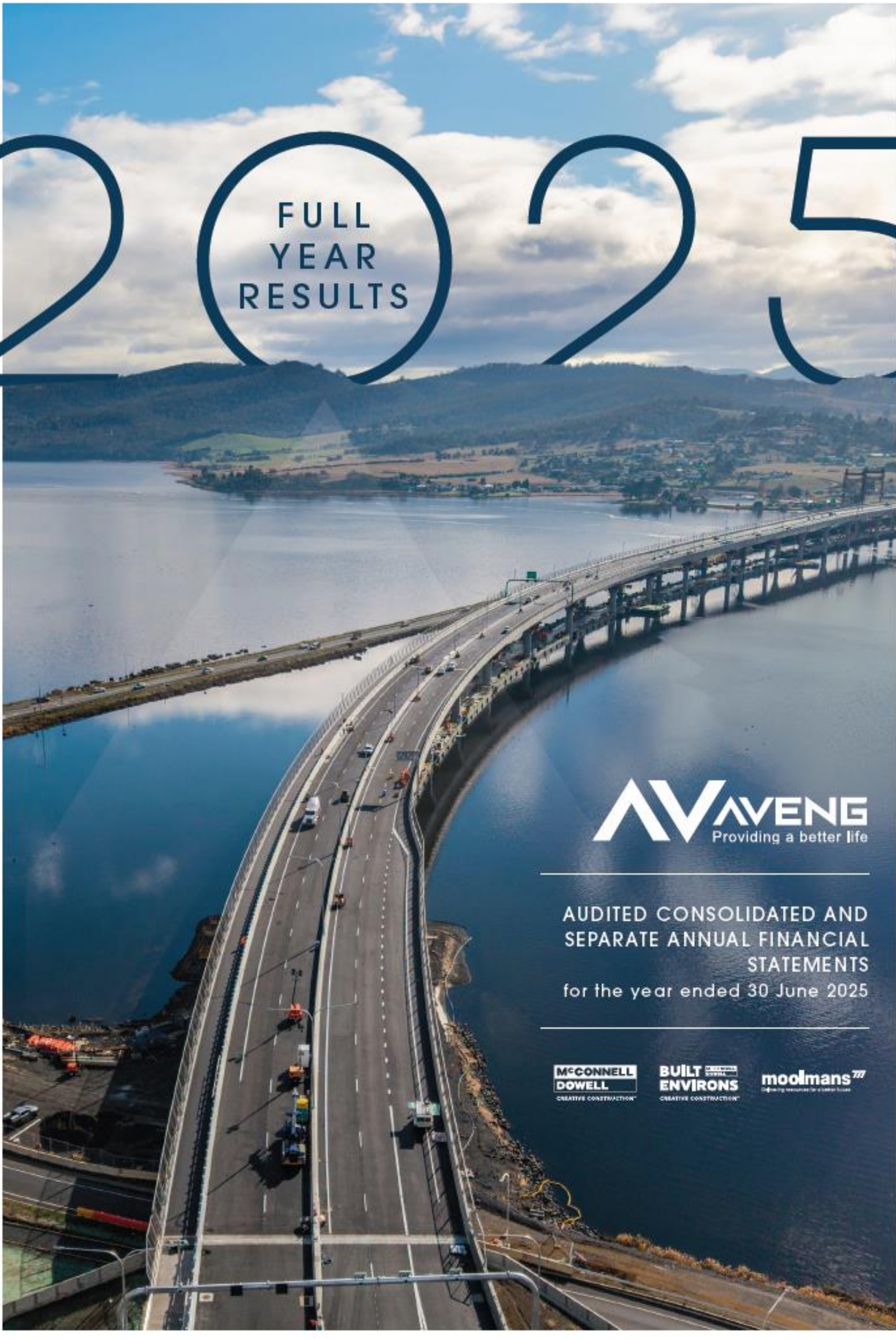
2025 FULL YEAR RESULTS



AVENG
Providing a better life

AUDITED CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2025

McCONNELL DOWELL CREATIVE CONSTRUCTION
BUILT ENVIRONS CREATIVE CONSTRUCTION
moolmans

CONTENTS

The reports and statements set out below comprise the consolidated and separate annual financial statements presented to the shareholders:

GENERAL INFORMATION

Country of incorporation and domicile	South Africa
Directors	Mr Philip Hourquebie (Independent non-executive chairman) Mr Scott Cummins (Group chief executive officer) Mr Adrian Macartney (Group finance director and chief financial officer) Ms Bridgette Modise (Lead independent director) Mr Bradley Meyer* Mr David Noko Mr Nicholas Bowen* Mr Sean Flanagan * *Mr Bradley Meyer and Mr Nicholas Bowen are Australian*
Auditors	KPMG Incorporated
Company Secretary	Ms Edinah Mandizha
Company registration number	1944/018119/06
Level of assurance	These consolidated and separate annual financial statements have been audited in compliance with the applicable requirements of the Companies Act 71 of 2008 (as amended) of South Africa. The audited consolidated and separate annual financial statements were prepared by: Gregory Beevers CA(SA) under the supervision of: Adrian Macartney CA(SA), Group finance director and chief financial officer
Address of registered office	2 Merlin Rose Avenue Parkhaven Boksburg 1459 South Africa
Published	18 August 2025

AUDIT COMMITTEE REPORT

Performance of duties

The audit committee has been constituted in accordance with applicable legislation and regulations. The audit committee members are all independent non-executive directors of Aveng Limited. Four scheduled audit committee meetings were held during the year, at which the members fulfilled their functions as prescribed by the Companies Act 71 of 2008 (as amended) of South Africa. The audit committee confirms that it is satisfied with the independence of its external auditor, KPMG Incorporated.

Evaluation of the finance director

In accordance with the Johannesburg Stock Exchange Limited (JSE) Listings Requirements, the audit committee is required to consider the appropriateness of the expertise and experience of the Group finance director. In respect of this requirement and for the year under review, the audit committee is satisfied that Mr Adrian Macartney, the Group finance director, possesses the appropriate expertise and experience to fulfil his responsibilities in that position.

Evaluation of the financial reporting procedures

In accordance with the Johannesburg Stock Exchange Limited (JSE) Listings Requirements, the audit committee is required to ensure that the Group has established appropriate financial reporting procedures and that those procedures are operating. In respect of this requirement and for the year under review, the audit committee is satisfied that the Group's established financial reporting procedures are operating appropriately.

Statement on internal financial controls

Based on information from and discussions with management and the Group internal audit function, the audit committee confirms that it has no reason to believe that there were any material breakdowns in the design or operating effectiveness of internal financial controls during the financial year under review which have not been addressed or are not in the process of being addressed. The financial records can therefore be relied on for preparation of the consolidated annual financial statements.

Liquidity and going concern

As included in the directors' report and further detailed in *note 1: Presentation of consolidated financial statements* to the financial statements, in determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the Group can continue in operational existence for the foreseeable future. The directors have considered the agreements reached and transactions concluded post the year end, the actions taken by the Group, the financial plans and forecast, including all available information, and are of the opinion that the going concern assumption is appropriate in the preparation of the financial statements.

The audit committee has interrogated the key assumptions used in determining the cash flow forecasts used in the going concern assessment, the operating cash flows of its businesses and other initiatives already embarked on by the Group. The audit committee was satisfied that the assumptions are supportable. The audit committee was further satisfied with the post year end events, going concern and liquidity disclosures in the directors' report and with the notes to the financial statements.

Statement on internal control and risk management

The risk management processes provide the basis for identifying, evaluating, mitigating and monitoring potential risks throughout the Group. Management is primarily responsible for implementing and executing appropriate controls to mitigate risks and ensure that the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements. The internal audit function reviews the effectiveness of the overall internal control environment and makes recommendations to management and the audit committee on any deficiencies in design and operational effectiveness of the internal financial controls. The board has concluded, based on the recommendations of the audit committee and their own understanding, that there is no reason to believe that there were any material internal financial control shortcomings during the current financial year that have not been addressed or are in the process of being addressed.

Bridgette Modise

Chair of audit committee

18 August 2025

CERTIFICATE OF THE COMPANY SECRETARY

I, the undersigned, Edinah Mandizha, in my capacity as company secretary, certify that:

- the Company has lodged with the Companies and Intellectual Property Commission all such returns as are required of a public company in terms of the Companies Act 71 of 2008 (as amended) of South Africa; and
- all such returns are true, correct and up to date.

Edinah Mandizha
Company Secretary
18 August 2025

The directors submit their report for the year ended 30 June 2025.

Review of activities

Nature of business

The consolidated annual financial statements (results) comprise the financial results of Aveng Limited and its subsidiaries (the Group) at 30 June 2025. Aveng Limited (the Company) is a South African registered and listed company, included in the Construction and Materials – Heavy Construction sector of the Johannesburg Stock Exchange (JSE) (Listing reference: AEG) with interests in construction, engineering, building and contract mining.

Aveng has segmented its existing businesses under three strong operating brands which make up three distinct segments. The Infrastructure segment, which includes McConnell Dowell, operates in three geographical regions – Australia, New Zealand & Pacific Islands and Southeast Asia; the Building segment, which includes Built Environs and the Mining segment which includes Moolmans.

Group financial results

Aveng’s revenue contracted 13.9%, in line with previous guidance, to A$2.6 billion (R31.0 billion) in the year ended 30 June 2025 (2024: A$3.1 billion (R37.5 billion)), following an expected softening of infrastructure markets in Australia and New Zealand.

The Group’s gross earnings of A$79.3 million (R951 million) for the year ended 30 June 2025, at a gross margin of 3.0% (2024: 5.8%), reflect the combined significant losses of A$98.5 million from the Jurong Region Line (J108) project in the Infrastructure Southeast Asia business unit, and the Kidston Pumped Storage Hydro (Kidston) project in the Infrastructure Australia business unit.

Whilst additional forecast costs to complete have been recognised in the current year, the cash flow impact will largely materialise over the next 12 months as these projects move towards being completed. The healthy cash balance in the Infrastructure and Building segments, supported by ongoing profitability and continued strong cash generation across the portfolio of projects, will fund the expected outflow from these projects.

The Group’s operating loss before capital items of A$60.4 million (R693 million) (2024: A$34.5 million (R424 million) earnings) resulted from the recognition of the losses on Kidston and J108. The balance of the project portfolio in the Infrastructure segment remain profitable and cash generative. Operating earnings improved in the Building segment through continued excellent project execution. The Mining segment reflects a disappointing result with steadily growing production performance and profitability on one project offset by inefficiency and unresolved contractual matters negatively impacting performance on the other contract.

Aveng reported a headline loss of A$84.6 million (R975 million) or a headline loss of A$64.6 cents (744 cents (Rand)) per share (2024: A$38.0 million (R466 million) earnings or A$29.6 cents (364 cents (Rand)) earnings per share).

Loss for the year attributable to equity holders of the parent amounted to A$92.3 million (R1.1 billion) or A$70.4 cents (813 cents (Rand)) per share (2024: A$25.6 million (R315 million)) earnings or A$20.0 cents (245 cents (Rand)) earnings per share).

Overall trading performance

Infrastructure

The Australia and Southeast Asia business units have previously reported on under-performance associated with certain projects awarded in the pre-COVID period. The majority of these projects have been managed to a satisfactory outcome and, whilst not contributing profit to the Group, they represent a reducing proportion of revenue as these projects are steadily being worked out of the portfolio. The remainder of the project portfolio continues to perform well at higher average operating margins.

For the year ended 30 June 2025, the Infrastructure segment achieved revenue of A$1.9 billion (2024: A$2.4 billion), mainly attributable to revenue in its Australia and New Zealand & Pacific Islands business units. The business continues to focus on specialised projects in Australia, New Zealand & Pacific Islands, and Southeast Asia, offering engineering and infrastructure solutions in the transport, ports & coastal, water & wastewater, energy and resources sectors.

The New Zealand & Pacific Islands business unit continues to deliver a strong performance, with revenue of A$317 million (2024: A$305 million) and has reported an operating margin of A$25 million (2024: A$22 million). Work in hand fell in the year to A$169 million (2024: A$339 million). New project awards of over A$670 million were awarded post year end and an additional A$334 million projects in preferred status.

Review of activities continued

Overall trading performance continued

The Australia business unit's revenue decreased by 24.2% in the year to A$1.5 billion (2024: A$2.0 billion). The business unit improved margins across the portfolio of projects inclusive of the recognition of provisions to address projects impacted by extreme weather conditions in Queensland in the second half of the year and a problematic client-specified technical design issue. However, this performance is overshadowed by the Kidston Pumped Hydro project in Queensland. During the second half of the year, progress on the project has continued to face pressure and was hampered by the impacts of a persistent tropical low-pressure system in the area, leading to severe flooding across the region and a full demobilisation from the site. The site returned to full operating capacity some 10 weeks later. Achieving estimated productivities has continued to be a challenge as a consequence of the disruption, the complex nature of the work and the need to resequence major work activity as instructed by the client. As a result of the events in the second half of the year, the programme to completion has been extended and the estimated cost to complete the project has increased. Two other projects in Queensland were also impacted by the significant rainfall and flooding during the period, leading to commercial claims and adjustment to project profitability. Cost escalation on certain alliance contracts translated into additional revenue at zero margin. Consequently, the Australian business unit will report an operating loss of A$9 million for the year (2024: A$45 million earnings). As expected, work in hand has reduced to A$780 million (June 2024: A$1.6 billion), with new projects to the value of A$680 million awarded in the year. A further A$196 million of new projects were awarded post year end within McConnell Dowell's targeted sectors.

In the Southeast Asia business unit, newly awarded marine projects are profitable. However, the J108 project for the Land Transport Authority in Singapore has experienced delays and disruptions. The project continues to achieve project milestones in line with the revised project plan and within expected cost. The commercial negotiations continue with the client but the project will report a significant loss for the year. In addition, a provision was taken to address a recently identified warranty issue on a completed project. As a result, the Southeast Asia business unit will report a significant loss for the year of A$63 million (2024: A$6 million loss). The business unit's strategy focuses on self-perform projects in the specialised marine sector in Indonesia and Singapore and the opportunity pipeline supports this strategic approach to improve profitability in a modest, deliberate manner.

The J108 and Kidston projects were tendered and awarded prior to March 2020. Following the interventions and improvements to our risk management processes introduced in 2023, projects with this risk profile would no longer be tendered in the lump-sum contract form.

The Infrastructure segment recorded a lost-time injury frequency rate of 0.24 against a target of <0.35 and total recordable injury frequency rate of 3.22 against a target of <3.00.

Building

Aveng's commercial building business unit, Built Environs, continued its profitable performance in the year and has reported higher comparable revenue of A$491 million (2024: A$419 million) with improved operating earnings of A$17 million as compared to the prior year (2024: A$8.6 million). Work in hand is spread across the three regional markets, has increased to A$864 million (June 2024: A$443 million) and remains at comfortable levels to deliver similar revenue going forward. The improved operating performance and growth in order book reflects a disciplined approach to operational delivery and a focus on its targeted market sectors of education, healthcare / life sciences and recreation.

The Building segment recorded a lost-time injury frequency rate of 0.00 against a target of <0.46 and total recordable injury frequency rate of 3.31 against a target of <6.9.

Mining

Moolmans reduced its revenue by 9.9% to R3.0 billion (A$252.6 million) for the year ended 30 June 2025 (2024: R3.3 billion (A$268.8 million)) following the completion of work on two contracts in late 2024. The business unit reported operating earnings of R1.8 million (A$0.2 million) for the year ended June 2025 (2024: R24 million (A$2.0 million)).

Moolmans successfully negotiated a new 60-month contract at Gamsberg, valued at R10.6 billion (A$911 million) with Black Mountain Mining, a subsidiary of Vedanta.

Ramp up activities, including investing in and commissioning new equipment and onboarding and training new staff has been a key activity of the Gamsberg project, as volumes have steadily increased over the year. The new contract took effect from 1 April 2025 and the project is on target to meet maximum contracted volumes in the coming months. Capex has included deploying new and existing equipment to the project and includes an equipment renewal program in conjunction with the OEM. The capital is funded through the project.

Review of activities continued

Overall trading performance continued

Mining continued

At Tshipi, production is hampered by the impact of restrictive mining conditions due to Tshipi's mine planning. This results in inefficiencies and sub-optimal production. The project suffers from a non-collaborative work and operating environment which has necessitated Moolmans commissioning an external report. Moolmans has been unable to resolve the restrictive mining claims, together with other claims relating to regression (haul profiles), power failures and weather, The claims by Moolmans exceed R300 million and have necessitated formal dispute resolution processes that are underway. Moolmans has not recognised any additional revenues associated with these claims.

The Mining segment recorded a lost-time injury frequency rate of 0.24 against a target of <0.35 and total recordable injury frequency rate of 2.43 against a target of <3.00.

Aveng Legacy

Aveng continues to complete the significant task of closing out non-core asset disposals and ensuring that the Group complies with all statutory, legal, technical, commercial, and human resources obligations. This primarily relates to Aveng Africa (Proprietary) Limited. In the year, the business unit concluded the disposal of its 30% investment in the issued share capital of Dimopoint for R96 million (A$8.1 million).

The business unit recorded an operating loss of R86 million (A$7.2 million) (2024: R61 million (A$5.0 million)). The loss is primarily associated with legal expenses related to legacy contingent liabilities. The South African performance guarantee exposure decreased to R0.2 million (<A$0.1 million) compared to R51 million (A$4.2 million) at 30 June 2024.

Capital expenditure

The Group incurred replacement capital expenditure of A$27.2 million (R318 million) compared to A$54.0 million (R661 million) in the prior year; and expansionary capital expenditure of A$0.9 million (R10.4 million) (2024: A$7.8 million (R93 million)). Capital expenditure was predominately spent on strategic and project assets in the Mining segment and Infrastructure segment.

In addition to the capital expenditure above, the Mining segment noted success in its fleet renewal program, reducing its spend on components for the existing fleet by 61% to A$10.4 million (R123 million), as compared to A$26.7 million (R325 million) in the prior year.

Liquidity, solvency, ongoing funding, and going concern

The Group continues to actively manage the liquidity and cash flow in two distinct liquidity pools, namely the Australian liquidity pool and the South African liquidity pool.

The Infrastructure and Building segments reported a strong cash balance with sufficient cash and liquidity to support the order book and the expected cash outflows on the J108 and Kidston projects. The Australia liquidity pool closed with a cash balance of A$267.4 million (2024: A$232.5 million).

The South African Group liquidity pool remains tightly managed and benefited from the receipt of cash proceeds of R96 million (A$8.1 million) from the sale of Dimopoint. Moolmans have continued to finance the purchase of capital expenditure through new asset-backed financing and IFRS 16 lease agreements.

Management updated the forecast up to the 2027 financial year end, as well as preparing cash flow forecasts covering a minimum of 12 months from the date of these audited consolidated annual financial statements. These forecasts have been prepared and reviewed by management to ensure that they have been accurately compiled using appropriate assumptions. The budgets, plans and forecasts have, together with the assumptions used, been interrogated, and approved by the Board.

The Group's current liabilities of A$700.8 million exceeded its current assets of A$653.6 million at 30 June 2025.

The Company's current assets of R257 million exceeded its current liabilities of R77 million at 30 June 2025.

The forecasts indicate that the Group will have sufficient cash resources for the foreseeable future. All businesses are expected to perform in line with business plans and are therefore expected to generate sufficient cash to meet their obligations.

The directors have considered all of the above up to the date of approval of these financial statements, including detailed consideration of the current position of all businesses, all business plans and forecasts, including all available information, and are therefore of the opinion that the going concern assumption is appropriate in the preparation of the Consolidated and Separate financial statements, and that sufficient liquidity will be available to support the ongoing operations of the Group, and that the realisation of assets and the settlement of liabilities, including contingent liabilities and commitments, will occur in the ordinary course of business. Refer to *notes 18: External borrowings* and other liabilities and *45: Events after the reporting period*.

Directors

In terms of the Company's memorandum of incorporation, the directors listed below will retire by rotation at the forthcoming annual general meeting (AGM) and will be eligible for re-election:

- Philip Hourquebie
- Adrian Macartney
- Nicholas Bowen

There were no appointments or resignations to the Board in the current year.

Details of the directors' remuneration and interests are set out in *note 43. Directors' emoluments and interests* of the consolidated annual financial statements.

One of the key principles in King IV is the establishment of a unitary Board which reflects a balance of power. In order to ensure that no one individual, or group of individuals yield unfettered power on the Board, King IV proposes the appointment of independent non-executive directors. It should be noted upfront that all directors, regardless of the classification as an executive, non-executive, or independent non-executive director, require the application of an independent state of mind and objective judgement.

Stated capital

Details pertaining to the authorised and issued share capital of the Company at 30 June 2025 are contained in *note 17: Stated Capital of the consolidated annual financial statements*.

Auditors

KPMG Incorporated (KPMG) continued in office as the external auditor of the Group. Shareholders will be requested to appoint KPMG as the Group's external auditors for the 2026 financial year at the next AGM.

Shareholders

The following information is available on 19 August 2025 on the Group's website:

- Shareholders' diary.

Directors' responsibility relating to the consolidated and separate annual financial statements

The directors of the Company are responsible for maintaining adequate accounting records and are responsible for the content and integrity of the consolidated annual financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated annual financial statements fairly present the state of affairs of the Group and Company as at the end of the financial year and the results of its operations and cash flows for the year ended 30 June 2025.

After due, careful and proper consideration, the directors acknowledge that the audited consolidated annual financial statements have been prepared in accordance with IFRS® Accounting Standards of the *International Accounting Standards Board* (IASB), the *IFRIC interpretations* as issued by the *International Financial Reporting Interpretations Committee* (IFRIC), the *South African Institute of Chartered Accountants* (SAICA) Financial Reporting Guides as issued by the *Accounting Practices Committee* (APC), the *Financial Reporting Pronouncements* as issued by the *Financial Reporting Standards Council*, the requirements of *the Companies Act 71 of 2008 (as amended) of South Africa*, and the *Listings Requirements* of the JSE Limited.

The directors acknowledge that they are responsible for the system of internal financial control established by the Group and Company and place considerable importance on maintaining a strong control environment. These controls are designed to provide reasonable, but not absolute assurance, as to the reliability of financial records and the consolidated annual financial statements, to adequately safeguard, verify and maintain accountability of assets and to prevent and detect material misstatements and losses. To enable the directors to meet these responsibilities, the Board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework; effective accounting procedures; and adequate segregation of duties which are required to maintain the highest ethical standards in ensuring the Group's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the Group is on identifying, assessing, managing and monitoring all known forms of risk across the Group. While operating risk cannot be fully eliminated, the Group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Board of directors have reviewed the Group's cash flow forecast up to the year ending 30 June 2027 and in light of this review and the current financial position, is satisfied that the Group has access to adequate resources to continue in operational existence for the foreseeable future and accordingly the consolidated annual financial statements are prepared on a going concern basis.

Directors' responsibility relating to the consolidated and separate annual financial statements continued

The Board of directors have reviewed the Group's cash flow forecast up to the year ending 30 June 2027 and in light of this review and the current financial position, is satisfied that the Group has access to adequate resources to continue in operational existence for the foreseeable future and accordingly the consolidated annual financial statements are prepared on a going concern basis.

The external auditor is responsible for reporting on the Group's and Company's consolidated annual consolidated and separate financial statements. Its unmodified report to the shareholders of the Group and Company is set out on pages 17 to 102.

Approval of consolidated and separate annual financial statements

The consolidated and separate annual financial statements of the Group for the year ended 30 June 2025 set out on pages 17 to 102, which have been prepared on the going concern basis, were approved by the Board of directors on 18 August 2025 and were signed on its behalf by:

Scott Cummins
Group chief executive officer
Authorised Director

Adrian Macartney
Group finance director and chief financial officer
Authorised Director

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER'S RESPONSIBILITY STATEMENT

In line with *paragraph 3.84(k)* of the *JSE Limited (JSE) Listings Requirements*, the Group chief executive officer and Group finance director hereby confirm that:

- the annual financial statements set out on pages 17 to 102, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS® Accounting Standards;
- to the best of our knowledge and belief, no facts have been omitted, or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the annual financial statements of the issuer;
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- where we are not satisfied, we have disclosed to the audit committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have remediated the deficiencies; and
- we are not aware of any fraud involving the directors.

Scott Cummins
Group chief executive officer
18 August 2025

Adrian Macartney
Group finance director and chief financial officer
18 August 2025

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF AVENG LIMITED

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of Aveng Limited (the Group and Company) set out on pages 17 to 102, which comprise the consolidated and separate statements of financial position as at 30 June 2025, the consolidated and separate statements of comprehensive earnings, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, accounting policies and notes to the consolidated and separate financial statements excluding Annexure 1, the supplementary financial information denominated in the South African Rand (ZAR) and material accounting policy 1.3.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Aveng Limited as at 30 June 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) 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 consolidated and separate financial statements* section of our report. We are independent of the Group and 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 scope of our audit was influenced by our application of materiality. We set quantitative thresholds and overlay qualitative considerations to help us determine the scope of our audit and the nature, timing and extent of our procedures, and in evaluating the effect of misstatements, both individually and in the aggregate, on the financial statements as a whole.

