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AECI LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 1924/002590/06

Tax Reference Number: 9000008608

Share code: AFE ISIN: ZAE000000220

Hybrid code: AFEP ISIN: ZAE000000238

Bond company code: AECI

LEI: 3789008641F1D3D90E85

(AECI or the Company or the Group)

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UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL RESULTS AND CASH DIVIDEND DECLARATION FOR THE HALF-YEAR ENDED 30 JUNE 2025

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Â Safety performance: TRIR of 0.20 (30 June 2024: 0.28)

Â Revenue from continuing operations down 2% to R15,689 million

Â EBITDA¹ from continuing operations up 24% to R1,578 million

Â Profit from operations (continuing operations) down 6% to R699 million

Â EPS (continuing operations) up 70% to 308 cents per share

Â EPS (continuing and discontinued operations) up 26% to 294 cents per share

Â HEPS up 132% to 604 cents per share

Â Interim dividend of 100 cents per share (30 June 2024: 0 cents per share)

Â Net debt of R2,923 million (30 June 2024: R5,096 million)

¹ Earnings before interest, taxation, depreciation and amortisation calculated as profit from operations and equity-accounted investees plus depreciation, amortisation and impairments. EBITDA is a non-IFRS measure.

FOCUSED EXECUTION OF OUR STRATEGY

AECI continues to execute its strategic plan, with a clear focus on building a high-performance culture with engaged employees, optimising its business portfolio, achieving operational, functional and commercial excellence and expanding its international presence. During the period, the Group continued to achieve further key milestones in line with its four strategic pillars:

People and culture

- Continued building a high-performance culture that supports its strategic ambitions

Portfolio optimisation

- Achieved expected disposal proceeds of R2,4 billion to date, R1,1 billion transferred to Group
- Completed disposals of Much Asphalt and Baar-Ebenhausen
- Signed agreements for the disposal of Schirm USA and the Food & Beverage businesses

Internal value unlock

- Increased the cumulative EBITDA run rate in terms of the Transformation Management Office (TMO) initiative to R1,2 billion (2025 target: R1,6 billion)

Internationalisation

- Improved EBITDA margin in the international business
- Awarded four new contract wins within Asia-Pacific and Africa

Statement from the Group CEO:

"I am encouraged by the growth of our international operations and the continued resilience of our core business, particularly in the face of South Africa's challenging operating environment which had an adverse effect on our reported results.

Despite some setbacks in our strategy execution, particularly under the value unlock pillar, our strategy remains intact, with clear progress made against key milestones in the period. I continue to be inspired by the motivation and commitment of our people, who remain central to delivering on our long-term ambitions.

Going into the second half of the year, I look forward to continuing our international growth agenda while navigating the structural and supplier challenges impacting our business in South Africa, as well as addressing the delays in our strategy execution programme."

OPERATIONAL REVIEW

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The Group's results for the half-year period were mixed. Overall, AECI Mining's international operations delivered improved performance compared to the period ended 30 June 2024 (the prior period), despite the South African-based operations being affected by challenging operating conditions and supplier headwinds.

Safety

The Group continued to strengthen its safety culture. The 12-month rolling Total Recordable Injury Rate (TRIR) improved to 0.20, compared to 0.28 as at 30 June 2024. The Group had no fatalities during the period.

AECI Mining

The segment recorded a 14% improvement in EBITDA of R1,334 million (H1 2024: R1,172 million) and EBITDA margin of 15% (H1 2024: 13%) on the back of growth in the international business, coupled with stringent cost management, partly offset by the South African business being impacted by operational challenges at the Modderfontein facility and the Lead Azide supply. The prior period was impacted by R204 million non-recurring statutory shutdown costs.

AECI Chemicals

AECI Chemicals delivered EBITDA of R319 million, down from R467 million in H1 2024, with the EBITDA margin declining to 7% (H1 2024: 11%). The division continued to face demand and pricing pressures, which were further exacerbated by the recognition of expected credit losses and foreign exchange losses.

AECI Managed Businesses

In line with our strategy, the business segments within this division have been identified for divestment. EBITDA for the division increased to R139 million (H1 2024: R101 million, restated).

The restructuring process at AECI Schirm Germany is progressing well, yielding positive results.

In line with the requirements of IFRS 5, since the disposal of Much Asphalt was recognised as a discontinued operation at 31 December 2024, it required the restatement of financial results for the half year ended 30 June 2024.

AECI Property Services and Corporate

The segment reported a loss of R189 million, compared to a loss of R458 million in H1 2024. The prior period's result was impacted by once-off expenditure related to strategy execution.

FINANCIAL REVIEW

The Group delivered solid results, with earnings per share from continuing operations increasing by 70% compared to H1 2024. This growth was primarily driven by an improved EBITDA, lower net finance costs, and a reduced effective tax rate, partially offset by costs associated with the Group divestment strategy. Group headline earnings per share increased by 132% compared to H1 2024.

