2025 Integrated Annual Report

Primary issuer listed in the General Segment of the JSE Main Board

CONTENTS

OVERVIEW

ABOUT THIS REPORT

Scope and boundary

The Integrated Annual Report for 2025 comprises the operations of Stefanutti Stocks Holdings Limited and its subsidiaries, joint operations and equity-accounted investees (the company, the group, or Stefanutti Stocks).

This report is primarily intended to address the information requirements of investors (the group's equity shareholders and prospective investors). Stefanutti Stocks also presents information relevant to the way it creates value for clients, employees and other key stakeholders.

The information in this report covers the financial and non-financial performance of the company for the year ended 28 February 2025, and where it is relevant to include information post year-end, this has been incorporated and noted. In assessing the risks, opportunities and outcomes that materially impact the group's ability to create value for its stakeholders, the boundary has been extended beyond financial reporting to include the material interests attributable to or associated with key stakeholders.

Stefanutti Stocks endeavours to achieve a high standard in all disclosures in this report and to provide meaningful, accurate, complete, transparent and balanced information to stakeholders. The board and board committees were actively involved in the disclosures made in this report.

This report was prepared in accordance with the following key reporting frameworks:

- South African Companies Act, No. 71 of 2008, as amended (the Companies Act),
- The Listings Requirements of the JSE Limited (JSE),
- King IV Report on Corporate Governance™ (King IV) (copyright and trademarks are owned by the Institute of Directors in Southern Africa NPC and all of its rights are reserved) for South Africa 2016,
- International Integrated Annual Reporting Council's International <IR> Framework,
- IFRS® Accounting Standards (IFRS Accounting Standards),
- South African Financial Reporting Requirements as specified in the JSE Listings requirements, and
- The company's Memorandum of Incorporation (MOI).

The Stefanutti Stocks Integrated Annual Report contains a summary extract of the Consolidated Annual Financial Statements. The 2025 Consolidated Annual Financial Statements have been prepared under the supervision of the Chief Financial Officer (CFO), Yolanda du Plessis, and have been audited by Forvis Mazars, the group's external auditors. The Integrated Annual Report, as well as the Consolidated Annual Financial Statements, Sustainability Report, and investor presentations for the year ended 28 February 2025, are available on the company's website.

The Integrated Annual Report has been reviewed by the board but has not been externally assured. The requirement for external assurance is considered annually and is at this stage not deemed necessary by the relevant board committees. The Consolidated Annual Financial Statements have been externally assured by the group's independent auditor, Forvis Mazars, who included an emphasis of matter paragraph relating to the going concern in their unqualified audit opinion for the year ended 28 February 2025.

This report contains the most material issues of concern to all the company's stakeholders. For additional information visit the company's website: **www.stefanuttistocks.com**.

Materiality

Materiality is determined taking into account the International <IR> Framework, King IV principles and internal policies. The group defines material issues as those matters having the potential to affect its strategy, business model, sustainability or one or more of the capitals (as further described on page 10) over the short, medium, and long term, taking into account the likelihood and consequence of the matters.

Forward-looking statements

The statements made within this Integrated Annual Report may contain forward-looking information including statements regarding the company's intent, belief or current expectations with respect to Stefanutti Stocks's businesses and operations, market conditions, results of operations and financial condition, capital adequacy, specific provisions and risk management practices.

Investors/shareholders are cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements are based on Stefanutti Stocks's current expectations and involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such forward-looking statements.

These statements are based on a number of assumptions that are subject to change. The Integrated Annual Report includes only matters up to the date of this report and the period reported on. Stefanutti Stocks disclaims any duty to update the information herein.

Board responsibility statement

The board of directors acknowledges its responsibility to ensure the integrity of the Integrated Annual Report.

The board has accordingly applied its mind, collectively and individually, to the Integrated Annual Report and, in its opinion, the Integrated Annual Report addresses all material issues, and fairly presents the integrated performance of the organisation and its impacts. The Integrated Annual Report has been prepared taking into account the recommendations of King IV. The board authorised the Integrated Annual Report for release on 18 June 2025.

Zanele Matlala
Chairman of the board

Russell Crawford
Chief Executive Officer

18 June 2025

ABOUT THIS REPORT CONTINUED

CEO and CFO responsibility statement on internal financial controls

After due, careful and proper consideration, the directors, whose names are stated below, hereby confirm that:

- the Consolidated Annual Financial Statements, an extract of which is set out on pages 88 to 94 and which are available on the company's website, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS Accounting Standards;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the Consolidated Annual Financial Statements false or misleading;
- 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 Consolidated Annual Financial Statements of the issuer;
- the internal financial controls are adequate and effective and can be relied upon in compiling the Consolidated Annual Financial Statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the Audit, Governance and Risk 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
- we are not aware of any fraud involving directors.

Russell Crawford
Chief Executive Officer

Yolanda du Plessis
Chief Financial Officer

18 June 2025

Preparation of financial statements

The Consolidated Annual Financial Statements, available on the group's website **www.stefanuttistocks.com** as well as the extract from the Consolidated Annual Financial Statements contained in this Integrated Annual Report, have been prepared under the supervision of the CFO, Yolanda du Plessis, CA(SA). The Consolidated Annual Financial Statements from which the extract has been included, have been audited in compliance with the applicable requirements of the Companies Act No. 71 of 2008, as amended.

Yolanda du Plessis
Chief Financial Officer

18 June 2025

Compliance with Companies Act and MOI

Stefanutti Stocks Holdings Limited is in compliance with the provisions of the Companies Act, or relevant laws of establishment, specifically relating to its incorporation and is operating in conformity with its MOI.

General Segment classification

Stefanutti Stocks transferred its listing to the General Segment of the Main Board of the JSE Limited effective 14 February 2025. Stefanutti Stocks is now classified as being a primary issuer listed in the General Segment of the JSE Main Board. The General Segment provides small- and mid-cap JSE Main Board issuers with meaningful regulatory relief whilst maintaining transparency, disclosure and appropriate safeguards.

Certificate by the company secretary

In terms of section 88(2)(e) of the Companies Act No. 71 of 2008, as amended, I certify that, to the best of my knowledge and belief, Stefanutti Stocks Holdings Limited has, in respect of the financial year ended 28 February 2025, lodged with the Companies and Intellectual Property Commission all returns and notices required of a public company in terms of the Companies Act No. 71 of 2008, as amended and that all such returns and notices are true, correct and up to date.

William Somerville
Company Secretary

18 June 2025

Independent auditor's report

The unmodified independent auditor's report, on the Consolidated Annual Financial Statements, which includes an emphasis of matter, can be found on page 12 of the Consolidated Annual Financial Statements on the company's website **www.stefanuttistocks.com**.

Y Dockrat is the individual audit partner responsible for the audit.

2025 HIGHLIGHTS

FINANCIAL PERFORMANCE

CONTRACT REVENUE
R7,7bn
▲ 8% (2024: R7,1bn)

OPERATING PROFIT
R333m
▲ 59% (2024: R210m)

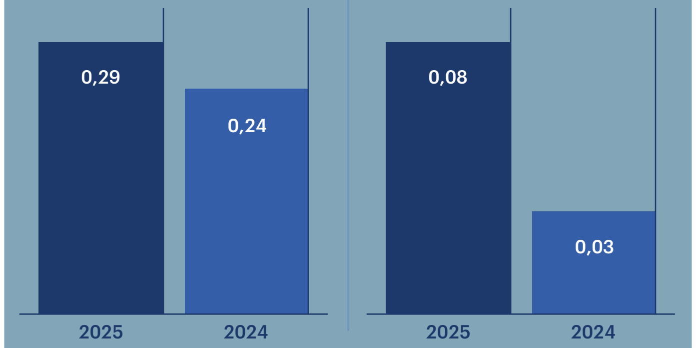
ORDER BOOK
R8,6bn
▲ 2% (2024: R8,4bn)

CASH BALANCES
R470m
▼ 38% (2024: R755m)

HEADLINE EARNINGS PER SHARE
125,13c
▲ 2 367%
(2024: loss of 5,52c)

HEALTH AND SAFETY

RCR | LTIFR



FATALITIES
ZERØ
(2024: 0)

LTI-FREE HOURS
32m
(2024: 22m)

SOCIAL

CSI SPEND
R3,6m
(2024: R1,5m)

NO. OF EMPLOYEES
6 336
(2024: 5 413)

SOUTH AFRICAN
4 473
(2024: 3 100)

FOREIGN
1 863
(2024: 2 313)

B-BBEE RATING
1
(2024: Level 1)

SKILLS DEVELOPMENT AND TRAINING SPEND
R12,5m
(2024: R11,9m)

COMPANY PROFILE

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

Vision

Re-engineering the built environment.

Mission

A multi-disciplinary construction group delivering exceptional engineering solutions that enrich people's lives.

Stefanutti Stocks's broad spectrum of expertise covers traditional and niche construction, including:

— Building (specialising in the industrial and commercial sectors including one-stop design and build of cold room facilities and the complete data centre offering encompassing civil structural architectural (CSA), mechanical electrical piping (MEP), 3D modelling, etc.).
— Civils (including the structural rehabilitation and water sectors).
— Geotechnical (including lateral support and piling).
— Roads, Earthworks and Mining infrastructure.
— Renewable Energy infrastructure (including both civil and electrical balance of plant projects).
— Electrical & Instrumentation (including the design and build of electrical step-down facilities).
— Mechanical (including industry-leading, turnkey dirty water clarification solutions.
— Oil & Gas (including in-house pipe-spool fabrication and bulk tank construction).
— Mining Services (including materials handling and tailings management).

Stefanutti Stocks is registered with the Construction Industry Development Board (CIDB) as a **Category 9 Contractor**, with no restrictions on the size of projects for which the group can tender. The group is **ISO 9001:2015**, **ISO 14001:2015**, **ISO 45001:2018** and **ISO 27001:2022** certified.

Stefanutti Stocks is one of South Africa's leading engineering and construction groups and is listed in the General Segment of the JSE Main Board in the **"Construction and Materials — Construction"** sector.

Operational footprint

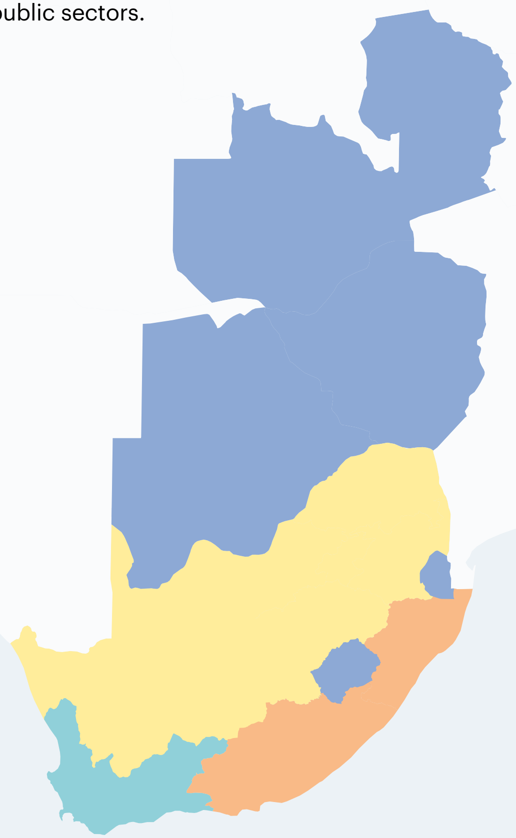
The group's operational footprint on the African continent spans **South Africa** and **sub-Saharan Africa**, including Botswana, Eswatini, Mauritius, Zambia and Zimbabwe in both the private and public sectors.

Clients include governments, state-owned companies, local authorities, large industrial entities, mining corporations, financial institutions and property developers.

The group's workforce is 6 336, including 4 473 South African employees, with its head office based in Kempton Park, Gauteng.

The group has a values-driven culture which underpins sustainable partnerships with all stakeholders.

The above is achieved by setting and meeting measurable key objectives to support sustainable earnings growth and, at the same time, maintaining a sound financial position while implementing key non-financial objectives to support the group's strategy.



GROUP WORKFORCE
6 336
(2024: 5 413)

SA WORKFORCE
4 473
(2024: 3 100)

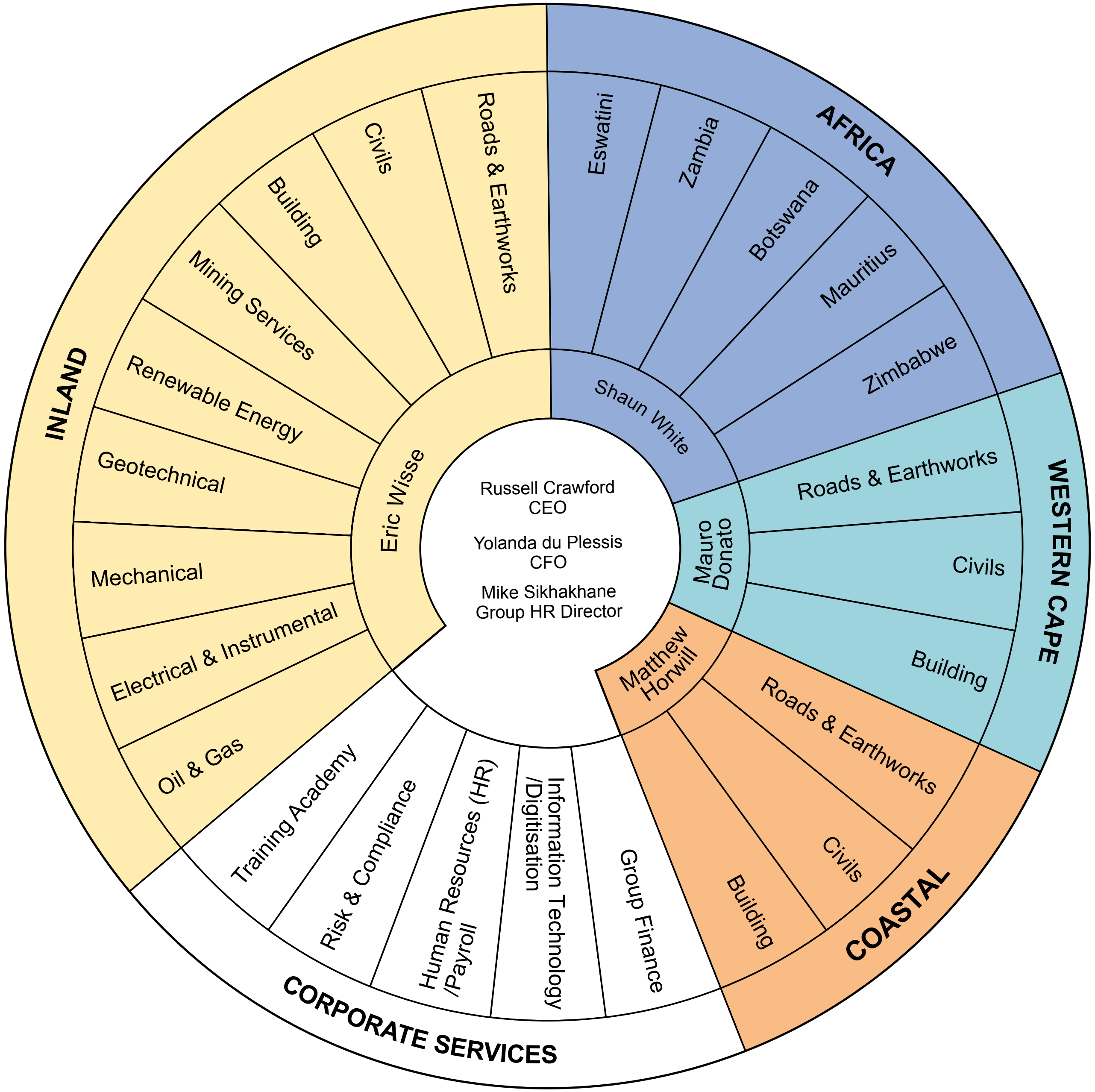
Regional operations in Africa
Shaded countries on the map indicate the group's operational footprint

Inland
Coastal
Western Cape
Africa

GROUP STRUCTURE

Stefanutti Stocks's hands-on management style and flat management structure contributes to its agility and ability to respond to opportunities and challenges.

Management spends a considerable amount of time on the group's sites in support of the construction teams. This is known as visible felt leadership (VFL) and is a key part of the group's corporate culture. The group's philosophy is based on the Founder's Mentality, and approaches business with the mindset of owners, rather than employees.



More about the group's philosophy can be found here: **stefanuttistocks.com/about/our-philosophy**

CAPABILITIES

Building

- Industrial and commercial buildings, including:
  - Warehousing
  - Production and processing facilities
  - Distribution centres
  - Office accommodation
- Retail facilities
- Hospitality and leisure facilities
- Data centres
- Hospital and healthcare facilities
- Turnkey and alternative procurement, including design and build projects

Mechanical Electrical Piping (MEP)

- Control systems
- Field instrumentation
- Materials handling systems
- Mechanical equipment
- Switchgear and motor control centres
- Motor control centre supply and installation
- Overland and underground pipelines
- Process plant construction
- Process piping
- Design and build high-rate water clarifier plants
- Structural steel and pipe support fabrication and erection
- Pipe spool fabrication and installation
- Tank and tank farm construction
- Turnarounds, shutdown and maintenance
- Commissioning support and assistance
- Scaffolding, painting, and insulation
- Data centre electrical and mechanical fit-outs

Mining Services: Materials Handling

- Conventional materials handling including:
  - Reclamation of dumps including screening, blending, placement, slurry disposal, final dump rehabilitation
  - Waste rock dump management
  - Handling of terrace coal

Civils

- Water infrastructure, including:
  - Wastewater treatment works
  - Water treatment works
  - Reservoirs and dams
  - Including mechanical and electrical fit-out
- Transport infrastructure construction, including bridges (conventional, precast, incrementally launched, cable-stayed, balanced cantilever, etc.), rail infrastructure, container terminals and marine facilities
- Industrial civils in live operational environments including pulp/paper, sugar and petrochemical sectors
- Caisson construction
- Specialist concrete rehabilitation, repair and waterproofing
- Industrial, petrochemical, and mining plant repair and renovation under shutdown or live conditions
- Desalination infrastructure
- Specialists in precast concrete solutions
- Specialist civil mine infrastructure
- Materials handling balance of plant (BOP)
- Energy infrastructure (power plants: coal-fired, gas, etc.)
- Petrochemical plants, industrial plants (cement) and industrial factories
- Environmental rehabilitation and management projects
- Full traditional civil capabilities supported by an increased full-service offering including MEP, design and build, project management and building information modelling (BIM)
- Marine infrastructure
- Slip forming
- Head gear construction

Mining Services: Tailings Operations

- Design, construction, and operations of tailings storage facilities, including integrated digital monitoring and reporting in accordance with Global Industry Standard on Tailings Management (GISTM) standards
- Hydraulic mining/reclamation

Geotechnical

- Piling in all soil conditions
- Design and construction
- Lateral support
- Rock anchoring
- Shotcrete
- Void fill
- Grouting – including specialist consolidation, compaction, and dolomitic treatment
- Sinkhole remediation and repairs

Renewables

- Civil balance of plant design and construction
- Electrical balance of plant design and construction
- Main transmission substations
- Independent power producer (IPP) substations
- Solar photovoltaic (PV) balance of system
- Battery energy storage system (BESS)
- Medium voltage reticulation networks
- Overhead lines, medium and high voltages

Roads & Earthworks

- Road construction and rehabilitation
- Large earth dam construction
- Bulk civil services and infrastructures construction
- Construction of high-density polyethylene (HDPE) lined containment infrastructure
- Crushing and screening
- Water infrastructure construction
- Rail infrastructure construction
- Large diameter welded steel pipe installation
- HDPE and ductile cast-iron pipeline installation
- Bulk earthworks
- Mining infrastructure
- Tailings storage facilities construction
- Asphalt manufacture and paving
- Agricultural land preparation and infrastructural development
- Irrigation design and construct
- In-situ concrete lining of pipelines

STRATEGIC REPORT

BUSINESS MODEL

The business model demonstrates how the group creates sustainable value for its stakeholders by transforming inputs, through business activities, into outputs and outcomes.

Operations follow a continuous process of procuring new work, executing with excellence, and managing the resources that are required by the process. A wide range of service offerings support the company's strategy as it operates within physical, political and social environments. In addition, various material risks are identified as the group endeavours to implement its business model, and these are set out on pages 14 to 22 of this report.

Capitals	Inputs	Outputs	Outcomes
Human Employees, human resource practices, trends	— 6 336 group employees — Board of directors — Executive Committee — Social and Ethics Committee — Founder's Mentality — OHSE Forum and HR Forum — Remuneration Committee	— Governance structures adhere to King IV — Employee benefits include employee wellness programme, retirement funds, medical aid, children's educational cover and funeral cover — Remuneration policy with long-term incentives for key staff — Various initiatives address skills development and training	— R2 billion paid to employees — Good corporate governance practices — Key staff retention — Engaged and energised staff — 4 134 employees are deemed PDIs (92% of South African employees)
Social and relationship Relationships with and between employees, communities and other stakeholders	— Emerging contractor development — R4 million invested in SED initiatives — HR Forum	— B-BBEE initiatives — Dedicated mentorship and support of emerging contractors — Donating time, skills and materials to support educational facilities	— B-BBEE Level 1 Contributor status — Transformed construction industry and job creation — Economic growth for communities — 0,08 LTIFR — 0,29 RCR — 106 bursary beneficiaries
Natural Any stock or flow of energy and material that produces goods and services	— Environmental Forum — Climate change initiatives — Improved biodiversity management	— Environmental framework — Environmental initiatives	— No major reportable environmental incidents — ISO 14001 certifications — Reduced environmental impact — Water conservation
Financial Representative of natural, human, social or manufactured capital such as shares, bonds or banknotes	— R8 billion revenue — R865 million property, plant and equipment — R595 million contracts in progress — Audit, Governance and Risk Committee	— R470 million cash on hand — R403 million cash generated by operations	— R8 billion contract revenue — R452 million capital expenditure — R5,1 billion total assets — Interest-bearing debt reduced — Increase in share price
Manufactured Material goods and infrastructure owned, leased or controlled by the group that contribute to production	— Four operating regions — R452 million capital expenditure — R8,2 billion group order book as at 28 February 2025	— Enhancing and maintaining operating capacity	— CIDB Category 9 Contractor rating
Intellectual Value of the company's employee knowledge, skills and proprietary information that can provide a competitive advantage	— Multidisciplinary expertise — Leading company operating across South Africa and sub-Saharan Africa — Risk monitoring through risk registers — Internally developed operating ICT system — Brand — CIDB Category 9 Contractor — R13 million invested in training	— R8,2 billion group order book as at 28 February 2025 — Combined assurance framework to effectively manage risks facing the business — Operational efficiency	— Sustainable performance — Investor confidence — Stable and reliable systems and processes

Business activities

Strategy
Delivering products and services to clients in various regions, while remaining within acceptable risk levels

Procurement
Established track record based on technical expertise and market knowledge enhancing reputation

Management focus
Effectively managing risk, ensuring compliance and remaining within budget

Execution inputs
Innovative projects utilising the right people, knowledge and expertise, quality services and materials, keeping safety first

Stakeholders impacted

- Clients
- Communities
- ED partners
- Employees
- Financiers
- Industry and government regulators
- Investors
- Lenders
- Shareholders
- Suppliers
- The JSE
- Trade unions

STRATEGIC FOCUS

The group remains focused on the successful implementation of the Restructuring Plan, reaching a favourable outcome from the processes relating to the contractual claims on the Kusile Power Project and maintaining and increasing profitability of operations. The group's regional operations pursue the following strategic objectives:

OBJECTIVE	PREVIOUS FOCUS FOR 2025	CURRENT STATUS FOR 2025	FOCUS FOR 2026
Enhance operational efficiency and diversify project portfolio by targeted client and project selection	— Short-term potential awards of R7 billion — Transition from traditional low margin building projects and focus on building work within the group's multi-disciplinary projects — Target cross-border opportunities — Target new opportunities in the private, transmission and battery energy storage systems (BESS) space — Increase self-execution	— Current order book R8,6 billion, of which R1 billion is cross-border — Regions have executed the group's order book profitably, reporting an operating profit of R333 million — Reduction in low-margin Building work and focus on better margin work with self-execution elements — Significant reduction in loss-making contracts	— Short-term potential awards of R15,2 billion — Continue to target cross-border opportunities, focused on current territories but move into new markets/sectors — Continue to target new opportunities in the private, transmission, data centre and battery energy storage system (BESS) space — Target energy, mining and minerals, renewable energy and infrastructure markets and aim to work mainly for private sector
Improve and maintain health and safety targets	— Aim for zero fatalities — Aim for zero lost time injuries — Achieve RCR of less than 0,30	— Zero fatalities — LTIFR 0,08 (benchmark: 0,10) — RCR 0,29 (benchmark: 0,30)	— Maintain zero fatalities — LTIFR of less than 0,10 — Maintain RCR of less than 0,30
Diligently manage employment equity targets	— Ongoing focus on B-BBEE to maintain the group's Level 1 Contributor status — Ongoing monitoring of amendments to the EE Amendment Act (EEAA)	— Achieved B-BBEE Level 1 rating — Implementation of revised and approved employment equity (EE) plans — Monitoring the amendments of the EEAA remains a standard agenda item for all S&E Committee meetings	— Ongoing focus on B-BBEE to maintain the group's Level 1 Contributor status — Implementation of revised EE plans to ensure a transformed, diverse organisation and achieve EE Plan targets
Develop people, increase capacity by investing in top talent and improve employee engagement	— Retain key operational personnel — Maintain Mining Qualifications Authority (MQA) accreditation and develop other essential courses to increase scope of the Academy — Maintain employee engagement survey score of >80% — Hire and develop the best personnel	— R13 million spent on skills development and training — Employee engagement survey score of 90% — Academy awarded accreditation on a further 10 courses, expanding its range from 45 to 55 accredited course offerings	— Continued focus on talent management and skills retention — Continued development and registration of essential courses and programmes to meet the evolving needs of the different regions — Maintain employment engagement survey score of >80%
Cultivate and maintain positive client relationships	— Maintain client satisfaction surveys score of >80% — Continuous client engagement	— Client satisfaction surveys conducted with average score of 87%, above benchmark of 80%	— Maintain client satisfaction surveys score of >80% — Driving client engagement initiatives
Drive innovation by integrating 3D, 4D and 5D technologies and other digitisation	— Promote digitisation implementation — Enhance in-house digital platform	— Increased usage of various technologies across sites, including BIM (4D/5D and 6D), drones for monitoring site progress and telemetry sensors for assessing fuel usage, equipment health and overall productivity — Adoption of a data-driven approach for analysis of information, improvement of project performance and agile decision making	— Drive usage of in-house digital platforms across all departments in the group — Initiate training strategy to provide employees with digital skills

STAKEHOLDER ENGAGEMENT

Stefanutti Stocks's stakeholder policy provides a framework for identifying, engaging with, and responding to the needs of its stakeholders. Stakeholders are defined as individuals, groups, or institutions with a material interest in, or ability to significantly influence, the group's operations. This includes employees, suppliers, local communities, ED partners, trade unions, clients, regulatory bodies, shareholders, investors, and lenders.

The Social and Ethics (S&E) Committee monitors the effectiveness of stakeholder engagement processes by reviewing feedback from employee engagement surveys, client satisfaction surveys, regulatory compliance updates, investor/shareholder interactions, and lender negotiations. These reviews are a standard agenda item at S&E Committee meetings, and any concerns are escalated to the board. Stakeholder relationships are discussed in more detail below.

Employees

The group engages employees through formal and informal channels and shares feedback across the business. Engagement begins with monthly induction sessions for new employees, covering the group's structure, key policies, procedures, and benefits. Financial planners and functional forums, which include business representatives and subject matter experts, provide additional support.

During scheduled Employee Connect sessions, personal development, training, career progression, and performance are discussed. Insights from these sessions inform succession and training plans. Leadership engagement (LE) and VFL initiatives promote a behavioural-based approach to health and safety to encourage personal responsibility and the individual's contribution to overall compliance.

Two-way communication enables problem-solving and ensures that the business and its employees understand any concerns that are raised. Annual engagement surveys measure satisfaction with the company, job roles, colleagues, and communication. Results and employee suggestions are shared transparently.

This year's survey showed a positive, upward trend, outperforming both the previous year's results and international benchmarks.

Exit interviews are encouraged for departing employees, with follow-up engagements arranged to address issues raised.

Current and future employee focus areas are disclosed on page 15 of the group's Sustainability Report, which is also available on the website.

Local communities

Stefanutti Stocks is committed to building strong relationships with the communities in which it operates. Community member feedback is considered during project delivery. Early engagement helps the company understand local needs, cultivate transparency, and encourage community ownership in decision-making and procurement.

The group employs Community Liaison Officers (CLOs) who engage with local leaders. CLOs support recruitment efforts and act as spokespersons for communities, which provide important local knowledge that can assist with communication and understanding. CLOs provide a platform for stakeholders to raise questions and address concerns.

Engaged communities often become advocates for the group, supporting new or expanded projects in their regions and ensuring consideration for future opportunities. Current and future focus areas include effective engagement through CLOs and targeted investment in socio-economic development initiatives.

Suppliers

Collaboration with suppliers remains a priority. Transparent communication between the group, employees, and suppliers builds trust and enhances productivity.

Key focus areas for suppliers are disclosed on page 52 of the group's Sustainability Report, which is also available on the website.

Enterprise development partners

Stefanutti Stocks prioritises ED partnerships with black-owned businesses, engaging them as suppliers or contractors. This aligns with group strategy and the goal is to foster growth, sustainability, and their ability to deliver complex projects.

Regional management teams and group support services identify ED partners through a selection process that ensures alignment with the group's objectives.

Ongoing focus areas include measurable development of these businesses.

STAKEHOLDER ENGAGEMENT CONTINUED

Trade unions

The primary role of trade unions is to safeguard the welfare of their members. This includes protecting members' interests, upholding the integrity of their trades, and securing economic benefits such as improved wages. Trade unions are formally recognised under South Africa's 1996 Constitution, which guarantees the right to unionise, engage in collective bargaining, and strike.

This framework is reinforced by the Labour Relations Act, which outlines the operational relationship between unions and employers. Additionally, three institutions (2024: three) were established to reduce workplace conflict, eliminate unfair discrimination, and address historical inequities:

- The National Economic Development and Labour Council (NEDLAC);
- The Labour Court; and
- The Council for Conciliation, Mediation and Arbitration (CCMA).

Five trade unions (2024: five) operate within the group, with stop-order facilities in place for member contributions. In some regions, unions represent the majority of employees, granting them specific rights such as the appointment of a full-time Shop Steward, employed by the company.

The group's current and future focus areas include active participation and collaboration with relevant industry associations to strengthen engagement with trade unions.

Clients

Clients form one of the four pillars of the Stefanutti Stocks Way, reflecting their critical role in the company's sustainability strategy. The group prioritises building long-term client relationships by delivering services that exceed expectations through a collaborative, solutions-driven approach. Senior management maintain regular, personalised contact to foster trust and inclusivity, ensuring a strong foundation for successful projects.

Stefanutti Stocks engages clients through transparent communication, active involvement in decision-making, and responsiveness to feedback at each project stage. This focus on engagement helps mitigate risks and align outcomes with stakeholder requirements.

Current and future client focus areas are disclosed on page 58 of the group's Sustainability Report, which is also available on the website.

The JSE, industry bodies and government regulators

The company secretarial and finance teams monitor compliance with JSE Listings Requirements, the Companies Act, and King IV principles, supported by oversight from board committees. The group's ongoing focus remains compliance with regulatory requirements.

Shareholders and investors

The group engages shareholders and investors through announcements on the JSE's Stock Exchange News Service (SENS), delivering updates on financial performance, regulatory developments, and other pertinent matters. Ahead of each annual general meeting, the Chief Executive Officer and Chief Financial Officer proactively engage with material shareholders to encourage their attendance and active participation.

Additional communication channels include distributing year-end and interim financial results and reports, as well as hosting group presentations and region-specific site visits and meetings. Executive directors present the group's performance and strategic advancements to employees, institutional investors, and financial analysts.

General company information, covering presentations, corporate actions, financial results, management, history, operations, and other topics of interest are accessible via the company's website.

The group remains committed to providing shareholders and investors with timely, accurate financial data and related information as a key focus.

Lenders

Led by the Chief Restructuring Officer, the Restructuring Implementation Team oversees the group's Restructuring Plan. Monthly Lender Group meetings assess:

- Performance against the Restructuring Plan;
- Actual and forecast cash flows;
- Trading results;
- Future prospects; and
- Other Restructuring Plan-related issues.

This process is expected to continue until 30 June 2026. The focus remains on upholding the Restructuring Plan and adhering to funding agreements.

MATERIAL RISKS

As a South African construction group, it is crucial for Stefanutti Stocks to understand the impact of material risks on both the business and the communities in the areas where it operates.

Material risks encompass a wide range of factors, from environmental concerns and labour practices to community engagement and ethical business practices. These risks refer to events that could significantly affect the group's performance, reputation, and its ability to create long-term value for stakeholders. The group conducts a thorough review of the material risks it faces, how these risks are addressed, and the progress made in mitigating any potential negative impacts. By prioritising these material risks and addressing them in a transparent and responsible manner, the group ensures its long-term sustainability and success. The group identifies its material risks through the following process:

1

IDENTIFY KEY STAKEHOLDERS

The first step is to identify the group's key stakeholders, including clients, suppliers, employees, shareholders, lenders, regulators, and communities. These stakeholders may have varying perspectives and priorities, making it essential to understand their expectations and concerns.

2

CONDUCT A MATERIALITY ASSESSMENT

A materiality assessment is carried out to evaluate the impact and importance of various events on the group and its stakeholders. This is achieved through surveys, interviews, focus groups, and other forms of engagement. The assessment considers both the potential risks and opportunities associated with each event.

3

PRIORITISE MATERIAL EVENTS

Based on the results of the materiality assessment, the group prioritises the material events that are most significant to its business objectives and stakeholders. A ranking system is used, covering the inherent risk of each event, as well as the actions (mitigants and controls) taken by management to transfer, avoid, accept, reduce, or eliminate the identified risks. The remaining risk (the residual risk) after all reasonable efforts to mitigate or eliminate the inherent risk has been considered, is then ranked from high to low.

4

DEVELOP A STRATEGY TO ADDRESS MATERIAL RESIDUAL RISK

Once the material residual risks are identified, prioritised, and ranked, the group develops a strategy to address each individual residual risk. This includes setting targets, creating policies and procedures, and allocating resources to specific initiatives. The strategy also includes a plan for monitoring and reporting progress.

5

REVIEW AND UPDATE REGULARLY

Material inherent and residual risks can evolve over time. These are reviewed and updated regularly through ongoing stakeholder engagement and monitoring of external trends and developments.

For further detail on the material risks identified, please refer to page 15.

RISK MANAGEMENT

Risk management is critically important to the group, which operates in a dynamic and constantly evolving environment with inherent risks. The success of the business depends on its ability to identify, assess, and mitigate risks effectively.

Risk management is based on the understanding that operating a business entails exposure to uncertainty and risk. The aim is to leverage opportunities and derive benefits from this uncertainty. Management is responsible for identifying and mitigating such uncertainties or risks, and, should they occur, managing the consequences to limit their impact on all areas of the business.

Protecting stakeholder interests and creating sustainable stakeholder value are essential aspects of risk management. Likewise, an appropriate balance must be maintained between entrepreneurial endeavour and prudent business practice. The group's philosophy is to be "risk aware" and to recognise potential opportunities that arise.

Board of directors

The board of directors holds ultimate responsibility for the risk management of the group. It is responsible for setting the overall risk management strategy and to ensure that the appropriate risk management processes are in place. Additionally, the board oversees the implementation of these processes and monitors the effectiveness of risk mitigation strategies.

To facilitate this oversight, the board established the Audit, Governance and Risk Committee (ARCO) to oversee the risk management process. ARCO members have the necessary expertise and experience in risk management. ARCO regularly reports to the board and approves the group's risk management strategy, risk assessment, and risk mitigation strategies.

To ensure that all identified risks are subjected to the appropriate level of management control, the group has adopted a combined assurance model, aligned with the recommendations of King IV.

Risks are assured both internally and externally, as appropriate. ARCO reviews internal and external audit plans to ensure all recognised areas of risk are covered and that no duplications occur. Details of the combined assurance model are set out in the corporate governance report on page 66.

Further details on the committee's role can be found in the ARCO report on page 69.

The Group Risk Officer reports to ARCO at each meeting and presents a risk report. The group adheres to internationally recognised standards when establishing, updating and maintaining the risk management framework. This includes providing guidance, support and coordination in identifying and recording risk areas, as well as properly applying risk management systems.

Risk management principles

The group's approach to risk management is based on four key principles:

1 RISK OWNERSHIP

Every employee is responsible for managing risks within their area of responsibility.

2 PROACTIVE APPROACH

The group adopts a proactive approach to risk management, identifying potential risks before they escalate into issues.

3 CONTINUOUS IMPROVEMENT

The group continuously monitors and evaluates risk management processes to identify areas for improvement.

4 COLLABORATION

Collaboration with stakeholders is essential to effectively identify and manage risks.

Risk management at different levels

Group level

These risks stem from the socio-political or macro-economic environment or the group's strategies, particularly its growth strategies. The Executive Committee (EXCO) and senior management are responsible for managing these risks and are accountable to the board.

Regional level

These risks primarily impact the group's various regions by affecting their profitability, growth or reputation. Regional managing directors are responsible for managing these risks and are accountable to the CEO and CFO.

Operational level

These risks primarily impact the group's day-to-day activities and operating processes within the group's operations. Line managers are responsible for managing these risks and are accountable to regional managing directors.

RISK MANAGEMENT CONTINUED

The tables below set out the potential risk areas/events at different levels.

Group level

Macro-economic environment and strategic responses	Downturn/upturn in market demand — Risks and opportunities arising from fluctuations in the overall demand for the services/products the group supplies in its current markets and its strategic responses to such changes. Financial and fiscal factors — Risks and opportunities related to factors such as interest and exchange rates, taxation regimes, and other financial/fiscal variables.
Market selection	Risks and opportunities involved in selecting new geographical markets, new client markets, and/or new product/service offerings as part of the group's growth strategies.
Growth strategies	Risks and opportunities associated with the group's growth strategies, including potential missed opportunities and exposure to new risks.
Mergers and acquisitions	Risks of overpaying, failing to integrate acquired businesses successfully, or losing value post-acquisition. Additionally, risks related to lost opportunities when failing to acquire.
Business mix	Risks and opportunities arising from the mix, balance, synergies, and diversification (or lack thereof) within the group's business portfolio, including strategies for alignment and modification.
Socio-political environment and strategic responses	Government policies — Impacts from policies such as B-BBEE, labour law changes, employment equity, and localisation requirements.
Group financial strength	The group's financial position and financial policies (e.g., dividend policies, debt management) and their links to growth strategies and acquisitions.
Mega/major projects	Risks and opportunities associated with tendering (or not tendering) for major or mega projects.
Human capital	Opportunities and risks arising from attracting, retaining, or losing key talent within the organisation.
Health and safety	Risks associated with non-compliance with relevant legislation or maintaining an inadequate safety record.

Regional level

Market selection	Risks and opportunities in pursuing new geographic or client markets as part of the region's growth strategies.
Regional growth strategies	Risks and opportunities linked to the region's strategic growth plans and potential exposures.
Contract mix	Risks and opportunities arising from various contracting methods, including standard and bespoke (non-standard) contracts, by region.
Financial strength	Risks related to credit exposure and foreign exchange fluctuations.
Financial management	Risk management methodologies and systems within the regions concerning key financial indicators such as working capital control, revenue, reporting, and overhead management.
Capacity utilisation	Ensuring optimal availability and utilisation of all resources.
Plant and equipment	Effective management and utilisation of necessary plant and equipment.
Human capital	Opportunities and risks associated with attracting, retaining, or losing key human capital, as well as having a reliable and effective succession plan.
Health and safety	Risks related to non-compliance with relevant legislation or maintaining an inadequate safety record.