Based on our professional judgement, we determined certain quantitative thresholds for materiality for the consolidated and separate financial statements as a whole as follows:

	Group	Company
Overall materiality	AUD $ 12.4 million which represents 0.47% of total revenue.	ZAR 27.9 million which represents 0.68% of total assets of the Aveng Limited Company.
Rationale for benchmark and percentage applied	We selected consolidated revenue as our materiality benchmark because, in our view, it reflects the activity levels of the Group, and it is a benchmark against which the performance of the Group can be consistently measured in circumstances of volatile year-on year earnings. This benchmark has remained a key driver of the Group's business.	We selected total assets as our materiality benchmark because, in our view, it reflects the activity levels of the Company, and it is a benchmark against which the performance of the Company can be consistently measured year-on year given the operating activities of the Company.
	The percentage applied to the benchmarks was based on our professional judgement after consideration of qualitative factors that impact the Group and Company.	

Group Audit Scope

Our risk assessment procedures performed determined our audit scope considering which components of the Group are likely to include risks of material misstatement to the consolidated financial statements. In performing this assessment, we considered the size and risk profile of the components in the Group, the organisational structure, the Group's system of internal controls and the effectiveness of Group wide controls, and any changes in the business environment.

In establishing our overall approach to the Group audit, we determined the type of work that needed to be performed at each component either by us, as the Group auditor, or by component auditor under our instruction to address the identified risks of material misstatement.

In total, we identified 3 components, having considered our evaluation of the risks of material misstatement to the consolidated financial statements. Of those, we identified 2 components at which further audit procedures were performed on the entire financial information of the component, either because audit evidence needed to be obtained on all or a significant proportion of the component's financial information, or that component represents a pervasive risk of material misstatement to the consolidated financial statements.

We also identified 1 component, at which further audit procedures were performed on one or more classes of transactions, account balances or disclosures based on the assessed risks of material misstatement to the consolidated financial statements.

Accordingly, we performed audit procedures on 3 components, of which we involved component auditors in performing the audit work on 2 components. We also performed an analysis at an aggregated Group level on the remaining financial information, where procedures were not performed, to re-examine our assessment that there is less than a reasonable possibility of a material misstatement in this remaining financial information.

As part of establishing the overall Group audit strategy and plan, we conducted risk assessment and planning discussion meetings with component auditors to discuss the Group audit risks relevant to the respective components.

As group auditor, we engaged with the component auditors to assess the audit risks and strategy relating to their respective components. During these engagements, the results of the planning procedures and further audit procedures communicated to us were discussed in more detail, and any further audit procedures required by us was then performed by the component auditors.

We also inspected the work performed by component auditors for the purpose of the Group audit and evaluated the appropriateness of conclusions drawn from the audit evidence obtained and consistencies between communicated findings and work performed.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In terms of the EAR Rule, we are required to report the outcome of audit procedures or key observations with respect to the key audit matters and these are included below.

Estimation uncertainty involved in accounting for revenue and costs from contracts with customers

Refer to material accounting policy note 2.11, material accounting judgements and estimates note 3.1.4 and note 28 to the consolidated financial statements.

Key audit matter	How the matter was addressed in our audit
The infrastructure and building segments of the Group are characterised by contract risk with significant judgements involved in the assessment of the anticipated final contract outcomes. Management uses a high degree of estimation and judgement in their assessment of the recognition of revenue based on performance of the contract or milestones achieved resulting from: • status of the project in the satisfaction of the performance obligation; • estimation of total contract revenue and total contract costs;	We performed the following procedures to address this key audit matter: We selected a sample of contracts based on value and various risk factors including: • significant loss-making contracts • contracts with significant claims • contracts with uncertain outcomes For the contracts selected, our procedures included the following: • we inquired about the status of the selected contracts with senior management, finance and technical management,

Estimation uncertainty involved in accounting for revenue and costs from contracts with customers

Refer to material accounting policy note 2.11, material accounting judgements and estimates note 3.1.4 and note 28 to the consolidated financial statements.

Key audit matter	How the matter was addressed in our audit

• contract variations and claims; and
• the ability to deliver contracts within the requirements of each contract
The measurement of contract revenue and costs includes elements of uncertainty that will depend on the outcome of future events.
Changes in any of the significant judgements may result in a material variance in the amount of profit or loss recognised from individual contracts.
The estimates and judgements made by the directors in respect of contract revenue and contract costs can have a material impact on the consolidated financial statements and accordingly the estimation uncertainty involved in accounting for revenue and costs from contracts with customers is considered a key audit matter in the audit of the consolidated financial statements.
	project and engineering management to consider and evaluate the risks and judgements applied by management to determine the progress of performance obligations.
	• we performed site visits to gain and confirm our understanding of the contracts including the status and progress.
	• we evaluated whether:
	  • the expected total revenue reconciled to signed contracts and variation orders.
	  • the costs included in work in progress were accurate.
	  • variation orders and claims were appropriately recognised when determining the valuation of contract assets and the resulting financial impact on the contracts.
	• we recalculated the revenue per contract based on the input method, where applicable. We agreed the adjustments between certified progress revenue and revenue recognised to the amounts due to/from contract customers.
	• where revenue is calculated on the output method, we have evaluated signed customer certificates in respect of percentage of completion and provisional revenue calculations supported by technical measurements.
	For revenue in respect of variable considerations, including claims and variation orders:
	• we inspected supporting documents to verify that the revenue was only recognised when the requirements of IFRS 15, *Revenue from Contracts with Customers* and the Group's accounting policy have been met, namely when it is highly probable that no significant reversal of revenue will take place in a subsequent period.
	• where applicable, we inspected correspondence with customers concerning variation orders and claims and obtained third-party assessments from legal counsel contracted by the Group, to assess whether the information was consistent with the estimates made by management.
	• for high risk and loss-making contracts, we included our engineering specialists to consider the completeness of the forecasted costs to completion and the judgements made to estimate the potential risks and opportunities on each contract. The specialist attended site visits, discussed the

Estimation uncertainty involved in accounting for revenue and costs from contracts with customers

Refer to material accounting policy note 2.11, material accounting judgements and estimates note 3.1.4 and note 28 to the consolidated financial statements.

Key audit matter	How the matter was addressed in our audit
	status of the projects with project directors and managers and assessed the negotiations on additional claims with the client. • we undertook inquiries with internal and external legal counsel, financial staff and directors in respect of ongoing claims and proceedings on contractual disputes to determine the probability of an unfavorable outcome. We also considered the adequacy and appropriateness of the Revenue disclosure in the Group financial statements in accordance with IFRS 15, *Revenue from Contracts with Customers.* Outcome: Based on the procedures performed above in respect of Estimation uncertainty involved in accounting for revenue and costs from contracts with customers, we did not identify any significant matters requiring further consideration in concluding on the procedures performed.

Liquidity and going concern

Refer to note 5, going concern and liquidity, to the consolidated and separate financial statements

Key audit matter	How the matter was addressed in our audit
The Group and Company continue to actively manage the liquidity and cash flow of two distinct liquidity pools, namely the Australian liquidity pool and the South African liquidity pool. The South African liquidity pool continues to be tightly managed. There is judgement involved in forecasting liquidity requirements covering a minimum of twelve months from the date of approval of these consolidated and separate financial statements. The assessment made by management included evaluating available cash resources, facilities and operating cash flows. Furthermore, because of the effort required from the audit team to evaluate managements judgement on liquidity, it has been identified as a key audit matter in the audit of the consolidated and separate financial statements.	To address the key audit matter, we performed the following audit procedures: Our team included senior audit team members, who understand the Company and Group's funding requirements, the Group's business, industry and the economic environment in which it operates in and we: • critically evaluated management's going concern assessment, focusing on the short-term liquidity requirements and whether the assessment includes all relevant information that has come to our attention during the audit. • evaluated the Group's appropriateness of the forecasted results against historic performance and profitability. We have assessed the available cash facilities and future operating cash flows of the Group through: • evaluating whether substantially all budgeted revenue is secured at projected positive margins for at least the next twelve months from the date of this report; • stress tested managements assumptions, covering a minimum of twelve months from the date of these consolidated and separate financial statements, by performing a sensitivity analysis in respect of the operating cash flow forecasts and assessed the reasonableness of the

Liquidity and going concern

Refer to note 5, going concern and liquidity, to the consolidated and separate financial statements

Key audit matter	How the matter was addressed in our audit
	key assumptions and the related analyses performed by management. • evaluating the forecast cash balances prepared by management to ensure sufficient headroom is available to meet short term liquidity levels including complying with debt covenants. • evaluating managements group risk report and the formal disputes report to assess the possible impact thereof on projected cash flows. • evaluating the Group's continuing ability to generate a substantial cash balance and a positive working capital position on the contract portfolio. • evaluating the continuing ability to raise bonding facilities/project guarantees for existing and future contracts and whether there are sufficient facilities for future work. • evaluated the extent and timing of new financing facilities. Furthermore, we have evaluated and assessed events subsequent to the year-end and up to the date of this report that would impact the available cash resources, facilities and operating cash flows. We also considered the adequacy and appropriateness of the disclosures in respect of going concern in the consolidated and separate financial statements in accordance with IAS 1, *Presentation of financial statements*. Outcome: Based on the procedures performed above in respect of Liquidity and going concern, we did not identify any significant matters requiring further consideration in concluding on the procedures performed.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Aveng audited consolidated and separate annual financial statements for the year ended 30 June 2025", which includes the Directors' Report, the Audit Committee Report and of the Certificate of the company secretary as required by the Companies Act of South Africa, which we obtained prior to the date of this report and the Integrated Report, which is expected to be made available to us after that date. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and 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 consolidated and 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 consolidated and 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 on the other information obtained prior to the date of this auditor's report, 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.

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF AVENG LIMITED

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and 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 Group and Company or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the consolidated and 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 consolidated and 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 consolidated and 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 group's and 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 Group and 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 consolidated and 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 Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence, regarding the financial information of the entities or business units within the group, as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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.

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF AVENG LIMITED

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence and 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 consolidated and 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 KPMG Inc. has been the auditor of Aveng Limited for four years.

KPMG Inc.
Per FHC von Eckardstein
Chartered Accountant (SA)
Registered Auditor
Director

18 August 2025

KPMG Crescent
85 Empire Road
Parktown
Johannesburg
2193

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2025

	Notes	2025 A$'000	2024 A$'000
ASSETS			
Non-current assets			
Goodwill arising on consolidation	9	**7 929**	7 929
Property, plant and equipment	7	**214 692**	235 688
Right-of-use assets	8	**57 992**	58 534
Infrastructure investments	10	**-**	11 658
Deferred taxation	11	**100 527**	105 274
Lease receivables	15	**943**	23 950
Other non-current assets		**3 278**	2 343
		385 361	445 376
Current assets			
Inventories	14	**17 050**	20 539
Contract assets	12	**346 582**	530 533
Trade and other receivables	13	**21 991**	30 498
Lease receivables	15	**645**	8 047
Cash and bank balances	16	**267 311**	227 678
		653 579	817 295
TOTAL ASSETS		**1 038 940**	1 262 671
EQUITY AND LIABILITIES			
Equity			
Stated capital	17	**548 354**	546 930
Other reserves		**(946 190)**	(951 542)
Retained earnings		**593 770**	686 275
Equity attributable to equity-holders of parent		**195 934**	281 663
Non-controlling interest		**530**	295
TOTAL EQUITY		**196 464**	281 958
LIABILITIES			
Non-current liabilities			
Deferred taxation	11	**17 637**	23 834
External borrowings and other liabilities	18	**29 974**	34 936
Lease liabilities	19	**45 974**	72 027
Provisions	21	**3 262**	4 273
Employee-related payables	22	**44 824**	40 268
		141 671	175 338
Current liabilities			
Contract liabilities	12	**243 761**	214 957
External borrowings and other liabilities	18	**25 926**	19 090
Lease liabilities	19	**20 627**	31 477
Employee-related payables	22	**27 769**	33 607
Trade and other payables	20	**343 884**	467 526
Provisions	21	**28 401**	32 997
Taxation payable	39	**10 437**	5 721
		700 805	805 375
TOTAL LIABILITIES		**842 476**	980 713
TOTAL EQUITY AND LIABILITIES		**1 038 940**	1 262 671

CONSOLIDATED STATEMENT OF COMPREHENSIVE EARNINGS

for the year ended 30 June 2025

	Notes	2025 A$'000	2024 A$'000
Continuing operations			
Revenue	26	**2 629 939**	3 055 356
Cost of sales	27	**(2 550 679)**	(2 879 793)
Gross earnings		**79 260**	175 563
Other (expenses) / earnings	28	**(104)**	5 930
Operating expenses	29	**(139 536)**	(146 913)
Loss from equity-accounted investments		**(29)**	(102)
Operating (loss) / earnings before capital items		**(60 409)**	34 478
Capital expenses	30	**(7 837)**	(7 305)
Operating (loss) / earnings after capital items		**(68 246)**	27 173
Finance earnings		**11 818**	11 579
Finance expenses	32	**(20 724)**	(22 669)
(Loss) / earnings before taxation		**(77 152)**	16 083
Taxation	33	**(15 106)**	9 657
(Loss) / earnings from continuing operations		**(92 258)**	25 740
Discontinued operations			
Loss from discontinued operations, net of taxation		**(15)**	(80)
Loss from discontinued operations		**(15)**	(80)
(Loss) / earnings for the year		**(92 273)**	25 660
Other comprehensive earnings			
Other comprehensive earnings to be reclassified to earnings or loss in			
Exchange differences on translating foreign operations		**7 231**	3 238
Other comprehensive earnings for the year, net of taxation		**7 231**	3 238
Total comprehensive (loss) / earnings for the year		**(85 042)**	28 898

CONSOLIDATED STATEMENT OF COMPREHENSIVE EARNINGS CONTINUED

for the year ended 30 June 2025

	Notes	2025 A$'000	2024 A$'000
Total comprehensive (loss) / earnings for the year attributable to:			
Equity-holders of the parent		**(85 277)**	28 920
Non-controlling interest		**235**	(22)
		(85 042)	28 898
(Loss) / earnings for the year attributable to:			
Equity-holders of the parent		**(92 505)**	25 653
Non-controlling interest		**232**	7
		(92 273)	25 660
Other comprehensive earnings for the year, net of taxation			
Equity-holders of the parent		**7 228**	3 267
Non-controlling interest		**3**	(29)
		7 231	3 238
Results per share (cents)			
Basic (loss) / earnings per share			
Continuing operations		**(70.4)**	20.0
Discontinued operations		**-**	-
		(70.4)	20.0
Diluted (loss) / earnings per share			
Continuing operations		**(70.4)**	19.5
Discontinued operations		**-**	-
		(70.4)	19.5
In issue	35	**131.3**	131.3
Weighted average	35	**131.0**	128.4
Diluted weighted average	35	**131.0**	131.3

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2025

	Stated capital A$'000	Foreign currency translation reserve A$'000	Equity-settled share-based payment reserve A$'000	Total other reserves A$'000	Retained earnings A$'000	Total attributable to equity holders of the parent A$'000	Non-controlling interest A$'000	Total A$'000
Year ended 30 June 2024								
Balance at 1 July 2023	544 665	(961 175)	6 907	(954 268)	660 622	251 019	317	251 336
Earnings for the year	-	-	-	-	25 653	25 653	7	25 660
Other comprehensive earnings for the year (net of taxation)	-	3 267	-	3 267	-	3 267	(29)	3 238
Total comprehensive loss for the year	-	3 267	-	3 267	25 653	28 920	(22)	28 898
Equity settled share-based payment - shares	-	-	1 724	1 724	-	1 724	-	1 724
Equity settled share-based payment - shares vested	2 265	-	(2 265)	(2 265)	-	-	-	-
Total contributions and distributions recognised	2 265	-	(541)	(541)	-	1 724	-	1 724
Balance at 30 June 2024	546 930	(957 908)	6 366	(951 542)	686 275	281 663	295	281 958
Year ended 30 June 2025								
Balance at 1 July 2024	**546 930**	**(957 908)**	**6 366**	**(951 542)**	**686 275**	**281 663**	**295**	**281 958**
Loss for the year	**-**	**-**	**-**	**-**	**(92 505)**	**(92 505)**	**232**	**(92 273)**
Other comprehensive earnings for the year (net of taxation)	**-**	**7 228**	**-**	**7 228**	**-**	**7 228**	**3**	**7 231**
Total comprehensive loss for the year	**-**	**7 228**	**-**	**7 228**	**(92 505)**	**(85 277)**	**235**	**(85 042)**
Equity settled share-based payment - shares	**-**	**-**	**(452)**	**(452)**	**-**	**(452)**	**-**	**(452)**
Equity settled share-based payment - shares vested	**1 424**	**-**	**(1 424)**	**(1 424)**	**-**	**-**	**-**	**-**
Total contributions and distributions recognised	**1 424**	**-**	**(1 876)**	**(1 876)**	**-**	**(452)**	**-**	**(452)**
Balance at 30 June 2025	**548 354**	**(950 680)**	**4 490**	**(946 190)**	**593 770**	**195 934**	**530**	**196 464**
Notes	17		23					

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 June 2025

	Notes	2025 A$'000	2024 A$'000
Cash flow from operating activities			
Cash generated from operating activities	36	**96 509**	150 002
Finance expenses paid	37	**(20 771)**	(22 888)
Finance earnings received	38	**11 766**	11 973
Taxation paid	39	**(9 585)**	(1 673)
Cash inflow from operating activities		**77 919**	137 414
Cash flow from investing activities			
Acquisition of property, plant and equipment – expansion	7	**(896)**	(7 784)
Acquisition of property, plant and equipment – replacement	7	**(27 165)**	(53 973)
Proceeds on disposal of property, plant and equipment		**6 710**	8 531
Proceeds on disposal of infrastructure investments	31	**8 085**	-
Proceeds on disposal of other assets Held for Sale		**-**	4 628
Capital expenditure net of proceeds on disposal		**(13 266)**	(48 598)
Receipt of capital portion of lease receivable		**3 399**	6 629
Dividends received	28	**-**	2 476
Cash outflow from investing activities		**(9 867)**	(39 493)
Cash flow from financing activities			
Financing activities with debt-holders			
Payment of capital portion of lease liabilities	19/41	**(27 919)**	(31 798)
Repayment of external borrowings	41	**(46 213)**	(45 462)
Proceeds from external borrowings	41	**45 764**	16 948
Cash outflow from financing activities		**(28 368)**	(60 312)
Net increase in cash and bank balances before foreign exchange movements		**39 684**	37 609
Foreign exchange movements on cash and bank balances		**(51)**	402
Cash and bank balances at the beginning of the year		**227 678**	189 667
Total cash and bank balances at the end of the year	16	**267 311**	227 678

ACCOUNTING POLICIES
for the year ended 30 June 2025

1. PRESENTATION OF CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The accounting policies below are applied throughout the consolidated and separate financial statements.

1.1 Basis of preparation

The consolidated and separate financial statements have been prepared on the historical cost basis, except for certain financial assets which are measured at fair value.

The consolidate financial statements are presented in Australian Dollars to the nearest thousand (A$'000) and the separate financial statements are presented in South African Rand to the nearest million (Rm).The accounting policies adopted are consistent with those of the previous year ended 30 June 2024 except for the new standards and interpretations disclosed in *note 4: Standards and interpretations effective and not yet effective.*

1.2 Assessment of significance or materiality of amounts disclosed in the consolidated and separate financial statements

The Group presents amounts in these consolidated and separate financial statements in accordance with *IFRS® Accounting Standards*. Only amounts that have a relevant and material impact on the consolidated and separate financial statements have been separately disclosed. The assessment of significant or material amounts is determined by taking into account the qualitative and quantitative factors attached to each transaction or balance that is assessed.

1.3 Supplementary information

The Group's presentation currency is Australian Dollars(A$). The supplementary information provided in South African Rand (ZAR) is translated at the closing rate for the consolidated statement of financial position and at the average rate for the consolidated statement of comprehensive earnings.

Disclaimer:
South African Rand translations included in these financial statements constitutes pro forma financial information in terms of the JSE Guidance Letter: *Presentation of pro forma financial information dated 4 March 2010.* The pro forma financial information is the responsibility of the board of directors and is presented for illustrative purposes only. The Directors believe the pro forma information can assist stakeholders in interpreting the financial performance of the Group in the previously reported currency. Because of its nature, the pro forma financial information may not fairly present Aveng's financial position, changes in equity, results of operations or cash flows. The underlying information, used in the preparation of the *pro forma* financial information, has been prepared using accounting policies which comply with IFRS® Accounting Standards and are consistent with those applied in the published group consolidated and separate annual financial statements for the year ended 30 June 2025. This pro forma information has been reported on by the group's auditors, KPMG Incorporated. Their unmodified auditor's report prepared in terms of the *International Standard on Assurance Engagements (ISAE) 3420* is available on page 103 to 104.

1.4 Statement of compliance

The consolidated and separate financial statements of Aveng Limited have been prepared on a going concern basis in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) , the Financial Pronouncements as issued by the Financial Reporting Standards Council, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, JSE Listings Requirements and the South African Companies Act.

1.5 Approval of consolidated and separate annual financial statements

The consolidated and separate financial statements of the Group for the year ended 30 June 2025, which have been prepared on the going concern basis, were approved by the Board of directors on 18 August 2025.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of consolidation

Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects to measure the non-controlling interests in the acquiree at fair value of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in operating expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of *IFRS 9 Financial Instruments* (*IFRS 9*), it is measured in accordance with the appropriate IFRS® Accounting Standards. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (CGU) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

Common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the Group both before and after the combination. The Group accounts for these common control transactions using pooling of interest method. Any difference between the consideration paid and the capital of the acquiree is recognised in retained earnings.

Subsidiaries

The results of any subsidiaries acquired or disposed of during the year are included from the effective dates of acquisition and up to the effective dates of disposal respectively, being the dates on which the Group obtains or ceases to have control. Control is achieved when the Group has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Non-controlling interests (NCI)

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

The Group does not have subsidiaries that have a significant non-controlling interest and accordingly detailed non-controlling interest disclosure is not required in terms of *IFRS 12 Disclosure of Interests in Other Entities* in the current year.

Loss of control

If the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any gain or loss is recognised in earnings or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

2. MATERIAL ACCOUNTING POLICIES continued

2.1 Basis of consolidation continued

Equity-accounted investments

Equity-accounted investments consist of investments in associates and joint ventures.

Associates

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of more than 20% of the voting rights.

Joint arrangements

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about relevant activities require unanimous consent of the parties sharing control. The Group's interest in joint arrangements are either classified as joint operations or joint ventures.

A joint operation is a joint arrangement whereby the Group has rights to the assets and obligations for the liabilities, relating to the joint arrangement. The joint operators have a contractual arrangement that establishes joint control over the economic activities of the entity. The arrangements require unanimous agreement for financial and operating decisions among the joint operators. The Group recognises its interest in a joint operation by recognising its interest in the assets and liabilities of the joint operation as well as its share in the expenses that it incurs and its share of the earnings that it earns from the sale of goods or services by the joint operation.

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the earnings or loss and other comprehensive earnings or loss of the associates and joint ventures, until the date significant influence or joint control ceases.

When the Group's share of losses in associates or joint ventures equals or exceeds its interest in that entity, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture. The total carrying amount of associates and joint ventures is evaluated when there is an indication of impairment.

The Group's interests in associates and joint arrangements are considered individually immaterial based on their contribution to the Group and accordingly disclosures are aggregated separately for associates and joint arrangements based on their risk profiles and characteristics in relation to their activities and association to the Group.

Transactions eliminated on consolidation

When the end of the reporting period of a subsidiary, associate or joint venture is different to that of the Group, the subsidiary, associate or joint venture prepares, additional financial statements as at 30 June for consolidation purposes. When it is impractical for the subsidiary, associate or joint arrangement to prepare additional financial statements as at 30 June, adjustments are made for the effects of significant transactions that occur between the subsidiary, associate or joint arrangement and the Group's reporting date.

Should a subsidiary, associate or joint arrangement apply accounting policies that are materially different to those adopted by the Group, adjustments are made to the consolidated financial statements to align the accounting policies.

All inter-group transactions and balances are eliminated on consolidation. Unrealised earnings or losses are also eliminated, unless it reflects impairment in the assets so disposed.

2.2 Foreign currency transactions and balances

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates (functional currency).

Transactions denominated in foreign currencies are initially translated at the rate of exchange ruling at the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated at the A$ rate of exchange ruling at the reporting date. All differences are taken to earnings.

Non-monetary assets and liabilities denominated in foreign currencies are translated at the A$ rate of exchange ruling on the later of acquisition or revaluation dates. Gains or losses on translation are credited or charged against earnings.