Driven by the Group's disciplined capital allocation policy and balance sheet optimisation programme, cash and cash equivalents grew by 6% from the prior period and external debt, including IFRS 16, decreased by 28%.

Net debt decreased to R2,923 million (30 June 2024: R5,096 million), translating to a gearing of 25% (30 June 2024: 41%) which was within the guided range of 20% - 40%. The Group's net debt to EBITDA, as defined in covenant agreements, improved to 0.9 times (30 June 2024: 1.6 times), remaining well below the covenant maximum threshold of 2.5 times.

OUTLOOK

The Group expects full-year EBITDA to be supported by a recovery of volumes in the Asia-Pacific region, the further realisation of value unlock initiatives, and ongoing internal efficiency programmes. Although the Group continues to progress towards its targeted EBITDA run rate in line with its strategic ambition, some delays are anticipated in achieving the run rate due to unrecoverable lost production volumes at the Modderfontein facility during H1 2025. This resulted in more than usual management focus and effort, which in turn affected efforts relating to head count efficiency initiatives and delivery on growth capital projects.

Looking ahead to the second half of 2025 and beyond, strategy execution remains a central focus as the Group prepares for growth, drives hard cost savings, and focuses on free cash flow generation. The Company expects to continue in a positive performance trajectory in H2 2025, supported by the resilience and solid underlying performance of its core businesses. However, the Group expects the results to be behind aspirations as a result of delays in the EBITDA run rate.

DIVIDEND

Declaration of interim ordinary cash dividend No. 182

The Company's board of directors (Board) is pleased to announce that it has resolved to declare a gross interim cash dividend of 100 cents per ordinary share in respect of the half year ended 30 June 2025. The dividend is payable on Monday, 1 September 2025 to holders of ordinary shares recorded in the register of the Company at the close of business on the record date, being Friday, 29 August 2025.

The last day to trade 'cum' dividend will be Tuesday, 26 August 2025 and shares will commence trading 'ex' dividend as from the commencement of trade on Wednesday, 27 August 2025.

A South African dividend withholding tax of 20% will be applicable to all shareholders who are not either exempt or entitled to a reduction of the withholding tax rate in terms of a relevant Double Taxation Agreement, resulting in a net interim cash dividend of 80 cents per ordinary share payable to those shareholders who are not eligible for exemption or reduction. Application forms for exemption or reduction may be obtained from the Transfer Secretaries and must be returned to them on or before Tuesday, 26 August 2025.

The issued share capital of the Company at the declaration date is 105 517 780 listed ordinary shares, and 3 000 000 listed cumulative preference shares. The dividend has been declared from the retained earnings of the Company.

Any change of address or dividend instruction must be received on or before Tuesday, 26 August 2025.

Ordinary shares may not be dematerialised or rematerialised between Wednesday, 27 August 2025 and Friday, 29 August 2025, both days inclusive.

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AVAILABILITY OF THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL RESULTS FOR THE HALF-YEAR ENDED 30 JUNE 2025

This results announcement is the responsibility of the Board. Shareholders and noteholders are advised that this results announcement is only a summary of the information contained in the full announcement and does not contain complete details. It has not been audited or reviewed by the Company's external auditors. Any investment decisions by investors and/or shareholders should be based on a consideration of the full announcement.

The unaudited condensed consolidated interim financial results for the half-year ended 30 June 2025 are available through the JSE cloud link at:

<https://senspdf.jse.co.za/documents/2025/JSE/ISSE/AFE/Interim25.pdf>

and on the Company's website at: <https://investor.aeciworld.com/results-reports-presentations.php>.

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Any reference to future financial performance included in this announcement has not been audited or reported on by the Company's external auditors.

Directors:

PG Sibiya (Chairman), H Riemensperger¹ (Group CEO), I Kramer (Group CFO), ST Coetzer², SA Dawson³, FFT De Buck, WH Dissinger¹, P Mishic O'Brien⁴, AM Roets, N Moholi, J Ndlovu, B Mawasha

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¹ German ² Canadian ³ Australian ⁴ American

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Investor Relations: I Lepere

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Group Company Secretary: C Singh

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Board sign-off date: 29 July 2025

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Results released on: 30 July 2025

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Equity Sponsor: One Capital

Debt Sponsor: Questco Proprietary Limited

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Registered office

First floor, AECl Place, 24 The Woodlands, Woodlands Drive, Woodmead, Sandton

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Share transfer secretaries

Computershare Investor Services Proprietary Limited, Rosebank Towers,
15 Biermann Avenue, Rosebank, 2196

and

Computershare Investor Services PLC, PO Box 82, The Pavilions,
Bridgwater Road, Bristol BS 99 7NH, England
