AECI Interim Results – Press Release

FOR IMMEDIATE RELEASE

AECI REPORTS IMPROVED FIRST-HALF 2026 PERFORMANCE WITH STRONG EARNINGS GROWTH AND SOLID RETURNS

- **EPS up 18% to 348 cents per share**
- **HEPS up 8% to 653 cents per share**
- **Profit from continuing operations up 20% to R837 million**
- **Net debt reduced by 41% to R1.7 billion, year on year**
- **Interim dividend increased 16% to 116 cents per share**

JOHANNESBURG, South Africa, 11 August 2026 – AECI delivered a resilient performance for the six months ended 30 June 2026, demonstrating the strength of its strategic positioning, operational discipline and capital allocation framework despite a challenging operating environment.

Revenue from continuing operations declined by 4% to R15.1 billion (H1 2025: R15.7 billion), reflecting the disposal of non-core businesses and difficult market conditions in certain sectors. Despite lower revenue, the Group improved profitability, with EBITDA increasing by 2% to R1.6 billion and profit from continuing operations rising by 20% to R837 million.

The improved operating performance, coupled with lower finance costs resulting from reduced debt levels, contributed to an 18% increase in earnings per share (EPS) to 348 cents per share. Headline earnings per share (HEPS) increased by 8% to 653 cents per share, despite impairment charges of R330 million, primarily relating to AECI Schirm Germany.

The Board declared an interim dividend of 116 cents per share, up 16% from 100 cents per share in the prior corresponding period.

Strong operational execution drives improved performance

AECI's results underscore the benefits of ongoing operational improvement initiatives and portfolio optimisation efforts. EBITDA growth was supported by a strong performance from AECI Mining, while lower operational costs, depreciation and amortisation following the disposal of non-core assets contributed to a significant increase in profit from continuing operations.

Return on Invested Capital (ROIC) improved to 13%, compared to 10% in the prior period, reflecting enhanced capital efficiency and improved returns from the Group's core businesses.

Strong Balance Sheet

Cash and cash equivalents increased by 13% to R2.5 billion, while net debt declined to R1.7 billion from R2.9 billion at 30 June 2025. As a result, gearing improved to 15%, below the Group's target range of 20% to 40%.

The Group's net debt-to-EBITDA ratio improved to 0.5 times, providing substantial headroom against covenant requirements and enhancing financial flexibility.

Working capital lock-up increased by R1.5 billion during the period, largely reflecting proactive measures to mitigate supply chain risks and higher raw material prices. Consequently, free cash flow was an outflow of R952 million, compared with an inflow of R251 million in the prior period.

AECI Mining delivers outstanding growth

AECI Mining continued to be the Group's strongest performer, delivering revenue growth of 6% to R9.3 billion and EBITDA growth of 6% to R1.4 billion.

The segment benefited from strong execution across Southern Africa and Asia-Pacific, volume growth, operational efficiencies and an improved product mix. EBITDA margins remained robust at 15%, in line with the Group's target range.

Free cash flow for the segment amounted to R273 million, with additional working capital investment supporting supply chain resilience and future growth.

Chemicals resilient amid challenging conditions

AECI Chemicals delivered a resilient result against a backdrop of difficult market conditions and the impact of portfolio changes implemented during 2025.

Revenue declined to R5.6 billion from R6.8 billion, while EBITDA decreased to R407 million from R458 million.

Performance was affected by AECI Schirm Germany, where challenging market conditions resulted in operating losses and an impairment charge of R320 million. Excluding Schirm, the segment continued to benefit from operational efficiencies and cost management initiatives, with EBITDA margins remaining stable at 7%.

Segment free cash flow reflected an outflow of R537 million, compared to an inflow of R661 million in the prior corresponding period, largely due to strategic investment in working capital.

Safety and sustainability remain a priority

AECI recorded zero fatalities during the reporting period, reflecting the Group's unwavering commitment to safety and operational excellence.

The Group also reduced its carbon footprint by 4% compared with H1 2025, demonstrating continued progress towards its decarbonisation objectives and broader sustainability commitments.

CEO commentary

Commenting on the results, AECI Group Chief Executive Officer Alan Dickson said:

"The first-half performance demonstrates the resilience of our business and the benefits of our strategic focus. While market conditions remain mixed, particularly in Chemicals, our Mining business continues to perform strongly, our balance sheet remains strong, and we remain committed to delivering predictable, sustainable value through disciplined execution and operational excellence."

Outlook

AECI remains well positioned for growth, supported by its strategic focus on Mining and Chemicals Portfolio, a strengthened balance sheet and a disciplined capital allocation framework.

Looking ahead, the Group will continue to pursue opportunities across Africa and Asia-Pacific while maintaining its focus on safety, operational excellence, cash generation and improving returns.

Ends