



South Ocean
HOLDINGS

**INTEGRATED
ANNUAL REPORT
2025**

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About this report

South Ocean Holdings Limited (South Ocean Holdings or SOH or the Group or the Company) is pleased to present its Integrated Annual Report for the year ended 31 December 2025.

Key data

South Ocean Holdings Limited
 (Registration number 2007/002381/06)
 Incorporated in the Republic of South Africa
 Listed on the Johannesburg Stock Exchange (JSE)
 Share code: SOH
 Listing Date: 2007
 Sector: Electronic and Electrical Equipment
 ISIN: ZAE000092748

Scope and boundary

This report provides a comprehensive overview of the activities and performance of SOH for the 12 months from 1 January 2025 to 31 December 2025.

It includes an overview of the Group's operating environment and the factors influencing it, an outline of our business model and strategy, a detailed operational report, and comprehensive reports on both financial and non-financial matters. These are intended to inform stakeholders of all issues material and relevant to the Group to enable them to make an educated assessment of its performance during the reporting period and to give them an informed view of our future prospects.

SOH is an investment holding company listed on the JSE and domiciled in South Africa. It comprises the following operating subsidiaries:

- South Ocean Electric Wire Company Proprietary Limited (South Ocean Electric Wire Company or SOEW), a manufacturer of low-voltage electrical wire and cable;
- Icembu Cables Proprietary Limited (Icembu Cables), a manufacturer of low-voltage electrical wire and cable;
- Icembu Services Proprietary Limited (Icembu Services), a manufacturer of conduit and compounding material;
- SOH Calibre International Limited (SOH Calibre), a foreign procurement company; and
- Anchor Park Investments 48 Proprietary Limited (Anchor Park Investments or Anchor Park), a property investment company.

The Group also holds investments in the following associate companies, all of which are outlets for the sale of electrical wire, cable and related accessories:

- The Electrical Owl Proprietary Limited;
- The Electrical Owl KZN Proprietary Limited;
- Lomami SARL;
- Power Cable Trading Proprietary Limited;
- Mwanga Afrika Cables Proprietary Limited;
- NC Cables (previously known as Consupro) Proprietary Limited;
- NC Dynamic Desert Energy Proprietary Limited;
- Green Energy SOEW Proprietary Limited; and
- Green Energy Projects Proprietary Limited.

In addition, SOH is the holding company of Icembu Holdings Proprietary Limited and South Ocean Electric Wire Company Namibia Proprietary Limited, both of which are dormant.

All references to the Group denote the holding company and its subsidiaries, both during the reporting period and during the current financial year, which will end on 31 December 2026. These businesses operate mainly in South Africa, but also have a limited footprint in the rest of Africa.

Corporate information

The Chairperson of SOH is Mr Johannes van Rensburg and the Chief Executive Officer (CEO) is Mr Andre Smith.

We welcome feedback on this report and any suggestions for future reports. All comments and suggestions should please be addressed to Mr Smith.

He may be contacted at:

South Ocean Holdings Limited
 16 Botha Street
 Alrode
 1451
 +27(0) 11 864 1606
 andres@soew.co.za

The Six Capitals

SOH uses the Six Capitals of Sustainable Development model developed by the International Integrated Reporting Council (IIRC) to accurately evaluate and report on both our financial and non-financial performance.

By accepting that capital is more than a statement of assets on a balance sheet, we are able to harness the value of our people, knowledge, processes and relationships. This multi-capital framework connects our strategy, values, business model and metrics to broader socio-economic development goals. Details of capital inputs and outputs in these six key areas are provided in the body of this report.

Reporting framework

This report has been prepared in accordance with:

- IFRS Accounting Standards (IFRS);
- The Companies Act (No. 71 of 2008);
- JSE Listings Requirements;
- The King Report on Corporate Governance for South Africa™ (King IV™);
- The International Integrated Reporting Council's Integrated Reporting <IR> Framework; and
- The Company's Memorandum of Incorporation (MOI).

Assurance

The non-financial content of this report was prepared by management and approved by the SOH Board of Directors with the assistance of its relevant committees. External assurance of non-financial matters was limited to the Broad-Based Black Economic Empowerment (B-BBEE) scorecard, which was verified by an accredited ratings agency, Dextra BEE and Consulting Proprietary Limited. An evaluation of the Group's B-BBEE status is done annually.

The consolidated Annual Financial Statements, presented separately, were prepared internally by Mr Werner Basson (CFO) and audited by BDO South Africa Inc., which expressed an unmodified opinion for the year ended 31 December 2025. The Annual Financial Statements were approved for issue by the Directors on 18 March 2026.

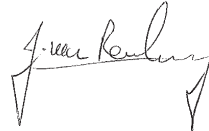
Shareholders who would like to view the signed and audited Annual Financial Statements may arrange to do so at the Group's registered office.

Forward-looking statements

This report contains forward-looking statements that encompass both known and unknown risks and uncertainties. Should one or more of these risks materialise or should any underlying assumptions prove incorrect, actual results may differ from those anticipated. Forward-looking statements apply only as of the date on which they are made and SOH does not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

Statement of responsibility

The Board of Directors and the Audit and Risk Management Committee acknowledge their responsibility to ensure the integrity of the information presented in this report as well as to ensure that it fairly presents the state of the Group at the end of the reporting period. The Annual Financial Statements included in the report have, as specified, been audited by independent external auditors.



Johannes van Rensburg
Chairperson



Andre Smith
Chief Executive Officer



Natasha Lalla CA(SA)
Lead Independent Non-Executive Director
Audit and Risk Management Committee Chairperson

Group at a glance

Overview

Trusted by industry and driven by innovation, SOH is an investment holding company which, through its subsidiaries, is a South African manufacturer and distributor of low-voltage electric wire, cable and related products. We are the largest supplier in the local market, servicing the building, construction and mining industries as well as the country's parastatals. We also export into countries in the Southern African Development Community (SADC) and Africa.

The Group's largest subsidiary is South Ocean Electric Wire Company (SOEW), which is responsible not only for manufacturing and distributing our products, but also for research and development, procurement, quality control, sales and marketing.

Our investment case

SOH has a solid investment case to offer. We are the leading player in the market segment in which we operate and have a Level 1 B-BBEE rating. We also have a stable, credible and highly experienced Board as well as knowledgeable, experienced and committed management teams.

In the local market, we have a large, well-established customer base in the building and construction industries and we are steadily growing our presence in the mining industry and the parastatal sector. We are also actively pursuing opportunities in new market segments. In the regional market, we are opening up sales and distribution channels into countries in the SADC region and the rest of Africa.

Further, in an industry that has been deeply affected by supply chain issues in recent years, we have robust strategies in place to manage our exposure to both local and international supply chain issues.

From an operational perspective, we continuously invest in manufacturing capacity, process engineering, total quality management and skills development. We are also committed to ongoing research and the development of products for new and emerging sectors.

Finally, our governance record speaks for itself. We are committed to being a good corporate citizen and to maintaining fully compliant corporate governance functions and structures that are independently audited. We also have strong and enduring relationships with the financial institutions we use, which contributes significantly to the financial stability we have been able to maintain in the face of the challenges we and so many other South African businesses have had to face since 2020.

Values

Our values, which have remained constant over many years, are an expression of our business strategy and sustainability objectives. Every component in our ecosystem, including customers, employees and stakeholders, is vital to our sustainability, growth and success. Everything we do is therefore based on a foundation of integrity and ethics, as well as on our commitment to being a good corporate citizen.

Our values are:

- **Accountability:** We take ownership of outputs and deliverables.
- **Trust:** We keep our promises and complete tasks and deliverables as agreed.
- **Commitment:** We commit to departmental goals and objectives, are reliable team members and help teammates to meet our shared goals.
- **Teamwork:** Each of us makes a significant contribution to performance.
- **Communication:** We maintain consistent, regular and meaningful communication within and between departments.
- **Customer centricity:** We aim to exceed customer expectations and to foster a positive experience at all stages of the customer journey.

Our values are expressed through:

Service excellence	Employee satisfaction	Empowerment	Integrity and ethics	Corporate responsibility
<ul style="list-style-type: none"> • Customers are the cornerstone of our business and are essential to sustainable success. • Our business is rooted in long-term, mutually respectful relationships with our customers. • We are dedicated to satisfying customer needs and have the appropriate people and systems in place to achieve this. 	<ul style="list-style-type: none"> • We support and show concern for our employees. • We actively involve employees in managing their work processes and career growth. • We aim to develop and advance our employees so that each employee can realise their full potential. • We value, encourage and actively strive to create diversity. • We promote honesty and open debate. • We promote awareness of fraudulent practices and dishonest conduct so that employees can be an integral part of living our values of honesty and integrity. • We facilitate, encourage and monitor both individual performance and cooperation within teams. 	<ul style="list-style-type: none"> • We aim to empower our employees with appropriate skills and knowledge. • We provide equal opportunities for them to grow in a supportive environment. • We provide support and mentorship for our employees through our human resources department. • We ensure that employees are aware of their rights in terms of the Basic Conditions of Employment Act (No. 75 of 1997) (BCEA), and the Metals and Engineering Industries Bargaining Council (MEIBO) in terms of the Main Agreement. • All employees are free to join a union of their choice or to elect not to join a union. 	<ul style="list-style-type: none"> • We comply with all appropriate legal and regulatory frameworks and guidelines. • We subscribe to and actively create and support a culture of good corporate governance. • We act ethically, with honesty and integrity. 	<ul style="list-style-type: none"> • We actively and consistently contribute to the improvement of the communities in the areas in which we operate. • We subscribe to business practices that are fair and just, and which minimise the business's impact on the environment.

VISION

Our vision is to be the power partner of Africa through world-class cable and energy solutions. In particular, we aim to be the largest and lowest-cost producer of low-voltage power cable, not only in South Africa, but in the SADC region and throughout Africa.

We also aim to be recognised as the employer of choice in the cable industry and as a designer, developer and manufacturer of special cables for rapidly growing users such as data centres, water reticulation plants, renewable energy providers and manufacturers of electric vehicles. We intend to maintain our Level 1 B-BBEE status, extend our footprint into all SADC countries and develop a notable presence throughout Africa.

MISSION

At SOH, we aim to:

- maximise the profitability of our subsidiaries through strategic management in order to deliver excellent returns for shareholders;
- respond to changing market dynamics, secure cost efficiencies and focus on growing the business in both established and new markets;
- manufacture, import and supply consistently high quality products;
- provide excellent customer service; and
- create an environment that develops our employees and enables them to realise their true potential.

Strategy

A strategically driven approach

SOH has always had a strategically driven approach to creating value, but we also remain agile so that we can respond to rapid changes in the market and the broader socio-economic environment. This combination of strategic vision and operational flexibility enables us to remain financially stable and to be a resilient investor, product designer, developer, manufacturer and distributor.

At the end of 2025, our three-year strategy, called **Good to Great: 2025**, reached its conclusion. During the period from 2023 to 2025, we focused on enhancing our operational capabilities, strengthening the SOEW brand, securing our market position, and expanding into new markets and territories. Our performance in relation to this strategy is given in the operational report.

In January 2026, we introduced a new five-year strategy, which builds on our existing organisational equity and the achievements of the past three years.

Strategic pillars

At Group level, our three strategic pillars remain unchanged. They reflect our commitment to sustainability, good corporate governance, responsible risk management, manufacturing excellence, and the care and advancement of employees.

They are to:

- 1

Secure sustainable returns for stakeholders

We focus on innovation, quality and efficiency in order to secure sustainable returns in the short-, medium- and long-term and to deliver benefits to all of our stakeholders.

- 2

Secure our position as a respected and influential player in the wire and cable manufacturing, and related accessories market

We consistently aim to maintain a leadership position in the market sectors and segments we serve. We do this through organic growth and, where appropriate, through buy-ins, mergers or acquisitions.

- 3

Develop a globally competitive business

We consistently assess and streamline our business in order to ensure that we remain competitive within the markets and segments we serve. We also strive to identify, enter into and develop within viable new geographies.

At brand level, the strategy redefines our vision, mission and positioning, defines our strategic objectives for the period to 2030, and sets a timeline for introducing a new brand identity.

Strategic drivers

If you'd like to be the first to know more about our new identity, scan in the QR code below and we'll send you updates as soon as they become available.

The brand will be informed by five strategic drivers:

- People.
- Assets.
- Product range.
- Customers.
- Branding and marketing.



Tangible deliverables, such as developing our leadership and our people, expanding our asset base, developing our product range, maintaining close relationships with our customers and increasing the brand's penetration in Africa, have been assigned to each of these five categories.

Implementation

As we have been doing since 2023, we will continue to focus on securing and enhancing operational flexibility, expanding into viable new markets and territories, and securing the brand against shocks in both the domestic and foreign markets.

We will do this by consistently:

- securing our supply chains;
- maintaining a strong brand position and reputation;
- focusing on innovation and quality;
- expanding on our product range in response to market needs;
- expanding our footprint in South Africa, the SADC region and Africa;
- developing distribution channels into new territories;
- maintaining a diverse mix of local and international supply chains;
- improving production efficiencies;
- managing costs effectively; and
- developing our leadership and staff.

Critical risks

The brand's risk profile remains stable from year to year, with our critical risks being:

- managing disruptions to the supply chain, both locally and internationally;
- safeguarding our assets, especially against the risk of theft, robbery and highjacking;
- safeguarding the business against disruptions to our fuel supply;
- safeguarding against disruptions to our operations, including through war or civil unrest;
- managing labour relations in a way that benefits both the business and our employees;
- managing the impact of the poor economic climate, volatile exchange rate, unpredictable Republic Copper Price (RCP) and unstable political environment; and
- maintaining a positive cash flow.

Key opportunities

Key opportunities for the brand include:

- improving awareness and brand identity;
- securing our existing client base through innovation, efficiency, product quality and excellent customer service;
- growing our client base in the public sector, including in municipalities;
- expanding our product range to cater for emerging industries;
- expanding into new territories;
- strengthening our export capabilities;
- consistently improving our production capabilities and capacity;
- consistently improving our quality assurance processes;
- maintaining a strong and experienced executive management team;
- securing distribution channels by using our own fleet in South Africa and strategic partners in other countries; and
- developing, recognising and rewarding our staff.

Board of Directors

Executive Directors

Non-Executive Directors



Major shareholder through his investment vehicle

Andre Smith (60)

Higher National Diploma: Mechanical Engineering

Werner Basson (43)

BAcc, BAcc (Hons), CA(SA)

Johannes Van Rensburg (63)

BCom (Accounting), BCom (Hons), MCom (Business Management)

Lawrence Chen (48)

MBA

Chief Executive Officer

Andre is a qualified mechanical engineer with 30 years of experience in the cable industry. He has been employed in several senior management and executive positions in the manufacturing, sales, export and technical areas of the industry. He has visited and trained in cable factories around the world including in the US, Europe, Australia, China and Korea.

Andre is a proven strategic thinker with extensive experience in business strategy; new product development; operational, asset, quality and people management; Six Sigma processes; and lean management principles.

He joined the SOH Board on 1 March 2021 and was appointed CEO.

Chief Financial Officer

Werner is a qualified chartered accountant who completed his articles at one of the “big four” audit and advisory firms. He later gained managerial experience with the firm before joining a JSE-listed group as CFO in 2012. Since then, he has gained valuable experience in several different industries.

He joined the SOH Board in September 2020 and was appointed CFO.

Non-Executive Director and Chairperson

Johannes has been a Director and partner at Eureka DIY Solutions for the past 20 years. He and his sales team have been pivotal in developing the company from a small start-up into the powerhouse it is today.

He is a passionate, pioneering leader with first-class communication skills and has a three-decade track record as a successful manager. He has a natural flair for strategy and his experience will always ensure that clear objectives (KPIs) are defined and implemented.

Johannes joined the Board as a Non-Executive Director on 10 March 2021 and was appointed as Chairperson on 19 March 2025. Johannes was also appointed as a member of the Remuneration Committee on 18 March 2024 and on the Audit and Risk Management Committee, Social and Ethics Committee and Nominations Committee on 17 April 2025.

Non-Executive Director

Lawrence began his career in Hong Kong’s equity capital market, where he worked on the marketing strategy for and execution of IPOs and SPOs. He participated in more than 40 projects between 2009 and 2013, when he joined Hong-Tai Electrical Industrial Company Limited (Hong-Tai) as Portfolio Manager of the investment department. He later established the Development and Training Center at Hong-Tai. In this position, he was in charge of peripheral products development as well as in providing support with cost-saving, process optimisation and IP portfolio management.

Lawrence is a Director of Hong-Tai, which is a major shareholder in SOH. He joined the Board as a Non-Executive Director on 1 March 2022. He was also appointed as a member of the Nominations Committee on 31 July 2024.

Board of Directors

Non-Executive Directors



Matthew (Matt) Hohman (54)

Non-Executive Director

Matt has served as a C-level executive or partner for 20 years. He has led expansive growth at multiple companies, including leading numerous mergers and acquisitions. He is Chief Legal and Strategy Officer of SOLV Holdings, where he manages and advises on the strategic planning process for the 20 SOLV Holdings operating companies. He also oversees all legal matters for the companies. Matt is also the CEO of SAF Metal Holdings, d/b/a SOLV Africa, which manages all of SOLV's investments in Africa. SAF is a major shareholder in South Ocean.

Matt joined the Board as a Non-Executive Director on 10 March 2025.

Alternate Non-Executive Director



Shin-Nan (Michael) Yeh (66)

BSc (Mechanical Engineering)

Alternate Non-Executive Director

Michael is a qualified mechanical engineer with 40 years of experience in the cable industry. He joined Hong-Tai Electric Industrial Company Limited in 1993 as the project manager in charge of technical cooperation projects with Japanese cable manufacturers including Sumitomo Electric Industries Limited, Mitsubishi Electric Wire Company Limited and Fujikura Company. He held this position for ten years. He later worked in the cable industry in mainland China for a further ten years, where he implemented comprehensive technical and management improvement in several cable factories.