2. MATERIAL ACCOUNTING POLICIES continued

2.2 Foreign currency transactions and balances continued

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into the presentation currency of the Group (A$) at the rate of exchange ruling at the reporting date. The income and expenses of foreign operations are translated at the average exchange rates for the year. Equity is stated at historical rates.

Foreign currency differences arising on the translation are recognised in other comprehensive earnings and accumulated in the translation reserve, except to the extent that the translation difference is allocated to non-controlling interests.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is reclassified from other comprehensive earnings to earnings.

2.3 Segmental information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker, identified as executive management, monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating earnings and is measured consistently with operating earnings in the consolidated financial statements.

The Group financing (including finance earnings) and income taxes are allocated to operating segments (refer to *note 6: Segmental report*).

Revenue and expenses are attributed directly to the segments to which they relate. Segment assets include all operating assets used by a segment, and consist principally of property, plant and equipment, trade and other receivables and contract assets. Segment liabilities include all operating liabilities and consist principally of trade and other payables and contract liabilities.

2.4 Property, plant and equipment

Property, plant and equipment, including right-of-use assets, are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the item. Land is not depreciated.

Buildings and other items of property, plant and equipment are depreciated on a straight-line basis over their useful lives to an estimated residual value. Right-of-use assets recognised under *IFRS 16* are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Where significant components of an item have different useful lives to the item itself, these parts are depreciated separately if the component's cost is significant in relation to the cost of the remainder of the asset.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenditures are charged to earnings or loss during the reporting period in which they are incurred. If a replacement part is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to be realised from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in earnings or loss in the year in which the item is derecognised.

The asset's residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively, if appropriate, at the end of each reporting period.

2. MATERIAL ACCOUNTING POLICIES continued

2.4 Property, plant and equipment continued

The estimated useful lives of property, plant and equipment for the current and comparative periods are as follows:

Item	Depreciation % / period
Owned Buildings	2%
Owned plant, equipment and vehicles	5% to 33%
Right-of-use assets	Shorter of lease period and asset's useful life as per owned categories

2.5 Inventories

Inventories are valued at the lower of cost and net realisable value generally determined on the first-in first-out (*FIFO*) basis and weighted average in respect of certain stock categories.

Write-downs to net realisable value and inventory losses are expensed in the period in which the write-downs or losses occur.

2.6 Impairment of property, plant and equipment, intangible assets and goodwill arising on consolidation

The Group assesses, at each reporting date, whether there is an indication that a non-financial asset (other than inventories and deferred tax assets) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset or CGU is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in the Statement of Comprehensive Earnings in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's or CGU's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Comprehensive Earnings unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

2.7 Stated capital

Treasury shares

Treasury shares comprise of shares in Aveng Limited held by the Aveng Limited Share Purchase Trust, Aveng Africa Proprietary Limited and by Aveng Management Company Proprietary Limited, and shares in terms of the forfeitable share plan. The amount of consideration paid for the treasury shares is recognised as a deduction from equity and both issued capital and weighted average number of shares is reduced by the number of treasury shares. Dividends received on treasury shares are eliminated on consolidation. Earnings are not recognised on the purchase, sale, issue or cancellation of the Group's own equity instruments.

2.8 Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of past events for which it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

2. MATERIAL ACCOUNTING POLICIES continued

2.9 Share based payments

The Group operates a share incentive plan for the granting of shares and/or share options to executives and senior employees as consideration for services rendered. Shares and/or share options are offered to executives and senior employees at the market price, upon recommendation by the remuneration and nominations committee. Shares and/or share options awarded to executives and senior employees are awarded over a period of two or three years.

Equity-settled transactions

The cost of equity-settled transactions with employees is measured with reference to the fair value at the date on which they are granted. In valuing equity-settled transactions, no account is taken of performance conditions, other than conditions linked to the market value of the Company's shares. The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate as to the number of equity instruments that will ultimately vest. The earnings charge or credit for a period represents the movement in cumulative expense recognised at the beginning and at the end of each reporting period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition. Provided that all other performance conditions are satisfied, these awards are treated as vested irrespective of whether or not the market condition is satisfied. Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified.

In addition, an expense is recognised for any modification, which increases the consolidated total fair value of the share-based payment arrangement or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation. Any expense not yet recognised for the award is immediately recognised. In the event that a new award is substituted for the cancelled award, and designated as a replacement award, the cancelled and new awards are treated as if they were a modification to the original award. The dilutive effect of outstanding options is included in the computation of diluted earnings per share.

Cash-settled transactions

The cost of cash-settled transactions is measured initially at fair value at the grant date by means of an adjusted binomial option pricing model which takes into account the terms and conditions upon which the instruments were granted. This fair value is expensed over the vesting period with recognition of a corresponding liability. This liability is remeasured at each reporting date up to and including the settlement date with changes in fair value recognised in earnings.

Subsidiaries

Share-based payments that are classified as equity or cash-settled at the Group level are classified as follows in the subsidiary level:

- Equity-settled, where the receiving subsidiary has no obligation to settle the transaction;
- Equity-settled, where the settling subsidiary has the obligation to settle in its own equity instruments; and
- Cash-settled, where the settling subsidiary has the obligation to settle in cash or other assets, including equity instruments of another Group entity (where relevant).

2.10 Employee benefits

Short-term employee benefits

All short-term benefits are charged as an expense in the period in which the related service is rendered by employees. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and this amount can be estimated reliably. The liability under short term benefits is accounted for as the undiscounted amount expected to be paid in exchange for the services received.

Post-retirement benefits

The Group has a defined contribution plan for its eligible employees. South African funds are governed by the Pension Funds Act, 1956 as amended. Other funds are governed by the respective legislation of the country concerned.

The overall expected rate of return on assets is determined based on market expectations prevailing on that date, applicable to the period over which the obligation is to be settled.

2. MATERIAL ACCOUNTING POLICIES continued

2.10 Employee benefits continued

Post-retirement benefits continued

The risks pertaining to the defined contribution plans does not lie with the Group regarding the sufficiency of the plan assets or returns on these assets.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense in the reporting period to which they relate.

Other long-term employee benefits

Other long-term employee benefits include items such as the Group's long-term disability benefits as well as the portion of the Group's leave pay benefits not expected to be settled wholly within twelve months after the annual reporting period in which the employees render the related service.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within twelve months of the reporting date, then they are discounted.

2.11 Revenue from contracts with customers

Construction and mining contracts

The Group recognises revenue from construction contracts and mining contracts over time as the customer receives the benefits associated to the revenue.

The Group is the principal in its construction contract revenue arrangements, because it typically controls the delivery of construction contracts over time. Anticipated losses to completion are immediately recognised as an expense in contract costs.

When the outcome of a construction contract cannot be estimated reliably (principally during early stages of a contract), contract revenue is recognised only to the extent of costs incurred that are expected to be recoverable.

Where contract costs incurred to date plus recognised earnings, less recognised losses exceed progress billings, the surplus is reflected as contract assets for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits, less recognised losses, the surplus is reflected as contract liabilities for contract work.

Amounts received before the related work is performed are included as a liability in the consolidated statement of financial position, as progress billings received (including overclaims and early customer receipts) in contract liabilities.

Amounts billed for work performed but not collected from customers are included as contract receivables under contract assets. Variations in contract work, claims and incentive payments are included as part of uncertified claims and variations as follows:

Claims impact on transaction price

Claims are subject to a high level of uncertainty. Various claims are submitted by the Group to their customers. Under *IFRS 15* revenue from claims is required to be accounted for as variable consideration and claims are included in revenue only when it is highly probable that revenue will not be reversed in the future.

Variations to a contract

Revenue related to variations is recognised when it can be reliably measured and it is highly probable that revenue will not be reversed in the future.

Incentive payments

Revenue is recognised when the contract is sufficiently advanced that it is highly probable that the specified performance standard will be met or exceeded and the revenue will not be reversed in the future, and the amount of incentive payment can be measured reliably.

Revenue is measured at the consideration at which the Group is expected to be entitled to, excluding discounts, rebates and Value-Added Taxation (VAT).

2. MATERIAL ACCOUNTING POLICIES continued

2.11 Revenue from contracts with customers continued

Construction and mining contracts continued

Combining and segmenting construction contracts

The Group's contracts are typically negotiated for the construction of a single asset or a group of assets which are closely inter-related or inter-dependent in terms of their design, technology and function. In certain circumstances, the Group measures revenue over a period of time for each separately identifiable components of a single contract or to a group of contracts together in order to reflect the substance of a contract or group of contracts.

Assets covered by a single contract are treated as separate performance obligations when:
– separate proposals have been submitted for each asset;
– each asset has been subject to separate negotiation and the Group and customer have been able to accept or reject that part of the contract relating to each asset; and
– the costs and revenues of each asset can be identified.

A group of contracts is treated as a single construction contract when:
– the group of contracts is negotiated as a package with a single commercial objective;
– the amount of consideration to be paid in one contract depends on the price or performance of the other contract;
– the contracts are so closely inter-related that they are, in effect, part of a single project with an overall positive margin; or
– the contracts are performed concurrently or in a continuous sequence

Practical expedients

The Group has elected to apply the following practical expedients available in *IFRS 15*:

Significant financing component

Generally, the Group receives short-term advances from its customers. Using the practical expedient in *IFRS 15*, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods or services to the customer and when the customer pays for that goods or services will be one year or less.

2.12 Interest earnings

Interest received on bank balances is recognised on a time proportion basis that takes into account the effective interest on the asset. An appropriate accrual is made at each reporting date.

2.13 Other earnings

Dividends received are included in earnings or loss when the Group's right of payment has been established. The right of payment has been established when the dividend has been appropriately authorised and is no longer at the entity declaring the dividend's discretion.

2.14 Fair value of assets and liabilities

Financial and non-financial assets

The Group measures certain financial instruments, including infrastructure investments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Each method of determining fair value can be analysed into the following categories:
– Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
– Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
– Level 3 Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

2. MATERIAL ACCOUNTING POLICIES continued

2.14 Fair value of assets and liabilities continued

Financial and non-financial assets continued

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same and discounted cash flow analysis or other valuation models.

Financial assets

Initial recognition and measurement

The Group initially recognises financial assets when the Group becomes a party to the contractual provisions of the instrument.

Financial assets are initially measured at fair value plus in the case of assets not measured at fair value through profit or loss, directly attributable transaction costs. Subsequently financial assets, excluding derivatives, are classified as measured at amortised cost or fair value, depending on the Group's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset. Derivatives are subsequently measured at fair value through profit or loss. Changes in the fair value of derivatives used to economically hedge the Group's foreign exchange exposure are recognised in other earnings in the earnings or loss component of the Statement of Comprehensive earnings.

A financial asset qualifies for amortised cost, using the effective interest method net of any impairment loss if it meets both of the following conditions:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

If a financial asset does not meet both of these conditions, it is measured at fair value.

The assessment of business model is made at portfolio level as this reflects best the way the business is managed and information is provided to management.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The Group's financial assets are classified as trade and other receivables, infrastructure investments and cash and bank balances.

The Group's financial assets are classified and measured as follows:

Financial investments / infrastructure investments

The Group holds investments in the equity interest of a number of non-listed entities, which are subsequently measured at fair value through profit or loss.

Trade and other receivables

Trade and other receivables are subsequently measured at amortised cost.

Cash and bank balances

Cash and bank balances comprise cash on hand and bank balances that are subsequently measured at amortised cost. Cash held in joint arrangements are available for use by the Group with the approval of the joint arrangement partners. Bank overdrafts are offset against positive bank balances where a legally enforceable right of offset exists and there is an intention to settle the overdraft and realise the net cash. For the purposes of the statement of cash flows, cash and bank balances consist of cash and bank balances defined above net of outstanding bank overdrafts.

2. MATERIAL ACCOUNTING POLICIES continued

2.15 Financial instruments

Financial assets continued

Derecognition

A financial asset is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets and lease receivables

The impairment model applies to financial assets measured at amortised cost, contract assets and lease receivables but not to investments in equity instruments.

Under *IFRS 9*, Expected Credit losses (ECLs) are recognised in either of the following stages:

- 12 Month ECLs: those are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: those are ECLs that result from all possible default events over the expected life of the instrument.

The Group has elected to measure the loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs subsequent to initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and an analysis, based on the Group's historical experience and information, including credit assessment and forward-looking information.

Presentation of impairment

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the asset.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e., the difference between the contractual cash flows due to the entity in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate of the financial asset).

Credit-impaired financial assets

At each reporting date, the Group has assessed whether financial assets within the scope of *IFRS 9* impairment requirements are credit impaired.

Debt instruments not carried at fair value through profit or loss are assessed at each reporting date to determine whether there is objective evidence of credit-impairment. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred.

Accordingly, this accounting policy relates to *note 12: Contract assets / (liabilities)*, *note 13: Trade and other receivables* and *note 16: Cash and bank balances*.

2. MATERIAL ACCOUNTING POLICIES continued

2.15 Financial instruments continued

Financial assets continued

Credit-impaired financial assets continued

Objective evidence that financial assets are credit impaired includes, but is not limited to:

– Significant financial difficulty of the issuer or the borrower;
– A breach of contract, such as default or the counterparty has failed to make a payment when that payment was contractually due;
– the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
– it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
– the disappearance of an active market for that financial asset because of financial difficulties; or
– the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Financial liabilities

Initial recognition and measurement

The Group initially recognises financial liabilities when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified as measured at amortised cost or fair value, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and other liabilities, less directly attributable transaction costs. The Group's financial liabilities include trade and other payables, borrowings and other liabilities, bank overdrafts and derivatives that are liabilities.

The Group has not designated any financial liabilities upon initial recognition at fair value through profit or loss, except those financial liabilities that contain embedded derivatives that significantly modify cash flows that would otherwise be required under the contract.

Borrowings and other liabilities

Borrowings are subsequently measured at amortised cost using the effective interest method. Gains or losses are recognised in earnings when the liabilities are derecognised as well as through the amortisation process.

Trade and other payables

Trade and other payables are subsequently measured at amortised cost using the effective interest method.

Bank overdraft

Bank overdrafts are subsequently measured at amortised cost using the effective interest method.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in earnings.

2.16 Contract assets and liabilities

Contract assets

Contract assets are carried at cost plus margin recognised, less billings and recognised losses at the reporting date in accordance with the revenue recognition policy in *section 2.11 Revenue from contracts with customers.*

Contract receivables and contract retentions are initially recognised at cost plus margin, which approximates fair value, and are subsequently measured at amortised cost. Contract receivables and retentions comprise amounts due in respect of progress billings certified by the client or consultant at the reporting date for which payment has not been received and amounts held as retentions on certified work at the reporting date.

2. MATERIAL ACCOUNTING POLICIES continued

2.16 Contract assets and liabilities continued

Contract assets continued

Contract costs include costs that are attributable directly to the contract and costs that are attributable to contract activity. Costs that relate directly to a specific contract comprise: site labour costs (including site supervision); costs of materials used in construction; depreciation of equipment used on the contract; costs of design, technical assistance, and any other costs which are specifically chargeable to the customer in terms of the contract.

Contract costs incurred that relate to future activity are recognised as an asset to the extent that it is probable it will be recovered. Such costs represent contract assets.

Contract liabilities

Where progress billings exceed the aggregate of costs plus margin less losses, the net amounts are reflected as a liability and is carried at amortised cost.

2.17 Tax

Current taxation

Current taxation comprises the expected taxation payable and receivable on the taxable earnings for the year and any adjustment to taxation payable or receivable in respect of previous years. It is measured using taxation rates that are enacted or substantively enacted at reporting date.

Current taxation for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current or prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current taxation is charged to earnings except to the extent that it relates to a transaction that is recognised outside earnings or loss. In this case the current taxation items are recognised in correlation to the underlying transaction either in other comprehensive earnings or directly in equity.

Deferred taxation

Deferred taxation is recognised in respect of all temporary differences at the reporting date. Temporary differences are differences between the carrying amounts of assets and liabilities for financial reporting purposes and their taxation base.

Deferred taxation is not recognised for:

- Taxable temporary differences that arise from the initial recognition of goodwill;
- Temporary differences on the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither the accounting profits nor taxable income; and
- Temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred taxation assets are recognised for all deductible temporary differences, carry forward of unused taxation credits and unused taxation losses, to the extent that it is probable that taxable income will be available against which they can be used in the foreseeable future.

The amount of deferred taxation provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using taxation rates that are expected to apply to the year when the asset is realised or the liability is settled based on enacted or substantively enacted taxation rates at the reporting date.

Deferred taxation is charged to earnings or loss except to the extent that it relates to a transaction that is recognised outside earnings or loss. In this case the deferred taxation items are recognised in correlation to the underlying transaction either in other comprehensive earnings or directly in equity.

The effect on deferred taxation of any changes in taxation rates is recognised in earnings, except to the extent that it relates to items previously recognised in other comprehensive earnings or credited directly to equity. The carrying amount of deferred taxation assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that the related taxation benefit will be realised. Unrecognised deferred taxation assets are reassessed at each reporting date and are recognised to the extent that it has become probable that the future taxable income will allow the deferred taxation asset to be recovered.

2. MATERIAL ACCOUNTING POLICIES continued

2.17 Tax continued

Deferred taxation

Deferred taxation assets and deferred taxation liabilities are offset, if a legally enforceable right exists to set off current income taxation assets against current taxation liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Withholding tax

A dividend withholding tax is withheld on behalf of the taxation authority on dividend distributions.

Other taxes

Revenues, expenses and assets are recognised net of Value Added Tax except for:

- Where the Value Added Tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the Value Added Tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of Value Added Tax included.

The net amount of Value Added Tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.18 Leases

Group as a lessee

Determining the lease term

The Group has determined the lease term as the non-cancellable period of the lease, together with periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option, and the periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The lease term includes any rent-free periods provided to the lessee by the lessor.

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of property, plant and equipment that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Separation of lease components

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative standalone prices. However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Right-of-use assets

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right-of-use asset is subsequently depreciated using the deprecation method as detailed in *note 2.4 Property, plant and equipment*.

Lease payments

Lease payments included in the measurement of the lease liability comprise:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest rate method.

2. MATERIAL ACCOUNTING POLICIES continued

2.18 Leases

Group as a lessee continued

Remeasurement

A lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in right-of-use assets (refer to note 8: Right-of-use assets) and a lease liability in lease liabilities (refer to note 19: Lease liabilities) in the statement of financial position.

Group as a lessor

When the Group acts as a lessor, it determines at lease commencement whether each lease is a finance or operating lease. As part of the assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

Leases whereby the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rental is recognised as revenue during the period in which it is earned.

If an arrangement contains lease and non-lease components, the Group applies *IFRS 15* to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

Sub-leases

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The Group assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

2.19 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.20 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and its existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contract performance guarantees issued by the parent company on behalf of the group companies are calculated based on the probability of the guarantee being called.

Depending on the merits, legal disputes can translate into future claims and legal proceedings. When required, a provision is made for all liabilities which are expected to materialise, however if the outcome of claims or legal disputes are possible but not probable or the amount cannot be measured with sufficient reliability, they are not disclosed as a provision.

If the likelihood of an outflow is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

2. MATERIAL ACCOUNTING POLICIES continued

2.21 Investments in Group companies

Investments in Group companies, which consist of subsidiaries, joint ventures and associates in the separate financial statements, are stated at cost less amounts written off where there has been an impairment.

2.22 Impact of adopting the new standards on the statement of financial position

A number of new standards and interpretations are effective from 1 July 2024. Management's assessment determined that the new standards and interpretations will not have a material effect on the Group's financial statements. Refer to *note 4. Standards and interpretations effective and not yet effective.*

3. MATERIAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the annual consolidated and separate financial statements requires management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3.1 Judgements and estimation assumptions

In the process of applying the Group's accounting policies, the Group has made judgements relating to certain items recognised, which have the most significant effect on the amounts recognised in the consolidated financial statements. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are described below.

The Group based its assumptions and estimates on parameters available when the consolidated and separate financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

3.1.1 Deferred taxation

Deferred taxation assets are recognised for all unused taxation losses to the extent that it is probable that taxable earnings will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred taxation assets that can be recognised, based upon the likely timing and level of future taxable earnings. If the deferred taxation assets and the deferred taxation liability relate to income taxation in the same jurisdiction, and the law allows net settlement, they have been offset in the statement of financial position.

Refer to *note 11: Deferred taxation* for further detail.

3.1.2 Contract assets / (liabilities)

Positions related to contract positions have been judged in conjunction with legal advice and potential timeframes associated with legal action.

Refer to *note 12: Contract assets / (liabilities)* for further detail.

3.1.3 Impairment of property, plant and equipment, intangible assets and goodwill arising on consolidation

The Group assesses the recoverable amount of any goodwill arising on consolidation and indefinite useful life intangible assets annually or when indicators of potential impairment are identified in respect of the cash generating unit (CGU) of the Group.

Impairment exists when the carrying amount of a CGU exceeds its recoverable amount. The key assumptions used to determine the fair value less costs of disposal calculation are based on available data (if applicable) from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value-in-use calculation is based on assumptions, included in a discounted cash flow model. The cash flows are derived from future budgets and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model, the expected future cash inflows and the growth rates used for extrapolation and terminal value purposes.

For further information refer to *note 34: Impairments*

3.1.4 Revenue recognition

In the *Infrastructure and Building* segments, the Group uses the input method in determining the satisfaction of the performance obligation over a period of time in accounting for its construction contracts.

In the *Mining* segment, the Group uses an output method in determining the satisfaction of the performance obligation through a contract that requires direct measurement. The Group's technical experts, engineers and contact managers exercise their judgement in estimating progress based on performance of the contract or milestone achieved.

3. MATERIAL ACCOUNTING JUDGEMENTS AND ESTIMATES continued

3.1 Judgements and estimation assumptions continued

3.1.4 Revenue recognition continued

Judgements made in the application of the accounting policies for contracting revenue and earnings or loss recognition include:

– the determination of the point in the progress toward complete satisfaction of the performance obligation;
– the determination of when it is highly probable that revenue will not be reversed in the future for claims and variations;
– estimation of total contract revenue and total contract costs;
– assessment of the amount the client will pay for contract variations;
– estimation of project production rates and programme through to completion;
– the ability to deliver contracts within the requirements of each contract; and
– an estimate of potential risks and opportunities on each contract.

The construction contracts undertaken by the Group may require it to perform extra or change order work, and this can result in negotiations over the extent to which the work is outside the scope of the original contract or the price for the extra work.

Given the complexity of many of the contracts undertaken by the Group, the knowledge and experience of the Group's project managers, engineers and executive management is used in assessing the status of negotiations with the customer, the reliability with which the estimated recoverable amounts can be measured, the financial risks pertained to individual projects, and the associated judgements end estimates employed. Cost and revenue estimates are reviewed and updated monthly, and more frequently as determined by events or circumstances.

In addition, many contracts specify the completions schedule requirements and allow for liquidated damages to be charged in the event of failure to achieve that schedule; on these contracts, this could result in the Group incurring liquidated damages.

3.1.5 Contingent liabilities

Parent company guarantees issued in the ordinary course of business are at inception accounted for as contingent liabilities in accordance with *IAS 37 Provisions, Contingent Liabilities and Contingent Assets* (*IAS 37*) and disclosed accordingly. Subsequent to the issuance of the guarantee, and a Completion Certificate for the related work, the probability of the related obligation is determined to be remote (and therefore not disclosed in the financial statements unless there are other reasons that make the obligation probability possible).

Where a claim on the guarantee has been made by the respective client, the probability of the obligation is assessed in detail by management.

Where there is a possibility of reimbursement on a parent guarantee, this reimbursive right is required to be disclosed (as a contingent asset) separate to the related obligation, only if virtually certain.

Reimbursements from cross indemnities may not be disclosed in the financial statements unless a claim is made by a client on the corresponding obligation, and the reimbursement is considered probable.

For further information refer to *note 42: Contingent liabilities and assets.*

3.1.6 Loss making and onerous contracts

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

3.1.7 Uncertainty over income tax treatments

In determining the taxable profit / (loss), tax bases, unused tax losses and tax rates, management assumes that a taxation authority with the right to examine any amounts reported to it will examine those amounts and will have full knowledge of all relevant information when doing so.

In determining whether tax treatments should be considered independently or on a collective basis, the Group selects the approach that provides better predictions of the resolution of the uncertainty. The Group will reassess the tax treatment if facts and circumstances change.

4. STANDARDS AND INTERPRETATIONS EFFECTIVE AND NOT YET EFFECTIVE

Standards and interpretations effective in the current year

The following accounting standards are applicable for the Group in the current financial year:

IFRS 16 Lease liability in a sale-and-leaseback (amendments)
(Effective 1 January 2024)

The amendments confirm the following:

- On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction.
- After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains.

A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement.
The Group has assessed that the following amendment to the standards do not have an impact on the Group currently, it will be reconsidered in future as and when it does become applicable.

IAS 1 Non-current liabilities with covenants and classification of liabilities as current or non-current (amendments)
(Effective 1 January 2024)

Non-current liabilities with covenants

After reconsidering certain aspects of the 2020 amendments, the IASB reconfirmed that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current.