Operational level

Estimating and tendering	Correct and accurate pricing of work to ensure financial integrity.
Contracting	Commercial terms and conditions that define contractual rights and obligations.
Project execution	Successful execution of any project within the specified time and cost constraints, including total costs, penalties, claims management, and cost-to-completion monitoring.
Quality	Achieving the specified quality to meet the client's requirements.
Resource utilisation	Efficient utilisation of all necessary resources.
Human capital	Opportunities and risks associated with attracting, retaining, or losing key human capital, as well as ensuring an effective and reliable succession plan.
Health and safety	Risks arising from non-compliance with relevant legislation or inadequate safety records.
Financial management	Financial management methodologies and systems within the regions, focusing on key financial indicators such as project cash flow, working capital control, cost reporting, revenue collection, and claims management.
Information and communication technology	Risks of business disruptions due to system failure, downtime, or loss/theft of data. Inadequate or redundant systems that fail to meet business needs.

RISK MANAGEMENT CONTINUED

Policies

The group has several policies in place that guide its risk management practices. These include:

1. Risk management policy

This sets out the approach to risk management, including risk appetite and the processes used to identify, assess, and mitigate risks.

2. Crisis management policy

This outlines the steps required to ensure that the group can continue to operate in the event of a disruption or crisis.

3. Information security policy

This sets out the measures required to protect data and systems from cyber threats.

4. Health and safety policy

This outlines the approach to ensure the health and safety of the group's employees, contractors, and clients.

Integration with business strategy

The group's approach to risk management is closely aligned with its business strategy. The group recognises that effective risk management is critical to achieve strategic objectives and create value for stakeholders.

The material risks to the group's operations and long-term sustainability are outlined in the table on pages 18 to 21. Oversight of risk mitigation processes is the responsibility of the board committees, with ultimate accountability resting with the board.

Group risk identification

Risk identification is a crucial element of the risk management process. It determines potential risks that could impact the group's objectives. The group uses various methods to identify risks, which include:

1 INTERNAL AND EXTERNAL SOURCES OF INFORMATION

The group reviews a range of internal and external information sources to identify potential risks. Internal sources include business plans, performance reports, audit reports, and incident reports.

External sources encompass market research, industry reports, regulatory changes, and economic trends.

2 RISK ASSESSMENTS

The group conducts risk assessments to identify potential risks. These assessments typically involve a thorough review of business processes, systems, and activities to uncover hazards, vulnerabilities, and threats.

3 SCENARIO ANALYSIS

The group uses scenario analysis to explore potential risks. This involves creating hypothetical scenarios to assess the likelihood and potential impact of each scenario on the group.

4 STAKEHOLDER ENGAGEMENT

The group engages with stakeholders, including employees, clients, suppliers, and regulators, to identify emerging risks. This engagement provides valuable insights, enabling the group to develop more effective risk management strategies.

5 RISK WORKSHOPS AND BRAINSTORMING SESSIONS

The group organises risk workshops and brainstorming sessions to identify potential risks, encouraging collaborative input from various perspectives.

Once risks are identified, the group evaluates their significance by assessing the likelihood and potential impact of each risk. These are compared against the group's risk appetite and tolerance levels. Subsequently, risk management strategies are developed to mitigate the identified risks. These strategies may involve implementing controls, transferring the risk to a third party, avoiding the risk entirely, or accepting the risk. The remaining residual risk, after all reasonable efforts to reduce or eliminate it, is ranked from high to low.

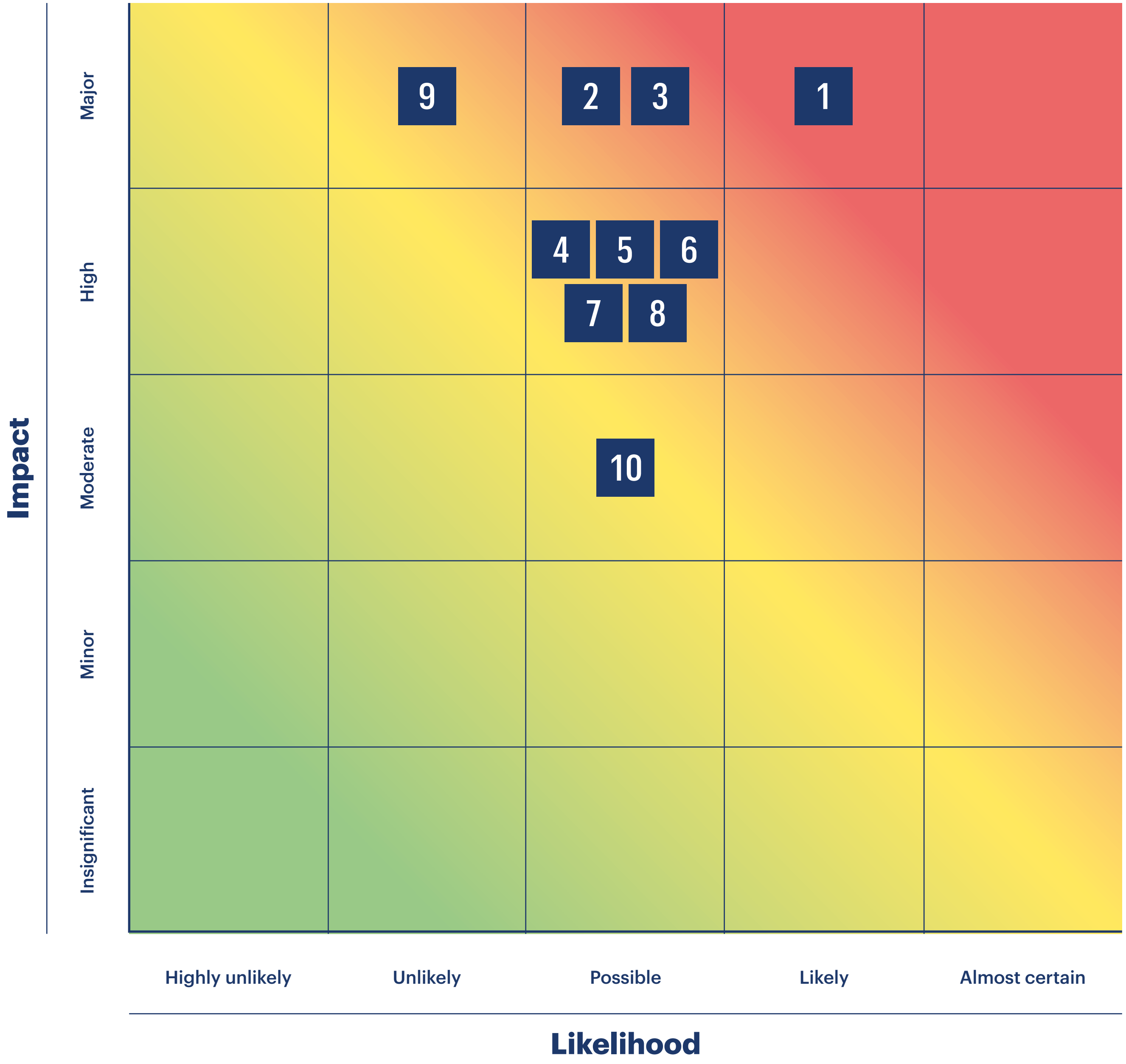
RISK MANAGEMENT CONTINUED

Top 10 risks

Through the risk management process, the group identifies the top 10 residual risks that pose the greatest threat to its business objectives. These risks are continuously monitored and managed by the risk management team, working closely with EXCO and senior management to develop and implement effective mitigation strategies.

Residual risk ratings

Rating 2024	Rating 2025	Key risks	Risk movement year-on-year
1	1	Financial gearing and liquidity	▶
3	2	Loss of market share	▲
2	3	Interest rate risk	▼
4	4	Lack of foreign investment in South Africa and Africa	▶
5	5	New geographical expansion and entering new countries	▶
6	6	Employment equity	▶
7	7	Occupational health and safety systems	▶
8	8	Corporate governance and ethics	▶
9	9	Restructuring Plan	▶
10	10	Civil unrest and political environment	▶



RISK MANAGEMENT CONTINUED

CAPITALS KEY

Human | Social and relationship | Natural | Financial | Manufactured | Intellectual

Detailed risk register

RISK CATEGORY	RISK DESCRIPTION	MITIGATION AND/OR CONTROLS	AFFECTED CAPITALS	AFFECTED STAKEHOLDERS
FINANCIAL	**Financial gearing and liquidity** High gearing and low liquidity can significantly impact the financial health of any company. The current gearing of the group makes it more vulnerable to economic downturns, interest rate hikes, and changes in market conditions. This can further result in reduced liquidity in the group which could impact the ability of the group to meet its short-term financial obligations.	— Restructuring Plan implemented and actively managed — Appropriate financial gearing levels determined and reviewed regularly — Claims recovery processes implemented and managed — Deviations from standard contractual terms to be approved at senior management level — Certification and debtor management — Payables management — Cash flow meetings — Managing/reducing loss-making contracts — Converting contracts in progress into cash — Detailed cash flow analysis at tender stage	Financial, Social and relationship, Human	— Clients — Employees — Financiers — Investors — Lenders — Shareholders — Suppliers
MARKET	**Loss of market share** In a competitive industry, maintaining and expanding market share is crucial for sustained growth and profitability. Factors such as local and international competitors, changing client preferences, and economic conditions can pose challenges to the group's market position. A loss of market share could result in reduced revenues, lower profitability, and a diminished competitive advantage.	— Following quality private sector clients into selected countries — Follow specific strategies per country — Quality, on-time and within client budget performance — Growing market share in selected business areas — Diversification of group via regions — Diversification of client base within the regions — Continuously monitoring market trends	Financial, Intellectual, Human, Social and relationship	— Clients — Employees — Financiers — Investors — Lenders — Shareholders — Suppliers
FINANCIAL	**Interest rate risk** Interest rates are a critical component of the cost of capital for any company, and changes in interest rates can have a significant impact on financial performance. If interest rates increase, the group's cost of borrowing will increase, which will result in higher interest expense with reduced profitability and reduced cash flows. In addition, higher interest rates can also lead to decreased investments by clients. This can impact the business in the form of reduced revenue and decreased demand for products and services.	— Reduce current gearing level — Receipt of potential claims with interest benefit when awarded — Reduce current interest rate through negotiations with financiers and Lenders	Financial	— Financiers — Investors — Lenders — Shareholders

RISK MANAGEMENT CONTINUED

CAPITALS KEY

Human | Social and relationship | Natural | Financial | Manufactured | Intellectual

RISK CATEGORY	RISK DESCRIPTION	MITIGATION AND/OR CONTROLS	AFFECTED CAPITALS	AFFECTED STAKEHOLDERS
ECONOMIC	**Lack of foreign investment in South Africa and Africa** Foreign investment can attract capital, expertise, and technology, to stimulate economic growth and unlock new business opportunities. Also entails risks such as regulatory uncertainties, political instability, and currency fluctuations. Factors such as changes in government policies, regional conflicts, and economic volatility can impact foreign investor confidence and willingness to invest.	— Understand the applicable risks — Diversifying regionally and cross-border — Selectively target currencies/countries outside South African and African markets on the back of quality clients/joint operation partners		— Clients — Employees — Financiers — Investors — Lenders — Shareholders
ECONOMIC	**New geographical expansion and entering new countries** Expanding into new countries presents a risk for the group. While it offers opportunities for growth, it also entails numerous challenges and uncertainties. Each country has a unique political, economic, and regulatory environment, which may differ significantly from the group's home market. Factors such as unfamiliar legal frameworks, cultural differences, language barriers, and varying business practices can pose obstacles to successful expansion. Additionally, market dynamics, competitive landscapes, and local infrastructure can impact the feasibility and profitability of operations in new countries.	— Conducting thorough market research and analysis, carefully evaluating potential risks and opportunities, and developing a comprehensive entry strategy for each target country — Rigorous estimating and tendering process with reduced level of authority — On-the-ground commitment to gain practical experience of country — Assistance of advisory firms/consultants — Appropriately skilled management — Local partnering		— Clients — Employees — Financiers — Investors — Lenders — Shareholders — Suppliers
EMPLOYMENT EQUITY (EE)	**Employment equity** EE legislation in South Africa requires companies to promote diversity and inclusivity in the workplace by providing equal opportunities for all employees, regardless of their race, gender, disability, or any other factor. Failure to comply with this legislation could result in legal action, reputational damage, and loss of stakeholder trust. A diverse and inclusive workplace is essential to attract a wide range of skilled individuals from different backgrounds and experiences. Failure to comply with EE legislation could lead to a lack of diversity in the workforce, which could impact the group's ability to remain competitive in the market.	— Established a dedicated team to oversee EE within the group, with clear roles and responsibilities for all stakeholders involved — Implement policies and procedures to promote diversity and inclusivity in the workplace, including training and development programmes to support the growth and advancement of employees from diverse backgrounds — Conduct regular reviews of hiring practices and promotions to ensure that they are fair, transparent, and in line with EE legislation — Develop contingency plans to manage any unforeseen challenges that may arise and ensure inclusivity in the workplace		— Employees — Trade unions — Analysts — Clients — Financiers — Investors — Lenders — Shareholders
EXECUTION	**Occupational health and safety systems** Occupational health and safety (OHS) risks are of paramount concern for the group. The nature of construction work involves inherent hazards and potential risks to the health and well-being of employees, contractors, and other stakeholders. Failure to adequately address occupational health and safety risks can result in workplace accidents, injuries, and even fatalities, leading to severe financial and reputational consequences.	— Implement comprehensive health and safety policies and procedures — Adhere to relevant regulations and industry best practices — Provide regular training and awareness programmes for all personnel — Internal audits — Annual OHS risk register review — Establish OHS management system		— Clients — Communities — Employees — Investors — Shareholders — Trade unions

RISK MANAGEMENT CONTINUED

CAPITALS KEY

Human | Social and relationship | Natural | Financial | Manufactured | Intellectual

RISK CATEGORY	RISK DESCRIPTION	MITIGATION AND/OR CONTROLS	AFFECTED CAPITALS	AFFECTED STAKEHOLDERS
LEGAL	**Corporate governance and ethics** Corporate governance refers to the system of rules, practices, and processes by which the group is directed and controlled. A lack of strong corporate governance can lead to a range of issues, including inadequate oversight, ethical lapses, conflicts of interest, and poor decision-making. Can result in financial mismanagement, erosion of stakeholder trust, and reputational damage.	— Implement strong governance and compliance policies to prevent issues such as fraud or corruption — Regularly engage with stakeholders, including clients, employees, investors, and regulators, to build strong relationships and ensure that their concerns are addressed — Invest in meaningful corporate social responsibility programmes and sustainability initiatives	Financial, Human, Social and relationship, Natural, Intellectual, Manufactured	— Clients — Employees — Financiers — Investors — Lenders — Shareholders
FINANCIAL	**Restructuring Plan** The risk of not successfully implementing the Restructuring Plan and repaying the Lender Group as per the loan agreement may pose challenges to the group.	— Chief Restructuring Officer (CRO) appointed — Operational restructuring completed — 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) — Evaluating the company's capital structure, including the potential of raising new equity	Financial, Intellectual, Social and relationship, Human	— Analysts — Clients — Employees — Financiers — Investors — Lenders — Shareholders — Suppliers
INDUSTRY VOLATILITY	**Civil unrest and political environment** The risk of civil unrest and the political environment in South Africa presents significant challenges for the group. Civil unrest, including protests, strikes, and social unrest, can disrupt business operations, negatively impact project timelines, and impact the safety of employees and assets. Additionally, the political environment, including changes in government policies, regulations, and political stability, can create uncertainty and affect business operations and investment decisions.	— The group closely monitors the political landscape, stays informed about social and economic developments, and maintains open lines of communication with relevant stakeholders — Regional, country and discipline diversification — Develop disaster plans — Private protection of company and client assets/sites	Intellectual, Human, Financial	— Clients — Communities — Employees — Financiers — Investors — Lenders — Shareholders — Suppliers — Trade unions

RISK MANAGEMENT CONTINUED

Fraud hotline

Ethical behaviour is fundamental to building and maintaining trust with stakeholders. To uphold the highest standards of ethical conduct, the group has implemented a comprehensive programme ensuring that business practices align with these principles.

As part of this commitment, a fraud hotline has been established, providing a confidential platform for reporting unethical behaviour or suspicious activity. The hotline is managed independently by a trusted third-party service provider to ensure that all reports are handled objectively and with confidentiality.

The fraud hotline is available 24/7 and can be accessed globally. The group encourages anyone who has witnessed or experienced unethical behaviour to report it promptly, without fear of retaliation or negative consequences. All reports are treated with the utmost discretion, and appropriate actions are taken to address any identified issues.

The group is committed to fostering a culture of transparency, accountability, and integrity. By offering a secure and confidential way to report unethical behaviour, potential issues can be identified and addressed before escalating into more significant problems, thereby safeguarding the long-term sustainability and success of the business.

Focus areas

The risk management focus areas for the upcoming financial year are as follows:

- Going concern, solvency, and liquidity;
- Ongoing funding to ensure the group's sustainability;
- Focused reviews of high-risk site operations;
- Continuous awareness and training on legal compliance;
- Regular assessment and management of emerging risk areas; and
- Cyber risk.

The group's approach to risk management is built on principles of risk ownership, proactivity, continuous improvement, and collaboration. Several policies and processes are in place to ensure that risks are effectively identified, assessed, and mitigated. Risk management is fully integrated with the business strategy to enable the group to achieve its strategic objectives and create value for stakeholders.

CHAIRMAN'S REPORT

Zanele Matlala
Chairman of the board

Refer to page 53 for a detailed CV.

B-BBEE CONTRIBUTOR
Level 1

Black	50
White	50

Female	67
Male	33

Overview

The past year has presented a multitude of global and regional challenges that have tested the resilience of our operations. Amid this uncertainty, our focus has remained steadfast: to drive sustainability, strengthen operational resilience, and adapt strategically to a shifting landscape. The construction sector — both globally and in South Africa — continues to face unique headwinds, demanding disciplined execution and adaptive leadership.

Global landscape

The global economy has been weighed down by persistent inflation, geopolitical tensions, and supply chain instability. The ongoing war in Eastern Europe and heightened conflict in the Middle East have disrupted trade flows, exacerbated input costs, and contributed to volatile commodity markets. These challenges, layered upon post-pandemic disruptions, have required agile procurement strategies to safeguard project timelines and budgets.

Adding to this complexity is the uncertainty surrounding tariff policies of the United States and the future of the African Growth and Opportunity Act (AGOA). Potential changes could have far-reaching implications for South African exporters, jeopardising access to key US markets and increasing the cost of imported materials — both for the construction sector and for our clients operating across various industries. Sectors such as mining and motor vehicle manufacturing, which are heavily export-oriented, may be particularly vulnerable to adverse trade developments. The knock-on effects of reduced export competitiveness and constrained capital investment in these sectors could indirectly impact project pipelines, procurement volumes, and regional economic activity. This evolving trade landscape heightens input cost pressures and amplifies planning risks, necessitating ongoing scenario analysis and contingency planning.

Climate change continues to pose a material threat to infrastructure delivery and long-term sustainability. Increased occurrences of extreme weather underscore the urgency of climate-resilient planning and execution. In response, we have intensified our investment in sustainable technologies and environmentally responsible practices to ensure regulatory compliance and future-proof our operations.

South African context

Domestically, the construction industry operates in a constrained economic environment, characterised by sluggish GDP growth, high public debt levels, and limited infrastructure investment. Labour unrest and rising community activism have disrupted operations and increased delivery costs. Proactive labour engagement and strengthened community partnerships remain critical risk mitigants.

Investor confidence has been subdued, influenced by ongoing political and economic uncertainty. This is further compounded by a rising cost of living that continues to outpace wage growth, putting pressure on employee well-being and productivity.

However, the formation of the Government of National Unity (GNU) following last year's general election has been a source of renewed optimism. The GNU has sent a strong signal of political stability and collaboration, which has positively influenced investor sentiment and policy direction. Encouraging pronouncements regarding infrastructure investment provide a more hopeful outlook for the construction sector. We are cautiously optimistic that these developments will translate into increased public-private partnerships, accelerated rollout of key infrastructure programmes, and enhanced support for economic growth.

Regulatory developments — such as the Employment Equity Act amendments — brings potential risks, particularly in sectors where there is a shortage of suitably qualified candidates from designated groups. This may create challenges in meeting sectoral targets without compromising on the skills and capacity required for operational excellence. Navigating these dynamics will require proactive workforce planning, investment in training and development, and close collaboration with regulatory bodies.

CHAIRMAN'S REPORT CONTINUED

Additionally, endemic corruption remains a material risk, reinforcing the need for robust internal controls, ethical leadership, and a strong culture of compliance.

Strategic response

In response, we have adopted a focused strategy built around three pillars: operational efficiency, market diversification, and sustainability.

- **Supply chain resilience:** We have enhanced risk frameworks, diversified our supplier base, prioritised local procurement, and brought forward procurement timelines where possible to reduce delays and cost pressures.
- **Stakeholder engagement:** We have deepened our collaboration with local communities to pre-empt disruptions and ensure alignment with development priorities.
- **Sustainable growth:** We are actively pursuing opportunities in mining infrastructure, renewable energy and water infrastructure, areas aligned with both global trends and national needs.

Our commitment to social responsibility underpins every project, ensuring long-term impact and alignment with economic development goals.

Business overview

Despite the challenges, the group delivered commendable financial results.

CONTRACT REVENUE
Increased to R7,7 billion from R7,1 billion.

OPERATING PROFIT
R333 million, reflecting an operating margin of 4,4%.

The finalisation of the Restructuring Plan remains a priority, with a focus on achieving an optimal capital structure and securing liquidity. A key strategic focus remains the pursuit of contractual claims on the Kusile Power Project and finalising the other outstanding items in the Restructuring Plan which includes concluding the disposal of the Mozambique operation and the repayment terms with respect to the settlement reached on the Kalabo-Sikongo-Angola border gate road in the Western Province of Zambia.

The group reached agreement with its Lenders to extend the capital repayment profile of its loan, as well as the term, to 30 June 2026. The Lenders continue to support the group with guarantees for both current and future projects.

We remain a committed Level 1 B-BBEE Contributor, measured against the Construction Sector Charter, and actively support the transformation objectives outlined in the B-BBEE Act and associated Codes of Good Practice.

Conclusion

Despite a turbulent global and regional environment, the group has demonstrated strength, adaptability, and purpose-driven leadership. Our strategic focus on sustainability, risk management, and stakeholder engagement has positioned us well to navigate uncertainty and capitalise on emerging opportunities.

Encouraging signs of political stability and renewed commitment to infrastructure development, offer a more constructive backdrop for the industry. As policy momentum builds and investor confidence gradually improves, we are well-placed to contribute meaningfully to the country's infrastructure-led growth ambitions while continuing to deliver long-term value for all stakeholders.

Appreciation

I would like to express my sincere gratitude to our management team and all employees for their unwavering commitment, resilience, and professionalism during an exceptionally demanding year. Your dedication has been instrumental in navigating the challenges we faced and in driving the group forward.

I also extend my appreciation to my fellow non-executive board members for their steadfast guidance, strategic insight, and diligent oversight throughout this period. Your contributions have been invaluable in shaping our response to complexity and in steering the group towards long-term sustainability and growth.

Zanele Matlala
Chairman of the board

18 June 2025

PERFORMANCE REVIEW

Russell Crawford
Chief Executive Officer

Refer to page 54 for a detailed CV.

REVENUE
R7,7bn
▲8%
(2024: R7,1bn)

GROUP ORDER BOOK
R8,6bn
▲2%
(2024: R8,4bn)

OPERATING PROFIT
R333m

2025	333
2024	210

LTIFR
0,08

2025	0,08
2024	0,03

The year under review

The group delivered a solid performance, with contract revenue and operating profit for continuing operations improving to R7,7 billion (Feb 2024: R7,1 billion) and R333 million (Feb 2024: R210 million) respectively, and the group's overall cash position decreasing to R470 million (Feb 2024: R755 million), mainly due to capital expenditures and capital repayments.

Due to circumstances beyond the group's control, SS Mozambique remains held for sale since August 2020.

Consequently, the results for the year and comparative year, have been prepared to reflect continuing and discontinued operations.

Kusile Power Project update

As previously highlighted to shareholders in numerous announcements and updates since late 2018, the group continues to pursue a number of contractual claims on the Kusile Power Project.

SS-Izazi package 28

The parties resolved the measurement of the works, and between themselves agreed the values of all compensation events.

The parties have now signed a settlement agreement, confirming that the adjudicator will not be required to publish his decision, and that there are no further payments due to either party.

Thus, confirming that the group's final payment application was accurate, and that no overpayments were made, as alleged by the project manager.

SSBR package 16 update

All claims, giving rise to entitlement for extension of time plus costs, which occurred before 31 December 2019, are considered to be "Claim 5".

The parties and their respective experts have filed all submissions, notes and opinions with the Dispute Adjudication Board (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 a decision will remain enforceable, unless and until it is overturned in arbitration.

All claims, giving rise to entitlement for extension of time plus costs, which occurred after December 2019, are considered to be "Claim 6".

The group has filed numerous claims over this period, but these have not been resolved.

A consolidation of these claims was filed in May 2025 and will follow the contractual process.

Should Claim 6 fail in the contractual process it will be referred to the DAB for resolution.

Eskom has notified Stefanutti Stocks of its intention to deliver a delay damages claim for late completion.

The group expects to receive this claim in June 2025.

Stefanutti Stocks will defend this claim, through the contractual process.

Should a mutually acceptable outcome not be achieved in the contractual process, then the dispute will be referred to the DAB for resolution.

Due to the quantum of Claim 5 not being finalised, and the processes relating to Claim 6 and the delay damages claim being uncertain, no claims have been recognised in the financial statements.

PERFORMANCE REVIEW CONTINUED

Restructuring Plan

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.

The following aspects of the Restructuring Plan remain outstanding:

- Concluding the disposal of SS Mozambique;
- 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 (the Kalabo settlement); and
- An evaluation of the company's capital structure, including the potential of raising new equity.

The group will continue to update shareholders on the progress of the various aspects of the Restructuring Plan.

Order book

The group's current order book is R8,6 billion, with short-term potential awards of R15,2 billion, and future opportunities of R119 billion in the following sectors:

- Renewable energy;
- Electrical infrastructure;
- Mining, transport and rail infrastructure;
- Marine;
- Oil and gas;
- Water and wastewater;
- Data centres; and
- Industrial, commercial and retail buildings.

Operational performance

Below is a summary of the results of each region for continuing operations.

For a more detailed overview of the operational performance, notable projects, sustainability matters and initiatives, please refer to the operational reviews commencing on page 35.

Inland Region

Inland Region delivered another strong performance, with an increase in contract revenue to R3,3 billion (Feb 2024: R3,1 billion) and an operating profit of R187 million (Feb 2024: R194 million).

Inland's current order book is R3,5 billion, with short-term potential awards of R4,2 billion, and future opportunities of R34 billion.

Coastal Region

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 has a current order book of R1,4 billion, with potential awards of R5,6 billion, and future opportunities of R16 billion.

Western Cape Region

Western Cape Region posted another solid performance, with contract revenue of R882 million (Feb 2024: R1,1 billion) and a substantial increase in operating profit to R73 million (Feb 2024: R33 million).

Western Cape's current order book is R2,6 billion, with short-term potential awards of R1,8 billion, and future opportunities of R43 billion.

Africa Region

Africa Region's contract revenue is R1,5 billion (Feb 2024: R1,6 billion), with a healthy increase in operating profit to R92 million (Feb 2024: R33 million), which includes a R30 million operating loss relating to the Hyvec JV, and a net recognition of the Kalabo settlement of R39 million.

With respect to the Kalabo settlement, the Zambian Court of Appeal ruled in favour of Stefanutti Stocks and its joint venture partner.

Following the ruling, the parties have agreed to a settlement amount, however repayment terms still need to be concluded.

With the exception of the Botswana operation, all remaining operations are performing to expectation.

Africa has a current order book of R1,1 billion, with short-term potential awards of R3,6 billion, and future opportunities of R26 billion.

Industry-related matters

Community unrest

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

Lack of public infrastructure spend

There continues to be a lack of public sector infrastructure spend in South Africa. Should this improve, it will benefit the group.

PERFORMANCE REVIEW CONTINUED

Employment Equity Amendment Act

The Employment Equity Amendment Act was enacted on 1 January 2025, excluding the Ministerial Sector Targets and accompanying Regulations.

Following consultations with various economic sectors in February 2025, the Department of Employment and Labour published Final Sector Targets and Regulations on 15 April 2025, rather than issuing draft versions for further public comment.

This approach has raised concerns among industry stakeholders, including the South African Forum of Civil Engineering Contractors (SAFCEC), as it was without meaningful consultation or supported by scientific data.

Several stakeholders have initiated legal proceedings challenging these targets.

The group will endeavour to comply with the Act.

Sustainability matters

The various sustainability-related sections are summarised below and are covered in further detail in the group's separately published Sustainability Report, which is available on the company's website: **www.stefanuttistocks.com**.

Human capital

People are the group's biggest investment, its true enablers, and are instrumental to success in business.

Stefanutti Stocks currently employs 6 336 people, of which 1 774 are permanent, with the remainder being limited duration contractors.

During the year, R12,5 million was invested in skills development training, bursaries and scholarships.

Health and safety

The health and safety of the group's people remain central to its operations, with preventative measures, training, and accountability structures in place, to protect every employee, every day.

A systematic approach is applied in identifying, assessing, and mitigating health and safety risks, supporting a safe working environment.

Health and safety performance is rigorously tracked through audits, trend analysis, and incident reporting to drive continual improvement and reduce workplace incidents.

There were zero fatalities during the year.

The group's Lost Time Injury Frequency Rate is 0,08, and the Recordable Case Rate is 0,29.

Environmental management

The group's Environmental Management System reflects an ongoing commitment to minimising its environmental impact and promoting sustainable practices across all operations.

This system enables the group to identify, assess, and manage environmental risks and impacts systematically, ensuring responsible operations and long-term environmental stewardship.

During the year, there were no reportable environmental incidents or legal contraventions.

Quality management

The group's in-house quality digital platform is utilised to:

- Maintain standardisation of quality processes across the organisation;
- Analyse, verify, validate and manage digital data across all operating entities within the group;
- Manage trends and associated costs related to reworks;
- Ensure effective communication techniques are applied and maintained;
- Increase efficiency and productivity;
- Decrease wastage;
- Increase profit; and
- Ensure consistent outcomes to meet client requirements, resulting in client retention and acquisition.

To ensure the best possible client experience, client satisfaction surveys are conducted on all sites on a regular basis.

The group's internal minimum benchmark for customer surveys is 80% and it achieved an overall average of 87,28% for the year.

Transformation

The group continues to be a Level 1 Broad-Based Black Economic Empowerment contributor, measured against the Construction Sector charter.

The group achieved the following scores:

- Black ownership 64%;
- Management control 62%;
- Employment equity 77%;
- Skills development 124%;
- Preferential procurement 115%;
- Enterprise development 100%; and
- Socio-economic development 120%.

PERFORMANCE REVIEW CONTINUED

Risk management

Good governance is underpinned by the five lines of assurance principles, which are implemented throughout the group:

- **First line of assurance:** Business operations and line management own and manage risks, ensuring effective internal controls are in place.
- **Second line of assurance:** Risk management and compliance functions provide oversight, support, and guidance to ensure robust risk management processes.
- **Third line of assurance:** Internal audit provides independent assurance on the effectiveness of governance, risk management, and internal controls.
- **Fourth line of assurance:** External assurance providers, such as external auditors and accreditation services, offer independent validation of risk management and control processes.
- **Fifth line of assurance:** The board and senior management provide strategic oversight, ensuring alignment with organisational objectives and enhancing comprehensive risk assurance.

The group has transitioned to the five lines of assurance model, which is considered superior as it enhances the group's ability to manage and assure risks comprehensively. This model has been reviewed and approved for implementation by EXCO and the board.

The group fully endorses and supports the four governance outcomes outlined by the King IV Report, namely:

- Ethical culture
- Good performance
- Effective control
- Legitimacy

Digital construction organisation

The group is enhancing its use of cutting-edge technologies in project execution, including BIM (4D/5D and 6D), drones for monitoring site progress, and telemetry sensors for assessing fuel usage, equipment health, and overall productivity.

Stefanutti Stocks has adopted a data-driven approach to analyse company information, improving project performance and enhancing agile decision-making.

The group is initiating a training strategy to provide its teams with essential digital skills.

International Organization for Standardization (ISO)

The group holds the following ISO certifications for:

- Environmental management – ISO 140001:2015;
- Quality management – ISO 9001:2015;
- Health and safety – ISO 45001:2018; and
- Information security – ISO/IEC27001:2022.

Outlook and strategy

The group's focus will be on successfully implementing the Restructuring Plan, achieving favourable outcomes from the claims resolution processes being undertaken on the Kusile Power Project and continuing the focus on maintaining and increasing profitability.

Appreciation

I would like to thank the Board of Directors for their support and guidance throughout the past year.

A special thank you to my executive team for their continued support, dedication and leadership during this period of restructuring.

I would also like to thank every single employee for their dedication, hard work and loyalty to Stefanutti Stocks. Lastly, I would like to thank all our clients, lenders, shareholders, business partners, suppliers and other stakeholders for their ongoing support.

Russell Crawford
Chief Executive Officer

18 June 2025

CHIEF FINANCIAL OFFICER'S REPORT

Yolanda du Plessis
Chief Financial Officer

Refer to page 54 for a detailed CV.

REVENUE
R7,7bn
▲8%
(2024: R7,1bn)

PROFIT AFTER TAX
R131m
▲727%
(2024: R16m)

EPS CONTINUING OPERATIONS
124,97c
▲700%
(2024: 15,63c)

POSITIVE NET ASSET VALUE

Restructuring Plan update

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 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.

Going concern

The board considers 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 28 February 2025, 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.

CHIEF FINANCIAL OFFICER'S REPORT CONTINUED

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.

Further information can be found in the Performance Review on page 25.

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.

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 30 June 2026.

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, in the prior year, 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 transaction including the purchase price and payment terms. Shareholders will be updated accordingly in terms of the progress or changes to the Proposed Transaction.

The disposal group 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).

Further information can be found on pages 92 to 93.

Financial performance

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 net Kalabo settlement of R39 million.

With respect to the Kalabo settlement, 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.

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.

For a more detailed overview of the operational performance and notable projects, please refer to the operational reviews commencing on page 35.

CHIEF FINANCIAL OFFICER'S REPORT CONTINUED

Consolidated statement of profit or loss

CONTINUING OPERATIONS	Feb 2025 R'000	Feb 2024 R'000	Commentary
Contract revenue	**7 657 091**	7 084 226	R3,3 billion of contract revenue contributed by Inland Region.
EBITDA	**428 285**	270 247	Improvement in operating performance and net recognition of the Kalabo Settlement of R39 million.
Depreciation	**(90 686)**	(57 758)	Increased due to capital expenditure incurred during the current and prior year.
Fair value adjustments	**(1 965)**	(2 743)	The write-down of the carrying amount of the non-current assets held for sale to their fair value less costs to sell.
Impairment of assets	**(2 264)**	—	The Botswana associate is concluding its operations, resulting in an impairment.
Operating profit before investment income	**333 370**	209 746	59% increase from prior year.
Investment income	**49 774**	43 591	Improved cash balances over the period resulted in an increase in investment income.
Share of losses of equity-accounted investees	**(2 904)**	(2 030)	Loss primarily due to the depressed South African property market.
Operating profit before finance costs	**380 240**	251 307	
Finance costs	**(126 606)**	(150 822)	Interest on the funding loan reduced to R115 million from R134 million. This reduction was offset by financing of capital expenditure increasing interest on instalment sales and lease liabilities to R25 million (Feb 2024: R7 million). Further, impacted by settlement reached with a foreign tax authority, resulting in reversal of interest previously accrued for of R21 million.
Profit before taxation	**253 634**	100 485	
Taxation	**(44 633)**	(74 346)	Impacted by the recognition of a deferred tax asset on a portion of the assessed loss for the South African trading entity, as well as the settlement reached with a foreign tax authority, reducing the tax charge by R22 million.
Profit after taxation	**209 001**	26 139	EPS of 124,97 cents (Feb 2024: 15,63 cents).

Financial position

Property, plant and equipment increased to R865 million, driven by capital additions of R452 million. Of this, R238 million was financed through instalment sale agreements, and R64 million was recognised as right-of-use assets in terms of IFRS 16: Leases. The financing of the capital expenditure contributed to the increase in financial liabilities, which rose from R1 208 million to R1 237 million.

The carrying value of equity-accounted investees declined to R9 million (Feb 2024: R25 million), primarily due to a dividend received of R13 million (Feb 2024: R10 million), and an impairment relating to the Botswana associate.

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 cross-border tax payments, relating to a foreign branch of the South Africa trading entity.

The group reported a positive net asset value of R16 million, the first time since 2021.

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.

CHIEF FINANCIAL OFFICER'S REPORT CONTINUED

Cash flow

	Feb 2025 R'm	Feb 2024 R'm	% Change/ Comment
Opening cash balance	**755**	561	▲ Stronger opening position.
Cash generated from operations including working capital movements	**403**	322	▲ +25% improvement and includes working capital of R59 million (Feb 2024: R168 million outflow).
Net interest paid and dividend income	**(100)**	(110)	—
Taxation	**(92)**	(63)	▲ Cross-border and withholding taxes.
Investing activities	**(152)**	(40)	▲ Significant investment in Plant and Equipment.
Other investing activities	**17**	107	▼ Prior year includes disposal of non-current assets.
Financing activities	**(298)**	(226)	▲ Higher debt servicing.
Exchange rate effects	**(5)**	7	—
Net movement — cash balances — discontinued	**(58)**	197	▼ Net inflow vs prior year outflow from discontinued operations.
Closing cash balance	**470**	755	▼ Cash decline due to investment in capital expenditure and debt servicing.

Contingent liabilities and assets

In relation to the Kusile Power Project, 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.

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

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

Appreciation

I would like to sincerely thank the finance teams and other service departments, for their ongoing commitment, hard work and support.

