

# 2025

## REVIEWED CONDENSED CONSOLIDATED RESULTS

FOR THE TWELVE MONTHS ENDED 28 FEBRUARY 2025



**STEFANUTTI STOCKS HOLDINGS LIMITED**  
("Stefanutti Stocks" or "the company" or "the group")  
(Registration number: 1996/003767/06)  
(Share code: SSK ISIN: ZAE000123766)  
(Main Board – General Segment)

- **Revenue R7,7 billion**
- **Operating profit R333 million**
- **Cash at end of year R470 million**
- **Current order book R8,6 billion**

## excellence in execution

### COMMENTARY

Shareholders are referred to the webcast and presentation relating to the reviewed condensed consolidated results for the 12 months ended 28 February 2025 (the year) which is available on the company's website: [www.stefstocks.com](http://www.stefstocks.com). A physical copy can also be obtained at the company's registered office.

The links are: <https://stefanuttistocks.com/investors/presentation-annual-results-feb-2025/> and <https://stefanuttistocks.com/investors/audio-visual-annual-results-feb-2025/>

### GROUP PROFILE

Stefanutti Stocks is a multidisciplinary construction group that delivers projects, of any scale, to diverse sectors in the built environment. The group's geographic footprint spans South Africa and sub-Saharan African countries where its mission is to deliver exceptional engineering solutions that enrich people's lives.

### RESTRUCTURING PLAN UPDATE

The group hereby provides shareholders with an update on the Restructuring Plan as reported in the Unaudited Condensed Consolidated Results for the six months ended 31 August 2024 issued on 26 November 2024 and the SENS announcements issued on 24 December 2024, 28 February 2025, 28 March 2025 and 30 April 2025.

The following aspects of the Restructuring Plan remain outstanding:

- concluding the disposal of SS-Construções (Moçambique) Limitada and Stefanutti Stocks Construction Limited (the disposal group);
- reaching a favourable outcome from the processes relating to the contractual claims on the Kusile power project;
- concluding the repayment terms with respect to the settlement reached relating to the Kalabo-Sikongo-Angola border gate road in the Western Province of Zambia (Kalabo settlement); and
- an evaluation of the company's capital structure, including the potential of raising new equity.

The group reached agreement with the Lenders to extend the capital repayment profile of the loan as well as its duration to 30 June 2026. Capital repayments of R148 million were made during the year reducing the loan to R849 million (Feb 2024: R997 million), with a reduction in interest paid to R115 million (Feb 2024: R134 million).

The loan bears interest at prime plus 5,1% including arranging and facility fees, and is secured by special and general notarial bonds over movable assets, continuous covering mortgage bonds over immovable assets and various cessions. The loan does not contain any financial covenants but rather imposes certain information sharing and general undertakings.

The Lenders continue to provide guarantee support for current and future projects being undertaken by the group.

The Restructuring Plan is anticipated to be implemented over the period to June 2026 and the group will continue to update shareholders on the progress of the various aspects of the Restructuring Plan.

The directors consider it appropriate that the group's results for the year be prepared on the going-concern basis, taking into consideration:

- the current order book;
- short-term potential awards;
- identified prospects over the medium- and long-term;
- continuing operations executing the group's order book profitably;
- reaching a favourable outcome on contractual claims on the Kusile power project;
- continued support from the Lenders; and
- successfully implementing the remaining aspects of the Restructuring Plan.

The loan provided by the Lenders has assisted with the group's liquidity, even though at 28 February 2025 the group's current liabilities exceed its current assets by R1 302 million (Feb 2024: R1 136 million) and as of that date, had an accumulated loss of R1 062 million (2024: R1 193 million). The matters as noted above including uncertainties surrounding the contingent liabilities as stated in note 26 of the group's Consolidated Annual Financial Statements for the year ended 29 February 2024, continue to indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern, and as a consequence could impact on the group's ability to realise its assets and discharge its liabilities in the ordinary course of business.

### KUSILE POWER PROJECT UPDATE

As previously highlighted to shareholders in numerous announcements and updates since late 2018, the group continues to pursue its contractual claims on the Kusile power project.

Since August 2021, the group has secured payment of a combined total value of R119 million for measured work and Dispute Adjudication Board (DAB) rulings.

Stefanutti Stocks and Eskom (the parties) entered into an "Interim Arrangement for the Purposes of Agreeing or Determining the Contractor's Claims and Facilitating the Dispute Resolution Process" in February 2020, for all delay events up to the end of December 2019, referred to as claim 5. This process involves the appointment by each party of independent experts (the experts) to evaluate the causes, duration and quantification of delays.

Further to the above, the parties and the DAB have signed a memorandum of understanding (MOU) dealing with the following:

- The DAB will issue decisions confirming entitlements, which entitlements the experts have agreed to, which will then be binding on the parties;
- The DAB will rely on the experts for the narrowing of the issues and information to be considered in its assessments;
- The DAB will continue to make interim decisions on the narrowed issues and information, in a progressive manner which will be binding on the parties;
- The DAB will issue such interim decisions relating to delay and quantum; and
- At the end of the process the DAB will issue a final binding decision in terms of the contract with respect to duration and quantification, at which point either party may issue a notice of dissatisfaction and refer the dispute to arbitration.

