



# Restructuring plan update



### Sale of non-core assets

# **Sold – R33.2m** (end of August 2022)



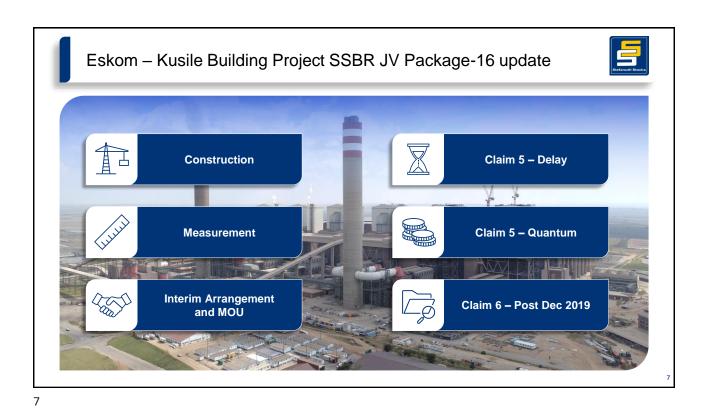
- An industrial property in Sasolburg for R220 000
- An industrial /commercial fabrication workshop in Isando for R33m

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# Restructuring plan update Sale of certain operations United Arab Emirates operation On 18 July 2022 the disposal became unconditional Initial purchase consideration of R92m received on 8 Nov 2021, and a further R11m in May 2022 Final purchase consideration of approximately R85m outstanding on 31 Aug 2022 Mozambique operation Circular to shareholders dated 25 Oct 2022, general meeting held 22 Nov 2022 to approve transaction Implementation subject to fulfilment of remaining conditions precedent as set out in circular Recovery of slow-paying receivables - Zambia Remaining balance at current exchange rate is R48m

Restructuring plan update **Plant disposals Underutilised plant & equipment** Units sold Actual sale value Net book value Units to be sold 192 R72m R42,3m 76 Winding down of contract mining sub-division Instalment sale settled Units sold Actual sale value Net book value Units to be sold 151 **R237m** R197m 10 R42m Marine plant held for sale Actual sale value Units to be sold Units sold Net book value R4,9m R461 000 49 6

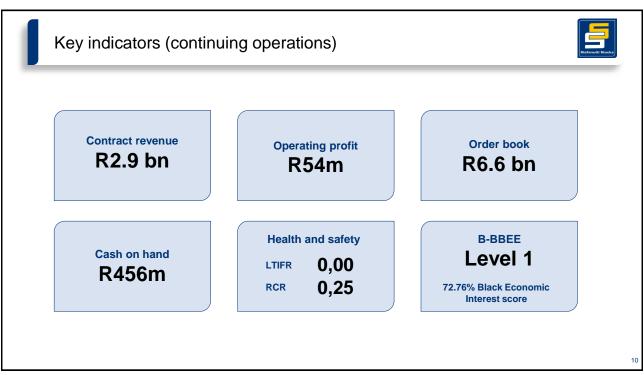
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Eskom – Kusile Power Station SS-Izazi JV Package-28 timeline

