

UNAUDITED INTERIM
CONSOLIDATED RESULTS
FOR THE 6 MONTHS ENDED 31 AUGUST 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)

FINANCIAL RESULTS

		UNAUDITED 31 AUGUST 2025	UNAUDITED 31 AUGUST 2024	% CHANGE
Contract revenue - Continuing operations	(R'000)	3 656 100	3 625 849	1
Operating profit before investment income - Continuing operations	(R'000)	160 642	131 889	22
Profit for the period - Continuing operations	(R'000)	77 253	50 601	53
Loss for the period - Discontinued operations	(R'000)	(28 821)	(47 734)	40
Profit for the period - Total operations	(R'000)	48 432	2 867	1 589
Earnings per share - Total operations	(cents)	28,96	1,71	1 594
Headline earnings per share - Total operations	(cents)	34,54	13,23	161

RESTRUCTURING PLAN UPDATE

The group hereby provides shareholders with an update on the Restructuring Plan as reported in the Consolidated Annual Financial Statements of Stefanutti Stocks for the 12 months ended 28 February 2025 (Feb 2025 results), issued on 18 June 2025 and the SENS announcements issued on 1 July 2025, 9 July 2025, 17 October 2025, 31 October 2025 and 24 November 2025.

In the Feb 2025 results, shareholders were advised that the Lenders extended the capital repayment profile of the current loan as well as its duration to 30 June 2026. Subsequently, the group through its primary operating subsidiary, concluded a new five-year term facility agreement amounting to R850 million (the Facility) with The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking Division (Standard Bank).

On 31 October 2025 the current loan was settled, thereby terminating the historic arrangement with the Lenders and the Restructuring Plan.

The Facility will be repaid in 19 equal quarterly instalments commencing in February 2026 and continuing until final maturity by August 2030, with an interest-only payment due in November 2025.

Interest is payable at the equivalent of the three-month Johannesburg Interbank Average Rate (JIBAR) or equivalent rate, plus a margin of 3,50% compounded quarterly.

The Facility is partially supported by financial guarantees from the group's guarantee providers and a comprehensive security package, and includes financial covenants typical in nature for this type of facility. The term of the Facility will result in the liability being apportioned between current and non-current liabilities in the Statement of Financial Position.

Funds received from the contractual claims on the Kusile power project and proceeds from the disposal of SS-Construções (Moçambique) Limitada (SS Mozambique), less associated costs, will be utilised to make capital prepayments against the Facility.

KUSILE POWER PROJECT UPDATE

As previously communicated to shareholders, Stefanutti Stocks continues to pursue its contractual claims on the Kusile power project. Since August 2021, the group has secured payments totalling R132 million for measured work and Dispute Adjudication Board (DAB) rulings.

In terms of the "Interim Arrangement" entered into with Eskom in February 2020, for the Purposes of Agreeing or Determining the Contractor's Claims and Facilitating the Dispute Resolution Process relating to Claim 5 (delay events up to 31 December 2019), the DAB issued its Sub-clause 20.4 decision on 17 October 2025, awarding Stefanutti Stocks R685 million (excluding VAT).

Both parties have the right to refer the decision to arbitration, however, in terms of the Contract, the decision is binding and enforceable unless revised by amicable settlement or an arbitral award.

The group submitted Claim 6, for delay events after December 2019 in May 2025, through the contractual process. Eskom also submitted its delay damages claim for late completion, which Stefanutti Stocks is defending through the contractual process. Should Claim 6 and/or the delay damages claim fail in the contractual process, either will be referred to the DAB for resolution.

Subsequently, Eskom issued a notice of dissatisfaction and indicated that they intended to have the award set aside in totality by the High Court of South Africa. If successful, Claim 5 would be referred to arbitration, thereby recommencing the entire claims process.

As stated in the SENS announcement released on 17 October 2025, the Contract provides for amicable settlement prior to the commencement of an arbitration process. Consequently, after careful deliberation, the Board of Stefanutti Stocks considered it appropriate to approach Eskom with a view to reaching a settlement with respect to Claim 5, Claim 6 and Eskom's delay damages claim for late completion. Subsequently, Stefanutti Stocks and Eskom on 24 November 2025 signed a full and final settlement agreement for an amount of R580 million (excluding VAT) (Settlement Agreement), which constitutes a mutual release of any and all actual or potential claims, disputes, or entitlements either party may have against the other arising or in connection with the Contract. In terms of the Settlement Agreement, Eskom must pay the total amount by 12 December 2025.