## COMMENTARY CONTINUED

The parties and their respective experts have filed all submissions, notes and opinions with the DAB. The DAB is expected to issue a binding decision by mid-2025. Either party may issue a notice of dissatisfaction with the decision and refer the dispute to arbitration. However, such decision will remain enforceable unless and until overturned in arbitration.

The group submitted claim 6 in May 2025, for delay events after 31 December 2019, through the contractual process. Eskom has notified Stefanutti Stocks of its intention to deliver a delay damages claim, in June 2025, for late completion. Stefanutti Stocks will defend this through the contractual process. Should claim 6 and/or the delay damages claim fail in the contractual process, they will be referred to the DAB for resolution.

Due to the quantum of claim 5 being unknown and the processes relating to claim 6 and the delay damages claim being uncertain, no claims have been recognised in the financial statements.

### OVERVIEW OF RESULTS

Certain land and buildings, underutilised plant and equipment and the disposal group have been earmarked for sale and accordingly have been reclassified in terms of IFRS 5: *Non-current Assets Held for Sale and Discontinued Operations*. Due to current market conditions, the disposal of these assets is taking longer than anticipated.

The following items are classified as non-current assets held for sale:

		Reviewed Feb 2025 R'000	Audited Feb 2024 R'000
Non-current assets held for sale	Segment		
Land and buildings	Africa	18 393	–
Plant and equipment	Coastal	10 034	19 050
		28 427	19 050

An impairment of R3,7 million was recognised against the revaluation reserve on land and buildings which were classified as held for sale.

### Discontinued Operations and Disposal Group

On 22 November 2022 shareholders approved the disposal of SS-Construções (Moçambique) Limitada (SS Mozambique) and Stefanutti Stocks Construction Ltd (SS Construction) (collectively the Proposed Transaction) by the company's wholly owned subsidiaries, Stefanutti Stocks Mauritius Holdings Limited and Stefanutti Stocks International Holdings Proprietary Limited to CCG-Compass Consulting Group (Purchaser). The completion of the Proposed Transaction is subject to the fulfilment or waiver of certain conditions precedent, including that the Purchaser provides alternative security arrangements to release Stefanutti Stocks from its existing security arrangements. The parties have extended the period for fulfilment or waiver of the conditions precedent to 31 May 2025.

SS Mozambique holds an 80% interest in a Mauritian company, Stefanutti Stocks Hyvec Partners JV Limited (Hyvec JV), which was established to execute a contract that was awarded to construct villas for a resort in Mauritius (the Project). The Proposed Transaction envisaged that the group's interest in Hyvec JV would be (indirectly) transferred to the Purchaser. However, for various commercial reasons, the parties now intend for the 80% shareholding in Hyvec JV to be excluded from the Proposed Transaction. Consequently, the Hyvec JV has been included as part of continuing operations, with the project now in its final stages.

The construction sector has been negatively impacted by ongoing security concerns and political instability in northern Mozambique as well as the political unrest following disputed elections in December 2024. This has led to project delays and operational disruptions negatively impacting SS Mozambique's operations resulting in the group recognising a fair value adjustment of R51 million. Further to the above, the Purchaser is renegotiating various aspects of the agreement including the purchase price and payment terms. Shareholders will be updated accordingly in terms of the progress or changes to the Proposed Transaction.

Due to circumstances beyond the group's control, the classification of the disposal group as held for sale remains appropriate. SS Mozambique has been held for sale since August 2020.

The disposal group, managed by the Africa Region, reported a loss for the year of R78 million (Feb 2024: loss of R10 million) which includes a fair value adjustment of R51 million (Feb 2024: R74 million fair value adjustment reversal) and a foreign exchange loss of R5 million (Feb 2024: a profit of R5 million).

For detailed information refer to note 5.

### Continuing operations

Contract revenue and operating profit before investment income improved to R7,7 billion (Feb 2024: R7,1 billion) and R333 million (Feb 2024: R210 million) respectively, and include the Kalabo settlement of R39 million.

With respect to the Kalabo settlement, shareholders are advised that the Zambian Court of Appeal ruled in favour of Stefanutti Stocks and its joint venture. Following the ruling, the parties have agreed to a settlement amount, however repayment terms still need to be concluded.

The group has recognised R148 million being its 50% share of the settlement amount less costs. An expected credit loss (ECL) of R109 million was recognised due to the uncertainty surrounding the recoverability thereof, which will be assessed on an ongoing basis. A tax charge of R12 million was also recognised.

The total ECL for the group at year-end was R77 million (Feb 2024: a reversal of R16 million).

EBITDA improved to R428 million from R270 million due to an improved operating performance as well as the Kalabo settlement.

Depreciation increased to R91 million (Feb 2024: R58 million) due to capital expenditure incurred during the current and prior year.