The process of the





# Normalised operating profit

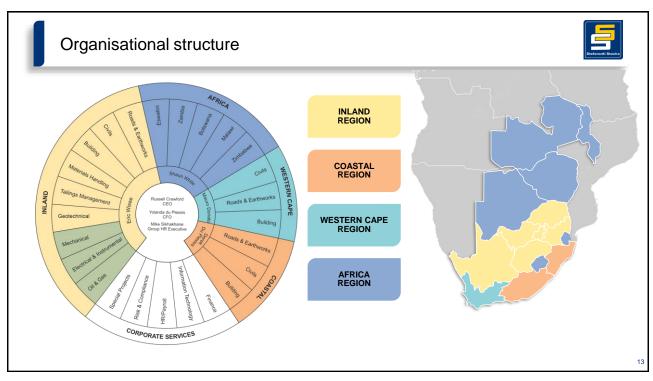


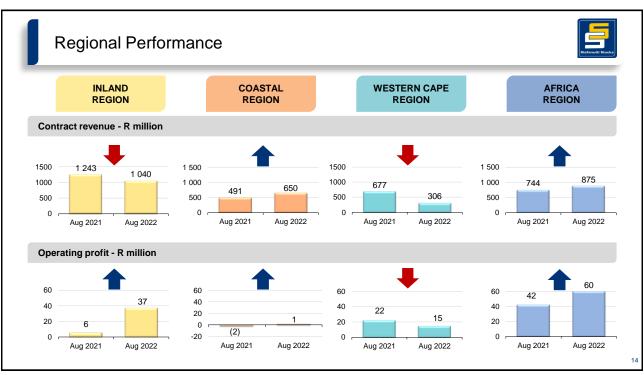
	Unaudited	Restated
Rm	31 Aug 2022	31 Aug 2021
Continuing operations		
Contract Revenue	2 871	3 155
Operating Profit	54	9
Adjusted for abnormal items:		
Restructuring costs (incl. in Head Office)	22	48
Legal fees (incl. in Head Office)	6	10
Other non-operational items:		
Fair value adjustments		
Properties (incl. in Inland Region)	-	15
Plant & Equipment (incl. in Inland Region)	-	2
Normalised Operating Profit	82	84
Normalised operating margin %	2.9%	2.7%

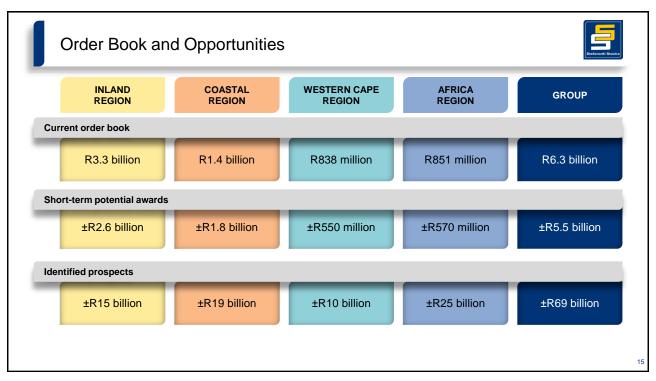
# Current assets / liabilities - R'000

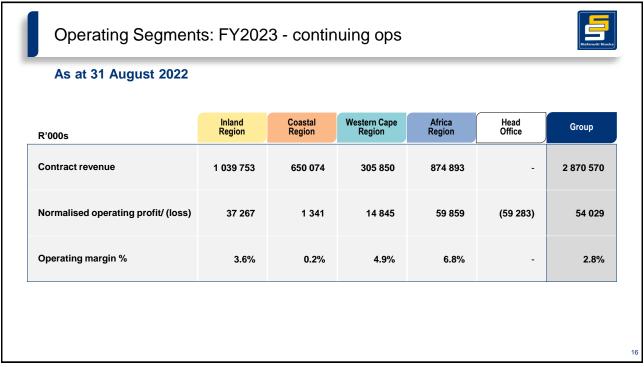


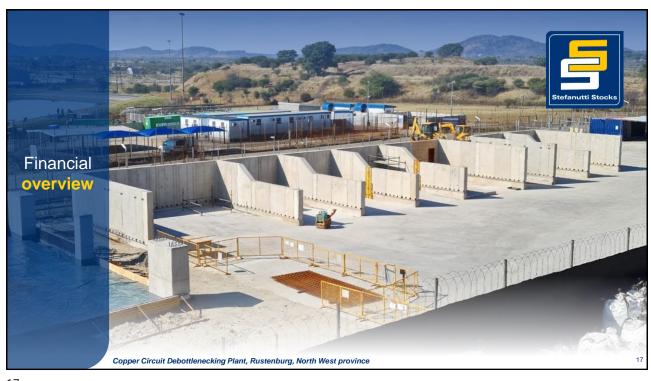
	Feb 2019	Feb 2020	Feb 2021	Feb 2022	Aug 2022
Current assets	3 996 410	4 038 663	3 148 139	2 912 826	3 367 379
Current liabilities*	(4 297 142)	(5 036 984)	(4 505 859)	(4 375 114)	(4 392 662)
Net current liabilities	(300 732)	(998 321)	(1 357 720)	(1 462 288)	(1 025 283)
Excluding funding loan	-	707 175	1 205 390	1 160 581	1 160 581
Net current liabilities excluding funding loan	(300 732)	(291 146)	(152 330)	(301 707)	135 298
* Includes funding loan					
Contract revenue	9 875 023	7 227 036	4 691 759	5 968 484	2 870 570
Total contract revenue Fe	b 2019 – Aug 202	22			30 632 872