Covenants with which the company must comply after the reporting date (i.e., future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.

The amendments also clarify how a company classifies a liability that can be settled in its own shares – e.g., convertible debt.

When a liability includes a counterparty conversion option that involves a transfer of the company's own equity instruments, the conversion option is recognised as either equity or a liability separately from the host liability under IAS 32 Financial Instruments: Presentation. The IASB has now clarified that when a company classifies the host liability as current or non-current, it can ignore only those conversion options that are recognised as equity.

The group has taken note of the updated definition and will consider and apply going forward. At 30 June 2023, the Group no longer has any long-term debt with covenants or any liability with a conversion to equity option.

Classification of liabilities as current or non-current

To promote consistency in application and clarify the requirements on determining if a liability is current or non-current, the IASB has amended *IAS 1*.

Under existing *IAS 1* requirements, companies classify a liability as current when they do not have an *unconditional right* to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the IASB has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

The Group has assessed that the following amendment to the standards do not have an impact on the Group currently, it will be reconsidered in future as and when it does become applicable.

IAS 7 and IFRS 7 Supplier finance arrangements
(effective 1 January 2024)

The amendments introduce two new disclosure objectives – one in IAS 7 and another in IFRS 7 – for a company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company's liabilities and cash flows, and the company's exposure to liquidity risk.

The Group has assessed that the following amendment to the standards do not have an impact on the Group currently, it will be reconsidered in future as and when it does become applicable.

4. STANDARDS AND INTERPRETATIONS EFFECTIVE AND NOT YET EFFECTIVE continued

Standards and interpretations not yet effective

The Group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Group's accounting periods beginning on or after 1 July 2025. All other standards and interpretations that are not disclosed have been assessed and are not applicable to the Group.

IAS 21 Lack of Exchangeability – (Amendments)

(Effective 1 January 2025)

Under *IAS 21 The Effects of Changes in Foreign Exchange Rates*, a company uses a spot exchange rate when translating a foreign currency transaction.

However, in rare cases, it is possible that one currency cannot be exchanged into another. This lack of exchangeability might arise when a government imposes controls on capital imports and exports, for example, or when it provides an official exchange rate but limits the volume of foreign currency transactions that can be undertaken at that rate.

Consequently, market participants are unable to buy and sell currency to meet their needs at the official exchange rate and turn instead to unofficial, parallel markets.

In August 2023, the International Accounting Standards Board (IASB) amended *IAS 21* to clarify:

- when a currency is exchangeable into another currency; and
- how a company estimates a spot rate when a currency lacks exchangeability.

The Group has assessed that the following amendment to the standards do not have a material impact on the Group currently. It will be reconsidered in future as and when it does become applicable.

IFRS 7 and IFRS 9 Classification and Measurement of Financial Instruments (Amendments)

(Effective 1 January 2026)

Under *IFRS 9 Financial Instruments*, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented sole payments of principal and interest (SPPI), which is a condition for measurement at amortised cost. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss.

Although the new amendments are more permissive, they apply to all contingent features, not just ESG-linked features. While the amendments may allow certain financial assets with contingent features to meet the SPPI criterion, companies may need to perform additional work to prove this. Judgement will be required in determining whether the new test is met.

The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g. where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.

The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are:

- not related directly to a change in basic lending risks or costs; and
- are not measured at fair value through profit or loss.

The amendments clarify the key characteristics of contractually linked instruments (CLIs) and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the 'look through' test).

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI).

The Group is still in the process of determining the impact of the amendment on the Group.

4. STANDARDS AND INTERPRETATIONS EFFECTIVE AND NOT YET EFFECTIVE continued

Standards and interpretations not yet effective *continued*

IFRS 18 Presentation and Disclosure in Financial Statements (New standard)

(Effective 1 January 2027)

Under current IFRS Accounting Standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies.

IFRS 18 promotes a more structured income statement. In particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities.

The Group is still in the process of determining the impact of the new standard on the Group.

***IFRS 10* and *IAS 28* Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amendments)**

(Optional amendment)

Resolves the conflict regarding how much of the gain on disposal the parent can recognise when control of a subsidiary is lost in a transaction with an associate or a joint venture.

The Group has assessed that the amendment to the standards does not have an impact on the Group.

---

5. GOING CONCERN AND LIQUIDITY

In determining the appropriate basis of preparation of the financial statements, the board is required to consider whether the Group and Company can continue in operational existence for the foreseeable future. The financial performance of the Group and Company is dependent on the wider economic environment in which it operates.

In concluding this assessment, the Board has taken the following considerations into account:

Execution of plans

- Continued strong profitability in the operating performance of the *Infrastructure* New Zealand & Pacific Islands business unit and the *Building* segment;
- This performance is overshadowed by substantial losses in the *Infrastructure* South East Asia business unit, primarily from the Jurong Region Line (J108) project and an operational underperformance in the *Infrastructure* Australia business unit, principally from the Kidston Pumped Storage Hydro (Kidston) project;
- Modest profit result in *Mining* due losses booked on the Tshipi contract. Restrictive mining conditions, regression, weather and power failure claims at Tshipi culminated into significant contractual claims not taken to book and a formal dispute process is being followed;
- Completion of the disposal of the Group's 30% infrastructure investment in the issued share capital of Dimopoint Proprietary Limited (Dimopoint), through its subsidiary, Aveng Africa Proprietary Limited (Aveng Africa), to Collins Property Group for cash proceeds of A$8.1 million (R96 million);
- Sensitivity testing of key inputs included in the operating and liquidity forecasts to ascertain the effect of non-achievement of one or more key inputs (operational business performance), including any effect on the ongoing compliance with covenant requirements in place with banks and other financing arrangements within the Group.
- Updated budget and business plans for post year end up to 30 June 2027 for the Group, incorporating the benefits already realised and expected from actions taken, including the impact on future liquidity following the losses booked on the J108 and Kidston projects.
- The continued monitoring of the South African short-term liquidity forecast management process.

The Group reported a loss for the 2025 financial year of A$92.3 million and an operating free cash inflow of A$23.2 million. The Group continues to focus on improving operational performance, reducing overhead and improving working capital efficiencies. The Group has a higher cash balance (net of bank overdraft facilities) of A$267.3 million at 30 June 2025 (2024: A$227.7 million), of which A$59.9 million (2024: A$76.5 million) is held in joint arrangements. Unutilised facilities amounted to A$nil (2024: A$10 million).

Liquidity, solvency and ongoing funding

The Group continues to actively manage the liquidity and cash flow in two distinct liquidity pools, namely the Australian liquidity pool and the South African liquidity pool.

The *Infrastructure* and *Building* segments reported a strong cash balance with sufficient cash and liquidity to support the order book and the expected cash outflows on the J108 and Kidston projects. The Australia liquidity pool closed with a cash balance of A$267.4 million (2024: A$232.5 million).

The South African Group liquidity pool remains tightly managed and benefited from the receipt of cash proceeds of R96 million (A$8.1 million) from the sale of Dimopoint. Moolmans have continued to finance the purchase of capital expenditure through new asset-backed financing and IFRS 16 lease agreements.

Management updated the forecast up to the 2027 financial year end, as well as preparing cash flow forecasts covering a minimum of 12 months from the date of these audited consolidated annual financial statements. These forecasts have been prepared and reviewed by management to ensure that they have been accurately compiled using appropriate assumptions. The budgets, plans and forecasts have, together with the assumptions used, been interrogated, and approved by the Board.

The Group’s current liabilities of A$700.8 million exceeded its current assets of A$653.6 million at 30 June 2025.

The Company’s current assets of R257 million exceeded its current liabilities of R77 million at 30 June 2025.

The forecasts indicate that the Group will have sufficient cash resources for the foreseeable future. All businesses are expected to perform in line with business plans and are therefore expected to generate sufficient cash to meet their obligations.

The directors have considered all of the above up to the date of approval of these financial statements, including detailed consideration of the current position of all businesses, all business plans and forecasts, including all available information, and are therefore of the opinion that the going concern assumption is appropriate in the preparation of the Consolidated and Separate financial statements, and that sufficient liquidity will be available to support the ongoing operations of the Group, and that the realisation of assets and the settlement of liabilities, including contingent liabilities and commitments, will occur in the ordinary course of business. Refer to notes *18: External borrowings and other liabilities* and *45: Events after the reporting period.*

6. SEGMENTAL REPORT

The reportable segments of the Group are components:

- that engage in business activities from which they earn revenues and incur expenses; and
- have operating results that are regularly reviewed by the Group's chief operating decision-makers to make decisions about resources to be allocated to the segments and in the assessment of their performance as required per *IFRS 8 Operating Segments*.

The following reportable segments are presented which are largely organised and managed separately according to the nature of products and services provided:

- *Infrastructure*
- *Building*
- *Mining*
- *Aveng Legacy*
- *Aveng Corporate and other eliminations.*

The reportable segments are presented per their classification in the disclosure of the segmental statement of comprehensive earnings and segmental statement of financial position in this note.

Details on the reportable segments are as follows:

6.1.1 Infrastructure

This segment includes McConnell Dowell and operates in three geographical regions - Australia, New Zealand & Pacific Islands, and Southeast Asia.

McConnell Dowell is an engineering-led specialist in multidisciplinary contract work, delivering infrastructure solutions in the transport, ports and coastal, water and wastewater, energy and resources sector.

6.1.2 Building

This segment includes Built Environs.

Built Environs is a commercial building business, with a focus on its targeted market sectors of education, healthcare and recreation. It operates in New Zealand and the states of Victoria and South Australia in Australia.

6.1.3 Mining

This segment comprises Moolmans, a tier-one contract mining business operating in Africa with a primary focus on open cast mining.

6.1.4 Aveng Legacy

This comprises assets and liabilities, related to the close out of a limited number of historical contracts not transferred as part of the Aveng Construction: South Africa disposals and properties.

6.1.5 Aveng Corporate

This comprises corporate services in South Africa and Australia and the balance of corporate held investments.

Included in Aveng Corporate is the elimination entries required as part of the Group Consolidation.

6. SEGMENTAL REPORT continued

	Infrastructure		Building		Mining		Aveng Legacy		Aveng Corporate and eliminations		Total	
	2025 A$'000	2024 A$'000	2025 A$'000	2024 A$'000	2025 A$'000	2024 A$'000	2025 A$'000	2024 A$'000	2025 A$'000	2024 A$'000	2025 A$'000	2024 A$'000
Continuing operations												
Revenue	1 900 407	2 417 087	491 100	419 115	252 601	268 835	251	795	(14 420)	(50 476)	2 629 939	3 055 356
Cost of sales	(1 858 571)	(2 272 928)	(461 056)	(399 239)	(239 646)	(253 153)	(5 826)	(4 949)	14 420	50 476	(2 550 679)	(2 879 793)
Gross earnings / (loss)	41 836	144 159	30 044	19 876	12 955	15 682	(5 575)	(4 154)	-	-	79 260	175 563
Operating (loss) / earnings before capital items	(45 662)	57 386	17 000	8 637	243	2 012	(7 189)	(5 052)	(24 801)	(28 505)	(60 409)	34 478
Capital (expenses) / earnings	1 089	-	-	-	(10 770)	(8 120)	7 236	42	(5 392)	773	(7 837)	(7 305)
Finance earnings	7 188	6 041	1 805	1 348	753	716	1 531	20	541	3 454	11 818	11 579
Finance expenses	(2 596)	(2 754)	(61)	(38)	(9 595)	(11 148)	(252)	(983)	(8 220)	(7 746)	(20 724)	(22 669)
(Loss) / earnings before taxation	(39 981)	60 673	18 744	9 947	(19 369)	(16 540)	1 326	(5 973)	(37 872)	(32 024)	(77 152)	16 083
Taxation	(5 786)	5 018	(1 877)	-	(6 567)	4 591	(64)	139	(812)	(91)	(15 106)	9 657
(Loss) / earnings for the year	(45 767)	65 691	16 867	9 947	(25 936)	(11 949)	1 262	(5 834)	(38 684)	(32 115)	(92 258)	25 740
Discontinued operations												
Loss for the year	-	-	-	-	-	-	-	-	(15)	(80)	(15)	(80)

Material cost of sales line items

	Infrastructure 2025	Infrastructure 2024	Building 2025	Building 2024	Mining 2025	Mining 2024	Aveng Legacy 2025	Aveng Legacy 2024	Aveng Corporate and eliminations 2025	Aveng Corporate and eliminations 2024	Total 2025	Total 2024
Sub-contractors	788 035	1 080 395	401 392	354 210	-	-	1 148	1 450	(8 612)	(50 476)	1 181 963	1 385 579
Employee costs	419 327	416 238	30 240	23 975	62 167	66 971	74	517	-	-	511 808	507 701
Materials	248 363	384 430	19 081	13 427	8 891	9 338	-	4	(6 695)	-	269 640	407 199
Plant costs	253 611	231 075	(582)	-	4 845	5 318	-	-	887	-	258 761	236 393
Project costs	116 211	109 812	7 798	7 295	-	-	-	-	-	-	124 009	117 107

6. SEGMENTAL REPORT continued

	Infrastructure		Building		Mining		Aveng Legacy		Aveng Corporate and eliminations		Total	
	2025 A$'000	2024 A$'000	2025 A$'000	2024 A$'000	2025 A$'000	2024 A$'000	2025 A$'000	2024 A$'000	2025 A$'000	2024 A$'000	2025 A$'000	2024 A$'000
Operating (loss) / earnings before capital items	**(45 662)**	57 386	**17 000**	8 637	**243**	2 012	**(7 189)**	(5 052)	**(24 801)**	(28 505)	**(60 409)**	34 478
Depreciation	**26 299**	26 621	**612**	525	**36 266**	42 591	**29**	-	**13**	159	**63 219**	69 896
EBITDA*	**(19 363)**	84 007	**17 612**	9 162	**36 509**	44 603	**(7 160)**	(5 052)	**(24 788)**	(28 346)	**2 810**	104 374
Total assets	**659 944**	891 080	**103 850**	40 640	**247 538**	278 588	**1 352**	6 260	**26 256**	46 103	**1 038 940**	1 262 671
Total liabilities	**500 540**	673 175	**165 708**	84 680	**117 522**	126 656	**27 876**	9 506	**30 830**	86 696	**842 476**	980 713
Capital expenditure	**16 907**	26 734	**-**	-	**11 132**	34 982	**-**	-	**22**	41	**28 061**	61 757

* *EBITDA is defined as operating (loss) / earnings before capital items, depreciation and amortisation*

6. SEGMENTAL REPORT continued

The Group operates in four principal geographical areas:

	South Africa A$'000	Australia A$'000	New Zealand and Pacific Islands A$'000	Southeast Asia A$'000	Other regions A$'000	Total A$'000
2025						
Revenue	**252 852**	**1 805 807**	**491 432**	**79 848**	**-**	**2 629 939**
Operating (loss) / earnings before capital items	**(12 961)**	**(11 858)**	**33 483**	**(68 985)**	**(88)**	**(60 409)**
Capital expenses	**11 110**	**12 635**	**3 386**	**930**	**-**	**28 061**
Segment assets	**239 742**	**577 045**	**163 708**	**58 079**	**366**	**1 038 940**
2024						
Revenue	269 632	2 216 345	425 561	143 818	-	3 055 356
Operating earnings / (loss) before capital items	(15 990)	29 681	24 770	(4 215)	232	34 478
Capital expenses	35 023	16 091	8 343	2 300	-	61 757
Segment assets	293 271	738 472	134 301	95 380	1 247	1 262 671

7. PROPERTY, PLANT AND EQUIPMENT

Reconciliation of property, plant and equipment

	Land and buildings A$'000	Equipment and vehicles A$'000	Total A$'000
2025			
Cost			
Opening balance	**6 069**	**452 060**	**458 129**
Additions	**694**	**27 367**	**28 061**
Disposals	**(1 077)**	**(25 560)**	**(26 637)**
Foreign exchange movements	**66**	**14 099**	**14 165**
	5 752	**467 966**	**473 718**
Accumulated depreciation and impairment			
Opening balance	**(1 144)**	**(221 297)**	**(222 441)**
Current year depreciation*	**(32)**	**(38 014)**	**(38 046)**
Disposals	**-**	**19 507**	**19 507**
Impairment	**-**	**(11 880)**	**(11 880)**
Foreign exchange movements	**(33)**	**(6 133)**	**(6 166)**
	(1 209)	**(257 817)**	**(259 026)**
	4 543	**210 149**	**214 692**
2024			
Cost			
Opening balance	6 192	437 488	443 680
Additions	-	61 757	61 757
Disposals	(13)	(53 269)	(53 282)
Foreign exchange movements	(110)	6 084	5 974
	6 069	452 060	458 129
Accumulated depreciation and impairment			
Opening balance	(1 162)	(205 962)	(207 124)
Current year depreciation*	(4)	(45 900)	(45 904)
Disposals	13	38 730	38 743
Impairment	-	(7 786)	(7 786)
Foreign exchange movements	9	(379)	(370)
	(1 144)	(221 297)	(222 441)
	4 925	230 763	235 688

** Depreciation included in cost of sales amounted to A$36.8 million (2024: A$45 million) and depreciation included in operating expenses amounted to A$1.2million (2024: A$0.9million). Refer to note 27: Cost of sales and note 29: Operating expenses.*

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

A register containing the information required by Regulation 25(3) of the Companies Regulations, 2011 is available for inspection at the registered offices of the operating entities within the Group.

Pledged as security

The Group has pledged certain plant and machinery as security for certain interest-bearing borrowings (refer to *note 18: Borrowings and other liabilities*).

8. RIGHT-OF-USE ASSETS

Reconciliation of right-of-use assets

	Land and buildings A$'000	Equipment and vehicles A$'000	Total A$'000
2025			
Cost			
Opening balance	**60 670**	**37 529**	**98 199**
Additions	**256**	**25 053**	**25 309**
Derecognitions**	**(22 833)**	**(4 962)**	**(27 795)**
Foreign exchange movements	**430**	**1 187**	**1 617**
	38 523	**58 807**	**97 330**
Accumulated depreciation and impairment			
Opening balance	**(27 712)**	**(11 953)**	**(39 665)**
Current year depreciation*	**(11 424)**	**(13 749)**	**(25 173)**
Reversal of impairment previously recognised	**936**	**-**	**936**
Derecognitions**	**20 182**	**4 943**	**25 125**
Foreign exchange movements	**(294)**	**(267)**	**(561)**
	(18 312)	**(21 026)**	**(39 338)**
	20 211	**37 781**	**57 992**
2024			
Cost			
Opening balance	48 927	16 439	65 366
Additions	17 218	25 252	42 470
Derecognitions**	(5 812)	(4 686)	(10 498)
Foreign exchange movements	337	524	861
	60 670	37 529	98 199
Accumulated depreciation and impairment			
Opening balance	(21 432)	(4 988)	(26 420)
Current year depreciation*	(12 783)	(11 210)	(23 993)
Reversal of impairment previously recognised	964	-	964
Derecognitions**	5 493	4 647	10 140
Foreign exchange movements	46	(402)	(356)
	(27 712)	(11 953)	(39 665)
	32 958	25 576	58 534

* Depreciation included in cost of sales amounted to A$20.8 million (2024: A$19.8 million) and depreciation included in operating expenses amounted to A$4.4 million (2024: A$4.2 million). *Refer to note 27: Cost of sales and note 29: Operating expenses.*

** *Lease arrangements expired or cancelled as part of the Dimopoint sale, refer to note 30: Disposal Infrastructure Investment in the year and right-of-use assets returned to the vendor.*

9. GOODWILL ARISING ON CONSOLIDATION

	2025 A$'000	2024 A$'000
Cost		
Opening balance	**89 401**	89 401
	89 401	89 401
Accumulated impairment		
Opening balance	**(81 472)**	(81 472)
	(81 472)	(81 472)
Carrying amount	**7 929**	7 929

10. INFRASTRUCTURE INVESTMENTS

	2025 A$'000	2024 A$'000
South African infrastructure investments		
Opening balance	**11 658**	11 319
Foreign currency translation	**484**	339
Disposal of infrastructure investment	**(12 142)**	-
	-	11 658
Reconciliation of investments		
Dimopoint Proprietary Limited (Dimopoint)	**-**	11 658
	-	11 658

11. DEFERRED TAXATION

	2025 A$'000	2024 A$'000
Reconciliation of deferred taxation asset		
At the beginning of the year	**105 274**	80 164
Recognised in earnings or loss - current year	**(6 265)**	25 100
Recognised in earnings or loss - adjustment for prior year	**43**	(108)
Foreign currency translation movement and other	**1 475**	118
	100 527	105 274
Reconciliation of deferred taxation liability		
At the beginning of the year	**(23 834)**	(17 390)
Recognised in earnings or loss - current year	**6 758**	(6 572)
Recognised in earnings or loss - adjustment for prior year	**-**	175
Foreign currency translation movement and other	**(561)**	(47)
	(17 637)	(23 834)
Deferred taxation asset balance at year-end comprises		
Accelerated capital allowances	**548**	1 472
Provisions	**22 748**	17 640
Contracts	**1 542**	6 037
Other	**13 198**	13 724
Assessed losses carried forward	**62 491**	66 401
	100 527	105 274
Deferred taxation liability balance at year-end comprises		
Accelerated capital allowances	**(1 661)**	(4 779)
Provisions	**-**	269
Contracts	**-**	(104)
Other	**(15 976)**	(19 220)
	(17 637)	(23 834)

The Group results include a number of legal statutory entities within a number of taxation jurisdictions.
As at June 2025 the Group had unused taxation losses of A$1 065 million (2024: A$960 million) available for offset against future profits. A deferred taxation asset has been recognised in respect of A$210 million (2024: A$227 million) of such losses. No deferred taxation asset has been recognised in respect of the remaining A$855 million (2024: A$733 million) due to the uncertainty of future taxable profits in the related legal entities. The Group performed a three year forecast for the financial years 2026 to 2028, which is the key evidence that supports the recognition of deferred taxation assets.

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in South Africa, the jurisdiction in which Aveng Limited is incorporated, as well as in other jurisdictions in which the Group operates, including Australia. The group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS12.

For the financial year ended 30 June 2025, management has assessed the Group's exposure to the top-up tax under the OECD Pillar Two rules and has not identified material top-up tax in any jurisdiction in which it operates on the basis that all jurisdictions either satisfy the Transitional Safe Harbour test or have an Effective Tax Rate above the 15% minimum under the GloBE rules.

The Group will continue to monitor the legislative developments and guidance in all relevant jurisdictions and assess the potential impact at future reporting periods.

12. CONTRACT ASSETS / (LIABILITIES)

	2025 A$'000	2024 A$'000
Uncertified claims and variations (underclaims)[1]	**107 579**	188 819
Contract contingencies	**(25 152)**	(28 245)
Progress billings received (including overclaims and early customer receipts)[2/5]	**(243 761)**	(214 957)
Uncertified claims and variations less progress billings received	**(161 334)**	(54 383)
Contract receivables[3]	**251 957**	360 361
Provision for expected credit loss	**(704)**	(1 759)
Retention receivables[4]	**12 902**	11 357
Net contract assets	**102 821**	315 576
Disclosed on the statement of financial position as follows:		
Uncertified claims and variations[1]	**107 579**	188 819
Contract contingencies	**(25 152)**	(28 245)
Contract receivables	**251 957**	360 361
Retention receivables	**12 902**	11 357
Provision for expected credit losses	**(704)**	(1 759)
Contract assets	**346 582**	530 533
Progress billings received (including overclaims and amounts received in advance)[2/5]	**(243 761)**	(214 957)
Contract liabilities	**(243 761)**	(214 957)
Net contract assets	**102 821**	315 576

1 Includes *revenue not yet certified – recognised over time / measurement and agreed variations, less provisions and deferred contract costs.*
2 Progress billings are amounts billed for work performed above revenue recognised.
3 Amounts invoiced still due from customers.
4 Retentions are amounts invoiced but not paid until the conditions specified in the contract are fulfilled or until defects have been rectified.
5 Advances are amounts received from the customer before the related work is performed. These conditions are anticipated to be fulfilled within the following 12 months.

Expected credit losses

Contract assets

As at 30 June 2025, the Group has contract assets of A$103 million (2024: A$316 million) which is net of the provision for expected credit loss of A$1 million (2024: A$2 million).

Trade and other receivables

As at 30 June 2025, the Group has financial assets of A$18 million (2024: A$24 million). The provision for expected credit loss relating to financial assets is less than A$1 million (2024: Less than A$1 million).

Credit terms

Contract assets comprise amounts owing to the Group in the normal course of business. Terms vary in accordance with contracts of supply and service and across business units but are generally on 30-to-60-day terms from date of invoice. Indebtedness is generally interest free while with the terms of the original contract. No customers had sales larger than 10% of total revenue.

