
Stefanutti Stocks Holdings Limited

2026

Separate Annual Financial Statements



Umbila Emoyeni Wind Farm
Bethal, Mpumalanga

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

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Preparation of annual financial statements

The Annual Financial Statements contained in this report, have been prepared under the supervision of the Chief Financial Officer, Y du Plessis, CA(SA). The Annual Financial Statements have been audited in compliance with the applicable requirements of the Companies Act, No. 71 of 2008, as amended (The Companies Act).



Yolanda du Plessis
Chief Financial Officer

23 June 2026

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 2026, 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

23 June 2026

CEO and CFO responsibility statement on internal financial controls

Each of the directors, whose names are stated below, hereby confirm that:

- the annual financial statements set out on pages 7 to 28, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the 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 has been provided to effectively prepare the financial statements of the issuer;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, and we have 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 committee and the auditors any deficiencies in the 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.

Signed by the chief executive officer and the financial director.



Russell Crawford
Chief Executive Officer



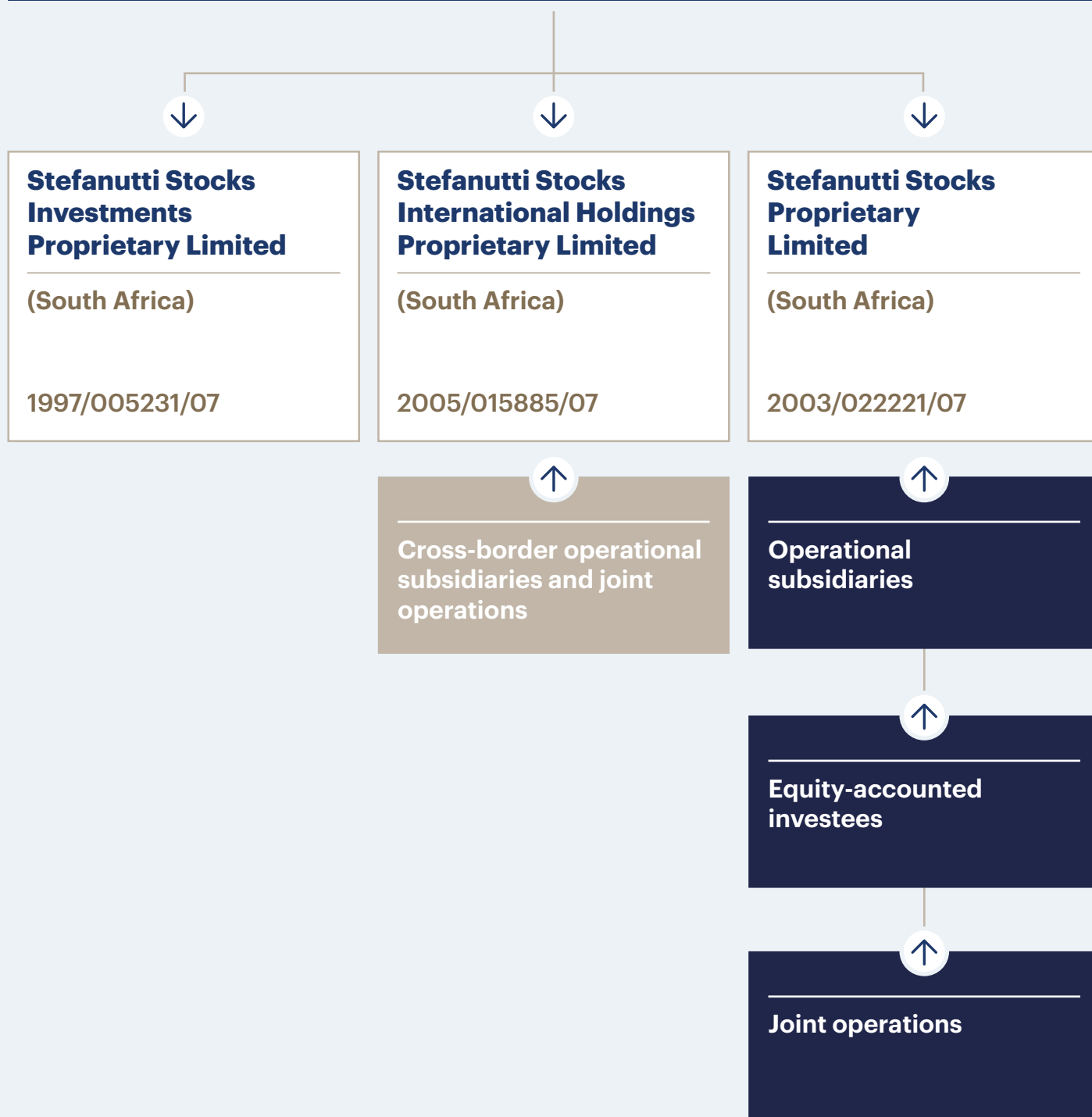
Yolanda du Plessis
Chief Financial Officer

23 June 2026
Kempton Park

Simplified group organogram

Stefanutti Stocks Holdings Limited

1996/003767/06



Directors' report

Nature of business

Stefanutti Stocks Holdings Limited (Registration No. 1996/003767/06) (the company, the group or Stefanutti Stocks) is a public company incorporated and domiciled in the Republic of South Africa and is listed in the General Segment of the JSE Main Board in the "Construction and Materials — Construction" sector.

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 sub-Saharan African countries where its mission is to deliver exceptional engineering solutions that enrich people's lives.

A simplified group organogram has been provided, additional information on the group's operating entities is available on request. Please refer to page 1.

Group matters

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 2026, issued on 26 May 2026.

Shareholders were previously advised that the Lenders extended the capital repayment profile of the current loan as well as its duration to 30 June 2026.

The group, through its primary operating subsidiary, concluded a new five-year term facility of R850 million with The Standard Bank of South Africa Limited (the Facility).

The Facility replaced the current loan, which was fully settled on 31 October 2025, thereby terminating the historic lender arrangements and the Restructuring Plan.

The new Facility bears interest at the equivalent of the three-month Johannesburg Interbank Average Rate (JIBAR) or equivalent rate, plus a margin of 3,50% compounded quarterly and will be repaid in 19 equal quarterly instalments from February 2026 to August 2030, following an initial interest-only payment of R6,7 million in November 2025.

Funds received from the settlement on the Kusile Power Project and proceeds from the disposal of SS-Construções (Moçambique) Limitada (SS Mozambique), less associated costs and working capital requirements, have been utilised to make capital prepayments of R620 million, together with the first instalment of R16,8 million (capital portion R7,5 million), thereby reducing the outstanding capital of the Facility from R850 million to R223 million. Interest on the Facility (including the historical loan) amounts to R80 million (Feb 2025: R115 million) for the financial year.

The Facility is partially supported by financial guarantees provided by the group's guarantee providers. In addition, the Facility is secured through customary security arrangements and includes standard covenant requirements that are typical for agreements of this nature. After year-end, the guarantee providers were released from their obligations under the Facility.

As at 28 February 2026, the financial covenants for the Facility were met.

Going concern

Stefanutti Stocks Holdings Limited is the holding company of the Stefanutti Stocks group. The going concern of the group directly impacts the going concern of the company. The company's current liabilities exceed its current assets by R33 million (Feb 2025: R21 million) and the company has an accumulated loss of R692 million (Feb 2025: R684 million).

The company does not generate significant independent cash flows as it is an investment holding company and is therefore reliant on funds from the group to settle its liabilities as they fall due. Based on the group's going concern assessment, sufficient liquidity is available within the group to upstream funds to the company to enable it to meet its obligations as they fall due. The company accordingly has access to adequate funding from the group. The company's primary asset comprises its investments in subsidiaries, which are recognised at cost. The fair value of the investments in subsidiaries exceeds the cost.