# Going Concern



The directors consider it appropriate that the group's results for the period be prepared on the going-concern basis, taking into consideration:

The current order book

Favourable outcome on contractual claims & compensation events on certain projects Imminent project awards

Extension of the lender group loan & capital repayments to February 2024 Continuing operations executing the group's order book profitably

Continued support from the lenders

The availability of short- and mid-term projects

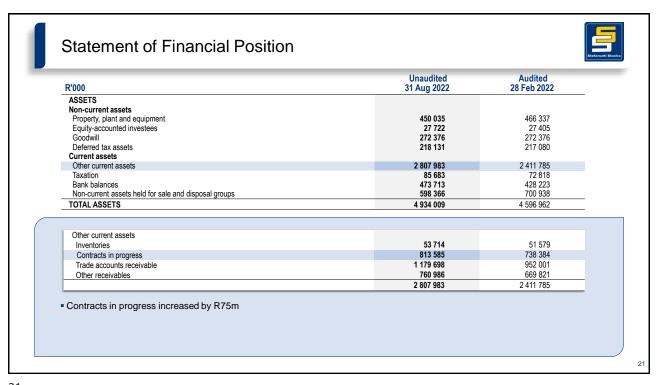
Successfully implementing the restructuring plan

- The funding provided by the Lenders has assisted in relieving the group's liquidity pressures even though total liabilities continue to exceed total assets at 31 August 2022, representing technical insolvency, however, the group believes it remains commercially solvent based on the cashflow projections included in the Restructuring Plan and the continued support provided by the Lenders.
- In addition, thereto, uncertainties surrounding the contingent liabilities as stated in note 26 of the group's Consolidated Annual Financial Statements for the year ended 28 February 2022, continue to indicate that a material uncertainty exists that may cast doubt on the group's ability to continue as a going concern in the short term.

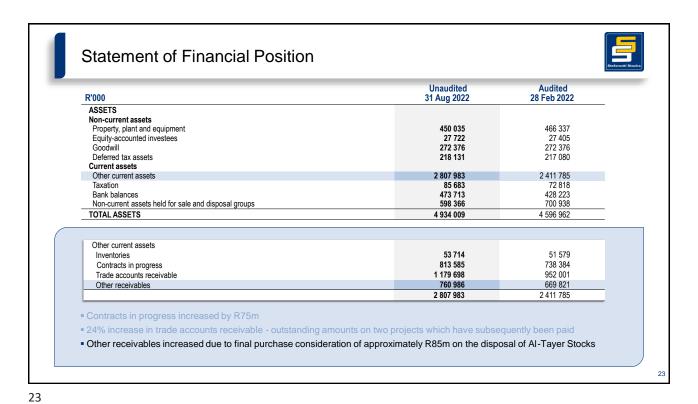
### Statement of Profit or Loss Unaudited 31 Aug 2022 Restated 31 Aug 2021 Continuing operations Contract Revenue 2 870 570 3 154 809 EBITDA % 73 926 57 233 1.8% 2.6% (19 897) (30 850) Depreciation Fair value adjustments (17 453) Operating profit before investment income 54 029 8 930 1.9% 0.3% Operating margin % Equity accounted investees (1 246) (2263)Net finance costs (55084)(48234)Loss before tax (2 301) (41 567) (56 342) Taxation (31 202) (33 503) Loss for the period (97 909) Discontinued operations (90 566) 42 752 Profit/(loss) for the period total operations 9 249 (188 475) Profit/(loss) attributable to ordinary shareholders 9 249 (188 475) (41 850) 167 243 684 Headline loss attributable to ordinary shareholders (112 257) Weighted average shares in issue 167 243 684 Diluted weighted average shares in issue 167 243 684 167 243 684 EPS - Continuing operations (cents) (20.03)(58.54)- Total operations (cents) 5 53 (112.69) HEPS - Continuing operations (cents) (25.33)(53.59) (25.02) (67.12) - Total operations (cents)