Michael joined the Board of SOH in March 2022 as an alternate Director to Lawrence Chen.

Independent Non-Executive Directors



Natasha Lalla (51)
BCom, BCom (Hons), CA(SA)

Independent Non-Executive Director | Lead Independent Director

A chartered accountant, member of the South African Institute of Chartered Accountants and member of the Institute of Internal Auditors of South Africa, Natasha also holds a post-graduate diploma in Advanced Banking (2003) and a certificate in International Treasury (2012).

She began her career as an auditor at one of the country's largest accounting firms in January 1998. She later left the accounting profession to join one of the four big commercial banks in South Africa as a financial accountant. In time, she moved into the Internal Audit Department and progressed to various managerial roles, with her last one being Head of Internal Audit for the bank's Corporate and Investment Banking (CIB) division. She is currently the Regional Head of Internal Audit at a JSE listed entity.

Natasha was appointed to the Board in June 2014. She serves as Chairperson on both the Audit and Risk Management Committee and the Social and Ethics Committee and was appointed Lead Independent Director in April 2025. She was also appointed as a member of the Remuneration Committee on 21 May 2025.



Jen-Hao (Kevin) Yeh (52)
BSc (Actuarial Science)

Independent Non-Executive Director

Kevin is a certified financial planner, a member of the Financial Planning Institute of Southern Africa and a Top of the Table member of the Million Dollar Round Table. He began his career in 1996 and has extensive experience in financial modelling, financial planning, investments, investor education, insurance pricing, employee benefits and business management. He is also a member of the Taiwan Chamber of Commerce.

Kevin was an Independent Non-Executive Director from February 2016 to May 2017. He re-joined the Board in the same capacity in June 2019 and serves on the Nominations Committee. He was appointed as a member of the Remuneration Committee on 3 August 2022 and Chairperson of the Remuneration Committee on 31 July 2024. Kevin was also appointed as a member of the Audit and Risk Management Committee on 31 July 2024, and member of the Social and Ethics Committee on 21 May 2025.



SOUTH OCEAN

ELECTRIC WIRE COMPANY (PTY) LTD

Co Reg No.: 1989/006650/07

11 January 2022

PRODUCT GUARANTEE



To whom it may concern

Dear Sir/Madam,

All of our manufactured cables are guaranteed to comply with the relevant SANS specifications. The material content of the cable is of a high-grade quality and the cable is manufactured to high standards. Due to the above mentioned we can therefore undertake to, at our cost, to replace, at our discretion, and cable or portion thereof, with any manufacturing defect which may develop under normal working condition and proper use, provided the cable is selected and installed as per the applicable standards, within the guaranteed period of ten years from date of purchase.

Any claim in respect of defective cable will first be investigated to ascertain the defect originated solely due to a faulty manufacturing process and/or design, material and workmanship before the claim will be honored.

The respective contact person at South Ocean Electric Wire Company (Pty) Ltd will need to be notified immediately, in writing, upon discovery of the defective cable.

The repaired or replaced portion of the cable will be delivered free of charge to the initial place of delivery. The defective portion of cable that will be replaced will be the property of South Ocean Electric Wire Company (Pty) Ltd.

All liability on the Company's behalf will cease at termination of the guaranteed ten-year period.

Our liability is in all cases limited as provided in these conditions and does not extend to the consequential loss of damages, either direct or indirect, nor to expenses incurred by the customers in respect to repairs or replacements or otherwise, paid or incurred without our prior written authority.

Sincere regards

Werner Basson

Chief Financial Officer

Andre Smith

Chief Executive Officer

SABS
ISO 9001

Certified company

Directors: A Smith (CEO) WP Basson (CFO),
Company Secretary: WT Green

South Ocean
HOLDINGS

Chairperson's Report

for the year ended 31 December 2025

Overview

The low-voltage cable market proved to be volatile throughout the 2025 financial year, cheap imports from China presenting the biggest obstacle. South Ocean Holdings also faced many other challenges, both local and international. It was a year of the perfect storm. We really had to baton the proverbial hatches. The unregulated imports played havoc in our lives. We had to accept that the market as we knew it, is no more.

During the reporting period, we retained our local leadership position and increased production slightly. Trading was difficult due to the market being overstocked, partly because of unregulated imports.

We maintained our Level 1 B-BBEE accreditation, which enabled us to renew our supplier agreement with Eskom and gain supplier accreditation with a large mining company as well as several municipalities. Fortunately, we maintain a large book of loyal customers.

We thoroughly revised our strategy. This is focused on repositioning ourselves to the new realities of the market as well as a major rebranding campaign.

Macroeconomic conditions

Operating conditions has become uncertain and unpredictable.

While GDP growth was projected to be 1.7% in 2025, actual growth by year-end was only 1.2%. This is modest compared to global competitors and key trading partners, including India, China, the United States and the United Kingdom.

As the Reserve Bank projects that growth in 2026 will be 1.4%, the South African economy is likely to continue to lag, limiting competitiveness in international markets and placing constraints of socio-economic development at home.

As a result, the outlook for the 2026 financial year is cautious and we anticipate having to face many of the same challenges we faced during the reporting period. Notably, the full impact of the conflict in the Middle East is yet to be seen, but it will certainly be felt in many ways in countries throughout the world.

The drop-off in oil and natural gas supply due to damage to Gulf infrastructure and the limits on shipping through the Strait of Hormuz are already resulting in shock waves. Approximately 25% of all seaborne oil and significant volumes of liquid natural gas are transported through the Strait, meaning that any disruption there will inevitably have a worldwide impact. Increases in the price of Brent crude, fertiliser and shipping, which are already being felt, will not only affect energy security, but will have a knock-on effect on the prices of commodities, food and consumer goods.

This is being exacerbated by disruptions to merchant shipping passing through the Suez Canal and the Red Sea. Within a day of the strike on Iran in February 2026, all major container carriers stopped using this route, which accounts for approximately 30% of global container traffic. Shipping is currently being rerouted around the Cape of Good Hope, increasing transit time by an average of seven to 14 days. This is impacting on the cost of shipping and therefore on the cost of all goods that would otherwise have been conveyed through Suez and the Red Sea.

At the time of writing, the situation was escalating and the conflict is unlikely to be resolved in the near future.

At national level, there has been a greater level of political stability since the formation of the Government of National Unity (GNU) in June 2024 and since power supply from the grid became more stable after the first quarter of 2025. We nevertheless continue to grapple with low economic growth, a poor exchange rate against all major currencies, a fluctuating RCP and a high rate of unemployment. Given the persistent nature of these challenges, we treat them as critical risks for the business and plan accordingly.

We allow for and reinsure against fluctuations in the exchange rate and the RCP, in which the price of copper is denominated.

We invested R60 million in a hybrid solar system at our Alrode site and this now has a stored capacity of 2.8 MVA. When there is loadshedding or a power cut, we switch over to stored power within 0.2 seconds, which guarantees that work at the three plants on the site is never interrupted and outputs are not compromised.

One can expect delays in the delivery of landed imports due to potential disruptions to global supply chains that may result from the conflict in the Middle East. Hence we decided to carry larger reserve stocks of raw materials. This practice has served us well throughout the periods of labour action and civil unrest that have affected local supply chains in recent years.

Within our business, we manage our labour risk by maintaining open and regular communication with our employees and the unions to which some of them belong. We also take critical socio-economic touchpoints, such as national and municipal elections, into account in our planning.

Market conditions

Our risk has also largely been mitigated by the seismic shift that has taken place in the cable manufacturing industry over the past two years, with many competitors having either been placed under business rescue or having had to shut down. This has enabled us to acquire new plant and equipment as well as shareholdings in a number of associate companies that support our distribution objectives as well as in companies that support our backward integration strategy. Since 2022, we have held the market leadership position in the low-voltage segment and we continue to increase our distribution footprint in both South Africa and the SADC region.

As mentioned, our Level 1 B-BBEE status has also been opening new doors for us, especially in the public and mining sectors, where there is significant potential for growth.

In line with our previous growth strategy, we have expanded our production capacity to allow for any growth in demand. We nevertheless remain flexible enough to adjust production volumes to accommodate dips in demand, such as the dip that occurred in the first quarter of 2025 due to parastatals being unable to place orders until the national budget had been approved or the dip in the second quarter due to the impact of low-cost imports.

Strategy

Our abovementioned revised strategy, is giving us all hope that we will not only survive, but once again be optimistic about our prospects for 2026 and beyond.

We will become more agile, enabling us to offset the risk of operating in an unstable environment and to take advantage of business opportunities as they present themselves. We will do this through the timed implementation of our new five-year strategy, which will

be regularly reviewed in relation to market conditions throughout the period. In doing this, we will focus on our core competencies and on building resilience, growing market share, especially where higher margins are possible.

We aim to expanding into new markets and to extend our product range.

We will also continue to minimise our exposure to fluctuations in power supply from the national grid and to manage productivity through best-practice production and human resources management. In addition, we will continue to secure our supply chain and production capacity through organic growth, backward integration, organic growth and strategic distribution partnerships.

Finally, we will continue to actively manage the risk presented by policy uncertainty, political instability and corruption and mismanagement in government. In both our governance and operational procedures, we are always proactive about managing these risks.

Business challenges

From an overall business management perspective, one of the greatest challenges we face is the persistently low economic growth rate and an inflation rate that, although declining, remains higher than that of key trading partners. As South African companies are therefore less competitive than companies operating in developed or other developing economies, our markets are particularly vulnerable to cheap imports, which directly affect our business.

Economic growth is also not keeping pace with population growth, so unemployment remains high, especially among people aged between 16 and 24. With an expanded unemployment rate of 41.2% in 2025 (2024: 41.9%), this means that over 40% of the working population is not formally employed; a situation that is not sustainable.

In addition, the sensitive consumer environment that prevailed in 2024 continued into 2025, with consumers making significant purchasing trade-offs throughout the year. This trend, which has not abated in 2026, will continue to place downward pressure on key industries, especially industries that serve the consumer market.

Fluctuations in the value of the rand will naturally also continue to be a risk for the business but, like all of the other risks we face, we actively manage this by using mechanisms such as limited advance ordering procedures and appropriate exchange rate insurance.

Governance

From a governance point of view, the Group is fully compliant with all relevant legislation and regulations, including the Companies Act (No. 71 of 2008) and the principles and guidelines outlined in the King IV™. We also comply fully with the JSE Listing Requirements and the Department of Trade and Industry's B-BBEE Codes of Good Practice.

Compliance is consistently monitored, with both the Board and management actively supporting continuous improvement in standards and practices. Members of the Board are required to uphold the highest ethical standards, and adherence to these standards is closely monitored too. All decisions relating to material matters are vested with the Board, which oversees all major transactions as well as risk management policies, processes and procedures. We remain committed to an ongoing process of transformation at all levels of the business.

The health, safety and wellbeing of employees is also one of our top priorities. Safety in the workplace is constantly emphasised and all staff regularly undergo safety training. The stringent controls specified by the Controller of Safety, Health, the Environment and Quality (SHEQ) are carefully adhered to and monitored and we have a doctor on call to attend to any serious medical issues. Additional healthcare support, including advice on HIV/Aids, is available at our on-site clinic.

Changes to the Board

There were some changes to the Board in 2025. On 10 March, Matthew (Matt) Hohman joined the Board as a Non-Executive Director.

On 19 March, following the approval of the financial results for 2024, Henry Pon resigned as Chairperson. He was replaced by myself, Johannes van Rensburg, on the same day.

Eric Li, an Independent Non-Executive Director and Deputy Vice Chairperson, also resigned from the Board on 14 May 2025. Natasha Lalla was appointed Lead Independent Director on 17 April 2025.

Group results

External events presented huge challenges.

We had an almost existential threat on margins.

Revenue decreased by 3% to R2.50 billion from R2.56 billion in 2024. Operating profit also decreased, falling by 86% to R11.03 million from R79.98 million in the previous period. This resulted in earnings per share decreasing by 70% to R6.81 from R22.64 in 2024. The value of Group assets nevertheless increased, moving up to R1.43 billion from R1.23 billion in 2024. Cash flow also continued to be carefully managed and the Group is well positioned to fund ongoing operations.

Based on this, SOH continues to be a going concern and our annual financial statements for 2025, which are presented in full in this report, received an unqualified opinion from our auditors.

Dividend and executive remuneration

Taking into account performance for the year ended 31 December 2025, no dividend per ordinary share was approved by the Directors on 18 March 2026. A dividend of 5.50 cents per share was declared in 2024 and paid in 2025.

Executive remuneration is carefully monitored and maintained within a market-related range. Comprehensive details are given in the Remuneration Report.

Outlook

Like all South African companies, we expect to face ongoing uncertainty in 2026. However, with a firm leadership position in the local market, increased production capacity, a secure supply chain, strategic stocks of raw materials, an established distribution network, a robust order book and sound export prospects, we anticipate a stable year.

Among the many variables that we are taking into account in our planning are low economic growth, relatively high inflation and muted consumer demand, driven by the high cost of living and the high rate of unemployment. Labour action also remains a possibility,

although the Group is, to some extent, buffered against this by good employee and union relationships as well as by a new three-year bargaining agreement that came into effect on 1 July 2024.

Key risk factors include the unregulated level of imports, corruption and mismanagement in the parastatals, and the volatile RCP.

These are, however, counterbalanced by opportunities in emerging sectors and segments such as renewable energy, electric vehicles and data centres, for which we are developing new products. Our plans to expand into the medium- and high-voltage (MV/HV) market are also on track and, once production comes online, this will open up many new sales channels for us. Further, our long-term strategy of upgrading and replacing equipment over a three- to five-year period will improve efficiencies and secure our reputation for producing safe, quality products.

At macroeconomic level, there is a high level of uncertainty, given current geopolitical conditions. What is certain is that we will be facing a constricted energy supply environment in 2026, resulting in higher costs across the board. This is likely to fuel inflation and result in subdued investor and consumer confidence. The security of global supply chains is also at risk and it remains to be seen whether shipping traffic in the Strait of Hormuz and through the Suez Canal and Red Sea will return to normal during the course of the year.

Locally, the country's sovereign debt position remains a concern, with debt as a percentage of GDP continuing to hover around the 75% mark. This means that South Africa's risk of falling into a sovereign debt trap is significantly higher than it should be. In addition to muted economic growth and high unemployment, this means the country continues to be a relatively high-risk environment in which to operate.

At SOH, we will continue to monitor and adjust our strategy as necessary in response to market circumstances and in order to secure both our sustainability and our long-term profitability. At present, demand for low-voltage electric cable in South Africa and the SADC countries is stable and we will continue to secure the production capacity necessary to meet any growth in demand.

From an operational point of view, we will continue to implement our objectives under the guidance of a strong executive team, maintain stringent controls over expenditure, reduce wastage during the production process, and adhere to our goal of continuous improvement in standards, processes, product quality and customer service. This will be supported by ongoing training and development throughout the organisation.

Our considered view is that we are well positioned to take advantage of new opportunities as well as to grow our capacity to service demand in all of the markets in which we operate.

Appreciation

I would like to extend my sincere thanks to the previous Chairperson, Mr Henry Pon, who served for 9 years, till March 2025.

I value and thank the members of the Board for their resolve and support throughout 2025.

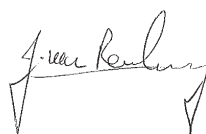
Further, a special word of thanks is due to our CEO, Andre Smith, and CFO, Werner Basson, who work hard to weather the storms together. I am confident they are successfully leading the company along its revised strategic path.

I would similarly like to express the Board's appreciation to the Group's management, staff and workforce for their commitment, cooperation, dedication and hard work. South Ocean remains to be a driving force in the low-voltage cable market.

Last, but certainly not least, sincere appreciation to our valued customers, suppliers, advisors, business partners, banking partners, shareholders and stakeholders for their continued support of and commitment to the Group and its subsidiaries. We look forward to a successful year in 2026.

Conclusion

In business, as in real life, we sometimes encounter storms. The worst storms are the unexpected ones, like Covid 19. South Ocean regrouped after the pandemic and as the results show, found a winning way. South Africa has for decades had trade barriers to protect from cheap imports and dumping. The barriers now seem to have fallen away. Again South Ocean has to regroup and we are well on our way to create a new winning way.



Johannes Van Rensburg
Chairperson

Chief Financial Officer's Report

for the year ended 31 December 2025

Overview

It is my pleasure to present this report on the business performance of SOH for the year ended 31 December 2025. As indicated in the "About this report" section above, SOH is an investment holding company with several operating subsidiaries, the largest of which is SOEW, South Africa's leading manufacturer of low-voltage electrical cables.

While operating conditions were challenging throughout the year, we continued to implement our Great to Good growth and diversification strategy, concluding the three-year cycle on 31 December 2025 having achieved all key objectives. These included becoming a Level 1 B-BBEE contributor, securing public sector contracts, and securing a market position as the largest and lowest cost producer, designer and developer of specialised cable for distribution throughout South Africa and in the SADC region.

Revenue for the reporting period therefore remained relatively stable, decreasing only marginally compared to the previous period. This decrease was largely due to the drop-off in demand caused by unrestrained imports from China, Portugal and Zambia and subdued economic conditions at home. Compounded by rising costs, an unstable RCP and fluctuations in the exchange rate, imports nevertheless contributed to a significant decrease in both gross and operating profit.

We were, however, able to comfortably retain our leadership position in the South African market and to continue exporting into the SADC region. More specifically, after fluctuations in sales volumes in the first quarter, we refocused our sales strategy and were able to start the third quarter with a very healthy advance order book.

From a production point of view, we continued to hold strategic reserves of raw materials in order to buffer the Group against potential risks such as supply chain disruptions, power cuts, civil unrest and labour action. We also continued to streamline our production processes, resulting in an increase of 5% in output compared to the previous period.

Supply and demand

Demand for our products varied during the course of the year, being low in the first quarter, partly due to parastatals holding off on placing orders until the national budget had been approved. This was exacerbated by the muted global economy, which was affected by ongoing wars and uncertainties about trade and tariffs.