The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly consider it appropriate that the group's results for the year be prepared on the going concern basis. This takes into consideration the group's financial performance, financial position, current order book, operations profitably executing the group's order book and forecast cash flows.

The group delivered a strong performance in the current and prior two financial years, with consistent profitability and positive operating cash flows. Furthermore, the conclusion of the restructuring plan and the settlement of the Kusile Power Project contributed to the group's net current liability position improving, compared to the prior year.

Based on the above analysis relating to the group, the separate financial statements of Stefanutti Stocks Holdings Limited have been prepared on a going concern basis.

Refer to note 2.

Geopolitical developments — Middle East

Ongoing geopolitical instability in the Middle East continues to contribute to volatility in global energy markets, logistics networks and foreign exchange rates. While the group has no direct operations in the region, indirect impacts may arise through fluctuations in diesel and fuel prices, increased shipping lead times, and inflationary pressure on certain oil linked construction inputs. These risks are being actively managed through contractual escalation mechanisms, client supplied fuel arrangements, early procurement strategies and disciplined contractual engagement. The group's exposure is considered manageable, with no material disruption identified to date.

Directors' report continued

Summarised company results

	Note	2026 R'000	2025 R'000	Commentary on the year-on-year movements
Revenue	3	48 869	69 858	In 2025, revenue included a dividend in specie of R31 million received from Stefanutti Stocks International Holdings Limited, a wholly-owned subsidiary of the company.
Operating and administrative expenses	4	(59 650)	(37 614)	Increase due to additional short-term incentives accrued for directors based on group performance.
Trade and other payables	14	23 951	1 677	Increase due to additional short-term incentives accrued for directors based on group performance.
Provisions	15	—	7 200	The provision for Corporate Social Investment (CSI) Projects related to the commitment arising from the settlement agreement with the City of Cape Town, which required CSI projects to be undertaken within the Cape Town district. The obligation was settled in the current year.

Kusile Power Project summary

As previously communicated to shareholders, Stefanutti Stocks continued to pursue its contractual claims on the Kusile Power Project with Eskom.

Since August 2021, the group has secured payments totalling R132 million for measured work and Dispute Adjudication Board (DAB) rulings.

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

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

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

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

The Contract provided for amicable settlement prior to the commencement of an arbitration process. Consequently, after careful deliberation, the Board of Stefanutti Stocks considered it appropriate to approach Eskom with a view of reaching a settlement with respect to Claim 5, Claim 6 and Eskom's delay damages claim for late completion.

Stefanutti Stocks and Eskom on 24 November 2025 signed a full and final settlement agreement for an amount of R580 million (excluding VAT) (Settlement Amount), which constitutes a mutual release of any and all actual or potential claims, disputes or entitlements either party may have against the other arising or in connection with the Contract.

The Settlement Amount of R580 million (excluding VAT) has been received and a prepayment was made towards the Standard Bank Facility.

Financial results and year under review

These Annual Financial Statements on pages 7 to 28 comprise the separate annual financial statements of the holding company, Stefanutti Stocks Holdings Limited.

This report should be read in conjunction with the group Consolidated Annual Financial Statements.

The Consolidated Annual Financial Statements of Stefanutti Stocks Holdings Limited and its subsidiaries, joint operations and equity-accounted investees (collectively the group) for the year ended 28 February 2026 are available on the website www.stefanuttistocks.com.

The accounting policies as well as the methods of computation used in the preparation of the results for the year ended 28 February 2026 are in terms of IFRS® Accounting Standards and are consistent with those applied in the audited Annual Financial Statements for the year ended 28 February 2025, except as stipulated otherwise.

Dividend declaration

The dividend policy is to consider the declaration of dividends based on the group's profitability, cash flow generation, capital requirements, funding obligations and overall financial position. The declaration of dividends remains subject to the Board's discretion and compliance with applicable legal and regulatory requirements.

Notice is hereby given that no dividend will be declared (Feb 2025: Nil).

Directors' report continued

Resolutions

At the 2025 annual general meeting, the shareholders of the company passed the following special resolutions:

- Approval of non-executive directors' fees.
- Authorisation to provide financial assistance to present or future subsidiaries.
- Approval to repurchase shares — the company and/or its subsidiaries are authorised by way of general authority to acquire ordinary shares issued by the company within the limits set out by the resolution.
- Amendments to the company's Memorandum of Incorporation.

Subsequent events

Other than the matters noted herein, there were no other material reportable events which occurred between the reporting date and the date of release of the Annual Financial Statements.

Changes and proposed changes to the board of directors

In accordance with paragraph 6.71 of the Listings Requirements of the JSE Limited, shareholders are advised of the following changes to the board:

Zanele Matlala has advised the board of her intention to retire at the annual general meeting to be held on 7 August 2026 and will accordingly not stand for re-election.

Zanele has served on the board since 2012 and will step down as chairman of the board, as a member of the Remuneration Committee (REMCO) and as chairman of the Nominations Committee (NOMCO) effective 7 August 2026.

The Board expresses its appreciation to Zanele for her valued past contributions and guidance over the years and wishes her all the best for the future.

Following Zanele's retirement, Howard Craig will be appointed as chairman of the board with effect from 7 August 2026. At the same date, he will step down as a member of the Audit and Risk Committee (ARCO), member of the Social and Ethics Committee (SECO) and as chairman of the REMCO but will remain as a member of the REMCO. He will also be appointed as chairman of the NOMCO.

Bharti Harie will be appointed as chairman of the REMCO and member of the SECO on 7 August 2026.

Errol Tate has been appointed as an independent non-executive director with effect from 18 June 2026 and as a member of the ARCO, REMCO and NOMCO with effect from the same date. His detailed CV can be found on page 53 of the Integrated Annual Report.

The board welcomes Howard and Bharti to their respective new roles and Errol to the board and relevant committees and look forward to their contributions.

Directorate

The names of the directors who currently hold office are set out on the last page of these Annual Financial Statements.

Approval

The annual financial statements, which appear on pages 7 to 28, were approved by the board of directors and are signed by:



Russell Crawford
Chief Executive Officer



Yolanda du Plessis
Chief Financial Officer

23 June 2026
Kempton Park

Independent auditor's report

To the Shareholders of Stefanutti Stocks Holdings Limited

Report on the audit of the separate financial statements

Opinion

We have audited the separate financial statements of Stefanutti Stocks Holdings Limited (the company) set out on pages 7 to 28, which comprise the separate statement of financial position as at 28 February 2026, and the separate statement of profit or loss and other comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of Stefanutti Stocks Holdings Limited as at 28 February 2026, and its separate financial performance and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Separate Financial Statements section of our report. We are independent of the company in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In terms of the IRBA Rule on Enhanced Auditor Reporting for the Audit of Financial Statements of Public Interest Entities, published in Government Gazette No. 49309 dated 15 September 2023 (EAR Rule), we report:

Final materiality

The nature, timing and extent of our audit procedures was influenced by our determination and application of materiality. We have quantitatively calculated the materiality threshold, based on our professional judgement, as detailed in the table below, factoring in any qualitative considerations. We have evaluated the effect of any misstatements noted during the audit on an individual and aggregate basis.

We determined materiality for the separate financial statements as a whole as follows:

Materiality	R 9 140 900
Basis for determining materiality	We have used 1,8% of total assets as the basis for materiality
Rationale for the benchmark applied	We have determined that total assets are an appropriate quantitative indicator of materiality as total assets best reflects the financial position of Stefanutti Stocks Holdings Limited. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the separate financial statements for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report, as no matters were identified in the audit of the separate financial statements that required significant auditor attention.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Stefanutti Stocks Holdings Limited Separate Financial Statements for the year ended 28 February 2026", which includes the Directors' Report, and the Company Secretary Company's Certificate as required by the Companies Act of South Africa. The other information does not include the consolidated or separate financial statements and our auditor's report thereon.