The fair value adjustments of R2 million (Feb 2024: R3 million) relate to the write-down of the carrying amount of the non-current assets held for sale to their fair value less costs to sell as required by IFRS 5.

Equity-accounted investees reported a loss of R3 million (Feb 2024: R2 million loss) primarily due to the depressed South African property market. The Botswana associate is concluding its operations, resulting in an impairment of R2 million (Feb 2024: R nil). This together with a dividend received of R13 million (Feb 2024: R10 million) reduced the carrying value to R9 million (Feb 2024: R25 million).

Improved cash balances during the year, resulted in increased investment income to R50 million (Feb 2024: R44 million).

The tax charge is impacted by the recognition of a deferred tax asset pertaining to a portion of the assessed losses for the South African trading entity. Furthermore, the group agreed a settlement with a foreign tax authority resulting in the reversal of penalties, interest and taxes of R1 million, R21 million and R22 million respectively.

Profit for the year for total operations is R131 million (Feb 2024: R16 million).

Earnings and headline earnings per share for total operations is 78,60 cents (Feb 2024: 9,50 cents), and 109,36 cents (Feb 2024: loss per share of 55,73 cents) respectively.

The group's current order book is R8,6 billion (Feb 2024: R8,4 billion) of which R1 billion (Feb 2024: R1,8 billion) arises from work beyond South Africa's borders.

Property, plant and equipment increased to R865 million due to the purchase of new plant and equipment of R451 million of, which R238 million was financed through instalment sale agreements and R64 million is right-of-use assets.

The increase in contracts in progress to R595 million (Feb 2024: R536 million) predominantly relates to a specific project linked to milestone invoicing.

Trade receivables increased in line with the increase in trading activity, however, there has been a slight reduction in trade payables. Other receivables and payables have reduced due to the finalisation of certain joint ventures in the Africa Region.

Taxation assets increased from R88 million to R106 million due to taxes paid cross border, relating to a branch of the South Africa trading entity.

Financial liabilities increased from R1 208 million to R1 237 million due to the financing of capital expenditure of R314 million, contributing to the increase in interest on instalment sales and lease liabilities to R25 million (Feb 2024: R7 million).

## COMMENTARY CONTINUED

The improved performance resulted in cash generated from operations of R403 million (Feb 2024: R322 million), including an inflow from working capital of R60 million (Feb 2024: R168 million outflow). This was contrasted by capital expenditure of R149 million (Feb 2024: R37 million) and capital repayments of R294 million (Feb 2024: R226 million) resulting in a decrease in the group's cash position to R470 million (Feb 2024: R755 million).

The effect of the strengthening Rand on the translation of certain foreign operations resulted in a R48 million loss (Feb 2024: R13 million profit) being recognised in other comprehensive income, negatively impacting the group's net asset value.

### Review of operations

#### Inland Region

The Inland Region delivered a strong performance with contract revenue and operating profit of R3,3 billion (Feb 2024: R3,1 billion) and R187 million (Feb 2024: R194 million) respectively.

Inland's order book at February 2025 was R3,1 billion (Feb 2024: R2,2 billion).

#### Coastal Region

The Coastal Region showed a significant improvement with an increase in both contract revenue and operating profit to R2,0 billion (Feb 2024: R1,2 billion) and R65 million (Feb 2024: R20 million) respectively.

Coastal's order book at February 2025 was R1,6 billion (Feb 2024: R2,2 billion).

#### Western Cape Region

Western Cape's contract revenue is R882 million (Feb 2024: R1,1 billion) with an operating profit of R73 million (Feb 2024: R37 million).

Western Cape's order book at February 2025 was R2,7 billion (Feb 2024: R741 million).

#### Africa Region

The Africa Region's contract revenue is R1,5 billion (Feb 2024: R1,6 billion) with an operating profit of R92 million (Feb 2024: R33 million) which include the Kalabo settlement of R39 million and a R30 million operating loss relating to the Hyvec JV. With the exception of the Botswana operation, all remaining operations are performing to expectation.

Africa's order book at February 2025 was R833 million (Feb 2024: R1,7 billion).

#### Safety

Management and staff remain committed to the group's health and safety policies and procedures and together strive to constantly improve the group's safety performance. The group's Lost Time Injury Frequency Rate at February 2025 was 0,08 (Feb 2024: 0,03) and the Recordable Case Rate was 0,29 (Feb 2024: 0,24).

#### Broad-Based Black Economic Empowerment (B-BBEE)

The group is a level 1 B-BBEE contributor measured in terms of the Construction Sector scorecard with a Black Ownership score of 63,73%.

#### Industry-related matters

The group has experienced less disruption of unlawful activities by certain communities and informal business forums in several areas of South Africa.

#### Dividend declaration

Notice is hereby given that no dividend will be declared (Feb 2024: Nil).

#### Capital commitments

Capital commitments relate to expenditure for plant and equipment which has been authorised and/or contracted for but not yet recognised in the financial statements. Capital commitments which have been authorised and/or contracted for as at 28 February 2025 amount to R7 million. (Feb 2024: R178 million).