At the time of writing, geopolitical conflicts continue to affect global supply chains, with the drop-off of container traffic through the Suez Canal and Red Sea since February 2026 affecting imports in general and, in our case, imports of copper and PVC. On the energy front, the closure of the Strait of Hormuz is likely to have a ripple effect around the world. Our practice of holding strategic stocks of raw materials buffers us against delays in container deliveries and ensures that production remains uninterrupted. We are, however, likely to be impacted by higher petrol and diesel costs as global supply comes under pressure.

From a labour perspective, wage negotiations for the 2025 to 2027 period were conducted in July 2024 and an agreement was reached without any disruption. We are proactive about maintaining good labour relations and conduct regular engagement sessions with the unions to which our employees belong. We also have a productivity incentive scheme for shopfloor workers.

From a competitive point of view, the low-voltage segment remains volatile and we continue to monitor the impact that changes in the competitive environment have or are likely to have on our business.

Macroeconomic issues

On a macroeconomic level, low growth, high inflation, high interest rates, the poor rand exchange rate and the volatility of the RCP all had an impact on our business during the course of the year. We actively manage our exposure to all of these factors, but they remain significant obstacles, not only for our business, but for the manufacturing sector as a whole. Many manufacturers therefore continue to focus on survival rather than profitability as they are currently not in a position to increase revenue or grow their businesses.

Within this context, we began implementing our new five-year strategy in January 2026 and will continue to focus on securing our market leadership position, focusing on sectors that are demonstrating growth and on exporting into geographies where demand for our products is high.

Financial performance

Group revenue for the year ended 31 December 2025 decreased marginally by 3% to R2.50 billion (2024: R2.56 billion). However, gross profit decreased by 46% to R80.4 million (2024: R148.04 million) and operating profit decreased by 86% to R11.03 million (2024: R79.98 million). Group profit before tax therefore decreased by 158% to a loss of R26.3 million (2024: R45.32 million profit).

Basic earnings per share decreased by 70% to 6.81 cents (2024: 22.64 cents), with headline earnings per share decreasing by 70% to 6.81 cents (2024: 22.56 cents) compared to the prior year. Headline earnings for the year amounted to R13.8 million (2024: R45.8 million).

The Directors are not aware of any matter or circumstance arising since the end of the financial year that is not otherwise dealt with in the Annual Financial Statements.

Outlook

The macroeconomic environment in which the Group operates is not expected to improve during the 2026 financial year, with GDP growth expected to remain low. Growth is nevertheless predicted in certain key sectors relevant to our business, including electricity supply, renewable energy, public infrastructure and export-focused manufacturing.

We will therefore focus on implementing our enhanced five-year strategy, sustaining our leadership position in the low-voltage segment, preparing to enter into the MV/HV segments, and continuing to expand distribution into Africa, where there is an increasing demand for our products. As with our previous strategy, this strategy is focused not only on growth, but also on mitigating risk in an uncertain operating environment.

At operational level, we will continue to focus on reducing costs and on using technology to drive growth, productivity and greater efficiencies in a sustainable way.

We will also be leveraging our Level 1 B-BBEE rating to expand our presence in targeted sectors, especially the public sector, mining and construction. In addition, we will continue to leverage our research and development capabilities to develop or expand on bespoke product ranges for clients with specific needs.

Management is positive that these actions will secure the Group's sustainability and enable it to continue to grow and be profitable.

Prospects

A full analysis of the Group's financial performance for the reporting period is given in the Annual Financial Statements included in this report. As indicated in our Corporate Governance Report, these were prepared on the basis of accounting policies applicable to a going concern. This assumes that funds will be available to finance future operations and that the realisation of assets and the settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Directors are confident that the business will be able to continue as a going concern throughout the 2026 financial year and well into the future.



Werner Basson
Chief Financial Officer

Chief Executive Officer's Report

for the year ended 31 December 2025

Our business in 2025

While the 2025 financial year brought with it many operational challenges, SOEW managed to retain its market leadership position and increase production output.

We also retained our Level 1 B-BBEE rating, enabling us to maintain and secure our contracts with large power users and state-owned entities.

The operating environment

The environment in which we operate nevertheless remains volatile at international, national and industry level.

At international level, macroeconomic and geopolitical issues continue to impact on the global economy and on global supply chains. The current war in the Middle East only adds to this. Within the SADC, political unrest in both Mozambique and the Democratic Republic of Congo (DRC), as well as the cessation of work on an international development zone (IDZ) in Namibia, have all affected our export strategy.

At national level, persistently low economic growth, political uncertainty, infrastructure issues, high interest rates and the high rate of unemployment continue to impact on businesses in all sectors.

At industry level, the RCP and the poor exchange rate against the dollar remain notable challenges. We nevertheless have strong measures in place to mitigate the risk these issues pose. We continue to hold strategic reserves of raw materials to mitigate against supply chain disruptions caused by such factors as geopolitical instability, civil unrest, logistical issues and labour action, and our robust risk management policy equips us to manage all major risks.

From a power supply perspective, loadshedding dropped off significantly after the first quarter of year and our risk due to power failures is completely mitigated by our R60 million hybrid solar power capabilities.

From a market perspective, the electric wire and cable segment continues to be unpredictable, with high levels of imports impacting on the market as a whole and, specifically, on margins. Further issues of concern include delays in the allocation of budgets to parastatals, the unrest in certain SADC countries and the risk of armed robberies by organised syndicates. To counteract this risk, we have further enhanced security at our site in Alrode and have procedures in place to reduce our exposure to the best of our ability.

From a competitive point of view, we maintain the leadership position we attained in 2022 and continue to adopt a flexible approach to secure and enhance this position.

Macroeconomic factors

As both the Chairperson and the CFO have mentioned, GDP growth continues to remain muted, which naturally has a direct effect on our business. A modest upturn in the construction sector during the year was, however, a positive development, especially as analysts suggest this will continue through to 2028. With government's focus on generating 26% of energy supply from renewable sources by 2030, Eskom is planning a R106 billion investment in infrastructure over the next four years, which will certainly be a boost to the cable industry.

The persistently low-growth scenario, coupled with high levels of cheap imports, nevertheless remains one of the country's most significant socio-economic challenges. Business and investor confidence continues to be variable, and unemployment and poverty remain serious concerns. These will almost certainly be exacerbated over the next three years by South Africa's uncertain relationship with the current administration in the United States.

On a more positive note, the South African Reserve Bank has predicted GDP growth of 1.4% for 2026, with some economists suggesting the rate could go as high as 1.9%. This is supported by projected growth in sectors such as mining, manufacturing and finance as well as by the less constrained power supply situation.

Segmental impact

In our segment in particular, the unregulated inflow of imports, some of which are of poor or unreliable quality, continues to affect local manufacturers and, in turn, end users. While we are working to address this through the Association of Electrical Cable Manufacturers of South Africa (AECMSA) in co-operation with the Department of Trade, Industry and Commerce (dtic), we seem to be making little progress.

In an attempt to mitigate the impact of imports on the low-voltage cable market, we are an active member of Safehouse, a voluntary group of electrical industry manufacturers, business leaders and technical experts. Safehouse's function is to protect the industry and fellow South Africans from nefarious suppliers of unsafe electrical products and services as well as to eradicate dangerous products from the market.

External factors

External factors that continue to affect the global economy and therefore on our market include ongoing geopolitical conflicts, most notably war in the Middle East. By way of example, disruptions to shipping in the Suez Canal and Red Sea are forcing many ships to circumnavigate the African continent at considerable extra cost, impacting on the cost of finished goods throughout the value chain. The evolving trade wars between the United States and its key trading partners are also expected to exacerbate the rising cost of living and affect consumer spending.

The impact of factors such as these is compounded by unregulated imports, instability in the dollar exchange rate and fluctuations in the RCP, the price at which all copper is traded in South Africa.

For example, excessive low-voltage cable imports in Q1 (R770 million) continued into Q2, with importers exploiting the 10% tax incentive offered by China. Many also took advantage of special tariff codes provided by SARS for renewable energy projects, which allow for finished goods intended for these projects to be imported duty-free. Some importers, however, redirected these products into the informal market, where they were sold on with very low margins.

We are, however, in a firm position to deal with the impact of issues such as these as we have a loyal customer base, an established reputation for quality and safety, a positive cash flow, a solid advance order book, and a strategy that includes expansion into the MV/HV segments. Demand is also growing in Africa and we continue to work on expanding our distribution network into new jurisdictions in order to take advantage of this.

Going forward, we intend to continue implementing our strategy of backward integration and to seek new distribution channels for our products. As part of our focus on organisational growth and diversification, we will also continue to be alert to suitable merger and acquisition opportunities, both in South Africa and in the rest of Africa, and to explore opportunities to extend our product range.

Strategy

From a strategic point of view, we have begun the process of implementing our new five-year strategy, which places us firmly on the road to developing a more market-focused brand. We nevertheless remain tactically agile in order to address changes in our operating environment as they arise. Strategic reviews are conducted on a quarterly basis and the strategy will be updated if and as necessary.

We anticipate that the rebranding of SOEW, together with our practice of conducting quarterly reviews will, among other things, enable us to retain our Level 1 B-BBEE rating. This will enable us to extend our reach into the public sector and to remain a financially stable and resilient investor, product designer, developer, manufacturer and distributor.

Issues affecting profitability, including operational efficiencies and absenteeism, continue to receive focused and intensive attention as we strengthen and grow our business around core competencies.

Operational review

Regular strategic and tactical assessments allowed us to pivot as necessary in 2025's volatile market. This capability enabled us to stabilise the low sales we experienced in the first quarter of the year during the second quarter and to regain lost ground in the third and fourth quarters. We were also able to end the year with an improvement in production volumes, logging 18 463 metric tonnes for the year (2024: 17 601 metric tonnes).

The fact that we were able to adjust to rapidly changing circumstances and still meet, or come close to meeting our production targets is testament to the resilience of our business, the institutional knowledge of our executives and management, and the commitment of our staff. And, while disruptions to both our business and to the market were often difficult to navigate, they also presented us with new opportunities to secure our sustainability and to grow.

Facing the challenges

Almost all of the challenges we faced in 2025, including the risk of hijackings and armed robberies, were external challenges and we were able to meet these with robust responses.

Internal challenges in some areas, such as the management of scrap were offset by better performance in others, such as the significant improvement in the average number of short metres (3.5% of metres used in 2025 compared to 5.2% in 2024).

From a human resources point of view, absenteeism and the resulting loss of shifts continues to be an important issue and this is being actively managed by our human resources department. Issues with shopfloor discipline, training and scrap accountability are also being addressed.

In order to support our production and human resources goals, we have an integrated talent management system for all employees. We also have an employee assistance programme (EAP) in place, which provides assistance for employees who are experiencing personal difficulties.

Health and safety is also proactively managed and there were no fatalities during the reporting period. The number of minor injuries, all of which were treated on-site, decreased to 13 from 19 in the previous period.

Identifying the opportunities

While the uncertainty in both the macro environment and our own market can be difficult to deal with, it can also present us with new opportunities.

During the reporting period, for instance, we were able to extend our local distribution network by opening two additional distribution centres, one in Mbombela and one in Gqeberha. We also continued to export into the SADC region, supporting not only our diversification objectives, but our commitment to African self-reliance. This extended distribution network supports long-term sustainability and mitigates against the risk of having a limited base of large clients.

In addition, feasibility studies for a MV/HV plant are complete and we have secured a suitable site in Durban. The SOEW team has concluded the scope of work on machine requirements for the plant.

There are also several large renewable energy and data centre projects planned for 2026. We have already submitted pricing for some of these projects through third parties (wholesalers and contractors) and our bids have been successful. The advance order book going into 2026 was healthy.

Further, two gas-fired power stations have been approved for construction in Richards Bay and we are confident that, once those projects commence, they will be beneficial to us.

In order to be able to take advantage of these opportunities, we have planned to invest in upgrading and/or replacing equipment throughout the implementation of the new strategy.

Securing market leadership

SOEW became the largest manufacturer and distributor of low-voltage electric cable in South Africa in 2022, and we have secured and expanded on that position over the past three periods. While demand for our products fluctuates for various reasons, we have a well-established reputation for quality and on-time delivery, which serves us well, especially among existing customers. Going forward, we will therefore continue to focus on expanding our production capacity to cater for both current and future demand.

As a business, we have come through the past six years stronger, more productive and more future-focused than we have ever been. This is a due not only to the strength of our business model, but also to the quality of our management and the hard work of our employees. New challenges are sure to present themselves during 2026, but we are in a solid position to continue to grow and thrive.

The competitive environment

The competitive environment has changed significantly since 2020 and, although this has benefitted us, we need to remain alert to developments and trends within the industry and the markets we serve. This is especially true as the importation of sub-standard cables continues to erode the market. Our new five-year strategy is specifically intended to counter this risk.

Our Level 1 B-BBEE rating is also opening up new opportunities in mining and the public sector, where competitors previously had a strong foothold.

Sustainability and integrated reporting

In line with the guidelines set out in King IV™ we will continue to report not only on financial matters, but to provide non-financial information on issues such as corporate citizenship, transformation, sustainable development, industry regulation and environmental impact, all of which are material to stakeholders.

In order to align our reporting with international best practice, we will continue to be guided by the Six Capitals of Sustainable Development, which provide a widely accepted benchmark for listed companies around the world.

Further information is available in the Corporate Governance section of this report.

Outlook

While we expect to encounter similar challenges in 2026 to those we encountered in 2025, we have a strong advance order book and continue to enhance our capacity for innovation as well as our production capabilities, efficiencies, quality management processes and product range. As in the previous period, we are therefore well positioned to take advantage of opportunities as they develop.

From a brand perspective, manufacturing capacity, quality management and customer service will continue to be our key focus areas. We will also continue to explore opportunities in Africa as moving into new territories is one of the most immediate ways to secure growth and mitigate the risk posed by conditions in the local market.

Similarly, we will continue to explore opportunities to access large contractors serving government, the parastatals and corporates in South Africa, especially those working on infrastructure projects.

Naturally, the broader socio-economic context within which we operate is beyond the direct control of the Group. Persistently low economic growth, variable business confidence and low levels of investment are all of concern but, as in all other aspects of our business, we have plans in place to deal with the risk associated with these factors. We therefore anticipate another positive and productive year in 2026.

Appreciation

In conclusion, I would like to thank Henry Pon, the Chairperson who served during the first quarter of the year, and Johannes van Rensburg, who took up the reins when he retired. Their leadership has been an inspiration. I would also like to thank my colleagues on the Board for their unfailing support and invaluable input. I am proud to be part of such a strong and resilient team.

Special thanks are due to our CFO, Werner Basson. His input and support continue to be invaluable.

I would also like to extend my sincere thanks to our valued shareholders, partners, suppliers and customers for their trust in us and their steadfast support. It is their unwavering commitment that has enabled us not only to navigate unexpected developments in the market but also to ensure that the Group is both sustainable and in a solid position to secure growth and profitability.

Last, but definitely not least, I would like to thank every member of our staff. Your hard work and dedication to the business have enabled us to keep going through thick and thin. You are the backbone of our business and your efforts are, as always, recognised and appreciated.



Andre Smith
Chief Executive Officer

Five-year review

Group performance and segmental analysis

	2025	2024	2023	2022	2021
GROUP STATEMENT OF COMPREHENSIVE INCOME					
Net revenue (Rm)	2 502.0	2 568.0	2 363.6	1 873.2	2 001.5
Operating profit (Rm)	11.0	80.0	142.9	60.9	112.2
Net (loss)/profit after taxation (Rm)	(15.3)	33.9	89.0	45.0	75.1
GROUP STATEMENT OF FINANCIAL POSITION					
Shareholders' equity (Rm)	655.4	682.0	670.4	593.9	567.3
Non-current liabilities (Rm)	181.2	218.4	159.5	50.8	75.2
Bank overdraft (Rm)	57.8	0.0	0.0	0.0	0.0
Other current liabilities (Rm)	539.0	333.5	255.9	240.7	113.0
Total liabilities (Rm)	778.0	551.9	415.4	291.5	188.2
Non-current assets (Rm)	373.8	365.8	347.7	250.3	207.5
Cash and cash equivalents (Rm)	12.1	121.5	84.3	134.0	140.0
Other current assets (Rm)	1 047.6	746.5	653.8	501.1	408.0
Total assets (Rm)	1 433.5	1 233.8	1 085.8	885.4	755.5
SHAREHOLDER RETURNS					
Earnings per share (cents)	6.81	22.64	43.60	22.12	36.93
Headline earnings per share (cents)	6.81	22.56	43.60	21.96	36.83
Dividend per share (cents)	0.0	5.5	11.0	6.0	9.0
Net asset value per share (cents)	322.4	335.4	329.8	292.1	279.1
Total operating profit margin (%)	0.4	3.1	6.0	3.3	5.6
Cash (utilised)/generated for the year (Rm)	(92.9)	53.9	(45.9)	85.9	126.3
Number of shares in issue (millions)	203.3	203.3	203.3	203.3	203.3

Subsidiaries

South Ocean Electric Wire Company



Overview

South Ocean Electric Wire Company (SOEW) is wholly owned by South Ocean Holdings (SOH) and is its largest subsidiary. Incorporated in South Africa, we manufacture and distribute a full range of low-voltage electrical cables, from those typically used in households to those used in industrial applications in which higher current ratings are required. Our product range includes general-purpose insulated wire, a range of flexible conductors, steel wire armoured cables, flat-twin and earth cables, aluminium conductor steel reinforced (ACSR) cables, aerial bundle conductors (ABC), solar cable, surface wire and conduit pipe.

The interests held by SOH in a specialised manufacturing subsidiary and a number of associate companies are managed through SOEW. The Group holds a 70% shareholding in Icembu Holdings, through which it holds 70% shareholdings in Icembu Services and Icembu Cables (collectively known as Icembu). It also holds minority shareholdings in a number of associate companies and two dormant companies, as listed in the "About this report" section of the report.

In 2022, SOEW became the largest producer of low-voltage electric wire and cables in South Africa and we have held this position since then.