Our opinion on the separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the separate financial statements

The directors are responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditor's report continued

In preparing the separate financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the separate financial statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In terms of the IRBA Rule published in Government Gazette Number 39475 dated 4 December 2015, we report that Forvis Mazars has been the auditor of Stefanutti Stocks Holdings Limited for 20 years.



Forvis Mazars

Partner: Yusuf Dockrat
Registered Auditor

24 June 2026
Johannesburg

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 28 February

	Note	2026 R'000	2025 R'000
Revenue	3	48 869	69 858
Operating and administrative expenses	4	(59 650)	(37 614)
Expected credit losses	18	175	16 853
Operating (loss)/profit before investment income		(10 606)	49 097
Investment income	5	25	36
Operating (loss)/profit before finance costs		(10 581)	49 133
Finance costs	6	(1)	(1 323)
(Loss)/profit before taxation		(10 582)	47 810
Taxation	7	1 816	853
(Loss)/profit and total comprehensive income		(8 766)	48 663
Earnings per share (cents)	12.2	(5,24)	29,10
Diluted earnings per share (cents)	12.2	(5,24)*	27,86

* Limited to EPS due to being anti-dilutive.

Statement of Financial Position

As at 28 February

	Note	2026 R'000	2025 R'000
Assets			
Non-current assets			
		503 851	500 106
Investment in subsidiaries	8	473 963	473 963
Deferred tax assets	9	5 655	2 085
Intergroup receivables	10	24 233	24 058
Current assets			
		3 977	607
Other receivables	11	2 749	67
Taxation		681	200
Bank balances		547	340
Total assets		507 828	500 713
Equity and liabilities			
Capital and reserves			
		471 236	479 193
Share capital and premium	12.1	1 161 538	1 161 538
Other reserves		2 022	1 213
Accumulated loss		(692 324)	(683 558)
Current liabilities			
		36 592	21 520
Intergroup payables	10	12 641	12 643
Trade and other payables	14	23 951	1 677
Provisions	15	—	7 200
Total equity and liabilities		507 828	500 713

Statement of Changes in Equity

For the year ended 28 February

	Share capital and premium R'000	Share-based payment reserve R'000	Accumulated loss R'000	Total capital and reserves R'000
Balance at 1 March 2024	1 161 538	404	(732 221)	429 721
Forfeitable share awards (note 13)	—	809	—	809
Profit/total comprehensive income	—	—	48 663	48 663
Balance at 28 February 2025	1 161 538	1 213	(683 558)	479 193
Forfeitable share awards (note 13)	—	809	—	809
Loss/total comprehensive income	—	—	(8 766)	(8 766)
Balance at 28 February 2026	1 161 538	2 022	(692 324)	471 236
Note	12.1	13		

Share-based payment reserve comprises the accumulated effect of share-based payments expenses in terms of the employee share incentive scheme (note 13).

Statement of Cash Flows

For the year ended 28 February

	Note	2026 R'000	2025 R'000
Cash flows from operating activities		2 861	9 559
(Loss)/profit before taxation		(10 582)	47 810
Adjusted for:			
Dividend in specie	3	—	(30 805)
Forfeitable Share Plan (FSP) costs	4, 13	882	809
Expected credit loss — Intergroup receivables	18	(175)	(16 853)
Investment income	5	(25)	(36)
Finance costs	6	1	1 323
Provisions	15	(7 200)	—
		(17 099)	2 248
Movement in working capital			
Intergroup payables	10	(2)	10 700
Other receivables	11	(101)	(4)
Trade and other payables	14	22 274	(725)
Cash generated from operating activities		5 072	12 219
Investment income	5	25	36
Finance costs	6	(1)	(1 323)
Taxation paid		(2 235)	(1 373)
Cash flows from financing activities		(2 654)	(9 344)
Payment made for settlement — City of Cape Town		—	(9 344)
Open market purchase of shares		(2 654)	—
Movement in cash and cash equivalents		207	215
Cash and cash equivalents at the beginning of the year		340	125
Cash and cash equivalents at year-end		547	340

Notes to the Annual Financial Statements

For the year ended 28 February

1. Critical accounting estimates, judgements and assumptions

The preparation of the company financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events and are believed to be reasonable under the circumstances. Actual results may differ from the estimates made by management.

In the process of applying the company's accounting policies, the directors have made the following estimates and judgements that have the most significant effects on the amounts recognised and disclosed in the annual financial statements:

Provision for expected credit losses (ECLs) on intergroup receivables (note 18)

Intergroup receivables are evaluated for impairment on an ongoing basis, taking into account the financial position of the subsidiaries, past experience and other factors. Any change in the credit quality of intergroup receivables is considered from the date credit was granted up to the reporting date.

Intergroup receivables are assessed for impairment using the Expected Credit Loss model. The loss allowance is based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history as well as forward-looking factors at the end of each reporting period.

Impairment of investment in subsidiaries (note 8)

Investments in subsidiaries are assessed for impairment if events or changes in circumstances indicate that the carrying amount may be impaired.

An impairment is determined by assessing the recoverable amount of the cash-generating unit (CGU) to which the investment relates. The recoverable amount is determined as the value in use of the CGU by estimating the expected future cash flows and determining a suitable discount rate in order to calculate the present value of those cash flows. Cash flows are projected based on actual operating results and four-year forecasts. The recoverable amount is also determined by assessing the possible cash flows to be received from subsidiaries from continued use or sale of subsidiaries.

2. Going concern

Group matters

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 2026, issued on 26 May 2026.

The group, through its primary operating subsidiary, concluded a new five-year term facility of R850 million with The Standard Bank of South Africa Limited (the Facility).

The Facility replaced the current loan, which was fully settled on 31 October 2025, thereby terminating the historic lender arrangements and the Restructuring Plan.

The new Facility bears interest at the equivalent of the three-month Johannesburg Interbank Average Rate (JIBAR) or equivalent rate, plus a margin of 3,50% compounded quarterly and will be repaid in 19 equal quarterly instalments from February 2026 to August 2030, following an initial interest-only payment in November 2025 of R6,7 million.

Funds received from the settlement on the Kusile Power Project and proceeds from the disposal of SS-Construções (Moçambique) Limitada (SS Mozambique), less associated costs and working capital requirements, have been utilised to make capital prepayments of R620 million, together with the first instalment of R16,8 million (capital portion R7,5 million), thereby reducing the outstanding capital of the Facility from R850 million to R223 million. Interest on the Facility (including the historical loan) amounts to R80 million (Feb 2025: R115 million) for the financial year.

Notes to the Annual Financial Statements

For the year ended 28 February continued

2. Going concern continued

The Facility is partially supported by financial guarantees provided by the group's guarantee providers. In addition, the Facility is secured through customary security arrangements and includes standard covenant requirements that are typical for agreements of this nature. After year-end, the guarantee providers were released from their obligations under the Facility. Interest on the Facility (including the historical loan) amounts to R80 million (Feb 2025: R115 million).

As at 28 February 2026, the financial covenants for the Facility were met (note 18).

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The group delivered a strong performance in the current and prior two financial years, with consistent profitability and positive operating cash flows. Furthermore, the conclusion of the restructuring plan and the settlement of the Kusile Power Project contributed to the group's net current liability position improving, compared to the prior year.

Based on the above analysis relating to the group, the separate financial statements of Stefanutti Stocks Holdings Limited have been prepared on a going concern basis.

3. Revenue

	2026 R'000	2025 R'000
Management fees	48 869	39 053
Dividend in specie received	—	30 805
	48 869	69 858

Management fees are received from Stefanutti Stocks Proprietary Limited and cannot be further disaggregated.