Progress billings received (including overclaims and early customer receipts)

Significant changes in the contract liabilities balances during the period are as follows:

	2025 A$'000	2024 A$'000
Revenue recognised that was included in the progress billings received (including overclaims and early customer receipts) at the beginning of the year	**110 123**	77 746
Increases due to cash received, excluding amounts recognised as revenue during the year	**(138 927)**	(120 228)

13. TRADE AND OTHER RECEIVABLES

	2025 A$'000	2024 A$'000
Financial assets		
Trade and Sundry receivables	**17 591**	24 344
Provision for expected credit losses	**(92)**	(156)
Non-financial assets		
Prepayments	**4 492**	6 310
	21 991	30 498

The carrying amount of trade and other receivables approximates its fair value due to its short-term maturity.

Credit terms

Trade and other receivables comprise amounts owing to the Group in the normal course of business. Terms vary in accordance with contracts of supply and service and across business units but are generally on 30-to-60-day terms from date of invoice. Indebtedness is generally interest free while within the terms of the original contract. No customers had sales larger than 10% of total revenue.

Refer to *note 44: Risk management* for further details regarding the credit risk exposure.

Expected credit losses on Trade and other receivables

Refer to note *12: Contract assets / (liabilities) - Expected Credit Losses* for additional information.

14. INVENTORIES

	2025 A$'000	2024 A$'000
Consumables	**17 194**	20 988
Allowance for obsolete inventories	**(144)**	(449)
	17 050	20 539
Reconciliation of movement in allowance for obsolete inventories		
Opening balance	**449**	536
Allowance created	**(325)**	8 568
Allowance released	**-**	(8 672)
Foreign exchange movements	**20**	17
	144	449
Inventories utilised in cost of sales during the year	**291 999**	362 050

There are no inventories included in the *Infrastructure, Building and Mining segments* that has been written off in the current year.

15. LEASE RECEIVABLES

The Group was an intermediate lessor in incidental situations. It subleased to external parties its lease to right-of-use land and buildings (head lease) relating to businesses that were sold. The sub-leases of right-of-use land and buildings were classified as a finance lease. The sublease payments were fixed and approximated the payments under the head lease.

As announced on 2 December 2024, Aveng completed the disposal of its 30% investment in the issued share capital of Dimopoint, through its subsidiary, Aveng Africa, to Collins Property Group. The disposal resulted in the termination of the head lease agreement between Aveng Africa and Dimopoint, resulting in the derecognition of the remaining lease liabilities and associated sub-lease receivables previously recognised by Aveng Africa Proprietary Limited.

The interest income recognised in the current year is A$1.4 million (2024: A$4 million).

There were no expected credit losses on lease receivables in the current or prior year.

Maturity profile of lease receivables

The maturity profile of the lease receivable is summarised below. These profiles represent the undiscounted cash flows that are expected to occur in the future.

	2025 A$'000	2024 A$'000
Future minimum lease payments in relation to non-cancellable finance subleases receivable as follows:		
- year one	**803**	11 037
- year two	**1 017**	11 920
- year three	**-**	12 873
- year four	**-**	2 172
Less: future finance income	**(232)**	(6 005)
Present value of minimum lease	**1 588**	31 997
Non-current asset	**943**	23 950
Current asset	**645**	8 047

16. CASH AND BANK BALANCES

	2025 A$'000	2024 A$'000
Cash and bank balances	**267 311**	227 678
Cash and bank balances at the end of the year include the following cash and bank balances that are restricted from immediate use by the Group, and is only available for use by the respective joint operations:		
Group share of cash held by joint operations	**59 914**	76 474

Finance earnings

Cash at banks earn finance earnings at floating rates based on daily bank deposit rates.

Bank overdrafts

The bank overdraft arises as a result of the pooling of cash approach adopted at a South African Group liquidity Level. In terms of this approach, entities within the South African liquidity group may have positive bank balances or overdrafts. Refer to *note 44: Risk management* for further disclosure on the Group's exposure to credit risk.

Expected credit losses

The expected credit loss provision for cash and bank balances is immaterial.

17. STATED CAPITAL

	2025 A$'000	2024 A$'000
Authorised		
Ordinary shares		
Number of shares - no par value	**361 764 068**	361 764 068
Value (A$'000)	**898 635**	898 635
Class A shares		
Number of shares - no par value	**1000 000 000**	1000 000 000
Value (A$'000)	**466 853**	466 853
Issued		
Ordinary shares		
Number of shares - no par value	**127 135 041**	127 135 041
Value (A$'000)	**544 819**	543 395
Class A shares		
Number of shares - no par value**	**4 155 979**	4 155 979
Value (A$'000)	**3 535**	3 535
Stated capital (A$'000)	**548 354**	546 930
Treasury shares		
Shares held by the Aveng Limited Share Purchase Trust		
- Number of shares	**12 037**	12 037
- Market value (A$'000)	**6**	7
Shares held by the Aveng Management Company Proprietary Limited		
- Number of shares	**1 577**	1 577
- Market value (A$'000)	**-**	-
Shares held in terms of equity-settled share-based payment plan		
- Number of shares	**257 773**	2 897 646
- Market value (A$'000)	**132**	1 652
Reconciliation of number of shares issued	**Number of shares**	Number of shares
Opening balance	**131 291 020**	131 291 020
Less: treasury shares	**(271 387)**	(2 911 260)
Number of shares in issue excluding treasury shares	**131 019 633**	128 379 760

* *Amounts less than R1 million.*

** *Aveng Class A Shares rank pari passu with Aveng Ordinary Shares (save for voting rights).*

17. STATED CAPITAL continued

	2025 Number of shares	Holding
Highbridge Capital Management LLC (US)	**20 389 458**	**15.5%**
Whitebox Advisors LLC (US)	**14 737 958**	**11.2%**
Absa Bank Ltd (ZA)	**9 217 918**	**7.0%**
Steyn Capital Management (Pty) Ltd (ZA)	**6 592 155**	**5.0%**
Ninety One SA (Pty) Ltd (ZA)	**5 651 730**	**4.3%**
Biccard, John (ZA)	**4 759 179**	**3.6%**
ATM Holding GmbH (DE)	**2 733 403**	**2.1%**
Macartney, Adrian Henry (AUS) ***	**1 759 371**	**1.3%**
Cummins, Scott Vincent (AUS) **/ ***	**1 709 148**	**1.3%**
Flanagan, Sean Joseph (ZA) ****	**1 610 655**	**1.2%**
	69 160 975	**52.5%**

	2024 Number of shares	Holding
Highbridge Capital Management LLC (US)	20 389 458	15.5%
Whitebox Advisors LLC (US)	17 218 311	13.1%
Absa Bank Ltd (ZA)	9 214 024	7.0%
Steyn Capital Management (Pty) Ltd (ZA)	7 262 482	5.5%
Ninety One SA (Pty) Ltd (ZA)	5 651 730	4.3%
ATM Holding GmbH (DE)	2 733 403	2.1%
Biccard, John (ZA)	2 531 452	1.9%
Macartney, Adrian Henry (ZA) ***	1 612 843	1.2%
Flanagan, Sean Joseph (ZA) ****	1 610 655	1.2%
Perspective Investment Management (Pty) Ltd (ZA) *	1 373 965	1.1%
	69 598 323	52.9%

* *Shareholder no longer in the top 10.*
** *Shareholder was not in the top 10 in prior year.*
*** *Executive director of Aveng Limited.*
**** *Non-executive director of Aveng limited.*

17. STATED CAPITAL continued

Public and non-public shareholding (including Class A shares) as at 30 June 2025:

	Number of holders	% of total shareholders	Number of shares	% of issued capital
Non-public shareholders	**11**	**0.04%**	**5 417 734**	**4.13%**
Directors and prescribed officers	**7**	**0.02%**	**5 161 914**	**3.93%**
Aveng Limited Share Purchase Trust	**1**	**<0.01%**	**12 037**	**<0.1%**
Aveng Management Company Proprietary Limited	**1**	**<0.01%**	**1 577**	**<0.1%**
Aveng equity-settled share-based payment plans	**1**	**<0.01%**	**225 033**	**0.17%**
Community Investment Trust	**1**	**<0.01%**	**17 173**	**<0.1%**
Public shareholders	**29 168**	**99.92%**	**125 873 286**	**95.87%**
Total	**29 179**	**100%**	**131 291 020**	**100%**

Public and non-public shareholding (including Class A shares) as at 30 June 2024:

Non-public shareholders	12	0.04%	7 470 437	5.7%
Directors and prescribed officers	8	0.03%	5 166 065	3.9%
Aveng Limited Share Purchase Trust	1	<0.01%	12 037	<0.1%
Aveng Management Company Proprietary Limited	1	<0.01%	1 577	<0.1%
Aveng equity-settled share-based payment plans	1	<0.01%	2 273 585	1.7%
Community Investment Trust	1	<0.01%	17 173	<0.1%
Public shareholders	30 711	99.96%	123 820 583	94.3%
Total	30 723	100%	131 291 020	100%

18. EXTERNAL BORROWINGS AND OTHER LIABILITIES

	2025 A$'000	2024 A$'000
Borrowings held at amortised cost comprise:		
Credit and term facilities	1 714	-
- within one year	1 714	-
Asset-backed financing arrangements	54 186	54 026
- within one year	24 212	19 090
- between two and five years	29 974	34 936
Total borrowings held at amortised cost	55 900	54 026
Interest rate structure		
Fixed and variable (interest rates)		
Fixed - short-term	1 714	21
Variable - long-term	29 974	34 936
Variable - short-term	24 212	19 069
	55 900	54 026

Description	Terms	Rate of interest	2025 A$'000	2024 A$'000
Credit and term facilities				
Short-term financing (A$)	Monthly instalments ending February 2026	Fixed interest rate of 6.43%	1 714	-
Asset-backed financing arrangements				
Facilities denominated in A$	Monthly instalments ending August 2028	Variable interest rate at BBSW +8.5%	15 500	-
Hire purchase agreement (USD)	Monthly instalments ending July 2027	South African Prime + 1,75%	28 142	38 211
Facilities denominated in USD	Up to 24 months	South African Prime + 1,75%	5 354	7 669
Hire purchase agreement (ZAR)	Monthly instalments ending May 2027	South African Prime	5 190	8 125
Facilities denominated in A$	Settled February 2025	Fixed range of 2.99% to 6.41%	-	21
Total interest-bearing borrowings			55 900	54 026

Unutilised borrowing facilities

At 30 June 2025, credit and term facilities and asset-backed financing arrangements are limited to the balance outstanding, and therefore fully utilised.

18. EXTERNAL BORROWINGS AND OTHER LIABILITIES continued

18.1 Borrowings held at amortised cost continued

Asset-backed financing arrangements

Aveng Corporate

The business entered into asset-backed finance arrangements to fund the acquisition of various items of plant and machinery.

The total asset-backed finance facilities amounted to A$15.5 million. The amount outstanding on these facilities at year end was A$15.5 million. The asset-backed arrangements were secured by plant and equipment with a net carrying amount of A$44 million in the Infrastructure segment.

Mining

The business entered into asset-backed finance arrangements to fund the acquisition of various items of plant and machinery.

The total asset-backed finance facilities amounted to A$38.7 million. The amount outstanding on these facilities as at year end was A$38.7 million. These asset-backed arrangements were secured by plant and equipment with a net carrying amount of A$45.9 million.

The following is summarised financial information of the Group's asset-backed financing arrangements:

	2025 A$'000	2024 A$'000
Asset-backed financing arrangements are payable as follows:		
Minimum payments due		
- within one year	**29 473**	25 114
- in two to five years	**33 411**	39 509
Less: future finance charges	**(8 698)**	(10 597)
Present value of minimum payments	**54 186**	54 026

19. LEASE LIABILITIES

	2025 A$'000	2024 A$'000
Opening balance	**103 504**	91 992
Additions	**25 309**	42 470
Repayments	**(35 591)**	(41 842)
Finance expenses	**7 672**	10 044
Derecognitions	**(36 860)**	(1 101)
Unrealised foreign exchange movements	**2 567**	1 941
Closing balance	**66 601**	103 504
Maturity analysis		
Lease liabilities are payable as follows:		
Minimum lease payments due		
- within one year	**26 309**	37 430
- in two to five years	**51 455**	77 902
- more than five years	**2 394**	-
Less: future finance charges	**(13 557)**	(11 828)
Present value of minimum lease payments	**66 601**	103 504
Non-current lease liabilities	**45 974**	72 027
Current lease liabilities	**20 627**	31 477

The total cash outflow related to leases for the year amounts to A$77 million (2024: A$70 million). Refer to *note 27: Cost of Sales* and *note 29: Operating expenses for* the expense recognised for short-term and low-value leases.

20. TRADE AND OTHER PAYABLES

	2025 A$'000	2024 A$'000
Trade payables	**93 437**	108 428
Subcontractors	**31 748**	30 225
Accrued expenses	**218 699**	328 798
Income received in advance	**-**	75
	343 884	467 526

Trade and other payables comprise amounts owing to suppliers for goods and services supplied in the normal course of business.

The carrying amounts of trade and other payables approximate their fair values due to its short-term maturity.

21. PROVISIONS

	Contract provisions A$'000	Right-of-use contract provisions A$'000	Other provisions A$'000	Total A$'000
Carrying amount at 30 June 2024	**26 977**	**6 521**	**3 772**	**37 270**
Recognised	**8 256**	**-**	**150**	**8 406**
Utilised	**(4 235)**	**-**	**(2 144)**	**(6 379)**
Unutilised amounts reversed	**(2 230)**	**(6 813)**	**(142)**	**(9 185)**
Foreign exchange movements	**1 061**	**292**	**198**	**1 551**
Carrying amount at 30 June 2025	**29 829**	**-**	**1 834**	**31 663**

	2025 A$'000	2024 A$'000
Non-current liabilities	**3 262**	4 273
Current liabilities	**28 401**	32 997
	31 663	37 270

Contract provisions

Represent estimated amounts arising from obligations to third parties at the reporting date. The provisions are expected to be utilised as and when the claims are finalised.

Right-of-use contract provisions

Represent estimated obligations to maintain leased assets in terms of the lease contracts.

Other provisions

Comprise of various estimated claims or legal matters which are expected to result in obligations for the Group.

22. EMPLOYEE-RELATED PAYABLES

Employee entitlements

Employee entitlements are obligations raised for the various employee incentive plans in place throughout the Group. Included in employee entitlements are short and medium-term incentive plan obligations, along with statutorily determined retrenchment commitments.

Leave pay benefits

Leave pay benefits are amounts due to employees for accumulated leave balances, the timing of which is uncertain at year end. The total employee related payables are disclosed as follows:

	2025 A$'000	2024 A$'000
Non-current	**44 824**	40 268
Current	**27 769**	33 607
Total employee-related payables	**72 593**	73 875

	Opening balance A$'000	Recognised in earnings or loss A$'000	Utilised A$'000	Currency adjustment A$'000	Total A$'000
2025					
Employee entitlements	**28 396**	**14 357**	**(22 338)**	**1 914**	**22 329**
Leave pay benefits	**45 479**	**25 897**	**(19 639)**	**(1 473)**	**50 264**
	73 875	**40 254**	**(41 977)**	**441**	**72 593**
2024					
Employee entitlements	21 687	31 228	(23 764)	(755)	28 396
Leave pay benefits	36 508	31 697	(22 641)	(85)	45 479
	58 195	62 925	(46 405)	(840)	73 875

23. EQUITY-SETTLED SHARE-BASED PAYMENT RESERVE

The Group has forfeitable share plans in place under which certain senior executives, prescribed officers and senior management have been granted shares in the Company. A description of the plans as well as the terms and conditions relating to awards made are disclosed in the remuneration report, available on the Group's website.

Details of awards made to Directors are disclosed in *note 43: Directors' emoluments and interests*.

	2025 A$'000	2024 A$'000
Opening balance	**6 366**	6 907
Equity-settled share-based payment (reversal) / expense	**(452)**	1 724
Equity-settled share-based payment vested	**(1 424)**	(2 265)
	4 490	6 366

* *The equity-settled share-based payment expense recognised in the current year relates to the shares granted in the current year in accordance with the Long Term Incentive Plan 2022(LTIP) rules. The equity-settled share-based awards vest when certain retention and non-market performance conditions are met. At 30 June 2025, the Group expects that all participants will meet the retention and performance conditions as established in the LTIP plan. Refer to note 24: Share-based payments for additional information on the performance and retention conditions.*

24. SHARE-BASED PAYMENTS

Equity-settled share-based payment plan

Long Term Incentive Plan 2022

In terms of the Long-Term Incentive Plan 2022 (LTIP 2022), senior executives of the Group, are granted shares in the Group for no consideration. The provision of shares will serve as a retention and an incentive mechanism over a three-year period.

The awards will be subject to the satisfaction of retention and / or performance conditions measured over the performance period from 2022 to 2025. The performance awards that vest each year are not subject to re-resting in the subsequent years.

The fair value of the shares is estimated at the grant date taking into account the terms and conditions contained in the LTIP2022 rules as well as the rights associated with these shares to participate in dividends and shareholder rights from grant date. The shares are subject to forfeit if the employee leaves the employment of the Group prior to the vesting dates and/or if performance conditions are not met. On resignation, retirement, retrenchment or dismissal, all unvested awards of the participant will be forfeited immediately on the date of termination of the employment. Where the employment of the participant is terminated as a result of death, all of a participant's unvested awards will vest on the date of termination of employment. The plan is settled in shares and therefore is equity-settled. There are no portions of the plan that have been or will be cash-settled.

The movement during the year was as follows:

	2025 Number of shares	2024 Number of shares
Opening balance	**4 293 230**	5 049 160
Shares granted	**-**	615 800
Shares vested / exercised	**(1 826 771)**	(973 565)
Shares forfeited	**(581 540)**	(398 165)
	1 884 919	4 293 230
Fair value of shares granted to participant (R per share)	**13.48**	13.48
Total value of unvested shares to participants (Rm)	**25**	58

Cash-settled share-based payment plan

Share Appreciation Rights Plan ("SARs") Long term Incentive Plan 2024

On 18 December 2024, the Group granted 10 261 259 share appreciation rights (SARs), respectively, to employees that entitle them to a cash payment in two tranches after two and three years of service. Both tranches of SARs expire on 5 December 2030. The amount of cash payment is determined based on the increase in the share price of the Company between grant date and the time of exercising the rights.

It is intended that the first award will comprise SARs, which will be awarded in the following ways:

- 50% of the grant at a premium price of 1.2 x, the 30-day volume weighted average price on the trading day immediately preceding the award date. The premium price multiplier will act as the performance hurdle for this portion of the grant (Tranche 1).
- 50% of the grant at a premium price of 1.3 x, the 30-day volume weighted average price on the trading day immediately preceding the award date. The premium price multiplier will act as the performance hurdle for this portion of the grant (Tranche 2).

24. SHARE-BASED PAYMENTS

Cash-settled share-based payment plan continued

Future awards could, at the discretion of the committee, be awarded as follows:

- Conditional shares may be awarded in place of SARs at the committee's discretion. Where conditional shares are awarded, the participant shall only be entitled to shareholder rights in respect of such conditional shares after vesting and settlement thereof. Vesting is subject to the satisfaction of employment and performance conditions as specified in the award letter.
- Forfeitable shares may be awarded in place of SARs at the committee's discretion. Where forfeitable shares are awarded to the participant, except for the vesting restrictions envisaged below, will have all other shareholder rights, including voting and dividend rights, in respect of forfeitable shares and will rank pari passu with existing shares. Vesting is subject to the satisfaction of employment and performance conditions as specified in the award letter.
- Phantom awards may be used in instances where a cash-settled instrument is preferable, or where the use of shares is problematic, and will contain the same provisions as the Appreciation Awards and Performance Awards, as applicable.

The fair value of the SARs has been measured using the binomial lattice model at 30 June 2025. The inputs used in the measurement of the fair values at measurement date of the SARs were as follows:

	Tranche one	Tranche two
Fair value per SAR (A$)	0.14	0.14
Share price per SAR (A$)	0.52	0.52
Exercise price per SAR (A$)	1.10	1.20
Expected volatility (weighted average)	50%	50%
Expected remaining life (weighted average) (years)	1.5	2.5
Expected dividends	-	-
Risk-free interest rate	7%	7%

The movement during the year was as follows:

	Number of options 2025
Opening balance	-
Granted during the year	10 261 259
Forfeited during the year	(352 458)
	9 908 801

The weighted average exercise price at 30 June 2025 is 1.15 per SAR. The total liability recognised at 30 June 2025 is less than A$1million.

25. POST-EMPLOYMENT BENEFITS

	2025 A$'000	2024 A$'000
The Group contributes to the following defined contribution plans:		
▸ Aveng Group and industry retirement plans		
▸ McConnell Dowell Corporation Limited plan		
Total retirement expense	36 549	37 212

26. REVENUE

The Group's revenue is derived from contracts with customers. Revenue can be classified into the following categories: construction contracts and mining contracts.

	Infrastructure A$'000	Building A$'000	Mining A$'000	Aveng Legacy A$'000	Aveng Corporate and Eliminations A$'000	Total A$'000
Year ended 30 June 2025						
Construction contract revenue	**1 900 407**	**476 680**	**252 601**	**251**	**-**	**2 629 939**
Internal revenue	**-**	**14 420**	**-**	**-**	**(14 420)**	**-**
	1 900 407	**491 100**	**252 601**	**251**	**(14 420)**	**2 629 939**
Year ended 30 June 2024						
Construction contract revenue	2 417 087	364 239	268 835	795	4 400	3 055 356
Internal revenue	-	54 876	-	-	(54 876)	-
	2 417 087	419 115	268 835	795	(50 476)	3 055 356

27. COST OF SALES

	2025 A$'000	2024 A$'000
Short-term and low value lease charges*	**39 575**	26 268
Depreciation of property, plant and equipment	**36 815**	45 031
Depreciation of right-of-use property, plant and equipment	**20 766**	19 829
Loss on derecognition of components included in property, plant and equipment	**2 781**	9 726
Employee cost	**511 808**	507 701
Employee benefits	**5 068**	6 453
Outsourced labour	**7 269**	10 571
Materials	**269 640**	407 199
Sub-contractors	**1 181 963**	1 385 579
Plant costs	**258 761**	236 393
Project costs	**124 009**	117 107
Repairs and maintenance	**61 762**	70 853
Other	**32 260**	40 287
Earnings from contract-related property, plant and equipment	**(1 798)**	(3 204)
	2 550 679	2 879 793

* *The Group recognised rent expense from short-term leases for continuing operations of A$39.6million (2024: A$26.3 million), leases of low-value assets of less than A$1 million (2024: Less than A$1 million) and no variable lease payments for the year ended 30 June 2025.*

28. OTHER (EXPENSES) / EARNINGS

	2025 A$'000	2024 A$'000
Dividends received	-	2 476
Net foreign exchange (losses) / gains*	(548)	2 078
Rent received	257	1 223
Other income	187	153
	(104)	5 930

** Includes gains on forward exchange contracts.*

29. OPERATING EXPENSES

	2025 A$'000	2024 A$'000
Employee costs	69 049	62 881
Computer costs	20 913	20 069
Consulting fees	12 982	13 826
Short-term and low value lease charges*	1 859	2 045
Depreciation of property, plant and equipment	1 202	873
Depreciation of right-of-use property, plant and equipment	4 403	4 163
Share-based payment (reversal) / expense	(546)	5 355
Employee benefits	3 223	11 322
Auditor's remuneration	3 704	4 723
Tender expenses	9 549	10 239
Insurance	863	2 480
Municipal rates, water, electricity and sanitation	1 593	1 397
Legal expenses	749	864
Other	9 993	6 676
	139 536	146 913

* The Group recognised rent expense from short-term leases for continuing operations of A$1.9 million (2024: A$2 million), no leases of low-value assets (2024: A$nil) and no variable lease payments for the year ended 30 June 2025.

29.1 Auditor's remuneration

The auditor of Aveng Limited is KPMG Incorporated

	2025 A$'000	2024 A$'000
Amounts received or due and receivable by KPMG for financial statement audits:		
- Aveng Limited Group**	700	676
- McConnell Dowell Holdings - Component	1 225	1 118
- Moolmans Holdings - Component**	334	472
Total received or due and receivable by KPMG	2 259	2 266
Amounts received or due and receivable by KPMG for other services:		
- ISA800 special purpose opinion - Aveng Limited Group**	-	41
- ISAE3420 proforma supplementary information - Aveng Limited Group**	13	4
- ESG services - Aveng Limited Group**	132	171
- Review of QBCC Minimum financial requirements report as required by the Queensland building and construction commission regulation 2018	-	95
Total received or due and receivable by KPMG	145	311

*** The above fees have been translated from ZAR to A$ using an average exchange rate of R11.76 A$1 (2024: R12.27 / A$1) as at 30 June 2025.*

30. CAPITAL EARNINGS

	2025 A$'000	2024 A$'000
Impairment loss on property, plant & equipment	(11 880)	(7 786)
Preliminary strategic implementation costs	(5 460)	-
Gain on derecognition of IFRS 16 assets and liabilities	5 521	-
Reversal of impairment loss on right-of-use assets	936	985
Gain on disposal of infrastructure investment	1 429	-
Gain / (loss) on disposal of property, plant & equipment	1 171	(343)
Loss on disposal of other non-current assets	(11)	-
Impairment loss on other non-current assets	(59)	-
Gain on derecognition of right-of-use assets	516	-
Impairment loss on loan with joint venture	-	(161)
	(7 837)	(7 305)

31. DISPOSAL OF INFRASTRUCTURE INVESTMENT

As announced on 2 December 2024, the Group completed the disposal of its 30% investment in the issued share capital of Dimopoint Proprietary Limited (Dimopoint), through its subsidiary, Aveng Africa Proprietary Limited (Aveng Africa), to Collins Property Group for cash proceeds of A$8.1 million (R96 million).