In 2023, we achieved a Level 1 B-BBEE rating and we continue to hold it. This enables us to compete in all markets segments, especially in the public and parastatal sectors, which are high-volume users of electrical wire and cable.

Our mission is to be recognised as the employer of choice in the industry and as a designer, developer and manufacturer of both standard cables and customised cables designed for specific needs. We also aim to be the leading designer and producer of special cables for use in emerging applications such as renewable energy solutions and electric vehicles. We intend to achieve and sustain a footprint throughout South Africa, in every SADC country and in selected countries throughout Africa.

Our products are manufactured at our plant in Alrode, our cable factory in Alrode and our cable factory in Elandsfontein, all in Gauteng. Best-practice quality controls are in place at all three facilities.

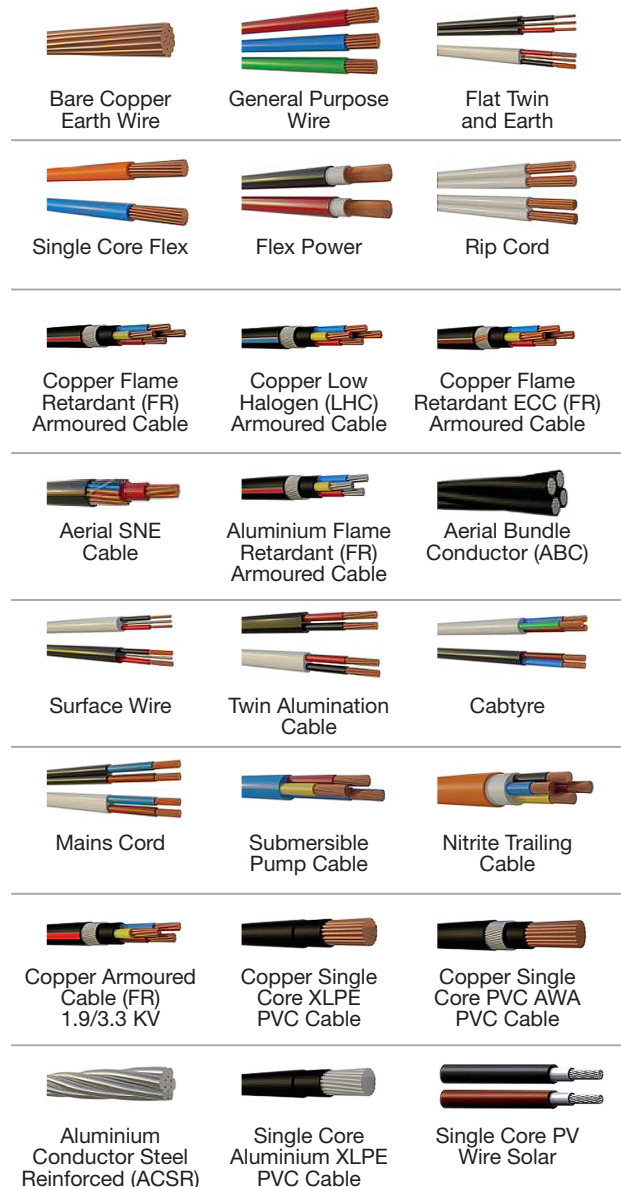
We distribute directly to our clients in South Africa using our own fleet of trucks and delivery vehicles. Our clients are electrical wholesalers and distributors who, in turn, supply the building, construction, industrial, mining and retail sectors. Distribution to clients in Namibia, Zimbabwe, the DRC and Zambia is handled through strategic partners. We no longer distribute to Mozambique due to foreign exchange issues.

As at 31 December 2025, SOEW employed 417 people, including manufacturing, engineering, administration, marketing, warehousing, skilled and semi-skilled personnel. Of these, 381 were employed on a full-time basis and 36 were employed on a part-time basis.

Our competitive advantage

Our competitive advantage as a company is based on product innovation, production capacity, consistently reliable quality, the efficient production processes we use and our increasing independence from the national electricity grid. This ensures that we produce superior products, maintain reliable distribution and deliver excellent customer service. These key strategic deliverables have enabled us to remain competitive despite the challenging market conditions that have prevailed in South Africa for many years.

Products



What sets us apart?

Plant, equipment and materials

- SOEW is a 100% local manufacturer with a Level 1 B-BBEE rating.
- Our world-class computer-integrated manufacturing (CIM) facilities feature multiple factories on various sites, accounting for floor space of 40 000 square metres.
- We have an in-house compounding plant.
- We maintain strategic reserves of key raw materials.
- Our extensive solar power solutions make us largely independent of the national grid.

By continuously maintaining, upgrading and replacing equipment in accordance with the highest standards, we guarantee optimal efficiency and premium-quality products.

Production

- We produce 2 850 tonnes of cable per month.
- Our operations run on a flexible shift system capable of running 24/7 if required.
- We have an on-time in-full (OTIF) delivery record of over 95%.
- We have a 24-hour maintenance team on-site to ensure production consistency, quality and reliability.
- Our manufacturing processes are specifically designed to minimise their impact on the environment.

The engineering and maintenance department ensures that our manufacturing equipment is optimally maintained in order to produce consistently safe, high-quality products.

Distribution and logistics

We operate our own distribution and logistics division.

Our drivers undergo specialised training to handle diverse scenarios confidently. From agile 1-ton trucks to commanding 32-ton super links, our fleet caters to a wide range of delivery needs.

Quality and service

- Our Company is ISO 9001:2008 compliant and certified by SABS.
- All of our products conform to the SANS 1507, SANS 1574, SANS 1576, SANS 1418, SANS 62930 and SANS 61386 (PVC 20mm², 25mm², 32mm² conduit) quality standards.
- All of our products are quality tested and approved by the SABS.
- We offer competitive pricing and proven customer service.
- We have in-house cable design and development capability and can as such develop standard and specialised customer specific products.
- We offer a 10-year guarantee on our wire and cable products.

Our newly upgraded on-site quality laboratory ensures that all products meet national and international standards.

Human capital and occupational health and safety (OHAS)

- We have over 400 skilled and semi-skilled employees.
- Half of the workforce has been employed for at least 10 years, so we have valuable institutional knowledge.
- We adhere to the highest health and safety standards using our integrated SHEQ Management System.
- We actively promote skills development and knowledge transfer.
- We procure from and empower local suppliers.

We prioritise safety in all of our facilities and processes, adhering strictly to relevant OHAS legislation and regulations.

Directors and management



Andre Smith (60)

Higher National Diploma: Mechanical Engineering

Chief Executive Officer

Andre is a qualified mechanical engineer with over 30 years of experience in the cable industry. He has been employed in several senior management and executive positions in the manufacturing, sales, export and technical areas of the industry. He joined the SOH Board in March 2021 and was appointed CEO.

Werner Basson (43)

BAcc, BAcc (Hons), CA(SA)

Chief Financial Officer

Werner is a qualified chartered accountant who completed his articles at one of the "big four" audit and advisory firms and, in 2012, joined a JSE-listed group as CFO. He joined the SOH Board in September 2020 and was appointed CFO.

Adriaan Pieterse (49)

Designate: General Manager Operations

Adriaan started his career in the cable industry in 1997 and joined SOEW in 2001 as an electrician.

He was appointed Electrical Foreman in 2008, Maintenance Foreman in 2017, Maintenance Manager in 2021, Maintenance and Process Engineering Manager in 2025.

He is a qualified millwright by trade and has 28 years of cable and technical experience.

Mike Hlongwane (67)

Senior Manager: Human Resources

Mike began his career at the Carlton Hotel in 1990 and, while working there, completed a Business Management Diploma at Damelin and a three-year American Hotel and Motel Association (AHMA) diploma, among others. He was promoted to the role of Personnel Officer in the human resources department in 1995. After the closure of the Carlton Hotel, he joined the Powertech Group as Industrial Relations Officer, advanced progressively and was appointed as Industrial Group Executive Human Resources Manager in 2010. He was transferred to Aberdare Cables in 2012, taking up the role of Group Human Resources Manager.

He joined SOEW in 2023 and was appointed Senior Human Resources Manager in January 2024.

Angelique Swanepoel (38)

BCom (Financial Management)

Financial Manager

Angelique has nearly 20 years of experience in finance in the manufacturing sector. She successfully completed her BCom degree in 2015 and the Management Advancement Programme at Wits Business School in 2021.

Gert Loots (58)

Human Capital and Talent Manager

Gert, who has a passion for educating people about manufacturing processes and systems, started his career in the manufacturing, supply chain and FMCG environment in 1988. In 2003, he made the transition into human resources, focusing specifically on human capital development. He designs systems and processes to mobilise people behind technical competence requirements within the manufacturing and supply chain environments. Over the course of his extensive career, he has developed both strong technical skills and business acumen.

Anchor Park Investments



Anchor Park Investments

Incorporated in South Africa, Anchor Park is an investment holding company that holds the Group's three property assets in Alrode. Our property portfolio includes a rental factory in Elandsfontein.

SOH Calibre International

SOH Calibre International Limited, which is incorporated in Hong Kong, is a foreign procurement company that is wholly owned by SOH.

Operations Report

The market

The low-voltage cable market proved to be volatile throughout the reporting period. Although SOEW was able to maintain strong relationships with existing clients, it was difficult to break into new markets, segments and territories. This was largely due to the fact that demand was lower than in the previous period, resulting in the market being overstocked and pricing coming under considerable pressure.

Further, due to the absence of import protection, competitors continued to import cable from factories in China, Portugal and Zambia to supplement their local capacity. Many stakeholders in the segment were affected by this and the situation was compounded by the establishment of four new factories in the SADC region during the course of the year. The result was that the landed cost of imported goods reduced by approximately 10% compared to 2024 while, in contrast, the local industry was faced with increases in the cost of materials, labour, electricity and regulatory compliance.

A safeguard application made by AECMSA was rejected by government and a new application with updated figures is currently being prepared. Unrestricted and often sub-standard imports continue to be a significant issue for the cable industry.

Due to the effect of both imports and tender corruption, both SOEW and Icembu had to cut back to short time in Q2 in order to contain costs. We continue to address these and other issues with the Department of Trade, Industry and Competition (dtic) through AECMSA.

Despite this situation, we were able to conclude an agreement to supply another manufacturer with low-voltage cable for an Eskom contract and a Royal Bafokeng project, and we continue to maintain a reciprocal business arrangement.

In the local market, we were also able to open two distribution centres, one in Mbombela and one in Gqeberha.

In the export market, we continued to export to Namibia, Zimbabwe, the DRC and Zambia, although political unrest in the DRC severely impacted on our business in that country. Further, political unrest and forex issues led to us deciding to terminate distribution into Mozambique until the country is a more stable destination in which to conduct business.

In the public sector, we maintain our contract with Eskom and are working to increase the number of orders we receive from them. At the end of the reporting period, we entered into negotiations for a three-year supply contract and the result of these negotiations will be made known in due course. At local government level, we continue to supply 12 municipalities and were awarded five additional municipal tenders during the second half of the year.

Finally, we continue our efforts to expand into new sectors and segments in the private sector, most notably mining, renewable energy, electric vehicles and data centres.

Economic environment

While GDP growth was projected to be 1.7% in 2025, the actual growth rate by year-end was only 1.2%. Although this reflects modest economic expansion within the context of structural challenges and global uncertainties, it nevertheless continues to contribute to a muted economic environment. This is exacerbated by the poor rand exchange rate, fluctuations in the RCP, and subdued business and investor confidence.

We have, however, been able to mitigate the effects of this by taking advantage of opportunities to expand our distribution footprint and by sustaining our ability to push product into the market as a result of our strategic holdings of raw materials.

This has enabled us to grow our business with existing clients, expand our client base, and secure our position in new markets and territories.

Production

From a production point of view, electricity supply from the national grid was considerably more stable than it was during the previous period, and our vulnerability to power shortages is largely mitigated by the hybrid solar power capabilities at our main production site in Alrode. In the event of a power cut or loadshedding, we are able to switch to 2.8 MVA of stored capacity.

Partly due to this capability, we were able to record an increase in production to 18 483 metric tonnes in 2025 (2024: 17 601).

Output is supported by a fully functional planning department, scheduled maintenance and a high machine run rate. Strict controls are also exercised over raw materials and scrap rates. In addition, our copper rod supply chain is secure as we have several agreements in place.

Further afield, global supply chains continue to be impacted by geopolitical conflict and unrest, causing significant disruptions. While delays caused by events such as these do affect the delivery of imported materials, they do not have an impact on our production as we hold large reserves of materials to mitigate against supply chain risks.

Labour

On the labour front, overall costs increased by approximately 6% from July 2025 in accordance with the current bargaining agreement. Wage negotiations for the three-year period from July 2024 to July 2027 were held in July 2024 and an agreement was reached without any labour action taking place.

Absenteeism leading to shift losses nevertheless remains a challenge and is continuously being addressed.

Business risks

Going forward, our business risks are expected to remain largely unchanged and these are detailed in full in our Risk Report.

Measures to mitigate risk are well established and the company's ability to manage risk continues to be robust. In particular, our practice of holding reserves of key raw materials, of securing copper supply from a number of different countries, and of continuing to implement our backward integration strategy all minimise risk and enable us to be competitive.

Further, while labour action and civil unrest continue to be risk factors, we manage the risk of labour action by maintaining open relationships with our staff and the unions to which they belong. We also accommodate the possibility of civil unrest during critical periods, such as during elections, in our planning.

Armed robberies and highjackings nevertheless continue to be a significant risk for our business, as they are for the industry as a whole. In January 2025, there was an attempted robbery at the Icembu factory, but fortunately our strict security measures foiled this

attempt. It's believed that several of our customers were all subject to highjackings in the first quarter. During the second quarter, one of SOEW's trucks was hijacked, but fortunately both the truck and load were recovered and the occupants were unharmed.

We have taken additional security precautions at all sites to try and reduce the risk of armed robberies and highjacking to the best of our ability and in the most cost-effective manner.

Sustainability

While demand is expected to be volatile in 2026, the upweighting of our production capabilities in 2025, our well-managed maintenance programme and our regular process reviews have secured both short-term and long-term sustainability and we expect to have a successful year in 2026.

People

Our full-time staff complement remained stable in 2025, closing the year at 384 (2024: 473). We did, however, reduce our part-time staff complement in response to market conditions. As at 31 December 2025, our part-time staff complement was 36 (2024: 104).

Our employees are supported by our human resources division as well as by a well-established organisational health and safety programme. In line with our vision of becoming the employer of choice in our industry, skills training and education are a strategic priority for the business.

From an occupational health and safety point of view, we are proud to have maintained a good record, with only 13 minor incidents having been recorded during the course of the year (2024: 19). Employee health and safety remains a top priority and we follow all statutory and best-practice guidelines in this aspect of our business.

Further information relating to staffing at both Group and subsidiary level is available in the Human capital section of this report.

Outlook

South Africa's economic outlook is unlikely to improve markedly during 2026, although economists are cautiously optimistic that growth will be between 1.4% and 1.9%. Consumers nevertheless remain under pressure and the economic impact of the conflict in the Middle East remains to be seen.

From a business perspective, ongoing concerns include the high rate of unregulated imports, corruption in government and the parastatals, and the volatile RCP which, among other things, enables importers to undercut the pricing of locally produced products.

We nevertheless intend to retain and expand on our market leadership position. We will do this by continuing to secure our supply chains, production capacity and best-practice quality and safety standards. We also intend to expand our reach into the public and mining sectors and to increase exports into SADC countries where there is positive growth.

Further, we will continue to capacitate the business in order to enter into and secure agreements in key emerging segments. We have already secured a number of contacts in these segments through third parties and, going into 2026, our order book stood healthy.

We are also actively seeking funding for a MV/HV plant in line with our strategy of expanding into this area.

Although SOEW is well positioned to take advantage of the opportunities available to us locally and in neighbouring countries, we are mindful that economic instability is likely to persist well into the foreseeable future. As a result, immediate planning remains largely tactical, focusing on fundamentals such as securing our supply chains and managing input costs, production efficiency and cash flow.

We will, however, be focusing strongly on implementing our new brand strategy and repositioning SOEW.

Wealth creation and sustainability

Overview

At SOH, we use the Six Capitals of Sustainable Development model to accurately evaluate and report on both our financial and non-financial performance. In all six areas, we aim to add value, create wealth and secure long-term sustainability by transforming capital inputs into outputs (products and services), resulting in positive outcomes (profits, dividends and non-financial results) for all stakeholders.

This internationally recognised framework, developed by the Technical Task Force of the IIRC, is designed to provide a standardised model to secure long-term business sustainability, as well as to ensure that companies make a real contribution to broader socio-economic development and sound environmental management. The framework is widely used in integrated reporting as it enables listed entities to report on performance in a broader way than traditional reporting standards have previously allowed for.

By reporting in this way, we aim to provide stakeholders with:

- a meaningful assessment of the long-term viability of our strategy and business model;
- in-depth information about inputs, outputs and outcomes;
- a comprehensive overview of the effective allocation and management of business; and natural resources;
- an overview of our governance framework.

	2025	2024	2023	2022	2021
Value-added statement	R'000	R'000	R'000	R'000	R'000
Revenue	2 502 283	2 567 980	2 363 575	1 873 155	2 001 546
Paid to suppliers and providers of services	(2 137 717)	(2 100 970)	(1 897 308)	(1 519 819)	(1 611 377)
Value added	364 566	467 010	466 267	353 336	390 169
Income from investment	29 228	29 363	20 284	23 683	6 815
Total value created	393 794	496 373	486 551	377 019	396 984
Distributed as follows:					
Employees	157 010	175 535	151 565	115 135	133 645
Providers of capital	41 012	39 369	25 040	13 223	6 333
Government taxes	187 972	208 286	173 937	164 555	132 961
Retained for growth	7 800	73 183	136 009	84 106	124 045
Depreciation, amortisation and impairment	39 443	38 103	36 364	20 357	24 381
Deferred taxation	(16 365)	1 189	11 011	18 785	24 582
Retained earnings/(Accumulated loss)	(15 278)	33 891	88 634	44 964	75 082
Total value distributed	393 794	496 373	486 551	377 019	396 984
Value-added statement ratio analysis					
Number of employees	420	577	568	463	438
Revenue per employee (R'000)	5 958	4 451	4 161	4 046	4 570
Value added per employee (R'000)	868	809	821	763	891
Average salary per employee (R'000)	374	304	267	249	305

Financial capital

Organisational equity

Financial capital, as defined by the IIRC in the International Integrated Reporting <IR> Framework, is the pool of funds an organisation has access to in order to manage it as a going concern. This includes both equity and debt financing. This section gives an overview of our sources of funding, how those are converted into outputs through added-value processes and the financial outcomes of these processes.

