, the application of IFRS 15 has resulted in the delayed recognition of variable consideration until such time that it is highly probable that the revenue will not be reversed when the uncertainty is resolved.

The Group principally recognises revenue from construction contracts and rendering of engineering services to the natural resource market sectors.

The Group applies the 5 step approach contained in IFRS 15 for determining when to recognise revenue, the amount that should be recognised and when revenue should be recognised.

a) Construction contracts

Step 1: Identify contracts with customers
The Group’s customer base, in terms of revenue contribution, consists mostly of construction contracts with large local and international firms.

Step 2: Identify separate performance obligations
Under IFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

If a construction contract has multiple sub-level performance obligations that are highly integrated with each other, the construction contract is considered a significant integrated service with one performance obligation. This requires judgement and each contract is assessed individually.

Step 3: Determine the transaction price
The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Variations in contract work, claims and incentive payments are included to the extent that collection is highly probable and the amounts can be reliably measured. IFRS 5 defines “highly probable” as “significantly more likely than probable”, where “probable” means “more likely than not” (IFRS 5: Appendix A). The assessment as to whether the recoverability of claims are highly probable requires significant judgement. Each claim is assessed individually to confirm entitlement and to conclude on the strength of the claim. The Group utilises legal experts, engineers and quantity surveyors to assess probabilities in determining the amount to be recognised relating to uncertified revenue and that the recoverability of amounts recognised are considered highly probable. The cumulative balance of uncertified revenue taken to book is disclosed as “Uncertified claims and variations less payments received on account” under note 8, and “Amounts to contract customers” on the Statement of Financial Position.

Step 4: Allocate the transaction price to the performance obligation in the contract
Where the output method (refer to step 5) is used to recognise revenue over time, the transaction price of the contracts are that as per the agreed bill of quantities (“BOQ”) finalised during the tender stage. The quantities of the variable components included in the BOQ are updated (measured) during the implementation stage of the contracts.

Material accounting policy information (continued)

1.22. REVENUE (continued)

Where the contract is considered to have one performance obligation and the transaction price as determined in step 3 is allocated to it, the input method (refer to step 5) is used to recognise revenue over time.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation
Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer. The Group recognises revenue when the performance obligation is satisfied.

Revenue on construction contracts is recognised over time as the delivery of the project enhances an asset controlled by the customer. During the execution of projects, the progress is measured on a monthly basis and reviewed by the client's engineer and approved by the client before invoices are issued.

The progress towards complete satisfaction of a performance obligation is measured based on applying either of the following methods:
(i) Output method: Recognise revenue on the basis of direct measurement, i.e. performance or milestone completed.
(ii) Input method: Recognise revenue on the basis of the total contract cost incurred to date bear to the estimated total contract cost.

For each performance obligation, management applies measurement methods that are consistent for similar performance obligations and circumstances.

The Mining operating businesses mainly applies the output method in measuring revenue over time as the segment provides specialist engineering, construction and mining contracting services in the underground mining environment where the progress of the contract is based on work certified to date which the Group believes depicts the transfer of goods and services as it is based on completed work as agreed by our customers.

In TNT, the input method is mainly applied where the progress of satisfying performance obligations is measured by using a percentage of completion assessment which is based on costs incurred to date compared to the total estimated costs at completion. This method best depicts the transfer of control of assets being created or enhanced to the customer, as these projects are evaluated and measured on the basis of how the contract progresses in relation to completion of the contract.

The OptiPower operating business (previously Power, Industrial & Water) applies the input method where the progress of satisfying performance obligations is measured by using a percentage of completion assessment which is based on costs incurred to date compared to the total estimated costs at completion. This method best depicts the transfer of control of assets being created or enhanced to the customer, as these projects are evaluated and measured on the basis of how the contract progresses in relation to completion of the contract.

The shortcoming of input methods is that there may not be a direct relationship between the group's inputs and the transfer of control in relation to contracts with customers in the OptiPower operating business. Therefore, the group shall exclude from an input method the effects of any inputs that, in accordance with the objective of measuring progress towards the complete satisfaction of the performance obligation, do not depict the group's performance in transferring control of goods or services to the customer. In certain instances, circumstances such as increases in costs due to inefficiencies, cost escalations, etc. arise in the Group. Such instances result in an adjustment to the measure of progress to address the shortcomings of input methods. On this basis, the input method is deemed to be representative of the relationship between the group's inputs and the transfer of control of goods or services to the customer.

Cost incurred for which the performance obligation has not been met, are recognised as prepaid costs or plant and equipment. These costs are not included in the total cost incurred to date until they are utilised, which occurs on a systematic basis over the life of the contract. If the costs incurred in fulfilling a contract with a customer is not within the scope of another standard, the group recognises an asset for these costs when all of the following criteria are met:

a) the costs relate directly to a contract or an anticipated contract that the entity can specifically identify;
b) the costs generate or enhance resources of the entity that will be used in satisfying or continuing to satisfy performance obligations in the future; and
c) the costs are expected to be recovered. These costs are not included in the total cost incurred to date until they are utilised, which occurs on a systematic basis over the life of the contract.

Where the outcome of construction contracts cannot be estimated reliably, contract revenue is recognised to the extent that the recoverability of incurred costs is highly probable.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as contract assets. A contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a client that is not yet unconditional. Contract assets are disclosed as "Contracts-in-progress" and "Uncertified claims and variations less payments received on account" under note 8, and "Amounts from contract customers" on the Statement of Financial Position.

Material accounting policy information (continued)

1.22. REVENUE (continued)

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation (continued)

For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as contract liabilities. Amounts received before the related work is performed are included in the consolidated statement of financial position, as a liability, as amounts received in excess of work completed. Contract liabilities are disclosed as “Amounts received in excess of work completed” under note 8, and “Amounts to contract customers” on the Statement of Financial Position.

Amounts billed for work performed but not yet paid by the customer are included in the consolidated statement of financial position under amounts to contract customers, as “Amounts receivable on contracts” and “Retentions receivable”.

In limited circumstances, contracts may be materially impacted by a client’s actions such that the Group is unable to complete the contracted works at all or in the manner originally forecast. This may include dispute resolution procedures under the relevant contract and/ or litigation. In these circumstances the assessment of the project outcome, whilst following the basic principles becomes more judgmental. Refer to note 43 (Critical accounting estimates and judgements) regarding revenue recognition and contract accounting.

b) Rendering of engineering services
Revenue from the rendering of services is recognised over time. The progress towards complete satisfaction of a performance obligation is measured based on the output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services, within the Mining operating businesses.

c) Sale of goods
The Group recognises revenue when the performance obligation is satisfied, i.e. when "control" of the goods underlying the particular performance obligation is transferred to the customer when the goods are delivered.

d) Other revenue
Other revenue includes the provision of labour, information technology and other services to joint operations.

Revenue is recognised over time as the services are provided as the customers simultaneously receive and consume the benefits provided by the Group’s performance as the Group performs.

The progress towards complete satisfaction of a performance obligation is measured based on the output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

1.23. DIVIDENDS

Dividends are accounted for on the date of declaration and are not accrued as a liability in the financial statements until declared.

1.24. SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the executive committee who make strategic decisions. The basis of segmental reporting is set out in Annexure 3.

INTER-SEGMENT TRANSFERS
Segment revenue, segment expenses and segment results include transfers between operating segments and between geographical segments. Such transfers are accounted for at arm’s length prices. These transfers are eliminated on consolidation.

SEGMENTAL REVENUE AND EXPENSES
All segment revenue and expenses are directly attributable to the segments.

SEGMENTAL ASSETS
All operating assets used by a segment principally include property, plant and equipment, investments, inventories, contracts-in-progress and receivables, net of allowances. Cash balances and taxation are excluded.

SEGMENTAL LIABILITIES
All operating liabilities of a segment principally include accounts payable, subcontractor liabilities and external interest bearing borrowings. Bank overdrafts and taxation are excluded.

Notes to the annual financial statements

2. PROPERTY, PLANT AND EQUIPMENT

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

PPE	2024			2023		
	Cost	**Accumulated depreciation and impairment**	**Carrying value**	Cost	Accumulated depreciation and impairment	Carrying value
Land and buildings	**239.7**	**(130.6)**	**109.1**	251.4	(127.5)	123.9
Plant and machinery	**3 882.4**	**(2 798.8)**	**1 083.6**	3 996.8	(2 830.4)	1 166.4
Other equipment	**437.0**	**(244.3)**	**192.7**	387.0	(241.4)	145.6
	4 559.1	**(3 173.7)**	**1 385.4**	4 635.2	(3 199.3)	1 435.9

RIGHT-OF-USE ASSET	2024			2023		
	Cost	**Accumulated depreciation and impairment**	**Carrying value**	Cost	Accumulated depreciation and impairment	Carrying value
Land and buildings	**203.3**	**(113.9)**	**89.4**	211.9	(92.6)	119.3
Plant and machinery	**115.1**	**(104.2)**	**10.9**	120.0	(103.4)	16.6
Other equipment	**5.9**	**(5.9)**	**-**	5.9	(5.9)	-
	324.3	**(224.0)**	**100.3**	337.8	(201.9)	135.9
Total	**4 883.4**	**(3 397.7)**	**1 485.7**	4 973.0	(3 401.2)	1 571.8

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT	Land and buildings	Plant and machinery	Other equipment[@]	Total
At 30 June 2022	257.3	3 016.4	438.1	3 711.8
Additions	1.1	627.0	176.9	805.0
Disposals	-	(24.8)	(0.1)	(24.9)
Loss on loss of control of subsidiary*	(139.6)	(2 064.5)	(429.6)	(2 633.7)
Transfer (to)/from assets classified as held for sale	-	(64.6)	6.0	(58.6)
Transfer from right-of-use asset	-	24.1	-	24.1
Transfers from capital work in progress	-	45.2	(45.2)	-
Foreign exchange movements	17.3	130.6	29.1	177.0
Scrapping	-	(0.2)	-	(0.2)
Impairment loss	-	-	(10.0)	(10.0)
Depreciation	(12.2)	(522.8)	(19.6)	(554.6)
At 30 June 2023	**123.9**	**1 166.4**	**145.6**	**1 435.9**
Additions	**-**	**320.1**	**96.9**	**417.0**
Disposals	**-**	**(81.6)**	**(0.1)**	**(81.7)**
Disposal of business[#]	**-**	**(0.7)**	**-**	**(0.7)**
Transfer to assets classified as held for sale	**-**	**(22.7)**	**-**	**(22.7)**
Transfers from capital work in progress	**-**	**31.3**	**(31.3)**	**-**
Foreign exchange movements	**(7.0)**	**(41.3)**	**(3.0)**	**(51.3)**
Impairment loss	**-**	**(10.2)**	**-**	**(10.2)**
Depreciation	**(7.8)**	**(277.7)**	**(15.4)**	**(300.9)**
At 30 June 2024	**109.1**	**1 083.6**	**192.7**	**1 385.4**

RECONCILIATION OF RIGHT-OF-USE ASSET

	Land and buildings	Plant and machinery	Other equipment	Total
At 30 June 2022	460.3	222.0	3.3	685.6
Additions	13.8	82.5	1.6	97.9
Disposals	-	(1.4)	-	(1.4)
Loss of control of subsidiaries*	(381.6)	(230.4)	(1.6)	(613.6)
Transfer to property, plant and equipment	-	(24.1)	-	(24.1)
Foreign exchange movements	21.1	6.2	0.1	27.4
Depreciation	(83.9)	(39.4)	(3.4)	(126.7)
Lease modification	91.6	0.1	-	91.7
Lease reassessment	(2.0)	1.1	-	(0.9)
At 30 June 2023	**119.3**	**16.6**	**-**	**135.9**
Additions	**0.9**	**0.9**	**-**	**1.8**
Disposals	**-**	**(6.0)**	**-**	**(6.0)**
Foreign exchange movements	**(2.1)**	**0.2**	**-**	**(1.9)**
Depreciation	**(33.6)**	**(6.8)**	**-**	**(40.4)**
Lease modification	**4.9**	**-**	**-**	**4.9**
Lease reassessment	**-**	**6.0**	**-**	**6.0**
At 30 June 2024	**89.4**	**10.9**	**-**	**100.3**

@ Included in other equipment (property, plant and equipment) are assets under construction with a carrying value of R163,1 million (FY2023: R121 million) and other assets of R30,1 million (FY2023: R24,6 million).

 # This relates to the disposal of Aarden Solar. Refer to note 31 or further details

**The loss of control of subsidiaries relates to the Group placing Murray & Roberts Pty Ltd Group ("MRPL Group") into voluntary administration and the liquidation of Insig Technologies Pty Ltd ("Insig").*

2. PROPERTY, PLANT AND EQUIPMENT (continued)

The Group assessed deterioration on property, plant and equipment mainly where project delays were experienced and operations were brought to a halt as a result of idle time and reduced use. Impairment in the current year reflected an amount of R10,2 million relating to plant and machinery resulting from the end of a project. The annual reassessment of useful lives and residual values was performed with no significant impact resulting from a change in these estimates.

The Group has pledged certain assets as security for certain interest bearing borrowings, refer to note 16.

The following average depreciation periods are used for the depreciation of property, plant and equipment:

- Land	Not depreciated	
- Buildings (including leasehold improvements)	3 to 40 years	on a straight-line basis
- Plant and machinery	3 to 30 years	on a straight-line basis and units of production
- Other equipment	3 to 10 years	on a straight-line basis

3. GOODWILL

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	2024	2023
Goodwill	**457.7**	471.0
Accumulated impairment losses	**(29.2)**	(29.2)
	428.5	441.8
At beginning of year	**441.8**	1 371.7
Acquisition of business^	**-**	5.1
Loss of control of subsidiaries*	**-**	(868.3)
Foreign exchange movements	**(13.3)**	59.5
Impairment loss	**-**	(126.2)
	428.5	441.8

^ Acquisition of business relates to the acquisition of Turan which was subsequently disposed of as part of the MRPL voluntary administration.
** The loss of control of subsidiaries relates to the Group placing MRPL into voluntary administration and the liquidation of Insig.*

Goodwill is allocated to the Group's CGUs identified according to the operating businesses that are expected to benefit from that business combination. The carrying amount of goodwill has been allocated to the following CGU:

	2024	2023
OptiPower (previously Power, Industrial & Water)	**52.2**	52.2
- Wade Walker	**52.2**	52.2
Mining	**376.3**	389.6
- Cementation Africa	**32.8**	32.8
- Mining Australia	**-**	-
- Cementation USA Inc.	**298.7**	309.5
- Cementation Canada Inc.	**44.8**	47.3
	428.5	441.8

Impairment testing

Summary of growth and post-tax discount rates per cash generating units for FY2024:

	Growth rate	Pre-tax discount rate	Post-tax discount rate
OptiPower			
- Wade Walker	**2,0% - 3,0%**	**18,5% - 19,5%**	**16,0% - 17,0%**
Mining			
- Cementation Africa	**3,5% - 4,5%**	**18,5% - 19,5%**	**15,5% - 16,5%**
- Cementation USA Inc.	**2,0% - 3,0%**	**24,5% - 26,5%**	**19% - 21%**
- Cementation Canada Inc.	**2,5% - 3,5%**	**16,5% - 17,5%**	**13,5% - 14,5%**

Summary of growth and post-tax discount rates per cash generating units for FY2023:

	Growth rate	Pre-tax discount rate	Post-tax discount rate
OptiPower			
- Wade Walker	3,5% - 4,5%	18,5% - 19,5%	15,5% - 16,5%
Mining			
- Cementation Africa	3,5% - 4,5%	18,5% - 19,5%	15% - 16%
- Cementation USA Inc.	1,5% - 2,5%	24,5% - 26,5%	19% - 21%
- Cementation Canada Inc.	2,5% - 3,5%	16,5% - 17,5%	13,5% - 14,5%

3. GOODWILL (continued)

The Group tests goodwill annually for impairment or more frequently if there are indicators that goodwill might be impaired.

The recoverable amount of the CGUs are determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a three year period. The cash flow projections are based on multi-year project awards currently secured as well as incorporating a probability weighting with respect to near orders that management expects to be awarded going forward. Management has included potential delays in projects secured, downward adjusted probability weighting of near orders and category 1 opportunities to be secured, and revised commencement timelines for new projects to reflect the current expectations going forward where applicable.

Based on impairment tests performed in the current year, an impairment was not recognised.

Based on impairment tests performed in the prior year, prior to deconsolidation of the MRPL Group (Murray & Roberts Pty Limited ("MRPL"), Clough Limited Group ("Clough") and RUC Cementation Mining Group ("RUC") businesses), an impairment of R126,2 million relating to the Clough USA CGU was recognised. Upon placing the MRPL group into voluntary administration, the Goodwill relating to the Mining Australia, Clough Limited, e2o Pty Ltd, Booth Welsh Pty Ltd and JJ White Inc., totaling R868,3 million was de-recognised.

The growth rates used depend on management's assessment of the sector in which the CGU operates. Factors such as the industry, market conditions and geographical area are also considered when determining the growth rate. These growth rates do not exceed the long term average growth rate for the relevant market. Cash flows beyond the three year period are extrapolated using an estimated growth rate of between 2,0% and 4,5% (FY2023: 1,5% and 4,5%).

In line with market practice, the Group applied a post-tax discount rate of between 13,5% and 21% (FY2023: between 13% and 21%) to post-tax cash flows for impairment testing. The discount rate applied is dependent on factors such as the weighted average cost of capital, industry, market conditions and geographical area of the relevant CGU. Post-tax rates were applied as returns observable in the capital market on equity investments usually include tax effects.

Goodwill was tested for impairment using a sensitivity analysis by increasing the applicable post-tax discount rate of the CGU by 1%-3% (FY2023:1%-3%) and decreasing the growth rate by 1%-3% (FY2023: 1%-3%). Further sensitivity analysis was performed by varying the base assumptions which included removing synergies which relate to cross-selling opportunities and cost-savings through reallocation of resources. No changes in key assumptions for the CGUs above that would cause the carrying amount to exceed the recoverable amount were noted.

The only intangible asset with an indefinite useful life relates to a trade name acquired as part of the TNT acquisition (included in the Cementation USA Inc. CGU). The trade name was tested as part of the CGU and no impairment was deemed necessary based on tests performed.

4. OTHER INTANGIBLE ASSETS

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	2024			2023		
	Cost	**Accumulated amortisation**	**Carrying value**	Cost	Accumulated amortisation	Carrying value
Patents and other rights	**8.7**	**(8.7)**	**-**	8.7	(8.7)	-
Computer software	**204.8**	**(189.2)**	**15.6**	203.6	(183.6)	20.0
Trade name	**207.9**	**-**	**207.9**	215.4	-	215.4
Customer relationships	**138.8**	**(78.2)**	**60.6**	143.8	(68.1)	75.7
Other intangible assets	**15.4**	**-**	**15.4**	-	-	-
Total	**575.6**	**(276.1)**	**299.5**	571.5	(260.4)	311.1

RECONCILIATION FOR OTHER INTANGIBLE ASSETS

	Computer software	**Trade name**	**Customer relationships**	**Other intangible assets**	**Total**
At 30 June 2022	209.5	209.6	231.0	-	650.1
Additions	5.8	-	-	-	5.8
Loss of control of subsidiaries*	(153.8)	(23.5)	(154.3)	-	(331.6)
Disposals	(16.8)	-	-	-	(16.8)
Foreign exchange movements	2.1	29.3	22.2	-	53.6
Amortisation	(26.8)	-	(23.2)	-	(50.0)
At 30 June 2023	**20.0**	**215.4**	**75.7**	**-**	**311.1**
Additions	**4.7**	**-**	**-**	**16.1**	**20.8**
Disposals	**-**	**-**	**-**	**-**	**-**
Foreign exchange movements	**(0.2)**	**(7.5)**	**(2.0)**	**(0.7)**	**(10.4)**
Amortisation	**(8.9)**	**-**	**(13.1)**	**-**	**(22.0)**
At 30 June 2024	**15.6**	**207.9**	**60.6**	**15.4**	**299.5**

** The loss of control of subsidiaries relates to the Group placing the MRPL Group into voluntary administration and the liquidation of Insig.*

4. OTHER INTANGIBLE ASSETS (continued)

With the exception of the trade name, the intangible assets included above have finite useful lives, over which the assets are amortised. Average amortisation periods are set out below.