The disposal resulted in the termination of the head lease agreement between Aveng Africa and Dimopoint, the settlement of rights and the release of all obligations and liabilities associated with the head lease agreement. The disposal resulted in the derecognition of the remaining lease liabilities and associated sub-lease receivables previously recognised by Aveng Africa. In addition, the ongoing expenses and associated liabilities, including contingent liabilities, associated with the properties have been extinguished. Moolmans has entered into a lease with Dimopoint for the property that it occupies on substantially the same terms and conditions. The transaction was categorised as a Category 2 transaction in terms of the JSE Listings Requirements. Refer to the SENS announcement to shareholders on 2 December 2024 for further details relating to the transaction.

No shareholder approval was required.

	Note	2025 A$'000
Gain on disposal of Dimopoint		
Total Assets		12 142
Infrastructure investments		12 142
Total Liabilities		5 486
Provisions		5 486
Net assets sold		6 656
Total cash proceeds net of transaction costs		8 085
Purchase consideration		8 209
Less: Transaction costs paid		(124)
Gain on disposal of Infrastructure Investment	30	1 429
Gain on derecognition of IFRS 16 assets and liabilities	30	5 521
Lease liabilities derecognised		35 542
Lease receivable derecognised		(30 021)

32. FINANCE EXPENSES

	2025 A$'000	2024 A$'000
Interest on debt instruments	**11 136**	12 066
Commitment fees and other costs	**1 916**	559
Interest on lease liabilities	**7 672**	10 044
	20 724	22 669

33. TAXATION

	2025 A$'000	2024 A$'000
Major components of the taxation expense		
Current taxation		
Local income taxation - current period	**15 222**	571
Local income taxation - current period – recognised in current taxation for prior periods	**419**	24
Foreign income taxation or withholding taxation - current period	**-**	8 839
taxation for prior periods	**-**	(494)
	15 641	8 940
Deferred taxation		
Deferred taxation - current period	**(492)**	(18 529)
Deferred taxation - arising from prior period adjustments	**(43)**	(68)
	(535)	(18 597)
	15 106	(9 657)

	2025 %	2024 %
Reconciliation of the taxation expense		
Effective taxation rate on earnings	**(19.6)**	(60.4)
Exempt income and other non-taxable income	**(26.3)**	38.2
Utilisation of previously unrecognised deferred tax assets	**28.3**	127.7
Disallowable charges	**30.0**	(59.1)
Foreign tax rate differential and other	**9.0**	(12.0)
Prior year adjustment	**0.6**	3.4
Withholding taxation	**5.0**	(10.8)
	27.0	27.0

The South African income tax rate is 27%. Taxation in other jurisdictions is calculated at the prevailing rates.

34. IMPAIRMENT

The Group performed an annual impairment test at 30 June 2025. The test involved the assessment of internal and external qualitative factors for each cash generating unit (CGU) that may constitute an indicator of impairment. The test may be extended to individual assets in instances of underutilisation, obsolescence, physical damage or material decline in the economic performance of the assets.

34.1 Assets in the scope of *IAS 36 – Impairments*

Goodwill arising on consolidation

A compulsory impairment assessment of goodwill allocated to the McConnell Dowell CGU is performed annually. The McConnell Dowell CGU constitutes the *Infrastructure and Building* reportable segments and the Corporate Australia office in Aveng Corporate reportable segment. The recoverable amount of the CGU, being the value-in-use based on a discount rate of 16.67% (2024: 16.9%), materially exceeded the carrying amount of the CGU and hence no goodwill impairment loss was recognised in the current year.

Other individual assets in the scope of IAS 36 - Impairments

An impairment assessment was performed on:

- **Property, plant & equipment at Moolmans, which is part of the *Mining* reportable segment**. Management, through the use of an external evaluator, determined that an impairment of A$11.9 million was required in the current year (30 June 2024: A$7.8 million) relating to owned equipment and vehicles and was calculated based on a fair value less costs to sell. The impairment arose from instances of underutilisation, obsolescence, physical damage or material decline in the economic performance of specific items of owned equipment and vehicles. The fair value of these assets falls within *Level 2* of the hierarchy identified in *IFRS 13* and was calculated using the prices of similar assets within the market.

34.2 Total impairment losses for the year

The total impairment losses for the year per CGU and individual assets are summarised as follows:

	Property, plant and equipment	
	2025	2024
	A$'000	A$'000
Other individual assets in the scope of *IAS 36*		
Moolmans	**11 880**	7 786
	11 880	7 786

35. EARNINGS AND HEADLINE EARNINGS PER SHARE

	2025		2024	
	Number of shares	Weighted average number of shares	Number of shares	Weighted average number of shares
Opening balance	**131 291 020**	**131 291 020**	131 291 020	129 498 202
Issue of shares - Equity-settled share-based payment plan	**-**	**-**	-	1 792 818
	131 291 020	**131 291 020**	131 291 020	131 291 020
Less: Treasury shares				
Aveng Limited Share Purchase Trust	**(12 037)**	**(12 037)**	(12 037)	(12 037)
Aveng Management Company (Pty) Ltd	**(1 577)**	**(1 577)**	(1 577)	(1 577)
Equity-settled share-based payment plan	**(257 773)**	**(257 773)**	(2 897 646)	(2 897 646)
Total treasury shares	**(271 387)**	**(271 387)**	(2 911 260)	(2 911 260)
Weighted average number of shares	**131 019 633**	**131 019 633**	128 379 760	128 379 760
Add: Shares issuable in terms of the equity-settled share-based payment plan	**-**	**-**	2 897 646	2 897 646
Diluted weighted average number of shares	**131 019 633**	**131 019 633**	131 277 406	131 277 406
Note	17		17	

	Gross of taxation A$'000	Net of taxation A$'000	Gross of taxation A$'000	Net of taxation A$'000
Determination of headline earnings				
(Loss) / earnings for the year attributable to equity holders of parent	**-**	**(92 505)**	-	25 653
Gain on disposal of infrastructure investment	**(1 429)**	**(1 429)**	-	-
(Gain) / loss on disposal of property, plant and equipment	**(1 171)**	**(797)**	343	256
Impairment of property, plant and equipment	**11 880**	**8 672**	7 786	5 684
Reversal of impairment loss on right-of-use assets	**(936)**	**(683)**	(964)	(964)
Loss on derecognition of components	**2 781**	**2 030**	9 726	7 100
Loss on disposal of other non-current assets	**11**	**11**	-	-
Impairment of other non-current assets	**59**	**59**	-	-
Impairment of loan with joint venture	**-**	**-**	161	161
Gain on disposal of assets Held for Sale	**-**	**-**	86	86
Exchange differences on translating foreign operations reclassified to earnings and loss on derecognition	**15**	**15**	(6)	(6)
Headline (loss)/ earnings		**(84 627)**		37 970
Diluted Headline (loss) earnings		**(84 627)**		37 970
HEPS from continuing & discontinued operations				
Headline (loss) / earnings per share - basic (cents)		**(64.6)**		29.6
Headline (loss) / earnings per share - diluted (cents)		**(64.6)**		28.9
Issued shares		**131.3**		131.3
Weighted average shares		**131.0**		128.4
Diluted shares		**131.0**		131.3

36. CASH (UTILISED) / GENERATED BY OPERATING ACTIVITIES

	Notes	2025 A$'000	2024 A$'000
(Loss) / earnings before taxation from continuing operations		**(77 152)**	16 083
Loss before taxation from discontinued operations		**(15)**	(80)
(Loss) / earnings before taxation		**(77 167)**	16 003
Finance earnings		**(11 818)**	(11 579)
Finance expenses		**20 724**	22 669
Dividend earnings		**-**	(2 476)
Share of loss from equity-accounted investment		**29**	102
Cash (utilised) / generated from operations		**(68 232)**	24 719
Non-cash and other movements	36.1	**3 020**	9 653
Depreciation		**63 219**	69 896
Cash generated from operations		**(1 993)**	104 268
Movements in working capital	36.2	**98 502**	45 734
		96 509	150 002

36.1 Non-cash and other movements

	2025 A$'000	2024 A$'000
Movement in equity-settled share-based payment reserve	**(452)**	5 355
Gain on derecognition of right-of-use assets	**(5 521)**	-
(Gain) / loss on disposal of property, plant and equipment	**(1 170)**	343
Movement in provisions	**(1 672)**	(3 063)
Gain on disposal of infrastructure investment	**(1 429)**	-
Movement in foreign currency translation	**55**	(9 756)
Gain on derecognition of right-of-use assets	**(516)**	-
Impairment loss on loan with joint venture	**-**	161
Loss on sale of assets Held for Sale	**-**	86
Reversal of impairment loss on right-of-use assets	**(936)**	(985)
Impairment loss on property, plant and equipment	**11 880**	7 786
Derecognition of components	**2 781**	9 726
	3 020	9 653

36.2 Movements in working capital

	2025 A$'000	2024 A$'000
Decrease in inventories	**3 489**	336
Decrease / (increase) in contract assets	**182 968**	(108 127)
Decrease in trade and other receivables	**8 559**	3 574
Increase in contract liabilities	**28 804**	42 482
(Decrease) / increase in trade and other payables	**(123 595)**	91 789
(Decrease) / increase in employee-related payables	**(1 723)**	15 680
	98 502	45 734

37. FINANCE EXPENSES PAID

	Notes	2025 A$'000	2024 A$'000
Amount charged to the statement of comprehensive earnings	32	**20 724**	22 669
Foreign currency translation movement		**-**	(1)
Movement in finance expenses unpaid		**47**	220
		20 771	22 888

38. FINANCE EARNINGS RECEIVED

	Notes	2025 A$'000	2024 A$'000
Amount charged to the statement of comprehensive earnings		**11 818**	11 579
Foreign currency translation movement		**-**	(1)
Movement in accrued finance earnings		**(52)**	395
		11 766	11 973

39. TAXATION PAID

	Notes	2025 A$'000	2024 A$'000
Amounts (underpaid) / overpaid at the beginning of the year		**(5 721)**	2 164
Amounts charged to the statement of comprehensive earnings - normal tax	33	**(15 641)**	(8 940)
Amounts underpaid at the end of the year		**10 437**	5 721
Amounts relating to foreign currency translation movement		**1 340**	(618)
		(9 585)	(1 673)

40. COMMITMENTS

	Notes	2025 A$'000	2024 A$'000
Authorised capital expenditure			
- Contracted		**10 532**	750
Total capital expenditure		**10 532**	750

41. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Opening Balance A$'000	Net cash flow movement A$'000	Unrealised foreign exchange losses A$'000	Lease liabilities non-cash movements* A$'000	Closing balance A$'000
2025					
Interest bearing loans and borrowings held at amortised cost	**54 026**	**(449)**	**2 323**	**-**	**55 900**
Lease liabilities	**103 504**	**(27 919)**	**2 567**	**(11 551)**	**66 601**
	157 530	**(28 368)**	**4 890**	**(11 551)**	**122 501**
Non-current liabilities					**75 948**
Current liabilities					**46 553**
					122 501
2024					
Interest bearing loans and borrowings held at amortised cost	81 269	(28 515)	1 272	-	54 026
Lease liabilities	91 992	(31 798)	1 941	41 369	103 504
	173 261	(60 313)	3 213	41 369	157 530
Non-current liabilities					106 963
Current liabilities					50 567
					157 530

* *The lease liabilities non-cash movements relates to new lease liabilities of A$25 million (2024: A$42 million) entered into in the current year, derecognition of lease liabilities for lease arrangements which expired or were cancelled in the year and right-of-use assets returned to the vendor of A$37 million (2024: A$ 1 million).*

42. CONTINGENT LIABILITIES AND ASSETS

Contingent liabilities at the reporting date, not otherwise provided for in interim results, arise from performance bonds and guarantees issued in:

	2025	2024
South Africa and rest of Africa		
Guarantees and bonds (ZARm)	**3**	51
Parent company guarantees (ZARm)	**72**	138
	75	189
Australasia and Asia		
Guarantees and bonds (A$m)	**426**	405
Parent company guarantees (A$m)	**1**	2
	427	407

Bank guarantees issued by joint ventures and associates

The Group's share of bank guarantees issued by its joint ventures and associates is less than A$1000 (2024: Less than A$1000).

Claims and disputes in the ordinary course of business

The Group is, from time to time, involved in various disputes arising in the ordinary course of business. Depending on the merits, disputes can translate into claims and legal proceedings which will be defended by the Group. Exposures may arise in the normal course of business, including contractual penalties associated with ongoing projects.

Where required, adequate provision is made for all liabilities which are expected to materialise, however if the outcome of claims or legal disputes are on balance considered to be possible but not probable, they are not disclosed as a provision.

Based on internal and/or external assessments and/or advice from legal advisors (where appropriate, including counsel), the Board believes that there is significant uncertainty as to whether a future exposure or liability will arise in respect of normal course of business claims or disputes, and as such these are on balance considered to be remote.

The Board believes that Aveng has realistic defences against normal course of business claims and legal disputes, and any adverse decisions in relation to contingent liabilities in this regard will not have a material adverse effect on the financial position of the Group.

Specific matters, claims and disputes

Aveng Africa is presently in dispute with a client for various matters including extension of time claims, escalation claims, claims relating to an agreed penalty free period, a claim relating to defective workmanship, a claim relating to basement penalties and the final account. The various claims are proceeding through the arbitration process. Aveng Africa is represented in the matter by specialist legal advisors, including senior counsel. Having regard to the advice received from its advisors, the Board is of the view that all known liabilities have been recognised and that adequate provisions have been recognised.

Aveng Africa, in joint venture with its partner terminated a contract with its client on 30 January 2019, which entitlement to terminate is disputed by the client. On 23 November 2020, the client demanded payment of the performance bond and retention guarantee to the value of R235 million. The insurer paid the client, and Aveng Africa repaid the insurer for their portion. Aveng Africa is represented in the matter by specialist legal advisors, including senior counsel. Having regard to the advice received from its advisors, the Board is of the opinion that all known liabilities have been recognised and that adequate provisions have been recognised.

Aveng Africa along with six other South African contractors, entered into a settlement agreement with the South African Government in 2016 wherein claims for damages by Government departments/entities as a result of historical anticompetitive practices by Aveng Africa would be settled. As a result, Aveng Africa agreed to make payments into a trust fund to be set up in terms of the settlement agreement and the purpose of which was to develop and enhance the construction industry including black owned emerging contractors

42. CONTINGENT LIABILITIES AND ASSETS continued

Specific claims and legal disputes continued

Summons was issued against Aveng Africa and others, and the parties are defending the matter. The matter is ongoing. Aveng Africa is represented in the matter by specialist legal advisors, including senior counsel.

McConnell Dowell and its joint venture partners, along with its insurers are defending a claim from a client, in which it is alleged that a defect exists on a completed project in New South Wales. McConnell Dowell is represented in the matter by specialist legal advisors.

43. DIRECTORS' EMOLUMENTS AND INTERESTS

Directors' emoluments below are disclosed in Australian dollar thousands (R'000):

Executive directors	Year	Salary[1] A$'000	Retirement fund[2] A$'000	Short-term incentive (STI)[3] A$'000	Long-term share incentive (LTIP)[4] A$'000	Long-term incentive (LTI)[5] A$'000	Other A$'000	Total[6] R'000
SC Cummins[7]	**2025**	**1 264**	**188**	**-**	**84**	**-**	**-**	**1 536**
	2024	1 239	184	806	289	300	-	2 818
AH Macartney[8]	**2025**	**814**	**86**	**-**	**41**	**-**	**103**	**1 044**
	2024	360	38	377	142	205	66	1 188

Directors' emoluments below are disclosed in Rand thousands (R'000):

Executive directors	Year	Salary[1] R'000	Retirement fund[2] R'000	Short-term incentive (STI)[3] R'000	Long-term share incentive (LTIP)[4] R'000	Long-term incentive (LTI)[5] R'000	Other R'000	Total[6] R'000
AH Macartney [8]	**2025**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	2024	3 162	159	-	-	-	543	3 864
SJ Flanagan[9]	**2025**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	2024	6 384	-	-	4 389	-	20 005	30 778

1 *Salary for South African Directors is total fixed earnings inclusive of contributions towards medical aid, admin & risk benefit expenses, accident cover and vehicle benefits, all of which is funded from the Total Guaranteed Package (TGP).*

2 *Retirement fund contributions are also funded from the Directors' TGP.*

3 *STI awards were approved by the Remuneration and Nominations Committee on 12 August 2025 and accrued for the year ended 30 June 2025.*

4 *LTIP awards were approved by the Remuneration and Nominations Committee on 12 August 2025 and accrued for the year ended 30 June 2025.*

5 *LTI awards were approved by the Remuneration and Nominations Committee on 12 August 2025 and accrued for the year ended 30 June 2025.*

6 *The Total reflected includes all cash payments made to the Executive Director in the Financial Year.*
The Single Figure of Remuneration reflected in Part 3 of the Remuneration Report will differ based on the requirements of King IV™.*

7 *SC Cummins was appointed as Group chief executive officer effective 1 March 2024.*

8 *AH Macartney moved to Australia effective 1 January 2024. Prior year earnings have been split into ZAR and A$ based on how emoluments were earned during the year. Included in other is an amount of A$66 thousand for relocation allowance and R543 thousand for leave paid out.*

9 *SJ Flanagan retired as Group chief executive officer effective 28 February 2024. Included in other is R362 thousand for leave paid out and R19.6 million for gratuity payments made on retirement.*

Long Term Incentive Plan

	Date from which exercisable	Date on which expires	Number entitled to at 1 July 2024	Number forfeited during the year	Number redeemed or taken up during the year	Number entitled to at 30 June 2025
AH Macartney (Aus)	June 2024	June 2024	315 300	(48 871)	(266 429)	**-**
	June 2025	June 2025	315 300	-	-	**315 300**
SC Cummins (Aus)	June 2024	June 2024	640 750	(99 316)	(541 434)	**-**
	June 2025	June 2025	640 750	-	-	**640 750**
D Morrison (Aus)	June 2024	June 2024	246 650	(38 231)	(208 419)	**-**
	June 2025	June 2025	246 650	(246 650)	-	**-**
S Collett (Aus)	June 2024	June 2024	38 920	(6 033)	(32 887)	**-**
J Glastonbury (Aus)	June 2024	June 2024	36 840	(5 710)	(31 130)	**-**
J Meggitt (Aus)	June 2024	June 2024	19 720	(3 057)	(16 663)	**-**
			2 500 880	**(447 868)**	**(1 096 962)**	**956 050**

43. DIRECTORS' EMOLUMENTS AND INTEREST continued

Interest of directors and prescribed officers of the Company in share capital (including direct and indirect holdings)

	Ordinary shares 2025	Ordinary shares 2024
Executive directors		
S Cummins	1 709 148	1 167 715
AH Macartney	1 759 371	1 612 843
Non-executive directors		
SJ Flanagan	1 610 655	1 610 655
P Hourquebie	50 000	50 000
Prescribed officers		
S Collett	10 535	47 120
J Glastonbury	16 971	44 601
J Meggitt	5 234	23 874
D Morrison	-	609 257
	5 161 914	5 166 065

Non-executive directors

	Directors' fees R'000	Lead independent directors fees R'000	Chairperson fees R'000	Committee fees R'000	Other fees R'000	Total R'000
2025						
B Modise	535	588	374	-	99	1 596
D Noko	842	-	283	524	99	1 748
SJ Flanagan[1]	1 131	-	-	548	-	1 679
	2 508	588	657	1 072	198	5 023
B Meyer ($)[3]	104	-	-	-	5	109
N Bowen (A$)[2]	167	-	-	170	8	345
PA Hourquebie (£)[4]	27	-	113	36	4	180
2024						
B Modise	376	555	353	134	-	1 418
D Noko	666	-	249	446	-	1 361
SJ Flanagan[1]	142	-	-	267	1 008	1 417
	1 184	555	602	847	1 008	4 196
B Meyer ($)	88	-	-	2	-	90
N Bowen (A$)	166	-	-	17	-	183
PA Hourquebie (£)	3	-	108	27	-	138

1 *SJ Flanagan was appointed as a non-executive director and as a member of the Risk Committee and the Safety, Health and Environment Committee on 1 March 2024*
2 *N Bowen fees are disclosed in Australian Dollars (A$)*
3 *B Meyer fees are disclosed in United States Dollars ($)*
4 *PA Hourquebie fees are disclosed in British Pounds (£)*

43. DIRECTORS' EMOLUMENTS AND INTERESTS continued

Annual review of non-executive directors' fees

Management submits annually to the remuneration and nomination committee a proposal for the review of non-executive director fees. This proposal includes benchmarks from a minimum of two non-executive director remuneration surveys, as well as extracts and benchmarking data from annual reports of at least five medium businesses within the same industry sector. A comparison of the current and proposed fees against the market surveys and benchmarks informs the appropriate fee recommended by management. The services of independent remuneration consultants may also be used to obtain independent benchmarks for non-executive directors' fees.

In light of the appointment of a UK-based non-executive director onto the Aveng board as well as two board committees, a detailed, benchmarking exercise comprising of UK based directors serving on JSE listed companies was undertaken to determine a composite fee payable to him. In addition, a per meeting fee was also determined.

Whilst market benchmarks provide an indication of competitiveness of non-executive director fees, other considerations such as company performance and affordability also influence fee increases.

Prescribed officers and other key management personnel

The Companies Act 71 of 2008 (as amended) of South Africa, defines a prescribed officer as a person who exercises general executive control over management of the whole, or a significant portion of, the business and activities of the Group; or regularly participates to a material degree in the exercise of general executive control over and management of the whole, or a significant portion, of the business and activities of the Group. It excludes directors and does not refer, in any way, to title held by the person, rather the functions which they perform. The board has identified the prescribed officers of the Group.

	Year	Salary[1] A$'000	Retirement fund[2] A$'000	Short-term incentive (STI)[3] A$'000	Long-term incentive (LTI)[4] A$'000	Long-term share incentive (LTIP)[5] A$'000	Other A$'000	Total[6] A$'000
S Collett	**2025**	**642**	**58**	**-**	**15**	**-**	**-**	**715**
	2024	570	51	207	216	36	-	1 080
J Glastonbury	**2025**	**556**	**60**	**-**	**14**	**-**	**-**	**630**
	2024	528	50	180	198	34	-	990
J Meggitt	**2025**	**642**	**58**	**-**	**15**	**-**	**-**	**715**
	2024	575	51	207	212	18	-	1 063
D Morrison[7]	**2025**	**494**	**73**	**-**	**-**	**-**	**953**	**1 520**
	2024	719	106	280	311	-	-	1 416

1 *Salary for Prescribed Officers is total fixed earnings inclusive of contributions towards medical aid, admin & risk benefit expenses, accident cover and vehicle benefits, all of which is funded from the Total Guaranteed Package (TGP).*
2 *Retirement fund contributions are funded from the Prescribed Officers' TGP.*
3 *STI awards were approved by the remuneration and nominations committee on 12 August 2025 and accrued for the year ended 30 June 2025.*
4 *LTI awards were approved by the remuneration and nominations committee on 12 August 2025 and accrued for the year ended 30 June 2025.*
5 *LTIP awards were approved by the remuneration and nominations committee on 12 August 2025 and accrued for the year ended 30 June 2025.*
6 *The Total reflected includes all cash payments made to the Prescribed Officer in the Financial Year. The Single Figure of remuneration reflected in Part 3 of the remuneration Report will differ based on the requirements of King IV™.*
7 *D Morrison resigned effective February 2025.*

44. RISK MANAGEMENT

The Group is exposed to capital, liquidity, interest rate, credit, foreign exchange, foreign currency and borrowing risks. In order to manage these risks, the Group may enter into transactions which make use of financial instruments. The Group has developed a risk management process to facilitate, control and monitor these risks. This process includes formal documentation of policies, including limits, controls and reporting structures. The board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investments of excess liquidity.

The executive management is responsible for risk management activities within the Group. The executive management meets regularly to review market trends and develop strategies.

Group treasury is responsible for monitoring of currency, interest rate and liquidity risk under policies approved by the board of directors. Group Treasury identifies, evaluates and hedges financial risks in close cooperation with the Group's operating groups. The Group actively monitors the following risks:

44.1 Capital risk management

The primary objective of the Group's capital management policy is to ensure that the Group maintains a strong credit rating and healthy capital ratios, such as return on capital employed (ROCE), debt to equity and return on equity, in order to support its business.