From an equity point of view, we have 203.3 million shares in issue (2024: 203.3 million) and a market capitalisation as at 31 December 2025 of R252.1 million (2024: R400.5 million). The current market capitalisation of the company is lower than its net asset value and this is declared as an impairment in the Annual Financial Statements.

From a financing perspective, the Board may exercise its mandate to acquire funding as necessary and appropriate. The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained to meet short-term obligations as they become due and payable. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available.

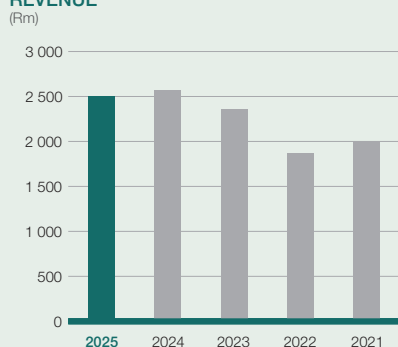
In addition to equity and financing, we make use of capital inputs that were previously considered to be non-monetary variables, but which have increasingly become monetised, such as electricity and water. A comprehensive analysis of our electricity and water usage is given in the relevant section on page 33.

Added value

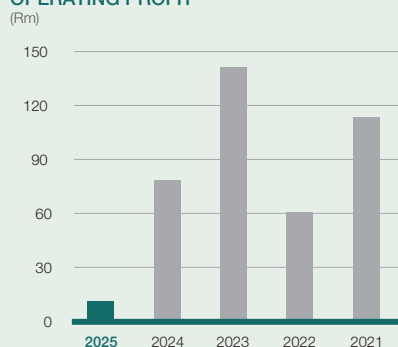
We add value, create wealth and secure sustainability by using the financial capital at our disposal to manufacture high-quality products, run an efficient distribution system, offer competitive pricing, deliver superior customer service, empower our staff, support external stakeholders, adhere to accepted principles of good governance and be a responsible custodian of the natural environment.

Our financial outcomes are a result of all of these activities.

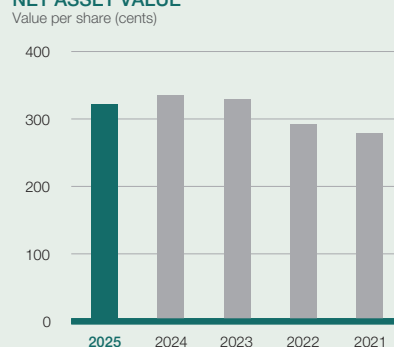
REVENUE



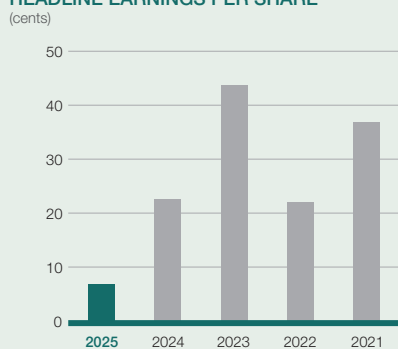
OPERATING PROFIT



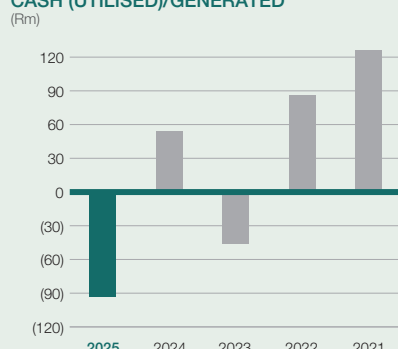
NET ASSET VALUE



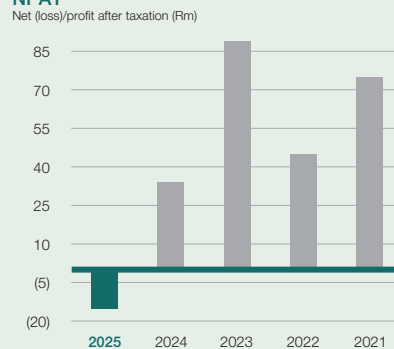
HEADLINE EARNINGS PER SHARE



CASH (UTILISED)/GENERATED



NPAT



Manufactured and intellectual capital

Manufactured capital

Infrastructure, equipment and tools

Manufactured capital is defined in the International <IR> Framework as human-created, production-oriented equipment and tools, but also includes infrastructure either owned or leased by the organisation as well as any public infrastructure such as the road network that it is able to make use of.

Added value

Like all other manufacturers in South Africa, we have had to navigate challenging and uncertain market conditions in recent years.

In the 2025 financial year, the total value added was R394 million (2024: R496 million) and the value added per employee was R868 million (2024: R809 million).

Our financial contribution to society is summarised in the value-added statement in the preceding section of this report.

Product range

Our operating subsidiaries, SOEW, Icembu Cables and Icembu Services manufactures a comprehensive range of low-voltage electrical wire, electrical cable, and related accessories, as outlined in the section giving details of the Group's subsidiaries.

Product quality

Product quality remains the foundation on which our business is built and our operating subsidiaries are certified as being fully compliant with ISO 9001:2015 Quality Management Standards.

The products produced also conform to the SANS 1507, SANS 1574, SANS 1576, SANS 1418, SANS 62930 and SANS 61386 (PVC 20mm², 25mm² and 32 mm² conduit) quality standards. To ensure strict adherence to quality standards, we have two quality control facilities and a full compliance testing laboratory on-site at our Alrode plant. The testing facilities are staffed 24 hours a day and green stage testing is conducted at each stage of manufacturing to ensure our products are fully compliant with SANS standards as well as our customer's expectations. We also have a 24-hour on-site maintenance team, which monitors production consistency, quality and reliability.

Intellectual capital

Protecting knowledge resources

The International <IR> Framework emphasises that the management of intellectual capital and institutional knowledge is essential to securing an organisation's long-term earning potential and to sustaining its competitive advantage.

The intellectual capital value chain involves making use of the output of research and development activities to add value in various areas of the business, most notably by using proprietary processes and procedures to create products and services. It also involves the effective management of an organisation's knowledge resources. These include customer information, employee competencies, customer relationship management procedures, financial information, financial management procedures and ICT resources.

This demonstrates the fact that there is a relationship between intellectual capital and human capital. The report on human capital, which follows, gives insight into how we manage and secure our intellectual capital. Our proven and stable governance procedures also protect the intellectual capital that secures our leadership position in the market.

Human capital

Managing the value vested in skills and experience

The management of human capital and the creation of value in this aspect of our business is essential to the successful delivery of our strategic objectives. The value vested in the skills, abilities and productivity of our employees is critical to our sustainability, growth and development.

We therefore actively invest in developing all of our staff; enhancing human capital through training and development, competitive remuneration and incentive schemes. We also strive to create a motivating and inclusive work environment, in which the value of employees is acknowledged and in which they feel appreciated. We offer many development opportunities that inspire employees to advance their careers.

In 2025, we continued to focus on building a resilient and engaged workforce by strengthening and enhancing the skills, experience, diversity and productivity of our employees. We did this by investing significantly in sponsored study programmes, technical learning programmes, learnerships and critical skills development. This was done within the framework of the new talent management policy we introduced in 2024, which includes procedures for assessing and calibrating the skills of all employees in people management positions.

The transformation and empowerment of historically disadvantaged employees, in particular, is pivotal to our long-term success. We have therefore initiated a number of targeted interventions to ensure that employees in this demographic benefit from skills development and improvement. A Workplace Skills Plan and an Annual Training Report is submitted to the Department of Employment and Labour in April every year.

We are also committed to a process of meaningful transformation within the business as a whole. This objective is supported by intensified recruitment, the development and retention of candidates from historically disadvantaged groups and focused measures to enhance gender equality. We aim to be compliant with all laws and regulations designed to ensure that our business reflects the country's demographics. This is a particular focus in our recruitment practices.

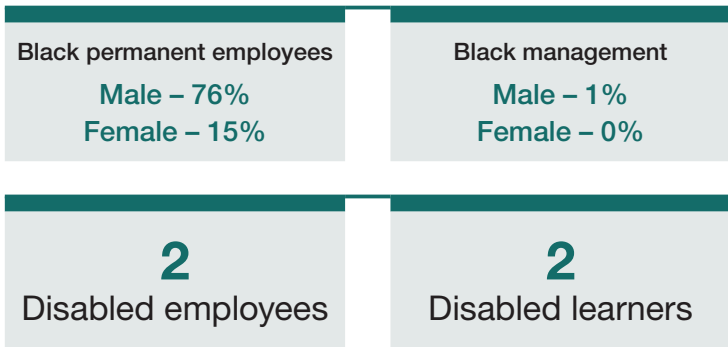
As far as labour relations are concerned, we continue to maintain constructive relationships with all of the unions to which our employees belong. Our aim is to create an inclusive working environment and to ensure that employees work together towards achieving this objective.

As at 31 December 2025, we were employing 384 full-time staff, including Executive Directors (2024: 473), and 36 part-time staff (2024: 104).

We constantly strive to increase efficiencies in human capital management and to maintain the flexibility necessary to adapt to prevailing economic conditions.

Employment equity and diversity

We are dedicated to creating a diverse workforce by attracting and developing previously disadvantaged people, women and employees with disabilities. As required, annual Employment Equity Reports were submitted for both SOEW and Icembu in 2025. Our diversity figures for the reporting period were:



Employee development

We are very proud to be able to partner with our employees in their development. We actively encourage staff at all levels to improve their skills and experience, and we provide appropriate mechanisms for them to do so.

Continuing education

In 2025, 116 courses were offered to employees at all levels, enabling them to enhance their skills by studying further (2024: 143). Some enrolled for courses offered by the Wits Digital Campus, the university's online continuing education platform. We provided both financial and academic support for employees undertaking further studies in this way and are pleased to report that they achieved a 95% pass rate.

Bursaries

In addition to educational support for employees, we offer a number of bursaries for suitably qualified dependents. In 2025, we offered 12 bursaries for dependents of employees (2024: 13).

Learnerships

On a broader basis, we also funded learnerships for two disabled and unemployed learners (2024: three) and for 23 permanently employed learners (2024: six) with the aim of upskilling them and bringing them into the formal workplace. On completing these learnerships, the beneficiaries had the additional opportunity to participate in an accelerated learning programme designed to improve their chances of being employed immediately after the learning process. In addition to paying their course fees, we provided learnership beneficiaries with stipends to cover their day-to-day expenses.

Teamleaders were also able to benefit from a separate learnership programme designed to enhance and strengthen their skills.

Training

We continue to invest in various training programmes to ensure that the skills of our workforce are consistently being enhanced. The total invested in training during the reporting period was R2.7 million (2024: R3.2 million).

Employee incentives

As a Group, we offer both short- and long-term incentives, the details of which are set out in full in the Remuneration Report. Employees also benefit from performance-related and attendance bonus schemes. Attendance bonuses are paid out at year-end to employees who have not taken sick leave during the course of the year.

Short- and long-term incentives are paid out in March of each year after having been approved by the Remuneration Committee.

Freedom of association

In compliance with the Constitution of the Republic of South Africa, we uphold the right of employees to exercise freedom of association and collective bargaining. We recognise trade unions that are sufficiently representative of our employees and give formal assurance that our staff may associate with employee representative organisations and trade unions or, indeed, choose not to do so.

Our Code of Conduct encourages employees to refrain from performing acts that conflict with freedom of association. There were no violations of freedom of association and collective bargaining during the year.

The number of employees belonging to trade unions in 2025 was as follows:

Trade union	2025	2024	2023	2022
NUMSA	224	321	329	239
MMAWUSA	68	–	–	–
Solidarity	2	3	1	3
Number of employees who are members of Unions	294	324	330	242
Percentage employees who are members of Unions (%)	70.0	56.2	58.1	52.0

SHEQ

Safety is fundamental to the way we do business. We believe that zero harm is not only possible but can be attained through dedicated focus and teamwork. Compliance with safety rules and procedures, which include the mandatory use of personal protective gear, is rigorously enforced.

Instances of workplace injuries and accidents are fully investigated and, where necessary, steps are taken to avoid future incidents. There are currently no outstanding claims that require employees to be compensated for health and safety matters.

Occupational health and safety standards are governed by national occupational health and safety regulations. In order to ensure a balanced management approach, we have health and safety committees in various areas of the business and it is their function to ensure that we abide by these regulations.

The committees include representatives from senior management as well as health and safety representatives selected from all levels of staff. Meetings are scheduled on a regular basis, depending on the working environment and requirements.

The committees report compliance issues and safety incidents to the Management Committee and make recommendations on areas for improvement. The appointment of safety representatives and first-aid practitioners, as well as the oversight of processes necessary to ensure the safe operation of factory equipment, are all functions that are delegated to these committees.

Safety

We facilitate and oversee the training of first-aid and fire-fighting representatives to ensure that, in the event of an accident, there are always trained personnel immediately on hand to assist their colleagues.

There was a decrease in the number of safety incidents during the reporting period compared to the number in the previous period. In 2025, 13 incidents were recorded, down from 19 in 2024. All injuries were treated on-site as none of them were serious.

Management takes every injury case very seriously. Injured employees who require medical attention are provided with appropriate treatment, either on-site or in an off-site medical facility. Where needed, they are given time off work for recovery.

The following table gives details of all safety incidents recorded during the course of the reporting period:

Injury incidents (permanent staff)	Number of employees
Minor injuries	13
Serious injuries	0
Treatment on site	13
Employees who received further medical treatment	0
Total number of injuries for 2025	13

Health

We value the lives of our employees and believe that preventative measures have an important role to play in securing their health. As in previous years, a number of awareness programmes and campaigns were undertaken during 2025 to ensure that employees have the knowledge to detect both acute and chronic conditions early. We also encourage employees to adopt a generally healthy way of living, partly through a programme of communications designed to inform them of the risks associated with various lifestyle choices. This is supported by access to our on-site clinic.

As a Company, we conduct baseline medicals on every staff member every two years.

Since 2017, when we conducted a comprehensive health and wellness survey to inform our long-term approach to health management, we have a formal health and wellness programme in place. This is specifically designed to assist employees with any physical and psycho-social issues they may be experiencing.

HIV and Aids

HIV and Aids awareness programmes are available to all employees. Everyone is encouraged to attend regular educational sessions, to take the necessary precautions to prevent infection and to regularly check their HIV status. The HIV status of employees is strictly confidential and the HIV prevalence rate among staff is not released for publication.

Noise surveys

Noise-level screenings are routinely done on all existing equipment and on any new equipment before it is introduced into our manufacturing facilities. This is done by an independent company that specialises in monitoring noise levels in industrial installations. Employees are also required to wear ear plugs at all times when working on the factory floor.

Security practices

We ensure that all employees are aware of and fully understand the Group's security policies and practices. In-house security personnel and third-party security providers are all given formal training to acquaint them with these policies and practices.

One security violation was reported during the year which involved copper theft and resulted in the successful dismissal and prosecution of the individuals involved.

Staff turnover

The table below gives a summary of the various reasons why employees left the Company:

Reason for leaving	Number of employees
Resigned	11
Dismissed	33
Absconded	4
Death	3
Retrenched	79
Contract expired	168
Retirement	3
Total	301

Paid leave and absenteeism

Employees are encouraged to maintain a healthy work-life balance and various types of paid leave are offered to facilitate this. The following table indicates the average leave allowance employees are entitled to:

Leave type	Number of days
Annual leave (general employees)	15 days. An additional five days for longer than five years' service
Annual leave (Directors)	20 days. An additional five days for longer than five years' service
Sick leave	30 days over a three-year period
Maternity/Paternity leave	Up to four months (unpaid)
Family responsibility leave	Three days (MEIBC members can accumulate family responsibility leave up to a total of nine days)
Study leave (approved courses)	Two days per paper

The following chart details the total number of leave days taken during the reporting period:

Leave type (days taken)	2025	2024
Annual leave	6 510	7 067
Family responsibility leave	253	290
Maternity/Paternity leave	105	137
Sick leave	1 631	1 988
Study leave	120	73
Unpaid leave	193	489
Total number of leave days taken	8 812	10 043
Average number of leave days per employee	21	17

Absenteeism remains a challenge and shifts lost due to absenteeism influences production output. Absenteeism is closely monitored by the human resources department.

New employees	Number of employees
Replacements and growth	134

External stakeholders

We engage regularly, openly and honestly with all stakeholders involved in and affected by the Group's operations. This enables us to build good relationships with these stakeholders, as well as to align development plans with their needs. These interactions also provide us with the opportunity to identify and report on important issues raised by both individual stakeholders and communities.

The stakeholder engagement map below graphically represents some of the communications strategies and channels we have employed in our stakeholder management process. Stakeholders are categorised as either primary, secondary or tertiary stakeholders, depending on their level of interaction with the Group.