#### Subsequent events

In April 2025, the United States implemented a 30% tariff on South African exports impacting the construction sector by increasing material costs and reducing investor confidence. Furthermore, the withdrawal of U.S. foreign aid impacted South Africa's construction sector, by reducing infrastructure spend and delaying or cancelling planned construction projects. This directly impacted the group, whilst it was not significantly affected by the tariff increase.

Other than the matters noted herein, there are no other material reportable events which occurred between the reporting date and the date of this announcement.

#### Appreciation

We express our appreciation to the board, the management team and all our employees for their continuous commitment and dedication. We also express our gratitude to our Lenders, service providers, customers, suppliers and shareholders for their ongoing support.

On behalf of the board

Zanele Matlala  
Chairman

Russell Crawford  
Chief Executive Officer

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

To the Shareholders of Stefanutti Stocks Holdings Limited

We have reviewed the condensed consolidated financial statements of Stefanutti Stocks Holdings Limited, set out on pages 5 to 12, which comprise the condensed consolidated statement of financial position as at 28 February 2025 and the condensed consolidated statements of profit or loss and comprehensive income, changes in equity and cash flows for the year then ended, and selected explanatory notes.

## DIRECTORS' RESPONSIBILITY FOR THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for condensed financial statements, as set out in the "Basis for preparation and accounting policies" note and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of the condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

## AUDITOR'S RESPONSIBILITY

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

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

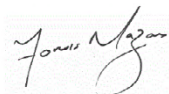
The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed consolidated financial statements.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements of Stefanutti Stocks Holdings Limited for the year ended 28 February 2025 are not prepared, in all material respects, in accordance with the requirements of the JSE Limited Listings Requirements for condensed financial statements, as set out in the "Basis for preparation and accounting policies" note to the condensed consolidated financial statements, and the requirements of the Companies Act of South Africa.

## MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to the "Going Concern" disclosure note included in these condensed consolidated financial statements, which indicates that at 28 February 2025 the group's current liabilities exceeded its current assets by R1 302 million (2024: R1 136 million), and as of that date, the group had an accumulated loss of R1 062 million (2024: R1 193 million). As stated in the "Going Concern" note, these events or conditions, along with other matters as set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our conclusion is not qualified in respect of this matter.



Forvis Mazars  
Partner: Yusuf Dockrat  
Registered Auditor

Date: 27 May 2025  
Johannesburg

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	%	Reviewed 12 months ended 28 February 2025 R'000	Audited 12 months ended 29 February 2024 R'000
	increase		
<b>Continuing operations</b>			
Contract revenue	8	7 657 091	7 084 226
<b>Earnings before interest, taxation, depreciation and amortisation (EBITDA)</b>	58	<b>428 285</b>	270 247
Depreciation		(90 686)	(57 758)
Fair value adjustments		(1 965)	(2 743)
Impairment of assets		(2 264)	–
<b>Operating profit before investment income</b>	59	<b>333 370</b>	209 746
Investment income		49 774	43 591
Share of losses of equity-accounted investees		(2 904)	(2 030)
<b>Operating profit before finance costs</b>		<b>380 240</b>	251 307
Finance costs		(126 606)	(150 822)
<b>Profit before taxation</b>		<b>253 634</b>	100 485
Taxation		(44 633)	(74 346)
<b>Profit for the year</b>		<b>209 001</b>	26 139
Loss after tax for the year from discontinued operations (note 5.1)		(77 547)	(10 253)
<b>Profit for the year</b>		<b>131 454</b>	15 886
<b>Other comprehensive income</b>		<b>(68 002)</b>	(3 386)
Exchange differences on translation of foreign operations (may be reclassified to profit/(loss))			
– Continuing operations		(48 385)	13 024
Exchange differences on translation of foreign operations (may be reclassified to profit/(loss))			
– Discontinued operations		(15 962)	6 874
Impairment losses recognised on re-valued assets (may not be reclassified to profit/(loss))			
– Continuing operations		(3 655)	–
Reclassification of foreign currency translation reserve on deregistration of foreign operations			
– Continuing operations		–	(23 284)
<b>Total comprehensive income</b>		<b>63 452</b>	12 500
<b>Profit attributable to equity holders of the company:</b>			
Continuing operations		209 001	26 139
Discontinued operations		(77 547)	(10 253)
		131 454	15 886
<b>Total comprehensive income attributable to equity holders of the company:</b>			
Continuing operations		156 961	15 879
Discontinued operations		(93 509)	(3 379)
		63 452	12 500
<b>Earnings per share (cents) (note 1)</b>			
Continuing operations	700	124,97	15,63
Discontinued operations	(656)	(46,37)	(6,13)
Total operations	727	78,60	9,50
<b>Diluted earnings per share (cents) (note 1)</b>			
Continuing operations	666	119,66	15,63
Discontinued operations	(656)	(46,37)*	(6,13)
Total operations	692	75,26	9,50

\* Limited to EPS due to being anti-dilutive.