Yolanda du Plessis
Chief Financial Officer

18 June 2025

FIVE-YEAR FINANCIAL REVIEW

		2025	2024	2023	2022	2021
PROFIT INFORMATION						
Contract revenue	R'million	**7 657**	7 084	6 051	5 968	4 692
Operating profit/(loss)	R'million	**333**	210	101	(107)	(55
Operating profit/(loss) margin	%	**4,4**	3,0	1,7	1,8	(1,2)
Profit/(loss) for the year	R'million	**131**	16	15	(415)	(290)
Net profit/(loss) margin	%	**2**	—	—	(7)	(6)
Headline earnings	R'million	**183**	(93)	(65)	(162)	(259)
FINANCIAL POSITION						
Total assets	R'million	**5 095**	5 108	5 150	4 597	5 413
Total equity	R'million	**16**	(52)	(66)	(90)	353
Total liabilities	R'million	**5 078**	5 160	5 217	4 687	5 060
Cash generated from/(consumed by) operations	R'million	**403**	322	512	(253)	(209)
ASSET MANAGEMENT						
Return on assets	%	**2,6**	0,3	0,3	(0,1)	(4,8)
Return on equity	%	**(7,4)**	(26,9)	(22,7)	(461,2)	(53,0)
Net asset turn	times	**1,5**	1,4	1,2	1,3	0,9
SHAREHOLDERS' RATIOS						
Profit/(loss) per share	cents	**79**	10	9	(248)	(172)
Headline earnings per share	cents	**109**	(56)	(39)	(97)	(155)
Dividend per share	cents	**—**	—	—	—	—
STOCK EXCHANGE STATISTICS						
Market capitalisation — close	R'million	**703**	211	275	90	47
Market value per share						
— At year-end	cents	**374**	112	146	48	25
— Lowest closing for the year	cents	**100**	105	49	25	12
— Highest closing for the year	cents	**494**	161	173	58	50
Weighted number of shares		**167 244**	167 244	167 244	167 244	167 244
Total volume traded during the year		**48 199 960**	28 908 746	92 003 577	133 146 772	118 520 767
Rand value traded during the year	R'000	**121 577**	37 391	73 839	62 873	28 499

INLAND

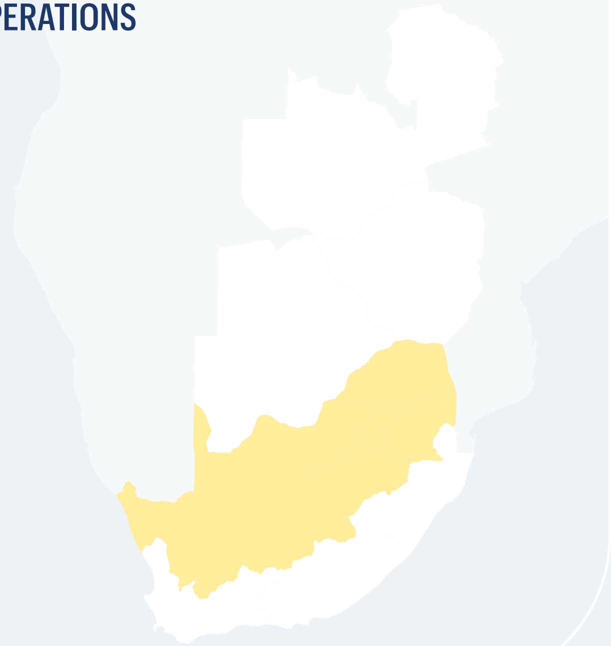
Ummbila Emoyeni wind farm

INLAND

Eric Wisse
Managing Director:
Inland Region

Refer to page 55 for a detailed CV.

MAP OF INLAND OPERATIONS



NUMBER OF EMPLOYEES
2 975
(2024: 2 020)

NUMBER OF SITES
61
(2024: 59)

Performance

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. All disciplines are performing to expectation.

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

Outlook

The Inland Region delivered a strong performance and commenced the new financial year with a healthy order book with further imminent project awards expected. A disappointing safety performance saw the region experience five lost time injuries, and although not life threatening, were avoidable. As a result of this, a re-focus on training and risk awareness, especially on hand and finger injuries, has been implemented.

The **Civils Discipline** again delivered a solid performance. Following the completion of the Zimplats SO_2 Abatement and Expansion project in Zimbabwe in the first half of the year and the downturn in the mining sector, the discipline was unable to secure a large replacement project, although a number of smaller projects were secured.

The **Roads & Earthworks (R&E) Discipline** saw a significant increase in revenue. The award of the R1,3 billion DRD Gold tailings facility in April 2024 was a highlight and the project is progressing well, with the first liner installation beginning in March 2025. Heavy rains in January and February 2025 affected production on most of the Region's R&E projects. Nonetheless, the Mareesburg phase 4 tailings storage facility for Anglo American Platinum is nearing completion and the Mogalakwena Bufferdam project is scheduled for completion towards the end of 2025. The R&E Discipline is also playing an integral role in the multidisciplinary Bolobedu Solar Photovoltaic (PV) project in Limpopo.

The **Geotechnical Discipline** experienced another busy year, achieving record performance and starting the new financial year with a healthy order book. Its Key Ridge piling project on the N3 near Camperdown in KwaZulu-Natal is progressing well.

The **Renewable Discipline** was awarded the Ummbila Emoyeni wind farm by Goldwind (the Engineering, Procurement, and Construction (EPC) contractor to Seriti Green) in June 2024. Significant progress has been made on the first phase of this project, where the discipline is undertaking the full civil and electrical Balance of Plant (BOP) scope. It has commenced early works for the next two phases of this project, involving geotechnical investigation, design, and early cable procurement.

The **Mining Services Discipline** experienced a steady year with all long-term tailings management contracts being renewed during the year. Good progress is also being made in rolling out the discipline's digital tailings monitoring programmes.

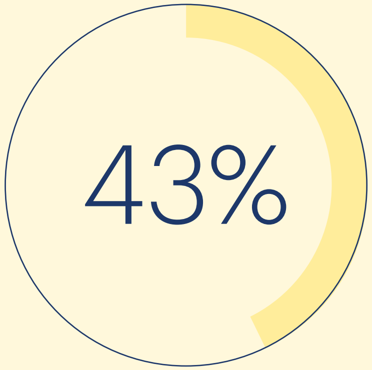
The **Electrical & Instrumentation Discipline** had another exceptional year and has become an integral part of the region's multidisciplinary offering. It has successfully expanded its traditional footprint in the petrochemical and mining industries to include the data centre and renewable sectors. The NTT data centre fit-out project in Midrand was successfully commissioned towards the end of 2024, and good progress is being made on the Bolobedu Solar PV project in Limpopo.

The **Oil & Gas Discipline** experienced a quiet year following the successful completion of the NH3 tank replacement project in Sasolburg. Aside from the annual Secunda shutdown only smaller opportunities have presented themselves during the year.

The **Mechanical Discipline** experienced a difficult year, with the Sishen Mine's Jig and Slimes project being the only project in its traditional market. Opportunities in the mining sector are mainly with cross border mines, and this part of the business is diversifying into other market sectors the group is active in, such as data centre fit-outs and water infrastructure.

INLAND CONTINUED

PERCENTAGE OF GROUP REVENUE



ORDER BOOK

R3,1bn

(2024: R2,2bn)

LTIFR

0,15

(2024: 0,06)

CONTRACT REVENUE (Rbn)

2025	3,3
2024	3,1

OPERATING PROFIT (Rm)

2025	187
2024	194

The construction market in the region provides a stable operating environment and an award of an additional R2,2 billion in projects during the first four months of the new financial year is anticipated.

There are promising prospects in the renewable energy, environmental and data centre sectors. While the grid constraints in the Cape provinces need to be addressed before new renewable projects in these areas become feasible again, the private renewable energy market in particular continues to provide good opportunities in solar PV, battery storage, substation, and limited wind projects.

There are good prospects in the data centre space, particularly in Gauteng. Following the successful collaboration with the Western Cape Region on the delivery of the NTT Data Centre fit-out, the Inland Region has solidified its data centre capacity that also leverages the capabilities within its Mechanical and Electrical & Instrumentation Disciplines.

Significant opportunities are emerging in the cross-border mining sector with the region bolstering the Africa Region's capabilities. While the mining industry in South Africa is subdued (with most opportunities in this sector limited to stay-in business rather than larger capital expansion projects) Stefanutti Stocks has a well-established footprint in this market and continues to play an active role.

The public infrastructure sector offers a range of opportunities and select state-owned enterprises (SOEs) or government departments could provide large-scale public sector transport and water infrastructure projects. However, it is worth noting that several large bids were submitted and either not awarded or the tenders cancelled.

The petrochemical market has been quiet for the last year, with expenditure at refineries limited to maintenance and shutdown work. The group's Oil & Gas Discipline is well positioned for upcoming expansions and upgrades at various refineries across South Africa.

Projects

The **DRD GOLD Far West Gold Recoveries (FWGR) Regional Tailings Storage Facility (RTSF)** is being constructed between Fochville and Westonaria. The project footprint is 1 303 hectares, and the construction scope includes a comprehensive range of earthworks and containment infrastructure, which includes clearing the site, removing topsoil, performing bulk excavation and bulk filling to form the dam.

A high-density polyethylene (HDPE) liner will be installed within the entire RTSF basin and across the embankment walls to the external drains ensuring that the tailings being deposited within the dam will not contaminate the surrounding environment. Steel pipes will safely carry the tailings to the facility.

A robust drainage system includes a variety of pipes, designed to efficiently manage water flow to collector pipes. This system provides reliable drainage to prevent waterlogging. The lined basin and drainage system will provide a solid infrastructure, focused on durability, strength, and long-term functionality, ensuring the project is built to last, while protecting the surrounding environment.

One of the key aspects in achieving the production requirements for this project was the acquisition of a fleet of CAT 631 scrapers and D9 dozers. A single team, consisting of one D9 dozer and three to four scrapers, is capable of matching the output of four excavator and articulated dump truck (ADT) teams. To further enhance efficiency, the graders are equipped with Trimble systems, which improve processing and level control, while eliminating the need for man/machine interaction. Similarly, Trimble® systems are installed on the dozers to accurately cut slopes for embankments, removing the requirement for batter boards and contributing to increased production rates. Additionally, Trimble systems are fitted on the excavators' cutting slopes in areas inaccessible to dozers to ensure precise and efficient trench excavation for pipeline installation. Another innovation on the project is the design of a custom spreader bar for telehandlers that enable faster and more efficient movement and installation of the HDPE liner.

Completion is planned for February 2027.

INLAND CONTINUED

The **Kusile Coal Offloading Hopper Facility** is currently being constructed by the Kusile Civil Works Joint Venture (KCWJV) which was approached by Eskom, in October 2023, to complete the partially constructed coal offloading hopper facility at the Kusile Power Station. The new hopper facility for the coal stock yard will allow for alternative coal supply through side tipper feeding and will ensure continuous coal availability even if the direct coal conveyor malfunctions.

The multidisciplinary scope of work includes the construction of:

- reinforced concrete hopper structure;
- security guardhouse;
- hopper control room;
- piling;
- fire and potable water systems;
- detailed earthing designs for the security fencing, security fence overhangs and new gates;
- heating, ventilation, and air conditioning (HVAC) split units to various buildings;
- systematic coding;
- plant signage;
- commissioning;
- testing;
- data packs; and
- handover of all works.

Completion is planned for October 2025.

The **Ummbila Emoyeni Wind Farm** is being constructed over a period of 24 months, from start of construction until the project supplies electricity into the grid. The project is located approximately 40km east of Secunda in Mpumalanga and consists of 25 Goldwind Wind Turbine Generators at 6,2MW each, totalling 155MW installed capacity. Stefanutti Stocks is responsible for the Civil and Electrical BOP scope.

This is the first full BOP wind farm project for Stefanutti Stocks. It is the first wind farm in Mpumalanga, and due to the size of the turbines and specific geotechnical requirements, it has the largest foundations constructed to date in South Africa.

The civil scope of work includes:

- 25 wind tower foundations with hardstands and crane pads;
- 41km of roads (including new internal roads and upgrading provincial public roads);
- drainage and culverts; and
- cattle grids, fencing and other ancillary works.

The electrical scope of work includes:

- Independent Power Producer (IPP) substation with two 95 megavolt-amperes (MVA) transformers and modular control room;
- 33kV medium voltage network;
- Two meteorological masts; and a
- 480m² operation and maintenance building.

The design phase commenced in April 2024, with current progress at 60% complete. When all phases of this project are completed, the wind energy facility will be the largest renewable hybrid energy facility in South Africa. The 6,2MW towers will stand 130 metres high (at hub height) with 90m long blades and will be founded on 5,5m high, 24m diameter foundations.

Completion is planned for July 2026.

The **Lesotho Northern Access Road Stabilisation** project is a landslide risk mitigation project along the A8, also known as the Northern Access Road. The slope stabilisation project is being undertaken by the Geotechnical Discipline, in the Maluti mountains at 2 800m above sea level and in anticipation of exponentially increased traffic (including construction vehicles and a Tunnel Boring Machine) related to the construction of the Lesotho Highland Development Authority's Polihali dam and tunnel projects.

Since the A8's original construction, two major slope failures have occurred, and the project is being undertaken to prevent any further slope failures that could undermine the road's stability and safe passage.

The mountainous region is characterised by rock fill, very hard rock, and large boulders, thus requiring a boring methodology able to penetrate very hard (R5 quality) Basalt Rock formations. From a design perspective, a casing advancement system was seen as the most effective piling method for the highly complex and difficult geology.

The 226m long soldier-piled wall, offset 0,75m from the road edge comprises a 10m long, 8mm thick steel casing (with a 2m socket into R5 rock), 325mm diameter soldier piles spaced at 1m centre to centre (c/c) with a 600mm x 600mm reinforced concrete capping beam, and grouted anchors installed 1,25m below capping beam at 15 degrees from the horizontal spaced at 2m c/c between the soldier piles.

Completion is planned for June 2025.

The R340 million **NTT 6MW Data Centre Midrand fit-out** comprised of a range of critical infrastructure construction and commissioning activities that ensured seamless integration and operational readiness of the data centre. This milestone project is the first data centre built by the group in Gauteng and was executed as a collaboration between the Western Cape and Inland Regions. The project was successfully executed within a live data centre environment and to NTT's high standards for reliability, security, and operational efficiency. During the integrated systems testing (IST) stage, the client commented that it had been one of the best handover experiences, with minimal snag issues.

The most challenging aspect of the project was the seamless integration and coordination between the live operational side and the construction of the new zone. The fit-out spanned three 2-megawatt (MW) Information technology (IT) data colocation halls and various electrical supply rooms that included battery and generator back-up. The mechanical component included a large chiller plant room with nine chillers reticulated to the three data halls and connected to 18 computer room air handler (CRAH) units per hall.

INLAND CONTINUED

The data centre fit-out scope of work included:

- Enablement works — floor treatments, general sundry steelwork, and minor internal builder's works.
- Building rectification — alterations and remediation of existing building dilapidations.
- Security and controls management — coordination of Building Management System (BMS), access control, and CCTV installations.
- Mechanical, electrical, plumbing, and fire (MEPF) and equipment integration — management and coordination of specialist electrical and mechanical free-issue equipment installation and commissioning.
- MEPF installations and commissioning — overseeing all additional MEPF system installations, commissioning, and integration.
- Final commissioning — end-to-end commissioning of the entire data centre up to Level 3B, including all required consumables, to achieve ready-for-operations status.

The 11-month project was completed in October 2024.

The **2024 Unit 218 Sulphur Plant Shutdown Project** at Sasol Secunda was completed with zero lost time injuries and included the supply, fabrication, and installation of 316L stainless steel structures and plate work, the demolition of existing structures and platework, and mechanical works removal and reinstatement. The project award can be attributed to previous successful execution on similar projects and plants for Sasol as well as the existing strong client contractor relationship that allowed for collective planning and best practice. Facilitating work both on and off-site, collaborating, sharing ideas, and implementing strategies were key contributors to the project's success, including the off-site pre-manufacturing of the partial roof and overflow launder, trial assembly and transportation using abnormal loads.

The collaborative planning, coordination, risk mitigation, management and execution of the offsite and onsite works was instrumental in the successful shutdown.

This project was completed in October 2024.

The **Bolobedu 148,4 MWp Solar PV Project** is a large-scale renewable energy development located between Tzaneen and Giyani in Limpopo. It is being constructed for global renewable energy company Voltalia and includes the full Balance of System (BoS) scope, covering civil, mechanical, and electrical infrastructure essential for the plant's operation. The scope encompasses 240 000m³ of bulk earthworks and 64km of cable trenches for electrical infrastructure. Mechanical installations include 42 000 piles to support 218 250 PV panels. The electrical scope covers the installation of 330 000m of stringer cable, 350 000m of generation cable, and 52 000m of MV cables, to ensure efficient power transmission.

The project duration is 13 months for construction and an additional two months for commissioning. The construction remains ongoing.

Completion is planned for October 2025.

The 36-month long **Khumani Discard Dump Management** sees the Mining Services Discipline's materials handling team and complement of dozers, ADTs and front-end loaders handling the Khumani Process Plant's waste rock deposition of approximately three million tons per annum. One million ton per annum is fed into the Khumani Processing Plant blending yard. The final levels and deposition plans are agreed with the engineer of records (EOR) and African Rainbow Minerals (ARM) Management. The contract includes the management of the mines waste stream in approved waste facility ponds, positioned adjacent to the mine's plant area.

Sustainability matters

Skills development and training highlights

- An internal tailings training programme was initiated for onsite training of all key employees in order to comply to Global Industry Standards Tailings Management deposition protocols.

Sustainability-related initiatives

- A 200kW solar PV facility was built at the Ummbila Emoyeni wind farm to provide power to the site establishment. To date in excess of 44 000kWh of power has been generated by the system.

SHE highlights

The region's disciplines achieved the following LTI-free hours:

Discipline	LTI-free hours
Mining Services	8,9 million
Civils	4,9 million
Inland shared services	3 million
Electrical	2,6 million
Mechanical	1,6 million
Oil & Gas	1,6 million
Roads & Earthworks	1 million
Renewable Energy	0,7 million
Geotechnical	0,2 million

Awards, accreditations, and achievements

- The Oil & Gas Discipline's Sasolburg NH3 Tank B and BOP project won a Highly Commended award in Construction World's Best Project Awards 2024, Specialist Contractors, or Suppliers category.

COASTAL

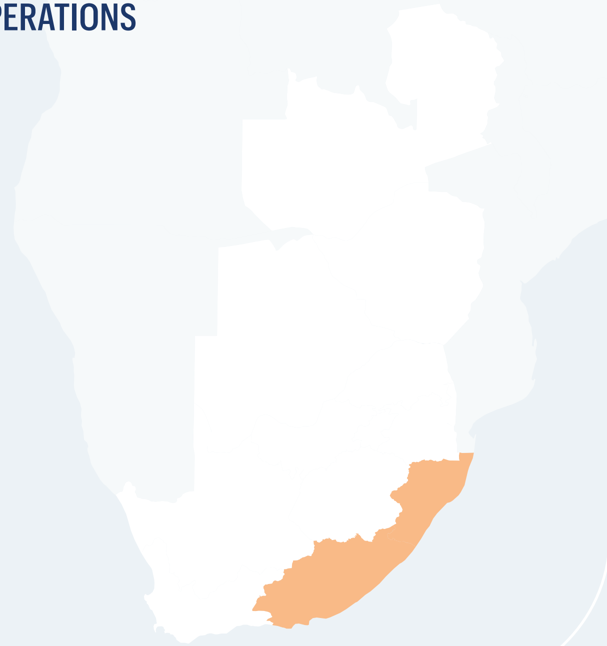
Westown Square

COASTAL

Matthew Horwill
Managing Director:
Coastal Region

Refer to page 55 for a detailed CV.

MAP OF COASTAL OPERATIONS



NUMBER OF EMPLOYEES
1 096
(2024: 680)

NUMBER OF SITES
20
(2024: 14)

Performance

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. All disciplines are performing to expectation.

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

Outlook

The business environment within the Coastal Region remained difficult amidst significant competition, construction mafia related challenges that affected both personnel and operations, and continued project award delays. Nonetheless, revenue showed impressive growth of over 60%, while the operating profit surged by 225%.

There is a renewed optimism in public sector investment (provincial and national governments) with an increasing number of higher value infrastructure projects coming to the market within KwaZulu-Natal. This appears to be stimulating more private sector investment, and it is expected that this trend will continue.

In addition to niche marine infrastructure rehabilitation projects, the recent and previous flooding throughout the province will provide infrastructure rehabilitation and repair work.

A number of opportunities exist in the industrial and mining sectors, and pursuing these will remain a focus, along with water infrastructure construction projects.

The establishment of the first phase of the mixed-use Shongweni Westown development off the N3, coupled with planned further developments (such as the Cato Ridge dry port) on the N3 corridor, should also create opportunities.

Projects

The Building Discipline's Fundamentum's **Westown Shongweni development**, easily accessed from the N3 in KwaZulu-Natal has afforded the Coastal Region the opportunity to showcase its multidisciplinary construction capabilities, and it has undertaken a number of construction projects for the mega multi-use development. This includes the R986-million, 48 500m^2 Westown Square project, an outdoor lifestyle retail offering that includes entertainment, recreation, lifestyle, and leisure options, which opened to the public on 27 March 2025. Highlights include an 8 500m^2 modern Checkers Hyper and a 2 750m^2 Pick n Pay store, alongside numerous national brands in fashion, health and beauty, and food. The development is thoughtfully designed around beautifully landscaped town gardens and town square, featuring an amphitheatre, and dedicated play areas for children.

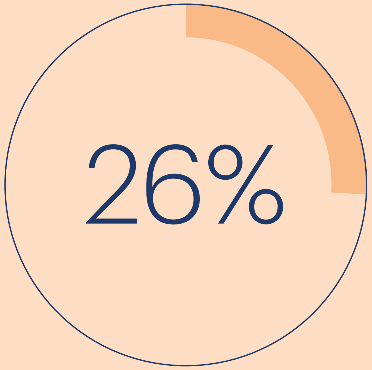
This greenfield project was built from the ground up, from stripping the site, to bulk earthworks, infrastructure and services installation, and the construction of the high-end top structure.

The project celebrated 2,6 million LTI-free manhours worked, with over 95 subcontractors participating in the project over the duration of the contract. The piling on the contract was undertaken by the Inland Region's Geotechnical discipline, while the internal precinct road was constructed by the Coastal Region's Roads & Earthworks Discipline.

The Roads & Earthworks Discipline undertook the R220 million **Westown Internal Roads: Phase 1** for Fundamentum Devco. This was an 18-month contract, accelerated to 12 months as per the client's request and to meet the Westown Square launch date of 27 March 2025.

COASTAL CONTINUED

PERCENTAGE OF GROUP REVENUE

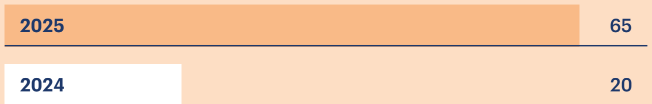


ORDER BOOK
R1,6bn
(2024: R2,2bn)

LTIFR
0,10
(2024: 0,00)

CONTRACT REVENUE (Rbn)

OPERATING PROFIT (Rm)



The contract encompassed internal precinct roads and services, with a construction scope spanning:

- bulk earthworks,
- stormwater, sewer, water, fibre, electrical, traffic signalisation and all infrastructure,
- sidewalks,
- road pavement construction,
- valley fill stabilisation, and
- road furniture and other ancillaries.

There were a number of noteworthy achievements on the contract, including:

- Fitting an 18-month programme into 12 months, which included a 37% increase in earthworks quantities and a 350% increase in cut to spoil quantities due to unsuitable in-situ fill material.
- Construction of a road prism bulk fill using impact rolling as well as conventional methods to shorten the duration of bulk earthworks.
- Working in close proximity to a wetland and managing the stormwater run-off, while also dealing with higher than usual rainfall.

This contract marked a significant milestone in many of the construction team's careers, showcasing team spirit and a cohesive sense of purpose to meet a non-movable deadline. A further highlight was the number of team members promoted and recognised for their efforts and valuable contributions to the project's successful delivery.

The discipline is also working on the R600 million **Upgrade of Kassier Road (Phase 1A & 1B)** for Fundamentum Devco, which commenced in October 2022 and encompassed a construction scope spanning:

- The upgrade of 3,7km of existing provincial main road from a two-lane to a four-lane divided carriageway;
- Relocation of existing services;
- Demolition of the existing M13 bridge; and
- Construction of a new M13 interchange, including two bridges spanning the M13, an overpass bridge over Kassier Road, a pedestrian arch bridge over the N3, and several retaining walls incorporating soil nails, reinforced earth and reinforced concrete.

During construction of the two bridges, respectively over the N3 and M13, the roads had to be closed, traffic diverted onto the on- and off-ramps, and temporary traffic "windows" constructed. The placement of the 26m long I-beams for the N3 bridge was scheduled over two consecutive nights, between 21h00 to 05h00, while the 13m long beams for the M13 bridge could be placed during the day observing the same principle of using the on- and off-ramps to divert traffic. This temporary falsework was completed successfully.

Following the Westown Square opening in March 2025, the construction of remaining sections of the road will be carried out in phases to accommodate traffic. Construction activities on the main carriageway will be put on hold during planned events at the mall to minimise the impact of traffic congestion.

Despite adverse weather conditions at the beginning of 2025 (the full annual rainfall for Durban was experienced from January to April), the following construction milestones were met, in the lead-up to the Westown Square opening:

- The loop access road and overpass bridge were opened;
- Both carriageways from the N3 bridge to the mall were opened;
- One carriageway from the M13 bridge to the N3 was opened; and
- The soil-nail retaining wall was completed.

Noteworthy quantities on the contract include 709 000m³ bulk earthworks cut to fill, 1 100-ton cement for layer works stabilisation, 15 900-ton asphalt, 4 068m³ concrete, 670-ton reinforcing, 24 900m³ of dump rock, 59 223m³ of layer works, 7 245m² of F3 formwork, 11 660m of ducts and 3 289m of stormwater pipes.

COASTAL CONTINUED

The Civils Discipline is currently undertaking a R230 million repair of the **Umlazi Canal**, next to Mondi and the Old Durban International Airport. The Umlazi River used to flow diagonally through the old airport grounds into a marshland and, to allow for the construction of the airport in the 1950s, had to be redirected to the sea via the canal. It is about 64m wide at the bottom, 73m wide at the top with a height clearance of 4,6m. During the floods of April 2022, the water overtopped the canal, washing away many concrete panels and causing considerable destruction.

Currently, a 400m long section of the canal is being rehabilitated for Transnet Properties. This rehabilitation includes the temporary diversion of the river, continued dewatering during construction, demolishing and removing the damaged concrete walls and floor slabs, supply and placement of material for fill purposes, construction of the canal concrete lining walls, floor and parapet concrete walls, reinstatement of the eroded embankment, the supply and placement of rock for embankment protection, as well as the reinstatement of the south bank service road.

The length of the embankment being reinstated is split by an exposed Sasol methane pipe which Stefanutti Stocks will be re-laying in a separate contract for Sasol.

Completion is planned for January 2026.

Mondi's **Project Vuselela** in Richards Bay is a sustainable energy initiative that sees the mill constructing a new Circulating Fluidised Bed (CFB) boiler with a biomass processing and storage plant that will ensure a reliable and efficient fuel handling system. The discipline is constructing key infrastructure for Project Vuselela including the R43 million fuel handling plant crusher foundations and tunnel as well as the R107 million Biomass A-frame.

The crusher tunnel is a critical link in the fuel handling process and is designed to transport the biomass (woodchips) to the Circulating Fluidised Bed (CFB) boiler, where it will be converted to fuel and energise the boiler. The civils scope for the tunnel comprises a high-speed crusher plant (for the initial material breakdown), a slow-speed crusher plant (for refining biomass to the required specifications), a hydraulic room that provides power and control for the system's mechanical operations and a control room where efficient and safe operations are overseen.

The construction scope for the biomass A-frame includes the concrete A-frame structure for biomass storage, the concrete reclaimer tunnel, motor control centre, the screening building, and screening feed conveyors. Noteworthy quantities include 6 000m^3 of reinforced concrete and 1 023 tons of reinforcing steel.

Richards Bay's high rainfalls delayed construction, in particular, of the reclaimer tunnel. The rise in water table required the activation of a 24/7 dewatering team. The tunnel's founding level conditions, that consist of clay material (with poor load bearing capacity) required an engineering solution comprising undercutting to 500mm and installing a dump rock ParaLink system to create a competent platform prior to blinding.

Despite tight deadlines and unexpected challenges, the plant remains on schedule to be handed over to the mechanical installation team for the mill's operational programme to be met. Both of Stefanutti Stocks Coastal Civils' project teams have worked closely with Mondi and worked effectively to guarantee timely project delivery.

Completion is planned for October 2025.

Sustainability matters

Skills development and training highlights

The Westown Training Centre

150 learners from KwaZulu-Natal's Shongweni area received training at the Westown Stefanutti Stocks Academy, a partnership between the Westown Foundation and the Coastal Region. The first 38 learners graduated in November 2023 and the remaining 112 students graduated in 4 October 2024. This group included 50 graduates from the plumbing course, 20 from the bricklaying course, and 42 who completed basic machine studies. Notably, 35 of these graduates have already secured employment at the Westown site, with others placed in various companies across the industry.

Sustainability-related initiatives

Star Schools Incubator Programme

Since 2023 the Stefanutti Stocks Group has fully funded the Ntshongweni Star Schools Incubator Programme, which is an education enrichment programme aimed at nurturing the academic development of above-average learners in the communities local to the Coastal Region's mega, multidisciplinary project at Westown, Shongweni in KwaZulu-Natal. Star Schools and Sector Education Training Authorities (SETA) are registered non-profit organisations (NPOs) and supplementary education service providers that focus on making Science, Technology and Engineering Mathematics education more easily accessible to marginalised or disadvantaged learners. After Stefanutti Stocks approached the NPOs to identify suitable schools, a pilot programme was rolled out in collaboration with the high school Principals of Albini, Amatshezulu, Gabigabi, Ukusa, and Wozamoya.

COASTAL CONTINUED

During the 2023 and 2024 academic year, 35 matric learners (largely the same group through grade 11 to 12, with a few replacements as required) were enrolled in the programme. The programme offered access to tuition in Mathematics, Physical Sciences and English to learners in under resourced schools, with the aim of improving and sustaining their academic performance at school, expose them to the tertiary world and career opportunities, and increase their chances of university exemption.

Programme participants visited Stefanutti Stocks's Westown Shongweni site, where in addition to meeting representatives from their programme sponsors, were given the opportunity to experience the world of construction. The success of the programme was evidenced by the 100% pass rate and 23 distinctions achieved by programme participants in their final school exams in 2024.

Stefanutti Stocks's sponsorship to date totals almost R1,1 million and the group will continue to support the initiative for the 2025 academic year. The 2025 sponsorship will cover 20 learners from Grade 10, 15 learners from Grade 11 and 10 learners from Grade 12.

Also refer to the Sustainability Report, page 26, for more information.

Framing the Future — Shongweni

The Stefanutti Stocks in-house managed eye testing and spectacle fitment programme "Framing the Future" partnered with a Durban-based optometrist in February and August 2024. The optometrist screened a combined total of 1 002 learners (all learners up from Grade 1 to Grade 7) for visual challenges at the Edamini Primary School in Shongwe Nidamsalem and the St Lawrence Primary School in Kwanyuswa. Both these schools fall within local wards surrounding the Westown Shongweni Urban Development where the Coastal Region is undertaking several contracts.

Over the two phases, 579 learners were screened at Edamini Primary School, 68 of whom underwent a full visual examination and 44 requiring spectacles. At St Lawrence Primary, 423 learners were screened, 55 of whom required a full visual examination and 37 of whom were issued with spectacles.

SHE highlights

Take 5 SLAM

The Take 5 SLAM was launched in September 2024 and is a "five minute'' safety stand down initiative introduced to complement the morning's Daily Safety Task Instruction (DSTI) session. This brief intervention interrupts daily tasks, most often during the afternoon, to ensure the morning's safety instructions stay top of mind, reinforcing the importance of vigilance and proactive risk management throughout the working day.

Weekly peer review walk-abouts

The peer-to-peer safety walkabout fosters a supportive environment where employees participate in identifying and correcting unsafe behaviours and conditions and are invited to actively contribute to a stronger safety culture across the site. The objective is to foster a culture of accountability and mutual responsibility for safety among employees. Management and supervisors also participate in these weekly safety walks, during which the site safety observations are recorded and shared at the next weekly safety stand down.

The region's disciplines achieved the following LTI-free hours:

Discipline	LTI-free hours
Civils	18,6 million
Building	7,5 million
Roads & Earthworks	0,5 million

Awards, accreditations, and achievements

The Coastal Region achieved six first places and three highly commended awards in the 2024 Master Builders Association KZN Annual Occupational Health and Safety competition.

The awards included the prestigious first place in a special Iconic Project Category which went to the Region's TNPA-Provision of Scour Protection for Berth A to B at the Port of Durban.

The other first placed projects included:

- Lovu Emergency Water Scheme, Civil (R70m and above);
- Pavilion — Alterations and Additions to the Existing Rooftop, Retail Buildings (below R70m);
- TSAM Hino Plant Re-roof, Commercial/Industrial Alterations & Renovations (below R40m);
- Toyota Façade Upgrade — PEPD Offices, Small Works (below R10m); and
- Coastal Workshop, Plant & Formwork Yard — Health and Safety winner of the Plant & Storage Yard Category.

The Highly Commended — Excellence in Construction Awards went to:

- Toyota Flood Mitigation (Small Works below R10m);
- Natref NDO Rebuild (Industrial, Manufacturing & Warehousing (below R70m); and
- Westown Square, Health and Safety in the above R750m Category.

WESTERN CAPE

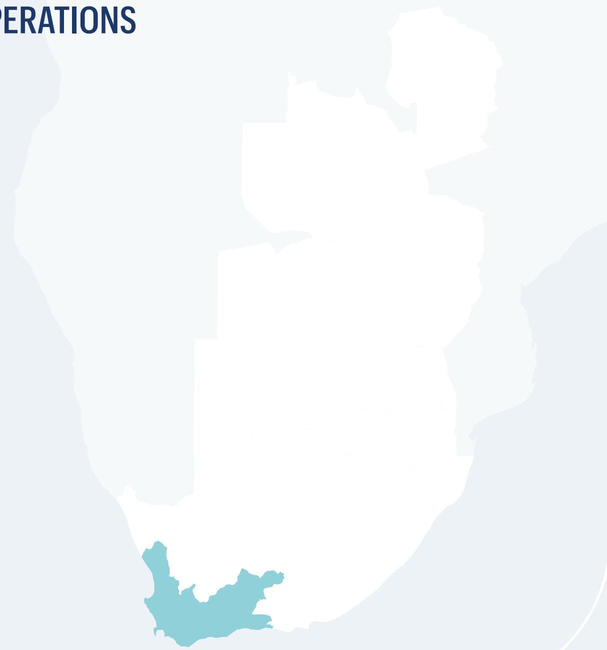
Philippi Potable Water Treatment Plant

WESTERN CAPE

Mauro Donato
Managing Director:
Western Cape Region

Refer to page 55 for a detailed CV.

MAP OF WESTERN CAPE OPERATIONS



NUMBER OF EMPLOYEES
320
(2024: 321)

NUMBER OF SITES
16
(2024: 15)

Performance

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

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

Outlook

The **Building Discipline** strategically shifted its focus towards data centres and away from traditional low-margin projects, which led to a period of subdued revenue as data centre rollout slowed due to Eskom power constraints. The standout achievement for this year was the successful delivery of the first data centre outside of Cape Town for a new international client.

The discipline's order book was also bolstered through Framework contracts with the Western Cape Government.

The region's civils sector, in particular for the construction of water treatment infrastructure, grew significantly and the Civils Discipline has secured a robust pipeline of work.

Furthermore, entry into the mechanical self-execution market (within the water/wastewater market) is proving successful, with the region showcasing its competitiveness in an integrated civil and mechanical domain.

In the period under review all disciplines made positive financial contributions.

A secured order book of R2,7bn sees the Western Cape Region poised for a solid year ahead, with growth expected in both the Building and Civils Disciplines.

The discipline's growth is linked to data centre builds, as it is expected that delayed data centre projects will commence during the year.

The **Civils Discipline** is well-placed to secure projects based on its multidisciplinary strengths, including the capability to construct marine infrastructure.

Projects

The Building Discipline is executing three separate projects within the **Groote Schuur Hospital (GSH)** precinct. These are the construction of the New Emergency Centre, the upgrade of the existing HVAC system, and the replacement of the sewer lines. The procurement of these separate contracts within one precinct allows the region to optimise its resources and execute a centralised and well-coordinated programme for the hospital. Strict housekeeping rules ensure minimal disruption within the live environment, and a self-developed biometric access control system ensures controlled access across the construction zones.

The R160 million project to construct the 4 000m^2 New Emergency Centre included piling and lateral support (executed by the Inland Region's Geotechnical discipline). The structural tie-in to the new building has been completed and services and finishing trades are progressing well. The project's phased completion process sees the hospital taking occupation of completed areas, following which the vacated areas are being repurposed by the region.

Completion is planned for late 2026.

The R148 million HVAC system upgrade is a Mechanical project comprising the refurbishment of the main hospital building's air-handling units and ducting. The project is being executed in various phases over separate floors and due to the large size of the new air-handling units and lack of a goods lift the units are disassembled on the ground floor and carried to the higher floors where the components are reassembled in position.

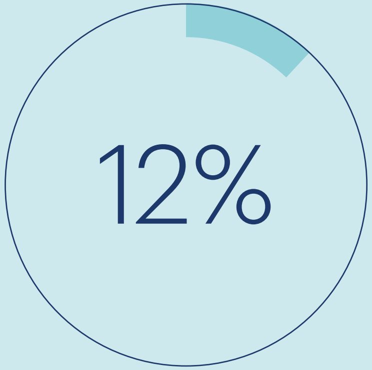
Completion is planned for December 2025.

The R23 million sewer lines replacement project entails replacing 15km of cast-iron sewer pipes with polyvinyl chloride (PVC) pipes. GSH activities continue as normal requiring careful coordination and accurate preparation. The team completes all measurement and material placements during the day, and removes and replaces the pipes during the night, after visiting hours.

Completion is planned for February 2026.

WESTERN CAPE CONTINUED

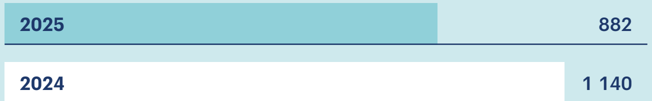
PERCENTAGE OF GROUP REVENUE



ORDER BOOK
R2,7bn
(2024: R741m)

LTIFR
0,00
(2024: 0,00)

CONTRACT REVENUE (Rm)



OPERATING PROFIT (Rm)

The **Cape Flats Managed Aquifer Recharge (MAR)** project, undertaken by the Civils Discipline, is one of the City of Cape Town's water supply enhancement projects and includes the treatment and injection of recycled water into strategic zones of the aquifer.

The R514 million civil infrastructure construction project for the reclamation works at the Cape Flats Wastewater Treatment Works included the construction of process buildings, interconnecting pipework and roadworks.

The 40 million litres per day reclamation works was completed by the Western Cape Region in November 2024.

The R589 million contract for the **design and build of all the mechanical and electrical work** associated with the MAR was awarded to the region in May 2024. The reclamation process requires the final effluent from the wastewater treatment works to be treated in an Advanced Water Treatment Plant before the injection can take place.

Completion is planned for April 2028.

The R200 million contract to construct the **Philippi Water Treatment Works** (where abstracted recharged groundwater will be treated prior to being distributed into the drinking water reticulation network) was awarded to Stefanutti Stocks in May 2024. This project affords the region the unique opportunity to be involved in the full project cycle, which includes treated effluent, injection into the aquifer, treatment of the abstracted water, and finally potable water supply.

Completion is planned for May 2026.

The **tanker berth** at the Port of Gqeberha suffered significant damage following a vessel incident in mid-2024, causing delays in supply and increased costs of fuel in Gqeberha and surrounding areas. The region's rich marine expertise was called on to conduct an initial assessment and a proposal of swift reinstatement options.

Transnet National Port Authorities (TNPA) utilised these to release a request for proposals for a design and construction contract needed to carry out the urgent reinstatement of the tanker berth. The region was successful in its bid and was appointed to execute the design and construct contract within aggressive time frames.

The incorporation of 3D digital modelling in planning and executing the mooring dolphin installation proved crucial in mitigating installation risks effectively. Digital modelling also played a pivotal role in providing a clear visualisation of the installation requirements and process.

The R15 million reinstatement of the tanker berth was completed in December 2024.