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Statement of Financial Position		Stof
R'000	Unaudited 31 Aug 2022	Audited 28 Feb 2022
ASSETS		
Non-current assets		
Property, plant and equipment	450 035	466 337
Equity-accounted investees	27 722	27 405
Goodwill	272 376	272 376
Deferred tax assets	218 131	217 080
Current assets		
Other current assets	2 807 983	2 411 785
Taxation	85 683	72 818
Bank balances	473 713	428 223
Non-current assets held for sale and disposal groups	598 366	700 938
TOTAL ASSETS	4 934 009	4 596 962
EQUITY AND LIABILITIES		
Capital and reserves		
Ordinary shareholders' interest	(79 448)	(90 019)
Non-current liabilities		
Interest-bearing liabilities	150 526	133 639
Excess billings over work done	212 243	-
Current liabilities		
Other current liabilities	2 493 328	2 755 556
Excess billings over work done	1 090 531	909 550
Provisions	700 158	598 216
Taxation	91 368	92 896
Bank balances	17 277	18 896
Liabilities directly associated with disposal groups	258 026	178 228
TOTAL EQUITY AND LIABILITIES	4 934 009	4 596 962

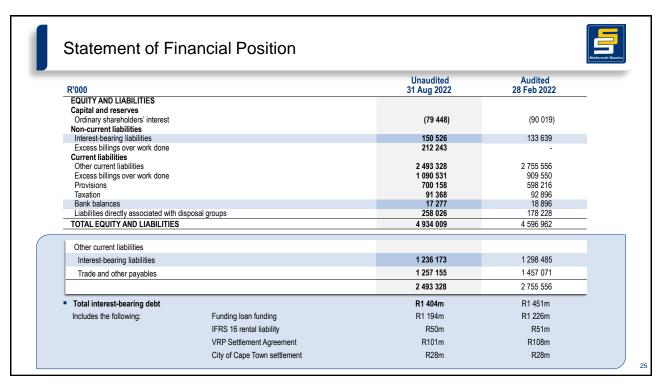


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Bank balances	85 683 473 713	72 818 428 223
Non-current assets held for sale and disposal groups	598 366	700 938
TOTAL ASSETS	4 934 009	4 596 962
Other current assets		
Inventories	53 714	51 579
Contracts in progress	813 585	738 384
Trade accounts receivable	1 179 698	952 001
Other receivables	760 986	669 821
	2 807 983	2 411 785



Statement of Financial Position Audited 28 Feb 2022 Unaudited R'000 31 Aug 2022 **ASSETS** Non-current assets 466 337 27 405 272 376 217 080 450 035 Property, plant and equipment Equity-accounted investees 27 722 272 376 Goodwill Deferred tax assets 218 131 Current assets
Other current assets 2 807 983 2 411 785 85 683 473 713 598 366 Taxation 72 818 428 223 Bank balances 700 938 Non-current assets held for sale and disposal groups TOTAL ASSETS 4 934 009 4 596 962