In terms of the Facility with Standard Bank, Stefanutti Stocks will, by the end of February 2026, apply at least 80% of the proceeds from the settlement against the outstanding Facility.

Due to the settlement being reached after the reporting period, it will be recognised in the February 2026 financial statements.

GOING CONCERN

The directors consider it appropriate that the group's results for the period be prepared on the going-concern basis.

As at 31 August 2025, the group's current liabilities exceed its current assets by R1 241 million (Feb 2025: R1 302 million), and as of that date, had an accumulated loss of R1 013 million (Feb 2025: R1 062 million), which will improve with the recognition of Claim 5. These circumstances continue to indicate that a material uncertainty exists that may cast 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.

OVERVIEW OF RESULTS

Discontinued Operations and Disposal Group

As mentioned in the SENS announcement issued on 9 July 2025, the group entered into various agreements with East Africa Enterprises SPV FZCO (the Purchaser) whereby:

- Stefanutti Stocks Mauritius Holdings Limited (SSMH) will dispose of its 100% shareholding in Stefanutti Stocks Construction Proprietary Limited (SS Construction) for a purchase price of US\$700 000.
- Stefanutti Stocks International Holdings Proprietary Limited (SSIH) and SSMH will dispose of their combined 100% interest in SS-Construções (Moçambique) Limitada (SS Mozambique) for a purchase price of US\$2,560 million and US\$640 000 respectively.

These proceeds are payable by 31 December 2025.

In addition, the Purchaser will also advance US\$6,1 million to enable SS Mozambique to repay the group a trade liability of R113 million. Of this, US\$2,5 million and US\$3,0 million was received on 28 August 2025 and 3 October 2025 respectively. At the reporting date, the sale is not yet effective, therefore, the receipt of US\$2,5 million is included in Deferred proceeds and Bank balances of continuing operations in the Statement of Financial Position.

To support SS Mozambique's operations, the Purchaser advanced a working capital loan of US\$3,5 million, which is reflected within liabilities directly associated with the disposal group.

The transaction is progressing in accordance with the announcement.

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 period of R29 million (Aug 2024: loss of R48 million) which includes a fair value adjustment of R12 million (Aug 2024: R23 million) and a foreign exchange loss of R9 million (Aug 2024: R10 million).

Continuing operations

Contract revenue from continuing operations is R3,7 billion (Aug 2024: R3,6 billion) with an improved operating profit before investment income of R161 million (Aug 2024: R132 million).

Earnings before interest, tax, depreciation and amortisation (EBITDA) improved to R232 million from R166 million for the comparative period due to improved operating performance.

Earnings and headline earnings per share for total operations improved to 28,96 cents (Aug 2024: 1,71 cents) and 34,54 cents (Aug 2024: 13,23 cents) respectively.

The group's current order book is R13,4 billion (Feb 2025: R8,6 billion) of which R4,2 billion (Feb 2025: R1,0 billion) arises from work beyond South Africa's borders and R10,3 billion (Feb 2025: R3,6 billion) for periods beyond February 2026.

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 31 August 2025 was 0,04 (Feb 2025: 0,08) and the Recordable Case Rate was 0,24 (Feb 2025: 0,29).

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 55,12%.

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 (Aug 2024: Nil).

Subsequent events

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.

Further information

These results have been compiled under the supervision of the Chief Financial Officer, Y du Plessis, CA(SA).

This announcement is an extract of the full unaudited interim consolidated announcement. This extract has not been reviewed by the auditors. This extract, which is the responsibility of the directors, does not contain full or complete details and any investment decision by investors and/or shareholders should be based on the consideration of the full announcement, the webcast together with the investor presentation which is available on the company's website at www.stefstocks.com.

The full announcement is available for inspection, at no charge at the registered office of the company and at the office of Bridge Capital Advisors (Pty) Ltd, during normal business hours. Copies of the full announcement may also be requested by contacting the company secretary, William Somerville at w.somerville@mweb.co.za.

The full announcement is also available at <https://senspdf.jse.co.za/documents/2025/jse/isse/SSK/FY2026H1.PDF>, and <https://stefanuttistocks.com/investors/unaudited-interim-consolidated-results-aug-2025/>.

Published on 25 November 2025

Corporate advisor and sponsor

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