Sustainability matters

Skills development and training highlights

- The Discovery Insights Programme was successfully relaunched for all permanent salaried employees. This initiative leverages a practical psychology model to enhance self-awareness, fostering positive behavioural and professional growth within and beyond the workplace. The focus was on introducing this concept to employees who had not yet participated or had completed their profile more than five years ago. The relaunch was well received.
- To further support leadership development, the region introduced a Leadership Development Programme incorporating Discovery Insights. This initiative was strategically designed to address leadership challenges identified in the 2023 Employee Engagement Survey, and to equip leaders with the skills to be more effective, adaptive, and impactful in their roles.
- A strengthened focus on succession planning and talent pipelines has led to a more targeted approach in awarding bursaries and prioritising support for current employees rather than external students. As of February 2025, the region has awarded 11 part-time bursaries to employees, reinforcing internal career growth and professional development. Efforts to diversify the talent pipeline also remains a priority, and the region is actively building relationships with various institutions to establish multiple entry streams for students, ensuring a sustainable and dynamic talent pipeline.
- The region exceeded its Workplace Skills Plan target by nearly 200%, demonstrating its commitment to investing in continuous learning, upskilling, and empowering its workforce.

WESTERN CAPE CONTINUED

Sustainability-related initiatives

- The region established a Social Committee to enhance and streamline the coordination of social events across the organisation. This initiative has significantly contributed to fostering a more connected and engaged workforce by ensuring that events are planned holistically and inclusively.
- The region's Employee Engagement Survey results improved from 86% in the prior year to 91% in the current year, reflecting a positive shift in workplace morale and involvement. This progress is attributed to the effective implementation of the engagement plan at all levels, reinforcing a culture of collaboration and continuous improvement.
- The Employee Assistance Programme (EAP) remains a cornerstone of employee well-being, providing essential support services, including psycho-social counselling, trauma support, medical assistance, financial guidance, and legal advice. These services continue to play a vital role in promoting holistic employee wellness.
- The revamped Western Cape offices now feature a modern, open-plan design that fosters greater collaboration and synergy across departments and further enhances teamwork and operational efficiency.

SHE highlights — regional

- The Subcontractor Management Induction programme was started in May 2022 and by January 2025 a total of 108 individuals, comprising subcontractor managing directors and their management teams, had been inducted. These processes are conducted annually, with each participant receiving an Induction Card as proof of induction.
- The monthly Internal Regional OHS competition is conducted across all projects as well as the Plant Yard, with the winning site receiving a floating trophy that is kept on site for one month. The initiative is designed to foster healthy competition between sites, with the intention of continually improving physical conditions on site and ultimately achieving the region's target of zero incidents. It also creates the opportunity to identify and share best practices and common short falls across sites.
- Monthly safety, health, environmental and quality (SHEQ) meetings are held and attended by all operational directors (including the regional managing director and group SHEQ director), senior OHS officers and environmental and safety managers for the region, as well as all appointed construction managers and contracts managers. Findings from recent incidents and audits are reviewed to establish necessary corrective and preventive actions and initiatives to be implemented on site.
- Service level agreements with reputable companies allow for the provision of external monthly high-level high-risk safety activity audits and safety file audits (contractor and subcontractor) at each of the region's projects. High risk safety activity audit results are shared with the respective projects and recommendations and areas of improvement are discussed at the monthly SHEQ meetings. Findings from the safety file audits are also presented at the monthly meetings, and used to improve the subcontractor on-boarding process as well as assist subcontractors to become legally compliant.

SHE highlights — site based

- All sites compile a weekly visible felt leadership (VFL) and site safety observations (SSO) trend analysis breakdown report. The top three common findings per site are noted, including their root causes and what corrective/ preventative action can be taken. Sites are encouraged to include their observations into their weekly safety talk/ walk, that must include their subcontractors.
- A site-based Safety Person of the Week initiative is proving useful in motivating employees to participate and contribute to project-specific health and safety initiatives.
- The Vantage Data Centre (VDC) team partnered with client VDC in coordinating and participating in the 2024 "VDC Safety Week", themed as "Vision Zero – Make Every Voice Count". The event ran from 16 to 20 September 2024, and each day two hours were set aside for employees to attend performances (from safety game shows to guest speakers). OHS topics covered included working at heights, electrical safety, employee wellbeing and mental health awareness. Employees were given the chance to showcase their knowledge and win prizes after each guest speaker.

  The week wrapped up with a spit braai and prize-giving where individuals and subcontractor teams excelling in OHS were recognised for their consistent performance during the project.
- The site risk assessments and method statements (RAMS) procedure continued to be reviewed to ensure that all employees, including subcontractors, have the necessary training and competency to complete RAMS that are site and task specific. Training sessions, that included subcontractor management and safety personnel, were held at all sites, and refresher sessions conducted as and when new employees and contractors joined the project teams.

The region's disciplines achieved the following LTI-free hours:

Discipline	LTI-free hours
Civils	1,5 million
Building	1,0 million

Awards, accreditations, and achievements

- Commendable feedback was received from clients on two of the region's Western Cape Government framework projects. This included positive feedback from the engineer on the Groote Schuur Hospital sewer replacement project. The timeous completion of the demolition of unsafe structures on a project seemed to surprise the client, who seemed accustomed to prolonged and delayed construction projects.
- All seven active sites and the Plant Yard obtained a five-star grading from the Master Builders Association (MBA) Western Cape, in recognition of the outstanding contribution made in promoting the OHS Programme for the Construction Industry. This resulted in the award of a five-star grading for the Stefanutti Stocks Western Cape Region.
- In the 2024 Master Builders Association Western Cape Annual Occupational Health and Safety competition, the region achieved one first-place award (VDC CPT 11 in Category D: R15m-R40m) and two second place awards (Paarl Waste-Water Treatment Works in Category G: R250m-R450m; and Western Cape Plant Yard in Category A: Plant and Storage).

AFRICA

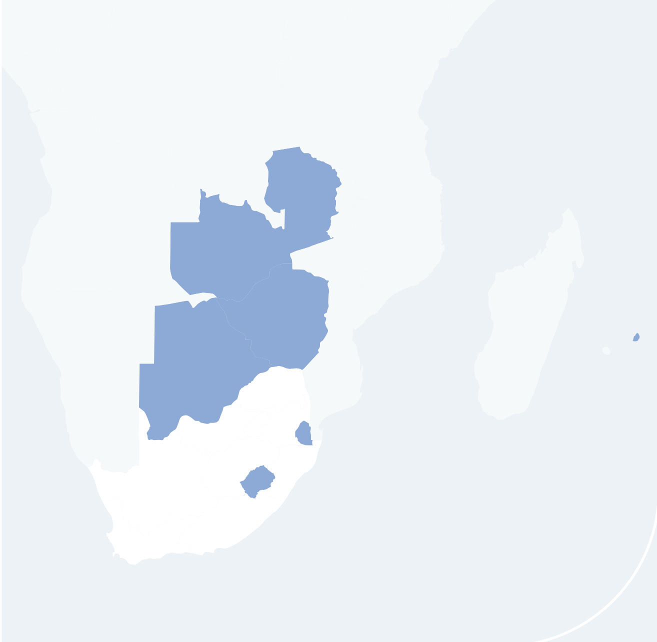
Bayer Blue Castle II — New Seed Plant, Zambia

AFRICA

Shaun White
Managing Director:
Africa Region

Refer to page 55
for a detailed CV.

MAP OF AFRICA OPERATIONS



NUMBER OF EMPLOYEES*
1 116
(2024: 1 927)

NUMBER OF SITES
21
(2024: 23)

* (excl. Mozambique)

Performance

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 net 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.

With respect to the Kalabo settlement, 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.

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

Outlook

Zambia faced challenges at the beginning of the financial year with a lower-than-average order book and short-term prospects that did not materialise. The business has however positioned itself well in the country as the premier contractor and is poised to take advantage of the stronger market going forward.

The private sector in Zambia is showing increased confidence in the economy following the successful conclusion of the Zambia government's debt restructuring deal and its increased investment in major mining operations, focusing on extending the life of mines. However, government spending on infrastructure projects has not yet been realised due to significant long outstanding debtors limiting availability of budget for new infrastructure.

Severe droughts in Zambia resulted in widespread load shedding, underscoring the urgent need for alternative energy solutions and presenting new opportunities in the Renewables sector.

Furthermore, securing crucial mining and private sector projects is key to the success of Zambia.

In **Eswatini**, the past year presented challenges with project delays and payment issues, possibly linked to the government transition. Although private sector contracts were limited, the operation performed well. Financial project performance was consistent, with most exceeding tender expectations.

While Eswatini's private sector work remains limited, there is a positive sentiment amidst emerging opportunities and an increase in projects coming to market. These opportunities include construction works for the Central Bank of Eswatini, water infrastructure projects such as the construction of Mpakeni Main Conveyance System, Mpakeni Secondary Distribution System, packages for the Mkhondvo Ngwavuma Water Augmentation Project, and other Potable Water projects for reticulation and reservoirs. Road infrastructure construction opportunities include the construction of the MR14 – 21 and numerous projects to upgrade gravel roads around the Kingdom of Eswatini. Further prospects include the Ubombo Sugar Mill Cogeneration Project and other projects linked to the mill's improvement or expansion plans.

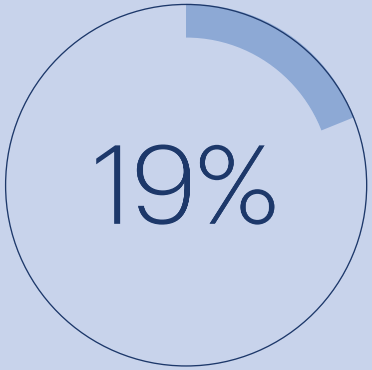
Botswana remained agile in response to a changing political environment that saw the incumbent regime leverage infrastructure construction as a political tool, pledging contracts exclusively to citizen-only contractors. This, coupled with restricted capital expenditure in the mining sector and limited private sector opportunities, is reflected in the country's performance. While the operation was downsized and the overheads reduced, the operational sites surpassed their tender margins, albeit on a very small scale.

Botswana's outlook remains prudent, despite an undertaking from the new government to rectify the actions of the previous regime and promises of substantial infrastructure work in the pipeline.

Botswana's economy also remains heavily dependent on the diamond industry, and only a gradual recovery is anticipated. The group has adopted a wait-and-see approach while maintaining a scale down presence in country.

AFRICA CONTINUED

PERCENTAGE OF GROUP REVENUE



ORDER BOOK
R833m
(2024: R1,7bn)

LTIFR
0,00
(2024: 0,00)

CONTRACT REVENUE (Rbn)

2025	1,5
2024	1,6

OPERATING PROFIT (Rm)

2025	92
2024	33

Projects

Stefanutti Stocks Zambia's Bayer's Blue Castle II project — the most advanced and biggest seed processing facility in the southern hemisphere — was officially opened on 19 March 2025 by the president of Zambia.

The R231 million project commenced in September 2023 and was completed on time and within budget during January 2025. The construction scope encompassed 45 000m^3 of earthworks, 180 tons of reinforcing steel, 7 000m^3 of concrete and 495 tons of structural steel. This new modern facility is sophisticated on all levels, boasting luxury finishes and leading seed processing technology.

The successful delivery of the project laid the foundation for a good relationship with Bayer, that has subsequently invited Stefanutti Stocks to submit tenders for three additional buildings, two of which are design and construct, valued at R26 million.

The R88 million construction of the **Main Pipeline from Nhlangano to Zombodze Package 2** by Stefanutti Stocks Eswatini entails the construction of a 22-kilometre long, single gravity main section and reservoir supply line that will supply potable water between Nhlangano and Siphambanweni in the south of the Kingdom of Eswatini.

The pipeline diameter varies between 250mm and 355mm and consists of ductile iron and u-PVC pipes with associated valves, fittings, pipe specials and meters. Associated works include:

- Connections to existing infrastructure;
- Concrete valves, off-take and meter chambers, complete with pipe work for valves (air, scour, isolating, flow control and pressure control) and flow meters;
- Construction of two steel pipe bridges; and
- Installation of cathodic protection and alternating current (AC) mitigation measures.

The contract is approximately 80% complete as at February 2025 and the follow-on **Package 3**, that includes approximately 43km of potable water reticulation, has also been awarded to the Eswatini operation with a value of R291 million.

The R241 million construction of the **Executive Hangar at KMIII International Airport** at Sikhuphe, Eswatini was a design and construct project carried out as a joint operation. The project entailed the construction of an executive 8 000m^2 aircraft hangar on a 19 000m^2 footprint and caters for two aircraft (an Airbus A340-300 and a McDonnell Douglas MD-87).

The concrete substructure and columns (that are 8-metres high on the perimeter and 22-metre high in the centre) were cast in-situ. The superstructure comprises structural steel with sheeting to the walls and roof structure, enabling the large spans to accommodate the two aircrafts. The hanger doors, constructed using three 45-ton leaf sliding doors that are 35,1m high and 11,67m wide, are fully automated due to their size.

The project was completed in January 2025.

The R1,3 billion **One&Only Le Saint Géran, Point de Flacq** in Mauritius saw the construction of 51 privately-owned luxury villas. These villas will be part of a rental pool, allowing owners to choose to have their villas rented out by the hotel. The plots are being developed into five different villa types and consist of standard bedrooms and a master bedroom on first floor (number of bedrooms varies with the villa type); living room, show kitchen, lounge terrace and hall on ground floor; a staff, guest and technical room; garage, storeroom and a car port; and a skimmer type swimming pool. The resort construction includes the beach club which consists of a restaurant, bicycle shop (rental/sales of conventional and electric bicycles), deli, swimming pool, bar, and kids play area. The premier villa was sold at a record on the island for $13,6 million.

Sustainability matters

Skills development and training highlights

Stefanutti Stocks Construction Zambia facilitated the following programmes:

- Ten local junior foremen completed their NQF 4 training and are being mentored to the next level.
- The operator training simulator was relocated to the Lumwana Mine where training of prospective operators (from the local chiefdoms) has commenced in preparation for the Lumwana Expansion Project.
- Health and safety training was given to employees from the local Chiefdoms surrounding the Lumwana Mine including Legal Liability, Hazard Identification and Risk Assessment (HIRA) and Incident, Hazardous Chemical substance handling, Introduction to the OHSE Act, First aid and SHE Representative.

Stefanutti Stocks Eswatini facilitated 48 training sessions and engaged 199 employees in the following programmes:

- Health and safety training included scaffold erector, first aid (entry level), hazardous chemical substance handling, traffic safety officer/roadworks traffic management (in accordance with legislation), SHE Representative, First Aid Level 1 and Incident Investigation Level 3 training, Troxler handling and safety, as well as basic firefighting training.
- Technical training included NQF 4 training, Revit Architecture Fundamentals, Navisworks Fundamentals, MikroTik Certified Network Associate (MTCNA), MikroTik Certified Routing Engineer (MTCRE), FIDIC Red Book Course, and School of Concrete Technology (SCT) Concrete for Batchers and Batch Plant operators (SCT 15) and Introduction to Concrete (SCT 10).
- Workshop training and recertification included apprenticeships (heavy plant mechanic), batch plant operator, heavy plant operator and light duty driver recertifications, service licence renewals and basic auto air conditioning training.
- HR and administrative training that included SAGE 300 and S@S CV uploads and editing.

Stefanutti Stocks Botswana facilitated the following programmes for Junior Engineers/Quantity Surveyors:

- Participants were enrolled in the Toastmasters programme to improve their communication and leadership abilities, with a focus on comprehensively developing the critical areas of public speaking, presentation delivery and report writing.
- On-the-job training, led by experienced contracts managers was introduced. This approach allows team members to acquire practical experience through real-world scenarios and boosted site performance and strengthened organisational alignment. The assessments conducted after this training showcased enhanced competencies and overall efficiency.

Sustainability-related initiatives

Stefanutti Stocks Eswatini facilitated:

- Waste management: recycling of paper, glass and plastic.
- Biodiversity protection: habitat restoration, conservation efforts through rehabilitation of contaminated soil in the organisation's soil hospital, and implementation of rehabilitation programmes on site.
- Community engagement, including community involvement in educating the schools on waste management, water conservation and the environment as a whole, as well as providing training on inter alia awareness on road safety and educational sessions on sexual harassment for both students and community members.

SHE highlights

Safety

All operations in the Africa Region achieved a LTIFR of zero. The countries further achieved the below LTI-free hours:

Discipline	LTI-free hours
Zambia	10,8 million
Botswana	8,6 million
Eswatini	4,2 million
Mauritius	4,1 million

Health

The region continues to run its annual employee wellness programme, which offers services such as HIV/AIDS testing and counselling, antiretroviral therapy (ART) initiation and refills, tuberculosis (TB) screening and vision testing and distribution of reading glasses, amongst other benefits.

Environment

While the regional territories do not have specific environmental legislation in place, all the region's operations operate in accordance with the group's ISO 14001 approved management systems.

Awards, accreditations, and achievements

- Stefanutti Stocks Zambia was nominated for Best Health & Safety in Construction Award in the HSE (Health, Safety, and Environmental) Nations sixth annual Africa Safety Awards for Excellence. The company's safety manager was nominated for Safety Person of the Year.
- Stefanutti Stocks Eswatini received an award from the Eswatini Revenue Service for being the Construction Highest Contributor – Large Segment and won the Temvelo Awards for Environmental Biodiversity in Construction for the fourth year running.

GOVERNANCE

BOARD OF DIRECTORS

Zanele Matlala (61)

Independent non-executive Chairman

Qualifications: BCom, BCompt (Hons), CA(SA), Advanced Management Programme (Insead)

Appointed: February 2012

Length of service: thirteen years

External board committee memberships: Executive director Merafe Resources Limited (CEO), Non-executive director of RAC Limited, Dipula Income Fund and Harmony Gold Mining Limited

Skills and experience: CEO of Merafe Resources Limited (June 2012). CFO of Merafe Resources Limited (October 2010 to May 2012). Extensive financial services experience as CFO and Group Financial Director of Kagiso Trust Investments and Executive Manager: Private Sector Investments of the Development Bank of Southern Africa. Various positions at the Industrial Development Corporation, including heading the Wholesale Venture Capital Funds.

Howard Craig (65)

Independent non-executive

Qualifications: BSc (Civil Engineering), GDE

Appointed: April 2015

Length of service: ten years

External board committee memberships: Director and Chairman, member of ARCO and Governance Committees of the PPP Group (Mauritius)

Skills and experience: Technical and Managing Director at Fraser Alexander Tailings (1990 to 2000). Held various senior positions at Sasol (2000 to 2009). Chief Executive of Rand Refinery (2009 to 2014). Serves on the boards of various private companies. Promotes various infrastructural and industrial projects across Africa.

Bharti Harie (54)

Independent non-executive

Qualifications: BA, LLM, Admitted attorney, notary and conveyancer

Appointed: April 2018

Length of service: seven years

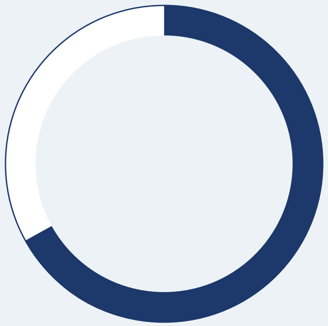
External board committee memberships: Ascendis Health Limited, St Davids Marist Inanda, Bell Equipment Sales South Africa (Pty) Ltd, Bell Equipment Company South Africa (Pty) Ltd and Lenmed Investments Limited

Skills and experience: Previously spent 14 years at the Industrial Development Corporation of South Africa including as head of the Corporate Funding and International Finance departments. Previous directorships at Bell Equipment Limited, Mineworkers Investment Company, EOH Holdings Limited, Ethekwini Heart Hospital and Charities Aid Foundation.

KEY

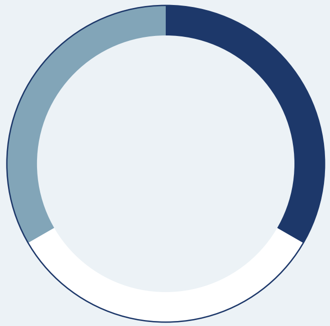
NOMCO · REMCO · ARCO · S&E · Chairman

GENDER DIVERSITY



Female	4
Male	2

BOARD TENURE



4-6 years	2
7-9 years	2
>9 years	2

BOARD OF DIRECTORS CONTINUED

Busisiwe Silwanyana (52)

Independent non-executive

Qualifications: BCom (Hons), CA(SA), MBA

Appointed: April 2018

Length of service: seven years

External board committee memberships: YeboYethu (RF) Limited, YeboYethu Investment Company (RF) (Pty) Limited, Old Mutual Limited, Old Mutual Life Assurance South Africa (Pty) Limited

Skills and experience: A qualified Chartered Accountant (SA) with over six years' Board experience on listed and non-listed entities. Career spans over 18 years in the Corporate and Investment Banking and Business and Commercial Banking divisions in the banking sector as well as the Head of Philips Capital. Served on boards in banking, a women's investment holding company, a FMCG manufacturer focusing on branded consumer products, and as director and member on sub-committees and a bursary fund within the accounting profession. Currently runs her own apparel design and manufacturing business, Laud Pulse (Pty) Ltd.

Russell Crawford (61)†*

Chief Executive Officer

Qualifications: National Higher Diploma Civil Engineering

Appointed: August 2019

Length of service: five years

Skills and experience: Over 40 years' experience in the civil engineering construction industry. Joined the group in 1990 as a site agent. Appointed Managing Director of the Roads, Pipelines and Mining Services Business Unit of Stefanutti Stocks and joined the EXCO in May 2016. Appointed as Business Unit Managing Director for Construction & Mining (2018 to 11 August 2019).

Yolanda du Plessis (52)†*

Chief Financial Officer

Qualifications: BCompt (Hons), CA(SA), Post Graduate Diploma: International Tax

Appointed: June 2021

Length of service: four years

Skills and experience: Qualified as chartered accountant in 2006. Over 20 years' experience in statutory reporting, audit, corporate governance and sustainability matters as well as tax. Joined Stocks Building Africa Proprietary Limited in 2007 and later appointed as Group Financial Manager until 31 May 2021.

INDEPENDENCE OF THE BOARD

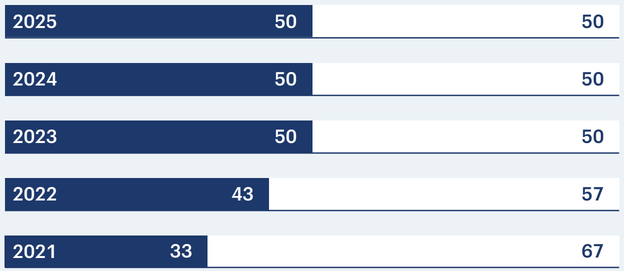
4/4 or

100%

of non-executive directors are independent

RACIAL DIVERSITY OF THE BOARD

Black White



KEY

NOMCO REMCO ARCO S&E Chairman

†Invitee to all board committees

*Member of the Executive Committee

EXECUTIVE COMMITTEE

Eric Wisse (57)

Managing Director: Inland Region

Qualifications: M.Eng Civil Engineering, Pr.Eng

Appointed: January 2022

Skills and experience: Over 30 years' experience in the civil engineering construction industry and has worked on a broad range of large civil construction projects in South Africa and neighbouring countries. Joined the Stefanutti Stocks group in 2020 as Divisional Managing Director for the Roads & Earthworks Discipline. Was appointed in January 2022 as Managing Director of the Stefanutti Stocks Inland Region and joined the EXCO at the same time

Matthew Horwill (45)

Managing Director: Coastal Region

Qualifications: BSc Civil Engineering, Construction Management Programme

Appointed: March 2024

Skills and experience: Over 22 years' experience in the construction industry. Joined the Stefanutti Stocks group in 2003 as a Site Engineer in KwaZulu-Natal and over the next nine years worked on several high-profile civil engineering construction projects. Was made an Alternate Director for Stefanutti Stocks Civils KZN in 2012, appointed as Contracts Director in March 2013, and as General Manager for Civils KZN a month later. Was appointed in April 2014 as Managing Director of Civils KZN. Was appointed Managing Director of the Coastal Region in March 2024 and joined the EXCO at the same time.

Mauro Donato (59)

Managing Director: Western Cape Region

Qualifications: BTech Civil Engineering

Appointed: January 2022

Skills and experience: Over 30 years' experience in the construction industry. Joined the Stefanutti Stocks group in 2001 as Contracts Manager in the Western Cape and became a Contracts Director in 2004. Worked on a number of high-profile projects across the province and was promoted to General Manager of Stefanutti Stocks Western Cape in 2012 and appointed as Managing Director in 2016. Appointed to the EXCO in January 2022.

Shaun White (52)

Managing Director: Africa Region

Qualifications: National Higher Diploma Civil Engineering

Appointed: March 2020

Skills and experience: Over 29 years' experience in the civil engineering construction industry. Started career with Murray & Roberts (10 years) before working in Ireland (six years). Joined the group in 2006 as Contracts Manager. Appointed director in Eswatini 2012. Appointed Managing Director of the Eswatini group in 2016. Appointed as SADC Managing Director in September 2018 and as the Africa Managing Director on 1 March 2020.

Mike Sikhakhane (59)†

Group Human Resources Director

Qualifications: BSocSc (Hons), Programme for Management Development

Appointed: January 2014

Skills and experience: Over 30 years' human resources experience. Five and a half years with the PG Group as Group Human Resources Director. 11 years in various divisions of Nampak as Divisional/Cluster Human Resources Director. Appointed Group Human Resources Director in January 2014 and joined the EXCO during that year.

KEY

- NOMCO
- REMCO
- ARCO
- S&E
- Chairman

†Invitee to REMCO meetings

CORPORATE GOVERNANCE REPORT

Chief Executive Officer

Board of directors as at 18 June 2025

Members: ZJ Matlala (Chairman), HJ Craig, B Harie, BP Silwanyana, RW Crawford (CEO), Y du Plessis (CFO)

Annual meetings: 4 scheduled meetings

The board's duties are summarised below and in the board charter, as set out on page 59.

Executive Committee

Members:
RW Crawford
Y du Plessis
M Sikhakhane
SE White
E Wisse
M Donato
M Horwill

Annual meetings:
11

Regular invitees:
A Cocciante, H Jacobs

Duties:
Assists the CEO with:

Recommending policies and strategies and monitoring the implementation thereof

Leading all executive management business

Being responsible for all strategic matters not expressly reserved for the board, including operational matters such as the coordination, management and monitoring of resources

Reviewing risks affecting the achievement of the group's objectives

REGIONAL MANAGEMENT COMMITTEES

OPERATIONAL COMMITTEES

Remuneration and Nominations Committees

REMCO

Members:
HJ Craig (Chairman)
B Harie
ZJ Matlala

Annual meetings:
3 (combined with NOMCO)

Regular invitees:
CEO, CFO, Group Human Resources (HR) Director

Duties:
Developing and overseeing the group's remuneration philosophy and policy

Establishing principles of remuneration

Determining the remuneration of executive directors and prescribed officers

Considering, reviewing and approving the group's policy on executive remuneration and communicating to stakeholders

NOMCO

Members:
ZJ Matlala (Chairman)
HJ Craig
B Harie

Annual meetings:
3 (combined with REMCO)

Regular invitees:
CEO, CFO, Group Human Resources (HR) Director

Duties:
Assessing the composition of the board and any deficiencies

Identifying and recommending nominees to the board

Reviewing directors' independence annually

Approving the Board Diversity Policy

Establishing directors standing for re-election

Reviewing and approving the role of the Chairman

Ensuring adequate succession plans are in place for the CEO, CFO and non-executive directors and other key employees

Audit, Governance and Risk Committee

Members:
B Harie (Chairman)
BP Silwanyana
HJ Craig

Annual meetings:
4

Regular invitees:
Board Chairman, CEO, CFO, Group Risk Officer, Financial Manager, Internal Auditors, External Auditors

Duties:
Performing statutory responsibilities in terms of the Companies Act

Advising and submitting recommendations on the group's financial reporting, internal financial controls, external and internal audit functions, statutory and regulatory compliance

Monitoring adequacy of financial controls and reporting

Reviewing audit plans and ensuring adherence by external and internal auditors

Reviewing the independence of the external auditors

Assessing the reliability and quality of the audit

Ensuring financial reporting complies with IFRS Accounting Standards and the Companies Act

Nominating auditors for appointment at the AGM

Monitoring the company's appetite for risk and concomitant controls required

Monitoring the governance of information and technology

Social and Ethics Committee

Members:
BP Silwanyana (Chairman)
HJ Craig
M Sikhakhane

Annual meetings:
3

Regular invitees:
CEO, CFO, Group Risk Officer, Financial Manager

Duties:
Monitoring and ensuring the company's compliance with section 72 of the Companies Act, read in conjunction with regulation 43

Monitoring the group's activities in terms of relevant legislation, other legal requirements or any industry or sector codes of best practice concerning: social and economic development, good corporate governance, labour and employment, consumer relationships, the environment as well as health and safety

CORPORATE GOVERNANCE REPORT CONTINUED

The Stefanutti Stocks board of directors and executive management are responsible for ensuring that the group applies and adheres to the principles of good corporate governance.

While the board is ultimately responsible for the group's performance, it is essential to delegate authority to the board committees. The board recognises that delegating authority does not absolve it nor its directors in any way from the duty to execute their obligations and responsibilities to the group.

Application of King IV

Stefanutti Stocks endorses and supports the four governance outcomes, as set out in the King IV Report on Corporate Governance for South Africa, 2016 (King IV), namely: ethical culture, good performance, effective control and legitimacy. As discussed in the sections that follow, the group continually assesses and reviews its application of the King IV principles, which is discussed in the sections that follow. Annually, the group holds a workshop comprising senior staff from various functions and non-executive directors to assess its application of the King IV principles and disclosure in this regard.

Leadership

Principle 1: The governing body should lead ethically and effectively.

The board recognises that the group's strategy, risk, performance, and ultimately its sustainability, are inseparable from one another. To operate within acceptable risk parameters, create stakeholder value and maintain sustainable growth, the group and its businesses subscribe to principles of good corporate governance.

The group's formally adopted board charter sets out the board's responsibilities and terms of reference and is reviewed on an annual basis. As the board is accountable to shareholders, the charter ensures that the directors maintain effective control over the strategic, financial and compliance matters of the group. The MOI, committee terms of reference and board charter are currently being updated to take account of the amendments to the Companies Act.

The board exercises good judgement, strong leadership and acts with integrity, to better position the group for long-term sustainability. Further, all board members and employees must align with the group's Business Ethics and Conduct Policy Statement.

Performance evaluations of the board and committees are conducted every two years, in accordance with King IV.

An internal performance assessment was conducted in 2025. The self-evaluation is performed formally by the committees and the board and informally for the individual members and chairman. The evaluations are internally coordinated by the company secretary. Reports were tabled at the relevant committee and board meetings. Overall, the outcome was positive with only minor areas for improvement. The board is satisfied that the evaluation process contributes to its performance and effectiveness.

To ensure that board members can make objective, informed decisions and discharge their responsibilities effectively, all directors are provided with all necessary information, including a detailed board pack. The company's MOI makes allowance for decisions to be taken between board meetings by way of written resolution, as and when necessary.

Matters of strategy, performance monitoring and governance, among others, are the focus of the board's agendas and meeting structures. At the board's annual budget meetings, the group's direction and forecasted performance are discussed. These are further developed and monitored throughout the year.

At each board meeting, the board reviews the budgets, and monitors performance against these budgets. Remedial action is taken where necessary.

Conflicts of interest

All directors are required to notify and disclose their interests, including potential conflicts to the company as a standard agenda item at each board meeting. Post 28 February 2025 to date, there have been no material changes to the directors' interests.

Organisational ethics

Principle 2: The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.

Business Ethics and Conduct Policy statement

The standards of integrity, ethics and professional behaviour by which the group must abide are contained in the group's Business Ethics and Conduct Policy Statement. The manner in which its stakeholders must be treated, including clients, business partners, suppliers, government and communities, is also described in the policy statement. These areas remain a key focus area for the group, both in the current and future period.

ARCO delegates and manages the implementation and execution of the Business Ethics and Conduct Policy Statement. The group as a whole subscribes to the policy statement, which is continually reviewed to ensure that it meets operational requirements and forms a vital element of the group's employment policies and procedures. Available on the group's intranet as well as on the group's website, is a summary of the Business Ethics and Conduct Policy Statement.

To align with the policy statement, all employees are required to act with openness, honesty and integrity in their dealings with stakeholders. Employees are also required to practise the basic human rights of fairness, dignity, privacy and respect, and interact with each other in a manner that upholds and protects the good reputation of the company. When new employees join the group, they are referred to the Business Ethics and Conduct Policy Statement. Electronic annual declarations are conducted across the whole group where each employee is required to confirm their adherence to the Business Ethics and Conduct Policy Statement.

CORPORATE GOVERNANCE REPORT CONTINUED

The group follows a zero-tolerance approach and no unfair or unethical business practices are permitted in the conduct of its business. In the event of non-compliance, remedial actions are taken which include investigations and consequential corrective actions. To guarantee the anonymity of the complainant, the group's whistleblowing facility is administered by an external party.

The group's internal and external audit functions can also detect unethical behaviour. These reports are reviewed by the Group Risk Officer and Group Internal Audit Manager and summarised reports are submitted to the S&E Committee and ARCO for consideration.

During the year, as far as the group is aware, there have been no significant breaches of laws and/or regulations, nor have there been any material fines paid. Regarding negative impacts on the general public, no grievances were received through the group's formal reporting process during the year.

Share dealings

Before directors may trade in the company's securities, they must obtain clearance from the CEO or, in his absence, from the Chairman. Likewise, clearance must be obtained from the CEO or the designated director before the Chairman may trade in the company's securities.

During closed periods, directors are prohibited from trading in shares and are obliged to advise their portfolio or investment managers not to trade in the company's securities, unless they have received specific written authorisation to do so. Directors are not permitted to deal in the company's shares when they have unpublished price-sensitive information relating to those securities, or where clearance to deal has not been confirmed.

Supplier contracts

During the initial phases of any project, the group's Procurement General Terms and Conditions, which include relevant sections of the Business Ethics and Conduct Policy Statement, are provided to subcontractors and suppliers as part of the supplier onboarding process through the group's Vendor Management System (VMS).

Responsible corporate citizenship

Principle 3: The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.

Ensuring that the group operates sustainably and ethically is the S&E Committee's primary function. The committee is established in terms of the requirements of section 72 of the Companies Act, read with Regulation 43 of the Companies Regulations, 2011.

The committee has instituted appropriate policies and programmes that contribute to social and economic development, ethical behaviour of staff towards fellow employees and other stakeholders, fair labour practices, environmental responsibility and good client relations. Regardless of any delegated authority, the board is ultimately responsible for these matters.

The group's compliance with legislative and regulatory requirements including, the JSE Listings Requirements, the Companies Act and other applicable legislation as well as the application of the King IV recommendations is monitored by the ARCO and remains a standing agenda item for all committee meetings. There were no significant instances of non-compliance with regulatory requirements to report on during the reporting period.

Stefanutti Stocks fully supports the fundamental right to freedom of association and collective bargaining as enshrined in the South African Bill of Rights and the International Labour Organization conventions. As such, the group actively participates in and engages with the relevant industry associations.

The group adheres to the provisions of the Employment Equity Act specifically with regards to the promotion of equality and the removal of unfair discrimination practices in the workplace.

The group confirms its compliance with Principles 1 and 2 and fully commits to supporting and respecting the protection of internationally proclaimed human rights.

For more information on the S&E Committee, refer to pages 67 to 68 of this report and view the Sustainability Report on the group's website.

Strategy and performance

Principle 4: The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.

Executive management ensures that all necessary information and facts are provided to the directors, to assist them in making objective and well-informed decisions.

The board meeting agendas and structure focus on strategy, performance monitoring, governance and related matters.

Throughout the year, the board meets to discuss the short-, medium- and long-term strategy of the group. The short-term strategies focus on the forthcoming year, mid-term strategies focus on the next 2-5 years and long-term strategies focus on the >5-year period. Although the main short-term focus of the group remains on the successful implementation and execution of the Restructuring Plan, an annual strategy session is held by the group's executive committee where a comprehensive review of the regional and group's short-, medium- and long-term strategy is tabled and discussed. This is further developed and monitored throughout the year.

These meetings deal with focus areas such as risks, opportunities, transformation, health and safety, training and sustainable development and other significant matters connected to the triple context in which the organisation operates.

CORPORATE GOVERNANCE REPORT CONTINUED

These strategic reviews also include the assessment of the extent to which the proposed strategy depends on the resources and relationships connected to the various forms of capital, the legitimate and reasonable needs, interests and expectations of material stakeholders, the impact on the various forms of capitals that may result from the execution of the proposed strategy (including any increase, decrease or transformation of these various forms of capitals) and the interconnectivity and inter-dependence of all the above.

Key policies and financial budgets that support the group's strategy are approved at each meeting and are monitored against agreed performance measures and targets. Key performance measurements for financial and operational targets are incorporated in the performance assessments for the CEO, CFO, and regional managing directors.

The group's material issues are categorised according to the material effects they may have on strategic operations and are evaluated on an ongoing basis. Formal and informal stakeholder engagement takes place through various channels, which help to guide and define the group's material issues.

There are separate reports within this Integrated Annual Report, with detailed information on the company's key risks, strategy, business model, performance, and sustainability.

Reporting

Principle 5: The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short, medium and long-term prospects.

Ensuring the integrity of the Integrated Annual Report and all other related reports issued by the group is the board's responsibility. The board assesses and confirms management's grounds for establishing materiality during the approval process of the Integrated Annual Report, which determines the material information to be disclosed.

ARCO determines the group's direction and approach to reporting, which includes the entire Integrated Annual Report and Annual Financial Statements.

In terms of reporting on non-financial matters, the S&E Committee proactively manages and oversees the process. Oversight of the remuneration and implementation reports is the responsibility of REMCO.

To align with the relevant legal and statutory requirements as well as the six capitals model, the committees ensure that reporting framework requirements are met.

The six capitals are human capital, social and relationship capital, natural capital, financial capital, manufactured capital and intellectual capital.

For more information on the capitals, refer to page 10.

The group's reporting is assured in conjunction with the external auditors whose primary focus is on financial aspects. There is limited external assurance on the non-financial aspects of reports.

The group's reporting suite is available on the company's website and includes the Integrated Annual Report with a summary extract of the Consolidated Annual Financial Statements as well as the Consolidated and Separate Annual Financial Statements, Sustainability Report and investor presentations.

All members of the EXCO take part in the bi-annual investor presentations where the group's performance and strategy are presented and discussed with analysts, institutional investors and the media. The board's non-executive directors are also invited and encouraged to attend the group's financial and business-specific presentations.

Interactions with the media take place on an ad hoc basis, and the company publishes all related presentations, webcasts, corporate actions, performance reports as well as any other relevant information on its website.

Primary role and responsibilities of the board

Principle 6: The governing body should serve as the focal point and custodian of corporate governance in the organisation.

Board charter

In accordance with King IV, the board charter sets out the board's composition, appointment, tenure, rotation, authorities, responsibilities and processes. The directors' fiduciary duties and roles are also clearly defined in the board charter.

The charter also details further duties of the board, in addition to the board's responsibilities set out in the Companies Act and King IV.

These include:

- Monitoring key risk areas, performance indicators and management;
- Reviewing the performance of the CEO;
- Reviewing the group's financial results and procedures, policies and codes of conduct;
- Implementing the group's plans and strategies;
- Assessing the company secretary with regard to qualifications, competence, experience and independence;
- Approving financial and non-financial objectives, including economic, social and environmental performance; and
- Ensuring ethical behaviour and compliance with laws and regulations.

The non-executive directors have unfettered access to the group's management once they have notified either the CFO or CEO regarding whom they wish to contact and the subject matter of the engagement. If necessary, the board charter also makes provision for the external auditors to be accessible to board members.

CORPORATE GOVERNANCE REPORT CONTINUED

For the year under review, the board is of the opinion that it has discharged all material matters as set out in the company's board charter.