The following amortisation periods are used for the amortisation of intangible assets:

- Patents and other rights	5 years	on a straight - line basis
- Computer software	2 to 10 years	on a straight - line basis
- Customer relationships	3 to 10 years	on a straight - line basis

The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. Refer to note 3 for details on impairment testing performed.

Intangible assets relating to computer software are still required for the day-to-day operations of entities as they are still functioning in the current environment. As a result of this, no impairment was recognised in the current financial year. Customer relationships were assessed for their ability to generate future economic benefits in the current environment and no impairment was recognised. The trade name recognised on the TNT acquisition was tested as part of the TNT CGU and no impairment was deemed necessary. Other intangibles consists of a computer management system purchased, not ready for use. Amortisation will be recognised once the system is setup and operational.

5. INVESTMENT IN ASSOCIATE COMPANIES

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	2024	2023
5.1. INVESTMENT IN ASSOCIATE COMPANIES		
At beginning of year	-	1.7
Share of post-acquisition loss	-	(0.2)
Impairment	-	(1.5)
	-	-

Investment in associate companies relates to the investment in Bombela TKC Proprietary Limited which was fully impaired during FY2023 as a result of the associate being loss-making. The FY2024 share of the loss for the associate amounted to R20,5 thousand.

5.2 DETAILS OF ASSOCIATE COMPANIES

NAME OF ASSOCIATES	Place of incorporation	% of Ownership and votes 2024	% of Ownership and votes 2023	Main activity
Bombela TKC Proprietary Limited	South Africa	**45.0**	45.0	Construction

Notes to the annual financial statements

6. OTHER INVESTMENTS

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	2024	2023
6.1. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		
Investment in infrastructure service concession		
At beginning of year	-	1 442.2
Realisation of investment	-	(255.0)
Fair value adjustment recognised in the statement of financial performance	-	29.6
Disposal of investment^	-	(1 216.8)
	-	-

^ The Group completed the transaction relating to the disposal of its investment in the Bombela Concession Company ("BCC") on 03 April 2023.

The financial assets at fair value through profit or loss comprise the Group's interest in the following infrastructure service concession:

	% interest	2024	2023
Bombela Concession Company Proprietary Limited (“BCC”)*	-	-	-

** The fair value of the investment in BCC was previously determined using level 3 inputs per IFRS 13: Fair Value Measurement. In the prior year, the Group entered into a sale agreement with Intertoll International Holdings B.V (Intertoll). Due to the sale agreement, the Group's investment in BCC had been classified as level 1 in the fair value hierarchy as per IFRS 13 (FY2022: level 3 in the fair value hierarchy) as a quoted market price was accessible to the Group through means of the sale agreement. The purchase price of the investment in BCC per the sale agreement amounted to R1,4 billion. The Group completed the transaction relating to the disposal of its Investment in the BCC on 03 April 2023. The proceeds received were R1,2 billion (net of dividend distribution of R130 million and transaction costs of R44 million). As a consequence of the transaction having been concluded at fair value, no profit or loss on disposal was recognised in the Consolidated Statement of Financial Performance, for the disposal of the shares.*

6.2. FINANCIAL ASSETS AT AMORTISED COST

	2024	2023
At beginning of year	**1.7**	1.6
Release of provision	**-**	0.1
Repayment	**(0.1)**	-
	1.6	1.7
Total other investments	**1.6**	1.7

7. INVENTORIES

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	2024	2023
Consumable stores	**142.2**	137.7
Finished goods	**0.6**	102.5
	142.8	240.2

Inventories are valued at the lower of cost or net realisable value.

The cost of inventories recognised as an expense includes R7,4 million (FY2023: R16,1 million) in respect of write-downs of inventory to net realisable value and has been reduced by Rnil million (FY2023: Rnil million) in respect of the reversal of such write-downs.

8. AMOUNTS FROM / TO CONTRACT CUSTOMERS

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	2024	2023* Restated
Contract asset		
Contracts-in-progress (cost incurred plus recognised profits, less recognised losses)	**984.6**	988.6
Uncertified claims and variations^	**498.7**	445.1
Contract receivable		
Amounts receivable on contracts (net of impairment provisions)	**1 168.3**	1 338.4
Retentions receivable (net of impairment provisions)	**172.3**	193.3
	2 823.9	2 965.4
Amounts received in excess of work completed (overclaims and advances)^	**(1 144.0)**	(702.3)
	1 679.9	2 263.1
Disclosed as:		
Amounts from contract customers	**2 823.9**	2 965.4
- Contract asset	**1 483.3**	1 433.7
- Contract receivable	**1 340.6**	1 531.7
Amounts to contract customers	**(1 144.0)**	(702.3)
	1 679.9	2 263.1

*During the current year, the Group enhanced the presentation of the amounts from contract customers to separately present Contract Assets and Contract Receivables. The comparative information has been restated accordingly. Refer to note 41 for detail.

^The Group uses legal experts, engineers and quantity surveyors to assess and apply probabilities when necessary in determining the amounts to be recognised relating to underclaims, uncertified revenue and contract debtors. The recoverability of amounts recognised are considered highly probable and where amounts are not considered to be highly probable, such amounts are impaired. The assessment of recoverability and impairment of the contract assets has been performed. The impairments recognised in the current year and prior year were not significant. The Group remains confident that revenue recognised as uncertified will be certified and paid once attendant commercial matters have been resolved.

Amounts from contract customers and amounts to contract customers are classified as current assets and current liabilities, respectively, as the Group expects to realise the assets and settle the liabilities in its normal operating cycle.
Included in amounts from contract customers are uncertified claims and variations of R157 million which are expected to be realised in a period greater than 12 months. All other amounts included in amounts from contract customers are expected to be realised within 12 months. Included in amounts to contract customers are overclaims and advances of R98 million which are expected to be settled in a period greater than 12 months. All other amounts included in amounts to contract customers are expected to be settled within 12 months.

9. OTHER RECEIVABLES

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	2024	2023
Trade receivables	**20.5**	25.5
Expected credit loss allowance	**(3.9)**	(7.2)
Amounts owing by joint operations and partners	**29.5**	27.6
Prepayments	**61.4**	142.2
Sundry loans	**23.2**	81.3
Deposits	**11.6**	30.2
Staff Loans	**1.2**	-
Value Added and Withholding Taxation receivable	**51.2**	48.4
Insurance Claim receivable	**-**	1.4
Sundry receivables	**28.1**	49.0
	222.8	398.4

Other receivables have been assessed in light of the ECL model. An expected credit loss allowance for trade receivables is reflected above. All other receivables reflected above have been deemed to be recoverable based on assessments performed. The recoverability of sundry loans are based on the assessment of the financial standing of the debtor. Sundry loans amounting to R37,6 million were written-off during the year, resulting in a significant reduction in sundry loans.

Details in respect of the Group's credit risk management policies are set out in note 38.6.
The carrying value of other receivables approximates their fair value due to the short term nature of these instruments.
Financial assets at amortised cost within other receivables amount to R94,6 million.

10. CASH AND CASH EQUIVALENTS

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

For purposes of the consolidated statement of financial position, cash and cash equivalents and bank overdraft consist of:

	2024	2023
Bank balances	**1 491.4**	1 253.1
Restricted cash	**141.9**	10.4
Cash and cash equivalents	**1 633.3**	1 263.5
Bank overdrafts	**(330.4)**	(479.4)

The increase in bank balances is due to profitable projects awarded in the Americas and TNT regions.
The reduction in the overdraft is due to the South African overdraft being refinanced and restructured. Refer to note 16 for further details.

For purposes of the consolidated statement of cash flows, cash and cash equivalents consist of:

	2024	2023
Bank balances	**1 491.4**	1 253.1
Restricted cash	**141.9**	10.4
Cash and cash equivalents	**1 633.3**	1 263.5
Bank overdrafts*	**-**	(3.4)
Net cash and cash equivalents	**1 633.3**	1 260.1

** Bank overdrafts which form part of financing activities are excluded from cash and cash equivalents for purposes of the consolidated statement of cash flows.*

Restricted cash

Cash and cash equivalents relating to restricted cash are mainly as a result of cash held in joint operations.

	2024	2023
Restricted cash at the end of the financial year includes bank balances and cash as follows:		
Amounts held in escrow	**85.5**	-
Amounts held in joint operations	**56.3**	10.1
Amounts held in trust accounts	**0.1**	0.3
	141.9	10.4

11. STATED CAPITAL

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

11.1 STATED CAPITAL	2024	2023
Authorised		
750 000 000 no par value shares		
Issued and fully paid		
444 736 118 ordinary shares at no par value	**3 582.8**	3 582.8
Less: Treasury shares at no par value	**(853.8)**	(888.9)
Net stated capital	**2 729.0**	2 693.9

Unissued
At 30 June 2024, the number of unissued shares was 305 263 882 (FY2023: 305 263 882).

11.2 TREASURY SHARES

	2024	2023
Market value of treasury shares		
The Letsema BBBEE trusts and companies	**53.3**	23.9
Share incentive schemes	**14.4**	15.7
Shares forfeited, not yet sold	**12.7**	-

ALL AMOUNTS ARE EXPRESSED IN NUMBER OF SHARES

Reconciliation of issued shares:		2024	2023
Issued and fully paid		**444 736 118**	444 736 118
Less: Treasury shares held by the Letsema BBBEE trusts and subsidiary companies*		**(24 909 951)**	(24 909 951)
Less: Treasury shares held by share incentive schemes	12	**(6 744 149)**	(16 379 174)
Less: Treasury shares held by the subsidiary companies forfeited, not yet sold		**(5 942 429)**	-
Net shares issued to public		**407 139 589**	403 446 993

**Shares previously held by the Letsema BBBEE trusts were transferred to Murray & Roberts Limited in the current year.*

12. SHARE INCENTIVE SCHEMES - FORFEITABLE SHARE PLAN

The Murray & Roberts Holdings Limited Forfeitable Share Plan ("FSP") was approved by the shareholders in November 2012. The share plan is an equity-settled scheme.

Plans implemented		Notes	Balance at 30 June 2023	Granted during the year	Surrendered during the year	Transfer to own broker^	Exercised during the year	Balance at 30 June 2024	Weighted average share price of options exercised (cents)	Estimated fair value of FSP (cents)
01 October 2020	FSP-STI	1	146 568	-	-	(115 125)	(31 443)	-	58	540
01 October 2020	FSP	2	9 424 971	-	(4 861 735)	(2 269 187)	(2 294 049)	-	58	540
01 September 2021	FSP-STI	1 & 4	247 246	-	-	(106 569)	(38 516)	102 161	58	991
01 September 2022	FSP	3	6 329 902	-	(1 080 694)	-	-	5 249 208	-	890
01 September 2022	FSP-STI	1	230 487	-	-	(76 258)	(58 532)	95 697	58	890
01 September 2023	FSP-STI	1 & 4	-	1 297 083	-	-	-	1 297 083	-	62
			16 379 174	1 297 083	(5 942 429)	(2 567 139)	(2 422 540)	6 744 149		

^ *This relates to shares vested whereby the tax due is paid by the participant and the shares are transferred to the personal broker account of said participant.*

Notes:

1. A compulsory automatic deferral scheme of part of the STI into forfeitable share awards as a LTI was introduced in September 2013 for selected employees. The LTI allocation has a three year vesting period (1/3 each year) and is not subject to performance conditions, but is subject to continued employment.

2. For the October 2020 scheme, the forfeitable shares cliff vested after three years, in October 2023, subject to satisfying certain performance conditions.

3. For the September 2022 scheme, the forfeitable shares will cliff vest after three years, in September 2025, subject to satisfying certain performance conditions. The weighted average remaining contractual life is 14 months.

4. The September 2021 and September 2023 awards were not made under the forfeitable share plan. Instead a cash settled conditional rights award was made in 2021 and a lump sum cash settled award in 2023. The weighted average remaining contractual life is 2 months for the 2021 award and 26 months for the 2023 award.

The sub-optimal exercise assumption is not applicable to the FSP since the exercise is assumed to occur on vesting date.

The Group recognised total expenses of R13,8 million (FY2023: R7,9 million) relating to these share options during the year.

On 1 October 2020, 2 103 500 cash-settled conditional awards were granted to Mr. HJ Laas.
On 1 September 2021, 8 637 500 Group cash-settled conditional awards were granted (including the award to Mr. HJ Laas of 1 477 500 awards).

The cash-settled liability balance as at 30 June 2024 is R6,9 million (FY2023: R3,2 million).

Notes to the annual financial statements

13. TRANSLATION RESERVE

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	2024	2023
Foreign currency translation reserve		
At beginning of year	**927.1**	1 600.4
Foreign currency translation movements	**(119.0)**	576.8
Translation of foreign entities reclassified through profit or loss on derecognition*	**-**	(1 250.1)
	808.1	927.1

**The translation of foreign entities reclassified through profit or loss on derecognition relates to the Group placing the MRPL Group into voluntary administration and the liquidation of Insig.*

The foreign currency translation reserve is the result of exchange differences arising from the translation of the Group's foreign subsidiary companies to Rands, being the functional and reporting currency of the holding company.

14. OTHER CAPITAL RESERVES

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	2024	2023
Other reserves		
At the beginning of the year	**49.1**	58.4
Recognition of share-based payment	**13.8**	7.9
Remeasurement of retirement benefit obligations	**(8.4)**	-
Utilisation of reserve	**(35.9)**	(17.2)
	18.6	49.1

Other reserves mainly comprise the share based payment reserve (R8,7m), statutory reserve (R28,9m), retirement benefit obligation reserve (-R23,1m), and other minor reserves (R4,1m).

The capital redemption reserve fund represents retained earnings transferred to a non-distributable reserve on the redemption of previously issued redeemable preference shares of group companies.

The statutory reserve represents retained earnings of foreign subsidiary companies that are not available for distribution to shareholders in accordance with local laws.

The other non-distributable reserve comprises the fair value of the estimated consideration for acquiring the non-controlling interests in Ocean Flow International LLC from the non-controlling shareholder at the date of acquisition.

The share-based payment reserve represents the total cost recognised for the Group's equity-settled share-based payments. The transfer to retained earnings in the current financial year reflects the value of the share-based payment reserve that was recognised in prior years relating to forfeitable shares that have vested in the current period.

The retirement benefit obligation reserve represents the remeasurement of the Group's retirement benefit obligation, recognised in terms of IAS 19: *Employee Benefits.*

15. NON-CONTROLLING INTERESTS

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

The non-controlling interests comprise:

NON-CONTROLLING INTERESTS IN RESERVES

	2024	2023
At the beginning of the year	**33.3**	50.8
Share of attributable profit	**2.1**	1.9
Dividends declared and paid	**(32.1)**	(18.9)
Foreign exchange movements	**-**	(0.5)
	3.3	33.3

Notes to the annual financial statements

16. SECURED LIABILITIES

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	Notes	2024	2023
Liabilities of the Group are secured as follows:			
Bank Overdraft is secured by: - Investments in Murray & Roberts United Kingdom and Murray & Roberts Cementation Africa, with a carrying value of R1,4 billion in the financial records of Murray & Roberts Limited (a subsidiary within the group). These investments are intercompany in nature and eliminate in the consolidated financial statements of Murray & Roberts Holdings Limited. - Land and Buildings with a carrying value of R10,2 million - Cash and cash equivalents of R191,4 million - Amount due from contract customers with a carrying value of R368,7 million - Other assets with a carrying value of R101,0 million		**330.4**	-
Term loan arose in FY2023 secured by: - Investments in Murray & Roberts United Kingdom and Murray & Roberts Cementation Africa, with a carrying value of R1,4 billion in the financial records of Murray & Roberts Limited (a subsidiary within the group). These investments are intercompany in nature and eliminate in the consolidated financial statements of Murray & Roberts Holdings Limited. - Land and Buildings with a carrying value of R12,9 million - Cash and cash equivalents of R99,1 million - Amount due from contract customers with a carrying value of R693,4 million - Other assets with a carrying value of R142,6 million		**-**	352.2
Loan A arose in FY2022 and is secured by: - Murray & Roberts United Kingdom parent company guarantee		**39.5**	65.9
Loan B Restructured during the year - see Loan C		**-**	84.4
Loan C Raised during the year secured by: - Property, plant and equipment with a carrying value of R429,9 million (FY2023: R309,5 million) - Vehicles with a carrying value of R3,0 million (FY2023: R4,6 million) - Land and Buildings with a carrying value of R96,7 million		**418.7**	-
Installment sale loans are secured by: - Plant and machinery with a carrying value of R210,5 million (FY2023:R350,6 million). - Vehicles with a carrying value of R88,5 million (FY2023: R7,5 million).		**325.8**	355.9
		1 114.4	858.4
Reflected in the statement of financial position under:			
Long term loans	17	**540.9**	575.8
Bank overdraft	10	**330.4**	-
Short term loans	24	**243.1**	282.6
		1 114.4	858.4

Notes to the annual financial statements

17. LONG TERM LOANS

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	Note	2024	2023
17.1. INTEREST BEARING SECURED LOANS			
Payable			
Within 1 year		**243.1**	282.6
Within the 2nd year		**331.3**	435.5
Within 3 to 5 years		**209.6**	140.3
Payable after the 5th year		**-**	-
		784.0	858.4
Less: Current portion	24	**(243.1)**	(282.6)
		540.9	575.8
17.2. INTEREST BEARING UNSECURED LOANS			
Payable			
Within 1 year		**11.9**	39.2
Within the 2nd year		**-**	-
Within 3 to 5 years		**-**	-
		11.9	39.2
Less: Current portion	24	**(11.9)**	(39.2)
		-	-
17.3 LEASES			
Minimum lease payments			
Within 1 year		**48.2**	34.3
Within the 2nd year		**35.5**	40.6
Within 3 to 5 years		**65.4**	107.9
Payable after the 5th year		**-**	-
		149.1	182.8
Less: Future finance charges		**(19.7)**	(26.7)
Present value of lease obligations		**129.4**	156.1
The present value of lease obligations can be analysed as follows:			
Within 1 year		**37.9**	25.7
Within 2nd year		**28.5**	34.5
Within 3 to 5 years		**63.0**	95.9
Payable after the 5th year		**-**	-
		129.4	156.1
Less: Current portion	24	**(37.9)**	(25.7)
		91.5	130.4
Total long term loans		**632.4**	706.2

The Group’s current interest bearing unsecured loans are payable on demand whilst the long term secured loans and leases are regulated by contractual repayment terms in excess of 365 days and are supported by cross guarantees per region.

The Group's leases relate to project specific assets and commercial buildings leased.
With respect to the above long term loans, the fair value of these loans are considered to approximate their carrying amounts.
Details of the repayment terms of loans and the related interest rates are set out in Annexure 2. The assets encumbered to secure the loans are detailed in note 16.
Details of the Group’s interest rate risk management policies are set out in note 38. Details of loan movements are set out in note 34.

Notes to the annual financial statements

18. RETIREMENT BENEFITS

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

The retirement funds operated by the Group in the Republic of South Africa are registered as provident or pension funds and are accordingly governed by the Pension Fund Act No. 24 of 1956 (as amended).