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Reviewed 28 February 2025 R'000	Audited 29 February 2024 R'000
<b>ASSETS</b>		
<b>Non-current assets</b>	<b>1 334 992</b>	<b>1 008 977</b>
Property, plant and equipment	865 226	528 666
Equity-accounted investees	8 861	24 862
Goodwill	272 376	272 376
Trade and other receivables	9 605	9 531
Deferred tax assets	178 924	173 542
<b>Current assets</b>	<b>3 003 075</b>	<b>3 423 906</b>
Inventories	46 561	46 295
Contracts in progress	594 747	535 792
Trade and other receivables	1 762 013	1 998 873
Taxation	106 172	88 122
Bank balances	493 582	754 824
Non-current assets held for sale and disposal groups (note 5.2)	756 558	675 488
<b>Total assets</b>	<b>5 094 625</b>	<b>5 108 371</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>	<b>16 311</b>	<b>(51 703)</b>
Share capital and premium	1 007 718	1 007 718
Other reserves	70 458	133 898
Accumulated loss	(1 061 865)	(1 193 319)
<b>Non-current liabilities</b>	<b>236 598</b>	<b>188 578</b>
Financial liabilities	214 598	149 312
Excess billings over work done	22 000	39 266
<b>Current liabilities</b>	<b>4 305 540</b>	<b>4 559 663</b>
Financial liabilities	1 022 885	1 059 014
Trade and other payables	1 091 620	1 238 928
Excess billings over work done	1 174 711	1 225 326
Provisions	928 789	966 073
Taxation	63 906	70 319
Bank balances	23 629	3
Liabilities directly associated with disposal groups (note 5.2)	536 176	411 833
<b>Total equity and liabilities</b>	<b>5 094 625</b>	<b>5 108 371</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Other reserves						Total equity R'000
	Share capital and premium R'000	Foreign currency translation reserve R'000	Share-based payment reserve R'000	Revaluation surplus reserve R'000	Reserves of disposal groups held for sale R'000	Accumulated loss R'000	
<b>Balance at 28 February 2023</b>	1 007 718	29 354	–	20 039	85 730	(1 209 205)	(66 364)
Forfeitable share awards	–	–	2 161	–	–	–	2 161
Total comprehensive income	–	(10 260)	–	–	6 874	15 886	12 500
Profit for the year	–	–	–	–	–	15 886	15 886
Other comprehensive income	–	(10 260)	–	–	6 874	–	(3 386)
<b>Balance at 29 February 2024 audited</b>	1 007 718	19 094	2 161	20 039	92 604	(1 193 319)	(51 703)
Forfeitable share awards	–	–	4 562	–	–	–	4 562
Total comprehensive income	–	(48 385)	–	(3 655)	(15 962)	131 454	63 452
Profit for the year	–	–	–	–	–	131 454	131 454
Other comprehensive income	–	(48 385)	–	(3 655)	(15 962)	–	(68 002)
<b>Balance at 28 February 2025 reviewed</b>	1 007 718	(29 291)	6 723	16 384	76 642	(1 061 865)	16 311

### Reserves

Foreign currency translation reserve comprises the translation effect of foreign subsidiaries, joint operations and equity-accounted investees to the presentation currency.

Share-based payments reserve comprises the accumulated effect of share-based payment expenses in terms of the employee share scheme.

Revaluation surplus reserve comprises the revaluation of land and buildings.

Reserves of disposal groups comprises foreign currency translation and revaluation surplus reserves.

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Reviewed 12 months ended 28 February 2025 R'000	Audited 12 months ended 29 February 2024 R'000
Cash generated from operations	402 808	321 946
Investment income	49 507	42 825
Finance costs	(163 369)	(162 668)
Dividends received	13 365	9 563
Taxation paid	(91 785)	(62 780)
<b>Cash flows from operating activities</b>	<b>210 526</b>	<b>148 886</b>
Proceeds received – property, plant and equipment	16 365	42 986
Expenditure for maintaining – property, plant and equipment	(149 341)	(37 040)
Advances to equity-accounted investees	(3 142)	(3 158)
Proceeds on disposal of equity-accounted investees	929	4 418
Proceeds on disposal of AI Tayer Stocks LLC	–	60 095
<b>Cash flows from investing activities</b>	<b>(135 189)</b>	<b>67 301</b>
Repayment of long-term financing	(284 430)	(216 050)
Repayment of short-term financing	(9 909)	(9 976)
Open market purchase of shares	(3 638)	–
<b>Cash flows from financing activities</b>	<b>(297 977)</b>	<b>(226 026)</b>
<b>Net decrease in cash for the year</b>	<b>(222 640)</b>	<b>(9 839)</b>
Cash at the beginning of the year – continuing operations	754 821	560 562
Cash at the beginning of the year – discontinued operations	(40 837)	156 264
Less: Cash at the end of the year – discontinued operations	(16 814)	40 837
Effect of exchange rate changes on cash and cash equivalents	(4 577)	6 997
<b>Cash and cash equivalents at the end of the year – continuing operations</b>	<b>469 953</b>	<b>754 821</b>

## NOTES

### BASIS OF PREPARATION AND ACCOUNTING POLICIES

The reviewed condensed consolidated results for the year ended 28 February 2025 ("results and/or reporting period") have been prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards ("IFRS Accounting Standards"), and the South African Financial Reporting Requirements. The report contains the information required by International Accounting Standard IAS 34: *Interim Financial Reporting* and is in compliance with the Listings Requirements of the JSE Limited and the requirements of the South African Companies Act 71 of 2008 and the Companies Amendment Acts, 2024. The accounting policies as well as the methods of computation used in the preparation of the results for the year ended 28 February 2025 are in terms of IFRS Accounting Standards and are consistent with those applied in the audited annual financial statements for the year ended 29 February 2024.