Professional advice

All directors may seek independent professional and legal advice on any matters relating to the group, at the group's expense and the board charter sets out the protocol to be followed in this regard.

Composition

Principle 7: The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.

The board comprised six directors as at the date of this report (2024: six directors), four of whom are independent non-executive directors. The board Chairman is an independent non-executive and there are two executive directors, namely the CEO and CFO.

To ensure that the quorum for the board as well as the composition of various sub-committees, such as ARCO and REMCO, are achieved, the board's size and composition is appropriate. The current board size enables the forming of a quorum at each meeting consisting of a majority of members in office, provided that at least one is an executive. NOMCO and the board review the composition of the board on an annual basis, as well as in the event of a resignation or retirement. Any shortfalls in skills and experience are identified and addressed during the review process. The board continually monitors its size to ensure it has adequate capacity. Under the current challenging environment that the group finds itself in, the board has intentionally chosen to remain small, allowing the company to manage costs and allowing the board to remain agile when making decisions.

A detailed board skills analysis was conducted during 2023. The analysis was reviewed and updated in 2025. The purpose was to assess the skills and experience residing in the board relative to the current strategy.

Overall, the outcome was positive, and the board considers that it comprises the appropriate mix of skills, experience and competencies.

A board diversity policy is incorporated into the company's board charter. The policy supports the principles and aims of diversity at board level, specifically regarding gender, race, culture, age, field of knowledge, skills and experience. These diversity indicators are considered when the board makes appointments or assesses its composition. The group has set voluntary targets of 50% black and 50% female directors. This is currently 50% and 67% respectively.

Each individual board member is able to exercise independent judgement in board deliberations and decision-making and provides the company with a wide range of relevant knowledge, expertise, business acumen, and commercial and technical experience.

For a brief curriculum vitae of each of the directors refer to pages 53 to 54.

Board Chairman

The group's board Chairman is Zanele Matlala, an independent non-executive director, having served on the board as a non-executive director since February 2012.

Refer to the Chairman's report on page 23.

The roles of the Chairman and CEO are distinct and clearly separate from one another. The Chairman is an independent non-executive director whereas the CEO is an executive director. In accordance with the role and functions set out in King IV, the Chairman is responsible for the effective leadership of the board and is appointed on an annual basis.

The board reviews the succession plan for the Chairman as part of its succession plans for the board as a whole.

The Chairman sets the ethical tone for the board and the group. The Chairman provides overall leadership to the board without limiting the principle of collective responsibility for board decisions, while at the same time being aware of the individual duties of board members.

The Chairman of the board is a REMCO member, the chairman of the NOMCO and is a permanent invitee to ARCO meetings. Although the Chairman does not attend the S&E meetings, the Chairman receives the relevant committee information for every meeting for information purposes. It is standard practice that the performance of the board Chairman is reviewed annually.

Independence

The independence of directors is assessed on an annual basis and takes into consideration the JSE Listings Requirements, the Companies Act as well as King IV. In accordance with the King IV independence requirements, the independence of directors was confirmed by NOMCO during the year.

This considers inter alia that the director has not been employed by the company or the group of which it currently forms part in any executive capacity, or appointed as the designated auditor or partner in the group's external audit firm, or senior legal adviser for the preceding three financial years, or has any material personal wealth interest in the group.

As standard practice, the independence of non-executive directors, who have been on the board for more than nine years is reviewed by the board. The assessment covers their performance as directors and factors that may influence or impact their independence.

The independence of the board Chairman was specifically considered by the NOMCO and the board, given that she has served on the board since 2012. The NOMCO and board are satisfied that the board Chairman is independent, notwithstanding her length of service. The process was conducted via a self and peer assessment questionnaire. In addition, NOMCO was of the view that retaining the board Chairman is important at this stage to ensure stability at chair level.

An independence assessment was also conducted on Howard Craig who has served on the board for nine years. The outcome was positive with the board concluding that he is independent notwithstanding his length of service on the board.

CORPORATE GOVERNANCE REPORT CONTINUED

All directors are required to declare any conflict of interest at the beginning of each board or committee meeting.

The board considered the position of a Lead Independent Director (LID) and is of the view that the board charter and specifically the role of the board Chairman, caters for all the expected functions of a LID. The board has therefore not appointed a LID.

Rotation and retirement

With the exception of the executive directors, one-third of the board is subject to retirement and re-election by rotation every year. This is in terms of the company's MOI, and the retirement roster, which is reviewed by NOMCO and the board.

Non-executive directors are required to retire at age 70, unless resolved otherwise by the board on the recommendation of the NOMCO. For executive directors, the retirement age is 65 years.

Succession planning

NOMCO reviews the formal succession plans for the CEO on an annual basis. The CEO reviews the succession plan for senior management and provides feedback to NOMCO where necessary. The board receives NOMCO's findings and recommendations for further consideration and action.

The succession plans of the group are regularly reviewed by NOMCO, which provides guidance to the board on such matters.

Succession planning also occurs informally within the various committees where current members are identified for future chairman appointments or memberships within other committees. When the need arises, new members are sourced from the market.

The tenure of the committee members and a skills gap analysis is also taken into consideration when assessing the need for succession planning.

The group has plans in place for emergency cover situations.

Meeting attendance

Board member	Board	ARCO	REMCO	NOMCO	S&E
Chairman	ZJ Matlala	B Harie	HJ Craig	ZJ Matlala	BP Silwanyana
Number of meetings	9	4	4	4	3
ZJ Matlala	8/9	4/4^	4/4	4/4	n/a
RW Crawford (CEO)	9/9	4/4^	4/4^	4/4^	2/3*
Y du Plessis (CFO)	9/9	4/4^	4/4^	4/4^	3/3^
HJ Craig	9/9	4/4	4/4	4/4	3/3
B Harie	9/9	4/4	4/4	4/4	n/a
BP Silwanyana	8/9	3/4	n/a	n/a	3/3

n/a Not applicable * RW Crawford stepped down as a member of the S&E Committee and will continue to attend meetings as a permanent invitee.
^ By invitation

New appointments

NOMCO regularly assesses the need for new appointments to the board, and directors are appointed through a formal process. All proposed new directors must first undergo the appropriate background checks, screening and due diligence processes before being shortlisted for nomination. The board will formally approve candidates that NOMCO has recommended.

When appointing a new board member, a formal panel interview with the candidate must include a confirmation that they have adequate time and capacity available to fulfil the duties required of a member of the board.

Directors appointed subsequent to the last AGM are confirmed at the upcoming AGM.

To confirm their terms of engagement, non-executive directors have letters of appointment that include matters such as fees, term of office, expected time commitment, share dealing and board performance assessment.

Continuous development and training

All newly appointed directors undergo NOMCO-approved group-specific induction programmes, which assists new directors in gaining a full understanding of the complexities of the group's businesses. New directors can then make more informed contributions to board deliberations as soon as possible.

The company secretary coordinates the directors' induction process. Board development is supplemented by site visits and presentations on specific technical topics.

Training for directors continues to be addressed and enhanced. Development training programmes are provided to directors as and when necessary, and are structured around their duties, responsibilities, powers and potential liabilities.

Mentorship guidance is given when required. However, there is currently no formal board mentorship programme within the group, as it is not deemed necessary at this stage.

Principle 8: The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.

The performance and affairs of the group are ultimately the responsibility of the board members. They understand that any delegation of their duties is not an abdication of the board members' responsibilities.

CORPORATE GOVERNANCE REPORT CONTINUED

To assist the board with carrying out its duties and responsibilities and to effectively establish its decision-making process, the board has constituted various committees.

These committees provide accurate, relevant and timely information to the board. All company-related information, records and documentation are accessible to every committee member.

The board has approved the detailed terms of reference, which have been formulated and guided by the Companies Act and King IV. The REMCO and NOMCO have combined terms of reference, whereas the ARCO and S&E have separate terms of reference. All three committees' terms of reference are aligned to King IV.

The board has formally constituted the following committees:

— ARCO
— REMCO (combined meeting with NOMCO)
— NOMCO (combined meeting with REMCO)
— S&E

The formalised terms of reference define the membership, duties, purpose, and reporting procedures for each board committee, as well as the extent of their decision-making powers, delegated authorities and tenure. There is no fixed tenure for the committees and they remain established for as long as the relevant legislation applies.

The board has adopted and approved the terms of reference of each committee, which sets out their various responsibilities. The terms of reference are reviewed annually and amended if required. Every second year, the board evaluates the performance and effectiveness of its committees. Any delegation of authority to an individual governing member is recorded in the board minutes comprising responsibilities and mandates.

At a minimum, all committees comprise at least three members as prescribed by King IV. The composition of the committees is reviewed annually or as necessary. The board has satisfied itself that the members are suitably skilled, independent and qualified to fulfil their duties in the various committees.

There is transparency and full disclosure from the committees to the board and any issues are discussed openly and frankly. Committee chairmen provide verbal reports on committee activities to the board and the minutes of committee meetings are made available to the board and the auditors. The chairman of the committees or a nominated committee member also attend the company's AGM to answer all questions and concerns posed by stakeholders pertaining to the relevant matters handled by their respective committees. The minutes of the AGM are made available to shareholders upon request.

Meetings are coordinated via an annual programme that is distributed at the beginning of each year, due to the fact that committee cross-memberships exist. Duplication among committees is minimised as far as possible.

Executive directors are permanent invitees to all board and committee meetings and, where necessary, senior management is involved.

To ensure that no director can exercise unfettered powers of decision-making, the responsibilities of the Chairman and CEO are strictly separated, as are those of the executive and non-executive directors.

Subsidiaries

The oversight of subsidiaries is managed by a process of delegated authority between the holding and operating companies, which ensures the group's overall subscription to the principles of ethical leadership and good corporate governance practices.

All the subsidiaries within the group are recognised as separate and independent juristic persons, to whom its directors owe fiduciary duties.

The delineation of the rights and role of the holding company have been established and communicated.

Principle 9: The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness.

A self-evaluation of the board and committees was conducted in 2025. The self-evaluation is performed by the committees and the board. The evaluations are internally coordinated by the company secretary. Reports were tabled at the relevant committee and board meetings. Overall, the outcome was positive with only minor areas for improvement.

Assessments are done informally for individual members and the Chairman.

Principle 10: The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.

CEO

The board delegates authority to the CEO to run the business of the group, as well as oversee the management of operations and finances of the group. This formal delegation of authority to the CEO is reviewed by the board on an annual basis.

At board meetings, the CEO reports back to the directors regarding the adequacy of key management functions. The CEO is not a member of any of the committees, but he attends meetings as a permanent invitee.

The CEO is assisted by the EXCO in formulating the company's strategy and vision, which are then put forward to and ultimately endorsed by the board together with the group's annual business plans and budgets which ensures the group's long-term profitability and sustainability.

The board conducts a performance evaluation of the CEO each year and reviews his role and function.

For the year under review, the board assessed the delegated authority and was satisfied that it provides sufficient flexibility to management to run the business while at the same time reserving certain matters for the board.

The board is also satisfied that the delegation of authority framework contributes to role clarity and the effective exercise of authority and responsibilities within the group.

CORPORATE GOVERNANCE REPORT CONTINUED

Company secretary

William Somerville, aged 68, holds an FCIS, ACMA and a Diploma in Corporate Law and was appointed in May 2009 as company secretary. He is a qualified chartered secretary with extensive experience in the company secretarial and corporate governance arenas.

The board undertook the annual performance appraisal of the company secretary, in accordance with the JSE Listings Requirements, via a detailed questionnaire circulated to all board members. The board was satisfied with the quality of assistance received, as well as the knowledge, competence and experience of the incumbent.

The company secretary is responsible for the following:

- Ensuring corporate governance processes at holding company level, regular company secretariat services are adhered to and attends all board and committee meetings as secretary.
- Assisting the board and its committees in preparing annual plans, agendas, minutes, and terms of reference and he guides the board and the individual directors on how they should fulfil their obligations and responsibilities towards the company, in the best interests of the group.
- Reporting to the board Chairman on governance matters and to the CFO on general company secretarial matters.
- Ensuring compliance with the MOI.

The company secretary is not a director or employee of the company or any of its subsidiaries and accordingly maintains an arm's length relationship with the board and its directors.

As detailed in the board charter, the board has primary responsibility for the appointment and removal of the company secretary.

Principle 11: The governing body should govern risk in a way that supports the organisation in setting and achieving strategic objectives.

ARCO is delegated to assist the board with monitoring the group's risk management, while the day-to-day operational risk management is performed within each of the regions. Managing risk is an integral part of creating sustainable stakeholder value and protecting stakeholder interests.

By being "risk aware", the group is able to capitalise on prospective opportunities flowing from selected risks.

Managing the governance of risk is ultimately the board's responsibility. This includes establishing the risk appetite and tolerance levels, as well as the approval of the risk strategy, policy and framework. The group's appetite for risk has been set and accounted for in the group risk register.

The group risk register has been reviewed and updated and the risk model and risk management process remain aligned to the group's strategic plan.

There is no independent external assurance of the risk management function.

For more information on risk management, refer to page 15 of this Integrated Annual Report.

Principle 12: The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.

In carrying out its oversight responsibilities, the board is assisted by ARCO, which approves the policy that defines and gives effect to how the board directs the use of technology and information. The group's ICT management is aligned with its performance, risk management and sustainability objectives.

The achievement of the group's strategic and operational objectives is facilitated and supported by its information architecture. ICT governance is an ongoing standard ARCO meeting agenda item. The General Manager ICT Services manages the ICT department's day-to-day activities. The Chief Information Officer (CIO) heads the ICT Steering Committee and reports to the EXCO and the ARCO.

At quarterly meetings, the ICT Steering Committee discusses ICT governance matters and ensures that the group ICT policies guide the regional operations' ICT principles and are aligned to the overall group strategy.

The committee develops strategies to exploit opportunities and mitigate risks. The areas identified are documented on the group's ICT projects register and reviewed monthly. To address the relevant risks, these strategies, policies and procedures are constantly assessed.

The ICT Steering Committee members are updated on potential risks and opportunities pertaining to technology and communication. The ICT Steering Committee is managed through a detailed ICT sub-risk register which supports the group's risk register.

ICT audits are performed annually by internal and external service providers, which address various areas with each audit. The results of the annual audits guide ICT management and ICT risk assessments. Areas that were previously identified as problematic are addressed and re-evaluated.

Service level agreements are in place between the group and its service providers, and these are measured against specific terms and conditions. The group continuously monitors the security of its information. The majority of the group's network servers are hosted on a cloud solution with improved security features and security monitoring software.

The group has achieved ISO 27001:2022, standardising processes and procedures within the operations and the integration of ICT technologies. Third-party service providers mainly relate to cloud services. To ensure that the group is adequately protected, the group mainly deals with well-established service providers of good standing who have reputable track records and who have attained ISO 27001:2022 or similar standards.

CORPORATE GOVERNANCE REPORT CONTINUED

When assessing its ICT requirements, the group strikes a balance between keeping current systems and replacing longstanding systems with newer, cloud-based systems. The result is a shift from a capital cost model to a service-based operational expense model. The ICT function benefits from new technologies for backup, disaster recovery and storage, while decreasing the capital requirement for equipment.

Old hardware that is redundant but still usable is donated by the group to various organisations in need. The company uses a green recycling process that reduces the environmental impact when disposing of scrap hardware.

The group's social media and ethics policy is in accordance with the Protection of Personal Information Act and, where applicable, addresses the ethical and responsible use of technology and information.

The group's information architecture ensures that information is accessible while still safeguarding its confidentiality and integrity. The leveraging of information to sustain and enhance the group's intellectual capital is an ongoing process.

Principle 13: The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being an ethical and good corporate citizen.

The group's compliance with legislative and regulatory requirements including, the JSE Listings Requirements, the Companies Act and other applicable legislation as well as the application of the King IV recommendations is monitored by the ARCO and remains a standing agenda item for all committee meetings. There were no significant instances of non-compliance with regulatory requirements to report on during the reporting period.

Principle 14: The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.

For details pertaining to the group's remuneration, refer to the four-part remuneration report including the remuneration policy and implementation thereof, commencing on page 74 of this Integrated Annual Report.

Principle 15: The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.

Internal control

The board is ultimately responsible for the group's internal control systems and is assisted in these matters by the ARCO. It is accepted that risk management and implemented internal control standards and systems can significantly reduce the risk of error or loss and give sufficient assurance that concerns are speedily determined and managed but cannot provide complete assurance and protection against material loss.

The importance of risk management and internal control systems is communicated to all employees by the group, to ensure they have a clear and unequivocal understanding of their roles and obligations.

In accordance with the applicable laws, regulations and reporting standards, adequate assurance of the integrity and reliability of the Consolidated Annual Financial Statements is provided by the internal control systems.

The internal control systems safeguard and maintain accountability of the group's assets and detect and minimise significant fraud, potential liability, loss, material misstatement and other irregularities.

The group has a combined assurance model in place to ensure that all risks identified are subjected to the required level of management control and the necessary internal and external assurance. The ARCO reviews the risk areas included in the scope of the external audit plan as well as the internal audit plan, which avoids duplication across the two disciplines.

Executive management receives regular assurance from line management that the internal control systems are performing satisfactorily and effectively in entities for which they are responsible.

The aim of the system therefore is to manage rather than to eliminate opportunity and failure risk. Subsequently, intrinsic shortcomings of the effectiveness of any system of internal control remain present, including the risk of human error and the circumvention or overriding of controls.

The assessment and implementation of these internal controls are applied throughout the group by executive management, line management, quality and safety assurance reviews and internal audit. Internal audit follows a risk-based internal audit plan conducting various process reviews.

During the year, while there were no material non-compliances with group procedures, they were discussed with management and the existing controls were reinforced with the relevant staff. As and when necessary, management applies new controls and enhancements to existing controls.

The internal audit function reports directly to the ARCO to ensure its independence.

CORPORATE GOVERNANCE REPORT CONTINUED

The internal audit function maintains a focus on the assessment and testing of internal controls within the group. During the year, there were no reports of any significant breakdowns in the effectiveness of the group's control framework.

Refer to the ARCO report on page 69 of this Integrated Annual Report and also page 4 dealing with the responsibility statement by the CEO and CFO on financial controls as required by the JSE Listings Requirements.

Internal audit

To ensure that all recognised areas of risk are covered, and duplications are eliminated, the ARCO reviews and approves the internal audit plan. During the year, there were no material amendments to the internal audit function's role, duties and reporting line of the Group Internal Audit Manager. The internal audit charter was updated to take into account the requirements of the new Global Internal Audit Standards.

Refer to the ARCO report on page 69 of this Integrated Annual Report.

Assurance

The group's consolidated and separate financial statements have been externally assured, whereas this Integrated Annual Report as well as any non-financial information are not independently assured. Having considered the need for external assurance on these non-financial reports, the ARCO has concluded that it is not required.

All internal and external assurances already in place are reviewed by the group, which coordinates this with its risk management procedures.

The group's combined assurance model is illustrated in the infographic on page 66.

Combined assurance model

First line of assurance

The first line of assurance is provided by operational management, including the Executive Committee (EXCO) and regional managing and operational directors. This line is responsible for implementing strategy, measuring performance, managing risks, and embedding governance and control processes in day-to-day operations. It ensures that policies, procedures, and controls are effectively executed at group, regional, discipline and project levels.

Second line of assurance

The second line of assurance is delivered by specialised risk and compliance functions, including regional management and dedicated teams. This line establishes a robust operational framework to set and monitor the group's policies, minimum standards, and risk management practices. It conducts detailed risk assessments at regional, discipline and site levels and oversees legal compliance, health, safety, environmental, and quality assurance to ensure alignment with regulatory and industry standards.

Third line of assurance

The third line of assurance is provided by internal audit, which offers independent and objective evaluation of the adequacy and effectiveness of the group's governance, risk management, and internal controls established by the first and second lines. Reporting to the Audit Governance and Risk Committee, internal audit ensures impartial scrutiny and recommends improvements to enhance operational resilience.

Fourth line of assurance

The fourth line of assurance comprises external assurance providers, including external auditors, regulatory bodies, and specialised certifiers (e.g., ISO auditors for information technology, quality, environmental, and health and safety standards). This line provides independent validation of the group's financial, operational, and compliance frameworks, ensuring adherence to external benchmarks and enhancing stakeholder confidence.

Fifth line of assurance

The fifth line of assurance is provided by the board of directors, which exercises ultimate oversight of the group's governance, risk management, and assurance processes. The board sets the risk appetite, evaluates the effectiveness of the combined assurance model, and applies professional scepticism to assess the integrity of information and reports. Supported by the Audit Governance and Risk Committee, the board ensures strategic alignment and a robust control environment.

Combined assurance effectiveness

The board, exercising objectivity and an enquiring mind, assesses the effectiveness of the five lines of assurance. It has satisfied itself that this model is comprehensive, integrated, and sufficiently robust to provide reliable assurance on the integrity of the group's external reports, governance processes, and control environment.

Integrity statement

The board responsibility statement can be found on page 3.

Principle 16: In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.

The group's stakeholders include its employees, suppliers, local communities, ED partners, trade unions, clients, the JSE, industry bodies, government regulators, shareholders, investors and lenders.

For further information on stakeholder engagement, refer to page 12.

Although managing key stakeholder relationships as disclosed on pages 12 to 13 remains a continual focus area for the group, the main focus areas for the current and future period are the continued engagement with the Lender group until the Restructuring Plan is fully implemented and improving employee engagement across the group using the employee engagement surveys.

CORPORATE GOVERNANCE REPORT CONTINUED

COMBINED ASSURANCE MODEL

COMBINED ASSURANCE MODEL — FIVE LINES OF ASSURANCE

1ST LINE OF ASSURANCE

REGIONAL AND DISCIPLINE MANAGEMENT AND STAFF

Responsibility
Day-to-day ownership of risks

Activities
- Implement internal controls
- Identify, assess, and manage risks
- Ensure compliance with group policies and procedures

2ND LINE OF ASSURANCE

RISK AND COMPLIANCE MANAGEMENT

Responsibility
Oversight, policy setting, and monitoring

Activities
- Develop and maintain risk management frameworks
- Monitor regulatory compliance
- Provide support, training, and challenge to the first line

3RD LINE OF ASSURANCE

INTERNAL AUDIT

Responsibility
Independent assurance

Activities
- Evaluate the effectiveness of governance, risk, and control systems
- Report directly to the Audit Committee and board

4TH LINE OF ASSURANCE

EXTERNAL ASSURANCE PROVIDERS

Responsibility
Independent external validation and accreditation

Activities
- External audits and regulatory inspections
  - ISO certification
  - ISO 9001:2015
  - ISO 14001:2015
  - ISO 45001:2019
  - ISO 27001:2002
- BEE verification
- JSE proactive monitoring

5TH LINE OF ASSURANCE

BOARD OF DIRECTORS/EXECUTIVE COMMITTEE

Responsibility
Strategic direction and ultimate accountability

Activities
- Set the tone for ethical leadership and governance
- Approve risk appetite and oversee implementation
- Ensure the effectiveness of all other lines of defence

SOCIAL AND ETHICS COMMITTEE REPORT

Busisiwe Silwanyana
Chairman

Refer to page 54 for a detailed CV.

The S&E Committee's (the committee) primary function is to ensure that the group operates sustainably, and in particular, that it actively pursues transformation. To this end, the committee has been established in terms of the requirements of section 72(4) of the Companies Act, read with Regulation 43 of the Companies Regulations, 2011.

Terms of reference

The board has approved the committee's terms of reference, which are guided by the Companies Act and King IV principles. As part of the annual review process, the committee specifically considered the amendments to the Companies Act and has aligned the terms of reference to the new requirements. Apart from this change, only minor amendments were made to the terms of reference. For the year under review, the committee confirms that it has executed its duties in accordance with its terms of reference.

Composition

Independent Non-executive Director, Busisiwe Silwanyana chairs the committee, which further comprises Independent Non-executive Director, Howard Craig and the Group HR Director, Mike Sikhakhane. The CEO, Russell Crawford, stepped down as a member of the committee and will continue to attend meetings as permanent invitee, together with the CFO, Group Risk Officer and Financial Manager.

The composition of the committee complies with the amendments to the Companies Act and King IV, by having a majority membership of independent non-executive directors. The committee composition is considered on an annual basis.

Refer to pages 53 to 54 for the abridged biographies of the committee members. Busisiwe Silwanyana and Howard Craig are also members of the ARCO, which improves communication and ensures cooperation between the two committees.

At the 2025 AGM, a resolution to appoint the following members will be submitted for approval by shareholders: Busisiwe Silwanyana, Howard Craig (both independent non-executive directors) and Mike Sikhakhane (Group HR Director).

Meetings

The committee met three times during the year.

Refer to the corporate governance report on page 61 for details on meeting attendance.

Statutory and other duties

In order to execute its duties and fulfil its responsibilities, the committee:

- Considers, approves and reviews the group's corporate social investment programme and proposed beneficiaries;
- Monitors the group's activities, having regard to any relevant legislation, other legal requirements or any industry or sectoral codes of best practice regarding:
  - Social and economic development;
  - The environment, health and workplace and public safety;
  - Consumer relationships; and
  - Labour and employment.
- Monitors the group's B-BBEE targets and progress on ownership, preferential procurement, enterprise development, EE and skills development and training;
- Promotes the principles of transformation on an enterprise-wide basis across all facets of the group's activities and reviews policies, plans and processes in this regard;
- Reviews Integrated Annual Reporting to stakeholders on aspects of transformation; and
- Reviews and monitors sustainability, including review of the group's annual Sustainability Report.

Committee focus areas

2025

- Review of the company's employment equity targets, achievements, strategies and processes
- Continued focus on ESG, incorporating current policies and strategies into a new ESG plan, setting measures and targets against which to monitor performance, and reporting on the required sustainability disclosures in accordance with the newly issued IFRS® Sustainability Disclosure Standards as issued by the International Sustainability Standards Board (ISSB), namely IFRS S1 and IFRS S2
- Monitor implementation of action plans from Employee Engagement Survey conducted in 2024
- Monitor compliance with the new Companies Amendment Acts

2026

- Review of the company's employment equity targets, achievements, strategies and processes, and ensure alignment with retention plans
- Continued focus on ESG, incorporating current policies and strategies into a new ESG plan, setting measures and targets against which to monitor performance, and monitoring progress towards reporting on newly issued IFRS S1 and IFRS S2 standards
- Monitoring developments on King V and its impact on the S&E Committee

SOCIAL AND ETHICS COMMITTEE REPORT CONTINUED

Committee effectiveness review

In 2025, the committee conducted an internal review of its effectiveness. Overall, the outcome was positive with only minor areas for improvement. The committee is satisfied that the evaluation process contributes to its performance and effectiveness.

In support of the ARCO, the committee assesses all non-financial information disclosures made in the Integrated Annual Report and provides additional assistance on all matters relating to ethics, which are reported on through the internal audit process.

The committee is satisfied that the necessary attention is given by the group to its social, ethics, transformation and sustainability responsibilities. A number of policies and programmes have been established to progress the advancement of SED, ensure the ethical behaviour of employees towards fellow colleagues and other stakeholders, promote fair labour practices, oversee environmental responsibility and reinforce good client relations.

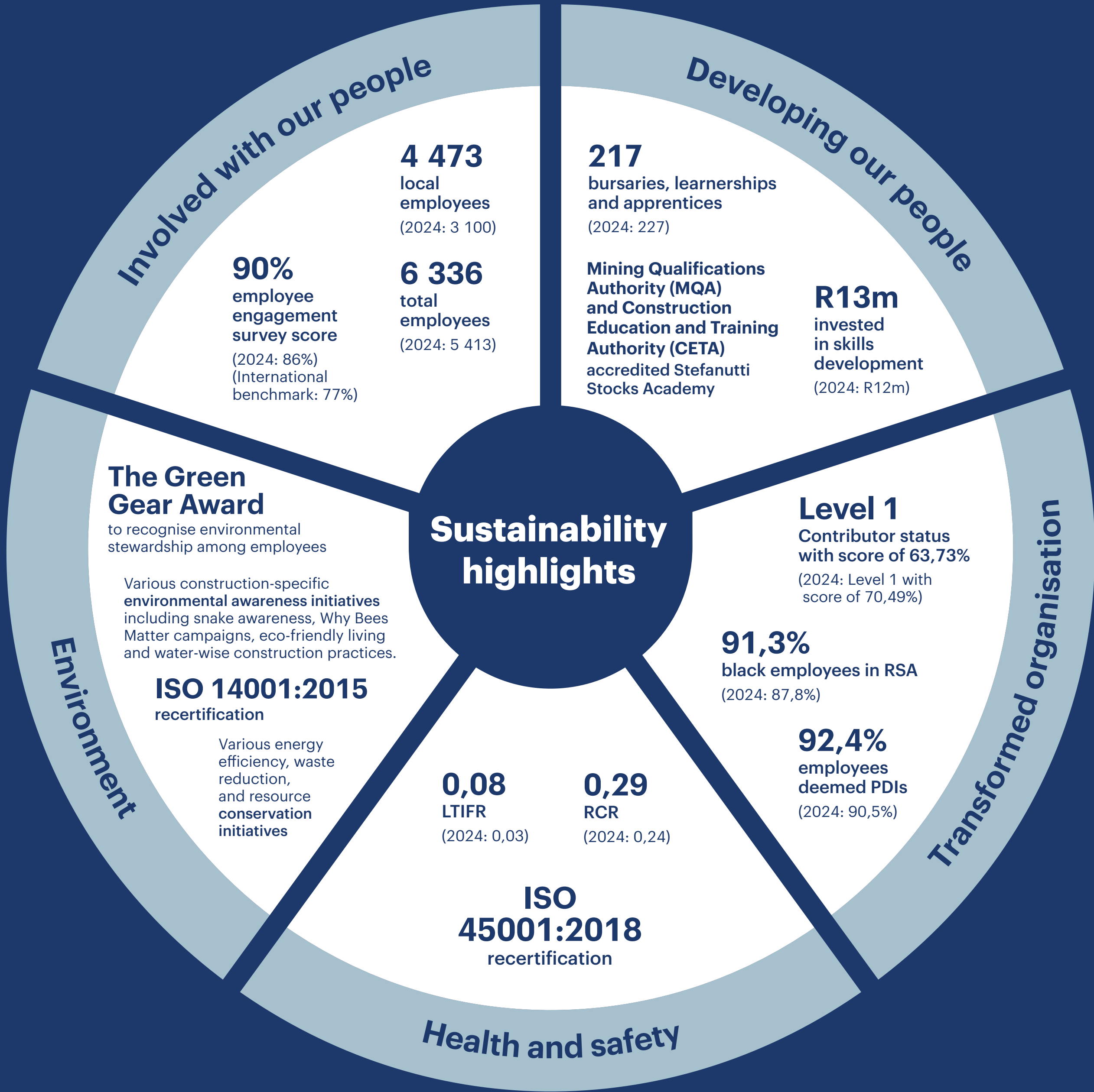
Due to the fact that some of the committee's responsibilities and deliberations overlap with other committees, detailed policy and performance information appear in other sections of the Integrated Annual Report and supplementary reports.

While some sustainability highlights are included in the graphic to the right, further detail can be found in the group's Sustainability Report, which is available on the group's website.

On behalf of the S&E Committee

Busisiwe Silwanyana
Chairman

18 June 2025



AUDIT, GOVERNANCE AND RISK COMMITTEE REPORT

Bharti Harie
Chairman

Refer to page 53 for a detailed CV.

The Audit, Governance and Risk Committee (ARCO or the committee), appointed in respect of the 2025 financial year of Stefanutti Stocks Holdings Limited, provides this report in compliance with section 94(7)(f) of the Companies Act, the principles of King IV and other regulatory requirements.

The ARCO

In addition to the specific Companies Act statutory responsibilities bestowed upon it, the committee advises and submits recommendations to the board on the group's financial reporting, internal financial controls, legislative and regulatory compliance as well as the external and internal audit functions.

Terms of reference

Guided by the Companies Act and King IV, the board has adopted and approved the committee's formal terms of reference. No changes were made to the terms of reference after the annual review process. In accordance with these terms of reference, the committee confirms that it has executed its duties during the past financial year.

Refer to pages 56 to 66 of this report for a discussion on how the 16 principles of the King IV Report on Corporate Governance for South Africa 2016 (King IV) have been applied.

Composition

The board nominated the members of the committee in respect of the 2025 financial year and shareholders appointed its members at the Annual General Meeting (AGM), which was held on 2 August 2024.

Shareholders will be requested to approve the appointment of the committee members for the 2026 financial year at the AGM that is scheduled for 1 August 2025.

The committee comprises of Bharti Harie as Chairman, Busisiwe Silwanyana and Howard Craig, all of whom are independent non-executive directors.

The board Chairman, CEO, CFO, Group Risk Officer, Financial Manager and external auditors attend the meeting as invitees. The company secretary acts as secretary to the committee.

The board has satisfied itself that the committee members are suitably skilled, have the correct expertise and experience, are independent and are qualified to fulfil their duties.

Abridged biographies of the members are published on pages 53 and 54.

Meetings

During the year, the committee held four meetings. Attendance at these meetings is set out in the corporate governance report on page 61 of this Integrated Annual Report. The committee also met in private with the external and internal auditors.

During the year the committee performed various duties, which are disclosed in the table on page 70.

Internal financial controls

The committee's areas of focus in relation to internal financial controls were to:

- Evaluate the effectiveness of the group's system of internal financial controls including receiving assurance from management, internal audit and external audit;
- Review matters presented in the external auditor's reports; and
- Assess the various policies and procedures in place for the prevention and detection of fraud.

Based on the processes and assurances obtained, the committee believes that the significant internal financial controls are effective.

As required by the JSE Listings Requirements, refer to the responsibility statement by the CEO and CFO on page 4 of this Integrated Annual Report.

Regulatory compliance

The group's compliance with applicable laws and regulations is monitored by a combination of management controls, internal audit, external audit, the sponsors and the company secretary. Given the company's size and structure, there is no dedicated in-house compliance function. However, compliance is a standard agenda item covered by the Group Risk Officer and CFO at ARCO meetings. Compliance with the Memorandum of Incorporation (MOI) is overseen by the company secretary.

For a more detailed discussion on regulatory compliance refer to the corporate governance report, commencing on page 56 of this Integrated Annual Report. Refer also to page 4 for the statement of compliance with the Companies Act and the MOI.

AUDIT, GOVERNANCE AND RISK COMMITTEE REPORT CONTINUED

Execution of duties

During the year the committee performed the following duties:

Governance and risk management

- Identified specific focus areas, as set out on page 73;
- Monitored compliance with the Business Ethics and Conduct Policy Statement of the company in liaison with the S&E Committee;
- Monitored compliance with applicable laws and regulations;
- Monitored reports from the company's ethics hotline;
- Oversaw the process of Sustainability Reporting and considered the findings and recommendations of the S&E Committee;
- Assessed key risk areas facing the group, Information Technology (IT) risks, the risk register and recommended risk mitigation measures;
- Considered the tax report and significant tax matters;
- Oversaw insurance arrangements;
- Considered internal reports on major contracts and reviewed the loss-making contracts, noting the significant reduction in the number of these contracts from prior year;
- Oversaw IT governance, including participation in a comprehensive presentation of the various IT processes and systems implemented within operations to manage the entire process from tender to commissioning stage;
- Advised and updated the board on issues ranging from accounting standards to published financial information;
- Nominated the external auditors and the designated audit partner for reappointment by shareholders at the AGM, as required by the Companies Act and the JSE Listings Requirements;
- Reviewed compliance with King IV requirements;
- Monitored developments regarding the requirements of the newly issued IFRS® Sustainability Disclosure Standards as issued by the International Sustainability Standards Board (ISSB), namely IFRS S1 and IFRS S2;
- Monitored the ongoing interaction between the Lender Group, Chief Restructuring Officer (CRO) and the Restructuring Implementation Team (RIT);
- Received feedback on the group's combined assurance model and the various lines of defence;
- Reviewed the progress of the claims process regarding the Kusile Power Project and attended meetings for feedback on the Dispute Adjudication Board (DAB) process;
- Received feedback on the group's performance against the Restructuring Plan and cash flow, including presentations from the group's external consultants;
- Considered the amendments to the Companies Act and the release of King V.

Financials and going concern

- Reviewed the draft audited Consolidated and Separate Annual Financial Statements and Integrated Annual Report, the condensed financial statements and interim statements;
- Included the review of the company's Restructuring Plan (with the underlying assumptions), as part of its standard agenda item for each meeting. This is fully discussed on page 91;
- Reviewed the company's ongoing solvency, liquidity and going concern status;
- Reviewed, together with the external auditors, the conformity of the audited Consolidated and Separate Annual Financial Statements and related schedules with IFRS Accounting Standards and the company's accounting policies;
- Ensured that access to all financial information, and appropriate financial reporting procedures exist, for all entities included in the consolidated financial statements;
- Approved materiality for the group consolidated financial statements in terms of IFRS Practice Statement 2 Making Materiality Judgements;
- Updated the board on the latest changes to the JSE Listings Requirements, proactive monitoring results, effective communication with investors and categorisation on disposal of assets;
- Ensured ongoing company compliance with the JSE checklist;
- Evaluated the finance function and expertise and experience of the CFO.

External audit

- Evaluated the independence of the external auditors with regard to tenure, individual partner rotation as well as their performance, and recommended their reappointment to the board;
- Reviewed the quality of the external audit function with regard to audit quality indicators as indicated in reports by external regulators. Based on these indicators, the committee was satisfied with the quality of the external audit function;
- Confirmed the accreditation of the external auditors and the audit partner with the JSE with regard to tenure as well as individual partner rotation;
- Considered and evaluated the key audit matters as set out in the external auditor's report which remain largely the same as the previous year and the committee is satisfied that the matters have been correctly disclosed in the Integrated Annual Report and Consolidated Annual Financial Statements;
- Reviewed the areas identified by the external auditors as being of significant risk and their approach to auditing these;
- Reviewed the external audit findings and reports;
- Approved any non-audit services performed by the external auditors and the policy in this regard;
- Reviewed the audit plan, strategy and audit fees payable for FYE 2025 to the external auditors;
- Approved the audit fee for FYE 2025.

Internal audit

- Reviewed internal audit policies, plans, budgets, reports and findings and noted the independence of the internal audit function;
- Reviewed the quality of the internal audit function with reference to the findings from their independent internal review processes;
- Evaluated the internal audit function and expertise and experience of the Internal Audit Manager.

AUDIT, GOVERNANCE AND RISK COMMITTEE REPORT CONTINUED

Oversight of risk management

The committee oversees the risk management process and has confirmed the independence of the internal audit function.

The Group Risk Officer and the Internal Audit Manager report directly to the committee and address all risk identification, measurement and management through these channels.

A risk management framework, risk policy and risk register were presented for consideration to the committee during the year. The committee has confirmed that the following focus areas below have been attended to:

- Financial reporting risks;
- Funding risks with the Lender Group;
- Kusile Power Project contract risks;
- Internal financial controls;
- Fraud risks;
- IT risks; and
- Reviewed technology risks, in particular how they are managed.

Please refer to page 15 of this Integrated Annual Report for a full discussion on risk management.

Independence of external auditors

The committee assesses the external auditor's independence and effectiveness on an annual basis, as part of its responsibilities. The committee also meets annually with the external auditors, without management being present, to facilitate and exchange views and concerns that may not be appropriate for discussion in an open forum. Constructive feedback is then given to management.

The committee reviews the group's non-audit services policy on an annual basis. This policy allows the committee to consider whether the external auditor's independence is materially impaired by any non-audit services rendered. There were no non-audit services during the reporting period performed by the group's external auditors. Non-audit services performed by the subsidiary external auditors were immaterial.