The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes during the years ended 30 June 2025 and 30 June 2024.

The Group includes within its net cash position, cash and bank balances less borrowings and other liabilities.

Capital includes equity attributable to the equity-holders of the parent of A$196 Million (2024: A$282 million).

The ROCE ratio as at 30 June 2025 and 2024 was as follows:

	2025 A$'000	2024 A$'000
Operating earnings/ (loss)	**(60 409)**	34 478
Capital employed	**338 135**	457 309
ROCE Ratio (%)	**(17.9)**	7.5

A negative ROCE ratio was noted in the current year as a result of the operating losses as compared to 2024. The capital risk management remained a medium risk in the current year.

44.2 Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet a financial commitment in any location or currency, as and when they fall due. The Group manages its liquidity risk through its treasury function. Cash flow forecasting is performed by the operating units of the Group and consolidated by Group Treasury.

Credit and term facilities

The Group has an outstanding balance on a credit term facility in Australia for an amount of A$1.7m at 30 June 2025. The maturity analysis for derivative and non-derivative financial liabilities has been included (refer to note *44.7: Borrowing capacity*).

Cash and bank balances & overdrafts

At 30 June 2025, the Group had net cash of A$211.4 million (excluding lease liabilities), net of overdraft facilities (30 June 2024: A$173.6 million) available.

The bank overdraft arises as a result of the pooling of cash approach adopted at a South African Group liquidity Level. In terms of this approach, entities within the South African liquidity group may have positive bank balances or overdrafts.

The Group has assessed the liquidity risk as medium and remains confident that available cash resources, facilities and operating cash flows will be sufficient to meet its funding requirements.

44. RISK MANAGEMENT continued

44.3 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. For interest rate disclosure refer to *note 18: External Borrowings and other liabilities*.

The Group's exposure to interest rate risk relates primarily to the Group's debt obligations with variable interest rates and the asset-backed finance which are repayable at a fixed interest rate in monthly and quarterly instalments.

The Group's policy is to manage interest rate risk through both fixed and variable, long and short-term instruments.

Cash balances all carry interest at rates that vary in response to prevailing market rates in the respective geographical areas of the Group's operations.

No financial instruments were entered into to mitigate the risk of interest rates.

Interest rate sensitivity

The following table illustrates the effect on the Group's earnings and equity, all other factors remaining constant, of changes in the variable interest liabilities:

	2025 A$'000	2024 A$'000
Total variable borrowings	**54 186**	54 005
Effect on earnings after taxation - 50 basis points increase	**(271)**	(270)
Effect on earnings after taxation - 50 basis points decrease	**271**	270

44.4 Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's material exposure to credit risk is in its receivables (refer to *note 13: Trade and other receivables*), deposits and cash balances (refer to *note 16: Cash and bank balances*), and contract assets (refer to *note 12: Contract assets / (liabilities)*).

The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to contractual terms and credit verification procedures.

Cash balances are all kept at financial institutions with a high credit rating, as determined by credit rating agencies within a credit limit policy which is subject to regular review. Cash balances as per *note 16: Cash and bank balances* represent the maximum credit exposure.

The maximum exposure to credit risk at the reporting date is the carrying value of the contract assets as disclosed in note *12: Contract assets / (liabilities)* and Trade receivables as disclosed in note *13: Trade and Other Receivables.* The Group evaluates the concentration of risk with respect to amounts due from contract customers and trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The Group's performs a specific assessment on amounts that are past due and have indicators that there is no reasonable expectation of recovery and includes these in the provision for expected credit losses – specific debtors. These include amounts relating to financial assets that are written-off but are still subject to enforcement activity.

An impairment analysis in line with the requirements of *IFRS 9 Financial Instruments* is performed at the end of the reporting date using a forward-looking 'expected credit loss' (ECL) model. This model uses a '*probability of default/loss given default/ exposure at default' (*PD/LGD/EAD) approach to calculate the expected credit losses. The Group segments its portfolio of trade receivables and contract assets into various segments based on shared risk characteristics to ensure homogeneous grouping of counterparties. The classification of counterparties into the various segments is based on their country of operation, whether the counterparty is rated by an external rating agency, and the segment in which the counterparty operates. The classification is limited to categories established in the Basel II Accord and SARB regulations (i.e. Externally rated entities, unrated public institutions. Other unrated corporate entities and other unrated retail entities). The Group uses judgement to appropriately notch down the ratings assigned to various categories of debt into categories appropriate to the Group's credit risk.

44. RISK MANAGEMENT continued

44.4 Credit risk continued

Expected credit losses on trade receivables and contract assets

The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The impact on the Group is that the credit risk has not increased significantly.

Over the past 2 financial years the impairment and/or write-off of trade receivables and contract assets in the ordinary course of business from continuing operations (other than long-standing legacy claims) has been minimal despite a revenue of between A$3.055 million and A$2.630 million and a trade and contract receivables balance of between A$360 million and A$252 million.

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. In the current or previous year, the Group has not identified any significant trade receivables or contract assets balances that have indicators of material write-downs due to the receivables having no reasonable expectation of recovery.

44.4.1 Trade and other receivables

	<90 days A$'000	90 days past due** A$'000	Total A$'000
2025			
Trade and sundry receivables	**17 591**	**-**	**17 591**
Provision for expected credit losses	**(92)**	**-**	**(92)**
Net book value	**17 499**	**-**	**17 499**
2024			
Trade and sundry receivables	24 344	-	24 344
Provision for expected credit losses	(156)	-	(156)
Net book value	24 188	-	24 188

** *Represents accounts past due based on due date in accordance with the contractual payment terms.*

44. RISK MANAGEMENT continued

44.4 Credit risk continued

44.4.1 Trade and other receivables

Trade and other receivables impaired

As at 30 June 2025, trade and other receivables with a nominal value of A$92 000 (2024: A$156 000) (expected credit losses - specific debtors and expected credit losses) were provided for in a provision account.

The maximum exposure to credit risk in relation to trade and other receivables:

	2025 A$'000	2024 A$'000
Trade and other receivables	**17 591**	24 344
Provision for expected credit losses	**(92)**	(156)
	17 499	24 188
Reconciliation of allowance for expected credit losses		
Opening balance	**156**	153
Raised during the year	**69**	3
Reversed	**(133)**	-
	92	156

44.4.2 Contract assets

The maximum exposure to credit risk in relation to contract assets is equal to the carrying value as presented in *note 12: Contract assets / (liabilities)*.

The ageing of contract and retention receivables and related provisions as at 30 June is as follows:

	<90 days A$'000	90 days past due* A$'000	Total A$'000
2025			
Contract and retention receivables	**262 421**	**2 438**	**264 859**
Provision for expected credit losses	**-**	**(704)**	**(704)**
Net book value	**262 421**	**1 734**	**264 155**
2024			
Contract and retention receivables	361 390	10 328	371 718
Provision for expected credit losses	-	(1 759)	(1 759)
Net book value	361 390	8 569	369 959

* *Represents accounts past due based on due date in accordance with contractual payment terms.*

44. RISK MANAGEMENT continued

44.4 Credit risk continued

44.4.2 Contract assets continued

Analysis of past due accounts

Included in contract receivables are amounts that are past due but not impaired, these have been adequately assessed for impairment.

	2025 A$'000	2024 A$'000
Provision for expected credit losses		
Opening balance	**1 759**	191
Raised during the year	**-**	1 568
Reversed	**(1 055)**	-
	704	1 759
The contract assets / (liabilities) consist of:		
Uncertified claims and variations	**107 579**	188 819
Contract contingencies	**(25 152)**	(28 245)
Contract receivables	**251 957**	360 361
Retention receivables	**12 902**	11 357
Provision for expected credit losses	**(704)**	(1 759)
	346 582	530 533

44.4.3 Credit risk mitigation and collateral

Where appropriate, the Group obtains collateral and uses first loss trade credit insurance to mitigate risk.

The Group has credit risk mitigating policies in place for all its operating segments. Due to the significant credit risk associated with contract and retention receivables, it is the Group's policy to obtain unassignable security by bank guarantees or insurance bonds on large projects returnable on the expiration of the defect liability period or practical completion, where part security is returnable. The security is callable in relation to the debt under construction contracts.

Credit risk mitigating measures include builder's liens. The Group has right of retention over the constructed, enhanced or repaired building or structure (site) or portion thereof by means of retaining physical control of the site to secure payment of the contract price. The builder 's lien is not waived and remains in effect until the completion of the contract or credit worthiness and payment record of the contracting party has been established. A builder's lien may be waived in lieu of a bank guarantee in accordance with the Group's commercial risk framework. The builder's lien in respect of claims is not waived and remains in effect until such time as the Group's claim has been satisfied or the Group has been provided with appropriate alternative security in respect of its claim.

A holding company guarantee is obtained if required by the underlying contract from the contracting party's holding company. The Group may in certain instances institute a right to suspend the contract as recourse for non-payment in accordance with the Group's commercial risk framework. Where a suspension applies, it provides for demobilisation, mobilisation and delay costs associated with the extension of time.

44. RISK MANAGEMENT continued

44.5 Foreign exchange risk

The Group has limited transactional currency exposures. Such exposure arises from sales or purchases by a division, subsidiary, associate or joint arrangements (operating unit) in currencies other than the unit's functional currency. An insignificant amount of the Group's sales is denominated in currencies other than the functional currency of the operating unit making the sale, and the majority of costs are denominated in the unit's functional currency.

The following table demonstrates the sensitivity to a reasonably possible change in the closing rate of material currencies with which the Group operates, all other variables held constant, on the Group's (loss) / earnings before taxation (due to changes in the fair value of foreign denominated monetary assets and liabilities at year end).

Material currencies were determined based on exposure and volume of transactions.

	Closing exchange rate at 30 June	Change in year end rate Increase of 5%	Change in year end rate Decrease of 5%	Effect of an increase of 5% (A$'000)	Effect of a decrease of 5% (A$'000)
2025					
South African Rand (ZAR)	**0.09**	**0.09**	**0.08**	**3 483**	**(3 483)**
United States Dollar (USD)	**0.66**	**0.69**	**0.62**	**8**	**(8)**
Euro (EUR)	**0.56**	**0.59**	**0.53**	*****	*****
Effect on (loss) / earnings before taxation**				**3 491**	**(3 491)**
2024					
South African Rand (ZAR)	0.08	0.09	0.08	783	(783)
United States Dollar (USD)	0.67	0.70	0.64	(5)	5
Euro (EUR)	0.62	0.65	0.59	*	*
Effect on (loss) / earnings before taxation**				778	(778)

* *Amounts less than A$ 1000.*

** *Represents the changes in the fair value of foreign denominated trade and other payables, trade and other receivables and contract assets / (liabilities) at year end.*

44. RISK MANAGEMENT continued

44.6 Foreign currency risk

Monetary assets and liabilities below are at amortised cost.

The carrying value by functional currency of the Group's monetary assets and liabilities are as follows:

		Australian Dollar equivalent amount (A$)				
2025	Notes	AUD* A$'000	ZAR A$'000	USD A$'000	Other A$'000	Total A$'000
Monetary assets as per the statement of financial position						
Non-current assets						
Lease receivables	15	-	943	-	-	943
Other non-current assets		-	3 278	-	-	3 278
Current assets						
Contract assets	12	320 431	26 151	-	-	346 582
Lease receivables	15	-	645	-	-	645
Trade and other receivables	13	13 073	8 894	24	-	21 991
Cash and bank balances	16	267 416	(292)	31	156	267 311
		600 920	39 619	55	156	640 750
Monetary liabilities as per the statement of financial position						
Non-current liabilities						
External borrowings and other liabilities	18	12 292	17682	-	-	29 974
Lease liabilities	19	21 242	24 732	-	-	45 974
Current liabilities						
Contract liabilities	12	238 337	5 424	-	-	243 761
External borrowings and other liabilities	18	4 922	21 004	-	-	25 926
Lease liabilities	19	9 545	11 082	-	-	20 627
Trade and other payables	20	315 082	28 516	-	286	343 884
		601 420	108 440	-	286	710 146
Net Exposure		(500)	(68 821)	55	(130)	(69 396)

* *This amount includes exposure to NZD and other currencies within the Australasia and Southeast Asia market.*

44. RISK MANAGEMENT continued

44.6 Foreign currency risk continued

2024	Notes	Australian Dollar equivalent amount (A$) AUD* A$'000	ZAR A$'000	USD A$'000	Other A$'000	Total A$'000
Monetary assets as per the statement of financial position						
Non-current assets						
Lease receivables	15	-	23 950	-	-	23 950
Other non-current assets		-	2 343	-	-	2 343
Current assets						
Contract assets	12	497 870	32 663	-	-	530 533
Lease receivables	15	-	8 047	-	-	8 047
Trade and other receivables	13	18 895	11 548	24	31	30 498
Cash and bank balances	16	232 520	(4 958)	19	97	227 678
		749 285	73 593	43	128	823 049
Monetary liabilities as per the statement of financial position						
Non-current liabilities						
External borrowings and other liabilities	18	-	34 936	-	-	34 936
Lease liabilities	19	26 604	45 423	-	-	72 027
Current liabilities						
Contract liabilities	12	212 758	2 199	-	-	214 957
External borrowings and other liabilities	18	20	19 070	-	-	19 090
Lease liabilities	19	13 121	18 356	-	-	31 477
Trade and other payables	20	432 737	34 410	-	379	467 526
		685 240	154 394	-	379	840 013
Net Exposure		64 045	(80 801)	43	(251)	(16 964)

* *This amount includes exposure to NZD and other currencies within the Australasia and Southeast Asia market.*

44. RISK MANAGEMENT continued

44.7 Borrowing capacity

The Group's borrowing capacity is set out in accordance with the terms of the Company's memorandum of incorporation.

	2025 A$'000	2024 A$'000
The Group had the following undrawn facilities:		
Total borrowing facilities	**55 900**	54 026
Overdraft facilities	**15 444**	14 783
Current utilisation	**(71 344)**	(58 405)
Borrowing and overdraft facilities available	**-**	10 404

Maturity profile of financial instruments

The maturity profile of the recognised financial instruments is summarised below. These profiles represent the undiscounted cash flows that are expected to occur in the future.

Financial Instruments	Less than one year Rm	One to five years Rm	More than five years Rm	Total Rm
2025				
Non-derivative financial liabilities				
Interest bearing borrowings	**29 473**	**33 411**	**-**	**62 884**
Lease liabilities	**26 309**	**51 455**	**2 394**	**80 158**
Trade and other payables	**343 884**	**-**	**-**	**343 884**
	399 666	**84 866**	**2 394**	**486 926**
2024				
Non-derivative financial liabilities				
Interest bearing borrowings	25 093	39 509	-	64 602
Lease liabilities	37 430	77 902	-	115 332
Trade and other payables	467 526	-	-	467 526
	530 049	117 411	-	647 460

45. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any significant matter or circumstance arising after the reporting date up to the date of this report.

46. RELATED PARTIES

During the year, the Group, in the ordinary course of business, entered into various sale and purchase transactions with entities which are equity-accounted.

The Group received A$nil (2024: A$2.5 million) from infrastructure investments in the current year.

The Group also had transactions and balances with associates and joint ventures. These are detailed below.

Refer to transactions with key management disclosed in *note 43: Directors' emoluments and interests*.

The Group had the following significant related party balances and transactions during the reporting period:

Balances with associates, joint ventures, joint operations, key management personnel and entities controlled by key management personnel

Balances between the Group and its subsidiaries have been eliminated on consolidation and are not disclosed.

	2025 A$'000	2024 A$'000
Associates and joint ventures		
Trade and other receivables – associates and joint ventures	**1 296**	848
Trade and other payables – associates and joint ventures	**(41)**	(41)
	1 255	807
Parent company guarantees		
Parent company guarantees (ZARm)	**717**	748
Parent company guarantees (A$m)	**1 122**	1 521

The Group had no balances with key management personnel or balances with entities controlled by key management personnel during the year under review.

Transactions with associates, joint ventures, joint operations, key management personnel and entities controlled by key management personnel

Transactions between the Group and its subsidiaries have been eliminated on consolidation and are not disclosed.

The Group had no transactions with key management personnel or transactions with entities controlled by key management personnel during the year under review.

47. GROUP OPERATING ENTITIES

Name	Country	Aveng Group effective consolidation %	
Subsidiaries and consolidated structured entities		**2025**	**2024**
Aveng (Africa) Lesotho Proprietary Limited	Lesotho	**100**	100
Aveng Africa Proprietary Limited	South Africa	**100**	100
Aveng Australia Holdings Proprietary Limited	Australia	**100**	100
Aveng Construcciones Chile Limitada	Chile	**100**	100
Aveng Construction and Development Proprietary Limited	South Africa	**100**	100
Aveng Corporate Proprietary Limited	South Africa	**100**	100
Aveng Intellectual Properties Proprietary Limited	South Africa	**100**	100
Aveng Management Company Proprietary Limited	South Africa	**100**	100
Aveng Moolmans Holdings Proprietary Limited	South Africa	**100**	100
Aveng Moolmans Burkina Faso SA	Burkina Faso	**100**	100
Aveng Moolmans Intellectual Properties Proprietary Limited	South Africa	**100**	100
Aveng Moolmans Mauritius Limited	Mauritius	**100**	100
Aveng Moolmans Proprietary Limited	South Africa	**100**	100
Aveng Proprietary Limited	Malawi	**100**	100
Aveng Swazi Proprietary Limited	Swaziland	**100**	100
Aveng Tanzania Limited	Tanzania	**100**	100
Aveng Water Treatment Proprietary Limited	Namibia	**100**	100
Built Environs Proprietary Limited	Australia	**100**	100
Built Environs Queensland Proprietary Limited	Australia	**100**	100
Built Environs WA Proprietary Limited	Australia	**100**	100
Consorcio Aveng-Mas Errazuriz Société Anonyme	Chile	**60**	60
E+PC Engineering & Projects Company (Zambia) Limited	Zambia	**100**	100
Hylekite Proprietary Limited	Australia	**100**	100
Karibib Mining and Construction Company (Namibia) Proprietary Limited	Namibia	**100**	100
LTA Construction Kenya Limited	Kenya	**100**	100
LTA Construction Tanzania Limited	Tanzania	**100**	100
McConnell Dowell (American Samoa) Limited	American Samoa	**100**	100
McConnell Dowell Fiji Limited	Fiji	**100**	100
McConnell Dowell (Malaysia) Sendirian Berhad	Malaysia	**100**	100
McConnell Dowell Constructors (Aust) Proprietary Limited	Australia	**100**	100
McConnell Dowell Constructors (PNG) Limited	Papua New Guinea	**100**	100
McConnell Dowell Constructors Limited	New Zealand	**100**	100
McConnell Dowell Constructors Thai Limited	Thailand	**74**	74
McConnell Dowell Corporation (NZ) Limited	Australia	**100**	100
McConnell Dowell Holdings Proprietary Limited	Australia	**100**	100
McConnell Dowell (Offshore) Limited	Cook Islands	**100**	100
McConnell Dowell Philippines Incorporated	Philippines	**40**	40

47. GROUP OPERATING ENTITIES continued

Name	Country	Aveng Group effective consolidation %	
Subsidiaries and consolidated structured entities continued		**2025**	**2024**
McConnell Dowell Proprietary Limited	Australia	**100**	100
McConnell Dowell Saudi Arabia Limited	Saudi Arabia	**39**	39
McConnell Dowell South East Asia Private Limited	Singapore	100	100
Moolman Mining (Botswana) Proprietary Limited	Botswana	100	100
Moolman Mining Ghana Limited	Ghana	100	100
Moolman Mining Tanzania Limited	Tanzania	100	100
Moolmans International Holdings Limited	Mauritius	100	100
Moolmans Mining Guinea S.A	Guinea	**100**	100
Moolmans Mining Tanzania Limited	Tanzania	**100**	100
Moolmans Plant South Africa Proprietary Limited	South Africa	**100**	100
Moolmans South Africa Proprietary Limited	South Africa	**100**	100
NFI Holdings Limited	Thailand	**49**	49
Perseroan Terbatas Wanamas Puspita	Indonesia	**100**	100
Tweed River Entrance Sand Bypassing Company Proprietary Limited	Australia	**100**	100
Umkomazi Mining Zambia Limited (formerly Moolman Mining Zambia Limited)	Zambia	**100**	100
Associates, Joint ventures and Infrastructure Investments			
AEF Mining Services Proprietary Limited	South Africa	**30**	**30**
Dutco McConnel Dowell Middle East Limited Liability Company*	United Arab Emirates	**49**	**49**
Grinaker-LTA Fair Construction SARL	Rwanda	**50**	**50**
Lesedi Tracks Proprietary Limited	South Africa	**-**	**25**
McConnell Dowell Gulf Limited	United Arab Emirates	**49**	**49**
McConnell Dowell Abu Dhabi LLC	United Arab Emirates	**49**	**49**
Steeledale Proprietary Limited	South Africa	**30**	**30**

* *These associates and joint ventures have a reporting period (31 December) which is different to that of the Group.*

47. GROUP OPERATING ENTITIES continued

Name	Country	Aveng Group effective consolidation %	
Joint Operations		**2025**	**2024**
McConnell Dowell / BMD Constructions (Fitzroy to Gladstone pipeline)	Australia	50	50
McConnell Dowell / CPB Contractors (Tram Grade Separation Project)	Australia	50	50
McConnell Dowell / Decmil (Mordialloc Bypass)	Australia	60	60
McConnell Dowell / Diona JV - SA Water Frameworks Project	Australia	50	50
McConnell Dowell / Downer JV – CSM2	New Zealand	50	50
McConnell Dowell / Downer EDI Works (Waurn Ponds)	Australia	50	50
McConnell Dowell / DT Infrastructure (Waurn Ponds)	Australia	50	50
McConnell Dowell / Fletchers / Obayashi (Waterview maintenance)	New Zealand	23	23
McConnell Dowell / Fulton Hogan / HEB Contractors (Northern Pathway Alliance)	New Zealand	33	33
McConnell Dowell / Fulton Hogan Joint Venture	New Zealand	50	50
McConnell Dowell / GE Betz/ United Group Infrastructure (WSRW)	Australia	20	20
McConnell Dowell / Georgiou / Arcadis / BG&E (Midland Station)	Australia	52	52
McConnell Dowell / Heb (Pukekohe)	New Zealand	50	50
McConnell Dowell / Heb (Wellington Sludge Minimisation)	New Zealand	50	50
McConnell Dowell / John Holland (Kidston Hydro)	Australia	50	50
McConnell Dowell / John Holland McConnell Dowell JV – JRL 108 (LTA)	Singapore	100	100
McConnell Dowell / John Holland (Papakura to Pukekohe)	New Zealand	50	50
McConnell Dowell / Martinus Rail JV (Murray Basin)	Australia	80	80
McConnell Dowell / Obayashi JV (Warragamba Dam)	Australia	60	60
McConnell Dowell / OHL SA (K2K)	Australia	50	50
McConnell Dowell PP Pesero TBK JV (Palembang City Sewerage)	Indonesia	50	50

CONTENTS

The reports and statements set out below comprise the separate annual financial statements presented to the shareholders:

SEPARATE STATEMENT OF FINANCIAL POSITION

as at 30 June 2025

	Note	2025 Rm	2024 Rm
ASSETS			
Non-current assets			
Investments in subsidiaries	2	**3 396**	3 950
Amounts owed by subsidiaries	3	**88**	118
		3 484	4 068
Current assets			
Amounts owed by subsidiaries	3	**254**	232
Cash and bank balances	4	**3**	-
		257	232
TOTAL ASSETS		**3 741**	4 300
EQUITY AND LIABLITIES			
Equity			
Stated capital	5	**5 150**	5 133
Other reserves		**(385)**	(363)
Accumulated losses		**(1 644)**	(1 075)
		3 121	3 695
LIABILITIES			
Non-current liabilities			
Amounts owing to subsidiaries	3	**543**	496
		543	496
Current liabilities			
Amounts owing to subsidiaries	3	**62**	91
Trade and other payables	6	**15**	18
		77	109
TOTAL LIABILITIES		**620**	605
TOTAL EQUITY AND LIABILITIES		**3 741**	4 300

SEPARATE STATEMENT OF COMPREHENSIVE EARNINGS

for the year ended 30 June 2025

	Notes	2025 Rm	2024 Rm
Operating expenses		**(30)**	(38)
Other earnings	8	**84**	41
Operating earnings	7	**54**	3
Management fees paid		**(2)**	(19)
Preliminary strategic implementation costs		**(29)**	
Impairment of investment	2	**(549)**	
Finance earnings	9	**-**	3
Other finance expenses	10	**(43)**	(65)
Loss before taxation		**(569)**	(78)
Taxation	11	**-**	-
Loss for the year		**(569)**	(78)
Other comprehensive earnings to be reclassified to earnings or loss in subsequent periods (net of taxation):			
Other comprehensive earnings for the year*		**-**	-
Total comprehensive loss for the year		**(569)**	(78)
Results per share (cents)			
Loss - basic		**(434)**	(61)
Loss - diluted		**(434)**	(61)
Number of shares (millions)			
In issue		**131.3**	131.3
Weighted Average		**131.0**	128.4
Diluted weighted average		**131.0**	128.4

* *Net of taxation*

SEPARATE STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2025

	Stated Capital Rm	Equity-settled share-based payment reserve Rm	Foreign currency translation reserve Rm	Other reserves* Rm	Total other reserves Rm	Accumulated losses Rm	Total equity Rm
Year ended 30 June 2024							
Balance at 1 July 2023	**5 107**	**73**	**(54)**	**(377)**	**(358)**	**(997)**	**3 752**
Loss for the year	-	-	-	-	-	(78)	(78)
Total comprehensive loss for the year	-	-	-	-	-	(78)	(78)
Equity settled share-based payment - shares granted	-	21	-	-	21	-	21
Equity settled share-based payment - shares vested	26	(26)	-	-	(26)	-	-
Total contributions and distributions to owners of company recognised directly in equity	26	(5)	-	-	(5)	-	21
Balance at 30 June 2024	**5 133**	**68**	**(54)**	**(377)**	**(363)**	**(1 075)**	**3 695**
Year ended 30 June 2025							
Balance at 1 July 2024	**5 133**	**68**	**(54)**	**(377)**	**(363)**	**(1 075)**	**3 695**
Loss for the year	-	-	-	-	-	(569)	(569)
Total comprehensive loss for the year	-	-	-	-	-	(569)	(569)
Equity settled share-based payment - shares forfeited	-	(5)	-	-	(5)	-	(5)
Equity settled share-based payment - shares vested	17	(17)	-	-	(17)	-	-
Total contributions and distributions to owners of company recognised directly in equity	17	(22)	-	-	(22)	-	(5)
Balance at 30 June 2025	**5 150**	**46**	**(54)**	**(377)**	**(385)**	**(1 644)**	**3 121**
Notes	5	12					

* *This is as a result of the amendment to the loan agreement with Aveng Australia Holdings Proprietary Limited (subsidiary) in prior years, in which interest charged on the loan since inception had been waivered. It was treated as capital due to the Parent/ Subsidiary relationship.*

SEPARATE STATEMENT OF CASH FLOWS

for the year ended 30 June 2025

	Notes	2025 Rm	2024 Rm
Cash utilised by operating activities	14	**(53)**	(16)
Finance earnings received	17	**-**	6
Finance expenses paid	16	**(42)**	-
Taxation paid	15	**-**	(1)
Cash outflow from operating activities		**(95)**	(11)
Investing activities			
Repayment of loans by subsidiaries		**34**	227
Loans advanced to subsidiaries		**-**	(159)
Dividends received		**84**	-
Cash inflow from investing activities		**118**	68
Financing activities			
Loans advanced by subsidiaries		**46**	130
Settlement of amounts to subsidiaries		**(66)**	(288)
Cash outflow from financing activities		**(20)**	(158)
Net increase / (decrease) in cash and bank balances		**3**	(101)
Cash and bank balances at beginning of the year		*****	101
Total cash and bank balances at the end of the year	4	**3**	*

** Less than R1 million*

1. BASIS OF PREPARATION

The separate financial statements have been prepared on the historical cost basis, except for certain financial assets which are measured at fair value.