4. Operating and administrative expenses

	2026 R'000	2025 R'000
Included in these expenses are:		
Auditors remuneration — audit services	222	196
Consultancy fees	706	1 205
Employee costs	49 991	29 373
— Short-term employee benefit costs	47 246	26 869
— Post-employment benefit costs (Defined contribution plan)	1 863	1 695
— Forfeitable Share Plan costs (note 13)	882	809
Directors' fees (note 16)	4 203	3 798
Listing expenses	2 737	1 849
Legal fees	545	112

Notes to the Annual Financial Statements

For the year ended 28 February continued

5. Investment income

	2026 R'000	2025 R'000
Interest income from financial instruments held at amortised cost — bank accounts	25	36

6. Finance costs

	2026 R'000	2025 R'000
Finance costs from financial instruments held at amortised cost — other financing	1	1
Settlement agreement — City of Cape Town	—	1 322
	1	1 323

7. Taxation

7.1 Taxation

	2026 R'000	2025 R'000
Current tax — current year	1 754	1 232
Deferred tax — current year	(3 570)	54
Deferred tax — overprovision — prior year	—	(2 139)
	(1 816)	(853)

7.2 Reconciliation of tax charge

	2026 R'000	2025 R'000
Tax at 27% on (loss)/profit before taxation	(2 857)	12 909
Adjusted for:		
Disallowed expenditure		
Listing and other expenses	752	532
Interest on settlement — City of Cape Town	—	357
Consultancy fees	189	325
Legal fees	147	30
Exempt income		
Net expected credit loss reversal	(47)	(4 550)
Dividend received	—	(8 317)
Other		
Overprovision — prior years	—	(2 139)
	(1 816)	(853)

Deferred tax assets relate to deductible temporary differences for salary and other provisions. There is no expiry date for tax losses not utilised.

Notes to the Annual Financial Statements

For the year ended 28 February continued

8. Investment in subsidiaries

Name of company	Country of incorporation	Principal activities	Proportion held directly and voting rights		Carrying value	
			2026 %	2025 %	2026 R'000	2025 R'000
Stefanutti Stocks International Holdings Proprietary Limited	South Africa	Holding company	100	100	9 437	9 437
Stefanutti Stocks Proprietary Limited	South Africa	Trading company	100	100	464 526	464 526
					473 963	473 963

The investment in Stefanutti Stocks Investments Proprietary Limited has not been disclosed separately as its cost is less than R1 000.

The investments in subsidiaries have been tested for impairment by assessing whether the recoverable amount of the cash-generating unit (CGU) to which the investment relates exceeds its carrying value.

The recoverable amount for the investment in Stefanutti Stocks Proprietary Limited was determined as the value in use of the CGU which was calculated by estimating the expected future cash flows and using a Discounted Cash Flow model to determine their present value at a discount rate of 14,5% (Feb 2025: 16,5%). Cash flows are projected based on four-year forecasts. Cash flows beyond this were extrapolated using a constant growth rate of 3% (Feb 2025: 3%) which is in line with the long-term average growth rate for the industry.

The recoverable amount for the investment in Stefanutti Stocks International Holdings Proprietary Limited was determined by assessing the possible cash flows to be received from subsidiaries from continued use or sale of subsidiaries.

Based on these calculations, no impairment was required.

9. Deferred tax assets

	2026 R'000	2025 R'000
Carrying value at the beginning of the year	2 085	—
Temporary difference (note 7)	3 570	2 085
Carrying value at the end of the year	5 655	2 085

Temporary differences consist of salary-related provisions.

10. Intergroup receivables/(payables)

	Terms	2026 R'000	2025 R'000
Non-current assets			
Stefanutti & Bressan Share Incentive Trust	Interest free, payable on demand	24 233	24 058
Current liabilities			
Stefanutti Stocks Proprietary Limited	Interest free, payable on demand	(12 641)	(12 643)

Intergroup receivables/payables are unsecured, bear no interest and have no fixed repayment terms.

11. Other receivables

	2026 R'000	2025 R'000
Prepayments*	168	67
Forfeitable share plan*	2 581	—
	2 749	67

* Non-financial assets.

Notes to the Annual Financial Statements

For the year ended 28 February continued

12. Capital and reserves

12.1 Share capital and premium

	2026 R'000	2025 R'000
Share Capital		
Authorised		
400 000 000 ordinary shares of 0,00025 cents each (2025: 400 000 000 ordinary shares of 0,00025 cents each)	1	1
Balance at year-end	1	1
Issued		
188 080 746 ordinary shares of 0,00025 cents each (2025: 188 080 746 ordinary shares of 0,00025 cents each)	A	A
Balance at year-end	A	A
Share premium		
Balance at year-end	1 161 538	1 161 538

A — Less than R1 000.

12.2 Shares used for EPS and HEPS

	Number of shares	
	EPS and HEPS 2026	EPS and HEPS 2025
Basic	167 243 684	167 243 684
Diluted	177 139 281	174 663 591
Reconciliation of number of shares		
Issued ordinary shares — at the beginning of the period	188 080 746	188 080 746
Effect of treasury shares held in share trust	(6 429 930)	(6 429 930)
Effect of treasury shares held in investment subsidiary	(14 407 132)	(14 407 132)
Basic number of shares	167 243 684	167 243 684
Reconciliation of the basic and diluted weighted average number of shares		
Basic weighted average number of shares	167 243 684	167 243 684
Dilutive effects	9 895 597	7 419 907
Diluted number of shares	177 139 281	174 663 591
Earnings and headline earnings for the year (R'000)	(8 766)	48 663
Earnings per share/headline earnings per share (cents)	(5,24)	29,10
Diluted earnings per share/diluted headline earnings per share (cents)	(5,24)*	27,86

* Limited to EPS due to being anti-dilutive.

Earnings and headline earnings and diluted earnings and diluted headline earnings per share are identical as no adjustment to headline earnings was required.

In August 2023, the group awarded 10,1 million shares in terms of the Forfeitable Share Plan (FSP), which will vest in August 2026 (note 13). In terms of the FSP rules, there are various options which can be used to settle these awards. For certain options, this will result in the number of weighted average shares in issue to increase from 167 243 684 to 177 293 684. The group will assess these options at the time of settlement.

Notes to the Annual Financial Statements

For the year ended 28 February continued

13. Employee Share Incentive Scheme

Forfeitable Share Plan (FSP)

The FSP has been established 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.

Forfeitable Share Awards are based on, inter alia, the seniority and performance of employees, market benchmarks, human capital requirements including skills, diversity and inclusion requirements, and/or the need to promote broad-based black economic empowerment within the group.

The vesting of all Forfeitable Share Awards will be subject to the vesting condition of three years employment after the award.

Any one of the following Settlement methods, or a combination of any such Settlement methods, may be used:

1. Market purchase by a third party

The group may make a cash contribution to a third party equal in value to the shares required to settle the award. The third party would acquire the shares on the market as agent for, and on behalf of, the group, with those shares then delivered to participants in settlement of vested awards.

2. Treasury shares held by the employer company

The group may use shares held in treasury to settle an award once the applicable vesting conditions have been met.

3. Treasury shares held by another subsidiary or trust

The group may make a cash contribution to another subsidiary, or to a trust, that holds shares in treasury for purposes of settling awards. The subsidiary or trust would deliver the required shares to participants in settlement of vested awards.

4. Direct issue and allotment of new shares

The group may issue and allot new shares directly to participants in settlement of vested awards.

5. Subscription for newly issued shares

The group may make a cash contribution equal to the subscription price of new shares to be allotted and issued by the group, at either the market value per share on the settlement date or the par value per share.