Significant and key audit matters that the ARCO has considered in relation to the Consolidated Annual Financial Statements

Significant matters	Audit Committee's response
1. Going concern	
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 (Feb 2024: R1 193 million).	The committee believes that the group remains commercially solvent based on the cash flow projections included in the Restructuring Plan and the continued support of the Lenders. The committee has also taken the following into consideration in its assessment of going concern: — 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 committee reviews the company's Restructuring Plan (with the underlying assumptions), as part of its standard agenda item for each meeting. The committee receives regular feedback from the claims team regarding the progress on the contractual claims and compensation events on the Kusile Power Project and, together with the board, also engages with the Lender group to address any of its concerns. The committee also takes comfort in the going concern assumption. The order book is growing organically and new sectors like renewables and data centres have been added. In recent years the company restructured into strategic geographical regions allowing teams to collaborate and enhance cost efficiencies.

Key audit matters	Audit Committee's response
1. Valuation of goodwill	
Included in the Consolidated Annual Financial Statements is goodwill of R272 million, comprising 5,35% (2024: 5,33%) of total assets in the group. The assessment of whether this asset is impaired is considered each year.	The committee considers the reasonability of the outcome of the goodwill impairment calculations through discussions with the CFO, consideration of the work performed by the external auditors and its own knowledge of the operations.
2. Recognition of contract revenue, costs, related receivables and liabilities including the valuation of contracts in progress, excess billings over work done and contract provisions	
The industry in which the group operates is characterised by contract risk with significant judgement involved in the assessment of both current and future financial performance. Contracting, by its nature, requires a significant amount of management estimation and judgement in order to report the performance of the contract for the period accurately.	The committee assesses the reasonability of the amounts reported for revenue, contracts in progress, excess billings over work done and contract provisions based on their knowledge of the business and budget information received. The committee obtains reasons for significant variances and also considers the work performed by the external auditors.

AUDIT, GOVERNANCE AND RISK COMMITTEE REPORT CONTINUED

The committee is satisfied with the external auditor's independence, based on enquiries made by the committee and assurances given by the auditors. The committee has thus recommended to the board and to the shareholders, the reappointment of Forvis Mazars as the independent registered audit firm and Yusuf Dockrat as the individual registered auditor.

Forvis Mazars has been the auditor of the group for 19 years. Significant changes in management over the tenure of the external audit firm mitigates the risk of familiarity including the appointment of a new CEO in August 2019, a new CFO in May 2022 and various other board and executive committee appointments.

Refer to pages 54 to 55.

Internal audit

Internal audit's purpose and scope, responsibilities and duties, independence and ethics are set out in the internal audit charter. The internal audit function monitors the group's exposure to risk and assesses the reliability and effectiveness of risk management processes and controls.

The Internal Audit Manager reports to the Group Risk Officer on an administrative basis. In order to perform his duties and meet his responsibilities, the Internal Audit Manager has unfettered access to the CEO, chairman of the board and chairman of the ARCO, and reports to the committee on a functional basis.

The ARCO also meets annually with the Internal Audit Manager, without management being present, to facilitate an exchange of views and concerns that may not be appropriate for discussion in an open forum. Constructive feedback is then given to management.

As prescribed by the Institute of Internal Auditors, the policies and procedures that guide the internal audit function are aligned to the International Professional Practice Framework (IPPF). Therefore, the internal audit function must:

- Be objective and free from undue influence (independent);
- Align with the strategies, objectives and risks of the organisation;
- Be appropriately positioned and adequately resourced;
- Demonstrate quality and continuous improvement;
- Communicate effectively;
- Provide risk-based assurance;
- Be insightful, proactive and future-focused; and
- Promote organisational improvement.

In addition, the internal audit function is tasked with monitoring and assessing the group's corporate governance, in particular the various delegation of authority frameworks applicable across the group.

The group's numerous levels of management are responsible for designing, implementing and evaluating the risk management plans and must ensure their sustainability in all aspects of the business.

The committee directs the risk-based internal audit plan, which is based on the key risks identified by executive management and confirmed by the committee. At the beginning of the year the internal audit plan was presented to the committee for annual review and approval.

The following processes were dealt with in the approved internal audit plan:

- Tender and estimating;
- Purchases and payables;
- Subcontractor payments;
- Payroll salaries and wages;
- ISO 27001:2022 Information Security Management Systems review; and
- Contract (site administration) reviews.

All findings were communicated to management who reinforced the existing controls or implemented new controls and processes to minimise the risk identified to an acceptable level, comparing the advantages gained with the cost of the control.

The group's internal audit function also appraises the group's risk management, corporate governance processes and internal controls and submits its assessment of these to the committee annually.

The internal audit function provides annual confirmation to the ARCO that it conforms to the recognised industry code of ethics.

The Internal Audit Manager conducted a self-assessment of the Global Internal Audit Standards (GIAS) published in 2024 that become compliant in January 2025. Partial and non-compliance to GIAS will be addressed during 2025 with an external quality review being planned for September 2026.

AUDIT, GOVERNANCE AND RISK COMMITTEE REPORT CONTINUED

Focus areas

The focus areas for the year under review were as follows:

— Ongoing monitoring of the Restructuring Plan covering:
  - Going concern;
  - Solvency and liquidity;
  - Funding requirements and repayments;
  - Asset disposals;
  - Debtors recoverability;
  - Material contracts;
  - Working capital requirements and movement; and
  - Receiving feedback from the CRO and RIT.

The focus areas for the coming year are similar to the prior year, but will additionally include the following:

— Examining the draft provisions of the new King V and its impact on the audit committee.

Internal audit manager

The annual evaluation of the internal audit function and the Internal Audit Manager was undertaken during the year as recommended by King IV principles. The committee is satisfied that the Internal Audit Manager, Gerrit Joubert, has the appropriate qualifications, expertise, skills and experience to meet the responsibilities as Internal Audit Manager.

The committee has also satisfied itself that the resources within the internal audit function are appropriate to provide the Internal Audit Manager with the necessary support to properly fulfil his function. When making its evaluation, the committee considered the recommendations raised by the Group Risk Officer.

CFO

The annual evaluation of the finance function and the CFO was undertaken during the year as required in terms of the JSE Listings Requirements. The committee is satisfied that the CFO, Yolanda du Plessis, has the appropriate qualifications, expertise, skills and experience to meet the responsibilities as CFO.

The committee has also satisfied itself that the resources within the finance function are appropriate to provide the CFO with the necessary support to properly fulfil her function. When making its evaluation, the committee considered the matters raised from the external auditors.

Annual Financial Statements and Integrated Annual Report

The committee has reviewed the Consolidated and Separate Annual Financial Statements of Stefanutti Stocks Holdings Limited for the year ended 28 February 2025, and is of the view that in all material respects they comply with the relevant provisions of the Companies Act, IFRS Accounting Standards, the JSE Listings Requirements, and the South African Financial Reporting Requirements and fairly present the consolidated and separate financial position as at 28 February 2025, and its financial performance, the statement of changes in equity and cash flows for the financial year.

These are available on the company's website: **www.stefanuttistocks.com**

The committee has also satisfied itself as to the integrity of the remainder of the Integrated Annual Report, including the Sustainability Report, and accordingly has recommended the Integrated Annual Report for the year ended 28 February 2025 for approval to the Stefanutti Stocks board. The board has approved the report, which will be open for presentation at the forthcoming AGM.

On behalf of the ARCO.

Bharti Harie
Chairman

18 June 2025

REMUNERATION REPORT

Howard Craig
Chairman

Refer to page 53 for a detailed CV.

INTRODUCTION

This remuneration report sets out the information applicable to the group's remuneration strategy and remuneration policy for the executive directors, prescribed officers and non-executive directors. However, where relevant, it also deals with general remuneration matters. The Remuneration Committee (REMCO/the committee) assists the board in determining remuneration policies for the group and has set the remuneration policy for financial year-end 2025 (FYE 2025).

The detailed remuneration policy can be accessed on the group's website at **www.stefanuttistocks.com**

At the 2024 AGM, no matters were raised by shareholders in terms of the remuneration policy and the remuneration implementation report.

This report consists of four sections:

- **Section A:** a background statement to provide context to the remuneration policy;
- **Section B:** an overview of the main provisions of the remuneration policy;
- **Section C:** the implementation of the remuneration policy; and
- **Section D:** other.

Section A: Background statement

The structure of this report has been compiled to align with the recommended principles and practices of King IV. The overarching purpose of the Stefanutti Stocks remuneration policy is to:

- drive the behaviour of the group's employees so that it is aligned to the overall group strategy in the short, medium and long term, within the group's risk framework;
- align the strategic interests of the group and its senior executives, with those of its shareholders;
- reflect remuneration that is affordable, fair, responsible and transparent;
- recognise and regulate the principle of equal pay for work of equal value consistent with performance management, length of service, qualifications and skills;
- continually attract, retain, motivate and reward employees at all levels; and
- promote an ethical culture and responsible corporate citizenship.

Stefanutti Stocks's 2024 AGM was held on 2 August 2024, and ordinary resolutions 8 and 9 to approve the company's remuneration policy and remuneration implementation report were tabled. Refer to the table below:

Voting result of annual general meeting — August 2024

	Remuneration policy		Remuneration implementation report	
Votes for	99 245 726	99,92%	99 245 726	99,92%
Votes against	80 000	0,08%	80 000	0,08%
Total shares voted	99 325 726	100,00%	99 325 726	100,00%
Votes abstained	—		—	

Since ordinary resolutions 8 and 9 were unanimously approved, subsequent interaction with shareholders was not required.

The board has approved the information provided by the committee in this report and accepted its recommendations.

1. Committee governance

The committee is responsible for the development and oversight of the group's remuneration philosophy and policy. The composition, mandate, role and responsibilities of the committee are set out in the terms of reference, which have been approved by the board. The committee believes the remuneration policy has achieved the stated objectives of optimising group performance within both the macro- and micro-environments facing the company and its management.

For the year under review, the committee confirms that it has executed its duties in accordance with its terms of reference.

The committee continues to evaluate and benchmark the company's remuneration practices against relevant industry peers, external market conditions, availability of internal and external resources, risk factors, group performance and achievement of strategy.

1.1. Composition

The company has a combined Remuneration and Nominations Committee. The REMCO is chaired by independent non-executive director, Howard Craig, while NOMCO matters are chaired by the board Chairman, Zanele Matlala.

REMCO	NOMCO
HJ Craig (Chairman)	ZJ Matlala (Chairman)
ZJ Matlala	HJ Craig
B Harie	B Harie

All of the committee's members are independent non-executive directors. In addition, the CEO, CFO and the Group HR Director attend meetings by invitation.

The company secretary attends all meetings as the secretary of the committee.

The committee has access to independent advisors to ensure that it receives expert advice on remuneration matters, both in general and on industry-specific matters. The CEO, CFO and the Group HR Director also make recommendations to the committee. However, they are excluded from deliberations in respect of their own remuneration.

REMUNERATION REPORT CONTINUED

1.2. Role and responsibilities

The terms of reference of the committee are reviewed annually, with any proposed changes submitted to the board for approval. During the year, all remuneration-related policies were reviewed by the committee to ensure that the policies remained appropriate for the business and aligned with the principles of both King IV and the Companies Act.

There were no changes to the committee's terms of reference for FYE 2025.

The REMCO's role and responsibilities include:

- Ensuring that the chairman of the committee reports to the board on the committee's recommendations and decisions;
- Recommending to the board the annual Total Fixed Package (TFP), short- and long-term incentives, and other benefits to be paid to the executive directors;
- Reviewing and approving the annual TFP, and short- and long-term incentives paid to the prescribed officers;
- Reviewing and approving short- and long-term incentive pay structures for other qualifying staff;
- Reviewing and approving the overall annual TFP increases for salaried employees;
- Reviewing the remuneration of the executive directors and prescribed officers to ensure that this is both fair and reasonable relative to the overall employee remuneration in the group;
- Reviewing and approving the executive directors' service contracts;
- Ensuring the principle of equal pay for equal work is applied in the workplace; and
- Approval of the independent external advisors to the committee.

The NOMCO's role and responsibilities include:

- Ensuring that an adequate succession plan is in place for all senior management positions;
- Reviewing and recommending the board diversity policy, which covers both race and gender, to the board;
- Reviewing and approving the induction and training policy and processes for new board members;
- Ensuring the committee comprises at least two independent non-executive directors, and all committee members have the appropriate skills and experience;
- Assessing the composition and competencies of the board and identifying any deficiencies in this regard;
- Identifying and recommending nominees to the board;
- Prior to nomination, appropriate background checks and due diligence processes are performed on all proposed new directors;
- Reviewing directors' independence annually, establishing those directors eligible for re-election at the AGM and assessing the performance and attendance of these directors in order to make a recommendation to shareholders on their re-election;
- Recognising the board diversity policy (which deals with race and gender at board level) whenever the board's composition is reviewed (at least annually) and also whenever a new appointment to the board is under consideration;
- Identifying and recommending non-executive directors with greater than nine years' service to the board for the appropriate review and approval;
- Reviewing and approving the role of the Chairman and recommending to the board, the extension of the Chairman's contract for a further year;
- Considering the necessity to appoint a Lead Independent Director; and
- Ensuring that an adequate succession plan is in place for all non-executive directors, including membership of the various board committees.

Responsibility for senior management appointments and remuneration has been assigned to the CEO. The CEO provides feedback to the committee and the board in this regard.

The retirement age for non-executive directors is 70 years, unless otherwise approved by the board.

1.3. Year under review

A key focus of the committee during FYE 2025 was to complete the comprehensive reviews of the remuneration policy, the Executive Directors Incentive Scheme (EDIS) and the Directors Profit Share Incentive Scheme (DPSIS). These reviews were all finalised during the year and changes made where the committee considered these appropriate.

The committee met four times during the year.

The following key decisions were taken:

- The review and recommendation of the company's remuneration policy and implementation report, and submission thereof to shareholders for a non-binding advisory vote at the 2024 AGM;
- Awards made under the EDIS comprised:
  - Short-term incentives (STI) — R10,3 million STI payments were made to executive directors in terms of financial and personal performance objectives.
  - Long-term incentives (LTI) — R2,7 million LTI awards were earned by the executive directors relating to performance.
- No shares were awarded to the executive directors under the Forfeitable Share Plan (FSP) as discretionary awards;
- 2,34 million shares were awarded to employees, other than the executive directors, under the FSP;
- The approval of STI payments for company, operational and other directors, made under the DPSIS;
- A general salary increase of 6,0% was approved;
- The average annual increase for hourly paid employees, determined under the various industry bargaining councils, was 5,95% based on consumer price index (CPI) +0,98%;
- EXCO members received additional salary increases over and above the general increase to align salaries with the adopted salary reference targets;
- The award of additional salary increases over and above the general increase to certain junior staff to align salaries with the adopted salary reference targets;
- The setting of personal key performance areas (KPAs) for the CEO and CFO, including thresholds and sliding scales for performance measurement;

REMUNERATION REPORT CONTINUED

- Completion of the comprehensive review of the remuneration policy to ensure that it is aligned with industry best practices;
- Completion of the review of the current EDIS and appropriateness of the current scheme in view of the changed circumstances of the group;
- Completion of the review of the DPSIS to reflect the group's changed organisational structure;
- Completion of the review of the group's Employee Value Proposition;
- The review of the succession policies and plans for the executive directors and the EXCO;
- The review and recommendation to the board of the non-executive directors' fees for submission to shareholders at the next AGM;
- Noting that the group's voluntary board gender diversity target of 50% female board members had at the date of this report been met;
- Noting that the group's voluntary board racial diversity target of 50% black directors had at the date of this report been met; and
- The review and approval of the role and function of the board Chairman.

Attendance at these meetings is shown in the table set out on page 61.

2. Areas of focus for FYE 2026

The key areas of focus for the committee for the FYE 2026 will be:

- The approval of the annual work plan for the committee;
- The review and approval of the succession plan for the board, including the Chairman;
- The succession plans for the executive directors;
- The review of remuneration, including short- and long-term incentives, payable to the executive directors;
- A review of the Site Gain Share Scheme to ensure alignment with the updated remuneration policy;
- Review and consider the remuneration gap in anticipation of the additional requirements of the Companies Act coming into effect shortly;
- Align the remuneration policy with the new requirements of the Companies Act once effective;
- Oversight of remuneration practices for the group's cross-border operations;
- The implementation of staff retention measures for key roles within the group;
- The consideration of share awards for key black personnel and other key personnel under the FSP;
- The consideration of the fees to be paid to non-executive directors;
- The approval of the independent external advisors to the committee;
- A self-evaluation of the performance of the committee, including its members; and
- Interaction with major shareholders regarding the company's remuneration policy and principles, where required.

Section B: Remuneration policy overview

1. Philosophy and principles

The group's philosophy is to attract, retain and motivate individuals who subscribe to the group's culture and values which are aligned to the Stefanutti Stocks Way. The remuneration policy is essential to employ dynamic, passionate and competent individuals to achieve the overall business strategy.

Total remuneration packages are designed to be internally equitable and externally competitive and to reward superior performance with superior rewards.

Stefanutti Stocks strives to provide a safe working environment, and one which encourages the development and personal growth of employees within the framework of the group's objectives. The long-term success of the group is, therefore, directly linked to the quality of individuals that are employed.

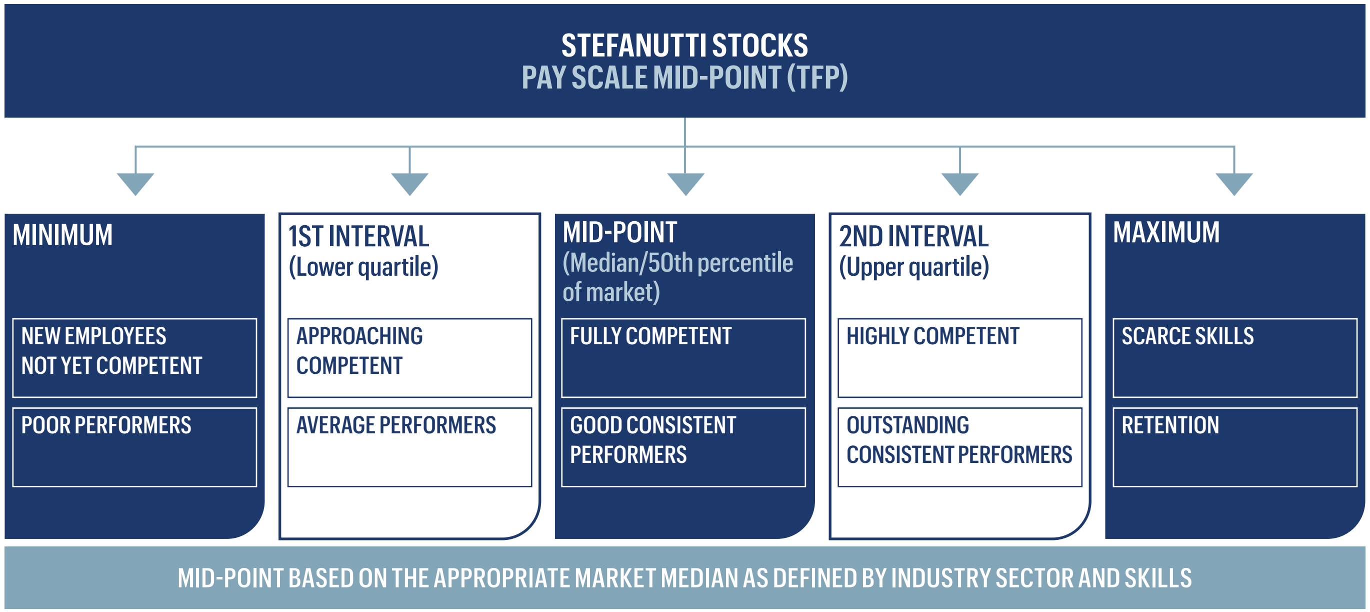
The group's remuneration policy is based on the underlying key principles:

- The policy is aligned to the overall group business strategy, in the short, medium and long term;
- The group adopts a prudent risk and reward philosophy, applied within the scope of the group's risk profile;
- The policy is aligned to legislative and regulatory requirements;
- The policy reflects remuneration that is fair, responsible and transparent in the context of overall group remuneration;
- Aligning Total Fixed Pay (TFP) to the pay structure adopted by the group, based on the defined job grade utilising a reputable and defendable job grading system;
- The Paterson job grading system has been adopted for salaried employees whilst prescribed job grading systems utilised by the relevant bargaining councils are relevant for hourly-paid sectoral employees;
- Salaried employees are paid a market-competitive annual TFP which includes a base salary, medical aid, retirement fund contributions and certain other market-related benefits;
- Paying an appropriate market-related Total Remuneration (TR) mix by employee level between TFP and variable remuneration;
- Paying TR which is targeted to be within the upper quartile of relevant industry benchmarks, using the following principles for the determination of individual performance:
  - The performance of the group, the region, discipline, project, team and/or the individual employee;
  - The employee's/team's ability and willingness to support the culture and live the values of the group;
  - The employee's/team's level of co-operation/collaboration displayed, as well as the ability to develop and enhance client relationships;
  - The employee's commitment to focus on empowerment and development;

REMUNERATION REPORT CONTINUED

  - The scope of responsibility and level of accountability, as well as the individual's contribution to targets (performance); and
  - Appropriate industry benchmarks (external) and/or compatible internal benchmarks.
- Paying a Site Gain Share incentive to eligible employees;
- Bonuses payable under the remuneration policy are (a) subject to affordability and (b) are at the Remuneration Committee's discretion;
- Short-term incentives for executive directors (currently the CEO and CFO) are earned under the Executive Directors Incentive Scheme (EDIS) and incorporate threshold and stretch targets, under financial performance criteria, and reward for personal contributions under Key Performance Areas (KPAs), which are reviewed annually in line with business targets and/or strategic initiatives;
- Short-term incentives for Paterson level E4 employees and above, excluding the executive directors, are earned under the Directors Profit Share Incentive Scheme (DPSIS), which is reviewed from time to time based on industry best practice and market benchmarks;
- Long-term incentives for executive directors are earned under the EDIS and awarded in terms of the approved Forfeitable Share Plan (FSP). Various long-term metrics, aligned with group and shareholder interests, are utilised in determining the level of awards to executive directors;
- Long-term incentives awards are made to qualifying employees in terms of the approved FSP, which is reviewed from time to time based on industry best practice and market benchmarks;
- Pre-vesting forfeiture (malus) of long-term incentives is provided for but no provision is made for post-vesting forfeiture of remuneration (i.e. claw-back); and
- External advisors are utilised on an annual basis to assist in remuneration-benchmarking processes to keep abreast of market movements and market best practice. For FYE 2025, RemChannel were appointed as the group's external advisor.

Pay scale variations from mid-point



2. Pay structure

The group has adopted a pay structure to manage internal and external equity in a fair and responsible manner. The pay structure is expressed as a pay scale for each Paterson grade in the group, which enables the management of remuneration on a TFP basis for all employees as per the graphical illustration above.

The mid-point of the pay scale is aligned to the appropriate market benchmark, being the median (50th) percentile. The pay scale for each Paterson grade has a 50% range spread to allow flexibility in the management of remuneration, which is guided by the principles shown illustratively above.

The group does not follow a "one-type-fits-all" approach when moving employees between the minimum and maximum pay scales. Rather, each employee's positioning against the proposed pay scale is considered in line with the principles illustrated above.

The group endeavours to review the adjustment of pay scales annually (prior to the annual review of remuneration), on the proviso that various factors warrant a review of the pay structure. These factors typically will include CPI, affordability, group performance, market movements/trends, competitor remuneration and scarcity of skills.

REMUNERATION REPORT CONTINUED

3. Components of remuneration

The framework alongside provides a guideline for interpreting the remuneration policy, showing the remuneration components applicable to each employee category.

3.1. Guaranteed remuneration

When structuring guaranteed packages, the group applies a TFP approach.

Base salary reflects the market value of the individual's skills, experience and performance, and is paid monthly in cash.

Benefits such as pension, medical aid and car allowance are included in the TFP. It is obligatory that all permanent salaried employees of the group belong to the Stefanutti Stocks Pension Fund. Membership of a funeral policy plan, which is independent of the pension scheme, is also mandatory for all South African group employees.

The Stefanutti Stocks Pension Fund is a defined contribution fund and provides retirement funding plans and health risk cover benefits for its members. It is also compulsory for all new salaried employees to join the group's prescribed medical aid scheme, unless the employee can prove that he/she is a dependant on another medical aid.

Hourly-paid employees' remuneration, bonuses and other benefits are determined at industry bargaining council level. The group offers these employees membership to the Stefanutti Stocks Provident Fund, which provides retirement funding and health risk cover benefits. Membership of an approved funeral policy plan is also compulsory for limited-duration contract employees.

3.2. Variable remuneration

Since variable remuneration is self-funding, payout to an individual is dependent on the relevant entity achieving its overall performance target (i.e., individual KPAs, regional, discipline or project targets and group targets).

To ensure sustainable annual group performance, incentive bonuses may be paid out in tranches depending on the cash-flows achieved by the group.

Remuneration framework

	Element	Strategic objective	Executive directors	EXCO	Operational directors	Salaried staff	Salaried site staff	RSA expats	Wage staff
TFP	Salary	Paying market-competitive, guaranteed pay and benefits.	✓	✓	✓	✓	✓	✓	
	Wage								✓
	Pension fund		✓	✓	✓	✓	✓	✓	
	Provident fund								✓
	Medical aid		✓	✓	✓	✓	✓	✓	
	13th cheque		✓	✓	✓	✓	✓	✓	✓
	Funeral policy		✓	✓	✓	✓	✓	✓	✓
	Leave		✓	✓	✓	✓	✓	✓	✓
Incentive	STI (EDIS)	Rewarding outstanding performance, contributing to group performance.	✓						
	LTI (EDIS)		✓						
	DPSIS			✓	✓			✓	
	Incentive bonus						✓		
	Site bonus						✓		✓
	Gain share					✓	✓		✓
Discretionary	FSP	Attracting and retaining skills and talent.	✓	✓	✓	✓	✓	✓	
	Key Man attraction/ retention		✓	✓	✓	✓	✓	✓	

REMUNERATION REPORT CONTINUED

A summary of the variable incentive schemes applicable for Executive Directors and Prescribed Officers is provided below.

3.2.1 Executive directors' variable incentives

Executive directors' variable remuneration falls under the EDIS. The incentive opportunity available to executive directors, payable in cash (STI) and forfeitable shares (LTI), is as shown in the table below:

Incentive opportunity available to executive directors	On-target incentive	Stretch-target incentive
STI	100% of TFP	200% of TFP
LTI	100% of TFP	200% of TFP
Total incentive opportunity	**200% of TFP**	**400% of TFP**

3.2.1.1. Short-term incentive plan (STI)

The STI is designed to align the short-term interests of the executives with group strategy, using both financial performance measures and personal objectives.

The intention is to motivate executives to drive performance and strive to exceed short-term goals.

Minimum threshold targets are required to be met before respective bonus awards are earned.

All targets are reviewed and set at the beginning of each financial year, with awards due under the scheme being reviewed and approved at financial year-end, by the committee and the board.

The financial and personal performance awards earned under the STI plan are cash-based annual awards.

(A) Financial performance measures

Financial performance measures account for 50% (FYE 2024: 50%) of the possible STI payable to executive directors.

The two financial performance measures are:

1. Operating profit margin (OP); and
2. Return on equity (ROE).

OP:

- An annual expected OP is established at the commencement of each financial year, with maximum and minimum thresholds applied. The expected OP is internally reviewed and set on an annual basis, and is based on relevant industry and peer comparatives.
- This OP is based upon normalised operating profit excluding all extraordinary and non-trading items, and was set at 3,0% for FYE 2025 (FYE 2024: 3,0%).
- On achievement of the targeted OP of 3,0%, an award of 100% (multiplied by 50%) of the TFP is made.
- If the OP achieved is below a minimum threshold of 1,0%, no award of the financial performance component is made.
- If the OP achieved is at or above a maximum stretch target of 5,0%, an award of a maximum of 200% (multiplied by 50%) of the TFP is made.
- A linear sliding scale apportionment is applied between minimum, threshold and stretch targets.

ROE:

- An annual targeted ROE is also established at the commencement of each financial year, targeted to meet the company's weighted average cost of capital (WACC), with maximum and minimum thresholds applied.
- On achievement of the ROE meeting WACC, the full amount calculated under the OP metric above remains unchanged.
- If the ROE metric falls below the minimum threshold of WACC minus 6%, a diluting factor of 50% is applied to the amount calculated under the OP metric.
- If the ROE metric is at or above the stretch target of WACC plus 6%, an escalating factor of 150% is applied to the amount calculated under the OP metric.
- A linear sliding scale apportionment is applied between minimum, threshold and stretch targets.

(B) Personal performance measures

Personal performance measures account for 50% (FYE 2024: 50%) of the possible STI payable to executive directors.

At the commencement of each financial year, personal objectives for executive directors are set as KPAs by the board.

Personal performance measures are currently designed so that executive directors provide sufficient focus on, and are rewarded for, the successful implementation of the Restructuring Plan.

Key performance measurements for financial and operational targets are incorporated in the performance measures for the CEO, CFO and other executive team members. These are then cascaded into the lower levels of the organisation so that a unified performance focus is achieved across the group.

The personal key performance areas agreed for the CEO and CFO for FYE 2025 are provided in the following tables on page 80: CEO — Key performance areas and CFO — Key performance areas.

Notwithstanding the results generated from the above financial and personal performance measures, the maximum STI payable to executive directors is 200% of TFP (FYE 2024: 200% of TFP).

3.2.1.2. Long-term incentive plan (LTI)

The LTI plan is designed to align the interests of the executive directors with those of the shareholders using financial performance measures. The overall intention is to:

- generate a long-term sustainable financial performance for the group;
- promote long-term commitment of the executive directors to the business; and
- provide a wealth-creation mechanism for the executive directors and concomitant value creation for shareholders.

REMUNERATION REPORT CONTINUED

CEO — Key performance areas

KPAs	Target	Weighting	Measurement
Must win projects % of must win projects already secured as a % of revenue (including carry over)	50% of revenue	20%	50% of revenue must consist of must win projects to achieve full recognition. Over 45%, 15% recognition Over 40%, 10% recognition Over 35%, 5% recognition Below 35%, nil
Project execution % of projects executed at better than tender/re-pitch gross profit YTD based on revenue	60%	30%	Over 60%, full recognition Over 50%, 20% recognition Over 45%, 15% recognition Over 40%, 10% recognition Over 35%, 5% recognition Below 35%, nil
Capital employed Net capital employed — positive/negative	Positive	20%	Positive net capital employed, full recognition. Negative net capital employed, nil.
Order book FYE 2025 % Secured order book at:			On achieving approved revenue, full recognition. Should approved revenue not be achieved, but part milestones achieved, then recognition in terms of KPA weighting.
1 December 2023	50%	2,5%	
1 March 2024	65%	2,5%	
1 June 2024	80%	2,5%	
1 August 2024	100%	2,5%	
B-BBEE Scorecard	Maintain Level 1 status	15%	Level 1 — Full recognition Level 2 or worse, nil
SHE LTIFR	<0,1	5%	LTIFR <0,1, full recognition LTIFR >=0,1, nil

CFO — Key performance areas

KPAs	Activity	Weighting	Measurement
Business strategy	**Going concern** Ensure the going concern of the group, with specific emphasis on refinancing, renegotiating of the current loan and any repayment options	40%	Annual results are audited and signed off on the going-concern basis
	Cash management Managing working capital and cash requirements, together with the regions	10%	Positive capital employed report
Compliance management	**Compliance with all laws and regulatory processes, including:**		
	IFRS Accounting Standards	5%	No major negative finding from the applicable regulatory authority
	JSE Listings Requirements	5%	No major negative findings causing a restatement of the group Consolidated Annual Financial Statements
	Direct taxes	5%	No additional final assessments raised
Risk management and internal audit	Internal audit reports	15%	No major negative findings
Information technology	Measures in place to ensure availability, integrity and confidentiality of the network and systems	5%	Positive external assessment and or internal assessment by Internal Audit
External audit	Audit report issued in respect of group Consolidated Annual Financial Statements	15%	No major negative findings resulting in an unfavourable audit report

REMUNERATION REPORT CONTINUED

Long-term metrics for FYE 2025

The LTI has been formulated using three metrics, the applicable targets of which are set by the board at the commencement of each financial year.

1. Headline Earnings Per Share growth (HEPS)
2. Return on Capital Invested (ROCI)
3. Free Cash Flow (FCF)

The maximum allocation for achievement of each stretch target above is 200% of TFP, multiplied by the relevant weighting factor, whilst measurables falling below threshold result in no award being generated for that metric.

The maximum LTI award that can be earned by executive directors for any year is therefore 200% of TFP.

Payment for the achievement of LTIs is made by way of forfeitable shares, which vest on the third anniversary of the award, but only to the extent that:

a) the annual performance measures above have been met over a consecutive three-year performance period, and

b) the performance measures are then averaged over the three-year period to determine the final measure and award.

Cliff vesting occurs at the end of the three-year period.

The forfeitable shares to be awarded to executive directors on vesting are acquired under the rules of the FSP.

The LTI award of forfeitable shares is calculated on an annual basis to mitigate unanticipated outcomes arising out of cyclical factors and share price volatility.

The REMCO has the authority to cash settle LTI awards in exceptional circumstances.

R2,7 million LTI awards were earned by the CEO and CFO for FYE 2025, based upon the reported FYE 2025 results (FYE 2024: Nil).

3.2.1.3. Awards made at REMCO's discretion

When evaluating executive directors' performance in terms of variable remuneration, REMCO also considers any extraordinary internal and external factors that may have contributed to thresholds not being met.

Nil discretionary awards were made to the CEO and CFO for FYE 2025 (FYE 2024: Nil).

LTI performance measures for FYE 2025

	VESTING			
Metric	**Threshold**	**Target**	**Stretch**	**Weighting**
HEPS (%)	50% of TFP	100% of TFP	200% of TFP	
— growth versus CPI	CPI + 0%	CPI + 1%	CPI + 2%	33%
ROCI (%)	50% of TFP	100% of TFP	200% of TFP	
— compared to WACC	WACC + 0%	WACC + 2%	WACC + 4%	27%
FCF (%)	80% of TFP	100% of TFP	200% of TFP	
— year-on-year improvement	10%	20%	30%	40%

3.2.2. Prescribed officers' variable incentives

Prescribed officers' variable remuneration falls under the DPSIS, which is a short-term, profit-driven incentive scheme for which employees of Paterson Grade E4 or higher (company and operational directors) are eligible.

In certain instances, at the discretion of the CEO and CFO, employees below Paterson Grade E4 who are deemed business critical, can be motivated for inclusion as participants to the scheme.

The incentive opportunity available to participants of the DPSIS, payable in cash, is 200% of TFP.

The DPSIS is designed to align the objectives of participants, shareholders and other stakeholders by driving the correct behaviour from participants to ensure profits are maximised in a sustainable and ethical manner and converted to cash. Participants are rewarded for the generation of profit (i.e. profit after interest and depreciation, but before tax) for the project(s), discipline(s) or region under a participant's direct control.

Profit-share pools are generated by each region, by an agreed formula, out of which participants' profit shares are determined. 50% of an individual participant's profit-share is then adjusted, based on the achievement of their KPAs as agreed at the beginning of the financial year. A further overall discretionary adjustment (positive or negative) may also be considered by the CEO, for final approval by REMCO.

3.2.3. Forfeitable share plan (FSP)

The objective of the FSP is to complement and enhance the ability of the group to attract, incentivise, retain and reward key staff, and promote broad-based black economic empowerment within the group by providing employees with the opportunity to receive shares in Stefanutti Stocks Holdings Limited.

Share awards are, therefore, made from time to time as a retention, reward and incentivisation mechanism, particularly under present circumstances where the group faces significant retention risks with respect to key talent.

REMUNERATION REPORT CONTINUED

The overall limits of the number of equity securities which may be utilised by the group for purposes of the FSP and which may be allocated to any one participant, are as follows:

(i) the aggregate number of shares at any one time which may be allocated under the FSP shall not exceed 30 000 000 shares (including treasury shares) equating to approximately 16% of the current issued shares (including treasury shares); and

(ii) the maximum number of shares which may be allocated to any participant in terms of the FSP shall not exceed 16 927 267 shares (including treasury shares), representing approximately 9% of the current issued ordinary share capital (including treasury shares); and

(iii) the maximum aggregate number of shares which may at any time be settled by the issue of shares or the delivery of shares held in treasury to any participant, shall not exceed the maximum number, being 3 000 000 shares (including treasury shares), representing approximately 10% of the shares (including treasury shares) authorised by the shareholders to be available for fresh issue in connection with the FSP.

The vesting period of the awards is three years after the award date.

The committee determines the value of forfeitable shares to be awarded each year, considering the performance of the group. In FYE 2025, a total of 2 340 000 shares were awarded (FYE 2024: 11 846 000) under the FSP, which vest during FYE 2028, as follows:

	FYE 2025	FYE 2024
Executive directors	Nil	1 880 000
Prescribed officers	Nil	1 290 000
Employees of designated group	1 890 000	1 796 000
Other employees	450 000	6 880 000
Total	**2 340 000**	11 846 000

3.2.4 Key Man Attraction and Retention Scheme

The primary purpose of the Key Man Attraction and Retention Scheme is to enable the group to compete for new and retain existing key employees in the highly competitive environment that is characteristic of the construction industry. This remuneration is discretionary in nature and additional to the standard TFP, STI and LTI plans.

The group recognises that there are occasions when additional incentives, in the form of forfeitable shares or cash bonuses, may need to be provided, such as:

- In making an employment offer to an individual when it is necessary to offer compensation for relinquishing an existing long-term or short-term incentive; or
- To prevent the solicitation of key members of staff by third-party organisations. The potential recruitment cost of replacement is also considered in such cases.

Nil retention payments were allocated to the CEO and CFO in FYE 2025 (FYE 2024: nil).

However, a cash payment of R14,8 million was made to R Crawford under this scheme, in lieu of shares previously awarded and not acquired by the group due to cash flow constraints at the time.

Sign-on bonuses totalling R1,6 million were awarded to attract external persons for employment by the group with critical scarce skills not available within the group (FYE 2024: R0,5 million).

The group's remuneration policy does not currently provide for restraint payments as such instances are unlikely to occur.

4. Non-executive directors' fees

Recommendations are made to the committee by the executive directors and Group HR Director, for onward review by the board and submission to shareholders.

Non-executive directors are compensated by way of attendance fees. The fees are set with reference to the company's industry peer group, and companies of a similar size and complexity, and take account of industry practices and independent fee surveys provided to the committee by external service providers.

The fees of the Chairman, and if applicable, the Lead Independent Director, take their expanded roles into account, and are an all-inclusive fee. No distinction is made between fees payable to independent non-executive directors and other non-executive directors.

Non-executive directors qualify for reimbursement of reasonable expenses incurred in performing their duties for and on behalf of the company. Should the board require a non-executive director to undertake a specific project on behalf of the company, this will be subject to pre-authorisation and executed at a pre-approved total fee.

The non-executive director hourly fee to be approved at the AGM, is paid in respect of attendance at non-scheduled directors' meetings but is capped at the respective fee for one meeting only.

Non-executive directors do not have service contracts. Instead, letters of appointment serve to confirm their terms of engagement, and include matters such as fees, term of office, expected time commitment, share dealing and board performance assessment.

The Chairman has a letter of appointment, which is specific to her responsibilities and functions. All non-executive directors are appointed for a term of three years and are obliged to retire at the end of that period. They may offer themselves for re-election at the next AGM.

REMUNERATION REPORT CONTINUED

Upon recommendation from NOMCO, the board will, on an annual basis, consider the continued services of any non-executive director who has reached or exceeded a period of service of nine years with the company.