18.1. DEFINED CONTRIBUTION PLAN - PENSION FUND

The Group is a participating employer of the Sanlam Umbrella Pension Fund.

The total cost to the Group in respect of the above fund for the year ended 30 June 2024 was R27,9 million (FY2023: R29,8 million).

18.2 DEFINED BENEFIT PLAN - PENSION SCHEME

The Group is the principal employer for a defined benefit pension scheme in the United Kingdom, the Multi Construction (UK) Limited Pension Scheme ("Scheme"). Membership comprises pensioners and deferred pensioners. The scheme provides benefits based on final salary and length of service on retirement, leaving service or death. The Scheme is managed by a board of trustees appointed in part by the Company and part from election of members of the Scheme.

	2024	2023
Present value of funded liability	**53.6**	57.4
Fair value of plan assets	**(69.4)**	(68.8)
Present value of surplus*	**(15.8)**	(11.4)
Surplus asset not recognised	**15.8**	11.4
Present value of unfunded liability	**3.4**	-
Net defined benefit liability	**3.4**	-

Movements in the present value of the funded liability were as follows:

	2024	2023
Opening defined benefit obligation	**57.4**	55.1
Interest costs	**3.0**	2.1
Experience (gains)/losses on defined benefit obligation	**(0.2)**	3.5
Gains from changes to demographics assumptions	**-**	(1.1)
Losses/(gains) from changes to financial assumptions	**1.6**	(8.6)
Exchange differences on foreign plans	**(2.3)**	10.5
Benefits paid	**(5.9)**	(4.1)
	53.6	57.4

Movements in the fair value of plan assets were as follows:

	2024	2023
Opening fair value of plan assets	**68.8**	63.8
Interest on assets	**3.8**	2.5
Gains/(losses) on scheme assets	**0.8**	(10.0)
Contributions from the employer	**4.8**	4.3
Exchange differences on foreign plans	**(2.9)**	12.3
Benefits paid	**(5.9)**	(4.1)
	69.4	68.8

The major categories of plan assets at the end of the reporting period for each category were as follows:

	2024	2023
Debt instruments	**61.3**	58.9
Cash	**8.1**	9.9
	69.4	68.8

* *The present value of the unfunded asset has not been recognised by the Group as this is considered to be a contingent asset.*

The most recent actuarial valuations of the plan assets and the present value of the defined obligations were carried out at 30 June 2024 by Barnett Waddingham LLC. The present value of the defined benefit obligation and the related current service costs were measured using the Projected Unit Credit Method.

Notes to the annual financial statements

18. RETIREMENT BENEFITS (continued)

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	2024	2023
Amounts recognised in the statement of financial performance in respect of the defined benefit plan were as follows:		
Net interest cost	**(0.8)**	(0.4)
Past service cost	**-**	-
	(0.8)	(0.4)
Amounts recognised in other comprehensive income in respect of the defined benefit plan were as follows:		
(Gains)/losses on scheme assets in excess of interest	**(0.8)**	10.0
Experience (gain)/loss on defined benefit obligation	**(0.2)**	3.5
Gains from changes to demographics assumptions	**-**	(1.1)
Losses/(gains) from changes to financial assumptions	**1.6**	(8.6)
Other movements	**(16.4)**	(15.2)
Surplus asset not recognised	**15.8**	11.4
	-	-

The principal assumptions used for the purpose of the actuarial valuation were as follows:

	2024	2023
Discount rate	**5.1%**	5.5%
Rate of increase in pension payments	**3.8%**	3.8%
Rate of increase in pensions in deferment	**3.0%**	2.8%
Rate of inflation	**3.5%**	3.6%

The plan assets do not directly include any significant Group financial instruments, nor any property occupied by, or other assets used by the Group.

The Group expects to contribute R3,6 million to this defined benefit plan in 2025 (FY2024: R4,3 million).

Sensitivity analysis

Adjustment to assumptions	**Approximate effect on liabilities** **R millions**
Discount rate - Plus 0.5% p.a.	**(2.2)**
Inflation - Less 0.5% p.a.	**(0.8)**
Mortality - Long term rate of mortality improvement of 0.25% p.a.	**0.3**

The Scheme exposes the Group to a number of risks:

Investment risk: The Scheme holds investments in asset classes, such as corporate bonds, which have volatile market values and, while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if deficits emerge.

Interest rate risk: The Scheme's liabilities are assessed using market yields on high quality corporate bonds to discount the liabilities. As the Scheme does not wholly invest in high quality corporate bonds, the value of the assets and liabilities may not move in the same way.

Inflation risk: A significant proportion of the benefits under the Scheme are linked to inflation. Although the Scheme's assets are expected to provide a good hedge against inflation over the long term, movements over the short-term could lead to deficits emerging.

Mortality risk: In the event that members live longer than assumed, a deficit will emerge in the scheme.

Concentration risk: A significant proportion of the plan's liabilities are in respect of a single pensioner member. The development of the liabilities over time will therefore depend heavily on the actual experience in respect of this member.

19. LONG TERM PROVISIONS

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

Long term provisions relate to payroll provisions relating to employee benefits mainly in Corporate, Africa and the Americas.

	2024	2023
At beginning of year	**7.9**	24.7
Loss of control of subsidiaries*	**-**	(20.0)
Additional raised	**7.8**	11.8
Utilised during the year	**(3.2)**	(1.6)
Released during the year	**-**	(8.1)
Foreign exchange movements	**(0.3)**	1.1
	12.2	7.9

**The loss of control of subsidiaries relates to the Group placing MRPL into voluntary administration.*
The provisions have been determined based on assessments and estimates by management.
Actual results could differ from estimates.

20. DEFERRED TAXATION

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

20.1. DEFERRED TAXATION ASSETS

	2024	2023
Inventory	**6.3**	5.1
Uncertified work and other construction temporary differences	**(169.5)**	(192.4)
Plant	**(55.3)**	(86.4)
Taxation losses	**104.4**	148.1
Receivables	**7.8**	8.4
Provisions and accruals	**87.9**	114.2
Advance payments received net of taxation allowances	**130.9**	95.9
Leases	**(1.5)**	5.7
Prepayments	**(22.2)**	(6.1)
Other	**(2.9)**	0.1
	85.9	92.6

Deferred taxation liabilities are offset against deferred taxation assets when there is a legally enforceable right to set off current taxation assets and liabilities and the deferred taxation assets and liabilities relate to income taxes levied by the same taxation authority.

20.2. RECONCILIATION OF DEFERRED TAXATION ASSETS

	2024	2023
At beginning of year	**92.6**	562.6
Credited to the statement of financial performance	**(6.7)**	(105.5)
Foreign exchange movements	**-**	28.3
Loss of control of subsidiaries*	**-**	(392.8)
	85.9	92.6

**The loss of control of subsidiaries relates to the Group placing MRPL into voluntary administration.*

Notes to the annual financial statements

20.3. DEFERRED TAXATION LIABILITIES

Uncertified work and other construction temporary differences	**18.0**	35.5
Plant	**173.3**	169.7
Taxation losses	**(2.4)**	(0.4)
Receivables	**(0.1)**	(0.1)
Provisions and accruals	**(52.1)**	(39.2)
Advanced payments received net of taxation allowances	**(0.5)**	0.4
Fair value adjustments	**(3.5)**	(3.8)
Leases	**(0.2)**	(0.5)
Other	**(12.5)**	(14.4)
	120.0	147.2

Deferred taxation assets are offset against deferred taxation liabilities when there is a legally enforceable right to set off current taxation assets and liabilities and the deferred taxation assets and liabilities relate to income taxes levied by the same taxation authority.

20.4. RECONCILIATION OF DEFERRED TAXATION LIABILITIES

At beginning of year	**147.2**	89.4
Charged to the statement of financial performance	**(23.5)**	48.3
Foreign exchange movements	**(3.7)**	9.6
Loss of control of subsidiaries*	**-**	(0.1)
	120.0	147.2

**The loss of control of subsidiaries relates to the Group placing MRPL into voluntary administration.*

20.5. UNUSED TAXATION LOSSES

The Group's results include a number of legal statutory entities which fall under a range of taxation jurisdictions. Deferred taxation assets are offset against deferred taxation liabilities only when there is a legally enforceable right to set off current taxation assets and liabilities and the deferred taxation assets and liabilities relate to income taxes levied by the same taxation authority.

At 30 June 2024, the Group has estimated unused taxation losses of R2,973 million (FY2023: R3,086 million) available for offset against future profits. Deferred taxation assets have been recognised in respect of R394 million (FY2023: R550 million) of such losses. No deferred taxation assets have been recognised in respect of the remaining R2,579 million (FY2023: R2,536 million) due to the unpredictability of future profit streams.

The Group performed an assessment based on the current operations and developments including a three year forecast for the financial years 2025 to 2027 which supports the recognition of deferred taxation assets in the statutory entities. Tax losses in South Africa of R2,938 million have no expiry date. The remaining tax losses of R35 million have an expiry date of between one and five years.

20.6. WITHHOLDING TAX ON DIVIDENDS

The Group has available retained earnings in foreign subsidiary companies. Should such earnings be distributed to holding companies within the Group, the Group shall be liable to foreign withholding tax levied on dividends at the rate of between 0% and 15%. Should the subsidiaries declare all their retained earnings as dividends, the withholding tax payable is estimated to be R152 million (FY2023: R185 million).

21. LONG TERM PAYABLES

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	2024	2023
Payables	**164.8**	218.9
	164.8	218.9

Long term payables relate to settlement agreements entered into on historic construction activities in South Africa. The decrease in long term payables is due to the settlement portion being reclassified to current liabilities.

Notes to the annual financial statements

22. SUBCONTRACTOR LIABILITIES

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	2024	2023
Current subcontractor liabilities	**156.9**	145.2
	156.9	145.2

The increase in subcontractor liabilities relates to increased obligations on significant new projects in Cementation Canada.

23. TRADE AND OTHER PAYABLES

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	2024	2023
Trade payables	**1 042.6**	903.6
Amounts owing to joint operations and partners	**13.1**	-
Payroll accruals	**359.9**	512.3
Accruals	**787.2**	840.7
Value added taxation payable	**12.9**	57.9
Voluntary Rebuild Programme	**46.0**	26.6
Other payables	**155.4**	190.4
	2 417.1	2 531.5

Decreased payroll accruals are due to reduced headcount and staff costs during the financial year.
Value added taxation payable decreased in accordance with taxable turnover, while the voluntary rebuild programme increased due to the maturity of R20million reclassified from non-current payables.
The carrying value of trade and other payables approximates their fair value due to the short term nature of these instruments.
Financial liabilities at amortised cost included in trade and other payables amount to R 2 269,2 million.

24. SHORT TERM LOANS

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	Notes	**2024**	2023
Current portion of long term loans:			
- Interest bearing secured	17	**243.1**	282.6
- Interest bearing unsecured	17	**11.9**	39.2
Current portion of leases	17	**37.9**	25.7
		292.9	347.5

25. PROVISIONS FOR OBLIGATIONS

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	2024	2023
At beginning of year	**254.0**	214.3
Loss of control of subsidiaries	**-**	(64.0)
Additional raised	**190.1**	292.5
Released during the year	**(10.7)**	(61.0)
Utilised during the year	**(111.0)**	(141.9)
Foreign exchange movements	**(14.4)**	14.1
	308.0	254.0
Provisions for obligations comprise the following categories:		
Payroll provisions	**174.0**	135.5
Other provisions	**134.0**	118.5
	308.0	254.0

Payroll provisions
The payroll provision comprises amounts owed to employees relating to discretionary bonuses and severance pay or restructuring obligations.

Other provisions
Other provisions relates mainly to provisions raised on onerous contracts. The increase in other provisions relates mainly to a surety provided by a subsidiary in the continuing operations, to complete the works on a project entered into by a subsidiary in the discontinued operations, that was placed into liquidation as a result of the voluntary administration process of the MRPL Group.

26. REVENUE

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	2024	2023
Construction contracts (over time)	**12 992.4**	11 714.7
Sale of goods (point in time)	**92.8**	450.5
Rendering of services (over time)	**366.5**	292.3
Properties (over time)	**0.7**	2.7
	13 452.4	12 460.2

27. PROFIT BEFORE INTEREST AND TAXATION

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

The items below comprise continuing operations only.

Profit before interest and taxation is arrived at after taking into account:

	Notes	2024	2023
Items by nature			
Investment income other than interest:			
Fair value gain on investment at fair value through profit or loss		**-**	29.6
Amortisation of intangible assets	4	**(22.0)**	(23.0)
Auditors' remuneration:			
Fees for audits		**(37.8)**	(41.8)
Other services		**(0.6)**	(0.7)
Expenses		**(0.2)**	-
Compensation income from insurance		**-**	2.1
Depreciation:			
Land and buildings	2	**(41.4)**	(49.6)
Plant and machinery	2	**(284.5)**	(269.4)
Other equipment	2	**(15.4)**	(18.8)
Employee benefit expense:			
Salaries and wages		**(5 237.6)**	(5 971.8)
Forfeitable Share Plan expense - equity-settled		**(13.8)**	(7.9)
Forfeitable Share Plan (expense)/income - cash-settled		**(4.7)**	4.1
Pension and provident costs - defined contribution plans	18.1	**(27.9)**	(29.8)
Fees paid for:			
Managerial services		**(81.3)**	(64.6)
Technical services		**(21.0)**	(63.3)
Administrative services		**(7.9)**	(2.4)
Secretarial services		**(5.8)**	(3.0)
Other		**(5.2)**	(4.7)
Impairment charges/write downs:			
Property, plant and equipment	2	**(10.2)**	(10.0)
Inventory	7	**(7.4)**	(16.1)
Trade receivables	9	**-**	(3.0)
Sundry loans	9	**(37.6)**	
Other receivables	9	**(5.4)**	(23.9)
Contract receivables		**(13.0)**	(17.0)
Investment in associate		**-**	(1.5)
Reversal of impairment loss recognised on trade and contract receivables		**-**	28.0

Notes to the annual financial statements

27. PROFIT BEFORE INTEREST AND TAXATION (continued)

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS		
Profit or loss on disposals:		
Profit on disposal of property, plant and equipment	**18.9**	12.4
Loss on disposal of property, plant and equipment	**-**	(0.2)
Foreign exchange gains	**18.4**	33.8
Foreign exchange losses	**(16.9)**	(42.7)
Lease costs:		
Land and buildings	**(14.4)**	(16.2)
Other	**(7.0)**	(13.2)
Lease costs can be analysed as follows:		
Expense relating to short term leases	**(8.2)**	(16.3)
Expense relating to leases of low-value assets	**(6.4)**	(7.2)
Expense relating to variable lease payments not included in the measurement of lease liabilities	**(6.8)**	(5.9)
Computer expenses:		
Software costs	**(15.4)**	(10.2)
Consultation fees	**(37.7)**	(35.9)
Other	**(86.8)**	(76.7)
Direct costs:		
Materials	**(5 432.1)**	(3 881.2)
Subcontractor costs	**(577.0)**	(492.2)
Items by function		
Cost of sales*	**(12 056.3)**	(11 163.3)
Distribution and marketing costs	**(17.6)**	(22.2)
Administration costs	**(1 320.3)**	(1 406.4)
Other operating income	**111.9**	222.3

**Cost of sales includes R88,4 million (FY2023: R418,6 million) relating to the cost of inventories sold during the year.*
Depreciation of R292,0 million is included in cost of sales and R49,3 million in administration costs.
Amortisation of R15,0 million is included in cost of sales and R7,0 million in administration costs.

28. INTEREST EXPENSE

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	**2024**	2023
Bank overdrafts	**93.3**	99.9
Present value expense	**7.1**	8.0
Leases	**14.0**	12.7
Loans and other liabilities	**53.3**	159.6
	167.7	280.2

29. INTEREST INCOME

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	**2024**	2023
Bank balances and cash	**33.2**	10.8
Unlisted loan investment and other receivables	**4.4**	2.9
	37.6	13.7

30. TAXATION EXPENSE

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	2024	2023
Major components of the taxation expense		
South African taxation		
Normal taxation - current year	**1.9**	7.5
Normal taxation - prior year	**1.2**	-
Deferred taxation - current year	**9.3**	(17.3)
Deferred taxation - prior year	**-**	(0.1)
Foreign taxation		
Normal income taxation and withholding taxation - current year	**140.6**	53.2
Normal income taxation and withholding taxation - prior year	**0.3**	(2.6)
Deferred taxation - current year	**(30.2)**	62.3
Deferred taxation - prior year	**0.4**	3.4
	123.5	106.4

South African income tax is calculated at 27% (FY2023: 27%) of the estimated assessable profit for the year. Taxation in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. The tax rates excluding state and federal taxes currently applicable to USA and Canada are 21% and 28% respectively.

RECONCILIATION OF THE STANDARD RATE OF TAXATION TO THE EFFECTIVE RATE OF TAXATION

	%	%
South African standard rate of taxation*	**27.0**	27.0
Increase in rate of taxation due to:		
Corporate activities	**10.7**	(5.6)
Share incentive scheme costs	**20.0**	(4.0)
Goodwill and capital losses	**19.5**	(32.2)
Donations	**0.4**	(0.2)
Limitation of allowances	**3.4**	-
Non-deductible expenditure	**19.7**	(0.3)
Loss on sale of investment	**-**	(10.0)
Deemed interest	**1.7**	-
Non-deductible accounting costs	**-**	(1.2)
Taxation rate differentials on foreign companies		
- Africa	**0.3**	(0.1)
- Oceania	**7.2**	-
Current year's losses not recognised	**176.1**	(42.1)
Foreign withholding taxation	**123.0**	(6.1)
Imputed foreign income	**-**	(0.2)
Prior year adjustments	**4.7**	(10.3)
	413.7	(85.3)
Reduction in rate of taxation due to:		
Taxation rate differentials on foreign companies		
- Americas	**(50.6)**	6.4
Capital profits and non-taxable items	**(4.6)**	7.6
Non-taxable accounting revenue	**(3.8)**	0.7
Other taxation allowances and incentives	**(11.7)**	3.9
Taxation losses utilised	**(34.3)**	6.2
Effective rate of taxation	**308.7**	(60.5)

Notes to the annual financial statements

30. TAXATION EXPENSE (continued)

FY2024 taxation rate differentials on foreign companies have been split between the different jurisdictions.
**The South African taxation rate is used for the reconciliation as the Company is South African resident and the tax rates of its major operations outside South Africa, namely Canada has similar tax rates to that of South Africa.*
The prior year adjustments are mainly a result of further expenditure considered to be non-deductible or related to greater tax allowances claimable when finalising tax submissions.

Murray & Roberts Holdings Limited is a multinational enterprise with a turnover of more than €750m in at least two of the four immediately preceding financial years in relation to the tested year. Therefore, it is potentially subject to the Organisation for Economic Cooperation and Development (OECD) Pillar Two Model Rules, which aim to ensure that the effective tax rate of affected entities is at least 15%.

Whilst Pillar Two legislation has not yet been enacted in South Africa, where the Group is ultimately parented, South Africa's National Treasury has published draft legislation and has indicated that this will come into effect for fiscal years commencing on or after 1 January 2024.

As the Pillar Two legislation will take effect for the 2025 financial year, the group has no related current tax exposure for the current year. The group applies the exception to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

The Group is in the process of assessing its exposure to the Pillar Two legislation and has engaged tax specialists to assist it with applying the legislation. Following preliminary analyses performed using data from the most recent Country-by-Country Report ('CbCR') prepared for the year ended 30 June 2023, there are a limited number of jurisdictions which are not expected to meet the Transitional CbCR Safe Harbour as contemplated in the OECD rules. However, it is anticipated that no material exposure will arise in these jurisdictions under the Pillar Two Rules, due to the impact of specific adjustments envisaged in the Pillar Two Rules. The Group is not aware of any events in the current year, ending 30 June 2024, which would give a materially different result.