There is no significant difference between the carrying amounts of financial assets and liabilities and their fair values. The fair value measurements for land and buildings are categorised as a level 3, based on the valuation method of income capitalisation or direct comparable sales using unobservable inputs such as market capitalisation rates and income/expenditure ratio. Plant and equipment included within non-current assets held for sale have been categorised as a level 3 fair value based on significant unobservable inputs to the valuation technique used. These assets are measured using the comparable sales method. This entails the use of quoted prices for identical or similar assets in the market. For discontinued operations, the fair value is determined by using an appropriate valuation method which involves a combination of asset-based, comparable company and transaction analysis and present value techniques.

The results are presented in Rand, which is Stefanutti Stocks' functional currency.

The company's directors are responsible for the preparation and fair presentation of the results which have been compiled under the supervision of the Chief Financial Officer, Y du Plessis, CA(SA).

### GOING CONCERN

The directors consider it appropriate that the group's results for the year be prepared on the going-concern basis, taking into consideration:

- the current order book;
- short-term potential awards;
- identified prospects over the medium- and long-term;
- continuing operations executing the group's order book profitably;
- reaching a favourable outcome on contractual claims on the Kusile power project;
- continued support from the Lenders; and
- successfully implementing the remaining aspects of the Restructuring Plan.

The loan provided by the Lenders has assisted with the group's liquidity, even though at 28 February 2025 the group's current liabilities exceed its current assets by R1 302 million (Feb 2024: R1 136 million) and as of that date, had an accumulated loss of R1 062 million (2024: R1 193 million). The matters as noted above including uncertainties surrounding the contingent liabilities as stated in note 26 of the group's Consolidated Annual Financial Statements for the year ended 29 February 2024, continue to indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern, and as a consequence could impact on the group's ability to realise its assets and discharge its liabilities in the ordinary course of business.

### 1. HEADLINE EARNINGS RECONCILIATION

	Continuing operations		Discontinued operations		Total operations	
	28 Feb 2025 R'000	29 Feb 2024 R'000	28 Feb 2025 R'000	29 Feb 2024 R'000	28 Feb 2025 R'000	29 Feb 2024 R'000
Profit/(loss) after taxation attributable to equity holders of the company	209 001	26 139	(77 547)	(10 253)	131 454	15 886
Adjusted for:						
Net profit on disposal of plant and equipment	(3 943)	(10 308)	–	–	(3 943)	(10 308)
Net gain on disposal of non-current assets held for sale	(639)	(8 972)	–	–	(639)	(8 972)
Fair value adjustments	1 965	2 743	51 165	(73 721)	53 130	(70 978)
Impairment of assets	2 264	–	–	–	2 264	–
Reclassification of FCTR* on deregistration of foreign operations	–	(23 284)	–	–	–	(23 284)
Net tax effect	625	4 458	–	–	625	4 458
<b>Headline earnings</b>	<b>209 273</b>	<b>(9 224)</b>	<b>(26 382)</b>	<b>(83 974)</b>	<b>182 891</b>	<b>(93 198)</b>

\* FCTR – Foreign Currency Translation Reserve.

Number of weighted average shares in issue	167 243 684	167 243 684	167 243 684	167 243 684	167 243 684	167 243 684
Number of diluted weighted average shares in issue (note 2)	174 663 591	167 243 684	174 663 591	167 243 684	174 663 591	167 243 684
Earnings per share (cents)	124,97	15,63	(46,37)	(6,13)	78,60	9,50
Diluted earnings per share (cents)	119,66	15,63	(46,37)*	(6,13)	75,26	9,50
Headline earnings per share (cents)	125,13	(5,52)	(15,77)	(50,21)	109,36	(55,73)
Diluted headline earnings per share (cents)	119,81	(5,52)	(15,77)*	(50,21)	104,71	(55,73)

\* Limited to EPS due to being anti-dilutive.