The board is cognisant that Zanele Matlala's tenure as a non-executive director exceeds 12 years. The complex Restructuring Plan, since its inception, has required the meaningful and time-consuming involvement of the board of directors, and in particular, the Chairman, Zanele Matlala. This has been an especially difficult time for the Stefanutti Stocks Group, which has required complex analysis and decision-making by the board and requiring a deep understanding by the non-executive directors of the multiplicity of issues facing the group.

In view of this, the board took the decision to retain Zanele Matlala as both non-executive director and Chairman, to ensure continuity and stability of the board, until such time as the Restructuring Plan has been fully executed. The board firmly believes that this decision was taken in the best interests of the Stefanutti Stocks Group. The board is satisfied that Zanele Matlala remains independent in her thinking and behaviour despite her tenure.

It will further consider the continued services of any non-executive director who has exceeded the normal retirement age of 70 years.

The fees paid to non-executive directors for the financial year ending 28 February 2025 and 29 February 2024 are reflected in note 25 of the Consolidated Annual Financial Statements.

It is proposed that fees be increased by an inflationary adjustment of 6%.

The proposed fees are payable from the AGM for financial year ended 28 February 2026 to the AGM for the financial year ended 28 February 2027 and are set out in the table above, together with the fees approved at the 2024 AGM.

Non-executive directors are not required to be shareholders and they do not qualify to participate in any incentive scheme that is operated by the group.

Proposed non-executive directors' fees

		Current fee per meeting R	Proposed fee per meeting R
1.1 Board	Chairman	**1 240 200/annum**	1 315 000/annum
1.2 Board	Member	**91 160**	97 000
1.3 Audit, Governance and Risk Committee	Chairman	**105 735**	112 000
1.4 Audit, Governance and Risk Committee	Member	**56 652**	60 000
1.5 Remuneration and Nominations Committee	Chairman	**62 540**	66 000
1.6 Remuneration and Nominations Committee	Member	**36 570**	39 000
1.7 Social and Ethics Committee	Chairman	**50 378**	54 000
1.8 Social and Ethics Committee	Member	**27 560**	29 000
1.9 Any other committee to be formed	Chairman	**44 832**	48 000
1.10 Any other committee to be formed	Member	**24 067**	26 000
1.11 Directors' hourly rate		**4 240**	5 000
1.12 Specific project fees		**4 240**	5 000

5. Directors' service contracts

Executive directors are employed on standard contracts of employment within the group. These contracts are not fixed-term contracts and do not provide for termination payment. Normal retirement age is set at 65 years.

Executive directors are subject to notice periods of one month. The employment contracts include pay in lieu of notice, and outstanding leave pay provisions which may be invoked at the discretion of the committee. A longer notice period as may be appropriate under certain circumstances, may be agreed by the committee, in which case the notice period would be regularly reviewed and amended as necessary.

The executive directors' contracts of employment do not include provisions entitling the individual to special termination benefits or balloon payments on termination of employment or on a change of control.

Any STI and/or LTI entitlements awarded to an executive director under the EDIS scheme will be determined based on the scheme rules.

Termination of employment due to resignation or dismissal on grounds of misconduct, poor performance or dishonest or fraudulent conduct or due to absconding (fault termination), results in forfeiture of all unvested STI and/or LTI awards.

Termination of employment due to death, retirement, retrenchment, ill health, disability or injury, is classified as a "good leaver" termination and a proportional vesting of the outstanding STI and/or LTI awards will vest on the date of termination of employment.

No provision is made for post-vesting forfeiture of remuneration (i.e. claw-back).

REMUNERATION REPORT CONTINUED

6. Voting on remuneration

At the AGM of shareholders scheduled for 1 August 2025, the remuneration policy and the implementation report contained in this report will be put to shareholders for a non-binding vote.

Shareholders will also be asked to pass a special resolution, to take effect from 1 August 2025, approving any proposed changes in non-executive directors' fees.

Details of these fees are also set out in the Notice of AGM commencing on page 96.

If either the remuneration policy or the implementation report, or both, are voted against by 25% or more of the voting rights entitled to be exercised by shareholders at the AGM, then the committee will ensure that the following measures are taken:

- An engagement process to ascertain the reasons for the dissenting votes, and
- Appropriately addressing legitimate and credible objections and concerns raised which may require amending the remuneration policy or clarifying or adjusting remuneration governance and/or processes.

Section C: Remuneration implementation report

This report covers the remuneration of the executive directors and prescribed officers for FYE 2025. The executive directors comprise the CEO (Russell Crawford) and the CFO (Yolanda du Plessis), whilst the prescribed officers at FYE 2025 year-end were the regional managing directors (Shaun White, Eric Wisse, Matthew Horwill and Mauro Donato).

1. Compensation structure

Executive directors' remuneration comprises a TFP approach for guaranteed remuneration and participation in the EDIS for variable remuneration. Under the EDIS, the STI and LTI components are based on a one-year performance period and a three-year average performance period respectively.

Prescribed officers' remuneration comprises a TFP approach for guaranteed remuneration and participation in the DPSIS for variable remuneration.

Discretionary awards in terms of the Key Man Attraction and Retention Scheme are also considered for executive directors and prescribed officers. These awards may be in the form of cash payments and/or forfeitable shares under the FSP.

The tables showing the breakdown of the annual remuneration of executive directors and prescribed officers for the financial years ended 28 February 2025 and 29 February 2024 are set out in note 25 to the Consolidated Annual Financial Statements.

2. Compensation achieved

A. Guaranteed remuneration

General salary increases of 6% were granted with effect 1 March 2024. Further increases were awarded to RW Crawford and Y du Plessis respectively during the year to align with the salary reference targets adopted for the CEO and CFO respectively.

The total employee and company contributions of RW Crawford and Y du Plessis to the company pension fund, were R993 000 and R586 000 respectively.

Additional increases were awarded to prescribed officers during the year to align with the salary reference targets adopted for these employees.

B. Variable remuneration for executive directors

STI

The total STI earned by the executive directors for FYE 2025 was R10,3 million (FYE 2024: R8,8 million).

i. Financial performance

Financial performance measures account for 50% of possible STIs payable to executive directors.

OP

Incentives earned by the CEO and CFO, under the OP metric, based upon the FYE 2025 reported results reflecting a normalised operating margin of 3,96%, totalled R17,9 million (FYE 2024: R4,2 million).

ROE

The incentives earned by the CEO and CFO under the OP metric were reduced by 50%, based upon the ROE threshold not being met.

Based on the above, the financial performance portion of the STI earned by the executive directors for FYE 2025 amounted to R4,5 million (FYE 2024: R2,1 million).

ii. Personal performance

Personal performance measures account for 50% of possible STIs payable to executive directors.

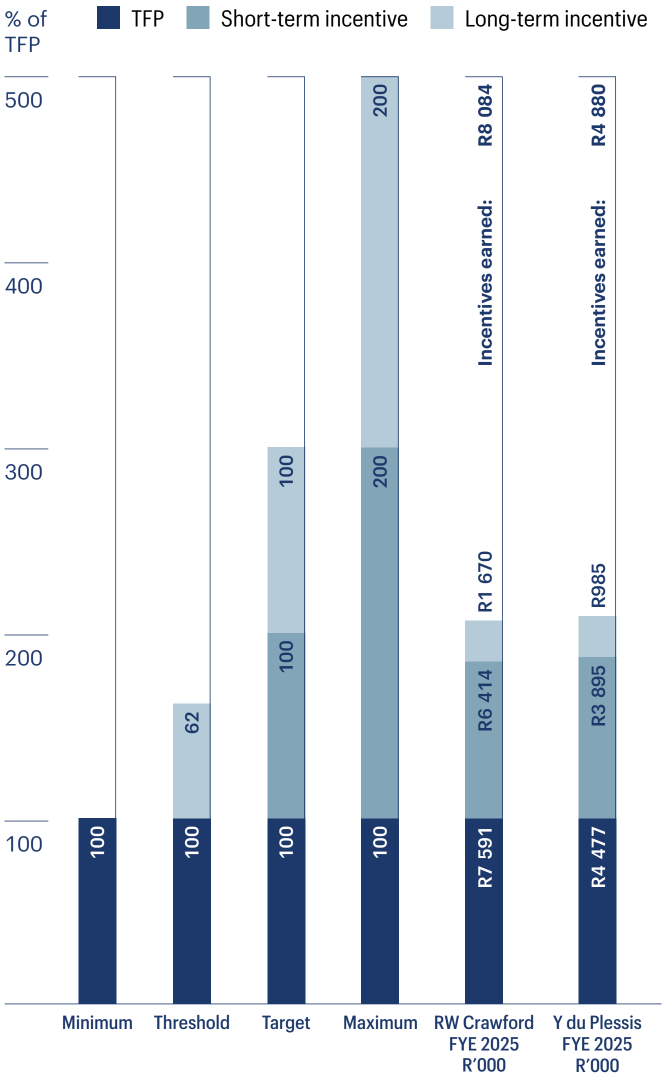
Achievement of KPAs set for the CEO and CFO, were 95% (FYE 2024: 97,5%) and 100% (FYE 2024: 100%) respectively, resulting in personal performance payouts of 48% and 50% of TFP for the CEO and CFO respectively.

Amounts earned by the CEO and CFO under personal performance measures for FYE 2025 totalled R5,8 million (Feb 2024: R5,4 million).

REMUNERATION REPORT CONTINUED

Incentive earnings payouts — actual vs potential (%)

The actual incentives earned by the executive directors for FYE 2025 compared to maximum incentives which could be potentially earned are shown below:



Calculation of executive directors' STIs

	RW CRAWFORD (CEO)		Y DU PLESSIS (CFO)	
	FYE 2025	FYE 2024	**FYE 2025**	FYE 2024
Base TFP as at 28 Feb 2025 (R'000)	**7 591**	6 886	**4 477**	4 061
Financial performance (%)	**37**	19	**37**	19
Personal performance (%)	**48**	48	**50**	50
Performance-based STI (R'000)	**6 414**	4 682	**3 895**	2 812
Discretionary bonus (R'000)	**—**	805	**—**	472
Total STI payment (R'000)	**6 414**	5 487	**3 895**	3 284
STI as % of TFP	**85**	80	**87**	81

iii. Discretionary

No additional discretionary cash amounts were awarded to the CEO and CFO (FYE 2024: R1,3 million).

iv. Calculation of executives' STIs

See the table above: Calculation of executives' STIs.

LTI

The LTI scheme provides for annual awards under the FSP, which are subject to meeting financial performance targets measured over a three-year period.

i. Financial performance

R2,7 million financial performance awards were made under the LTI for FYE 2025 (FYE 2024: Nil), which will be allocated as shares under the FSP during FYE 2026. The calculation of LTI financial performance awards is shown in the table below.

Calculation of executive directors' LTIs

		WEIGHTED ACHIEVEMENT (% TFP)				RW CRAWFORD		Y DU PLESSIS	
%	Weighting (%)	**FYE 2025**	FYE 2024	FYE 2023	Average (%)	**FYE 2025**	FYE 2024	**FYE 2025**	FYE 2024
HEPS	33	**66**	—	—	22	**1 670**	—	**985**	—
ROCI	27	**—**	—	—	—	**—**	—	**—**	—
FCF	40	**—**	—	—	—	**—**	—	**—**	—
Totals	**100**	**66**	**—**	**—**	**22**	**1 670**	**—**	**985**	**—**

ii. Discretionary

Nil discretionary long-term share awards under the rules of the FSP, were awarded to the CEO and CFO during FYE 2025 (FYE 2024: CEO — 1 155 000, CFO — 725 000).

Remuneration disclosure of executive directors

	BASE TFP			INCENTIVES EARNED				
R'000	Basic salary	Other benefits	Post-employment benefits	STI 2025	LTI 2025	Share incentive costs 2025	**Total 2025**	Total 2024
RW Crawford (CEO)*	6 483	495	993	6 414	1 670	496	**16 551**	12 464
Y du Plessis (CFO)	3 824	121	586	3 895	985	312	**9 723**	7 544

REMUNERATION REPORT CONTINUED

C. Variable remuneration for prescribed officers

STI

Total short-term incentives of R16,5 million were awarded to prescribed officers in FYE 2025 (FYE 2024: R13,6 million).

i. Profit share

Incentives earned under the DPSIS by the prescribed officers are as follows:

	TFP (R'000)		DPSIS AWARD (R'000)		% OF TFP	
Prescribed officer	**FYE 2025**	FYE 2024	**FYE 2025**	FYE 2024	**FYE 2025**	FYE 2024
Eric Wisse	**4 779**	4 335	**5 500**	5 200	**115**	120
Matthew Horwill[1]	**4 225**	n/a	**2 500**	n/a	**59**	n/a
Derek du Plessis[1]	**n/a**	4 335	**n/a**	2 500	**n/a**	58
Mauro Donato	**4 779**	4 335	**3 500**	1 900	**73**	44
Shaun White	**4 779**	4 335	**5 000**	4 000	**100**	92

Note 1: Derek du Plessis retired on 29 February 2024 and Matthew Horwill was appointed as a prescribed officer on 1 March 2024.

ii. Discretionary

LTI

Nil discretionary long-term share awards in terms of the FSP were awarded to prescribed officers (FYE 2024: 430 000 each to Shaun White, Eric Wisse and Mauro Donato).

3. Policy compliance

Remuneration paid for FYE 2025 complies with the company's remuneration policy.

Section D: Other

1. Interest of directors in contracts

Directors are required to notify the company of their interests in contracts and this is a standard agenda item at each board meeting. There have been no material changes post 28 February 2025 to date.

Information regarding related party transactions is set out in note 25 of the Consolidated Annual Financial Statements.

2. Prescribed officers

Prescribed officers as defined in terms of the Companies Act, have been assessed and identified as certain EXCO members who are not executive directors.

3. Directors' shareholding

The beneficial holdings at 28 February 2025 and 29 February 2024, held by the directors of the company in the issued shares of the company are set out in note 25 of the Consolidated Annual Financial Statements.

4. Directors' trading in company securities

As standard group policy, directors are required to obtain clearance prior to trading in the company's securities. Such clearance must be obtained from the Chairman or the CEO. The Chairman consults the CEO or a designated director prior to her trading in the company's securities. Directors are required to inform their portfolio/investment managers not to trade in the securities of the company unless they have specific written instructions from that director to do so. Directors may not trade in their securities during closed periods.

Directors are further prohibited from dealing in the company's securities at any time when they are in possession of unpublished price-sensitive information in relation to the company, or where clearance to trade is not given.

5. Statement by the board regarding compliance with the remuneration policy

The board supports REMCO's position that the group's remuneration policy for the remuneration of executive directors and other senior executives has been considered and set taking proper account of remuneration and employment conditions throughout the group. Furthermore, the board believes that this policy, as detailed herein, drives group strategy and value creation for all stakeholders.

On behalf of the REMCO

Howard Craig
Chairman

18 June 2025

FINANCIAL STATEMENTS

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 28/29 February

	2025 R'000	2024 R'000
CONTINUING OPERATIONS		
Contract revenue	**7 657 091**	7 084 226
Other income	**74 700**	75 095
Operating expenses	**(7 226 970)**	(6 904 962)
Net expected credit losses	**(76 536)**	15 888
Earnings before interest, taxation, depreciation and amortisation (EBITDA)	**428 285**	270 247
Depreciation	**(90 686)**	(57 758)
Fair value adjustments	**(1 965)**	(2 743)
Impairment of assets	**(2 264)**	—
Operating profit before investment income	**333 370**	209 746
Investment income	**49 774**	43 591
Share of losses of equity-accounted investees	**(2 904)**	(2 030)
Operating profit before finance costs	**380 240**	251 307
Finance costs	**(126 606)**	(150 822)
Profit before taxation	**253 634**	100 485
Taxation	**(44 633)**	(74 346)
Profit for the year (note 3)	**209 001**	26 139
Loss after tax for the year from discontinued operations	**(77 547)**	(10 253)
Profit for the year	**131 454**	15 886
Other comprehensive income	**(68 002)**	(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)
Total comprehensive income	**63 452**	12 500

	2025 R'000	2024 R'000
Profit attributable to equity holders of the company		
Continuing operations	**209 001**	26 139
Discontinued operations	**(77 547)**	(10 253)
	131 454	15 886
Total comprehensive income attributable to equity holders of the company		
Continuing operations	**156 961**	15 879
Discontinued operations	**(93 509)**	(3 379)
	63 452	12 500
Earnings per share (cents) (note 2)		
Continuing operations	**124,97**	15,63
Discontinued operations	**(46,37)**	(6,13)
Total operations	**78,60**	9,50
Diluted earnings per share (cents) (note 2)		
Continuing operations	**119,66**	15,63
Discontinued operations	**(46,37)***	(6,13)
Total operations	**75,26**	9,50

* Limited to EPS due to being anti-dilutive.

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 28/29 February

	2025 R'000	2024 R'000
ASSETS		
Non-current assets	**1 334 992**	1 008 977
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
Current assets	**3 003 075**	3 423 906
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 3)	**756 558**	675 488
Total assets	**5 094 625**	5 108 371
EQUITY AND LIABILITIES		
Capital and reserves	**16 311**	(51 703)
Share capital and premium	**1 007 718**	1 007 718
Other reserves	**70 458**	133 898
Accumulated loss	**(1 061 865)**	(1 193 319)
Non-current liabilities	**236 598**	188 578
Financial liabilities	**214 598**	149 312
Excess billings over work done	**22 000**	39 266
Current liabilities	**4 305 540**	4 559 663
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 3)	**536 176**	411 833
Total equity and liabilities	**5 094 625**	5 108 371

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 28/29 February

	2025 R'000	2024 R'000
Cash flows from operating activities	**210 526**	148 886
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)
Cash flows from investing activities	**(135 189)**	67 301
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 Al Tayer Stocks LLC	**—**	60 095
Cash flows from financing activities	**(297 977)**	(226 026)
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)**	—
Net decrease in cash for the year	**(222 640)**	(9 839)
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
Cash and cash equivalents at the end of the year — continuing operations	**469 953**	754 821

SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 28/29 February

		OTHER RESERVES					
	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	Total equity R'000
Balance at 28 February 2023	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)
Balance at 29 February 2024	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)
Balance at 28 February 2025	**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 payment reserve comprises the accumulated effect of share-based payment expenses in terms of the employee share incentive scheme.

Revaluation surplus reserve comprises the revaluation of land and buildings.

Reserves of disposal groups comprises foreign currency translation and revaluation surplus reserves that relate to the disposal groups.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 28/29 February

These Consolidated Annual Financial Statements are an extract from the full audited Consolidated Annual Financial Statements, which can be found on the website (**www.stefanuttistocks.com**).

INDEPENDENT AUDITOR'S REPORT

The unmodified independent auditor's report, which includes an emphasis of matter, can be found on page 12 of the Consolidated Annual Financial Statements as well as on the company's website **www.stefanuttistocks.com**. Y Dockrat is the individual audit partner responsible for the audit.

RESTRUCTURING PLAN UPDATE

The group hereby provides shareholders with an update on the Restructuring Plan as reported in the Reviewed Condensed Consolidated Results for the 12 months ended 28 February 2025, issued on 27 May 2025 and the SENS announcement issued on 29 May 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.

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 (Feb 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 28 February 2025, 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. BASIS OF PREPARATION

The Consolidated Annual Financial Statements for the group have been prepared in accordance with IFRS® Accounting Standards (IFRS Accounting Standards) and the South African Financial Reporting Requirements. The report is compliant with the relevant provisions of the Companies Act.

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 Consolidated Annual Financial Statements for the year ended 29 February 2024, except as stipulated otherwise.

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 28/29 February continued

2. EARNINGS AND HEADLINE EARNINGS PER SHARE

	TOTAL OPERATIONS		CONTINUING OPERATIONS	
Cents per share	**2025**	2024	**2025**	2024
EPS — Basic	**78,60**	9,50	**124,97**	15,63
EPS — Diluted	**75,26**	9,50	**119,66**	15,63
HEPS — Basic	**109,36**	(55,73)	**125,13**	(5,52)
HEPS — Diluted	**104,71**	(55,73)	**119,81**	(5,52)

	WEIGHTED AVERAGE SHARES	
Shares used for EPS and HEPS	**EPS and HEPS 2025**	EPS and HEPS 2024
Basic	**167 243 684**	167 243 684
Diluted	**174 663 591**	167 243 684

TOTAL OPERATIONS

	Gross amount 2025 R'000	**Net amount 2025 R'000**	Gross amount 2024 R'000	Net amount 2024 R'000
Profit after taxation attributable to equity holders of the company				
Adjusted for:		**131 454**		15 886
Net profit on disposal of plant and equipment	**(3 943)**	**(2 960)**	(10 308)	(7 496)
Net gain on disposal of non-current assets held for sale	**(639)**	**(466)**	(8 972)	(6 585)
Fair value adjustments	**53 130**	**52 599**	(70 978)	(71 719)
Impairment of assets		**2 264**		—
Realisation of foreign currency translation reserve on deregistration of foreign operations		**—**		(23 284)
		182 891		(93 198)

CONTINUING OPERATIONS

	Gross amount 2025 R'000	**Net amount 2025 R'000**	Gross amount 2024 R'000	Net amount 2024 R'000
Profit after taxation attributable to equity holders of the company		**209 001**		26 139
Adjusted for:				
Net profit on disposal of plant and equipment	**(3 943)**	**(2 960)**	(10 308)	(7 496)
Net gain on disposal of non-current assets held for sale	**(639)**	**(466)**	(8 972)	(6 585)
Fair value adjustments	**1 965**	**1 434**	2 743	2 002
Impairment of assets		**2 264**		—
Realisation of foreign currency translation reserve on deregistration of foreign operations		**—**		(23 284)
		209 273		(9 224)

All the differences between gross and net relate to tax.

3. NON-CURRENT ASSETS HELD FOR SALE AND DISPOSAL GROUPS

3.1 DISCONTINUED OPERATIONS AND DISPOSAL GROUPS

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 provide 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 30 June 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, in the prior year, 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).

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 28/29 February continued

3. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS CONTINUED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Discontinued operations	**2025 R'000**	2024 R'000
Contract revenue	**631 642**	404 133
Other income	**—**	5 318
Operating expenses	**(637 127)**	(479 178)
Net expected credit loss	**(89)**	(2 408)
Earnings before interest, taxation, depreciation and amortisation (EBITDA)	**(5 574)**	(72 135)
Fair value adjustment^	**(51 165)**	73 721
Operating (loss)/profit before investment income	**(56 739)**	1 586
Investment income	**2**	141
Operating (loss)/profit before finance costs	**(56 737)**	1 727
Finance costs	**(14 729)**	(12 957)
Loss before taxation	**(71 466)**	(11 230)
Taxation	**(6 081)**	977
Loss for the year	**(77 547)**	(10 253)
Other comprehensive income		
Exchange differences on translation of foreign operations (may be reclassified to profit/(loss))	**(15 962)**	6 874
Total comprehensive income	**(93 509)**	(3 379)
Loss attributable to equity holders of the company	**(77 547)**	(10 253)
Total comprehensive income attributable to equity holders of the company	**(93 509)**	(3 379)
Earnings and diluted earnings per share (cents)	**(46,37)***	(6,13)
Headline and diluted headline earnings per share (cents)	**(15,77)***	(50,21)
The loss is arrived after taking into account the following:		
Employee benefits	**(153 102)**	(155 791)
Foreign exchange	**(5 236)**	5 126

^ 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.

* Diluted EPS and HEPS limited to EPS and HEPS due to being anti-dilutive as the discontinued operations made losses during the year.

STATEMENT OF FINANCIAL POSITION

	2025 R'000	2024 R'000
Non-current assets	**348 501**	382 729
Property, plant and equipment	**322 114**	349 186
Deferred tax assets	**26 387**	33 543
Current assets	**430 795**	273 709
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
	779 296	656 438
Less: Fair value adjustment	**(51 165)**	—
Total assets	**728 131**	656 438
Current liabilities	**536 176**	411 833
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
Total liabilities	**536 176**	411 833

NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 28/29 February continued

3. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS CONTINUED

3.2 NON-CURRENT ASSETS HELD FOR SALE

The following items of property, plant and equipment were reclassified as held for sale as the group is actively marketing these assets and is expected to dispose of these within a year. Current market conditions resulted in the delay of these disposals. The group remains committed to the sale processes as envisaged in the Restructuring Plan.

Property, plant and equipment

	Regions	2025 R'000	2024 R'000
Land and buildings	Africa	**18 393**	—
Plant and equipment	Coastal	**10 034**	19 050
		28 427	19 050
Opening balance		**19 050**	43 597
Transfer to property, plant and equipment		**(3 680)**	(8 380)
Transfer from property, plant and equipment		**18 393**	—
Disposal of property, plant and equipment		**(3 371)**	(17 675)
Reversal of sale of plant previously recognised		**—**	4 251
Fair value adjustments recognised in profit or loss — continuing operations		**(1 965)**	(2 743)

Proceeds of R4 million (Feb 2024: R27,4 million) was received from the disposal of property, plant and equipment.

4. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

KALABO SETTLEMENT

With respect to the arbitration award relating to the Kalabo-Sikongo-Angola border gate road in the Western Province of Zambia (Kalabo settlement) the Zambian Court of Appeal ruled in favour of Stefanutti Stocks and its joint venture partner. 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.

KUSILE POWER PROJECT

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.

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.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF ANNUAL GENERAL MEETING

Stefanutti Stocks Holdings Limited

(Incorporated in the Republic of South Africa)
Registration number: 1996/003767/06
Share code: SSK ISIN: ZAE000123766
(Stefanutti Stocks or the company)

Notice is hereby given to the shareholders of the company that the annual general meeting (AGM) of Stefanutti Stocks for the year ended 28 February 2025 will be held on Friday, 1 August 2025 at 12:00, entirely through electronic communication as permitted by the company's Memorandum of Incorporation, the Companies Act, No. 71 of 2008, as amended (Companies Act), to (i) consider and, if deemed fit, to pass, with or without modification, the following ordinary and special resolutions, in the manner required by the Companies Act, as read with the JSE Limited (JSE) Listings Requirements (JSE Listings Requirements); and (ii) deal with such other business as may lawfully be dealt with at the AGM.

This notice of annual general meeting (Notice) is available in English only and copies thereof may be obtained from the registered office of the company at No. 9 Palala Street Protec Park, Cnr Zuurfontein Avenue and Oranjerivier Drive, Kempton Park, 1619 or by emailing the Company Secretary at **w.somerville@mweb.co.za**, from date of issue hereof until the date of the AGM.

As indicated above, the AGM will be held entirely through electronic communication. However, in order to facilitate the effective and efficient conduct of the AGM, all shareholders are requested to submit their votes by proxy before the AGM at their earliest convenience. Shareholders intending to participate and/or vote at the AGM are required to complete the registration form (Registration Form) annexed hereto as Annexure A. When completing the Registration Form, participants will be required to provide proof of identification and accordingly the registration validation process will include the requisite verification required by section 63(1) of the Companies Act. Further details on how to participate in the AGM by electronic communication are provided on page 106. Shareholders are advised that the email addresses and/or contact numbers provided by shareholders in their completed Registration Forms are the only addresses and/or contact numbers that will be recognised for purposes of electronic participation (including voting, where applicable) at the AGM.

For administrative purposes only, any shareholder (or representative or proxy of a shareholder) will need to register, by no later than **12:00 on Wednesday 30 July 2025**, to participate in the AGM. Details on how to register to participate in the AGM are set out in Annexure A to this Notice.

Important dates

- **Record date to receive the Notice:** Friday, 13 June 2025
- **Distribution of the Integrated Annual Report:** Thursday, 26 June 2025
- **Last date to trade to be eligible to vote:** Tuesday, 22 July 2025
- **Record date to be eligible to vote:** Friday, 25 July 2025
- **For administrative purposes only, the last date for lodging forms of proxy by 12:00 (SAST) on:** Wednesday, 30 July 2025

Accordingly, the date on which a person must be registered as a shareholder in the register of the company for purposes of being entitled to participate and vote at the AGM is **Friday, 25 July 2025**

Identification

In terms of section 63(1) of the Companies Act, before any person may attend or participate in the AGM (including any representative or proxy), that person must present reasonably satisfactory identification (such as identity documents or identity cards issued by the South African Department of Home Affairs, driver's licences or passports) and the person presiding at the AGM must be reasonably satisfied that the right of the person to participate at the AGM, either as a shareholder or as a proxy for a shareholder, has been reasonably verified before they may attend or participate in the AGM.

A shareholder or its representative or proxy, as the case may be, will be required to provide the company's transfer secretaries, Computershare Investor Services Proprietary Limited (Computershare) with reasonably satisfactory identification as a part of the validation process to participate in the electronic AGM. Failure to do so may mean that the participant is unable to participate in the AGM either at all, or promptly. The company and Computershare shall not be liable for any failure by any shareholder or its representative or proxy, as the case may be, to timeously deliver the requisite identification as aforesaid.

Presentation of Annual Financial Statements

In terms of section 61(8)(a) and regulation 43(5)(c) of the Companies Act, the company must present the Audit, Governance and Risk Committee report, the Directors' report, the Consolidated Annual Financial Statements of the company for the year ended 28 February 2025, the Remuneration Report and the Social and Ethics Committee report at the AGM.

The Audit, Governance and Risk Committee report and the Directors' report are set out on pages 3 to 11 of the Stefanutti Stocks Group Consolidated Annual Financial Statements 2025.

The Social and Ethics Committee report and the Remuneration Report are set out on pages 67 to 68 and 74 to 86 of this Integrated Annual Report.

The Consolidated Annual Financial Statements of the company and its subsidiaries (as approved by the board of directors of the company (board)), including the Directors' report, the Remuneration Report, the report of the Audit, Governance and Risk Committee, the Social and Ethics Committee and the external auditor's report for the year ended 28 February 2025, have been distributed as required and will be presented to shareholders.

The Consolidated Annual Financial Statements of the company for the year ended 28 February 2025 can be found on the website of the company (**www.stefanuttistocks.com**) or on request during business hours at the registered office of the company (No. 9 Palala Street Protec Park, Cnr Zuurfontein Avenue and Oranjerivier Drive, Kempton Park, 1619).

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

Ordinary resolutions

Ordinary resolution 1: adoption of Annual Financial Statements

"RESOLVED THAT the Annual Financial Statements of the company for the year ended 28 February 2025, including the Directors' report and the reports of the Audit, Governance and Risk Committee, the Remuneration Committee and the Social and Ethics Committee, be and are hereby received and adopted."

Percentage of voting rights required to pass this resolution: 50% of the voting rights exercised in respect of such resolution plus one vote.

Retirement by rotation

In terms of the Memorandum of Incorporation, one-third of the non-executive directors shall retire by rotation at the AGM.

The following directors retire at this AGM and, being eligible, offer themselves for re-election: B Harie and BP Silwanyana. The board has considered their performance, including their attendance at meetings of the board and its committees, and recommends and supports their re-election.

Ordinary resolution 2: re-election of director

"RESOLVED THAT, B Harie, who retires by rotation in terms of the Memorandum of Incorporation of the company and who is eligible and available for re-election, be re-elected as a director of the company."

A brief curriculum vitae in respect of B Harie is included on page 53 of this Integrated Annual Report of which this Notice forms part.

Percentage of voting rights required to pass this resolution: 50% of the voting rights exercised in respect of such resolution plus one vote.

Ordinary resolution 3: re-election of director

"RESOLVED THAT, BP Silwanyana who retires by rotation in terms of the Memorandum of Incorporation of the company and who is eligible and available for re-election, be re-elected as a director of the company."

A brief curriculum vitae in respect of BP Silwanyana is included on page 54 of this Integrated Annual Report of which this Notice forms part.

Percentage of voting rights required to pass this resolution: 50% of the voting rights exercised in respect of such resolution plus one vote.

Ordinary resolution 4: appointment of member to the Social and Ethics Committee

"Resolved that BP Silwanyana, subject to her re-election under ordinary resolution 3 above, being eligible and offering herself for election, be and is hereby appointed as a member of the Social and Ethics Committee in terms of section 61(8)(c)(iii) read with section 72(9A) of the Companies Act.

A brief curriculum vitae in respect of BP Silwanyana is included on page 54 of this Integrated Annual Report of which this Notice forms part.

Percentage of voting rights required to pass this resolution: 50% of the voting rights exercised in respect of such resolution plus one vote.

Ordinary resolution 5: appointment of member to the Social and Ethics Committee

"Resolved that HJ Craig, being eligible and offering himself for election, be and is hereby appointed as a member of the Social and Ethics Committee in terms of section 61(8)(c)(iii) read with section 72(9A) of the Companies Act.

A brief curriculum vitae in respect of HJ Craig is included on page 53 of this Integrated Annual Report of which this Notice forms part.

Percentage of voting rights required to pass this resolution: 50% of the voting rights exercised in respect of such resolution plus one vote.

Ordinary resolution 6: appointment of member to the Social and Ethics Committee

"Resolved that MSM Sikhakhane, being eligible and offering himself for election, be and is hereby appointed as a member of the Social and Ethics Committee in terms of section 61(8)(c)(iii) read with section 72(9A) of the Companies Act.

A brief curriculum vitae in respect of MSM Sikhakhane is included on page 55 of this Integrated Annual Report of which this Notice forms part.

Percentage of voting rights required to pass this resolution: 50% of the voting rights exercised in respect of such resolution plus one vote.

Note to ordinary resolutions 4, 5 and 6

In terms of sections 61(8)(c)(iii) and 72(9A) of the Companies Act, as amended by the Companies Amendment Act, No. 16 of 2024 (Companies Amendment Act), which came into effect on 27 December 2024 (pursuant to the publication of the commencement date in Notice 238 of Government Gazette No. 51837), the members of the Company's social and ethics committee are required to be elected by shareholders at each annual general meeting.

Ordinary resolution 7: re-appointment of auditors

"RESOLVED THAT, on recommendation of the Audit, Governance and Risk Committee, Forvis Mazars be and is hereby re-appointed as auditors of the company for the ensuing financial year with Y Dockrat (IRBA No: 613089) as the individual responsible for the audit and the directors be and are hereby authorised to agree the remuneration of the auditors of the company."

Percentage of voting rights required to pass this resolution: 50% of the voting rights exercised in respect of such resolution plus one vote.

Ordinary resolutions 8, 9 and 10: appointment of Audit, Governance and Risk Committee members

Ordinary resolution numbers 8, 9 and 10 are in respect of the appointment of members of the Audit, Governance and Risk Committee. The membership of the Audit, Governance and Risk Committee as proposed by the board is: B Harie, BP Silwanyana and HJ Craig all of whom are independent non-executive directors.

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

Ordinary resolution 8: appointment of Audit, Governance and Risk Committee member

"RESOLVED THAT B Harie be appointed as a member of the company's Audit, Governance and Risk Committee with effect from the end of this meeting in terms of section 94(2) of the Companies Act, subject to her re-election under Ordinary Resolution 2 above."

A brief curriculum vitae in respect of B Harie is included on page 53 of this Integrated Annual Report of which this Notice forms part.

Percentage of voting rights required to pass this resolution: 50% of the voting rights exercised in respect of such resolution plus one vote.

Ordinary resolution 9: appointment of Audit, Governance and Risk Committee member

"RESOLVED THAT BP Silwanyana be appointed as a member of the company's Audit, Governance and Risk Committee with effect from the end of this meeting in terms of section 94(2) of the Companies Act, subject to her re-election under Ordinary Resolution 3 above."

A brief curriculum vitae in respect of BP Silwanyana is included on page 54 of this Integrated Annual Report of which this Notice forms part.

Percentage of voting rights required to pass this resolution: 50% of the voting rights exercised in respect of such resolution plus one vote.

Ordinary resolution 10: appointment of Audit, Governance and Risk Committee member

"RESOLVED THAT HJ Craig be appointed as a member of the company's Audit, Governance and Risk Committee with effect from the end of this meeting in terms of section 94(2) of the Companies Act."

A brief curriculum vitae in respect of HJ Craig is included on page 53 of this Integrated Annual Report of which this Notice forms part.

Percentage of voting rights required to pass this resolution: 50% of the voting rights exercised in respect of such resolution plus one vote.

Ordinary resolution 11: non-binding advisory vote on the company's remuneration policy

"To endorse on a non-binding advisory basis, the company's remuneration policy (excluding the remuneration of the non-executive directors for the services as directors and members of board committees)."

The company's remuneration policy and related information appears on pages 74 to 84 of this Integrated Annual Report.

Ordinary resolution 12: non-binding advisory vote on the company's remuneration implementation report

"To endorse on a non-binding advisory basis, the company's remuneration implementation report".

The company's remuneration implementation report appears on pages 84 to 86 of the Integrated Annual Report.

Notes to ordinary resolutions 11 and 12

In terms of principle 14 of King IV Report on Corporate Governance for South Africa, 2016, the company's remuneration policy and implementation report should be tabled to the shareholders for separate non-binding advisory votes at the AGM. Accordingly, the shareholders are requested to endorse the company's remuneration policy and implementation report, respectively by way of separate non-binding advisory votes in the same manner as an ordinary resolution.

In the event that either the remuneration policy or the implementation report, or both, are voted against by shareholders exercising 25% or more of the voting rights exercised at the AGM, the company will engage with the dissenting shareholders to establish their reasons for voting against the resolution(s) and to appropriately address legitimate and reasonable objections and concerns raised and undertake to review, clarify or amend the remuneration policy and/or process as necessary.

Ordinary resolution 13: authority for signature of documentation

"RESOLVED THAT a director of the company or the company secretary be and is hereby authorised to sign all such documentation and do all such things as may be necessary for or incidental to the implementation of ordinary resolutions numbers 1 to 12 and special resolutions numbers 1 to 4 which are passed by the shareholders."

Percentage of voting rights required to pass this resolution: 50% of the voting rights exercised in respect of such resolution plus one vote.

Special resolutions

Special resolutions 1.1 to 1.12: Non-executive directors' fees

"RESOLVED THAT payment to the non-executive directors of the fees for services as directors with effect from the date of this AGM until the date of the AGM of the company for the year ended 28 February 2027, as noted in the table below, as well as any value added tax payable on such fees by the directors be approved."

Each of special resolutions 1.1 to 1.12, in respect of the payment to the non-executive directors of the fees for services as directors, will be considered by way of separate vote.

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

Reason for and effect of special resolutions 1.1 to 1.12

The reason for special resolutions 1.1 to 1.12 is to comply with the provisions of the Companies Act which provide that remuneration may only be paid to directors for their services as directors in accordance with a special resolution approved by shareholders and if not prohibited in terms of the company's memorandum of incorporation. Therefore, special resolutions 1.1 to 1.12 are proposed to grant the company the authority to pay remuneration to its directors for their services as directors. The effect of the special resolutions is that, if approved by the shareholders at the AGM, the fees payable to non-executive directors until the AGM for the year ended 28 February 2027, will be as set out in the table below.

Executive directors are not remunerated for their services as directors but are remunerated as employees of the company.

The rates in the table below have been proposed to ensure that the remuneration of non-executive directors remains competitive in order to enable the company to retain and attract persons of the calibre, appropriate capabilities, skills and experience required in order to make meaningful contributions to the company.

Percentage of voting rights required to pass this resolution: 75% of the voting rights exercised in respect of such resolution.