Due to the complexities in applying the Pillar Two Rules and calculating the Top-up Tax payable, the Group will work with its advisors to determine its exposure to Pillar Two Top-up Taxes, if any, once the legislation comes into effect.

31. DISPOSAL OF BUSINESS

The Group, through its wholly owned subsidiary Murray & Roberts Ltd ("MRL"), entered into a Sale of Business Agreement with Main Road Centurion 30311 (Pty) Ltd ("the Acquirer"), in terms of which MRL disposed of its 80% interest in Aarden Solar, a joint operation. Aarden Solar required further investment to support its growth trajectory, which the Acquirer will provide. As a wholesale business, Aarden Solar is not strategic to Murray & Roberts. The transaction consideration was R73,4 million and was applied to MRL's working capital requirements.

On 22 August 2023, the disposal of the investment in Aarden Solar became effective resulting in the derecognition of the assets and liabilities in the current financial period.

The Aarden Solar operation formed a part of the OptiPower operating business. The operation did not meet the criteria to be classified as discontinued operation as the Aarden Solar business did not represent a separate major line of business, nor it represent a major geographical area of operation.

In the Group accounts, Aarden Solar's financial information has been derecognised with effect from 22 August 2023. The purchase price of the investment in Aarden Solar per the sale agreement amounted to R73,4 million. The net asset value Aarden Solar amounted to R69,3 million. Consequently, resulting in a profit of R4,1 million recognised in the consolidated statement of financial performance for the year ended 30 June 2024.

R millions	**Total**
Non-current assets	
Property, plant and equipment	0.7
Total	**0.7**
Current Assets	
Inventories	73.4
Prepayments	32.8
Total	**106.2**
Total Assets	**106.9**
Current liabilities	
Amounts due to contract customers	37.6
Total	**37.6**
Total liabilities	**37.6**
Net assets	69.3
Consideration received	73.4
Profit on disposal of Business	**4.1**

32. DISCONTINUED OPERATIONS, ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

32.1 (LOSS)/PROFIT FOR THE YEAR FROM DISCONTINUED OPERATIONS

The discontinued operations comprise the Middle East Operations, the Southern Africa Infrastructure & Buildings Platform and Genrec.

Middle East Operations
The Middle East Operations were classified as a discontinued operation in the 2020 financial year as a result of being abandoned, as defined in terms of IFRS 5. Subsequent to abandonment of the Middle East Operations, an agreement was entered into to dispose of the operations and as a result thereof these companies met the criteria, in terms of IFRS 5, to be classified as a disposal group held for sale. The sale and purchase agreement to dispose of the operations was subsequently executed on 30 August 2021. At 15 March 2024, the original sale and purchase transaction had not concluded due to regulatory approval not being achieved. A new sale and purchase agreement was concluded with a new purchaser on 28 June 2024. The Middle East Operations continue to meet the criteria to be classified as a disposal group held for sale in terms of IFRS 5.

The claim made and summons issued by a UAE-based bank ("the bank") for AED150 million (plus costs and interest) against Murray & Roberts Limited on the strength of a Parent Company Guarantee continues in the High Court of South Africa. The legal proceedings are underway and are expected to be protracted and take several years to conclude.

Included in the current year loss from discontinued operations are operating costs of R31 million incurred mainly on legal fees.

MRPL Group and Insig
In the prior financial year, the MRPL Group and Insig were placed into voluntary administration, and as a result met the criteria to be classified as discontinued operations and had been deconsolidated from the Murray & Roberts Group as control ceased. These discontinued operations comprise Mining Australia (RUC Cementation Mining group (“RUC”) and Insig Technologies (“Insig”)), the Energy, Resources & Infrastructure Platform (Clough Limited group (“Clough”)), Murray & Roberts Pty Limited (“MRPL”), together referred to as “MRPL Group and Insig”. Related costs as a result of the voluntary administration are a further expense attributable to discontinued operations of R42 million (FY2023 :R155 million).

Southern Africa Infrastructure & Buildings Platform and Genrec
During the 2017 financial year, the Group disposed of its South African construction businesses held within the Southern Africa Infrastructure & Buildings operating business and Genrec. These businesses formed a separate major line of business that was disposed of and constituted a discontinued operation in terms of IFRS 5. As part of the disposal, certain assets and liabilities of the business, relating to ongoing litigation matters were retained in the Group. These items continue to be reported under discontinued operations until the matters are closed out.

The (loss)/profit from discontinued operations is analysed as follows:

	2024	2023
Revenue		
Construction contracts	**117.0**	11 321.4
Rendering of services	**-**	29.4
Other revenue	**-**	612.7
	117.0	11 963.5
(Loss)/profit after taxation for the year is analysed as follows:		
Loss before depreciation, amortisation, interest and taxation	**(13.3)**	(1 104.3)
Depreciation	**-**	(343.5)
Amortisation of intangible assets	**-**	(27.0)
Loss before interest and taxation	**(13.3)**	(1 474.8)
Interest expense	**-**	(37.3)
Interest income	**3.3**	10.0
Loss before taxation	**(10.0)**	(1 502.1)
Taxation expense	**-**	(82.9)
Loss after taxation	**(10.0)**	(1 585.0)
Loss from equity accounted investments	**-**	-
Loss from discontinued operations	**(10.0)**	(1 585.0)
Loss on loss of control of MRPL Group and Insig	**-**	(1 156.9)
Derecognition of net asset value	**-**	(2 407.0)
Translation of foreign entities reclassified through profit or loss on derecognition	**-**	1 250.1
Related costs of voluntary administration	**(42.3)**	(155.0)
Loss from discontinued operations per the statement of financial performance	**(52.3)**	(2 896.9)
Attributable to:		
Owners of Murray & Roberts Holdings Limited	**(52.3)**	(2 896.9)
Non-controlling interests	**-**	-
	(52.3)	(2 896.9)
Cash flows from discontinued operations		
Cash flows from operating activities	**(59.8)**	(359.0)
Cash flows from investing activities	**-**	(1 554.0)
Cash flows from financing activities	**53.6**	381.0
Net decrease in cash and cash equivalents	**(6.2)**	(1 532.0)

32. DISCONTINUED OPERATIONS, ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE (continued)

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

32.1 (LOSS)/PROFIT FOR THE YEAR FROM DISCONTINUED OPERATIONS *(continued)*

(Loss)/profit before interest and taxation is arrived at after taking into account:

Items by nature	2024	2023
Investment income other than interest:		
Income from subleasing land and buildings	-	3.2
Amortisation of intangible assets	-	(27.0)
Auditors' remuneration:		
Fees for audits	(0.2)	(4.4)
Other services	(0.1)	(2.4)
Depreciation:		
Land and buildings	-	(46.5)
Plant and machinery	-	(292.8)
Other equipment	-	(4.2)
Employee benefit expense:		
Salaries and wages	(78.9)	(6 184.7)
Fees paid for:		
Administrative services	-	-
Other	(42.9)	(30.6)
Impairment charges:		
Goodwill	-	(126.2)
Other receivables	-	(170.5)
Profit or loss on disposals:		
Profit on disposal of property, plant and equipment	-	4.8
Foreign exchange gains	-	13.4
Foreign exchange losses	(2.1)	(13.5)
Lease costs:		
Land and buildings	(0.1)	(13.0)
Other	(0.2)	(0.2)
Lease costs can be analysed as follows:		
Expense relating to short term leases	(0.3)	(2.0)
Expense relating to variable lease payments not included in the measurement of lease liabilities	-	(11.2)
Computer expenses:		
Software costs	-	(57.3)
Other	-	(3.0)
Direct costs:		
Materials	2.5	(5 963.6)
Subcontractor costs	-	(20.5)
Items by function		
Cost of sales	(49.6)	(12 457.4)
Distribution and marketing costs	-	(4.9)
Administration costs	(138.6)	(1 005.4)
Other operating income	15.6	29.4

32.2. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

The assets and liabilities classified as held for sale below relate mainly to the Middle East Operation as per note 32.1 as well as Cementation Africa where property, plant and equipment has been classified as held for sale after meeting the requirements of IFRS 5.

Major classes of assets comprising the assets held for sale	2024	2023
Property, plant and equipment	60.4	67.7
Other receivables	1.7	5.5
Amounts from contract customers	945.2	979.2
- Contract asset	867.8	899.0
- Contract receivable	77.4	80.2
Cash and cash equivalents	11.5	12.4
	1 018.8	1 064.8

Major classes of liabilities comprising the liabilities held for sale	2024	2023
Trade & other payables	159.3	154.6
Subcontractor liabilities	6.9	7.8
Short term borrowings	826.3	818.4
	992.5	980.8

Notes to the annual financial statements

33. LOSS AND HEADLINE LOSS PER SHARE

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

33.1 WEIGHTED AVERAGE NUMBER OF SHARES

Number of shares ('000)	**2024**	2023
Weighted average number of shares in issue	**444 736**	444 736
Less: Weighted average number of shares held by the Letsema BBBEE trusts	**(20 758)**	(25 055)
Less: Weighted average number of shares held by share incentive schemes	**(17 647)**	(16 566)
Weighted average number of shares in issue used in the determination of basic per share figures	**406 331**	403 115
Add : Dilutive adjustment	**3 273**	5 299
Weighted average number of shares in issue used in the determination of diluted per share figures	**409 604**	408 414

33.2 EARNINGS/(LOSS) PER SHARE

Reconciliation of earnings/(loss)	**2024**	2023
Loss attributable to owners of Murray & Roberts Holdings Limited	**(137.9)**	(3 181.3)
Adjustments for discontinued operations		
Loss from discontinued operations	**52.3**	2 896.9
Non-controlling interests	**-**	-
Loss for the purposes of basic and diluted earnings per share from continuing operations	**(85.6)**	(284.4)
Loss per share from continuing and discontinued operations (cents)		
- Diluted	**(34)**	(789)
- Basic	**(34)**	(789)
Loss per share from continuing operations (cents)		
- Diluted	**(21)**	(71)
- Basic	**(21)**	(71)
Loss per share from discontinued operations (cents)		
- Diluted	**(13)**	(718)
- Basic	**(13)**	(718)

33. LOSS AND HEADLINE LOSS PER SHARE (continued)

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

33.3 HEADLINE LOSS

Reconciliation of headline loss	**2024** *Gross pre-tax & non-controlling interests*	**2024** *Net*	2023 *Gross pre-tax & non-controlling interests*	2023 *Net*
Loss attributable to owners of Murray & Roberts Holdings Limited	**(14.4)**	**(137.9)**	(2 992.0)	(3 181.3)
Profit on disposal of property, plant and equipment	**(18.9)**	**(14.0)**	(17.2)	(13.5)
Loss on disposal of property, plant and equipment	**-**	**-**	0.2	0.2
Impairment of associate	**-**	**-**	1.5	1.5
Impairment of Goodwill	**-**	**-**	126.2	126.2
Impairment of property, plant and equipment	**10.2**	**8.2**	10.0	7.2
Compensation income from insurance	**-**	**-**	(2.1)	(2.1)
Loss on loss of control of subsidiaries	**-**	**-**	2 407.0	2 407.0
Translation of foreign entities reclassified through profit or loss on derecognition		**-**	(1 250.1)	(1 250.1)
Profit on disposal of property, plant and equipment held for sale	**(5.4)**	**(4.0)**	-	-
Profit on disposal of joint venture	**(4.1)**	**(3.0)**	-	-
Headline loss	**(32.6)**	**(150.7)**	(1 716.5)	(1 904.9)
Adjustments for discontinued operations:				
Loss from discontinued operations	**52.3**	**52.3**	1 502.1	2 896.9
Profit on disposal of property, plant and equipment	**-**	**-**	4.8	3.5
Loss on disposal of property, plant and equipment	**-**	**-**	-	-
Impairment of Goodwill	**-**	**-**	(126.2)	(126.2)
Loss on loss of control of subsidiaries	**-**	**-**	(2 407.0)	(2 407.0)
Translation of foreign entities reclassified through profit or loss on derecognition	**-**	**-**	1 250.1	1 250.1
Headline loss from continuing operations	**19.7**	**(98.4)**	(1 492.7)	(287.6)

	2024	2023
Headline loss per share from continuing and discontinued operations (cents):		
- Diluted	**(37)**	(473)
- Basic	**(37)**	(473)
Headline loss per share from continuing operations (cents):		
- Diluted	**(24)**	(71)
- Basic	**(24)**	(71)
Headline loss per share from discontinued operations (cents):		
- Diluted	**(13)**	(402)
- Basic	**(13)**	(402)

34. CASH GENERATED FROM OPERATIONS

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	Notes	2024	2023
Profit/(loss) before interest and taxation (continuing and discontinued operations*)		**114.5**	(2 696.1)
Adjustments for non-cash items:			
Amortisation of intangible assets	4	**22.0**	50.0
Depreciation	2	**341.3**	681.3
Fair value gain on investments at fair value through profit or loss	6	**-**	(29.6)
Long term provisions raised and released	19	**7.8**	3.7
Provisions for obligations raised and released	25	**179.4**	231.5
Profit on disposal of property, plant and equipment		**(18.9)**	(17.2)
Profit on disposal of asset held for sale		**(5.4)**	-
Loss on disposal of property, plant and equipment		**-**	0.2
Profit on sale of Aarden Solar	31	**(4.1)**	-
Share-based payment expense	12	**18.5**	3.8
Impairment of assets		**73.6**	240.5
Impairment of goodwill		**-**	126.2
Impairment of associate		**-**	1.5
Reversal of impairments of assets		**-**	(28.0)
Lease reassessment		**(6.0)**	(2.0)
Loss of control of subsidiaries		**-**	1 156.9
Foreign exchange and other non-cash items		**6.9**	116.0
Changes in working capital:		**477.8**	699.0
Inventories		**16.0**	(100.0)
Contracts-in-progress, contract receivables and other receivables		**234.0**	(2 353.0)
Trade and other payables		**(226.2)**	5 499.0
Subcontractor liabilities and amounts due to contract customers		**454.0**	(2 347.0)
		1 207.4	537.7

**The loss before interest and taxation from discontinued operations includes the loss on loss of control of MRPL Group and Insig and the related costs of voluntary administration.*

NET CASH/DEBT RECONCILIATION

	Net cash and cash equivalents	Borrowings (including leases)	Total
Net cash/(debt) at 30 June 2022	2 122.8	(3 195.8)	(1 073.0)
Total increase in cash and cash equivalents	231.1	-	231.1
Loans raised	-	(1 981.0)	(1 981.0)
Loans repaid	-	1 800.1	1 800.1
Leases repaid	-	124.5	124.5
Leases raised (non-cash)	-	(105.5)	(105.5)
Asset based finance raised	-	(145.8)	(145.8)
Lease reassessment and modification	-	(89.0)	(89.0)
Overdraft drawdowns	-	(1 303.0)	(1 303.0)
Overdraft repayments	-	2 207.1	2 207.1
Loss of control of subsidiaries	(1298.4)	1 232.8	(65.6)
Foreign exchange movements	217.0	(79.8)	137.2
Other	-	5.7	5.7
Net cash/(debt) at 30 June 2023	**1 272.5**	**(1 529.7)**	**(257.2)**
Total increase in cash and cash equivalents	**457.3**	**-**	**457.3**
Loans raised	**-**	**(483.1)**	**(483.1)**
Loans repaid	**-**	**645.8**	**645.8**
Leases repaid	**-**	**47.1**	**47.1**
Leases raised (non-cash)	**-**	**(17.3)**	**(17.3)**
Asset based finance raised	**-**	**(89.6)**	**(89.6)**
Lease reassessment and modification	**-**	**(4.9)**	**(4.9)**
Overdraft drawdowns	**-**	**(1 213.3)**	**(1 213.3)**
Overdraft repayments	**-**	**1 358.9**	**1 358.9**
Foreign exchange movements	**(85.0)**	**30.5**	**(54.5)**
Net cash/(debt) at 30 June 2024	**1 644.8**	**(1 255.6)**	**389.2**

35. TAXATION PAID

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	2024	2023
Taxation receivable at the beginning of year	**10.6**	(139.5)
Foreign exchange movements	**(1.2)**	(5.3)
Taxation charged to the statement of financial performance, excluding deferred taxation	**(140.4)**	(40.1)
Loss of control of subsidiaries	**-**	67.4
Taxation unpaid at the end of the year	**9.6**	(10.6)
	(121.4)	(128.1)
Taxation unpaid at the end of the year comprises:		
Current taxation assets	**(17.5)**	(36.0)
Current taxation liabilities	**27.0**	25.4
	9.5	(10.6)

36. JOINT OPERATIONS

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

These are joint arrangements where the joint operators have rights to the assets and obligations for the liabilities relating to the arrangement.

DETAILS OF SIGNIFICANT JOINT OPERATIONS

	Nature of Activities	Principal place of business and country of incorporation	2024 % Shareholding	2023 % Shareholding
The Group has the following significant joint operations:				
Mining				
Boipelo Mining Contractors	Coal Mining	South Africa	**49.0**	49.0
Consorcio TNT Vial y Vivies - DSD Chile Ltda	EPC - Spence SGO and SRR project	Chile	**50.0**	50.0
Constructora SK-TNT Ltda	EPC - Centinela DMC project	Chile	**51.0**	51.0

The criteria used to determine significant joint operations include contribution to revenue or the Group's share of obligations. A monetary threshold of R100 million has been used to determine significant joint operations for the current year.

37. CONTINGENT LIABILITIES

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

As a contracting Group, Murray & Roberts is in the ordinary course of its business involved in various disputes, a number of which arise when operations and projects are closed out and finalised. Depending on the merits, disputes can translate into claims and legal proceedings, which Murray & Roberts always rigorously defends. Where Murray & Roberts, in consultation with its legal advisors and counsels, believes the claims are predicated on weak and/or spurious grounds, and Murray & Roberts has sound and strong defences, no provision is made for any such claim, and they are aggregated and disclosed as contingent liabilities. The increase in financial institution guarantees relates mainly to claims in the Middle East and in the OptiPower operating business, which management do not believe poses a significant risk as the potential obligations will be disputed and defended. The Board does not believe that adverse decisions in any pending proceeding or claims against the Group will have a material adverse effect on the financial condition or future of the Group. The Group does not account for any potential contingent liabilities where a back-to-back arrangement exists with the clients or subcontractors and there is a legal right to offset (R1,4 billion).

	2024	2023
Contingent liabilities	**2 770.5**	3 004.5
Financial institution guarantees given to third parties	**2 772.4**	2 522.1
Contingent liabilities and guarantees given to third parties arising from interests in joint operations included above amounted to^:	**1 244.5**	1 389.8

^ Until the airport claim in the Middle East is resolved, which is now 16 years post delivery of the project, through existence of a parent company guarantee, the Group has a potential contingent liability for any adverse determination against the Group by a Tribunal. No such tribunal has been established and it is the Group's expectation that the matter should be resolved in its favour. No amount is included above due to the unlikelihood of any such claim and no tribunal being established to determine any such amount.

38. FINANCIAL RISK MANAGEMENT

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

38.1 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern (further detail provided in note 45) whilst maximising the return to stakeholders through optimisation of the debt and equity balances.

The capital structure of the Group consists of debt, which includes borrowings as disclosed in note 17 and note 24 and equity attributable to owners of Murray & Roberts Holdings Limited, comprising issued reserves and retained earnings as disclosed.

The Group has a target gearing ratio of 30%-45% determined on the proportion of debt to equity. The gearing ratio for the current financial year is 51% (FY2023:55%) (excluding the impact of previously recognised operating leases and project specific asset-based finance) and the Group credit rating is BBB-.