Level	Group of stakeholders	Issues	Method of communication
Primary These stakeholders are vitally important to us as we have the greatest direct impact on them and, <i>vice versa</i> , they have the greatest direct impact on our business.	Employees	Our ability to pay salaries on time. Our performance as a group, which impacts on employee livelihoods. Providing a safe environment for all our employees. Actively upskilling and promoting employees from previously disadvantaged communities.	The intranet Union meetings Shop steward meetings Face-to-face meetings Communication boards Internal newsletter
	Investors	Returns on their investment.	Annual General Meeting Semi-annual results presentations Integrated Annual Report Corporate website Investment updates on SENS
	Board	The Board carries the ultimate responsibility for the Group's decisions and for its accountability to investors.	Quarterly meetings Briefings for the Chairperson and the Board on matters of significance between meetings
	Customers	Our ability to supply quality products on time.	Advertisements Website Integrated Annual Report Exhibitions Catalogues
	Bankers	Our ability to continuously service short- and long-term borrowings.	Integrated Annual Report Specific information, as required
Secondary These stakeholders have the ability to directly impact the success of our business.	Suppliers	Our ability to procure from suppliers and settle debt as agreed.	Regular meetings The industry show Periodic communications from the respective business managers
	Government	Our ability to pay all taxes due timeously and in adherence to all legislative requirements.	Specific meetings Industry forums Adherence to legal reporting requirements
	JSE	Adherence to JSE rules and regulations.	Providing information as required
	Unions	The fair implementation of wage agreements and incentives.	Union meetings Shop steward meetings Engaging in negotiations
Tertiary These stakeholders have the ability to affect the brand's reputation.	Media	Positive and negative publicity.	Media releases Presentations

Social and relationship capital

A successful Group contributing to a successful society

We strive to be a successful Group that contributes to creating and sustaining socio-economic development in South Africa. We have all of the appropriate structures, policies and procedures in place to achieve this.

Social and Ethics Committee

The Social and Ethics Committee is a formal committee of the Board and was established in terms of Section 72 of the Companies Act. It operates under mandate from the Board within approved terms of reference. It is the role of the committee to ensure that the Group engages in sustainable social, ethical, health, safety and transformation practices that are aligned to the Act, other legal requirements and accepted codes of best practice. It places specific emphasis on empowerment in respect of ownership, procurement, employment equity and skills development.

During the reporting period, the committee was made up as follows:

N Lalla: Chairperson
J van Rensburg: Member
A Smith: Member
JH Yeh: Member

The Chief Financial Officer, the Senior Human Resources Manager and the Training and Development Manager also attend the committee meetings by invitation.

Meetings

The Social and Ethics Committee meets at least twice a year unless additional meetings are required.

Reporting

The Chairperson reports to the Board on its proceedings after each meeting. She also attends the AGM to report on its functions and activities and to respond to any questions from stakeholders.

Responsibilities

The monitoring function of the Social and Ethics Committee applies to matters relating to:

- Social and economic development, with specific reference to:
 - the 10 principles defined in the United Nations Global Compact;
 - the Organisation for Economic Cooperation and Development (OECD) recommendations regarding corruption;
 - the Employment Equity Act; and
 - the B-BBEE Act.
- Good corporate citizenship, with a particular focus on:
 - the promotion of equality, the prevention of unfair discrimination and the elimination of corruption;
 - contributions to the development of the communities in which the Group operates and in which our products are sold; and
 - sponsorships and donations.
- The environment, health and public safety.
- The impact of the Group's activities, products and/or services.
- Consumer relationships, including our advertising and public relations.
- Labour and employment, including:
 - the Group's standing in terms of the International Labour Organization's (ILO's) protocols on decent work and working conditions; and
 - our employment relationships and our contributions towards the educational development of our employees.
- Drawing matters within its mandate to the attention of the Board, if and as required.
- Reporting on matters within its mandate at the AGM.

Employment Equity Committee

We monitor adherence with the Employment Equity Act on an ongoing basis through our Employment Equity Committee, which is made up of a senior management representative, a shop steward and elected employee representatives for the different categories of staff. We are fundamentally committed to ensuring that our workforce profile mirrors the demographics of the country.

During the reporting year, the categorisation of employees according to their workforce profile was as follows:

	WHITE		ACI*		NON-RESIDENT		TOTAL	
	2025	2024	2025	2024	2025	2024	2025	2024
Total workforce	35	43	435	632	2	4	472	679
Less: Non-Executive Directors and non-permanent staff	2	2	0		0		2	2
	(3)	(5)	(51)	(98)	0	(1)	(54)	(104)
	34	40	384	534	2	3	420	577
Gender profile								
Male	26	31	319	481	2	3	347	515
Female	8	9	65	53	0	0	73	62
	34	40	384	534	2	3	420	577
Occupational level								
Directors	2	2	0	0	0	0	2	2
Male	2	2	0	0	0	0	2	2
Female	0	0	0	0	0	0	0	0
Senior management	2	4	2	1	0	0	4	5
Male	1	3	2	1	0	0	3	4
Female	1	1	0	0	0	0	1	1
Professionally qualified and middle management	10	9	11	7	0	0	21	16
Male	6	7	7	4	0	0	13	11
Female	4	2	4	3	0	0	8	5
Skilled and technical staff	16	17	73	78	0	0	89	95
Male	13	12	57	63	0	0	70	75
Female	3	5	16	15	0	0	19	20
Semi-skilled and unskilled staff	4	8	298	448	2	3	304	459
Male	4	7	253	413	2	3	259	423
Female	0	1	45	35	0	0	45	36
	34	40	384	534	2	3	420	577
Disability profile								
Disabled	0	0	2	3	0	0	2	3
Male	0	0	2	3	0	0	2	3
Female	0	0	0	0	0	0	0	0
Non-disabled	34	40	382	531	2	3	418	574
Male	26	31	317	478	2	3	345	512
Female	8	9	65	53	0	0	73	62
	34	40	384	534	2	3	420	577
Age profile								
Under 30	2	2	42	49	0	0	44	51
Male	2	2	29	41	0	0	31	43
Female	0	0	13	8	0	0	13	8
Over 30, but less than 50 years	15	21	253	409	2	3	270	433
Male	12	17	211	372	2	3	225	392
Female	3	4	42	37	0	0	45	41
Over 50 years	17	17	89	76	0	0	106	93
Male	12	12	79	68	0	0	91	80
Female	5	5	10	8	0	0	15	13
	34	40	384	534	2	3	420	577

*ACI = African, Coloured and Indian

Social and relationship capital

Unfair discrimination in the workplace is actively discouraged and, where instances of such discrimination are encountered, management acts decisively as soon as the matter has been identified and/or raised.

Whenever there are vacancies within the Group, preference is given to existing employees in order to maintain continuity and a smooth equity management process.

B-BBEE

We regard B-BBEE and transformation as essential to achieving our strategic objectives. We achieved a Level 1 rating in 2023 and have maintained it since then.

In the area of preferential procurement, we have considerably increased our spend with key categories of supplier, including black-owned businesses (businesses with a 51% or higher black ownership), companies owned by black women (with a 30% or higher black female ownership), and companies that are defined as Qualifying Small Enterprises (QSE) and Exempt Micro Enterprises (EME). These efforts are supported by our formal supplier development programme.

We intend to continue to increase procurement from businesses like these, wherever possible.

Corporate social investment

We are committed to making sustainable contributions to and uplifting communities in the areas in which we operate. We do this primarily through a process of enterprise development, which is facilitated by accelerating the sustainability and financial independence of black-owned enterprises. This is supported by additional financial assistance for community-based development programmes, such as the New Beginnings Care Centre (NBCC).

Our Corporate Social Investment (CSI) spend during the year was made up of grants to the value of R1.0 million (2024: R1.4 million).

Political party policy

We fully endorse the principles and institutions that ensure a free and democratic society. It is, however, our policy not to make any donations to or in favour of any political party.

NBCC

The primary beneficiary of our socio-economic development programme is the NBCC, which is situated in Boksburg and which offers a range of services aimed at stabilising and empowering destitute individuals.

The centre, which has an average residency rate of approximately 300 individuals, provides homeless people of all ages with accommodation, food and structured programmes designed to assist them in integrating back into mainstream society. It also provides a crèche and educational support for children under 18, and helps adult residents to find jobs that will enable them to regain their independence and rebuild their lives.

In addition, the NBCC offers a rehabilitation programme to individuals who are struggling with substance abuse and distributes food on a daily basis to approximately 120 community feeding schemes.

We source all of our casual and part-time labour from the NBCC and are proud to be part of an initiative that is making a difference in so many lives.

Yes Programme

Our Yes Programme employs previously disadvantaged people under the age of 35. Participants are recruited, upskilled and employed for a period of 12 months. We currently employ 30 people through this initiative (2024: 30).

Enterprise development

Enterprise development is another critical focus for us as it is a powerful means of creating jobs and alleviating poverty. As mentioned, we focus in particular on supporting sustainable businesses owned by black people, especially black women. We assist these businesses by supplying stock at no charge, which can then be sold on to their customers at a profit. We have continued to do this throughout all of the financial challenges the business has faced in recent years.

Human rights

We ensure that all employees are afforded the dignity and respect they deserve, as enshrined in the Bill of Rights. We diligently ensure that none of our policies and procedures infringe on the rights of employees as articulated in all applicable legislation.

Child labour

We procure materials, products and services from a number of suppliers who are domiciled in various jurisdictions, each governed by a different legislative framework. We strongly reject the use of child labour by any of our suppliers as this is a violation of human rights. While monitoring labour practices across a wide range of suppliers in foreign jurisdictions can be difficult, to date we have not encountered instances of the use of child labour among our suppliers.

Natural capital

Towards a greener and cleaner future

In line with the guidelines outlined in King IV™, we regard the protection and conservation of the environment as a fundamental aspect of doing business.

Climate change

We recognise the impact of climate change on the natural environment and actively seek opportunities to mitigate our own environmental impact. A dedicated task team regularly measures the carbon impact of our manufacturing processes and our vehicles. We operate within the required environmental limit and have no negative impact on the environment that will directly or indirectly affect climate change.

Environmental impact assessment and carbon footprint analysis

The Group did not perform any environmental impact assessments or a carbon footprint analysis during reporting period. It did, however, perform its annual environmental assessments. In order to manage our energy risk and reduce our carbon footprint, we have installed a R60 million solar power system at our Alrode site.

Energy usage

During the course of the year, SOEW, our manufacturing subsidiary, used 9.88 MWh of electricity (2024: 10.84 MWh). This translates into 0.0011 MWh per hour worked (2024: 0.0012 MWh per hour worked).

Water management

Our manufacturing processes use very little water and, in this respect, we have only a minor impact on the environment. During the course of the year, we used 10 596 kilolitres of water (2024: 8 645 kilolitres), translating into an average of 0.0012 kilolitres per hour worked (2024: 0.00098 kilolitres per hour worked).

While our manufacturing processes have very little impact on biodiversity and the environment, we make every effort to conserve water on a Group-wide basis and to educate our employees on the importance of keeping water usage to a minimum.

Waste management

We have a policy of reusing materials before undertaking any recycling or disposal. Only waste that cannot be reused is disposed of and this is done in an environmentally safe manner. We use specialist companies to handle the disposal of hazardous materials, such as used oil from manufacturing machinery, and paper recycling bins are situated throughout our factories, testing facilities and offices.

A portion of the total scrap generated during the year included PVC scrap, which was recycled and reused in the production process. The balance of the PVC scrap and the copper scrap was sold. We aim to keep cable scrap to a minimum and, where it is unavoidable, we sell it on as a financial recovery measure.

Used soluble and lubricating oils, which are a by-product of the manufacturing process, are disposed of through a third party, which either recycles or disposes of them in an environmentally safe manner. During 2025, 40 000 litres of both soluble and lubricating oil was generated and disposed of (2024: 80 000 litres).

Industrial waste generated and disposed of during the course of the year totalled 161 254 kilograms (2024: 182 389 kilograms). In order to minimise waste in all categories, we adhere to a planned maintenance schedule designed to maximise the operating efficiency of all our equipment over its lifetime.

Finally, we attempt to keep refuse to a minimum and we recycle as much as possible. During the course of the year, a total of 39.5 m³ of refuse was generated (2024: 222 m³).

Risk Report

Risk management policy statement

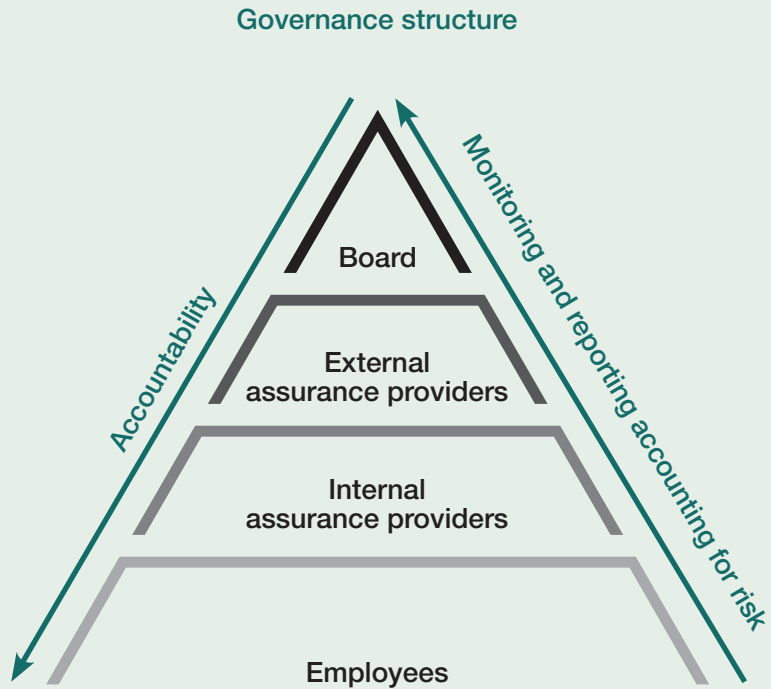
The Board is committed to a process of risk management that is aligned to the principles of good corporate governance as set out in King IV™ and the Companies Act. This is defined as a structured, systematic and comprehensive process designed to:

- identify potential risks that may affect the Group;
- prioritise and effectively manage these risks within clearly defined risk appetite parameters; and
- provide reasonable assurance regarding the achievement of organisational objectives.

Enterprise risk management principles

The following principles underpin our risk management processes:

- Although the Board is accountable for the entire process of risk management, it is the responsibility of all employees to embed and maintain effective risk management, control and governance processes throughout the organisation.
- Effective risk management is conducted within the approved risk management framework and structures. These have been tailored to our specific circumstances and form part of our daily operational activities.
- Risk identification, risk assessment, risk mitigation and risk monitoring are ongoing and evolving processes and form an integral part of our daily decision-making.
- Quarterly risk reporting provides a balanced assessment of significant risks and the effectiveness of internal control in managing these risks.
- Through the skilled application of high-quality, integrated risk analysis and management, our employees exploit risk to enhance opportunities, reduce threats and sustain a competitive advantage. As a Group, we take calculated risks subject to tolerance limits.



Enterprise risk management philosophy

Our enterprise risk management philosophy is defined by the following features:

- We are committed to proactive risk management as a discipline that is intended to create value, protect stakeholders and assets, and promote long-term sustainability. The risk management practice is founded on the ethical values of responsibility, accountability, fairness and transparency.
- We have a formal risk management policy in place to ensure that there is a standardised approach to and understanding of risks and risk management throughout the Group.
- The Board has the overall responsibility for the governance of risk. The Audit and Risk Management Committee assists the Board with risk management oversight. The Board discloses undue, unexpected or unusual risks in the Integrated Annual Report each year and provides an opinion on the effectiveness of the risk management processes.

Risk management framework

Our risk management framework has been approved by the Board and it includes a comprehensive implementation plan. The Board delegates responsibility for the implementation of the plan to the CFO and reviews the risk policy, risk framework and implementation plan annually.

As a Group, we adhere to ISO 31000:2009 risk management principles and guidelines and use ISO 73:2009 risk management principles to define risk-related terms.

Risk appetite

SOH has a low appetite for risk, with the Board prioritising organisational resilience and sustainability over aggressive risk-taking. Similarly, management does not seek out exposure to risk in order to drive short-term financial performance or growth. It is the responsibility of management to ensure that decision-making and risk exposure are maintained within the parameters approved by the Board.

Principal risks and mitigating measures

Nature of risk	Cause and effect	Risk rating	Mitigating measures
Business interruption	<p>Cause: Any <i>force majeure</i> resulting from such events as a pandemic, war, civil unrest, labour action, a cyberattack, a radical disruption of the power or fuel supply, or a radical disruption of our supply chain, including through geopolitical events or highjacking and/or armed robbery by organised criminal syndicates.</p> <p>Effect: Any of these factors could lead to the cessation of operations, a critical loss of revenue or business failure.</p> <p>Armed robbery could also result in staff, suppliers, contractors, visitors or bystanders being injured or killed.</p>	CRITICAL (2024: HIGH)	<ul style="list-style-type: none"> • Many of the factors that have the potential to impact on our ability to operate are beyond our immediate control, but we proactively plan for known risks and possible eventualities, and have policies and procedures in place to mitigate their effects should they occur. • We also educate our staff about the risks to the Group and to them as individuals, and encourage or enable them to take whatever preventative measures may be within their control. • We have a well-defined crisis management policy, which is reviewed annually and which will come into effect if we have to declare a <i>force majeure</i> for any reason. • We proactively manage the risk of armed robbery by maintaining high-security measures at all of our operational facilities and offices. Our vehicles are also protected by state-of-the-art monitoring and tracking systems. • We adhere to all collective bargaining procedures and agreements and in the event of a strike whether protected or not, our crisis management policy will be applied. • We constantly review our IT risk in accordance with international best practice and in cooperation with local and international partners. An IT crisis management policy is in place and this will be applied immediately in the event of a cyberattack. • We have implemented a R60 million on-site hybrid solar power system to mitigate the risk of interruptions to the power supply or catastrophic power failure. • We have a policy of maintaining strategic stocks of raw materials and a diversified supply chain in order to mitigate the risk of disruptions to our supply chain.
Loss of assets or harm to personnel through catastrophic events	<p>Cause: Fire, flooding, war, civil unrest, armed robbery or similar.</p> <p>Effect: Any of these factors could have a major impact on our ability to operate effectively.</p>		<ul style="list-style-type: none"> • Our crisis management policy will come into effect in the case of any catastrophic event/s. • We have appropriate insurance in place for all of these risks.
Disclosure of strategic or sensitive company and/or client information	<p>Cause: Breach of data security, either internal or external.</p> <p>Effect: Reputational damage, fines, imprisonment and/or the payment of damages to affected parties.</p> <p>Competitors, customers and/or suppliers could use proprietary information to undermine the company's market position or as an input into their own business and marketing strategies.</p>		<ul style="list-style-type: none"> • Our IT crisis management policy will come into effect should there be any breach of data security. • Firewalls are in place to prevent infiltration by unknown parties. • Emerging cyber threats, including viruses and hacking attempts, are closely monitored and dealt with appropriately. • Internal resilience testing is conducted regularly.