FSP limits

The overall limits of the number of equity securities which may be utilised by the company for purposes of the FSP are as follows:

- The total shares allocated under the FSP may not exceed 30 million shares, representing approximately 16% of the company's current issued shares;
- Any one participant may receive no more than 16 927 267 shares, or approximately 9% of issued ordinary share capital; and
- The maximum number of shares that may be settled through new issue shares or treasury shares for any participant is capped at 3 million shares, representing approximately 10% of the shares authorised by shareholders for fresh issue under the FSP.

The number of ordinary shares available for allocation under the FSP at 1 March 2025 was 15 814 000 shares. During the year, 1 814 575 shares were granted to participants and 345 748 were forfeited. Furthermore, 598 452 shares were awarded to the executive's in terms of Executive Directors Incentive Scheme. Accordingly, the number of shares available for future allocation under the scheme at 28 February 2026 was 13 746 721 shares.

The settlement of Forfeitable Shares awarded in terms of Option 1 of the FSP are full free shares, which are delivered immediately, with full dividend and voting rights.

	2026	2025
Forfeitable shares awarded and to be settled in terms of option 2 – 5		
Opening balance	1 880 000	1 880 000
Outstanding at year-end	1 880 000	1 880 000

In August 2023, the group awarded 1 880 000 shares which will vest in August 2026. In terms of the FSP rules, any of the options 1 – 5 can be used to settle these awards. The group will assess these options at the time of settlement. For certain options, this will result in the number of weighted average shares in issue to increase from 167 243 684 to 177 293 664.

Notes to the Annual Financial Statements

For the year ended 28 February continued

13. Employee Share Incentive Scheme continued

LTI awards in terms of EDIS

Long Term Incentives (LTI) in terms of the Executive Directors Remuneration Scheme relating to the February 2025 financial year of R1,7 million for RW Crawford and R985 000 for Y du Plessis, translated into the award of shares in terms of the Forfeitable Share Plan of 376 618 and 221 834 shares respectively. These shares have a vesting period of 3 years and costs related to these shares for the year ending February 2026 is R73 000 (Feb 2025: nil). These forfeitable shares are awarded under the rules of the FSP and were awarded on 31 January 2026, the grant date. The fair value of the award equals the value of the LTI of R2,7 million. Refer to note 16.

FSP costs

Total forfeitable share costs relating to above awards:

	2026 R'000	2025 R'000
FSP costs (note 4)	882	809

14. Trade and other payables

	2026 R'000	2025 R'000
Trade payables	451	82
Accrued expenses*	292	235
Employee obligations*	21 774	1 151
Value Added Taxation*	1 410	185
Unclaimed dividends*	24	24
	23 951	1 677

* Non-financial liabilities.

15. Provisions

	Balance at the beginning of the year R'000	Provisions raised R'000	Provisions utilised R'000	Balance at the end of the year R'000
Corporate Social Investment Projects	7 200	—	(7 200)	—

The provision for Corporate Social Investment (CSI) Projects related to the commitment arising from the settlement agreement with the City of Cape Town, which required CSI projects to be undertaken within the Cape Town district. The obligation was settled in the current year.

16. Related parties

Related parties are those who control or have significant influence over the company and parties who are controlled or significantly influenced by the company.

Nature of relationships

Subsidiaries	Other
Stefanutti Stocks Proprietary Limited Trading company for operations based in South Africa, as well as some foreign operations	Consolidated Structured Entities Stefanutti & Bressan Share Trust
Stefanutti Stocks International Holdings Proprietary Limited Holding company for subsidiaries based in foreign countries	
Stefanutti Stocks Investments Proprietary Limited Treasury company for the group	

Notes to the Annual Financial Statements

For the year ended 28 February continued

16. Related parties continued

Related party transactions

	Income (note 3)		Receivable/(payable) (note 10)	
	2026 R'000	2025 R'000	2026 R'000	2025 R'000
Transactions with subsidiaries (note 3, 10)	48 869	69 858	(12 641)	(12 643)
Transactions with share trust (note 10)	—	—	24 233	24 058

Non-executive directors

Non-executive director remuneration is compared to the company's peer group. Recommendations are made by the CFO and Human Resources Executive, to the Remuneration and Nominations Committee (REMCO), for onward review by the board and submission to shareholders.

Non-executive directors are compensated based on attendance fees. The fees are based on the size and complexity of the group and also take into account market practices and fee surveys provided to the committee. No distinction is made between fees payable to independent non-executive directors and other non-executive directors, although the fees of the Chairman take her expanded role into account.

The total fees paid to non-executive directors are not limited to a maximum annual amount, irrespective of the number of meetings attended. Directors qualify for reimbursement of expenses incurred in performing their duties for and on behalf of the company.

Non-executive directors do not have service contracts. Instead, letters of appointment confirm their terms of engagement, and include matters such as fees, term of office, expected time commitment, share dealing and board performance assessments. The Chairman has a letter of appointment, which is specific to her role and function. This letter of appointment is in line with normal business terms.

The fees paid to non-executive directors, as well as the proposed fees for the next financial year, were approved by the REMCO, the board of directors and shareholders at the last annual general meeting.

There is no requirement for non-executive directors to be shareholders of the company and they do not qualify to participate in any incentive scheme that is operated by the group.

The company's directors are appointed for a term of three years and are obliged to retire at the end of that period, but may offer themselves for re-election at the annual general meeting. A third retire by rotation annually.

	2026			2025		
	Short-term benefits			Short-term benefits		
	Attendance fees R'000	Annual fees R'000	Total R'000	Attendance fees R'000	Annual fees R'000	Total R'000
Non-executive directors						
ZJ Matlala (Chairman)	—	1 357	1 357	—	1 192	1 192
HJ Craig	1 011	—	1 011	936	—	936
B Harie	1 027	—	1 027	937	—	937
B Silwanyana	808	—	808	733	—	733

Notes to the Annual Financial Statements

For the year ended 28 February continued

16. Related parties continued

Executive directors

Details of remuneration for executive directors, are as follows:

	Basic salary R'000	Other benefits R'000	Other incentives [^] R'000	Short-term incentives 2026 EDIS R'000	Long-term incentives 2026 EDIS R'000	Post-employment benefits R'000	Share incentive costs R'000	Total R'000
28 February 2026								
Executive directors								
RW Crawford — CEO	6 976	97	8 769	14 409	4 888	1 070	—	36 209
Y du Plessis — CFO	4 368	107	5 080	9 317	3 052	669	—	22 593
28 February 2025								
Executive directors								
RW Crawford — CEO	6 483	495	—	6 414	1 670	993	496	16 551
Y du Plessis — CFO	3 824	107	—	3 895	985	586	312	9 709

[^] Other incentives were awarded following the successful and beneficial outcome of the Kusile Power Project settlement, and completion of the Restructuring Plan.

Other benefits consists of travel and other related allowances.

Long-term incentives (LTIs) awarded for the February 2025 financial year of R1,7 million for RW Crawford and R985 000 for Y du Plessis, translated into the award of shares in terms of the Forfeitable Share Plan of 376 618 and 221 834 shares on 31 January 2026. These shares have a vesting period of 3 years and costs related to these shares for the year ending February 2026 is R73 000 (Feb 2025: nil).

Long-term incentives (LTIs) awarded for the February 2026 financial year amounted to R5 million for RW Crawford and R3 million for Y du Plessis. Payment for the achievement of the LTIs is made by way of forfeitable shares. These shares will be awarded during the 2027 financial year in terms of the Forfeitable Share Plan.

The costs recognised in respect of FSP awards granted in August 2023 to executive directors was R497 000 for RW Crawford and R312 000 for Y du Plessis. Refer to note 13.