The SA Group was in breach of the current ratio covenant as at 30 June 2024. New covenants, however, were agreed after year end and these covenants when measured for the 30 June 2024 measurement period were met.

Covenants in Cementation Canada Inc. were met at 30 June 2024.

Details of all debt covenants in the Group have been reflected in the table below:

Facility	Toronto Dominion Bank Facility - Cementation Canada Inc.	SA Lenders - SA Group
Covenant Trigger and Proximity to being breached	1) Current Ratio: Requirement - equals or exceeds 1.25:1; Actual - 1.70:1 2) Debt Service Coverage Ratio: Requirement - equals or exceeds 1.25:1; Actual - 2.0:1 3) Total Funded Debt/EBITDA Ratio: Requirement - does not exceed 2.75:1; Actual - 1.71:1 4) Concentration of EBITDA and fixed assets in Obligors: Requirement - EBITDA minimum of 85%; Actual - 100%; Fixed assets minimum of 90%; Actual - 100% 5) Capital Expenditures: Requirement - maximum of CAD40 million; Actual - CAD19,6 million 6) Investments: Requirement - maximum of CAD12 million; Actual - CAD5,0 million 7) Acquisitions: Requirement - maximum of CAD25 million; Actual - CADnil Sufficient headroom deemed available for all debt covenants reflected above.	1) Interest Cover: Requirement - equals or exceeds 1.50:1; Actual - 4.23:1 2) Gross Debt to EBITDA: Requirement - does not exceed 2.50:1; Actual - 0.74:1 3) Current Ratio: Requirement - equals or exceeds 0.90:1; Actual - 0.81:1 The SA Group was in breach of the current ratio covenant as at 30 June 2024. New covenants, however, were agreed after year end and these covenants when measured for the 30 June 2024 measurement period were met. The new current ratio covenant is to equal or exceed 0.70:1.

The Board reviews the Group's debt usage and considers the risk thereof. The Group is subject to externally imposed capital requirements in the form of financial covenants which are actively managed by the Board.

38.2 FINANCIAL INSTRUMENTS

The Group does not trade in financial instruments but, in the normal course of operations, is exposed to currency, credit, interest and liquidity risk.

In order to manage these risks, the Group may enter into transactions that make use of financial instruments. The Group's financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable and interest bearing borrowings.

Categories of financial instruments

	Note	2024	2023
Financial assets			
Financial assets at fair value through profit or loss (level 3)	6	**-**	-
Financial assets measured at amortised cost		**3 070.1**	2 981.1
Financial assets measured at amortised cost - held-for-sale	32	**89.0**	991.6
Financial liabilities			
Financial liabilities measured at amortised cost		**3 717.3**	4 046.9
Financial liabilities measured at amortised cost - held-for-sale	32	**992.5**	980.8

The fair value hierarchy introduces 3 levels of inputs based on the lowest level of input significant to the overall fair values:

Level 1 - quoted prices for similar instruments
Level 2 - directly observable market inputs other than Level 1 inputs
Level 3 - inputs not based on observable market data

Notes to the annual financial statements

38. FINANCIAL RISK MANAGEMENT (continued)

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

38.3 MARKET RISK

The Group operates in various countries and is exposed to the market risk evident in each specific country. The primary market risks identified relate to foreign currency fluctuations and interest rate fluctuations. The sensitivities relating to these market risks are detailed in notes 38.4 and 38.5.

38.4 FOREIGN CURRENCY AND TRANSLATION RISK MANAGEMENT

The Group has major operating entities in Canada and America and hence has an exposure to fluctuations in exchange rates. The Group may, from time-to-time, hedge its foreign currency exposure for either purchase or sale transactions through the use of foreign currency forward exchange contracts although no such significant transactions occurred in the current nor in the prior financial year.

Foreign currency and translation sensitivity

The Group is mainly exposed to the currencies of Canada and the United States of America. The following table details the Group's major foreign currencies and the sensitivity of a 1% decrease in the Rand against the relevant currencies. A 1% increase in the Rand would have an inverse, proportionate impact. The sensitivity includes only foreign currency denominated monetary items and adjusts their translation at the period end for a change in foreign currency rates. A positive number indicates an increase in profit and equity where the Rand weakens against the relevant currencies.

	Assets		Liabilities	
	2024	2023	**2024**	2023
Canadian Dollar	**12.8**	12.5	**(8.9)**	(3.8)
US Dollar	**6.9**	9.4	**(2.2)**	(3.7)

The carrying amount of the significant financial assets are denominated in the following currencies (amounts shown are in Rand equivalent):

	2024	2023
Cash and cash equivalents		
Australian Dollar	**2.6**	3.7
Botswana Pula	**8.9**	8.6
British Pound	**7.6**	0.9
Canadian Dollar	**771.5**	753.0
Chile Pesos	**82.0**	24.0
Ghanaian New Cedi	**0.1**	5.4
Malawian Kwacha	**-**	0.1
Malaysian Ringgit	**1.6**	1.8
Mozambican Metical	**0.3**	0.3
Namibian Dollar	**1.2**	12.4
Omani Rial	**0.2**	0.3
South African Rand	**205.9**	123.2
Tanzanian Shilling	**0.1**	0.1
UAE Dirham	**42.2**	4.5
US Dollar	**488.8**	301.4
West African Franc	**19.8**	23.2
Zambian Kwacha	**0.1**	0.5
Other	**0.4**	0.1
	1 633.3	1 263.5

38. FINANCIAL RISK MANAGEMENT (continued)

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

38.4. FOREIGN CURRENCY AND TRANSLATION RISK MANAGEMENT (continued)

	2024	2023
Trade and net contract receivables		
Australian Dollar	**-**	5.3
Botswana Pula	**-**	5.6
Canadian Dollar	**510.2**	494.7
Chile Pesos	**206.7**	42.7
Ghanaian New Cedi	**0.8**	3.1
Namibian Dollar	**-**	0.1
Omani Rial	**41.5**	43.0
South African Rand	**409.2**	383.1
US Dollar	**206.2**	638.1
West African Franc	**2.3**	6.7
Zambian Kwacha	**5.1**	8.5
Gross receivables	**1 382.0**	1 630.9
Contract receivables provisions	**(20.9)**	(38.2)
	1 361.1	1 592.7

The carrying amounts of the significant financial liabilities are denominated in the following currencies (amounts are shown in Rand equivalent):

	2024	2023
Bank overdrafts		
South African Rand	**330.4**	475.9
UAE Dirham	**-**	2.8
Other	**-**	0.7
	330.4	479.4

	2024	2023
Trade payables and subcontractor liabilities		
Australian Dollar	**2.9**	47.0
Botswana Pula	**14.6**	16.0
Canadian Dollar	**435.6**	372.9
Chile Pesos	**68.0**	72.0
European Euro	**0.8**	-
Zambian Kwatcha	**0.1**	-
Malawian Kwatcha	**1.7**	0.5
Malaysian Ringgit	**1.1**	1.2
Swiss Franc	**-**	-
Namibian Dollar	**0.1**	0.2
Omani Rial	**92.3**	96.2
South African Rand	**494.3**	284.5
USA Dollar	**87.3**	157.8
Other	**0.7**	0.5
Gross liabilities	**1 199.5**	1 048.8

Notes to the annual financial statements

38. FINANCIAL RISK MANAGEMENT (continued)

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

38.4. FOREIGN CURRENCY AND TRANSLATION RISK MANAGEMENT (continued)

	2024	2023
Interest bearing liabilities		
Australian Dollar	**39.5**	66.0
British Pound	**-**	24.6
Canadian Dollar	**458.4**	8.9
Namibian Dollar	**-**	11.4
South African Rand	**161.4**	578.9
US Dollar	**136.6**	207.8
	795.9	897.6

38.5. INTEREST RATE RISK MANAGEMENT

Interest rate sensitivity

The Group is exposed to interest rate risk through its global operations in different geographical regions whereby interest rates vary in response to prevailing market rates. Furthermore, the Group utilises various forms of financing including significant usage of variable interest rate debt which increases its exposure to interest rate risk. The Group manages the impact of adverse interest rate movements through the use of interest rate management hedges should the need arise. There has been no use of interest rate hedges in the previous five years, however, the group policy does make provision for this. Negotiation of borrowing facilities are managed through the Corporate Office in South Africa and through the operating business financial executives for offshore entities. Interest rate management including debt servicing is optimised and reviewed continually.

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at reporting date as well as changes to interest rates in both local and foreign markets. It assumes the stipulated change takes place at the beginning of the financial year and is held constant throughout the reporting period in the case of instruments that have floating rates.

The table below illustrates the Group's sensitivity on profits had the interest rates been 100 basis points higher and all other variables were held constant. A positive number indicates an increase in profit and other equity (in Rands) as a consequence of change in interest rates which are based on the prime interest rates of the countries listed below.

	2024	2023
South Africa		
Basis points increase	**100.0**	100.0
Effect on profit and loss	**(3.5)**	(9.4)
Canada		
Basis points increase	**100.0**	100.0
Effect on profit and loss	**3.1**	7.4
United States of America		
Basis points increase	**100.0**	100.0
Effect on profit and loss	**3.5**	0.9

38. FINANCIAL RISK MANAGEMENT (continued)

38.6. CREDIT RISK MANAGEMENT

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. Potential areas of credit risk consist of cash and cash equivalents, other receivables (net of provisions) and contract receivables (net of provisions).

Credit quality

Cash and cash equivalents :
The Group only deposits its money with large reputable financial institutions. Based on the credit risk ratings of the financial institutions, no significant expected credit loss was recognised. Below are the credit ratings in relation to the financial institutions the Group holds cash and cash equivalents with:

Financial Institution	Rating Agency	Rating
Standard Bank	Fitch	BBB-
ABSA	Fitch	BBB-
Nedbank	Standard & Poor's	BBB-
Rand Merchant Bank	Standard & Poor's	BBB-
Toronto Dominium Bank	Standard & Poor's	AA-
Bank of America	Fitch	AA-
Scotia Bank	Fitch	AA-
Banco Itaú	Fitch	AA-

Other receivables:
Other receivables subject to credit risk consist mostly of trade receivables, amounts owing by joint operations and partners and sundry receivables.

Amounts owing by joint arrangements and partners:
These receivables are governed by joint arrangement agreements that set out the rights and obligations of each partner. Joint arrangement partners are subject to financial reviews before a partnership is entered into and the risk relating to the partner is constantly monitored to assess any risks as they arise. The ECL assessment has been performed (evaluating all factors as outlined under contract receivables) resulting in an insignificant credit loss. All amounts have been evaluated on an entity specific basis and the credit risk has been deemed low based on the assessment performed.

Trade receivables:
Relates mostly to the rendering of services to the same customer base as described under contract receivables. Other receivables is assessed with the contract receivables when assessing credit risk. The ECL allowance assessment performed in the current financial year resulted in an insignificant credit loss.

Amounts from contract customers:
Over the last five financial years the impairment and/or write-off of contract and trade receivables from continuing operations has been below R35 million per year on an average revenue of R15,4 billion and contract and trade receivables balance of R2,5 billion.

The Group’s client base across the Group are mainly entities with a large market capitalisation and US parastatals.

Each operating business assesses the project risk (including credit risk) before a decision is made to tender. Higher risk projects are presented to the Group Audit & Risk Committee and the Group’s Board to obtain approval to tender. Often approval will be granted subject to reducing the identified risk to an acceptable level. For clients where the credit risk is considered higher than normal, payment guarantees and/or property liens (Americas) would be obtained.

Certain projects (specifically in the mining sector) are lender financed and are indirectly controlled by such lenders. Lenders may, for example, include a requirement that a reputable contractor be used to execute the project or certain sections thereof. Lender financed projects reduce the overall credit risk on a project as the client would have been required to illustrate the financial viability of the project as well as the ability to repay the debt to the relevant financial institution, whilst being subject to debt covenants over the repayment period of the debt.

During the execution of projects, the work performed is certified and is therefore liquid and executable, which enables the Group to use the necessary commercial rights to its disposal to recover amounts receivable once they become due.

Contract assets relating to uncertified claims and variations (i.e. uncertified revenue) are assessed in terms of IFRS 15. The Group utilises experts to assess probabilities (of revenue not reversing) in determining the amount to be recognised as uncertified revenue. An ECL allowance assessment was thereafter performed on uncertified claims and revenue balances and was noted to be insignificant. The factors outlined below (both macroeconomic and forward-looking information) were taken into account by adjusting the loss given default rate in arriving at this conclusion. The ECL allowance for uncertified claims and variations was performed on a customer specific basis for all customers (the client base mainly reflecting large listed customers with a large capitalisation and strong balance sheets). Factors outlined below indicated that there no significant increase in credit risk compared to the prior financial year.

ECLs are assessed on a customer specific basis, taking into account macroeconomic factors and forward-looking information impacting the customer.

Macroeconomic information considered for each customer, in assessing ECLs, includes the following:
- The industry and trading conditions in the relevant domestic markets in which the customer operates;
- Commodity prices impacting the customer's revenue;
- The political environment and geographical location impacting the customer's industry; and
- Economic growth and inflationary outlook in the short term, relevant to the customer.

The following customer specific forward-looking information is considered in the ECL assessments:
- Macroeconomic forecasts relevant to the customer as mentioned above;
- External credit ratings for customers;
- Outlook information on customers published; and
- Forecast financial information where available.

The above forward looking and macroeconomic information is evaluated and the loss given default rate applied to the balances are adjusted to take the above factors into account in determining an appropriate ECL allowance.

38. FINANCIAL RISK MANAGEMENT (continued)

38.6. CREDIT RISK MANAGEMENT (continued)

No credit impaired assets contain any significant payment guarantees and collateral held as security.

The Group applies the simplified approach permitted by IFRS 9, which requires lifetime losses to be recognised from initial recognition of the receivable. At year end management believed that there was not considered to be a significant increase in credit risk relating to the respective assets outlined above.

The following represents the Group's maximum exposure, at reporting date to credit risk and after allowance for credit loss and netting where appropriate.

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	Bombela & Middle East	OptiPower	Mining	Corporate & Properties	Group
2024					
Cash and cash equivalents	**43.2**	**119.7**	**1 447.9**	**22.5**	**1 633.3**
Other receivables (net of provisions)	**0.7**	**9.8**	**65.8**	**18.3**	**94.6**
Contract receivables (net of provisions)	**41.5**	**61.1**	**1 238.0**	**-**	**1 340.6**
Assets held-for-sale	**89.0**	**-**	**-**	**-**	**89.0**
Total assets subject to credit risk	**174.4**	**190.6**	**2 751.7**	**40.8**	**3 157.5**
Assets not subject to credit risk	**928.8**	**618.0**	**3 404.5**	**51.5**	**5 002.8**
Total assets	**1 103.2**	**808.6**	**6 156.2**	**92.3**	**8 160.3**
2023					
Cash and cash equivalents	11.9	57.6	1 184.4	9.6	1 263.5
Other receivables (net of provisions)	0.6	71.2	70.2	42.3	184.3
Contract receivables (net of provisions)	43.0	37.9	1 450.8	-	1 531.7
Assets held-for-sale	991.6	-	-	-	991.6
Total assets subject to credit risk	1 047.1	166.7	2 705.4	51.9	3 971.1
Assets not subject to credit risk	89.2	684.1	3 572.3	70.6	4 416.2
Total assets	1 136.3	850.8	6 277.7	122.5	8 387.3

Financial assets subject to credit risk*

	Bombela & Middle East	OptiPower	Mining	Corporate & Properties	Group
2024					
Not past due	**6.5**	**132.0**	**2 224.7**	**34.5**	**2 397.7**
Past due	**338.4**	**66.6**	**540.5**	**9.6**	**955.1**
Expected credit loss allowance	**(170.5)**	**(8.0)**	**(13.5)**	**(3.3)**	**(195.3)**
Carrying value of financial assets	**174.4**	**190.6**	**2 751.7**	**40.8**	**3 157.5**

** Not past due relates to invoices not past the expected payment date for trade receivables, contract receivables and other receivables. Included in not past due is also cash and cash equivalents.*

	Bombela & Middle East	OptiPower	Mining	Corporate & Properties	Group
2023					
Not past due	1 174.5	72.9	2 432.1	13.4	3 692.9
Past due	43.1	103.8	321.9	41.9	510.7
Expected credit loss allowance	(170.5)	(10.0)	(48.6)	(3.4)	(232.5)
Carrying value of financial assets	1 047.1	166.7	2 705.4	51.9	3 971.1

Notes to the annual financial statements

38. FINANCIAL RISK MANAGEMENT (continued)

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

38.6. CREDIT RISK MANAGEMENT (continued)

Financial assets that are past due, but not impaired

These are assets where contractual payments are past due, but where the Group does not expect a credit loss or future impairment as there has not been a significant change in credit quality and the amounts are still considered to be recoverable.

Over the last five financial years the expected credit loss and/or write-off of contract and trade receivables from continuing operations has been below R35 million per year on an average revenue of R15,4 billion and contract and trade receivables balance of R2,5 billion.

An expected credit loss of R9,3 million trade and contract receivables, and a write-off of R46,6 million on other receivables were recognised, mainly related to sundry loans.
An amount of R6 million is considered to be past due, but not impaired for trade receivables whilst an amount of R570,6 million is considered past due, but not impaired for contract debtors.

The age of receivables that are past due but not impaired is:

	< Three months	Three to six months	Six to twelve months	> Twelve months	Total
2024					
Trade receivables	**-**	**-**	**6.0**	**-**	**6.0**
Contract receivables	**344.1**	**60.2**	**65.8**	**100.5**	**570.6**
Other receivables	**22.9**	**6.3**	**46.9**	**302.4**	**378.5**
	367.0	**66.5**	**118.7**	**402.9**	**955.1**
2023					
Trade receivables	2.3	0.5	0.5	-	3.3
Contract receivables	145.9	58.7	20.4	108.0	333.0
Other receivables	74.5	11.8	31.7	56.4	174.4
	222.7	71.0	52.6	164.4	510.7

Expected credit loss allowance per segment

The Group decided to apply the simplified approach permitted by IFRS 9, which requires lifetime losses to be recognised from initial recognition of the receivable. At year end management believed that any material credit risk exposure was covered by ECL provisions.

	Bombela & Middle East	OptiPower	Mining	Corporate & Properties	Group
2024					
Trade receivables	**170.5**	**-**	**0.6**	**3.3**	**174.4**
Contract receivables	**-**	**8.0**	**12.9**	**-**	**20.9**
	170.5	**8.0**	**13.5**	**3.3**	**195.3**
2023					
Trade receivables	170.5	-	27.6	3.4	201.5
Contract receivables	-	10.0	21.0	-	31.0
	170.5	10.0	48.6	3.4	232.5

Reconciliation of expected credit loss allowance

	Bombela & Middle East	OptiPower	Mining	Corporate & Properties	Group
2024					
Balance at the beginning of the year	**170.5**	**10.0**	**48.6**	**3.4**	**232.5**
Raised during the year	**-**	**8.0**	**1.3**	**-**	**9.3**
Utilised during the year	**-**	**(10.0)**	**(26.1)**	**-**	**(36.1)**
Released during the year	**-**	**-**	**(9.3)**	**-**	**(9.3)**
Foreign exchange movements	**-**	**-**	**(1.0)**	**(0.1)**	**(1.1)**
	170.5	**8.0**	**13.5**	**3.3**	**195.3**

The release of the ECL allowance in the current year relates mainly to a favourable arbitration ruling.