Nature of risk	Cause and effect	Risk rating	Mitigating measures
Legal action	<p>Cause: Inappropriate action or lack of action on the part of the Group, defective products, poor services and/or other events taking place during the course of doing business.</p> <p>Effect: A major impact on our ability to do business.</p>	HIGH (2024: HIGH)	<ul style="list-style-type: none"> We have best-practice policies, governance procedures and quality controls in place, which mitigate against the possibility of inappropriate action or lack of action on the part of the Group.
Loss of revenue and/or a decrease in profitability	<p>Cause: The poor economic climate, both locally and internationally; the unstable global geopolitical environment; civil unrest and/or labour disputes at home; disruptions to local and international supply chains; a volatile exchange rate; an unstable RCP; poor sales; significant customer returns; and a decline in gross profit.</p> <p>Effect: Any of these factors could lead to an unsustainable loss of profitability or business failure.</p>		<ul style="list-style-type: none"> Many of the factors that can impact on revenue and profitability are beyond our immediate control, but we proactively plan for known risks and possible eventualities and have policies and procedures in place to mitigate their effects should they occur. We are taking advantage of changes in the competitive environment and the high level of demand for our products to secure our market leadership position, grow our client base and expand our footprint within South Africa, the SADC region and the rest of Africa. We have entered into strategic partnerships in the DRC, Zambia and Namibia in order to facilitate this. We are exploring other growth markets in Africa in order to extend our footprint and enhance profitability. We continue to implement a strategy of backward integration in order to further secure our supply chain and minimise the risk associated with using third-party suppliers. We maintain a high level of quality control in order to minimise the risk of returns. We nurture our customer relationships. We have an established research and development programme and are adding new products to our range, specifically to meet specialist needs, in order to extend our reach into the public sector and to enter into developing industries, such as renewable energy. We consistently develop and execute marketing plans to position our products within the electric wire market and to increase sales. We maintain diversity in our revenue stream. We consistently develop and support excellent sales teams.
Unstable cash flow	<p>Cause: A volatile exchange rate, an unstable RCP, an increase in the cost of sales, reduced margins, high levels of debt, and/or reduced revenue/profitability.</p> <p>Effect: Any of these factors could lead to a critical cash flow crisis that could result in a business crisis or business failure.</p>		<ul style="list-style-type: none"> Reasonable fluctuations in the exchange rate and the RCP are taken into account when developing the annual budget. Reasonable increases in the cost of sales is also taken into account when developing the annual budget. Collections are closely monitored to identify distressed customers. Working capital expenses are properly controlled. Stock levels are optimally managed. Bank borrowings are maintained at a reasonable level.

Nature of risk	Cause and effect	Risk rating	Mitigating measures
<p>Cyberattacks, data breaches, loss of data or corruption of the Group's IT systems</p>	<p>Cause: Cyberattacks, phishing attempts, power outages, poor cybersecurity and/or improper backup procedures.</p> <p>Effect: Any of these eventualities could lead to a loss of functionality or to our data being compromised, corrupted or lost.</p>	<p>HIGH (2024: HIGH)</p>	<ul style="list-style-type: none"> • An IT crisis management policy is in place and this will be applied immediately in the event of a cyberattack or any other critical threat to our system or our data. • Critical IT services are outsourced to a proven and capable IT company. • Firewalls are in place to prevent infiltration by unknown parties. • Emerging cyber threats, including viruses and hacking attempts, are closely monitored and dealt with appropriately. • All backups are done offsite. • Controls are in place to ensure that backups are complete.
<p>Loss of key staff</p>	<p>Cause: Competitive offers from other companies, limited growth opportunities within the Group, unfavourable working conditions, disputes, illness or death.</p> <p>Effect: Any of these factors would impact on the Group's knowledge base and ability to operate effectively.</p>		<ul style="list-style-type: none"> • We have comprehensive job descriptions and succession plans in place for all key staff to mitigate against the loss of these staff for any reason. • Short- and long-term incentive schemes are in place to encourage the retention of key staff.
<p>Loss of significant customers and/or a decline in sales</p>	<p>Cause: Failure to compete successfully or to retain customer trust.</p> <p>Effect: Either of these eventualities could result in the loss of one or more significant customers and/or a general decline in sales.</p>	<p>MEDIUM (2024: HIGH)</p>	<ul style="list-style-type: none"> • We have secured a market leadership position and are working to consolidate and develop this position. • We continuously aim to improve customer experience by offering high-quality products and superior service, as well as by communicating regularly and effectively with our customers. • We are actively extending our client base in South Africa, the SADC countries and the rest of Africa to minimise dependence on a small group of significant customers.
<p>A breakdown in the supply chain or long periods of disruption</p>	<p>Disruptions in local supply chains due to labour action, inefficiencies within the national transport system, civil unrest or weather events.</p> <p>Effect: Either of these factors could impact directly on our ability to operate, our profitability and, potentially, even on our sustainability.</p>		<ul style="list-style-type: none"> • We have a highly effective and proven supply chain management system. • We have formal processes in place to deal with supply chain disruptions, whether local or international. • We maintain close direct ties with all of our suppliers. • We have a policy of maintaining strategic stocks of raw materials to mitigate against external events that may have an impact on our supply chain. • We have mitigated our risk in the mission-critical copper supply chain by securing alternative sources of supply since trade with Russia was restricted at the start of the war in Ukraine.

Nature of risk	Cause and effect	Risk rating	Mitigating measures	
Non-compliance with JSE regulations and other regulations and legislation	<p>Cause: Non-compliance with the rules and regulations defined by the JSE for all companies that trade on the exchange.</p> <p>Effect: This could lead to trading being suspended, to a loss of revenue and reputation.</p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);">LOW (2024: LOW)</p>	<ul style="list-style-type: none"> The Board, the committees of the Board, the Company Secretary, the Group’s auditors, and independent external suppliers are all tasked with ensuring that the Group and its subsidiaries remain compliant with JSE regulations. Compliance is closely monitored. 	
Non-compliance with B-BBEE legislation	<p>Cause: Non-compliance with B-BBEE legislation or a low B-BBEE rating.</p> <p>Effect: Either of these factors could lead to a loss of customers. The related inability to tender for large projects, specialist projects and/or public sector contracts would result in a loss of revenue.</p>			<ul style="list-style-type: none"> We maintained a Level 1 B-BBEE rating in 2025, which significantly mitigates this risk. We have a comprehensive B-BBEE strategy in place to ensure that we consistently comply with legislation. Preferential procurement assessments are undertaken on an ongoing basis to ensure that we procure goods and services from suppliers with a high B-BBEE rating. Black-owned and black woman-owned enterprises are being identified as suppliers as well as for development assistance. Our employment policies are consistent with our employment equity targets.
Misappropriation of assets or funds due to fraud and/or corruption	<p>Cause: Internal or external fraud and/or corruption.</p> <p>Effect: This could impact on effective financial management, reputation and even sustainability.</p>			<ul style="list-style-type: none"> To mitigate against fraud and corruption, we have a whistle-blowing hotline in place and all staff are aware of our whistle-blowing policy. We have a clear segregation of duties throughout the Group. The approval of the Directors is necessary before assets can be removed from the premises. There are strict security controls in place at all exit points.
A default by a major debtor and/or a significant insurance exclusion	<p>Cause: Debtor default and/or insurance exclusion.</p> <p>Effect: These factors could impact on effective financial management and even sustainability.</p>			<ul style="list-style-type: none"> Sales are spread out across a number of significant customers and we monitor the debtors’ book closely. We further mitigate this effect by seeking out and taking on new customers. The debtor’s book is insured through the Credit Guarantee Insurance Corporation of South Africa Limited.

Remuneration Report

PART 1: REMUNERATION POLICY

South Ocean Holdings' Remuneration Policy is aligned with the guidelines set out in King IV™ and complies with both the Companies Act and the JSE Listings Requirements. As a Group, we have an integrated approach to remuneration, and we aim to ensure that there is an appropriate balance between the interests of shareholders and other stakeholders as well as between our strategic and operational requirements.

Our remuneration policy is designed to:

- support the implementation of our business strategy;
- provide attractive and market-related remuneration;
- motivate and reinforce individual and team performance; and
- demonstrate equitable remuneration related to job description, responsibility and personal performance.

The policy aims to ensure that remuneration is:

- market-related and competitive;
- performance-related;
- appropriate to the value delivered in each job category and at every level; and
- compliant with best-practice governance in both concept and practice.

This, in turn, is designed to:

- attract, motivate and retain skilled and talented people, especially in key positions;
- support our position as an employer of choice; and
- encourage and reward superior performance.

During the reporting period, our Incentives Policy, which is a key component of the Remuneration Policy, was revised. The purpose of the new policy is to establish and implement a fair, transparent and responsible incentive framework for the Group's employees that fall within the scope of the Basic Conditions of Employment Act (BCEA).

The policy is designed to:

- align employee incentives with the Group's strategic objectives, financial performance and long-term sustainability;
- ensure that the incentive framework reflects prevailing market practice and the principles of sound remuneration governance;
- simplify the incentive structure to enhance understanding, communication and effective administration;
- transition from share price-linked incentives to incentives based on changes in Net Asset Value (NAV), which can be reliably measured using audited annual financial statements; and
- ensure that, on transition, employees are not materially disadvantaged relative to the prior incentive arrangements.

The policy is applicable to all management-graded employees who fall within the scope of the BCEA and who are employed at either or both SOH and SOEW. It came into effect on 1 January 2026 at the start of the 2026 financial year. The prior incentives policy will remain applicable to performance measured during the 2025 financial year.

The Remuneration Report that follows provides a detailed overview of our remuneration practices and of how the Incentive Policy is applied.

Remuneration Committee

The Remuneration Committee operates under mandate from the Board, which assesses its composition annually in order to ensure that it has the appropriate mix of skills, knowledge and experience to operate effectively. The Committee complies with all legal requirements and governance guidelines.

Composition

The Remuneration Committee is made up of two Independent Non-Executive Directors and one Non-Executive Director, all of whom have the qualifications and experience to fulfil their duties.

Meetings

Committee meetings are held at least twice a year unless additional meetings are required. The CEO and the CFO attend the meetings by invitation, but do not participate in discussions related to their own remuneration.

Reporting

The Chairperson reports on proceedings to the Board after each meeting and attends the AGM to respond to any questions from stakeholders that may relate to the committee's areas of responsibility.

Roles and responsibilities

The committee does not assume the functions of management, which remain the responsibility of the Executive Directors and senior management. Its primary task is to assist the Board in ensuring that the remuneration of Directors and executives is fair and market-related.

Remuneration of Non-Executive Directors

Terms of service

Non-Executive Directors, including the Chairperson, are appointed by the shareholders at the AGM, but interim appointments are permitted during the course of the year within the framework of the Remuneration Policy. Interim appointees retire at the next AGM, when they may make themselves available for re-election.

According to the terms of the Group's MOI, one-third of the Non-Executive Directors may make themselves available for re-election each year under the condition that, should a Director be appointed as an Executive Director or as an employee of the Group in any other capacity, they shall not, while they continue to hold that position or office, be subject to retirement by rotation and they shall not, in that case, be taken into account in determining the rotation or retirement of Directors.

Further, once a Director has served for nine or more years, they may continue to serve in an independent capacity if the Board concludes that they exercise objective judgement and there is no interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, is likely to influence unduly or cause bias in decision-making. This assessment must be made each year after the nine-year period.

The independence of the Non-Executive Directors is evaluated annually and the evaluation performed for 2025 has confirmed their independence.

Fees

Group policy is to pay competitive fees that are aligned to skill, experience and the time commitment required from the Non-Executive Directors. Fees are benchmarked against a comparison group of JSE-listed companies. Non-Executive Directors are entitled to be compensated for travel and subsistence when travelling on official business, but there is no contractual agreement to compensate them for loss of office.

Non-Executive Directors do not receive short-term incentives and do not participate in any long-term incentive schemes. Their fees are proposed by the Remuneration Committee on an annual basis and voted on by shareholders at the AGM. There are no retirement provisions for Non-Executive Directors.

Remuneration of Executive Directors and senior management

Our remuneration philosophy is to pay Executive Directors and senior managers market-related remuneration that is intended to motivate them, encourage sustainable performance and secure retention. Above-average remuneration accrues only to employees who demonstrate a preparedness to accept the challenges of the enterprise and who excel in the achievement of its objectives.

Remuneration packages for Executive Directors and senior managers are made up of:

- a guaranteed package;
- a performance-related incentive;
- a short-term profit-sharing incentive; and
- a long-term incentive.

Guaranteed package

The guaranteed package for each employee is determined annually based on the market value of their position. It is awarded on the assumption that performance targets are higher than they were in the preceding year and that these targets will be met. It includes a basic salary plus certain benefits, such as a motor vehicle allowance and company-subsidised medical aid contributions.

Performance-related incentive

The Group awards a performance-related incentive when it is in a profit-making position. This is payable to management-graded BCEA employees who are not remunerated through any other reward or commission-based programme. Performance is measured based on individual key performance indicators (KPIs), which are set in consultation with the employee at the start of each year. The amount paid is based on the employee's total performance score for the year.

Payment is calculated based on a percentage of the individual's guaranteed package and ranges from 0% to 16.666%. Payment of the performance-related incentive is subject to whether or not each individual's objectives were met.

Discretionary award

In addition to the performance-related incentive, a once-off discretionary award (bonus payment) can be made to any management-grade employee in any given financial year at the sole discretion of the Remuneration Committee. This award is not guaranteed and, like the performance-related incentive, is taxable.

Short-term incentive

The Group also offers a short-term incentive, which is measured against annual performance, to promote the achievement of short-term targets.

The short-term incentive is based on a profit pool calculated as a percentage of the Group's audited actual profit for the year (PAIT) and before any extraordinary or abnormal items that are within the control of management. A total of 3% of SOH's PAIT and 3% of SOEW's PAIT is allocated to this pool.

In the case of SOEW, the pool is further split on a 50/50 basis between Management Committee members and other eligible managers. Each member's allocation of the pool is determined as a portion of their guaranteed pay. In other words, the employee's allocation is a proportion of all eligible employees' salaries. The PAIT is directly identifiable in the Group's audited income statement, which is presented in this document.

The short-term incentive is payable annually after the audited annual financial results have been released and by no later than May of the following year. It is pro-rated for eligible employees' full-time tenure in any given financial year as well as for any parental leave that may have been taken during the year.

The short-term incentive is a bonus payment and is taxable.

Long-term incentive scheme

A long-term incentive scheme has been in place at SOH since 1 January 2009 and has been revised with effect 1 January 2026. It is intended to promote the Group's long-term objectives and to retain the Directors and senior staff who are responsible for leading the organisation.

Long-term incentives are measured in relation to the year-on-year Rand value movement of the Group's NAV plus declared dividends and/or extraordinary equity items in the same period. Eligible participants receive a cash bonus based on any growth in the NAV at the end of each financial year (i.e. on equity growth). Should NAV growth for any given year be negative, the long-term incentive pool for that year is limited to zero.

A total of 3% of the long-term value pool for SOH and 3% of long-term value pool for SOEW is allocated to the overall long-term incentive pool. In the case of SOEW, this pool is further split between Management Committee members and other eligible managers. Each member's allocation of pool is determined by the portion of their guaranteed pay (i.e. each employee's allocated long-term incentive is a proportion of all eligible employees' salaries).

The long-term incentive is payable every three years after the audited financial results have been released and by no later than May of the third year after that financial year end. The long-term incentive accrues to eligible management in the Group's employment on the date of allocation and is annually vested for a three-year period. Eligible managers who leave employment between vesting periods are not entitled to incentives that have not been vested for three years.

The scheme does not confer any rights on employees to acquire, hold or subscribe for shares at any time and does not in any way dilute the shareholdings of existing or future shareholders. Further, as the long-term incentive is a bonus payment, taxes are for the account of the recipient on the date of payment.

Annual review by the Remuneration Committee

The total cost-to-company package for all Executive Directors is reviewed annually by the Remuneration Committee based on market information and individual competency assessments.

The Remuneration Committee is mandated to review, on an annual basis, the Remuneration Policy as it applies to Executive Directors and any senior managers who are members of the Executive Committee or a management committee.

Executive Directors' remuneration

The remuneration paid to Executive Directors in 2025 was R7,899 million (2024: R13,732 million).

Non-Executive Directors' remuneration

The fixed fee per annum for Non-Executive Directors for the 2025 financial year were as follows:

Designation	Fixed fee per annum 31 December 2025 R
Chairperson	838 657
Deputy Vice Chairperson	425 765
Non-Executive Director	246 007
Chairperson of the Audit Committee	369 008
Member of the Audit Committee	79 725
Chairperson of the Remuneration Committee	113 466
Member of the Remuneration Committee	79 725
Chairperson of the Social and Ethic Committee	113 466
Member of the Social and Ethics Committee	79 725
Chairpersons of special committees	R4 784/hour
Members of special committees	R2 872/hour

Interest of Directors in the share capital of the Group

The interest of Directors in the share capital of the Group, as at 31 December 2025, was as follows:

Directors	2025 Indirect	Percentage of issued share capital
J van Rensburg	62 930 067	30.96%

No shares were traded by any Director from 31 December 2025 until the date of this report.

Interest of Directors in contracts

The Directors have certified that they had no material interest in any transaction of any significance with the Group or its subsidiaries during the course of the reporting period.