The accounting policies adopted are consistent with those of the Group's financial statements.

2. INVESTMENTS IN SUBSIDIARIES

Name of company	Country	% 2025	2025 Rm	2024 Rm
Aveng Australia Holdings Proprietary Limited	Australia	100	**1 528**	1 531
Capital contribution to Aveng Australia Holdings Proprietary Limited (bifurcation of loan)	Australia	100	**368**	368
Aveng Africa Proprietary Limited	South Africa	100	**-**	-
Aveng Corporate Proprietary Limited	South Africa	100	**10**	11
Aveng Moolmans Holdings Proprietary Limited	South Africa	100	**1 490**	2 040
Moolmans Mauritius Proprietary Limited	Mauritius	100	*****	*
Aveng Properties Proprietary Limited	South Africa	100	*****	*
Aveng Management Company Proprietary Limited	South Africa	100	*****	*
			3 396	3 950
Reconciliation of investments in subsidiaries				
Opening balance			**3 950**	3 934
IFRS 2 share-based payment- shares forfeited			**(5)**	-
Impairment of investment in Aveng Moolmans Holdings Proprietary Limited			**(549)**	-
Investment in Moolmans Mauritius Proprietary Limited			*****	*
IFRS 2 share-based payment - granting of instruments to subsidiary employees			**-**	16
			3 396	3 950

* *Amounts are less than R1 million.*

All of the entities listed above are consolidated into the Group structure. The carrying amount of the subsidiaries are shown net of impairment losses.

Impairment loss on Investment in Aveng Moolmans Holdings Proprietary Limited

An Impairment assessment was performed on the investment in Aveng Moolmans Holdings Proprietary Limited following an assessment of the recoverability of the investment. An impairment loss of R549 million was required in order to show the investment at an appropriate recoverable amount. This recoverable amount was based on the remaining net asset value of Aveng Moolmans Holdings, which is supported by the value in use. The estimate of value in use was determined using a pre-tax discount rate of 16.67%

3. AMOUNTS OWING BY / (TO) SUBSIDARIES

	2025 Rm	2024
Reconciliation of amounts owing by subsidiaries		
Opening balance	**350**	375
Cash movement	**(34)**	(72)
Non-cash movement*	**26**	47
Balance at the end of the year	**342**	350
Reconciliation of amounts owing to subsidiaries		
Opening Balance	**(587)**	(648)
Cash movement	**62**	162
Non-cash movement	**(80)**	(101)
Balance at the end of the year	**(605)**	(587)
Non-interest bearing to subsidiaries	**342**	350
Non-interest bearing from subsidiaries	**(62)**	(25)
Interest bearing from subsidiaries	**(543)**	(562)
Net amounts owing by subsidiaries	**(263)**	(237)
Non-current assets	**88**	118
Current assets	**254**	232
Non-current liabilities	**(543)**	(496)
Current liabilities	**(62)**	(91)
Net amounts owing by subsidiaries	**(263)**	(237)

* *In the prior year, non- cash movements include a dividend in specie of R41 million.*

4. CASH AND BANK BALANCES

	2025 Rm	2024 Rm
Cash and bank balances	**3**	*
	3	*

5. STATED CAPITAL

	2025 Rm	2024 Rm
Authorised		
Ordinary shares		
Number of shares	**361 764 068**	361 764 068
Value (Rm)	**9 044**	9 044
Class A shares		
Number of shares	**1 000 000 000**	1 000 000 000
Value (Rm)	**5 000**	5 000
Issued		
Ordinary shares		
Number of shares	**127 135 041**	127 135 041
Value (Rm)	**5 119**	5 102
Class A shares		
Number of shares*	**4 155 979**	4 155 979
Value (Rm)	**31**	31
Stated capital (Rm)	**5 150**	5 133
Shares held in terms of equity-settled share-based payment plan		
- Number of shares (after share consolidation)	**257 773**	2 897 646
- Market value (Rm)	**2**	20

Reconciliation of number of shares issued	Number of shares	Number of shares
Opening balance	**131 291 020**	131 291 020
Less: treasury shares	**(257 773)**	(2 897 646)
Number of shares in issue excluding treasury shares	**131 033 247**	128 393 374

* *Aveng Class A Shares rank pari passu with Aveng Ordinary Shares (save for voting rights)*

6. TRADE AND OTHER PAYABLES

	2025 Rm	2024 Rm
Shareholders for dividends	**6**	6
Accrued expenses	**9**	12
	15	18

7. OPERATING EARNINGS

	2025 Rm	2024 Rm
Operating loss for the year is stated after accounting for the following:		
Auditors' remuneration - fees	**(2)**	(10)
Directors' fees	**(17)**	(10)
Consulting Fees	**(2)**	(9)
Travel and entertainment expenses	**(6)**	-
Public company costs	**(3)**	(3)
IFRS 2 share-based payment expense	**-**	(5)

8. OTHER EARNINGS

	2025 Rm	2024 Rm
Dividends received - *in specie*	**-**	41
Dividends received - cash	**84**	-
	84	41

9. FINANCE EARNINGS

	2025 Rm	2024 Rm
Interest received on amounts owing by subsidiaries	**-**	3
	-	3

10. OTHER FINANCE EXPENSES

	2025 Rm	2024 Rm
Interest incurred on amounts owing to subsidiaries	**43**	65
	43	65

11. TAXATION

	2025 Rm	2024 Rm
Major components of the taxation income		
Current taxation		
Local income taxation - current year	**-**	-
Total taxation	**-**	-
Reconciliation between applicable taxation rate and effective taxation rate:		
Applicable taxation rate	**27.0**	27.0
Exempt income / non-taxable income*	**-**	(2.2)
Deferred tax liability / (asset) not recognised	**(0.2)**	(5.4)
Disallowable charges**	**(26.8)**	(19.4)
Effective taxation rate for the year	**-**	-

South African income tax is calculated at 27% (2024: 27%) of the taxable income for the year.

* *Exempt income relates to dividend income which does not represent taxable income.*

** *Disallowed expenses relate to expenditure not incurred in the production of taxable income (2024: expenditure not incurred in the production Of income).*

12. EQUITY-SETTLED SHARE-BASED PAYMENT RESERVE

The Company has a forfeitable share plan in place under which certain senior executives have been granted shares in the Company. A description of the plan as well as the terms and conditions relating to awards made are disclosed in the remuneration report.

	2025 Rm	2024 Rm
Equity-settled share-based payment reserve associated to previous schemes	40	40
Directors and prescribed officers of subsidiaries of Aveng Limited participating in LTIP	6	6
Senior managers of subsidiaries of Aveng Limited participating in LTIP	-	22
Total Equity-settled share-based payment reserve	**46**	68

* *The equity-settled share-based payment expense recognised in the current year relates to the shares granted in the current year in accordance with the Long-term incentive plan 2022 (LTIP) rules. The equity-settled share-based awards vest when certain retention and non-market performance conditions are met.*

13. EQUITY-SETTLED SHARE-BASED PAYMENT

Equity-settled share-based payment plan

Long Term Incentive Plan 2022

In terms of the Long-Term Incentive Plan 2022 (LTIP 2022), senior executives of the Group, are granted shares in the Group for no consideration. The provision of shares will serve as a retention and an incentive mechanism over a three-year period.

The awards will be subject to the satisfaction of retention and / or performance conditions measured over the performance period from 2022 to 2025. The performance awards that vest each year are not subject to re-resting in the subsequent years.

The fair value of the shares is estimated at the grant date taking into account the terms and conditions contained in the LTIP2022 rules as well as the rights associated with these shares to participate in dividends and shareholder rights from grant date. The shares are subject to forfeit if the employee leaves the employment of the Group prior to the vesting dates and/or if performance conditions are not met. On resignation, retirement, retrenchment or dismissal, all unvested awards of the participant will be forfeited immediately on the date of termination of the employment. Where the employment of the participant is terminated as a result of death, all of a participant's unvested awards will vest on the date of termination of employment. The plan is settled in shares and therefore is equity-settled. There are no portions of the plan that have been or will be cash-settled.

The movement during the year was as follows:

	2025 Number of shares	2024 Number of shares
Opening balance	4 293 230	5 049 160
Shares granted	-	615 800
Shares vested / exercised	(1 826 771)	(973 565)
Shares forfeited	(581 540)	(398 165)
	1 884 919	4 293 230
Fair value of shares granted to participant (R per share)	13,48	13,48
Total value of forfeitable shares to participants (Rm)	25	58

14. CASH UTILISED FROM OPERATIONS

	Note	2025 Rm	2024 Rm
Loss before taxation		**(569)**	(78)
Adjustments for:			
Finance earnings	9	**-**	(3)
Finance and transaction expenses	10	**43**	65
Dividends received	8	**(84)**	(41)
Cash utilised from operations		**(610)**	(57)
Non-cash and other movements	14.1	**560**	37
Cash utilised from operations		**(50)**	(20)
Changes in working capital	14.2	**(3)**	4
		(53)	(16)

14.1 Non-cash and other movements

	Note	2025 Rm	2024 Rm
Impairment of investment	2	**549**	-
IFRS 2 Share based payment - granting of instruments to participants	7	**-**	5
Management fees		**-**	19
Non-cash operating expenses		**11**	13
		560	37

14.2 Movements in working capital

	Note	2025 Rm	2024 Rm
(Decrease) / increase in trade and other payables		**(3)**	4
		(3)	4

15. TAXATION PAID

	Note	2025 Rm	2024 Rm
Amounts unpaid at the beginning of the year		**-**	1
Amounts charged to the statement of comprehensive earnings – normal tax	11	**-**	-
Amounts unpaid at the end of year		**-**	-
		-	1

16. FINANCE AND TRANSACTION EXPENSES PAID

	Note	2025 Rm	2024 Rm
Amounts charged to the statement of comprehensive earnings		**43**	65
Movement in finance expenses unpaid		**(1)**	(65)
		42	-

17. FINANCE EARNINGS RECEIVED

	Note	2025 Rm	2024 Rm
Interest received		**-**	3
Movement in accrued finance earnings		**-**	3
		-	6

18. CONTINGENT LIABILITIES

	Note	2025 Rm	2024 Rm
Contingent liabilities at reporting date, not otherwise provided for in the financial statements, arising from:			
Parent Company guarantees issued in:			
- Australasia and Asia (A$m)		**1**	2

Contract performance guarantees issued by the parent company on behalf of its Group companies are calculated either on the basis of all or part of the contract sum of each respective assignment, depending on the terms of the agreement, without being offset against amounts received as compensation from the customer.

19. RELATED PARTIES

During the year the Company and its subsidiaries, in the ordinary course of business, entered into various transactions. There were no related party transactions with directors or entities in which the directors have a material interest.

Directors' emoluments

Refer to *note 43: Directors' emoluments* in the Group financial statements for detail.

	2025 Rm	2024 Rm
Related party balances		
Net indebtedness due by / (to) subsidiaries		
Aveng Africa Proprietary Limited	(487)	(489)
Aveng Moolmans Holdings Proprietary Limited	230	230
Aveng Corporate Proprietary Limited	(40)	(22)
Aveng Australia Holdings Proprietary Limited	112	120
Aveng Limited Share Purchase Trust	(78)	(76)
	(263)	(237)
Related party transactions		
Finance earnings		
Aveng Africa Proprietary Limited	-	3
	-	3
Finance expenses		
Aveng Africa Proprietary Limited	41	63
Aveng Limited Share Purchase Trust	2	2
	43	65
Dividend earnings		
Aveng Australia Holdings Proprietary Limited	84	41
	84	41
Management fees received / (paid)		
Aveng Corporate Proprietary Limited	5	(21)
Aveng Australia Holdings Proprietary Limited	(3)	2
	2	(19)

20. RISK MANAGEMENT

The Company is exposed to credit, liquidity and interest rate risks. In order to manage these risks, the Company may enter into transactions which make use of the financial instruments. The Company has developed a risk management process to facilitate, control and monitor these risks. This process includes formal documentation of policies, including limits, controls and reporting structures.

The Company actively monitors the following risks:

20.1 Capital risk management

The primary objective of the Company's capital management policy is to ensure that the Company maintains a strong credit rating and healthy capital ratios in order to support its business.

The Company manages its capital structure and makes adjustments to it in response to changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes during the years ended 30 June 2024 and 30 June 2025.

The Company includes within its net cash position, cash and bank balances less borrowings and other liabilities.

Capital includes equity attributable to the equity-holders of the company of R3.1billion (2024: R3,7 billion).

20. RISK MANAGEMENT continued

20.2 Liquidity risk

The Company remains confident that available cash resources, facilities and operating cash flows will be sufficient to meet its funding requirements. There have been no breaches or defaults on any payables during the period.

20.3 Interest rate risk

The Company does not have exposure to interest rate risk as there is no external debt.

Cash balances all carry interest at rates that vary in response to prevailing market rates in the respective geographical areas of the Company's operations.

No financial instruments are entered into to mitigate the risk of interest rates.

20.4 Credit risk

The Company's only material exposure to credit risk is in its cash balances (refer to *note 4*: Cash and bank balances) and amounts due from subsidiaries (refer to *note 3: Amounts owing by/(to) subsidiaries*). The maximum exposure to credit risk is set out in *note 4*: *Cash and bank balances*. There was no collateral held on the above balances as at the 2025 year end.

Deposits and cash balances are all kept at financial institutions with a high credit rating, as determined by credit rating agencies within a credit limit policy which is subject to regular review.

The Company’s expected credit loss provision is immaterial.

20.5 Borrowing capacity

The Company's borrowings capacity is unlimited in terms of the Company's memorandum of incorporation.
The Company does not have any undrawn facilities.

20.6 Categories of financial instruments

All financial assets and liabilities of the Company are at amortised cost.

20.7 Maturity profile of financial instruments

The maturity profile of the recognised financial instruments is summarised below. These profiles represent the undiscounted cash flows that are expected to occur in the future.

Financial liabilities	Less than one year Rm	One to five years Rm	Beyond five years Rm	Total Rm
2025				
Non-derivative financial liabilities				
Amounts owing to subsidiaries	**62**	**543**	**-**	**605**
Trade and other payables	**15**	**-**	**-**	**15**
	77	**543**	**-**	**620**
2024				
Non-derivative financial liabilities				
Amounts owing to subsidiaries	91	496	-	587
Trade and other payables	18	-	-	18
	109	496	-	605

21. EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any matter or circumstance arising since the end of the reporting period not otherwise dealt with in the consolidated annual financial statements of Aveng Limited (Refer to *note 45: Events after the reporting period* in consolidated statements) which significantly affects the financial position of the Company as at 30 June 2025 or the results of its operations or cash flow for the year then ended.

AVENG
Providing a better life

ANNEXURE 1 – SUPPLEMENTARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2025

	2025 Rm	2024 Rm
ASSETS		
Non-current assets		
Goodwill arising on consolidation	100	100
Property, plant and equipment	2 502	2 870
Right-of-use assets	676	713
Infrastructure investments	-	142
Deferred taxation	1 172	1 282
Lease receivables	11	292
Other non-current assets	38	28
	4 499	5 427
Current assets		
Inventories	199	250
Contract assets	4 039	6 460
Trade and other receivables	253	374
Lease receivables	8	98
Cash and bank balances	3 116	2 772
	7 615	9 954
TOTAL ASSETS	12 114	15 381
EQUITY AND LIABILITIES		
Equity		
Stated capital	4 818	4 801
Other reserves	1 520	1 621
Accumulated losses	(4 055)	(2 989)
Equity attributable to equity-holders of parent	2 283	3 433
Non-controlling interest	11	6
TOTAL EQUITY	2 294	3 439
LIABILITIES		
Non-current liabilities		
Deferred taxation	206	290
External borrowings and other liabilities	349	426
Lease liabilities	536	877
Provisions	38	52
Employee-related payables	522	490
	1 651	2 135
Current liabilities		
Contract liabilities	2 841	2 617
External borrowings and other liabilities	302	233
Lease liabilities	240	383
Employee-related payables	324	409
Trade and other payables	4 009	5 693
Provisions	331	402
Taxation payable	122	70
	8 169	9 807
TOTAL LIABILITIES	9 820	11 942
TOTAL EQUITY AND LIABILITIES	12 114	15 381

* *Supplementary information. Converted at a closing exchange rate of R11.66/A$1 (2024: R12.17/A$1).*

ANNEXURE 1 – SUPPLEMENTARY CONSOLIDATED STATEMENT OF COMPREHENSIVE EARNINGS

as at 30 June 2025

	2025 Rm	2024 Rm
Revenue	**30 987**	37 450
Cost of sales	**(30 036)**	(35 299)
Gross earnings	**951**	2 151
Other (expenses) / earnings	**(1)**	74
Operating expenses	**(1 643)**	(1 800)
Loss from equity-accounted investments	**-**	(1)
Operating (loss) / earnings before capital items	**(693)**	424
Capital earnings / (expenses)	**(92)**	(90)
Operating (loss) / earnings after capital items	**(785)**	334
Finance earnings	**139**	142
Finance expenses	**(244)**	(278)
(Loss) / earnings before taxation	**(890)**	198
Taxation	**(175)**	117
(Loss) / earnings from the year	**(1 065)**	315

* *Supplementary information. Converted at an average exchange rate of R11.76/A$1 (2024: R12.27/A$1).*

AUDITOR'S ASSURANCE REPORT
for the year ended 30 June 2025

Auditor's Assurance Report on the compilation of the Supplementary information of Aveng Limited

To the Directors of Aveng Limited

Introduction

We have completed our assurance engagement to report on the compilation of the Supplementary Information of Aveng Limited ("**Aveng**" or "**the Company**") and its subsidiaries (collectively "**the Group** ") by the directors of Aveng ("**Directors**").

The Supplementary Information consists of each financial statement caption comprising each of the financial statements set out in the annexure to the audited consolidated and separate annual financial statements for the year ended 30 June 2025 ("Financial Information"), as follows:

- Supplementary consolidated statement of financial position;
- Supplementary consolidated statement of comprehensive earnings;

(collectively the "**Supplementary Information**").

The applicable criteria on the basis of which the Directors have compiled the Supplementary Information is specified in the Listings Requirements of the JSE Limited ("**JSE Listings Requirements**"), including the JSE Guidance Letter: *Presentation of pro forma financial information dated 4 March 2010,* and described in the basis of preparation set out in the accounting policy 1.3: Supplementary information, forming part of the Financial Information.

The purpose of the Supplementary Information is solely to illustrate the impact of translating each supplementary consolidated statement of financial position financial statement caption at the closing exchange rates on 30 June 2025, and each supplementary consolidated statement of comprehensive earnings financial statement caption at an average exchange rate for the year ended 30 June 2025 ("**Pro forma Adjustment**s").

As part of this process the audited consolidated statement of financial position and audited consolidated statement of comprehensive earnings for the year ended 30 June 2025 ("**Audited Financial Information**") have been extracted by the Directors from the Financial Information on which an unmodified audit opinion has been issued on 18 August 2025.

Directors' responsibility for the Supplementary Information

The Directors are solely responsible for the compilation and presentation of the Supplementary Information on the basis of the applicable criteria specified in the JSE Listings Requirements including Guidance Letter: *Presentation of pro forma financial information dated 4 March 2010* and described in the basis of preparation set out in the accounting policy 1.3: Supplementary information, forming part of the Financial Information (the "**Applicable Criteria**").

Our independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors* issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. 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)*.

KPMG Inc. applies the International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independent Auditor's responsibility

Our responsibility is to express an opinion about whether the Supplementary Information has been compiled, in all material respects, by the Directors on the basis specified in the JSE Listings Requirements including Guidance Letter: *Presentation of pro forma financial information dated 4 March 2010* and described in the basis of preparation set out in the accounting policy 1.3: Supplementary information, forming part of the Financial Information.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board. This standard requires that the reporting accountant plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Supplementary Information on the basis specified in the JSE Listings Requirements including Guidance Letter: *Presentation of pro forma financial information dated 4 March 2010* and described in the basis of preparation set out in the accounting policy 1.3: Supplementary information, forming part of the Financial Information.

For purposes of this engagement, we are not responsible for updating or re-issuing any reports or opinions on any historical financial information used in compiling the Supplementary Information. We note, however, that we audited the Financial Information which have been used in compiling the Supplementary Information. We issued our unmodified opinion on the Financial Information on 18 August 2025.

The purpose of the Supplementary Information included in the Financial Information is solely to assist the stakeholders in interpreting the financial performance of the Group in the previously reported currency.

A reasonable assurance engagement to report on whether the Supplementary Information has been compiled, in all material respects, on the basis of the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the Directors in the compilation of the Supplementary Information provides a reasonable basis for presenting the events and conditions to obtain sufficient appropriate evidence about whether:

• The Pro forma Adjustments give appropriate effect to the Applicable Criteria; and

• The Supplementary Information reflects the proper application of the Pro forma Adjustments to the unadjusted Audited Financial Information.

Our procedures selected depend on our judgment, having regard to our understanding of the nature of the Group or the event of which the Pro forma Adjustments in respect of the Supplementary Information have been compiled and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the Supplementary Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Supplementary Information has been compiled, in all material respects, on the basis of the Applicable Criteria specified in the JSE Listings Requirements including Guidance Letter: *Presentation of pro forma financial information dated 4 March 2010* and described in the basis of preparation set out in the accounting policy 1.3: Supplementary information, forming part of the Financial Information.

Restriction on use

This report has been prepared for the purpose of satisfying the requirements of the JSE Listings Requirements, and for no other purpose.

Per FHC von Eckardstein
Chartered Accountant (SA)
Registered Auditor
Director
18 August 2025

AVENG

Providing a better life

AUDITED CONSOLIDATED AND SEPARATE ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2025

aveng.co.za