	Bombela & Middle East	OptiPower	Mining	Corporate & Properties	Group
2023					
Balance at the beginning of the year	-	11.0	46.4	2.8	60.2
Raised during the year	170.5	-	43.9	-	214.4
Utilised during the year	-	(1.0)	(17.9)	-	(18.9)
Released during the year	-	-	(28.0)	-	(28.0)
Foreign exchange movements	-	-	4.2	0.6	4.8
	170.5	10.0	48.6	3.4	232.5

38. FINANCIAL RISK MANAGEMENT (continued)

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

38.7. LIQUIDITY RISK MANAGEMENT

The ultimate responsibility for liquidity risk management rests with the Board of directors. The Group's liquidity risk management involves maintaining sufficient cash and available funding through borrowing facilities to meet obligations when due. Management monitors rolling cash flow forecasts of the Group's liquidity reserves comprising debt, undrawn borrowing facilities and cash and cash equivalents based on expected cash flows. Cash flow forecasts are compiled by each business unit in accordance with the requirements set by the Group. Additional borrowing facilities that the Group has at its disposal to reduce liquidity risk are listed in the table below. Certain financial institution borrowing facilities restrict the movement of cash internationally between related group entities, before obtaining approval. The Group manages these restrictions by ensuring that the appropriate level of facilities are in place within different operating regions. Currently, the four South African lending banks are permitting drawdowns against the overdraft facilities. However, the remaining facilities which are currently fully drawn are not available for utilisation as they reduce, and the Group is exploring alternative facility providers.

Borrowing capacity

The Company's borrowing capacity is unlimited in terms of its Memorandum of Incorporation.

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

Borrowing facilities

2024

	Local			Foreign		
	Utilised	**Available**	**Total**	**Utilised**	**Available**	**Total**
Direct Facilities						
Long term funding	**-**	**-**	**-**	**339.3**	**371.3**	**710.6**
Short term funding (overdraft facility)	**330.4**	**78.6**	**409.0**	**118.9**	**-**	**118.9**
Short term funding (cash management facility)	**-**	**60.6**	**60.6**	**-**	**-**	**-**
Asset based finance	**301.8**	**9.9**	**311.7**	**176.2**	**93.3**	**269.5**
Letters of credit	**-**	**-**	**-**	**-**	**-**	**-**
	632.2	**149.1**	**781.3**	**634.4**	**464.6**	**1 099.0**
Indirect Facilities						
Guarantees	**2 065.6**	**57.0**	**2 122.6**	**706.9**	**583.3**	**1 290.2**
Foreign Exchange Contracts	**-**	**-**	**-**	**-**	**-**	**-**
Derivatives	**16.0**	**24.0**	**40.0**	**-**	**-**	**-**
	2 081.6	**81.0**	**2 162.6**	**706.9**	**583.3**	**1 290.2**
Total	**2 713.8**	**230.1**	**2 943.9**	**1 341.3**	**1 047.9**	**2 389.2**

2023

	Local			Foreign		
	Utilised	**Available**	**Total**	**Utilised**	**Available**	**Total**
Direct Facilities						
Long term funding	350.0	-	350.0	150.3	853.9	1 004.2
Short term funding (overdraft facility)	476.0	174.1	650.1	24.6	-	24.6
Short term funding (cash management facility)	-	74.4	74.4	-	-	-
Asset based finance	443.8	3.6	447.4	132.2	133.5	265.7
Letters of credit	-	5.5	5.5	-	-	-
	1 269.8	257.6	1 527.4	307.1	987.4	1 294.5
Indirect Facilities						
Guarantees	1 862.9	-	1 862.9	659.2	517.2	1 176.4
Foreign Exchange Contracts	-	5.0	5.0	-	-	-
Derivatives	52.1	1.9	54.0	-	-	-
	1 915.0	6.9	1 921.9	659.2	517.2	1 176.4
Total	3 184.8	264.5	3 449.3	966.3	1 504.6	2 470.9

38. FINANCIAL RISK MANAGEMENT (continued)

38.8. MATURITY PROFILE OF FINANCIAL INSTRUMENTS

The maturity profile of the recognised financial instruments are summarised as follows. These profiles represent the undiscounted cash flows that are expected to occur in the future.

2024	**Notes**	**Within 1 year**	**Within the 2nd year**	**Within 3 to 5 years**	**Payable after the 5th year**	**Total**	**Carrying value**
Financial liabilities							
Bank overdrafts	10 & 41	**330.4**	**-**	**-**	**-**	**330.4**	**330.4**
Interest bearing liabilities*	17	**255.0**	**252.6**	**346.3**	**-**	**853.9**	**795.9**
Trade and other payables	23	**2 269.3**	**-**	**-**	**-**	**2 269.3**	**2 269.3**
Subcontractor liabilities	22	**156.9**	**-**	**-**	**-**	**156.9**	**156.9**
Long-term payables	21	**21.3**	**91.1**	**52.4**	**-**	**164.8**	**164.8**
Financial liabilities held for sale		**992.5**	**-**	**-**	**-**	**992.5**	**992.5**

The current maturity of the recognised financial instruments are as follows:

		< Three months	**Three to six months**	**Six to twelve months**	**Total**
Bank overdrafts	10 & 41	**330.4**	**-**	**-**	**330.4**
Interest bearing liabilities*	17	**72.3**	**60.9**	**121.8**	**255.0**
Trade and other payables	23	**1 546.2**	**538.5**	**184.6**	**2 269.3**
Subcontractor liabilities	22	**30.7**	**16.9**	**109.3**	**156.9**
Long-term payables	21	**21.3**	**-**	**-**	**21.3**
Financial liabilities held for sale		**-**	**-**	**992.5**	**992.5**

2023	**Notes**	**Within 1 year**	**Within the 2nd year**	**Within 3 to 5 years**	**Payable after the 5th year**	**Total**	**Carrying value**
Financial liabilities							
Bank overdrafts	10 & 41	479.4	-	-	-	479.4	479.4
Interest bearing liabilities*	17	321.8	448.3	148.2	-	918.3	897.6
Trade and other payables	23	2 305.8	-	-	-	2 305.8	2 305.8
Subcontractor liabilities	22	145.2	-	-	-	145.2	145.2
Other payables		-	121.3	106.4	-	227.7	218.9
Financial liabilities held for sale		980.8	-	-	-	980.8	980.8

The current maturity of the recognised financial instruments are as follows:

		< Three months	**Three to six months**	**Six to twelve months**	**Total**
Bank overdrafts	10 & 41	3.4	176.0	300.0	479.4
Interest bearing liabilities*	17	124.4	58.2	139.2	321.8
Non-interest bearing liabilities	17	-	-	-	-
Trade and other payables	23	1 859.9	365.3	80.6	2 305.8
Subcontractor liabilities	22	35.0	2.0	108.2	145.2
Long-term payables	21	-	-	-	-
Financial liabilities held for sale		-	-	980.8	980.8

* Excludes leases

39. RELATED PARTY TRANSACTIONS, DIRECTORS' EMOLUMENTS AND INTEREST

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

39.1. IDENTITY OF RELATED PARTIES

The Group has a related party relationship with its subsidiary companies (Annexure 1), joint operations (note 36), retirement and other benefit plans (note 18) and with its directors, prescribed officers and key management personnel.

39.2. RELATED PARTY TRANSACTIONS AND BALANCES

During the year the Company and its related parties, in the ordinary course of business, entered into various inter-group sale and purchase transactions. These transactions are no less favourable than those arranged with third parties.

Balances between the Company and the subsidiaries have been eliminated on consolidation and are not disclosed in this note.

No significant disclosable transactions with related parties other than key management remuneration were entered into during the year.

39.3. TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

The key management personnel compensation, excluding the directors and prescribed officers are:

	2024	2023
Salaries	**17.6**	18.4
Retirement fund contributions	**1.4**	1.2
Allowances	**0.1**	0.1
Other benefits	**3.0**	0.1
Total guaranteed remuneration	**22.1**	19.8
Gain on Forfeitable Share Awards	**4.2**	1.3
Performance related	**6.7**	8.9
	33.0	30.0

Executive Directors

The remuneration of executive directors for the year ended 30 June 2024 was as follows:

	Total guaranteed remuneration R'000	**Performance related * R'000**	**Gain on Forfeitable Share Awards R'000**	**Other** R'000**	**Total R'000**
2024					
DF Grobler	**6 200**	**2 604**	**341**	**-**	**9 145**
HJ Laas	**8 337**	**4 377**	**689**	**118**	**13 521**
	14 537	**6 981**	**1 030**	**118**	**22 666**
2023					
DF Grobler	6 061	1 395	1 643	-	9 099
HJ Laas	8 337	2 501	3 283	118	14 239
	14 398	3 896	4 926	118	23 338

* Performance bonuses are accounted for on an accrual basis to match the amount payable to the applicable financial year end. 30% (FY2023: 30%) of the performance bonus was deferred into forfeitable share awards.

**Fringe benefit on company vehicle in FY2024 and FY2023.

39. RELATED PARTY TRANSACTIONS, DIRECTORS' EMOLUMENTS AND INTEREST (continued)

39.3. TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL (continued)

The remuneration of executive directors and key management personnel is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

Prescribed officers

2024	**Total guaranteed remuneration**	**Performance related ***	**Other****	**Gain on Forfeitable Share Awards**	**Total**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
M Da Costa	**-**	**-**	**-**	**409**	**409**
JJ Du Plessis***	**4 080**	**2 387**	**-**	**49**	**6 516**
S Harrison	**3 985**	**400**	**-**	**150**	**4 535**
T Mdluli	**3 842**	**1 283**	**-**	**159**	**5 284**

2023	**Total guaranteed remuneration**	**Performance related ***	**Other****	**Gain on Forfeitable Share Awards**	**Total**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**
M Da Costa	-	-	175	1 174	1 349
S Harrison	3 986	538	-	577	5 101
IW Henstock (Resigned 12 December 2022)	775	-	1 462	-	2 237
T Mdluli	3 842	768	-	761	5 371

AUD	**Total guaranteed remuneration**	**Performance related**	**Other****	**Gain on Forfeitable Share Awards**	**Total**
	AUD'000	**AUD'000**	**AUD'000**	**AUD'000**	**AUD'000**
2024					
M Da Costa	**779**	**548**	**243**	**-**	**1 570**
2023					
M Da Costa	833	138	-	-	971
P Bennett (Resigned 15 December 2022)	417	-	-	-	417

USD	**Total guaranteed remuneration**	**Performance related**	**Other****	**Gain on Forfeitable Share Awards**	**Total**
	USD'000	**USD'000**	**USD'000**	**USD'000**	**USD'000**
2024					
E Smith***	**437**	**275**	-	**64**	**776**
S Kou***	**364**	**189**	**-**	**90**	**643**
2023					
E Smith	-	-	-	-	-
S Kou	-	-	-	-	-

** Performance bonuses are accounted for on an accrual basis to match the amount payable to the applicable financial year end 30% (FY2023: 30%) of the performance bonus was deferred into forfeitable share awards.*

***Payment in respect of redundancy costs in FY2024 and to purchase private life cover for 2 months, leave payout and 3.5 months consultancy fees in FY2023.*

**** Joined the Board on 1 March 2024*

39. RELATED PARTY TRANSACTIONS, DIRECTORS' EMOLUMENTS AND INTEREST (continued)

39.3. TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL (continued)

Non-Executive Directors

The level of fees for services as directors, additional fees for service on the board committees and the chairman's fee are reviewed annually.

The remuneration of non-executive directors for the year ended 30 June 2024 excluding Independent Board Fees was:

	Directors fees	Special board	Committee fees	Lead Independent fee	Chairman's fee	Total 2024	Total 2023
	R'000	R'000	R'000	R'000	R'000	R'000	R'000
JA Boggenpoel	385	100	190	-	-	675	1 017
R Havenstein	-	100	-	1 334	-	1 434	1 670
SP Kana	-	-	-	-	1 890	1 890	1 868
NB Langa-Royds[1]	-	-	-	-	-	-	510
AK Maditsi	385	100	472	-	-	957	1 225
B Mawasha[2]	-	-	-	-	-	-	103
A Muller	385	100	354	-	-	839	1 155
DC Radley[1]	-	-	-	-	-	-	471
CD Raphiri	385	100	190	-	-	675	1 151
	1 540	500	1 206	1 334	1 890	6 470	9 170

[1] *Retired 3 November 2022*
[2] *Resigned 31 August 2022*

The remuneration of non-executive directors is submitted to the annual general meeting for approval in advance of such payment being made.

Notes to the annual financial statements

39. RELATED PARTY TRANSACTIONS, DIRECTORS' EMOLUMENTS AND INTEREST (continued)

39.3. TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL (continued)

Share option: The movements in share options of executive directors during the year ended 30 June 2024 are:

Executive directors and prescribed officers

Cash-settled Conditional Rights

Name	Date	Opening Balance	Number of rights allocated	Value at grant date (R'000)	Number settled in the year	Number forfeited in the year	Closing balance
HJ Laas	Oct 20	2 103 500	-	-	(1 051 750)	(1 051 750)	-
HJ Laas	Sep 21	1 477 500	-	-	-	-	1 477 500
D Grobler	Sep 21	701 000	-	-	-	-	701 000
T Mdluli	Sep 21	322 500	-	-	-	-	322 500
S Harrison	Sep 21	297 500	-	-	-	-	297 500
M Da Costa	Sep 21	525 000	-	-	-	(43 750)	481 250

Lump sum cash-settled long term incentive

	Date	Currency	Value of rights allocated	Settled in the year	Forfeited in the year	Closing balance
DF Grobler	Sep 23	ZAR	8 680 000			8 680 000
T Mdluli	Sep 23	ZAR	3 457 800			3 457 800
S Harrison	Sep 23	ZAR	3 188 600			3 188 600
JJ Du Plessis	Sep 23	ZAR	3 672 000			3 672 000
M Da Costa	Oct 22	AUD	842 400		-374 400	468 000
M Da Costa	Oct 23	AUD	842 400		-655 200	187 200
E Smith	Oct 20	USD	129 030	-64 515	-64 515	-
E Smith	Oct 21	USD	240 000			240 000
E Smith	Oct 22	USD	299 531			299 531
E Smith	Oct 23	USD	333 878			333 878
S Kou	Oct 20	USD	180 700	-90 350	-90 350	-
S Kou	Oct 21	USD	185 037			185 037
S Kou	Oct 22	USD	197 064			197 064
S Kou	Oct 23	USD	205 932			205 932

The movements in FSP shares of directors and prescribed officers during the year ended 30 June 2024 are:

	Balance at 1 July 2023	Granted during the year	Vested	Forfeited	**Balance at 30 June 2024**
M Da Costa	747 500	-	(373 750)	(373 750)	**-**
DF Grobler	1 803 000	-	(498 750)	(498 750)	**805 500**
S Harrison	789 000	-	(246 500)	(246 500)	**296 000**
T Mdluli	780 000	-	(229 500)	(229 500)	**321 000**
JJ Du Plessis	375 500	-	(85 000)	(85 000)	**205 500**

The movements in FSP STI shares of directors during the year ended 30 June 2024 are:

	Balance at 1 July 2023	Granted during the year	Vested	Forfeited	**Balance at 30 June 2024**
M Da Costa	145 049	-	(145 049)	-	**-**
DF Grobler	167 939	669 812	(88 917)	-	**748 834**
S Harrison	31 018	258 322	(11 850)	-	**277 490**
HJ Laas	193 194	-	(136 070)	-	**57 124**
T Mdluli	87 100	368 949	(44 557)	-	**411 492**

Interest of directors in contracts

A register detailing directors' interests in the Company is available for inspection at the Company's registered office.

Directors' service contracts

Executive directors and prescribed officers do not have fixed-term contracts, but are subject to notice periods of three months. Normal retirement of executive directors and senior management is at age 63, however this is subject to specific legislation in the countries within which Murray & Roberts operates. The Board had extended the tenure of HJ Laas ending 31 August 2024.

40. CAPITAL COMMITMENTS

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	2024	2023
Approved by the directors, contracted and not provided in the statement of financial position	**230.1**	13.6
Approved by the directors, not yet contracted for	**126.0**	246.4
	356.1	260.0

41. PRIOR PERIOD RESTATEMENT

During the current year, the Group reassessed the presentation of Amounts due from contract customers. In order to enhance disclosure, management restated the Statement of Financial Position to disclose the contract asset and contract receivable separately.

The change noted above resulted in the Statement of Financial Position and Note 8 being restated as per below:

Consolidated Statement of Financial Position

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	Previously reported	Adjustment	Restated
Current Assets			
Amounts from contract customers	2 965.4	-	**2 965.4**
- Contract asset	-	1 433.7	**1 433.7**
- Contract receivable	-	1 531.7	**1 531.7**

Extract of note 8 to the annual financial statements

AMOUNTS FROM / TO CONTRACT CUSTOMERS

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	Previously	Adjustment	Restated
Disclosed as:			
Amounts from contract customers	2 965.4	-	**2 965.4**
- Contract asset	-	1 433.7	**1 433.7**
- Contract receivable	-	1 531.7	**1 531.7**
Amounts to contract customers	(702.3)	-	**(702.3)**
	2 263.1	-	**2 263.1**

42. EVENTS AFTER REPORTING PERIOD

The directors are not aware of any other matter or circumstance arising since the end of the financial year not otherwise dealt with in the Group and Company annual financial statements which significantly affects the financial position at 30 June 2024 or the results of its operations or cash flows for the year then ended. Events that occurred after the reporting period were indicative of conditions that arose after the reporting period in the normal course of business and did not have a material impact on the current financial year results.

43. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The most significant estimates and assumptions made in the preparation of these consolidated financial statements are discussed below.

Revenue recognition and contract accounting

Other information

The Group uses certain assumptions and key factors in the management of and reporting for its contracting arrangements. These assumptions are material and relate to:

- The determination of performance obligations;
- The estimation of costs to completion and the determination of the percentage of completion;
- The estimation of contract profit margin;
- The estimation of onerous contract provisions;
- The recognition of penalties and claims on contracts;
- The recoverability of under claims (contracts-in-progress) and uncertified revenue balances; and
- The recognition of contract incentives.

Performance obligations

IFRS 15 provides guidance as to whether a construction contract or engineering service should be treated as one performance obligation or multiple performance obligations. If a construction contract had multiple sub-level performance obligations which are highly integrated with each other, the construction contract is considered a significant integrated service with one performance obligation. This requires judgement and each contract is assessed individually. In applying the IFRS 15 guidance most contracts are seen as single performance obligations for group purposes.

The estimation of costs to completion and the determination of the percentage of completion

The use of the input method (percentage of completion) requires the Group to estimate the cost of construction and engineering services provided to date as a proportion of the total estimated cost of these services to be performed.

The use of the output method requires progress to be measured on a contract through direct measurement. The Group's engineers and quantity surveyors exercise their judgement in estimating progress based on performance on the contract or achievement of milestones.

Contract profit margin and onerous contract provisions

The total expected contract profit margin is dependent on the total estimated revenue and the total estimated cost. Where total estimated cost exceeds total estimated revenue, the unavoidable expected loss is provided for as an onerous contract provision.

The recognition of penalties and claims on contracts

The recognition of penalties and claims on contracts requires significant estimation and judgement. The Group uses experts to assess the merits of claims for and against the Group, and to determine their quantum. Claims in favour of the group are only recognised to the extent that it is highly probable that the revenue will not reverse.

The recoverability of under claims (contracts-in-progress) and uncertified revenue balances

Revenue may only be recognised when it is highly probable that the revenue will not be reversed. Assessing whether under claims and uncertified revenue balances are recoverable involves significant judgement. The Group's experts, engineers and quantity surveyors are required to estimate the probability/likelihood of revenue being reversed, when recognising under claims and uncertified revenue balances.

43. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

The recognition of contract incentives (variable consideration)

It is common for the Group’s contracts with customers to include contract incentives (variable considerations) based on certain industry-related KPIs, such as bonuses or penalties based on specifications, timeliness of completion or minimum targets. Any variable consideration contained in a contract is only recognised to the extent that the Group deems it highly probable that a significant reversal in the amount of revenue recognised will not occur. The estimate is based on all available information including historic performance. When it is not highly probable that the group can avoid contract penalties, then those penalties are deducted from the total estimated revenue in determining revenue.

The Group utilises experts and probabilities in determining the amount to be recognised relating to uncertified revenues and that the amounts currently recognised are recoverable. Uncertified revenue recognised in the current year amounted to R498,7 million (FY2023: R445,1 million) (refer to note 8).

The level of revenue recognition on construction contracts, which includes a portion of the claims submitted, is prudent and justifiable in terms of each contract, given the complexity and magnitude of claims and variation orders still to be resolved.

Determining the type of joint arrangement

When a joint arrangement is within a separate legal entity, the Group performs further analysis on the underlying contractual agreements to determine whether the arrangement grants rights to assets and obligations for liabilities (joint operation), or grants rights to net assets (joint venture). The interpretation of contractual terms included in partner and project contracts with clients requires judgement. The joint arrangement partners’ rights and obligations included in these agreements as well as whether the partners are jointly and severally liable to execute projects with third parties are key factors.

Estimated impairment of goodwill

Assumptions were made in assessing any possible impairment of goodwill. Details of these assumptions and risk factors are set out in note 3.

Estimation of the fair value of share options

Assumptions were made in the valuation of the Group's share options. Details of the assumptions used are set out in note 12.

Estimated value of employee benefit plans

Assumptions were made in the valuation of the Group's retirement and other benefit plans. Details of the assumptions and risk factors used are set out in note 18.

Recognition of deferred taxation assets

Deferred taxation is recognised for the carry forward of unused taxation losses and unused taxation credits to the extent that it is probable that future taxable profit will be available against which the unused taxation losses and unused taxation credits can be utilised. The assumptions and estimates made by management in raising these deferred taxation assets relate to the unpredictability of the geographical source of future profits and an evaluation of the level of taxation losses.

Recognition of trade name

Trade names are recognised as intangible assets at year end. The trade name arose on the acquisition of Tera Nova Technologies and is considered to have an indefinite useful life as there is no foreseeable limit to the period over which it is expected to generate cash flows. A valuation of the trade name is performed by an external party annually to assess for impairment and based on tests performed in the current year, no impairment was deemed necessary.

44. NEW STANDARDS AND INTERPRETATIONS

44.1. New, amended and revised IFRS Accounting Standards adopted during FY2024

Standards/Interpretation	Type	Salient features of the change	Impact on financial position or performance
IAS 1: Presentation of Financial Statements and IFRS Practice Statement 2	Amendment	• This amendment to IAS 1 requires companies to disclose their material accounting policy information rather than their significant accounting policies; • This amendment also provides a definition of material accounting policy information; • Further, the amendment clarifies that immaterial accounting policy information need not be disclosed; and • To support this amendment, the Board also amended IFRS Practice Statement 2 Making Materiality Judgements, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.	No material impact
IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors	Amendment	This amendment to IAS 8 clarifies how companies should distinguish between changes in accounting policies and changes in accounting estimates.	No impact
IAS 12: Income Taxes	Amendment	The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities; The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with: • Right-of-use assets and lease liabilities; and • Decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets; and • The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.	No impact
IAS 12:Income Taxes (OECD Pillar Two model rules)	Amendment	Refer to Note 30	Refer to Note 30
IFRS 17:Insurance Contracts	New Standard	• IFRS 17 supersedes IFRS 4 Insurance Contracts and aims to increase comparability and transparency about profitability. The new standard introduces a new comprehensive model ("general model") for the recognition and measurement of liabilities arising from insurance contracts; • In addition, it includes a simplified approach and modifications to the general measurement model that can be applied in certain circumstances and to specific contracts, such as: – Reinsurance contracts held; – Direct participating contracts; and – Investment contracts with discretionary participation features. • Under the new standard, investment components are excluded from insurance revenue and service expenses. Entities can also choose to present the effect of changes in discount rates and other financial risks in profit or lossor OCI; and • The new standard includes various new disclosures and requires additional granularity in disclosures to assist users to assess the effects of insurance contracts on the entity's financial statements.	No impact on consolidated financial statements

44.2. Standards and interpretations not yet effective

Set out below are the significant new and revised accounting standards/interpretations that apply in the future, which have not been early adopted by management. Management is currently

Standards/Interpretation	Effective date	Type
IAS 1: Presentation of Financial Statements (Classification of liabilities)	Financial years commencing on or after 1 January 2024	Amendment
IAS 1: Presentation of Financial Statements (classification of debt with covenants)	Financial years commencing on or after 1 January 2024	Amendment
IAS 7: Statement of Cash Flows (regarding supplier finance arrangements)	Financial years commencing on or after 1 January 2024	Amendment
IFRS 16: Leases (seller-lessee subsequently measures sale and leaseback transactions)	Financial years commencing on or after 1 January 2024	Amendment
IFRS 18 Presentation and Disclosures in Financial Statements	Financial years commencing on or after 1 January 2027	New Standard
IFRS 19 Subsidiaries without Public Accountability: Disclosures	Financial years commencing on or after 1 January 2027	New Standard
IFRS 7: Financial Instruments (classification and measurement of financial instruments)	Financial years commencing on or after 1 January 2026	Amendment
IFRS 7: Financial Instruments: Disclosures (regarding supplier finance arrangements)	Financial years commencing on or after 1 January 2024	Amendment
IFRS 9: Financial Instruments (classification and measurement of financial instruments)	Financial years commencing on or after 1 January 2026	Amendment

45. GOING CONCERN

DEVELOPMENTS IN THE BUSINESS

A smaller Murray & Roberts business

The voluntary administration of the Group's companies in Australia in December 2022, which followed the impact of COVID-19 on Clough Limited, left the Group as a much smaller business, with a highly geared balance sheet and with liquidity constraints. Murray & Roberts is now a Group that provides engineering and contracting services primarily to the international mining market, and to the renewable energy and power infrastructure markets in Sub-Saharan Africa.

Mining Businesses

The Group's mining businesses generate most of its revenue and earnings and recorded good results for the financial period ended 30 June 2024. These businesses are diversified across the northern and southern hemispheres, trading under the Cementation brand. Cementation Americas is one of the market leaders in the North American market and Murray & Roberts Cementation in the Southern African market. These businesses are experiencing good market conditions as evidenced by growth in the order book. The Group established a new company in Australia, Cementation APAC, to service the Australia/Asia Pacific region.

Renewable Energy and Power Infrastructure Business

OptiPower recorded an operating loss during the financial period ended 30 June 2024. The loss largely resulted from liquidity constraints experienced by the Group, giving rise to delays in procurement and resultant increased costs to complete current projects. Based on forecasts, management expects this business to return to profitability in the next 12 months considering increased investment in the renewable energy and transmission market sectors in South Africa.

Discontinued Middle East Operations

A Sale and Purchase Agreement for the sale of Murray & Roberts Contractors (Middle East) LLC (MRCME) and Murray & Roberts Contractors (Abu Dhabi) LLC (MRCAD) was concluded on 28 June 2024 and is subject to several conditions precedent.

The Al Mafraq Hospital project in Abu Dhabi was delivered by a joint venture in which MRCAD is a 30% member. Legal proceedings against the Abu Dhabi client regarding the project final account have failed to deliver a beneficial outcome for the joint venture. A UAE bank brought a claim for AED150 million (plus costs and interest) and a summons was issued against Murray & Roberts Limited through the High Court of South Africa, in relation to a Murray & Roberts Limited Parent Company Guarantee for bonds at the Al Mafraq Hospital project which were called by the client and paid out by the UAE bank. The legal proceedings are underway and are expected to be protracted and may take several years to conclude.

Should the sale of MRCME and MRCAD not be successful, the companies will be liquidated.

BANKING FACILITIES IN SOUTH AFRICA

The Group concluded a Common Terms Agreement with four South African banks (Banking Consortium) in November 2022 which inter alia provided for an overdraft facility of R0,65 billion and a term loan facility of R1,35 billion – a combined facility of R2 billion. At 30 June 2023, the overdraft facility was fully drawn, and the term loan was reduced to R0,35 billion after applying R1 billion of the proceeds arising from the sale of the Group's 50% shareholding in the Bombela Concession Company in April 2023, to reduce the term loan. In October 2023, the Group agreed a deleveraging plan with the Banking Consortium.

At 30 June 2024, the term loan facility was fully repaid and the overdraft facility (of which R330 million was drawn down at year end) reduced to R409 million. Debt was reduced through a special dividend from Cementation Americas in January 2024, cash from settling commercial issues on one of the Group's mining projects in South Africa, and the sale of a non-strategic investment in Aarden Solar. Cementation Americas renewed its banking facilities which provided for a CAD35 million amortising term facility, utilised for a special dividend of CAD30 million to Murray & Roberts Limited during the financial year, in support of its deleveraging initiatives.

The final milestone in the deleveraging plan was to refinance the remaining R409 million debt facility with the Banking Consortium. This milestone was not met by the milestone date and gave rise to a breach of the deleveraging agreement. This breach could have resulted in the facilities previously obtained, as detailed in Note 16 (Secured Liabilities), being called. The Board, however, subsequent to year-end signed a credit-approved term sheet with the Banking Consortium, which, subject to the achievement of certain milestones, provides for the remaining debt to be repaid by 31 January 2026. The terms of the credit-approved term sheet stays the call of the facilities and related securities.

The Board has resolved to sell non-core assets to meet the Group's obligations to the Banking Consortium. These assets have been independently valued and based on the valuations the value exceeds the value of the outstanding debt. If required, shareholder approval will be sought at the appropriate time.

The Board remains committed to refinance its debt with the Banking Consortium and negotiations with potential funders are continuing. Should the refinancing be successful, it will obviate the need for the disposal of assets.

The SA Group was in breach of the current ratio covenant as at 30 June 2024. New covenants were however agreed after year end and these covenants, when measured for the 30 June 2024 measurement period, were met.

45. GOING CONCERN *(continued)*

GOING CONCERN ASSESSMENT

The Group performed a going concern assessment for year-end reporting purposes, taking the developments in the business and banking facilities in South Africa as outlined above into consideration, as well as the cash flow forecast as described below.

Cash Flow Forecast

Detailed cash flow forecasts for each of the Group's businesses were prepared for the 18-month period to December 2025, and stress-tested for key judgements and assumptions in relation to the secured and unsecured order book, forecast revenue and project margins, as well as the timing of cash flows. Based on these cash flow forecasts, the Group took the following aspects into consideration in assessing its liquidity needs and ongoing working capital requirements, its ability to repay the South African debt as it becomes due, and its ability to continue as a going concern:

• South African debt: On 28 August 2024, the Board signed a credit approved term sheet with the Banking Consortium, which provides for the current overdraft of R330 million plus further draw downs on the total available facility of R409 million to be repaid by 31 January 2026. Attempts to refinance this debt are ongoing, and a successful refinancing will obviate the need to sell non-core assets to repay this debt. Cash flows in the South African operations include a CAD10m dividend from Cementation Americas to be received prior to December 2024, to support the liquidity requirements of the South African operations.

• Banking Facilities: At 30 June 2024, the Group had the following facilities in place (disclosed in note 38.7):
- Banking facilities in South Africa: Direct facilities (overdraft and asset-based finance) of R0,8 billion, with R0,2 billion of unutilised facilities. Indirect facilities (contract related guarantees) of R2,2 billion with R0,1 billion of unutilised facilities. Currently, the Banking Consortium is only permitting drawdowns against the R409 million overdraft facility and all unutilised direct and indirect facilities are unavailable to the Group. The Group is in the process of finalising terms with alternative asset-based finance and guarantee providers.
- Foreign banking facilities: Direct banking facilities of R1,1 billion with R0,4 billion of unutilised facilities are available. Indirect banking facilities of R1,3 billion with R0,6 billion of unutilised facilities available. Some of these facilities have limited availability for Group-wide use due to dividend distribution and intra-group limitations imposed by the foreign banks.

• Order Book: The Group has a strong secured order book which includes high-profile, multi-year projects.

• Outstanding Claims: There are several unresolved and long outstanding claims in favour of the Group, some of which are expected to be settled within the next 12 months forecast period.

• Working Capital Management: The Group is constantly reviewing working capital utilisation on projects and seeking ways to improve working capital management, which include agreeing new creditor and debtor terms and renegotiating onerous commercial arrangements on projects.

• Debt and Cost reduction: The Group is assisted by Deloitte as financial advisors in its efforts to reduce debt with the Banking Consortium, and to reduce cost. This included developing a sustainable capital structure and reducing overhead costs. Whilst it is continuing its efforts to refinance remaining debt with the Banking Consortium, the Group has implemented the following cost reduction initiatives:
- Rationalised the Group organisational structure;
- Reduced headcount at the Group corporate office;
- Reduced IT expenditure; and
- Reduced leased office floor space utilised by the South African operations.

CONCLUSION

Based on the above assessment, the Group is confident that it would be able to realise its assets and discharge its liabilities in the normal course of business. On 28 August 2024, a credit approved term sheet was signed with the Banking Consortium, providing for the remaining debt with the Banking Consortium to be repaid by 31 January 2026, and the directors, based on the information available and to the extent under the control of the directors, have no reason to believe that the signed term sheet will not be converted into a binding agreement. Furthermore, the cash flow forecasts show that Cementation Americas is expected to generate sufficient cash for it to declare the aforementioned dividends (subject to the close out of a commercial claim) to the South African operations. However, should this term sheet not be converted into a binding agreement, or dividends not be received from the international mining subsidiaries to support liquidity in South Africa, the Group may not be able to realise its assets and discharge its liabilities in the normal course of business. This gives rise to a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

MURRAY & ROBERTS HOLDINGS LIMITED COMPANY ANNUAL FINANCIAL STATEMENTS

Company Statement of Financial Position as at 30 June 2024

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	Notes	2024	2023
ASSETS			
Non-current assets			
Investment in subsidiary company	2	**33.5**	33.5
Amount due from subsidiary company	2	**1 484.0**	1 807.5
Total non-current assets		**1 517.5**	1 841.0
Current assets			
Cash and cash equivalents		**-**	-
Total current assets		**-**	-
Total assets		**1 517.5**	1 841.0
EQUITY AND LIABILITIES			
Equity			
Stated capital	4	**3 582.8**	3 582.8
Non-distributable reserves		**9.9**	18.2
Retained earnings		**(2 079.6)**	(1 762.6)
Total ordinary shareholders' equity		**1 513.1**	1 838.4
Current liabilities			
Trade and other payables		**4.3**	2.6
Current taxation liabilities		**0.1**	-
Total current liabilities		**4.4**	2.6
Total equity and liabilities		**1 517.5**	1 841.0

Company Statement of Financial Performance for the year ended 30 June 2024

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	2024	2023
Revenue		
Fees received from subsidiary company	**7.2**	9.7
Total expenses	**(323.9)**	(1 772.4)
Auditor's remuneration	**(0.2)**	(0.2)
JSE fees	**(0.3)**	(0.3)
Impairment	**(325.3)**	(1 778.5)
Share based payment expense reversal	**8.3**	15.8
Other	**(6.4)**	(9.2)
Profit/(loss) before taxation	**(316.7)**	(1 762.7)
Taxation expense	**(0.3)**	-
Profit/(loss) profit for the year	**(317.0)**	(1 762.7)

Company Statement of Comprehensive Income for the year ended 30 June 2024

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	2024	2023
Profit/(loss) profit for the year	**(317.0)**	(1 762.7)
Other comprehensive income	**-**	-
Total comprehensive profit/(loss) for the year	**(317.0)**	(1 762.7)

Company Statement of Changes in Equity for the year ended 30 June 2024

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	Stated capital	Capital redemption reserve	Share-based payment reserve	Retained earnings	Attributable to owners of Murray & Roberts Holdings Limited
Balance at 01 July 2022	3 582.8	0.9	33.1	0.1	3 616.9
Total comprehensive loss for the year	-	-	-	(1 762.7)	(1 762.7)
Recognition of share-based payment	-	-	(10.7)	-	(10.7)
Utilisation of share-based payment reserve	-	-	(5.1)	-	(5.1)
Balance at 01 July 2023	**3 582.8**	**0.9**	**17.3**	**(1 762.6)**	**1 838.4**
Total comprehensive profit for the year	**-**	**-**	**-**	**(317.0)**	**(317.0)**
Recognition of share-based payment	**-**	**-**	**(3.5)**	**-**	**(3.5)**
Utilisation of share-based payment reserve	**-**	**-**	**(4.8)**	**-**	**(4.8)**
Balance at 30 June 2024	**3 582.8**	**0.9**	**9.0**	**(2 079.6)**	**1 513.1**

Company Statement of Cash Flows for the year ended 30 June 2024

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS	2024	2023
Profit/ (loss) before taxation	**(316.7)**	(1 762.7)
Adjustment for:		
Non-cash items	**317.0**	1 762.7
Changes in working capital	**1.7**	(3.5)
Decrease in other receivables	**-**	0.1
Increase/(decrease) in trade and other payables	**1.7**	(3.6)
Operating cash flow	**2.0**	(3.5)
Taxation paid	**(0.2)**	-
Cash flow from operating activities	**1.8**	(3.5)
Loans issued to subsidiary	**(8.2)**	(11.9)
Loan repayments received from subsidiary	**6.4**	14.6
Cash flow from investing activities	**(1.8)**	2.7
Cash flow from financing activities	**-**	-
Net decrease in cash and cash equivalents	**-**	(0.8)
Net cash and cash equivalents at beginning of year	**-**	0.8
Net cash and cash equivalents at end of year	-	-

Notes to the Company Financial Statements

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

	2024	2023

1. ACCOUNTING POLICIES

These financial statements are prepared according to the same accounting policies used in preparing the consolidated financial statements of the Group, other than accounting policy 1.3, which deals with the basis of consolidation and the retrospective adoption of IFRS 17 'Insurance Contracts'. The company has assessed all material contracts where it has potentially accepted significant insurance risk including issued guarantees. The company will continue to apply the requirements of IFRS 9 'Financial Instruments' to issued financial guarantee contracts.

The accounting policies are set out on pages 25 to 38.

2. INVESTMENT IN SUBSIDIARY COMPANY

	2024	2023
Shares at cost	**0.4**	0.4
Investment in shares - Forfeitable Share Plan	**33.1**	33.1
Amount due from subsidiary company	**3 587.8**	3 586.0
Impairment	**(2 103.8)**	(1 778.5)
	1 517.5	1 841.0

The amount due from subsidiary company (being Murray & Roberts Investments) is unsecured, interest free and does not have any fixed repayment terms (Annexure 1). The intention is to not call this loan in the next 12 months. The company monitors its credit exposure to loans advanced to the subsidiary on an ongoing basis by assessing the subsidiary's financial position at reporting date. Credit risk for loans to related parties has increased in the current year mainly as a result of the loss of various subsidiaries within the Group (refer to note 38 for further details). The ECL assessment has been performed by management by evaluating the liquidity position, future projected cash flows taking into account macro-economic factors and forward looking information as included in note 38.6. The ECL allowance was raised based on the assessment performed. The remaining value of the loan is deemed to be recoverable based on the cash flow forecast assessments performed.

3. AMOUNT OWING FROM MURRAY & ROBERTS TRUST

	2024	2023
Amount due	**235.0**	235.0
Impairment	**(235.0)**	(235.0)
	-	-

The amount due from the Murray & Roberts Trust ("Trust") is unsecured, interest free and does not have any fixed repayment terms.