TABLE TO SPECIAL RESOLUTIONS 1.1 TO 1.12

		Current fee per meeting R	Proposed fee per meeting R
1.1 Board	Chairman	**1 240 200/annum**	1 315 000/annum
1.2 Board	Member	**91 160**	97 000
1.3 Audit, Governance and Risk Committee	Chairman	**105 735**	112 000
1.4 Audit, Governance and Risk Committee	Member	**56 652**	60 000
1.5 Remuneration and Nominations Committee	Chairman	**62 540**	66 000
1.6 Remuneration and Nominations Committee	Member	**36 570**	39 000
1.7 Social and Ethics Committee	Chairman	**50 378**	54 000
1.8 Social and Ethics Committee	Member	**27 560**	29 000
1.9 Any other committee to be formed	Chairman	**44 832**	48 000
1.10 Any other committee to be formed	Member	**24 067**	26 000
1.11 Directors' hourly rate (note 4)		**4 240**	5 000
1.12 Specific project fees (note 5)		**4 240**	5 000

Notes:

1. The board Chairman receives an all-in fee and not a per meeting fee.
2. The fees include permanent non-executive invitees of committees.
3. Proposed fee per meeting and the board Chairman's all-in fee are exclusive of value-added tax.
4. The non-executive director hourly fee to be approved at the AGM, is paid in respect of attendance at non-scheduled directors' meetings. However, where these special board or committee meetings are held, the total fee earned per director is capped at the fee for one meeting of the relevant committee.
5. Should the board require a non-executive director to undertake a specific project on behalf of the company, then prior to commencement, a total fee based upon scope, duration and expertise required is established, agreed and submitted to the board for approval. Thereafter this is monitored over the course of the specific project. The cumulative fees will be capped to a maximum of R350 000 per annum.
6. The proposed fee is payable from the AGM for financial year ended 28 February 2025 to the AGM for the financial year ended 28 February 2027

Special resolution 2: financial assistance

"RESOLVED THAT the board of the company may, subject to compliance with the requirements of the company's Memorandum of Incorporation, the Companies Act and the JSE Listings Requirements, each as presently constituted and as amended from time to time, authorise the company to provide direct or indirect financial assistance including (without limitation) by way of loan, guarantee, the provision of security or otherwise, to a director or prescribed officer of the company or of a related or interrelated company, or to its present or future subsidiaries and/or any other company or entity (irrespective of where any such entity may be incorporated) that is or becomes related or interrelated to the company or any of its subsidiaries, and/or to any member of such subsidiary or related or interrelated company or entity, on such terms and conditions as the board deem fit for any purpose or in connection with any matter, including, but not limited to, the subscription for any option, or any securities issued or to be issued by the company or a related or interrelated company or entity, or for the purchase of any securities of the company or a related or interrelated company or entity, for such amounts and on such terms and conditions as the directors of the company may determine, such authority to endure until the annual general meeting of the company for the year ended 28 February 2027. Nothing in this approval will limit the provision by the company of financial assistance that does not require approval by way of a special resolution of the shareholders in terms of sections 44 and 45 of the Companies Act or falls within the exemptions contained in any of these sections".

The authority, if obtained, will supersede any previously obtained and in force section 44/45 authority as at the date of the AGM.

Percentage of voting rights required to pass this resolution: 75% of the voting rights exercised in respect of such resolution.

Reason for and effect of special resolution 2

Section 45 of the Companies Act, applies to financial assistance provided by a company to directors, prescribed officers, related or interrelated companies and other entities, including, inter alia, its subsidiaries, associates, joint ventures, partnerships, collaboration arrangements, etc. for any purpose.

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

Furthermore, section 44 of the Companies Act may also apply to the financial assistance so provided by a company to related or interrelated companies or other entities, in the event that the financial assistance is provided for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or interrelated company, or for the purchase of any securities of the company or a related or interrelated company.

Both sections 44 and 45 of the Companies Act provide, inter alia, that the particular financial assistance must be provided only pursuant to a special resolution of the shareholders, adopted within the previous 2 (two) years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category and the board of directors must be satisfied that:

- immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test; and
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

Although section 45(2A) of the Companies Act now provides that the provisions of section 45 no longer apply to the giving by a company of financial assistance to or for the benefit of its subsidiaries, the company still requires the ability to provide financial assistance, if necessary, in other circumstances, in accordance with section 45 of the Companies Act. Furthermore, it may be necessary or desirous for the company to provide financial assistance to related or interrelated companies and entities (irrespective of where any such entity may be incorporated) to acquire or subscribe for options or securities or purchase securities of the company or another company related or interrelated to it.

In the circumstances and in order to, inter alia, ensure that the company's subsidiaries and other related and interrelated companies and entities (irrespective of where any such entity may be incorporated) have access to financing and/or financial backing from the company (as opposed to banks), it is necessary to obtain the approval of shareholders, as set out in special resolution 2.

Special resolution 3: general authority to repurchase company shares

"RESOLVED THAT the company and/or its subsidiaries be and is hereby authorised, by way of general authority, to acquire ordinary shares issued by the company, from any person and upon such terms and conditions as the directors of the company or any present or future subsidiary may determine but subject to the applicable requirements of the Companies Act, the Memorandum of Incorporation of the company and the JSE Listings Requirements."

It is recorded that the company or any subsidiary may only make a general repurchase of shares in the company subject to the JSE Listings Requirements which currently provide the following:

a) any such acquisition of ordinary shares shall be implemented on the open market of the JSE through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counter party (reported trades are prohibited);

b) this general authority shall only be valid until the company's next AGM, provided that it shall not extend beyond 15 (fifteen) months from the date of passing this special resolution;

c) an announcement will be published on SENS as soon as the company has acquired ordinary shares constituting, on a cumulative basis, 3% (three percent) of the number of ordinary shares in issue prior to the acquisition, and for each subsequent acquisition constituting on a cumulative basis 3% (three percent) of the number of ordinary shares in issue, pursuant to which the aforesaid 3% (three percent) threshold is reached, containing full details of such repurchases;

d) acquisitions in aggregate in any one financial year may not exceed 20% (twenty percent) of the company's ordinary issued share capital nor may acquisitions in aggregate, from the date of passing this special resolution, exceed 20% (twenty percent) of the company's ordinary issued share capital at the date of passing this special resolution;

e) in determining the price at which ordinary shares issued by the company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% (ten percent) of the volume weighted average market value at which such ordinary shares are traded on the JSE, as determined over the 5 (five) trading days immediately preceding the date of repurchase of such ordinary shares by the company or any of its subsidiaries;

f) at any point in time, the company will appoint only one agent to effect any repurchase(s) on the company's behalf;

g) the company or its subsidiary may not repurchase securities during a prohibited period unless it has in place a repurchase programme as contemplated in terms of 5.72(g) of the JSE Listings Requirements where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and full details of the repurchase programme has been submitted to the JSE in writing prior to the commencement of the prohibited period. The company will instruct an independent third party, which makes its investment decisions in relation to the company's ordinary shares independently of, and uninfluenced by, the company, prior to the commencement of the prohibited period to execute any repurchase programme submitted to the JSE;

h) authorisation for the repurchase of ordinary shares under this authority is given by the Memorandum of Incorporation; and

i) a resolution by the board of directors that it has authorised the repurchase, that the company and its subsidiaries have passed the solvency and liquidity test as defined in the Companies Act and that, since the test was performed, there have been no material changes to the financial position of the group.

Percentage of voting rights required to pass this resolution: 75% of the voting rights exercised in respect of such resolution.

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

Statement by the board of directors of the company

Pursuant to, and in terms of, the JSE Listings Requirements, the board of directors of the company hereby state that:

- the intention of the directors of the company is to utilise the general authority to repurchase shares in the capital of the company if, at some future date, the cash resources of the company are in excess of its requirements or there are other good reasons for doing so. In this regard, the directors will take account of, inter alia, an appropriate capitalisation structure for the company, the long-term cash needs of the company, and the interests of the company; and
- in determining the method by which the company intends to repurchase its ordinary shares, the maximum number of ordinary shares to be repurchased and the date on which such repurchase will take place, the directors of the company will ensure that:
  - the company and its subsidiaries will, after the repurchase, be able to pay their debts as they become due in the ordinary course of business for the next 12 (twelve) months after the date of such repurchase;
  - the consolidated assets of the company and its subsidiaries fairly valued and recognised and measured in accordance with the accounting policies used in the latest audited financial statements will, after the repurchase, be in excess of the consolidated liabilities of the company and its subsidiaries for the next 12 (twelve) months after the date of such repurchase;
  - the issued share capital and reserves of the company and its subsidiaries will, after the repurchase, be adequate for the ordinary business purposes of the company and its subsidiaries for the next 12 (twelve) months after the date of such repurchase; and
  - the working capital available to the company and its subsidiaries will, after the repurchase, be sufficient for the ordinary business requirements of the company and its subsidiaries for the next 12 (twelve) months after the date of such repurchase.

Reason for and effect of special resolution 3

The reason for special resolution 3 is to grant the company a general authority in terms of the Companies Act, the JSE Listings Requirements and the company's Memorandum of Incorporation for the acquisition by the company, or any of its subsidiaries, of shares issued by the company, or its holding company, which authority shall be valid until the earlier of the next AGM of the company or the variation or revocation of such general authority by special resolution by any subsequent general meeting of the company, provided that the general authority shall not extend beyond 15 (fifteen) months from the date of this AGM. The passing of this special resolution will have the effect of authorising the company or any of its subsidiaries to acquire shares issued by the company or its holding company.

The board believes it to be in the interest of the company that shareholders grant a general authority to provide the board with optimum flexibility to repurchase shares as and when an opportunity that is in the best interest of the company arises.

Directors' responsibility statement

The directors whose names appear under the board of directors on pages 53 and 54 of this Integrated Annual Report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the special resolution contains all information required by the JSE Listings Requirements.

Material changes

Other than the facts and developments reported on in this Integrated Annual Report, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report and up to the date of this Notice.

Special resolution 4: Amendments to the company's Memorandum of Incorporation

"RESOLVED THAT in terms of section 16(1)(c) read with section 16(5)(b) of the Companies Act, the proposed amendments to the company's Memorandum of Incorporation as set out in Annexure B be and are hereby approved."

Percentage of voting rights required to pass this resolution: 75% of the voting rights exercised in respect of such resolution.

Reason for and effect of special resolution 4

In terms of section 16(1)(c) read with section 16(5)(b) of the Companies Act, the board proposes that shareholders approve an alteration to the existing Memorandum of Incorporation of the company by deleting, altering or replacing certain provisions to align them with the requirements of the Companies Act, as amended by the Companies Amendment Act and to remove any historical provisions in the Memorandum of Incorporation that are no longer applicable. The proposed amendments to the company's Memorandum of Incorporation are set out in Annexure B. A copy of the amended Memorandum of Incorporation, marked up for ease of reference, will lie for inspection at the company's registered office during normal business hours from the date of publication of the notice of AGM up to the date of the AGM.

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

Any matters raised by shareholders, with or without advance notice to the company

To deal, at the AGM, with any matters raised by shareholders, with or without advance notice to the company.

Summary of applicable rights established in section 58 of the Companies Act

For purposes of this summary, the term "shareholder" shall have the meaning ascribed thereto in section 57(1) of the Companies Act.

1. At any time, a shareholder of a company is entitled to appoint any individual, including an individual who is not a shareholder of that company, as a proxy to participate in, speak and vote at a shareholders' meeting on behalf of the shareholder.
2. A proxy appointment must be in writing, dated and signed by the relevant shareholder.
3. Except to the extent that the Memorandum of Incorporation of a company provides otherwise:
   3.1 a shareholder of the relevant company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by such shareholder; and

   3.2 a copy of the instrument appointing a proxy must be delivered to the relevant company, or to any other person on behalf of the relevant company, before the proxy exercises any rights of the shareholder at a shareholders' meeting.
4. Irrespective of the form of instrument used to appoint a proxy:
   4.1 the appointment of the proxy is suspended at any time and to the extent that the shareholder who appointed that proxy chooses to act directly and in person in the exercise of any rights as a shareholder of the relevant company; and

   4.2 should the instrument used to appoint a proxy be revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and the relevant company.
5. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date:
   5.1 stated in the revocation instrument, if any; or

   5.2 upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act.
6. Should the instrument appointing a proxy or proxies have been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the relevant company's Memorandum of Incorporation to be delivered by such company to the shareholder must be delivered by such company to:
   6.1 the shareholder; or

   6.2 the proxy or proxies if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by the company for doing so.
7. A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the Memorandum of Incorporation of the relevant company or the instrument appointing the proxy provides otherwise.
8. If a company issues an invitation to shareholders to appoint one or more persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy:
   8.1 such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;

   8.2 the company must not require that the proxy appointment be made irrevocable; and

   8.3 the proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.

Voting and proxies

A shareholder of the company entitled to attend and vote at the AGM is entitled to appoint one or more proxies (who need not be a shareholder of the company) to attend, vote and speak in his/her stead. The appointment of a proxy will not preclude the shareholder who appointed the proxy from attending the AGM and participating in and voting at the AGM to the exclusion of any such proxy.

Voting at the AGM will be taken by way of a poll and not on a show of hands.

On a poll, every shareholder of the company present in person or represented by proxy shall have one vote for every share held in the company by such shareholder.

Dematerialised shareholders who have elected own-name registration in the sub-register through a Central Securities Depository Participant (CSDP) and who are unable to attend but wish to vote at the AGM, should complete and return the attached form of proxy and lodge it with the transfer secretaries of the company to be received, for administrative reasons only, by no later than **12:00 on Wednesday, 30 July 2025.**

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

Shareholders who have dematerialised their shares through a CSDP or broker rather than through own-name registration and who wish to attend the AGM must instruct their CSDP or broker to issue them with the necessary authority to attend.

If such shareholders are unable to attend, but wish to vote at the AGM, they should timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that shareholder and his/her CSDP or broker.

Forms of proxy may also be obtained on request from the company's registered office. The completed forms of proxy must be deposited at, posted or emailed to the transfer secretaries at the address below, to be received, for administrative reasons only, at least 48 hours prior to the meeting.

Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the AGM.

Any member who completes and lodges a form of proxy will nevertheless be entitled to attend and vote at the AGM should the member subsequently decide to do so.

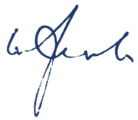
As indicated above, the AGM will be held entirely through electronic communication. However, in order to facilitate the effective and efficient conduct of the AGM, all shareholders are requested to submit their votes by proxy before the AGM at their earliest convenience. Shareholders intending to participate and/or vote at the AGM are required to complete the Registration Form annexed hereto as Annexure A. When completing the Registration Form, participants will be required to provide proof of identification and accordingly the registration validation process will include the requisite verification required by section 63(1) of the Companies Act.

Further details on how to participate in the AGM by electronic communication are provided on page 106 of this Integrated Annual Report.

Shareholders are advised that the email addresses and/or contact numbers provided by shareholders in their completed Registration Forms are the only addresses and/or contact numbers that will be recognised for purposes of electronic participation (including voting, where applicable) at the AGM.

The practical applications of the aforementioned rights are discussed in the notes to the proxy form attached hereto.

By order of the board



William Somerville
Company Secretary

18 June 2025

Registered office
No. 9 Palala Street
Protec Park
Cnr Zuurfontein Avenue and Oranjerivier Drive
Kempton Park
1619

Private Bag X2032, Isando, 1600

Telephone: +27 11 571 4300

Transfer secretaries
Computershare Investor Services Proprietary Limited
Rosebank Towers
15 Biermann Avenue
Rosebank
Johannesburg
2196

Private Bag X9000, Saxonwold, 2132

Telephone: +27 11 370 5000
Fax: +27 11 688 5238
Email: proxy@computershare.co.za

FORM OF PROXY

Stefanutti Stocks Holdings Limited
(Incorporated in the Republic of South Africa)
Registration number: 1996/003767/06
Share code: SSK
ISIN: ZAE000123766
("Stefanutti Stocks" or "the company")

For use at the AGM of the company to be held entirely electronically on **Friday 1 August 2025 at 12:00** and at any adjournment thereof.

For use by the holders of the company's certificated ordinary shares and/or dematerialised ordinary shares held through a Central Securities Depository Participant (CSDP) or broker who have selected own-name registration (own-name dematerialised shareholders). Additional forms of proxy are available from the transfer secretaries of the company.

Not for the use by holders of the company's dematerialised ordinary shares who are not own-name dematerialised shareholders. Such shareholders must contact their CSDP or broker timeously if they wish to attend and vote at the annual general meeting and request that they be issued with the necessary letter of representation to do so, or provide the CSDP or broker timeously with their voting instructions should they not wish to attend the annual general meeting in order for the CSDP or broker to vote thereat in accordance with their instructions. Terms used in this proxy form have the meanings given to them in the notice of annual general meeting to which this proxy form is attached.

I/We ____________________ (full name in block letters)
of ____________________ (address)
____________________ (e-mail address) ____________________ (telephone number) ____________________ (cellphone number)
being a member(s) of Stefanutti Stocks and holding ____________________ ordinary shares in the company,
hereby appoint ____________________ of ____________________
failing him/her ____________________ of ____________________
failing him/her the chairman of the annual general meeting, as my/our proxy to act for me/us and on my/our behalf at the annual general meeting which will be held for the purpose of considering and, if deemed fit, passing, with or without modification, the special and ordinary resolutions to be proposed thereat and at any adjournment thereof; and to vote for and/or against the special and ordinary resolutions and/or abstain from voting in respect of the Stefanutti Stocks ordinary shares registered in my/our name(s), in accordance with the following instructions:

	Number of votes		
	For	Against	Abstain
ORDINARY RESOLUTIONS			
1. To adopt the Annual Financial Statements of the company for the year ended 28 February 2025, including the Directors' report and the report of the Audit, Governance and Risk Committee, the Remuneration Committee and the Social and Ethics Committee			
2. To re-elect B Harie as a director of the company			
3. To re-elect BP Silwanyana as a director of the company			
4. To appoint BP Silwanyana as a member of the Social and Ethics Committee			
5. To appoint HJ Craig as a member of the Social and Ethics Committee			
6. To appoint MSM Sikhakhane as a member of the Social and Ethics Committee			
7. To re-appoint the auditors and the audit partner			
8. To appoint B Harie as a member of the Audit, Governance and Risk Committee			
9. To appoint BP Silwanyana as a member of the Audit, Governance and Risk Committee			
10. To appoint HJ Craig as a member of the Audit, Governance and Risk Committee			
11. To approve the non-binding advisory vote on the company's remuneration policy			
12. To approve the non-binding advisory vote on the company's remuneration implementation report			
13. Authority for signature of documentation			
SPECIAL RESOLUTIONS			
1. To approve non-executive directors' fees — Special resolutions 1.1 to 1.12			
1.1 Board Chairman			
1.2 Board member			
1.3 Audit, Governance and Risk Committee Chairman			
1.4 Audit, Governance and Risk Committee member			
1.5 Remuneration and Nominations Committee Chairman			
1.6 Remuneration and Nominations Committee member			
1.7 Social and Ethics Committee Chairman			
1.8 Social and Ethics Committee member			
1.9 Any other committee to be formed — Chairman			
1.10 Any other committee to be formed — member			
1.11 Directors' hourly rate			
1.12 Specific project fees			
2. Financial assistance			
3. General authority to repurchase company shares			
4. Amendments to the company's Memorandum of Incorporation			

* Please indicate by inserting the relevant number of votes in the appropriate spaces above how you wish your votes to be cast. Unless otherwise instructed, my/our proxy may vote as he/she thinks fit.

Signed at ____________________

(place) on ____________________ (date) 2025

Member's signature ____________________

assisted by ____________________ (if applicable)

NOTES TO THE FORM OF PROXY

1. This form of proxy is to be completed only by those members who are:
   a. holding shares in a certificated form; or
   b. recorded in the sub-register in electronic form in their own name.
2. Members who have dematerialised their shares, other than own-name dematerialised shareholders, and who wish to attend the annual general meeting must contact their CSDP or broker who will furnish them with the necessary letter of representation to attend the annual general meeting, or they must instruct their CSDP or broker as to how they wish to vote in this regard. This must be done in terms of the agreement entered into between the members and their CSDP or broker.
3. Each member is entitled to appoint one or more individuals as a proxy (who need not be a member(s) of the company) to participate in, speak, and vote in place of that member at the annual general meeting.
4. A member wishing to appoint a proxy must do so in writing by inserting the name of said proxy or the name of one alternative proxy of the member's choice on the form of proxy in the space provided, with or without deleting "the chairman of the annual general meeting". The person whose name stands first on the form of proxy and who is present at the annual general meeting will be entitled to act as proxy to the exclusion of those whose names follow.
5. A member's instructions to the proxy must be indicated on the form of proxy by the insertion of the relevant number of votes exercisable by that member in the appropriate box(es) provided. Failure to comply with the above will be deemed to authorise the chairman of the annual general meeting, if the chairman is the authorised proxy, to vote in favour of the ordinary and special resolutions at the annual general meeting, or any other proxy to vote or to abstain from voting at the annual general meeting as he/she deems fit, in respect of all the member's votes exercisable thereat.
6. The proxy shall (unless this sentence is struck out and countersigned) have the authority to vote, as he/she deems fit, on any other resolution which may validly be proposed at the meeting, including in respect of any proposed amendment to the above resolutions. If the aforegoing sentence is struck out, the proxy shall be deemed to be instructed to vote against any such proposed additional resolution and/or proposed amendment to an existing resolution as proposed in the notice to which this form is attached.
7. A member or his/her proxy is not obliged to vote in respect of all the ordinary shares held by such member or represented by such proxy, but the total number of votes for or against the ordinary resolutions and in respect of which any abstention is recorded may not exceed the total number of votes to which the member or his/her proxy is entitled.
8. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy, unless previously recorded by the company's transfer office or waived by the chairman of the annual general meeting.
9. The chairman of the annual general meeting may reject or accept any form of proxy which is completed and/or received other than in accordance with these instructions, provided that he is satisfied as to the manner in which a member wishes to vote.
10. Any alterations or corrections to this form of proxy must be initialled by the signatory(ies).
11. The completion and lodging of this form of proxy will not preclude the relevant member from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such member wish to do so.
12. A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the company's transfer secretaries.
13. Where there are joint holders of any shares, only that holder whose name appears first in the register in respect of such shares need sign this form of proxy.
14. Any proxy appointment made in terms of this form of proxy remains valid until the end of the annual general meeting, unless revoked earlier.
15. Members are requested to lodge forms of proxy with the transfer secretaries at the address given below, for administrative reasons only, at least 48 hours prior to the annual general meeting (see address below), provided that the chairman of the annual general meeting may accept proxies that have been delivered after the expiry of the aforementioned period up and until the time of commencement of the annual general meeting.

Computershare Investor Services Proprietary Limited

Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196

Private Bag X9000, Saxonwold, 2132

Telephone: +27 11 370 5000

Fax: +27 11 688 5238

Email: proxy@computershare.co.za

ANNEXURE A REGISTRATION FORM TO PARTICIPATE IN THE ELECTRONIC ANNUAL GENERAL MEETING

Stefanutti Stocks Holdings Limited

(Incorporated in the Republic of South Africa: ZAE000123766
("Stefanutti Stocks" or "the company")

To be held on Friday 1 August 2025 at 12:00

- Shareholders or their proxies or representatives who wish to participate in the annual general meeting via electronic communication (Participants), must register with the company's transfer secretaries, Computershare Investor Services Proprietary Limited, by delivering the signed form below (the application) via email to **proxy@computershare.co.za** as soon as possible. The application form may also be delivered (i) by hand, to Computershare Investor Services Proprietary Limited at Rosebank Towers, First Floor, 15 Biermann Avenue, Rosebank 2196, or (ii) by post to Private Bag X9000, Saxonwold, 2132 (at the risk of the Participant). Irrespective of the manner in which the application form is delivered, the application form must be delivered as soon as possible, but in any event, for administrative purposes only, by no later than 12:00 on Wednesday 30 July 2025, together with proof of identification. Computershare Investor Services Proprietary Limited will first validate a Participant's registration request pursuant to section 63(1) of the Companies Act.
- Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own name" registration, should contact their Central Securities Depository Participant (CSDP) or broker in the manner and time stipulated in their agreement with their CSDP or broker:
  - to furnish them with their voting instructions; and
  - in the event that they wish to participate in the meeting, to obtain the necessary authority to do so.
- Each Participant, who has complied with the requirements below, will be contacted between 30 and 31 July 2025 via email or cell phone with a link to allow them to participate in the electronic annual general meeting.
- The cut-off time, for administrative purposes only, to register to participate in the electronic annual general meeting will be at 12:00 on Wednesday, 30 July 2025.
- The Participant's access link will be forwarded to the email/cell number provided on the right.
- By clicking the link provided, Participants will be able to access the electronic annual general meeting via their computer or compatible mobile devices. A telephone number will also be provided for those Participants who prefer to dial in to the meeting.
- Shareholders are advised that the email addresses and/or contact numbers provided by shareholders in their completed Registration Forms are the only addresses and/or contact numbers that will be recognised for purposes of electronic participation (including voting, where applicable) at the AGM.
- Should a Participant experience any issue with the electronic communication during the annual general meeting, they should contact **proxy@computershare.co.za** to assist them.

APPLICATION FORM
Name and surname of shareholder:
Name and surname of shareholder representative (If applicable):
ID number of shareholder or representative:
Email address:
Cell number:
Telephone number:
Name of CSDP or broker:
(If shares are held in dematerialised format):
Contact number of CSDP or broker:
SCA number/broker account number or own name account number:
Number of shares:
Number of share certificate (if applicable):
I wish to electronically participate:
I wish to electronically participate and vote:
Signature:
Date:

ANNEXURE A REGISTRATION FORM TO PARTICIPATE IN THE ELECTRONIC ANNUAL GENERAL MEETING CONTINUED

- The cost of dialling in using a telecommunication line/webcast/web-streaming to participate in the electronic annual general meeting is for the expense of the Participant and will be billed separately by the Participant's own telephone service provider.
- To the fullest extent permitted by law, the Participant indemnifies the company against any loss, injury, damage, penalty or claim arising in any way from or in relation to the use or possession of the telecommunication lines/webcast/web-streaming/internet and/or network connectivity, whether or not the problem is caused by any act or omission on the part of the Participant or anyone else. In particular, but not exclusively, the Participant acknowledges that he/she will have no claim against the company, whether for consequential damages or otherwise, arising from or in relation to the use of the telecommunication lines/webcast/web-streaming/internet and/or network connectivity or any defect in it or from total or partial failure of the telecommunication lines/webcast/web-streaming/internet and/or network connectivity and/or connections linking the telecommunication lines/webcast/web-streaming to the electronic annual general meeting and/or in the case of loss of network connectivity or other network failure due to insufficient airtime, internet connectivity, internet bandwidth and/or power outages.
- Once the Participant has received the link, the onus to safeguard this information remains with the Participant.
- The application will only be deemed successful if this application form has been fully completed and signed by the Participant and delivered or e-mailed to **proxy@computershare.co.za** by the cut-off time indicated above.
- Certificated and dematerialised shareholders with "own name" registration must submit proof of identification with this application form.
- Dematerialised shareholders without "own name" registration must submit proof of identification together with a copy of the letter of representation issued by their broker/custodian with this application form.
- By signing this registration form, you agree and consent to the processing of the personal information provided by you above for the purpose of participation in the electronic annual general meeting.

Shareholder name ______________________________

Signature ______________________________

Date ______________________________

ANNEXURE B PROPOSED AMENDMENTS TO THE COMPANY'S MEMORANDUM OF INCORPORATION

The board proposes the following amendments to the Memorandum of Incorporation (with new insertions and/or amendments to existing clauses being underlined, and deletions being struck-through):

1. Proposed amendment number 1 — Cover page

   The deletion of the following words:

   ~~*"(as adopted by special resolution of the shareholders of the Company passed on 1 September 2017 and in substitution for the existing memorandum and articles of association of the Company)"*~~

2. Proposed amendment number 2 — Paragraph (a)xxiv

   The existing definition of "Securities" in paragraph (a)xxiv be amended to read as follows:

   "xxiv ***"Securities"*** *means any Shares, or debentures,* ~~*debenture stock, debenture bonds, loan stock, notes or other instruments*~~*, irrespective of their form or title, issued or authorised to be issued by the Company", including any "securities" as defined in the Listings Requirements";*

3. Proposed amendment number 3 — Paragraph (a)xxix

   The existing definition of "Takeover Regulations" in paragraph (a)xxix be amended to read as follows:

   "xxix ***"Takeover Regulations"*** *means the takeover regulations as encompassed by Part B and Part C of Chapter 5 of the Companies Act read with Chapter 5 of the Companies Regulations; and";*

4. Proposed amendment number 4 — clause 1.6.4

   The existing clause 1.6.4 be amended to read as follows:

   "1.6.4 ***use of the Company name***

   The Company must have its name and registration number mentioned in legible characters in all notices and other official publications of the Company, including such notices and publications in electronic format as contemplated in the Electronic Communications and Transactions Act, 25 of 2002, as amended ~~*ECTA*~~*, and in all bills of exchange, promissory notes, cheques and orders for money or goods and in all letters, delivery notes, invoices, receipts and letters of credit of the Company. (Section 32(4))";*

5. Proposed amendment number 5 — clause 3.1.1

   The existing clause 3.1.1 be amended to read as follows:

   "3.1.1 No person shall have any right to inspect or make copies of any accounting records or document of the Company, other than a Director of the Company in the discharge of his or her services as Director or a person who is granted the right to do so in terms of the Companies Act or other legislation or laws binding on the Company, or as authorised by the Board, or otherwise as permitted in terms of this paragraph 3.1, and subject to and in compliance with section 26. (Section 26 and regulation 23)";

6. Proposed amendment number 6 — clause 5.2.4

   The existing clause 5.2.4 be amended to read as follows:

   "5.2.4 the right to receive a portion of the total net assets of the Company remaining upon its liquidation; and"

7. Proposed amendment number 7 — clause 15.2.2

   The existing clause 15.2.2 be amended to read as follows:

   "15.2.2 If the Company receives from the CSDP or CSD concerned only (not from the registered holder of uncertificated Securities) a notice to provide the relevant certificate in respect of any withdrawn uncertificated Securities in terms of section 54(1)(a), the Company shall make the necessary entries in the Securities Register of the Company, and prepare and deliver the relevant certificate, in terms of section 54(2):"

8. Proposed amendment number 8 — clause 16.6.1.1.1

   The existing clause 16.6.1.1.1 be amended to read as follows:

   "16.6.1.1.1 ***"odd lot"*** *means any total holding by a Shareholder (which for the purposes of this paragraph 16.6 shall include a dematerialised Shareholder without "own-name registration" that holds the Shares through a nominee in accordance with the rules and procedures of Strate Limited) of less than 100 Shares (or such other number as may be permitted by the JSE), or any total holding by a Securities holder of less than 100 Securities (or such other number as may be permitted by the JSE) or a minimum number of Securities with an aggregate nominal value of less than R100.00 (or such other rand amount as may be permitted by the JSE); and"*

9. Proposed amendment number 9 — clause 18.1.2

   The existing clause 18.1.2 be amended to read as follows:

   "18.1.2 a subsidiary of the Company may acquire a number of the Shares of the Company; and"

ANNEXURE B PROPOSED AMENDMENTS TO THE COMPANY'S MEMORANDUM OF INCORPORATION CONTINUED

10. Proposed amendment number 10 — clause 18.4

The existing clause 18.4 be amended to read as follows:

"18.4 For as long as it is required in terms of the Companies Act, a ~~A~~ decision of the Board to acquire its own Shares must be approved by a Special Resolution of the Shareholders where it entails the acquisition of Shares as by the Company as contemplated in section 48(8)(a) and 48(8)(b). ~~referred to in paragraph 18.3~~:

~~18.4.1 must be approved by a Special Resolution of the Shareholders if any Shares are to be acquired by the Company from a Director or prescribed officer of the Company, or a person related to a Director or prescribed officer of the Company; and~~

~~18.4.2 is subject to the requirements of sections 114 and 115 if considered alone, or together with other transactions in an integrated series of transactions, it involves the acquisition by the Company of more than 5% (five percent) of the issued Shares of any particular class of the Company's Shares."~~

11. Proposed amendment number 11 — clause 18.5

The existing clause 18.5 be amended to read as follows:

"18.5 The Company, or a subsidiary of the Company, may acquire Shares of the Company, subject to and ~~as provided for~~ in accordance with section 48."

12. Proposed amendment number 12 — clause 25.13.5

The existing clause 25.13.5 be amended to read as follows:

"25.13.5 The Company has established a social and ethics committee as required by the Minister in terms of section 72(4) and Regulation 43(2), which committee shall comprise not less than three ~~Directors or prescribed officers of the Company~~ members, ~~at least one~~ the majority of whom must be ~~a~~ Directors who ~~is~~ are not involved in the day to day management of the Company's business, and must not have been so involved within the previous three financial years. (Regulations 43(2) and (4)). The social and ethics committee is governed by, and is subject to the terms and conditions of, the Board Charters read with the Companies Act and the Companies Regulations."

13. Proposed amendment number 13 — clause 25.13.6

The insertion of a new clause 25.13.6 to read as follows:

"25.13.6 The Company must elect a social and ethics committee at each annual general meeting of the Company, as contemplated in section 72."

14. Proposed amendment number 14 — clause 25.13.7

The insertion of a new clause 25.13.7 to read as follows:

"25.13.7 Where a vacancy arises in the social and ethics committee of the Company, the Board must appoint a new person to fill such vacancy within 40 days after the vacancy arises."

15. Proposed amendment number 15 — paragraph 6.1 of Schedule 1

The existing paragraph 6.1 of Schedule 1 be amended to read as follows:

"6.1 presentation to the Shareholders of the Directors' report, any company secretary's statement contemplated in section 89(4), if applicable, the audited financial statements for the immediately preceding financial year, ~~as well as~~ the audit committee report, the social and ethics committee report, and remuneration report (Section 61(8)(a))."

16. Proposed amendment number 16 — paragraph 6.2 of Schedule 1

The existing paragraph 6.2 of Schedule 1 be amended to read as follows:

"6.2 appointment of the Company's auditor for the ensuing financial year, ~~and~~ the Company's audit committee, and the social and ethics committee ~~for the ensuing financial year~~ (Section 61(8)(c))."

17. Proposed amendment number 17 — paragraph 9.1.1 of Schedule 1

The existing paragraph 9.1.1 of Schedule 1 be amended to read as follows:

"9.1.1 to each of the Shareholders as of the applicable record date for delivery of that notice (determined in terms of paragraph 4 of this Schedule 1 read with section 59(1)(a)) ~~and~~;"

18. Proposed amendment number 18 — paragraph 9.1.2 of Schedule 1

The existing paragraph 9.1.2 of Schedule 1 be amended to read as follows:

"9.1.2 to the auditors for the time being of the Company in terms of section 93(1)(c)(ii); and"

ADDITIONAL INFORMATION

SHAREHOLDERS' DIARY

FINANCIAL YEAR-END

28 FEBRUARY 2025

REPORTING PERIOD

1 MARCH 2024 TO 28 FEBRUARY 2025

REPORTING PERIOD OF PREVIOUS REPORT

1 MARCH 2023 TO 29 FEBRUARY 2024

ANNOUNCEMENT OF ANNUAL RESULTS

27 MAY 2025

INTEGRATED REPORT POSTED

26 JUNE 2025

ANNUAL GENERAL MEETING

1 AUGUST 2025

ANNOUNCEMENT OF INTERIM RESULTS

NOVEMBER 2025

Stakeholder feedback

The company welcomes written comments and feedback from its stakeholders on this integrated report and on other general matters and these should be addressed to: **annual.report@stefanuttistocks.com**

ABBREVIATIONS AND DEFINITIONS

AGM	Annual general meeting
ARCO	Audit, Governance and Risk Committee
B-BBEE	Broad-based black economic empowerment
BIM	Building information modelling
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIDB	The Construction Industry Development Board
CIO	Chief Information Officer
CLO	Community Liaison Officer
Companies Act	Companies Act, No. 71 of 2008, as amended
CRO	Chief Restructuring Officer
DAB	Dispute Adjudication Board
DPSIS	Directors' Profit Share Incentive Scheme
ED	Enterprise development
EDIS	Executive Directors' Incentive Scheme
EE	Employment equity
EEAA	EE Amendment Act
ESG	Environmental, social and governance
EXCO	Executive Committee
FSP	Forfeitable Share Plan
FYE	Financial year-end
HEPS	Headline earnings per share
HR	Human resources
ICT	Information and communications technology
IFRS Accounting Standards	International Financial Reporting Standards
ISO	International Organization for Standardization
JSE	Johannesburg Stock Exchange
JSE Listings Requirements	Listings Requirements of the JSE
KPAs	Key performance areas
King IV	King IV Report on Corporate Governance for South Africa 2016
LE	Leadership engagement
LID	Lead Independent Director
LTI	Long-term incentives
LTIFR	Lost time injury frequency rate
MOI	Memorandum of Incorporation
Net asset turn	Contract revenue divided by average total assets
Net profit margin	Profit after taxation as a percentage of contract revenue
OHS	Occupational health and safety
OHSE	Occupational health, safety and environment
Operating profit/loss (OP)	Operating profit/loss before investment income
Operating profit/loss margin	Operating profit/loss as a percentage of contract revenue
PDI	Previously disadvantaged individuals
Return on assets	Profit after taxation as a percentage of average total assets for the period
RCR	Recordable case rate
REMCO/NOMCO	Remuneration and Nominations Committee
Return on equity (ROE)	Loss/profit attributable to equity holders as a percentage of average capital and reserves attributable to equity holders of Stefanutti Stocks
S&E	Social and Ethics Committee
SED	Socio-economic development
SHE	Safety, health and environment
SHEQ	Safety, health, environment and quality
S@S	Systems at Stefanutti Stocks
Stefanutti Stocks, the group or the company	Stefanutti Stocks Holdings Limited, all of its subsidiaries, joint operations and equity-accounted investees
STI	Short-term incentives
TFP	Total fixed package
the board	The board of directors of Stefanutti Stocks
the current year	The financial year ended 28 February 2025
the next year	The financial year ending 28 February 2026
the previous year	The financial year ended 29 February 2024
Total remuneration	Total fixed package plus short-term incentivisation
VFL	Visible felt leadership

CORPORATE INFORMATION

Company information

Stefanutti Stocks Holdings Limited
Share code: SSK ISIN: ZAE000123766
JSE Main Board — General Segment
JSE Sector: Construction
Year-end: 28 February

Registration number
1996/003767/06

Country of incorporation
South Africa

Registered office
No. 9 Palala Street, Protec Park, Cnr Zuurfontein Avenue and Oranjerivier Drive, Kempton Park, 1619

Postal address
Private Bag X2032, Isando, 1600

Telephone number
+27 11 571 4300

Directors

As at 18 June 2025: ZJ Matlala* (Chairman); HJ Craig*; B Harie*; BP Silwanyana*; RW Crawford (CEO); Y du Plessis (CFO)

* Independent non-executive directors.

Company secretary

WR Somerville
Fernridge Office Park, 1st Floor, Block 4, 5 Hunter Street, Randburg, 2194

Auditors

Forvis Mazars
Forvis Mazars House
54 Glenhove Road,
Melrose Estate, 2196
PO Box 6697, Johannesburg, 2000

Telephone number
+27 11 547 4000

Attorneys

Webber Wentzel
90 Rivonia Road, Sandton, Johannesburg, 2196
PO Box 61771, Marshalltown, 2107

Telephone number
+27 11 530 5000

Transfer secretaries

Computershare Investor Services (Pty) Ltd
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196
PO Box 9000, Saxonwold, 2132

Telephone number
+27 11 370 5000

Sponsor

Bridge Capital Advisors (Pty) Ltd
10 Eastwood Road, Dunkeld, 2196
PO Box 651010, Benmore, 2010

Telephone number
+27 11 268 6231

Bankers

African Banking Corporation Zimbabwe

Eswatini Bank Limited

First National Bank, a division of FirstRand Bank Limited

First National Bank Botswana Limited

First National Bank Eswatini, a division of FirstRand Bank Limited

First National Bank Zambia Limited

Nedbank Limited

Nedbank Eswatini Limited

Stanbic Bank Botswana Limited

Stanbic Bank Zimbabwe Limited

Stanbic Bank Zambia Limited

Standard Bank Eswatini

United Bank for Africa Zambia Limited