Short-term incentives are aligned with the group strategy, using both financial performance measures and personal objectives. Minimum targets are required to be met before respective bonus awards are earned. Refer to the remuneration report included within the integrated annual report of Stefanutti Stocks Holdings Limited for more detail.

Directors' service contracts

All employment contracts of executive directors and senior management are in terms of the group's standard employment terms and conditions.

The contracts of employment of executive directors do not preclude the company from exercising its normal rights to terminate the contract in the event of misconduct or poor performance. Executive directors retire from their positions and from the board at their normal retirement date.

For further detail of executive directors and senior management remuneration practices refer to the remuneration report included in the integrated annual report.

Directors' shareholding

	2026				2025			
	Direct beneficial %	Indirect beneficial %	Total %	No. of shares	Direct beneficial %	Indirect beneficial %	Total %	No. of shares
Percentage of fully-paid shares held								
RW Crawford (CEO)	1,67	0,36	2,03	3 820 588	1,48	0,36	1,84	3 456 585
Y du Plessis (CFO)	0,16	—	0,16	306 834	0,05	—	0,05	85 000
B Harie (Independent non-executive)	0,02	—	0,02	36 300	—	—	—	—

Included in the disclosed shareholding are shares acquired equal in value to the long-term incentive component awarded under the Executive Director Incentive Scheme for February 2025. These shares were acquired in terms of the FSP scheme and are subject to vesting on 31 January 2029. The disclosed shareholding includes 376 618 shares held by RW Crawford and 221 834 shares held by Y du Plessis.

Post year-end transactions

There were no related party transactions relating to shareholding between year-end date and the approval of these annual financial statements.

Notes to the Annual Financial Statements

For the year ended 28 February continued

17. Guarantees, contingent liabilities and contingent assets

Guarantees and suretyships

	2026 R'000	2025 R'000
Guarantees		
Guarantees issued to third parties on behalf of the group to guarantee the full and due performance of construction works as set out in the contract or other related matters	4 081 565	2 617 915
Financial guarantees issued to a third party on behalf of the group to guarantee the loan (note 18)	150 000*	889 489
Suretyships		
Suretyship of R17 million (Feb 2025: R16 million) for credit cards and fuel cards	17 302	15 568

* These financial guarantees were cancelled after year-end.

Guarantees also include the following:

- Performance guarantees which are issued to a client to guarantee the quality and performance of the construction services rendered in the event that there is default in terms of the contract.
- Advance payment guarantees are issued in lieu of an advance received and reduce over the period of the contract as the advance payment is utilised.
- Tender guarantees are issued as guarantee that should the project tendered for be awarded, the group would be in a position to execute the contract.

All these guarantees are dependent on the nature, terms and timing of each specific contract.

Certain of the guarantees and suretyships are supported by cross-suretyships from subsidiaries.

The group does not expect any outflow for the guarantees disclosed above as there are sufficient strategies in place to mitigate the risk of outflow.

Contingent liabilities and contingent assets

Kusile Power Project summary

As previously communicated to shareholders, Stefanutti Stocks continued to pursue its contractual claims on the Kusile Power Project with Eskom.

Since August 2021, the group has secured payments totalling R132 million for measured work and Dispute Adjudication Board (DAB) rulings.

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

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

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

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

The Contract provides for amicable settlement prior to the commencement of an arbitration process. Consequently, after careful deliberation, the Board of Stefanutti Stocks considered it appropriate to approach Eskom with a view of reaching a settlement with respect to Claim 5, Claim 6 and Eskom's delay damages claim for late completion.

Stefanutti Stocks and Eskom on 24 November 2025 signed a full and final settlement agreement for an amount of R580 million (excluding VAT) (Settlement Amount), which constitutes a mutual release of any and all actual or potential claims, disputes or entitlements either party may have against the other arising or in connection with the Contract.

The Settlement Amount of R580 million (excluding VAT) has been received and a prepayment was made towards the Standard Bank Facility.

Notes to the Annual Financial Statements

For the year ended 28 February continued

18. Risk management and accounting classifications

Accounting classifications and fair value of financial instruments

The following table shows the carrying amounts of financial assets and financial liabilities.

The carrying amounts of bank balances, and trade and other payables approximate their fair values due to the short-term maturity of these assets and liabilities. There is no significant difference between the carrying amounts of other financial assets and liabilities and their fair values due to the effective interest method used.

	2026 R'000	2025 R'000
Financial assets at amortised cost		
Bank balances	547	340
Intergroup receivables (note 10)	24 233	24 058
Financial liabilities at amortised cost		
Intergroup payables (note 10)	12 641	12 643
Trade and other payables (note 14)	451	82

Capital risk management

The primary objective of the company's capital risk management strategy is to ensure that it maintains a strong credit rating and healthy capital ratios, in order to support its business and maximise shareholder value.

The company manages its capital structure centrally and makes adjustments to it, in line with changes in economic conditions. The group, through its primary operating subsidiary, concluded a new five-year term facility of R850 million with The Standard Bank of South Africa Limited (the Facility). The Facility replaced the current loan, which was fully settled on 31 October 2025, thereby terminating the historic lender arrangements and the Restructuring Plan. The Facility was partially supported by financial guarantees provided by the group's guarantee providers. After year-end, Stefanutti Stocks Proprietary Limited was released from its obligation to provide financial guarantees and the financial guarantees were accordingly released and cancelled. In addition, the Facility is secured through customary security arrangements and includes standard covenant requirements that are typical for agreements of this nature. As on 28 February 2026, the financial covenants for the Facility were met. Refer to the table under liquidity risk for the detail of financial covenants. Refer to note 2 for further details, as well as the directors report on page 2.

In setting the ideal mix between debt and equity, the company seeks to optimise its return on shareholders' equity while maintaining prudent financial gearing. The company monitors capital using a gearing ratio, which is net debt divided by total capital. Generally, the objective is to operate at a gearing ratio of not greater than 35%. The company retains excess capital to fund future growth.

The company includes within net debt, interest-bearing liabilities.

Capital is considered to consist of share capital, share premium, retained earnings and other reserves.

The company is currently not geared as there are no financial liabilities.

Risk management framework

The company's board of directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Credit risk

Credit risk is the risk of financial loss to the company if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables.

Bank balances

The carrying amount of financial assets represents the maximum credit exposure and the company only deposits cash with reputable banks with high-quality credit ratings. The credit quality therefore is assessed as good.

Notes to the Annual Financial Statements

For the year ended 28 February continued

18. Risk management and accounting classifications continued

Intergroup receivables

Intergroup receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if the counterparties fail to make payments as they fall due. The maximum exposure to credit risk is the carrying value of intergroup receivables as indicated.

Further detail relating to the expected credit loss approach is included in the accounting policy. Below is the information on credit risk exposure on the group's intergroup receivables:

	2026		2025	
	Over one year	Total	Over one year	Total
Gross carrying amount (R'000)	24 233	24 233	24 233	24 233
Expected credit loss rate (%)	—	—	0,72	0,72
Expected credit loss (R'000)	—	—	175	175
	24 233	24 233	24 058	24 058

The group uses an allowance account to record its credit losses on loans to group companies and applies the general approach in determining the expected credit losses (ECLs). ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

In assessing expected credit losses, the company considers all reasonable and supportable information available, including the subsidiary's financial position and the value of underlying investments and other assets available to support repayment of the loan.

Where recovery of an intercompany loan is supported by the fair value of underlying assets or investments held by the subsidiary, such recoverable value is considered in estimating the expected cash shortfall and resulting expected credit loss.

The determination of whether an intercompany loan is credit-impaired is based on objective evidence of impairment that has a detrimental impact on the estimated future cash flows of the loan. The age of the loan balance or the absence of contractual repayment terms is not, in isolation, considered evidence of credit impairment. Management assesses the subsidiary's ability to settle the loan through future cash generation, available assets and other sources of recovery when determining whether a credit-impairment event has occurred. A loan is written off when there is no reasonable expectation of recovering the contractual cash flows.

