

**AVENG LIMITED**

Incorporated in the Republic of South Africa  
(Registration number: 1944/018119/06)  
ISIN: ZAE000302618  
SHARE CODE: AEG  
("Aveng" or "the Group")



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**TRADING STATEMENT AND OPERATIONAL UPDATE**

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**TRADING STATEMENT**

This trading statement is in accordance with paragraph 3.4 (b) of the JSE Listings Requirements, which requires issuers to publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported on will differ by at least 20% from those of the prior comparative period.

Shareholders are hereby advised that a reasonable degree of certainty exists that the results for the six month period ended 31 December 2024 will result in the Company reporting a loss per share of between A\$25.3 cents and A\$25.4 cents per share and a headline loss per share of between A\$26.0 cents and A\$27.0 cents per share for the six month period ended 31 December 2024, in comparison to the earnings per share of A\$0.6 cents and headline earnings per share of A\$8.8 cents in the prior period.

The financial information on which this trading statement is based has not been reviewed or reported on by the Group's auditors.

**OPERATIONAL UPDATE**

Aveng delivers its projects through three operating brands in three distinct segments. The *Infrastructure* segment, branded McConnell Dowell, operating in three geographical regions – Australia, New Zealand & Pacific Islands and Southeast Asia; the *Building* segment, branded Built Environs, operating in New Zealand and the states of Victoria and South Australia and the *Mining* segment branded Moolmans, operating in South Africa.

**Infrastructure**

The New Zealand & Pacific Islands business unit continues to deliver a strong performance and will contribute to reported margins, at similar levels to the comparable period.

The Australia and Southeast Asia business units have previously reported on under-performance associated with certain projects awarded prior to the COVID-19 period. The majority of these projects have been managed to a satisfactory outcome and, whilst not contributing profit to the Group, they represent a reducing proportion of revenue as these projects move towards completion. The remainder of the project portfolio continues to perform well and contribute to an improving margin.

The Australia business unit reflects improving margins across its portfolio of projects excluding the Kidston Pumped Hydro loss-making project. The Kidston project in Queensland has not achieved expected productivities, resulting in an increased forecast cost to complete and a reported loss in the period. Consequently, the Australia business unit will report a breakeven result for the period.

In Southeast Asia, the new projects are profitable. However, the Jurong Region Line (J108) project for the Land Transport Authority in Singapore has experienced delays and disruptions. These delays have resulted in commercial claims and increased forecast cost to complete. The commercial negotiations continue with the client and the project will report a significant loss in the period. As a result, the Southeast Asia business unit will report a loss for the period.

The two loss-making projects described above will report losses of A\$77 million. This will result in the *Infrastructure* segment reporting an overall operating loss for the period ended 31 December 2024.

Other than these loss-making projects, the *Infrastructure* project portfolio delivered a strong performance that was ahead of both budget and the prior year, contributing a profit of A\$50 million.

Whilst additional costs in the forecast cost to complete have been recognised in the current period, the cash flow impact will largely materialise over the next 18 months as the projects move towards being completed. Aveng will continue to report a healthy cash balance of A\$252 million at 31 December 2024 (A\$233 million at 30 June 2024) for the *Infrastructure* and *Building* segments, supported by continued strong cash generation. The cash outflow relating to the two loss-making projects will be funded through these existing cash resources, supplemented by ongoing profitability.

#### Building

Built Environs is expected to report improved operating earnings as compared to the prior period.

#### Mining

Moolmans is expected to report positive operating earnings for the six months period ended 31 December 2024. Moolmans is at an advanced stage of negotiations to conclude a new 60 month contract with Gamsberg.

The Group expects to release its reviewed results on or about 18 February 2025.

14 February 2025

Boksburg, South Africa

JSE Sponsor  
Valeo Capital (Pty) Ltd



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#### **Executive Directors**

SV Cummins (Group Chief Executive Officer) | AH Macartney (Group Finance Director and Chief Financial Officer)

#### **Non-Executive Directors**

PA Hourquebie (Independent Non-executive Chair) | B Modise (Independent Non-executive) | N Bowen (Independent Non-executive) | SJ Flanagan (Non-executive) | BC Meyer (Independent Non-executive) | D Noko (Independent Non-executive)

#### **Registered office**

Rose Avenue, 2 Merlin Drive, Parkhaven – Boksburg, Gauteng 1459

#### Forward looking statements

Certain statements in this document are not reported financial results or historical information but forward-looking statements. These include but not limited to statements about the Group's operations, financial conditions, earnings, and growth prospects. They are based on the best estimates and information of Aveng at the time of writing. They are nonetheless subject to significant uncertainties and contingencies, many of which are beyond the control of the Group. Unanticipated events may occur, and actual future events may differ materially from current expectations due to changes in priorities by the Group, engagement with clients, suppliers, external auditors and other stakeholders.