NOTES CONTINUED

2. RECONCILIATION OF NUMBER OF SHARES

	Weighted average shares	
	Reviewed 28 February 2025	Audited 29 February 2024
<b>Shares used for EPS and HEPS</b>		
Basic	167 243 684	167 243 684
Diluted	174 663 591	167 243 684
<b>Reconciliation of number of shares</b>		
Issued ordinary shares – at the beginning of the year	188 080 746	188 080 746
Effect of treasury shares held in share trust	(6 429 930)	(6 429 930)
Effect of treasury shares held in investment subsidiary	(14 407 132)	(14 407 132)
<b>Basic weighted average number of shares</b>	<b>167 243 684</b>	<b>167 243 684</b>
<b>Reconciliation of the basic and diluted weighted average number of shares</b>		
Basic weighted average number of shares	167 243 684	167 243 684
Dilutive effects	7 419 907	–
<b>Diluted weighted average number of shares</b>	<b>174 663 591</b>	<b>167 243 684</b>

3. CONDENSED CONSOLIDATED SEGMENT INFORMATION

	Inland Region <sup>^</sup> R'000	Coastal Region R'000	Western Cape Region R'000	Africa Region R'000	Reconciling segments <sup>^^</sup> R'000	Total R'000
<b>28 February 2025 (reviewed)</b>						
Contract revenue	3 335 919	1 959 661	882 292	1 479 219	–	7 657 091
Intersegment contract revenue	–	7 448	2 979	11 103	–	21 530
Reportable segment profit/(loss) – Continuing operations	127 367	47 518	54 657	86 732	(107 273)	209 001
Reportable segment profit/(loss) – Discontinued operations	–	–	–	(77 547)	–	(77 547)
Reportable segment assets	1 740 164	822 006	214 806	1 803 891	513 758	5 094 625
Reportable segment liabilities	1 673 581	819 007	263 264	1 256 803	1 065 659	5 078 314
<b>29 February 2024 (audited)</b>						
Contract revenue	3 092 529	1 214 775	1 140 075	1 636 847	–	7 084 226
Intersegment contract revenue	–	33 422	3 764	10 772	–	47 958
Reportable segment profit/(loss) – Continuing operations	203 844	11 647	27 787	(3 291)	(213 848)	26 139
Reportable segment profit/(loss) – Discontinued operations	–	–	–	(10 253)	–	(10 253)
Reportable segment assets	1 744 324	567 134	216 036	2 161 392	419 485	5 108 371
Reportable segment liabilities	1 522 075	489 930	240 836	1 679 221	1 228 012	5 160 074

<sup>^</sup> A specific contract, which is executed in Zimbabwe, is included within the Inland Region for reporting purposes, as the required specialised skills and expertise to execute the contract are derived from the Inland Region.

<sup>^^</sup> Reconciling segments comprise segments that are primarily centralised in nature i.e. the group's headquarters. Included in reportable segment operating loss are finance costs on the funding loan of R115 million (Feb 2024: R134 million). Included in assets is goodwill of R272 million (Feb 2024: R272 million). Included in liabilities is the loan of R849 million (Feb 2024: R997 million).

NOTES CONTINUED

4. REVENUE

Contract revenue can be further disaggregated as follows:

	Inland Region R'000	Coastal Region R'000	Western Cape Region R'000	Africa Region R'000	Total R'000
<b>28 February 2025 (reviewed)</b>					
<b>Geographical</b>					
Within South Africa	3 137 958	1 959 661	882 292	–	5 979 911
Outside South Africa	197 961	–	–	1 479 219	1 677 180
	<b>3 335 919</b>	<b>1 959 661</b>	<b>882 292</b>	<b>1 479 219</b>	<b>7 657 091</b>
<b>Sector</b>					
Private	3 190 818	1 278 592	357 589	931 191	5 758 190
Public	145 101	681 069	524 703	548 028	1 898 901
	<b>3 335 919</b>	<b>1 959 661</b>	<b>882 292</b>	<b>1 479 219</b>	<b>7 657 091</b>

<b>29 February 2024 (audited)</b>					
<b>Geographical</b>					
Within South Africa	2 375 915	1 213 053	1 140 075	–	4 729 043
Outside South Africa	716 614	1 722	–	1 636 847	2 355 183
	<b>3 092 529</b>	<b>1 214 775</b>	<b>1 140 075</b>	<b>1 636 847</b>	<b>7 084 226</b>
<b>Sector</b>					
Private	2 941 593	572 041	837 914	975 724	5 327 272
Public	150 936	642 734	302 161	661 123	1 756 954
	<b>3 092 529</b>	<b>1 214 775</b>	<b>1 140 075</b>	<b>1 636 847</b>	<b>7 084 226</b>

Disciplines	Inland Region R'000	Coastal Region R'000	Western Cape Region R'000	Africa Region R'000	Total R'000
<b>28 February 2025 (reviewed)</b>					
Building	–	701 447	459 729	787 440	1 948 616
Civils and Geotechnical	1 079 635	571 378	420 168	386 769	2 457 950
Mechanical Electrical Piping	624 371	–	–	–	624 371
Mining	156 546	–	–	89 012	245 558
Roads and Earthworks	1 475 367	686 836	2 395	215 998	2 380 596
	<b>3 335 919</b>	<b>1 959 661</b>	<b>882 292</b>	<b>1 479 219</b>	<b>7 657 091</b>
<b>29 February 2024 (audited)</b>					
Building	21 974	394 494	868 679	1 339 139	2 624 286
Civils and Geotechnical	1 598 801	814 842	271 396	179 072	2 864 111
Mechanical Electrical Piping	762 792	–	–	–	762 792
Mining	189 248	–	–	–	189 248
Roads and Earthworks	519 714	5 439	–	118 636	643 789
	<b>3 092 529</b>	<b>1 214 775</b>	<b>1 140 075</b>	<b>1 636 847</b>	<b>7 084 226</b>