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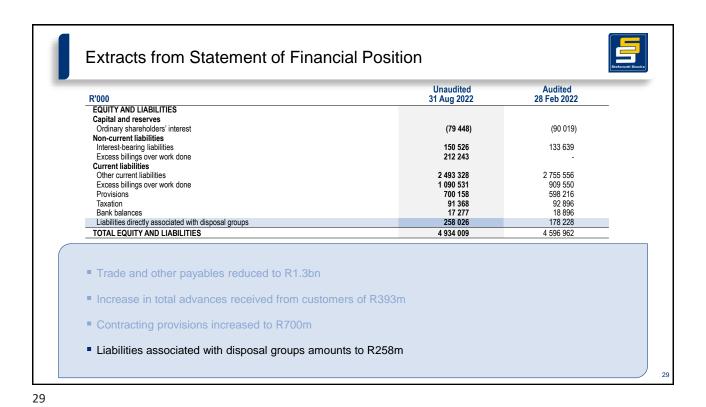


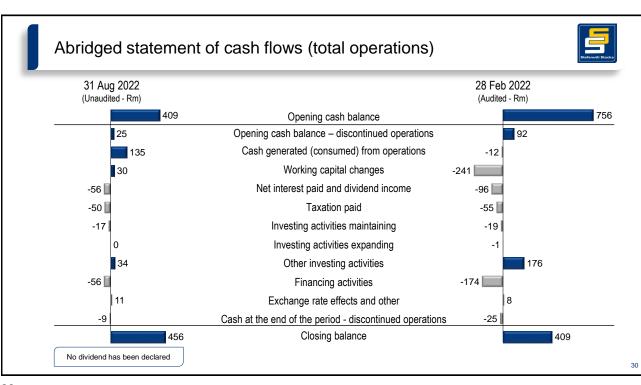
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TOTAL EQUITY AND LIABILITIES	4 934 009	4 596 962
Other current liabilities		
Interest-bearing liabilities	1 236 173	1 298 485
Trade and other payables	1 257 155	1 457 071
· ·	2 493 328	2 755 556

### Extracts from Statement of Financial Position Unaudited 31 Aug 2022 Audited 28 Feb 2022 R'000 **EQUITY AND LIABILITIES** EQUITY AND LIABILITIES Capital and reserves Ordinary shareholders' interest Non-current liabilities Interest-bearing liabilities Excess billings over work done Current liabilities Other current liabilities Excess billings over work done Provisions (79 448) (90 019) 150 526 212 243 133 639 2 493 328 1 090 531 700 158 91 368 17 277 2 755 556 909 550 598 216 92 896 18 896 Provisions Taxation Bank balances Liabilities directly associated with disposal groups TOTAL EQUITY AND LIABILITIES 258 026 178 228 4 934 009 4 596 962 ■ Trade and other payables reduced to R1.3bn • Increase in total advances received from customers of R393m

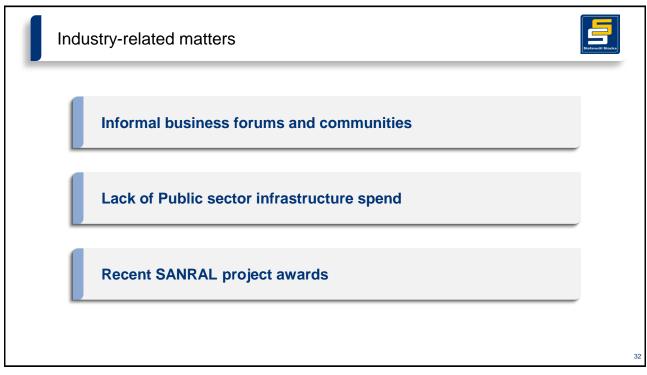
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Current liabilities		0.755.550
Other current liabilities Excess billings over work done	2 493 328 1 090 531	2 755 556 909 550
Provisions	700 158	598 216
Taxation Bank balances	91 368 17 277	92 896 18 896
Liabilities directly associated with disposal groups	258 026	178 228
OTAL EQUITY AND LIABILITIES	4 934 009	4 596 962
Trade and other payables reduced to R1.3bn Increase in total advances received from customers of R3 Contracting provisions increased to R700m	393m	

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