The loan due from Stefanutti & Bressan Share Incentive Trust is supported by shares held by the Trust in Stefanutti Stocks Holdings Limited and the increase in share price affects the net asset value of the Stefanutti & Bressan Share Incentive Trust and its ability to settle the loan. The value of the shares was recorded on 28 February 2026 as R5,80 per share (Feb 2025: R3,74 per share). Based on this, the fair value of the investment held was R37 million as at 28 February 2026 (Feb 2025: R24 million), which exceeds the loan payable. No ECL was therefore deemed necessary to be recognised on the loan.

The movement of the expected credit loss can be summarised as follows:

	2026 R'000	2025 R'000
General approach		
Opening balance	(175)	(17 028)
Amounts reversed	175	16 853
Closing balance	—	(175)

Maximum exposure to credit risk is shown below:

	2026 R'000	2025 R'000
Intergroup receivables — non-current (note 10)	24 233	24 058
Bank balances	547	340
	24 780	24 398

Notes to the Annual Financial Statements

For the year ended 28 February continued

18. Risk management and accounting classifications continued

Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company manages liquidity risk through an ongoing review of future commitments and credit facilities and by ensuring that adequate unutilised borrowing facilities are maintained. This will ensure that the company will be in a position to meet its liabilities when they are due. The company also monitors on a monthly basis the level of expected cash inflows together with expected outflows to ensure all commitments are met. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

The group maintains lines of credit of R55 million (Feb 2025: R56 million) mainly comprising bank overdraft facilities.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments.

	Carrying amount R'000	Total R'000	On demand R'000	Less than one year R'000
2026				
Intergroup payables (note 10)	12 641	12 641	12 641	—
Trade and other payables (note 14)	451	451	—	451
	13 092	13 092	12 641	451
2025				
Intergroup payables (note 10)	12 643	12 643	12 643	—
Trade and other payables (note 14)	82	82	—	82
	12 725	12 725	12 643	82

The group, through its primary operating subsidiary, concluded a new five-year term facility of R850 million with The Standard Bank of South Africa Limited (the Facility). The Facility replaced the current loan, which was fully settled on 31 October 2025, thereby terminating the historic lender arrangements and the Restructuring Plan. The company has signed as a guarantor for the loan of which the outstanding balance as at 28 February 2026 is R223 million (Feb 2025: historic loan of R849 million). The company does not expect any outflow for the guarantee as there are sufficient strategies in place to mitigate the risk of outflow.

The Facility was partially supported by financial guarantees provided by the group's guarantee providers. The group's guarantee providers were released from this obligation subsequent to year-end. In addition, the Facility is secured through customary security arrangements and includes standard covenant requirements that are typical for agreements of this nature. As on 28 February 2026, the financial covenants for the Facility were met. The financial covenants are as follows:

Measurement date: 28 February 2026

Financial covenant	Required	Actuals	Status
Total Debt Service Cover Ratio	Equal to or greater than 1,00x	4,66x	Compliant
Cumulative Total Debt Service Cover Ratio	Equal to or greater than 1,30x	8,11x	Compliant
Leverage Ratio	Equal to or less than 2,50x	0,79x	Compliant
Total Interest Cover Ratio	Equal to or greater than 2,00x	6,34x	Compliant

Financial covenants are measured quarterly for the group, using rolling 12-month historical information. Should the group fail to meet these financial covenants an event of default will arise. Financial covenants become more restrictive annually on 1 March.

Market risk

Market risk is the risk that changes in market prices such as interest and foreign exchange rates will affect the company's income or the value of its holdings of financial instruments. The company is not exposed to significant market risk as there are no interest-bearing liabilities or transactions and balances denominated in foreign currency.

Notes to the Annual Financial Statements

For the year ended 28 February continued

19. Subsequent events

Zanele Matlala has advised the board of her intention to retire at the annual general meeting to be held on 7 August 2026 and will accordingly not stand for re-election. Following Zanele's retirement, Howard Craig will be appointed as chairman of the board with effect from 7 August 2026.

E Tate was appointed by the board as an independent non-executive director on 18 June 2026 and his appointment will be tabled before shareholders for confirmation and approval at the 2026 AGM in August 2026.

Ongoing geopolitical instability in the Middle East continues to contribute to volatility in global energy markets, logistics networks and foreign exchange rates. While the group has no direct operations in the region, indirect impacts may arise through fluctuations in diesel and fuel prices, increased shipping lead times, and inflationary pressure on certain oil linked construction inputs. These risks are being actively managed through contractual escalation mechanisms, client supplied fuel arrangements, early procurement strategies and disciplined contractual engagement. The group's exposure is considered manageable, with no material disruption identified to date.

Other than the matters noted herein, there are no other material reportable events which occurred between the reporting date and the date of these annual financial statements.

20. Availability of Stefanutti Stocks Consolidated Annual Financial Statements

The Stefanutti Stocks Consolidated Annual Financial Statements have been prepared and signed on 23 June 2026 and are available on the group's website.

The Stefanutti Stocks Consolidated Annual Financial Statements have been prepared in accordance with the requirements of the Companies Act and the group's independent auditors, Forvis Mazars, has expressed an unmodified opinion thereon, with no emphasis of matter.

Accounting policies

For the year ended 28 February

Going-concern statement

Stefanutti Stocks Holdings Limited is the holding company of the Stefanutti Stocks group. The going concern of the group directly impacts the going concern of the company. The company's current liabilities exceed its current assets by R33 million (Feb 2025: R21 million) and the company has an accumulated loss of R692 million (Feb 2025: R684 million).

The company does not generate significant independent cash flows as it is an investment holding company and is therefore reliant on funds from the group to settle its liabilities as they fall due. Based on the group's going concern assessment, sufficient liquidity is available within the group to upstream funds to the company to enable it to meet its obligations as they fall due. The company accordingly has access to adequate funding from the group. The company's primary asset comprises its investments in subsidiaries, which are recognised at cost. The fair value of the investments in subsidiaries exceeds the cost.

The directors believe that the group has adequate financial resources to continue in operation for the foreseeable future and accordingly consider it appropriate that the group's results for the year be prepared on the going concern basis. This takes into consideration the group's financial performance, financial position, current order book, operations profitably executing the group's order book and forecast cash flows.

The group delivered a strong performance in the current and prior two financial years, with consistent profitability and positive operating cash flows. Furthermore, the conclusion of the restructuring plan and the settlement of the Kusile Power Project contributed to the group's net current liability position improving, compared to the prior year.

Based on the above analysis relating to the group, the separate financial statements of Stefanutti Stocks Holdings Limited have been prepared on a going concern basis.

Refer to note 2.

Statement of compliance

The annual financial statements of Stefanutti Stocks Holdings Limited for the year ended 28 February 2026, have been prepared in accordance with the following:

IFRS Accounting Standards SA Financial Reporting Requirements	Companies Act, No. 71 of 2008, as amended	The principle of going-concern
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Presentation currency

South African Rand

Rounding policy

R'000 (thousand)

Material accounting policies

Included below is a summary of the material accounting policies applicable to the company financial statements. These accounting policies include only the areas in IFRS Accounting Standards where elections have been made or policy choices exercised (including the choice or election made) as well as measurement criteria applied. The accounting policies also include information where it will assist users in understanding how transactions, other events and conditions are reflected in the reported financial performance and financial position and are included based on the materiality as determined by management.