NOTES CONTINUED

5. DISCONTINUED OPERATIONS

5.1 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Reviewed 28 February 2025 R'000	Audited 29 February 2024 R'000
<b>Contract revenue</b>	<b>631 642</b>	<b>404 133</b>
<b>Earnings before interest, taxation, depreciation and amortisation (EBITDA)</b>	<b>(5 574)</b>	<b>(72 135)</b>
Fair value adjustment <sup>^</sup>	(51 165)	73 721
<b>Operating (loss)/profit before investment income</b>	<b>(56 739)</b>	<b>1 586</b>
Investment income	2	141
<b>Operating (loss)/profit before finance costs</b>	<b>(56 737)</b>	<b>1 727</b>
Finance costs	(14 729)	(12 957)
<b>Loss before taxation</b>	<b>(71 466)</b>	<b>(11 230)</b>
Taxation	(6 081)	977
<b>Loss for the year</b>	<b>(77 547)</b>	<b>(10 253)</b>
<b>Other comprehensive income</b>	<b>(15 962)</b>	<b>6 874</b>
Exchange differences on translation of foreign operations (may be reclassified to profit/(loss))	(15 962)	6 874
<b>Total comprehensive income</b>	<b>(93 509)</b>	<b>(3 379)</b>
<b>Loss attributable to equity holders of the company</b>	<b>(77 547)</b>	<b>(10 253)</b>
<b>Total comprehensive income attributable to equity holders of the company</b>	<b>(93 509)</b>	<b>(3 379)</b>
Earnings and diluted earnings per share (cents)	(46,37)	(6,13)
Headline earnings and diluted headline earnings per share (cents)	(15,77)	(50,21)

<sup>^</sup> The fair value adjustment relates to the (loss)/gain on the subsequent increase/(decrease) in fair value less costs to sell as required by IFRS 5.

5.2 STATEMENT OF FINANCIAL POSITION

	Reviewed 28 February 2025 R'000	Audited 29 February 2024 R'000
<b>Non-current assets</b>	<b>348 501</b>	<b>382 729</b>
Property, plant and equipment	322 114	349 186
Deferred tax assets	26 387	33 543
<b>Current assets</b>	<b>430 795</b>	<b>273 709</b>
Inventories	117 714	123 922
Contracts in progress	121 927	50 167
Trade and other receivables	134 021	81 583
Taxation	1 211	1 966
Bank balances	55 922	16 071
Less: Fair value adjustment	(51 165)	–
<b>Total assets</b>	<b>728 131</b>	<b>656 438</b>
<b>Current liabilities</b>	<b>536 176</b>	<b>411 833</b>
Financial liabilities	–	206
Trade and other payables	238 689	184 690
Excess billings over work done	228 164	142 964
Provisions	30 215	27 065
Bank balances	39 108	56 908
<b>Total liabilities</b>	<b>536 176</b>	<b>411 833</b>

## NOTES CONTINUED

### 5. DISCONTINUED OPERATIONS CONTINUED

#### 5.3 NET CASH FLOWS

	Reviewed 28 February 2025 R'000	Audited 29 February 2024 R'000
Net cash movement from operating activities	55 693	(48 421)
Net cash movement from investing activities	3 500	(265)
Net cash movement from financing activities	(195)	(908)
Effects of exchange rate changes on cash and cash equivalents	(1 347)	553
<b>Net movement in cash</b>	<b>57 651</b>	<b>(49 041)</b>

#### 5.4 REVENUE

Contract revenue can be further disaggregated as follows:

	Reviewed 28 February 2025 R'000	Audited 29 February 2024 R'000
<b>Africa Region</b>		
Geographical – Outside South Africa	631 642	404 133
Sector – Private	631 642	404 133
Discipline – Building	631 642	404 133

## excellence in execution

Published on 27 May 2025

#### Directors

##### Non-executive directors

ZJ Matlala<sup>#</sup> (Chairman), HJ Craig<sup>#</sup>, B Harie<sup>#</sup>, B Silwanyana<sup>#</sup>

<sup>#</sup> Independent

##### Executive directors

RW Crawford (Chief Executive Officer)

Y du Plessis (Chief Financial Officer)

##### Registered office

Protec Park, Corner Zuurfontein Avenue and Oranjerivier Drive, Chlookop, 1619  
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##### Corporate advisor and sponsor

Bridge Capital Advisors Proprietary Limited  
10 Eastwood Road, Dunkeld, 2196  
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##### Transfer secretaries

Computershare Investor Services Proprietary Limited  
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196  
(Private Bag X9000, Saxonwold, 2132)

##### Auditors

Forvis Mazars  
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##### Company secretary

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This announcement together with the investor presentation is available on the company's website and physical copies can be obtained from the company's registered office.