The Company has subordinated its claims against the Trust in favour of all other creditors of the Trust. The agreement between the Trust and the Company will remain in force and in effect for as long as the liabilities of the Trust exceed its assets fairly valued.

4. STATED CAPITAL

Authorised
750 000 000 shares of no par value

Issued and fully paid
444 736 118 shares of no par value

	2024	2023
Net stated capital	**3 582.8**	3 582.8

5. EMOLUMENTS OF DIRECTORS

	2024	2023
Executive directors (paid by subsidiary companies)	**22.7**	23.3
Non-executive directors (paid by the Company)	**6.5**	9.2
Number of directors at year end	**8**	8

Details of individual director emoluments are disclosed in note 39 in the consolidated financial statements.

6. CONTINGENT LIABILITIES

	2024	2023
There are contingent liabilities in respect of limited and unlimited guarantees covering loans, banking facilities and other obligations of joint operations, subsidiary companies and other persons. The contingent liabilities at 30 June 2024 covered by such guarantees amount to:	**2 822.2**	3 358.8

During the year ended 30 June 2024, IFRS 17 (Insurance Contracts) had been implemented by the Company in relation to parent company guarantees provided to its subsidiary companies which were determined to be in scope. Management has performed an assessment on the guarantees and underlying projects and the likelihood of the guarantees being pulled is determined to be remote. Financial guarantees were assessed in accordance with IFRS 9, and was deemed insignificant.

7. RELATED PARTY TRANSACTIONS

Balances between the Company and the subsidiaries have been disclosed in detail in note 2 and note 3.

Significant disclosable transactions with related parties other than emoluments of directors (note 5) were entered into during the year as follows:

	2024	2023
Fees received		
Murray & Roberts Limited	**7.2**	9.7

8. EVENTS AFTER REPORTING PERIOD

The directors are not aware of any other matter or circumstance arising since the end of the financial year not otherwise dealt with in the Group and Company annual financial statements which significantly affects the financial position at 30 June 2024 or the results of its operations or cash flows for the year then ended.

ANNEXURE 1
MAJOR OPERATING SUBSIDIARIES

a) Direct

	Issued share capital in Rands	Interest in issued share capital		Cost of investment		Loan Account	
		2024	2023	**2024**	2023	**2024**	2023
		%	%	**Rm**	Rm	**Rm**	Rm
Murray & Roberts Investments Limited	**68 000**	**100**	100	**0.4**	0.4	**1 484.0**	1 807.5

b) Indirect

		Issued share capital (in Rands unless otherwise stated)	Proportion ownership interest		Proportion of voting power held	
			2024	2023	**2024**	2023
			%	%	**%**	%
Murray & Roberts Limited		60	**100**	100	**100**	100
Mining						
Cementation Canada Inc. (incorporated in Canada)	CAD	2 700 010	**100**	100	**100**	100
Murray & Roberts Cementation Proprietary Limited	ZAR	1 750 000	**100**	100	**100**	100
Cementation USA Inc. (incorporated in Nevada, United States of America)	USD	5 000	**100**	100	**100**	100
Terra Nova Technologies USA Inc. (incorporated in the USA)	USD	1	**100**	100	**100**	100

ANNEXURE 2
INTEREST BEARING BORROWINGS

	Financial year of redemption	Closing interest rate (effective NACM - variable rates linked to primes rate of domiciled country)		Amount	
		2024 %	2023 %	**2024 Rm**	2023 Rm
Secured (note 16)					
Equal monthly instalments (USD)	2024	**-**	7.70	**-**	84.3
Quarterly (CAD)	2029	**7.09**	-	**418.7**	-
Annually (AUD)	2025	**6.90**	6.91	**39.5**	65.9
Annually (ZAR)	2024	**-**	11.42	**-**	352.2
Monthly (USD)	2027	**6.41**	5.97	**136.6**	123.4
Monthly (CAD)	2027	**6.61**	5.97	**39.7**	8.9
Monthly (NAD)	2023	**-**	11.00	**-**	11.4
Monthly (ZAR)	2023 - 2027	**10.78**	9.78	**149.5**	212.3
Bank overdrafts (ZAR)		**12.29**		**330.4**	-
				1 114.4	858.4
Unsecured					
No fixed terms of repayment (USD)			9.06	**-**	24.6
Various obligations each under R10 million at varying rates of interest and on varying terms of repayment (ZAR and AUD)		**10.75**	4.75	**11.9**	14.6
Bank overdrafts				**-**	479.4
				11.9	518.6
Leases					
Varying rates of interest ^		**5.0-11.2**	5.0 - 8.5		
Specific project property, plant and equipment				**129.4**	156.1
Total Group				**1 255.7**	1 533.1
Reflected in the notes under:					
Long term loans (note 17)					
Interest bearing secured loans				**540.9**	575.8
Leases				**91.5**	130.4
Bank overdrafts (note 10)				**330.4**	479.4
Short term loans (note 24)					
Current portion of long term borrowings				**255.0**	321.8
Current portion of leases				**37.9**	25.7
				1 255.7	1 533.1

^ *Interest rate range on leases includes the rate implicit in the leases where applicable.*

ANNEXURE 3
GROUP SEGMENTAL REPORT

The operating segments reflect the management structure of the Group which is based on the service offering of each operating segment in terms of the sector of the natural resources market to which that operating segment relates. This is also reflective of the manner in which performance is evaluated and resources allocated as managed by the Group's chief decision maker, as required per IFRS 8: *Operating Segments.*

The Group's operating segments are categorised as follows:

Bombela
PPP Investments & Services
This segment includes the Groups infrastructure concession investment in BCC. This was disposed of in the financial year ended 30 June 2023. The segment is retained for comparative purposes.

OptiPower (previously Power, Industrial & Water)
The operating business comprises the following: Project (which includes Power – Renewables and Gas, Petrochemical, Resources & Industrial), Water, Transmission & Distribution (which includes Electrical & Instrumentation) and PV Solar. The company is structured as a project execution business for the above sectors, offering EPC, SMEIP construction, as well as operations and maintenance services.

Mining
The operating business comprises the following: Murray & Roberts Cementation (Johannesburg-based); Cementation Canada (North Bay-based); Cementation USA (Salt Lake City-based) and Cementation Sudamérica (Santiago-based). Its geographic footprint is one of the largest in its industry, with a service offering that spans the project value chain including specialist engineering, shaft construction, mine development, raise drilling and contract mining.

Inter-segmental transfers
Segmental revenue, segmental expenses and segmental results include transfers between operating segments and between geographical segments. Such transfers are accounted for at arm's length prices. These transfers are eliminated on consolidation.

Segmental revenue and expenses
Segmental revenue and expenses are directly attributable to the segments.

Segmental assets
All operating assets of segments principally comprise property, plant and equipment, investments, inventories, intangible assets, contracts-in-progress and receivables, net of allowances. Cash and taxation balances are excluded. Segment assets are allocated to the geographic segments based on where the assets are located.

Segmental liabilities
All operating liabilities of segments principally comprise accounts payable, amounts due to contract customers, subcontractor liabilities and external interest bearing borrowings. Bank overdrafts and taxation balances are excluded.

Discontinued operations
Discontinued operations in the current year comprise the Murray & Roberts Pty Ltd Middle East Operations, businesses included within the previous Southern Africa Infrastructure & Buildings Platform and the Genrec operations.

ANNEXURE 3
GROUP SEGMENTAL REPORT (continued)

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS
Continuing Segments

	Bombela	OptiPower	Mining[3]	Corporate & Properties	Total
2024					
Revenue[1]	-	1 671	11 780	1	13 452
Construction contracts	-	1 578	11 414	-	12 992
Sale of goods	-	93	-	-	93
Rendering of services	-	-	366	-	366
Properties	-	-	-	1	1
Intersegmental revenue	-	-	-	-	-
Gross revenue	-	1 671	11 780	1	13 452
Results					
(Loss)/profit before interest and taxation[2]	-	(98)	448	(180)	170
Interest expense	-	(4)	(71)	(93)	(168)
Interest income	-	3	30	5	38
(Loss)/profit before taxation	-	(99)	407	(268)	40
Taxation expense	-	(5)	(88)	(31)	(124)
(Loss)/profit after taxation	-	(104)	319	(299)	(84)
Non-controlling interests	-	2	-	-	2
	-	(102)	319	(299)	(82)
Other information					
Purchases of property, plant and equipment	-	21	397	1	419
Purchases of other intangible assets	-	-	21	-	21
Depreciation	-	18	307	17	342
Amortisation of other intangible assets	-	-	19	3	22
Impairment of trade receivables and contract receivables	-	47	9	-	56
Impairment of property, plant and equipment	-	-	10	-	10
Impairment of inventory	-	-	7	-	7
Salaries & wages	3	324	4 879	32	5 238
Fees paid	-	13	12	96	121
Computer costs	-	4	85	51	140
Direct material costs	-	1 374.30	4 057.80	-	5 432
Direct subcontractor costs	-	-	577	-	577
Number of employees	-	1 034	4 240	32	5 306

	Bombela	OptiPower	Mining[3]	Corporate & Properties	Total
2023					
Revenue[1]	-	1 331	11 126	3	12 460
Construction contracts	-	881	10 834	-	11 715
Sale of goods	-	450	-	-	450
Rendering of services	-	-	292	-	292
Properties	-	-	-	3	3
Intersegmental revenue	-	-	-	-	-
Gross revenue	-	1 331	11 126	3	12 460
Results					
Profit/(loss) before interest and taxation[2]	30	(47)	313	(205)	91
Interest expense	(35)	(11)	(60)	(174)	(280)
Interest income	-	1	9	3	13
(Loss)/profit before taxation	(5)	(57)	262	(376)	(176)
Taxation expense	-	(2)	(97)	(7)	(106)
(Loss)/profit after taxation	(5)	(59)	165	(383)	(282)
Non-controlling interests	-	2	(4)	-	(2)
	(5)	(57)	161	(383)	(284)

[1] Segmental revenue reported above includes revenue generated from external customers.
[2] The chief operating decision maker utilises profit/(loss) before interest and taxation in the assessment of a segment's performance.
[3] Mining includes Cementation Africa and Cementation Americas.

ANNEXURE 3
GROUP SEGMENTAL REPORT (continued)

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

Continuing Segments (continued)

	Bombela	OptiPower	Mining[3]	Corporate & Properties	Total
2023					
Other information					
Purchases of property, plant and equipment	-	37	499	3	**539**
Purchases of other intangible assets	-	-	3	2	**5**
Depreciation	-	22	294	22	**338**
Amortisation of other intangible assets	-	-	20	3	**23**
Fair value adjustment on BCC	30	-	-	-	**30**
Impairment of trade receivables and contract receivables	-	-	44	-	**44**
Impairment of property, plant and equipment	-	-	10	-	**10**
Impairment of inventory	-	4	12	-	**16**
Salaries & wages	-	183	5 750	39	**5 972**
Fees paid	(18)	13	8	135	**138**
Computer costs	-	2	76	45	**123**
Direct material costs	-	1 091	2 790	-	**3 881**
Direct subcontractor costs	-	492	-	-	**492**
Number of employees	-	849	4 551	39	**5 439**

[1] Segmental revenue reported above includes revenue generated from external customers.
[2] The chief operating decision maker utilises profit/(loss) before interest and taxation in the assessment of a segment's performance.
[3] Mining includes Cementation Africa and Cementation Americas.

Discontinued Segments	Middle East	Mining Australia	Clough	Other[4]	Total
2024					
Revenue[1]	**-**	**-**	**-**	**117**	**117**
Construction contracts	**-**	**-**	**-**	**117**	**117**
Sale of goods	**-**	**-**	**-**	**-**	**-**
Rendering of services	**-**	**-**	**-**	**-**	**-**
Properties	**-**	**-**	**-**	**-**	**-**
Intersegmental revenue	**-**	**-**	**-**	**-**	**-**
Gross revenue	**-**	**-**	**-**	**117**	**117**
Results					
(Loss)/profit before interest and taxation[2]	**(31)**	**37**	**8**	**(27)**	**(13)**
Interest expense	**-**	**-**	**-**	**-**	**-**
Interest income	**3**	**-**	**-**	**-**	**3**
Loss before taxation	**(28)**	**37**	**8**	**(27)**	**(10)**
Taxation (expense)/credit	**-**	**-**	**-**	**-**	**-**
Loss after taxation	**(28)**	**37**	**8**	**(27)**	**(10)**
Loss from equity accounted investments	**-**	**-**	**-**	**-**	**-**
Loss from discontinued operations	**(28)**	**37**	**8**	**(27)**	**(10)**
Related costs of voluntary administration	**-**	**(37)**	**(8)**	**3**	**(42)**
Loss from discontinued operations per the statement of financial performance	**(28)**	**-**	**-**	**(24)**	**(52)**
Other information					
Purchases of property, plant and equipment	**-**	**-**	**-**	**-**	**-**
Purchases of other intangible assets	**-**	**-**	**-**	**-**	**-**
Depreciation	**-**	**-**	**-**	**-**	**-**
Amortisation of other intangible assets	**-**	**-**	**-**	**-**	**-**
Impairment of trade receivables and contract receivables	**-**	**-**	**-**	**-**	**-**
Impairment of goodwill	**-**	**-**	**-**	**-**	**-**
Salaries & wages	**(13)**		**-**	**(66)**	**(79)**
Fees paid	**-**	**-**	**-**	**(43)**	**(43)**
Computer costs	**-**	**-**	**-**	**-**	**-**
Direct material costs	**-**	**-**	**-**	**2.5**	**2.5**
Direct subcontractor costs	**-**	**-**	**-**	**-**	**-**
Loss on loss of control of subsidiaries	**-**	**-**	**-**	**-**	**-**
Number of employees	**3.0**	**-**	**-**	**-**	**3.0**

[1] Segmental revenue reported above includes revenue generated from external customers.
[2] The chief operating decision maker utilises profit/(loss) before interest and taxation in the assessment of a segment's performance.
[3] Mining Australia includes RUC and Insig.
[4] Other Includes Bombela CJV, Genrec Engineering, Construction SADC and Murray & Roberts Pty Limited.

ANNEXURE 3
GROUP SEGMENTAL REPORT (continued)

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

Discontinued Segments (continued)

2023	Middle East	Mining Australia	Clough	Other[4]	Total
Revenue[1]	-	2 070	9 858	36	11 964
Construction contracts	-	2 040	9 245	36	11 321
Sale of goods	-	-	-	-	-
Rendering of services	-	30	-	-	30
Properties	-	-	613	-	613
Other	-	-	-	-	-
Intersegmental revenue	-	-	-	-	-
Gross revenue	-	2 070	9 858	36	11 964
Results					
Profit/(loss) before interest and taxation[2]	(198)	45	(1 266)	(56)	(1 475)
Interest expense	(1)	(14)	(22)	-	(37)
Interest income	-	5	4	1	10
(Loss)/profit before taxation	(199)	36	(1 284)	(55)	(1 502)
Taxation (expense)/credit	-	(37)	(64)	18	(83)
(Loss)/profit after taxation	(199)	(1)	(1 348)	(37)	(1 585)
Loss from equity accounted investments					-
Loss on loss of control	-	(1 079)	(1 041)	963	(1 157)
Derecognition of net asset value	-	(1 079)	(1 041)	(287)	(2 407)
Translation of foreign entities reclassified through profit or loss on derecognition	-	-	-	1 250	1 250
Related costs of voluntary administration	-	-	-	(155)	(155)
Non-controlling interests	-	-	-	-	-
	(199)	(1 080)	(2 389)	771	(2 897)
Other information					
Purchases of property. plant and equipment	-	198	166	-	364
Purchases of other intangible assets	-	-	1	-	1
Depreciation	-	97	247	-	344
Amortisation of other intangible assets	-	2	25	-	27
Impairment of trade receivables and contract receivables	171	-	-	-	171
Impairment of goodwill	-	-	126	-	126
Salaries & wages	12	1 329	4 787	57	6 185
Fees paid	-	1	-	30	31
Computer costs	-	5	55	-	60
Direct material costs	-	-	442	5 521	5 963
Direct subcontractor costs	-	-	-	21	21
Loss on loss of control of subsidiaries	-	(1 079)	(1 041)	963	(1 157)
Number of employees	4	-	-	-	4

[1] *Segmental revenue reported above includes revenue generated from external customers.*
[2] *The chief operating decision maker utilises profit/(loss) before interest and taxation in the assessment of a segment's performance.*
[3] *Mining Australia discontinued operations include RUC and Insig.*
[4] *Other Includes Bombela CJV, Genrec Engineering, Construction SADC and Murray & Roberts Pty Limited.*

ANNEXURE 3
GROUP SEGMENTAL REPORT (continued)

ALL AMOUNTS ARE EXPRESSED IN MILLIONS OF RANDS

Operating segments

	Notes	Bombela	OptiPower	Mining	Corporate & Properties	Discontinued Operations	Group
2024							
Statement of financial position							
Segmental assets	1	**-**	**689**	**4 606**	**71**	**1 058**	**6 424**
Segmental liabilities	2	**-**	**708**	**3 900**	**384**	**1 132**	**6 124**
2023							
Statement of financial position							
Segmental assets	1	-	793	4 967	113	1 121	6 994
Segmental liabilities	2	-	713	3 235	740	1 207	5 895

** Amounts included in segmental assets and liabilities.*

NOTES

	2024	2023
1. RECONCILIATION OF SEGMENTAL ASSETS		
Total assets	**8 160**	8 387
Cash and cash equivalents	**(1 633)**	(1 264)
Current taxation assets	**(17)**	(36)
Deferred taxation assets	**(86)**	(93)
Segmental assets	**6 424**	6 994
2. RECONCILIATION OF SEGMENTAL LIABILITIES		
Total liabilities	**6 601**	6 546
Bank overdrafts	**(330)**	(479)
Current taxation liabilities	**(27)**	(25)
Deferred taxation liabilities	**(120)**	(147)
	6 124	5 895

Geographical information

The Group operates in four principal geographical areas - Southern Africa, with South Africa as the country of domicile, Australasia & South East Asia and North America & other.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

	Revenue		Non-current assets*	
	2024	2023	**2024**	2023
South Africa	5 751.9	5 129.1	786.0	498.2
Rest of Africa	82.4	227.0	0.2	70.1
Australasia & South East Asia	16.5	23.1	-	-
North America & other	7 601.6	7 081.0	1 429.1	1 758.1
	13 452.4	12 460.2	**2 215.3**	2 326.4

** Non-current assets exclude deferred taxation assets*

Major Customers
For the current financial year, revenue generated from customer A of R2 283,4million, customer B of R2 142,5 and Customer C of R501,8 million.

ANNEXURE 4
ANALYSIS OF MAJOR SHAREHOLDERS *(UNAUDITED)*

2024

	Number of shares	% of shares
Major Shareholders Holding 5% or more of the Company's Ordinary Shares		
Aton Austria Holding GmbH	**194 855 660**	**43,81**
Excelsia Capital	**24 423 286**	**5,49**
Fund Managers Holding 5% or more of the Company's Ordinary Shares		
Aton Austria Holding GmbH	**194 855 660**	**43,81**
Excelsia Capital	**24 423 286**	**5,49**
Non-public shareholders		**53,31**
Public shareholders		**46,69**

2023

	Number of shares	% of shares
Major Shareholders Holding 5% or more of the Company's Ordinary Shares		
Aton Austria Holding GmbH	194 855 660	43,81
Government Employees Pension Fund	41 417 750	9,31
Fund Managers Holding 5% or more of the Company's Ordinary Shares		
Aton Austria Holding GmbH	194 855 660	43,81
Public Investment Corporation SOC Ltd	42 974 278	9,66
Ninety One SA Ltd	27 073 958	6,09
Non-public shareholders		63,52
Public shareholders		36,48