Summary of material accounting policies

Revenue		
Investment income		
Employee benefits		
Short-term benefits	Post-employment benefits	Employee share incentive schemes
Investment in subsidiaries		
Financial instruments		
Financial assets	Impairment — ECL	Financial liabilities
Taxation		
Capital and reserves		

Accounting policies

For the year ended 28 February continued

Revenue

	Includes	Recognition	Measurement
Management fees	Amounts both received and accrued	Over time as management services are rendered and the customer simultaneously consumes the benefit	Transaction price under IFRS 15

Investment income

	Includes	Recognition	Measurement
Investment income	Amounts both received and accrued	Time proportion basis	Effective interest method

Employee benefits

The company identifies two types of employee benefits which, are accounted for in accordance with IAS 19 Employee Benefits, being short-term benefits, and post-employment benefits. Employee share incentive schemes are accounted for under IFRS 2 Share-based payments.

Short-term benefits

Includes	Basic salary, paid vacation leave, sick leave, bonuses, medical aid, death and disability cover.
Accounting treatment	The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance. The expected cost of accrued leave is recognised as the employees render services that increase their entitlement or, in the case of non-accumulating leave, when the absence occurs. Accrued leave is measured as the amount that the company expects to pay as a result of unused entitlement that has accumulated to the employees at the reporting date. Other short-term benefits are recognised as an expense in the period in which they are incurred.

Post-employment benefits

Defined contribution plan	The company contributes to a defined contribution plan. The company requires monthly-paid employees to partake in a group retirement fund and contributes a monthly contribution to this fund and does not bear any further responsibility thereafter. This fund is managed by a portfolio manager and is governed by the Pension Funds Act, No. 24 of 1956.
Accounting treatment	The payments are charged as expenses when the related services are provided.

Employee share incentive schemes

Forfeitable share plan (FSP)	The FSP has been established 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. Forfeitable Share Plan awards are based on, inter alia, the seniority and performance of employees, market benchmarks, human capital requirements including skills, diversity and inclusion requirements, and/or the need to promote broad-based black economic empowerment within the group. The vesting of all Forfeitable Share Plan awards will be subject to the vesting condition of three years employment after the award.
Accounting treatment	The FSP cost, which is the grant date fair value, is expensed over the vesting period in profit or loss, with a corresponding increase in equity, except for those shares which are purchased upfront on the market and of which the cash outflows are expensed over 3 years.

Investment in subsidiaries

Recognition and measurement

Investments in subsidiaries are initially recognised at cost and are subsequently measured at cost less any accumulated impairment.

Impairment

An impairment is determined by assessing the recoverable amount of the cash-generating unit (CGU) to which the investment relates. The recoverable amount is determined as the value in use of the CGU by estimating the expected future cash flows and determining a suitable discount rate in order to calculate the present value of those cash flows. Cash flows are projected based on actual operating results and four-year forecasts. The recoverable amount is also determined by assessing the possible cash flows to be received from subsidiaries from continued use or sale of subsidiaries.

Accounting policies

For the year ended 28 February continued

Financial instruments

Financial assets and financial liabilities are recognised in the company's statement of financial position when the company becomes a party to the controlled provisions of the instrument.

Financial assets

Classification	Instruments included in the classification	Initial measurement	Subsequent measurement
Financial assets at amortised cost	Intergroup and other receivables, cash and cash equivalents	Intergroup receivables are measured at fair value plus direct transaction costs Other receivables are measured at transaction price under IFRS 15	Amortised cost using the effective interest method, less impairment

Impairment

Expected credit loss model	<p>Expected credit loss model (ECL) — intergroup receivables</p> <p>The group uses an allowance account to record its credit losses on loans to group companies and applies the general approach in determining the expected credit losses (ECLs). ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).</p> <p>In assessing expected credit losses, the company considers all reasonable and supportable information available, including the subsidiary's financial position and the value of underlying investments and other assets available to support repayment of the loan.</p> <p>Where recovery of an intercompany loan is supported by the fair value of underlying assets or investments held by the subsidiary, such recoverable value is considered in estimating the expected cash shortfall and resulting expected credit loss.</p> <p>The determination of whether an intercompany loan is credit-impaired is based on objective evidence of impairment that has a detrimental impact on the estimated future cash flows of the loan. The age of the loan balance or the absence of contractual repayment terms is not, in isolation, considered evidence of credit impairment. Management assesses the subsidiary's ability to settle the loan through future cash generation, available assets and other sources of recovery when determining whether a credit-impairment event has occurred. A loan is written off when there is no reasonable expectation of recovering the contractual cash flows.</p>
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Financial liabilities

Classification	Instruments included in the classification	Initial measurement	Subsequent measurement
Financial liabilities at amortised cost	Financial liabilities, intergroup payables, trade and other payables	Fair value less direct transaction costs	Amortised costs using the effective interest method

Taxation

Current tax

Current tax comprises the expected tax payable on the taxable income for the year using substantively enacted tax rates and includes any adjustments to tax payable in respect of prior years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts for financial reporting purposes and the tax base used for tax purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that future taxable income will be generated against which any available tax losses and deductible temporary differences can be utilised. A deferred tax liability is recognised for all taxable temporary differences.

Accounting policies

For the year ended 28 February continued

Capital and reserves

Share capital

Share capital issued by the company is recorded at the proceeds received, net of issue costs.

Share-based payment reserve

Share-based payment reserve comprises the accumulated effect of share-based payment expenses in terms of the employee share incentive scheme.

New accounting pronouncements

Standards and interpretations effective and adopted in the current year

The following standards became effective during the current year and had no effect on the financial statements of the company as at year-end:

	Accounting standard/interpretation	Type	Impact on financial statements
IAS 21: The Effect of Changes in Foreign Exchange Rates	Lack of exchangeability	Amendment	No impact as there are no transactions denominated in foreign currency.
Illustrative examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37	Disclosures about uncertainties in the financial statements	Amendments	Relevant disclosures already included in the financial statements.

Standards and interpretations issued and not yet effective

The company has chosen not to early adopt the following Standards and Interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 1 March 2026 or later periods.

	Accounting standard/interpretation	Type	Effective date	Impact on the financial statements
IFRS 7: Financial Instruments: Disclosure	Derecognition of financial liabilities	Amendments	1 January 2026	Impact to be assessed as and when such transactions occur.
IFRS 9: Financial Instruments	Classification of financial assets	Amendments	1 January 2026	Impact to be assessed as and when such transactions occur.
	Contracts referencing nature-dependent electricity	Amendments	1 January 2026	No impact as no such contracts have been entered into.
IFRS 18 Presentation and Disclosure in Financial Statements and related amendments	Presentation and disclosure of information in general purpose financial statements.	New	1 January 2027	A significant change to the primary financial statements is expected. Impact is still being assessed.
IFRS 19 Subsidiaries without Public Accountability: Disclosures	Permits eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosures (optional election)	New	1 January 2027	No expected impact as this company is not a subsidiary. Standard to be considered for subsidiary companies.
	The IASB issued "catch-up" amendments to IFRS 19 to further reduce disclosure requirements	Amendments	1 January 2027	No expected impact as this company is not a subsidiary. Standard to be considered for subsidiary companies.
IAS 21 The Effects of Changes in Foreign Exchange Rates	Translation to a Hyperinflationary presentation currency	Amendments	1 January 2027	No expected impact as there is no need to present financial statements in a different currency.

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 23 June 2026: ZJ Matlala* (Chairman);
HJ Craig*; B Harie*; BP Silwanyana*; E Tate*^;
RW Crawford (CEO); Y du Plessis (CFO)

* Independent non-executive directors.

^ Appointed 18 June 2026. Appointment will be tabled
to shareholders for confirmation at the annual general
meeting on 7 August 2026.

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

Nedbank Limited



www.stefanuttistocks.com



Head Office

9 Palala Street
Chloorkop Kempton Park
Johannesburg
1619

Telephone

+27 11 571 4300



www.stefanuttistocks.com