Share Appreciation Scheme

Details of the Share Appreciation Scheme are set out in the notes to the Annual Financial Statements in this report.

Service contracts and severance pay

The Group may enter into formal service contracts with all Executive Directors and managers. They are subject to SOH' standard terms and conditions of employment and have notice periods that vary between 30 and 90 days. In line with Group policy, no Director is compensated for loss of position and none of the Directors have special termination benefits.

Our policy when terminating the services of an individual for operational reasons is to pay a minimum of one week of the annual cost of employment for each completed year of service.

Provident fund and Group life cover

Employees who are not members of the MEIBC are contributing to the Alexander Forbes Access Retirement Fund and their contributions vary between 7.5% and 15% of their basic salaries. Employees who are members of the MEIBC belong to the Metal Industries Pension Fund or the MEIBC Provident Fund and their contributions amount to 7.7% of their basic salaries.

Employees also contribute to a funeral policy that covers funeral costs for the employee or for close family members in the event of death.

Shareholder agreement

The Group's Remuneration Policy and related implementation plan is presented to shareholders for consideration and approval at each AGM, as recommended by King IV™. In the event that 25% or more of the votes cast are against either the Remuneration Policy resolution or the implementation plan resolution, executive management will engage with shareholders to ascertain the reasons for the dissenting vote.

Whenever considered appropriate, Non-Executive Directors may participate in these engagements with selected shareholders and executive management, and may then make specific recommendations to the Board as to how the legitimate and reasonable objections of shareholders might be addressed, either in the Remuneration Policy or through changes to the way in which the policy is implemented.

Remuneration Committee members

The Remuneration Committee members in 2025 were:

- JH Yeh: Chairperson
- N Lalla: Member
- J van Rensburg: Member
- KH Pon: Member (resigned 19 March 2025)

Non-binding advisory vote

Shareholders are requested to cast a non-binding advisory vote on the Remuneration Policy as contained in this report.

PART 2: IMPLEMENTATION OF REMUNERATION POLICY

Executive Directors' remuneration

Guaranteed pay

In determining the cost-to-company increases for Executive Directors in 2025, the Board considered the average increases granted to general staff and also relevant market data. Benchmarks were selected based on a number of factors including, but not limited to, the size of the Group and the complexity of comparable listed companies with reference to market capitalisation, turnover, profitability, number of employees and sector.

The increases for the Executive Directors were as follows:

- Chief Executive Officer: 5%
- Chief Financial Officer: 5%

Short-term incentive outcomes

No short-term incentive payments were made to Executive Directors or prescribed officers during the reporting period (2024: R nil).

Long-term incentive outcomes

The number of shares allocated to Directors and prescribed officers as at 1 January 2026 and 1 January 2025 respectively are given in the table below. Each participant will receive a cash bonus based on the equity value growth at the end of a three-year holding period.

	2026 SOH shares	2025 SOH shares
Allocation price	R1.18	R1.85
A Smith	2 312 926	3 060 404
W Basson	1 260 828	1 543 317

Non-Executive Directors' remuneration

Payment of non-executive remuneration for the reporting period was as approved at the 2025 AGM.

The fixed fee per annum for Non-Executive Directors for the 2026 financial year are proposed as follows:

Designation	Fixed fee per annum 31 December 2026 R
Chairperson	880 590
Deputy Vice Chairperson	447 053
Non-Executive Director	258 307
Chairperson of the Audit Committee	387 458
Member of the Audit Committee	83 711
Chairperson of the Remuneration Committee	119 139
Member of the Remuneration Committee	83 711
Chairperson of the Social and Ethic Committee	119 139
Member of the Social and Ethics Committee	83 711
Chairpersons of special committees	R5 023/hour
Members of special committees	R3 015/hour

Non-binding advisory vote

Shareholders are requested to cast a non-binding advisory vote on the remuneration implementation plan contained in this report.

Approval

This remuneration report was approved by the Board of SOH.

Corporate Governance Report

Overview

SOH recognises that it has a fiscal and fiduciary responsibility to adhere to all relevant laws, regulations and guidelines in the territories in which it operates. The Board, the executive and management are responsible for constantly monitoring compliance with laws, regulations and internationally accepted governance practices, as well as for ensuring that a robust framework is in place to provide for effective implementation and monitoring.

The Group therefore constantly strives to entrench a culture of good governance and responsible corporate citizenship. This is to ensure that all decisions are taken in an ethical, fair and transparent manner that supports accountability to the law and all of the Group's stakeholders.

A detailed summary of how the Group adheres to the guidelines outlined in King IV™, the Companies Act, the JSE Listings Requirements and all other legal and regulatory requirements is available on our web site.

Changes to the Board

There were some changes to the Board during the reporting period. Mr KH Pon resigned as Chairperson on 19 March 2025 and was replaced by Mr J van Rensburg on the same day.

Mr HL Li resigned as Deputy Vice Chairperson and Independent Non-Executive Director on 14 May 2025 and N Lalla was appointed Lead Independent Non-Executive Director on 17 April 2025.

Mr M Hohman joined the Board as a Non-Executive Director on 10 March 2025.

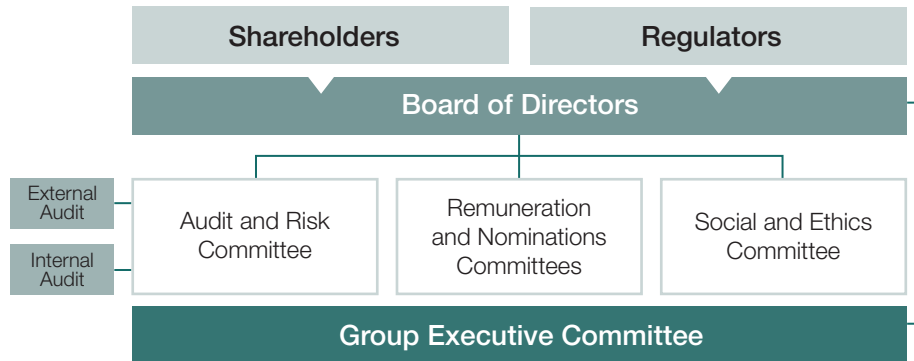
Role of the Board

The role of the Board is to establish, review and monitor the implementation of strategic objectives, approve major asset disposals and capital expenditure, and oversee the Group's systems of internal controls, governance and risk management.

Management information is supplied to the Board timeously so that it can fulfil its duties and carry out its responsibilities appropriately and correctly. This includes financial and non-financial information, which enables the Board to consider both quantitative and qualitative performance. The Board also has unrestricted access to all of the Group's information, records, documents and property. Non-Executive Directors have access to management without the need to have an Executive Director in attendance.

The daily management of the Group's affairs is delegated to the CEO, who co-ordinates and oversees the implementation of Board policies through the Executive Committee. Full and effective control over all Group operations is nevertheless maintained by the Board at all times.

Governance structure



Board and committees of the Board

BOARD OF DIRECTORS

J van Rensburg (Chairperson):
Non-Executive Director
(appointed Chairperson 19 March 2025)

KH Pon: (Chairperson):
Independent Non-Executive Director
(resigned 19 March 2025)

HL Li (Deputy Vice Chairperson):
Independent Non-Executive Director
(resigned 14 May 2025)

N Lalla:
Lead Independent Non-Executive Director

JH Yeh:
Independent Non-Executive Director

LL Chen:
Non-Executive Director

M Hohman:
Non-Executive Director
(appointed 10 March 2025)

SN Yeh:
Alternative to LL Chen

A Smith (CEO):
Executive Director

WP Basson (CFO):
Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

N Lalla (Chairperson):
Independent Non-Executive Director

JH Yeh:
Independent Non-Executive Director

J van Rensburg:
Non-Executive Director
(appointed 17 April 2025)

KH Pon:
Independent Non-Executive Director
(resigned 19 March 2025)

REMUNERATION COMMITTEE

JH Yeh (Chairperson):
Independent Non-Executive Director

N Lalla:
Independent Non-Executive Director
(appointed 21 May 2025)

J van Rensburg:
Non-Executive Director

KH Pon:
Independent Non-Executive Director
(resigned 19 March 2025)

NOMINATIONS COMMITTEE

JH Yeh:
Independent Non-Executive Director

J van Rensburg:
Non-Executive Director

LL Chen:
Non-Executive Director

KH Pon:
Independent Non-Executive Director
(resigned 19 March 2025)

SOCIAL AND ETHICS COMMITTEE

N Lalla (Chairperson):
Independent Non-Executive Director

J van Rensburg:
Non-Executive Director
(appointed 17 April 2025)

A Smith:
Executive Director and CEO

JH Yeh:
Independent Non-Executive Director
(appointed 21 May 2025)

KH Pon:
Independent Non-Executive Director
(resigned 19 March 2025)

Board Charter

The responsibilities of the Board are fully outlined in a formal Board Charter (Charter). The Charter sets out the powers of the Board and provides a clear definition of the responsibilities and accountability of Board members, both collectively and individually.

The Charter is reviewed from time to time and is evaluated in line with any changes in legislation and governance guidelines. It does not provide for a maximum number of Board members, but does mandate that the Board continuously evaluate itself in order to ensure it is capable of fulfilling its duties and responsibilities.

Corporate responsibility

All decisions related to material matters are approved by the Board. These include, but are not limited to, decisions regarding the allocation of the capital resources needed to optimise the return on shareholders' investment. They also include the authorisation of procurements, capital expenditure, property transactions, borrowings and investments (other than where pre-approved materiality levels, which have been identified by the Board, have been granted to management).

Composition of the Board

The Board is made up of seven Directors, with two being Executive Directors, two being Independent Non-Executive Directors and the remaining three being Non-Executive Directors. There is also one alternate Director.

Members of the Board are required to uphold the highest ethical standards and the Board takes all appropriate measures to ensure that its members abide by these standards. It values the Group's standing as a good corporate citizen and makes every effort to preserve this standing.

The Board holds final responsibility for monitoring and reporting on the effectiveness of the Group's system of internal controls. It is assisted by the Audit and Risk Management Committee in discharging this responsibility.

Appointment procedure

Members of the Board are appointed by the Group's shareholders although the Board also has the authority to appoint Directors in order to fill any vacancy that may arise from time to time. Appointments, which are a matter for the Board as a whole, are made according to a formal and transparent process defined by Board policy and are subject to ratification by shareholders at the next AGM.

The Group's MOI does, however, allow the Board to remove any Director by giving written notice signed by the majority of the Directors. This process does not require shareholder approval.

While members of the Board are appointed based on their skills, experience and level of contribution to the activities of the Group, diversity considerations are taken into account. The Board recognises that, being a South African-based company, it is important for South Ocean Holdings to consider the racial and gender diversity of the Directors and it has set targets to ensure appropriate representation by black and female Directors on the Board. These targets are reviewed from time to time to ensure consistently diverse representation.

Non-Executive Directors

Non-Executive Directors do not have fixed terms of appointment but are required to retire by rotation and are eligible for re-election by shareholders at AGM.

All of the Directors retire at the first AGM after their initial appointment and a third of the Directors, namely those who have been in office the longest, retire annually. They are eligible for re-election at the same meeting.

Non-Executive Directors are not involved in the day-to-day operations of the Group, but contribute to the deliberations and decisions of the Board. They have a fiduciary responsibility to represent the best interests of both the Group and its shareholders and have the skills and experience necessary to exercise judgement in areas such as strategy, performance, transformation, diversity and employment equity.

Mr KH Pon, who served as Chairperson until 19 March 2025, had been an Independent Non-Executive Director for over a decade by the time of his resignation. In accordance with King IV™, the Board had considered his independence and that of his fellow Non-Executive Director, Mr KL Li who served as an Independent Non-Executive Director until 14 May 2025 and were of the view that both were able to exercise objective judgement on all matters. The Board was also of the view that there was no interest, position, association or relationship which, when judged from the perspective of a reasonable and informed third party, was likely to influence unduly or cause bias in their decision-making.

On Mr Pon's resignation, the Board appointed Mr Johannes van Rensburg, who was already serving as a Non-Executive Director, to the position of Chairperson. On Mr Li's resignation, the Board appointed Ms Lalla as Lead Independent Non-Executive Director. Ms Lalla was already serving as an Independent Non-Executive Director.

Executive Directors

Executive Directors are permanent employees of the Group and are subject to a notice period of between one and three months, depending on the terms of their contracts. The CEO and CFO are both Executive Directors and are responsible for the daily operations of the Group.

Role of the Chairperson

The role of the Chairperson is separate to that of the CEO. It is his or her responsibility to set an ethical tone for the Board and to ensure that the Board operates efficiently and in a focused way as a unit.

The Chairperson is also responsible for the leadership of the Board as outlined in King IV™, including for presiding over meetings and for ensuring the integrity and effectiveness of the Board's processes. He must ensure that no single Director dominates Board meetings or discussions relating to the Group's business, that all relevant matters are discussed, that the opinions of all Directors are solicited and freely expressed, and that discussions lead to appropriate decisions.

The role of the Chairperson is defined in the Board Charter and his or her ability to deliver on this role and add value to the Group is assessed annually by the Board. The Chairperson is subject to re-election annually. When appointing a candidate to this position, the Board considers the number of other positions of this nature held by the candidate and ensures that there is a formal succession plan in place.

Role of the CEO

Mr Andre Smith is the Group's CEO. He is responsible for the operational management of the Group and his responsibilities include, among others:

- developing and recommending to the Board a vision and long-term strategy for the Group that will secure its sustainability and deliver value for all stakeholders;
- developing and recommending to the Board annual business plans and budgets that support the long-term strategy;

- managing the affairs of the Group in accordance with its values and objectives; and
- managing the affairs of the Group in accordance with the general policies and specific decisions of the Board.

The CEO chairs and facilitates all Executive Committee meetings. He is not a member of the Audit and Risk Management Committee or the Remuneration Committee but attends the meetings of these committees by invitation.

Role of the Company Secretary

Mr WT Green is the Company Secretary and it is his responsibility to provide the members of the Board with the legal, ethical and practical guidance needed to assist them in fulfilling their joint and individual mandates. The Board has considered and is satisfied with his qualifications, competence and expertise.

The Company Secretary, who is accountable directly to the Board, is responsible for:

- ensuring that Board procedures are followed and reviewed regularly;
- ensuring that the rules and regulations that govern the conduct and processes of the Board are complied with;
- maintaining and submitting statutory records in accordance with legal requirements;
- guiding the Board as to how its responsibilities should be properly discharged;
- keeping abreast of and informing the Board of current and new developments regarding corporate governance practice; and
- ensuring compliance with all legal and regulatory requirements, including the JSE Listings Requirements.

All Directors have access to the advice and the services of the Company Secretary and, in appropriate circumstances, are entitled and authorised, at the Group's expense, to obtain independent professional advice concerning the affairs of the Group.

The Company Secretary is not a Director of the Group and the Board is satisfied that he is independent and maintains an appropriate arm's-length relationship with the Board. The appointment and removal of the Company Secretary is a matter for the consideration of the entire Board.

Evaluation of Board performance

A questionnaire-based evaluation is undertaken annually by the Directors. This provides for assessment of the performance of the Board, the Chairperson, the CEO, the CFO, individual Directors and the members of all the committees of the Board.

The Chairperson discusses the results of these reviews with the Board and he, in turn, receives feedback on his performance from the members of the Board.

Responses from the 2025 evaluation process indicate that the Board is well balanced, that its size and composition are adequate for the effective management of the Group, and that the members have the relevant knowledge required to fulfil the leadership role required of them. The Directors are of the opinion that Board meetings are well organised and efficiently run, and that all relevant aspects of the Group's businesses are dealt with thoroughly by the Board and its various committees.

Succession planning

The Nominations Committee evaluates the pool of skills, knowledge and experience of the Board members and identifies the capabilities required for individual Board appointments. The committee also makes recommendations for appointments to the Board, including recommendations for appointments to the committees of the Board.

Appointments to the Audit and Risk Management Committee, Social and Ethics Committee and to the Board are subject to shareholders' approval. A succession plan for the Chairperson and CEO is in place.

Meetings

Board meetings are held quarterly or more frequently, if required. Directors are provided with all necessary information in advance in order to enable them to discharge their duties. Any Director may request additional matters be added to the agenda. Proceedings at Board meetings are properly recorded and minutes are circulated to all Board members for review prior to being approved. In addition to this, executive and Non-Executive Directors meet formally on a regular basis.

A minimum of four Board meetings are scheduled per financial year and additional meetings may be convened if and when necessary. Four Board meetings were held in 2025 and attendance was as follows:

Director	Attendance of meetings in 2025			
	19 Mar	21 May	18 Aug	19 Nov
KH Pon (resigned 19 March 2025)	✓			
HL Li (resigned 14 May 2025)	✓	✓		
N Lalla	✓	✓	✓	✓
JH Yeh	✓	✓	✓	✓
LL Chen	✓	✓	✓	✓
J van Rensburg	✓	✓	✓	✓
MM Hohman (appointed 10 March 2025)	✓	✓	✓	✓
SN Yeh	△	△	△	△
A Smith	✓	✓	✓	✓
WP Basson	✓	✓	✓	✓

✓ Present or via Microsoft Teams

△ Not Present (alternate Director)

Directors' remuneration

The Board has delegated the responsibility for dealing with all matters related to the remuneration of Directors to the Remuneration Committee. The committee is made up of two Independent Non-Executive Directors and one Non-Executive Director. Its role is to ensure that Directors are fairly and responsibly remunerated within a market-related framework.

Remuneration of Non-Executive Directors

Non-Executive Directors receive an annual fee for their service on the Board. This consists of a baseline fee and, where applicable, an additional fee for serving on one or more of the *ad hoc* committees of the Board.

Proposed fees for Non-Executive Directors in 2025 were submitted to shareholders in advance of the AGM and were subsequently approved.

Remuneration of Executive Directors

Executive Directors receive a remuneration package that consists of a baseline salary, a performance-related incentive bonus, retirement contributions, medical scheme membership and participation in both the short-term and long-term incentive schemes. Full details of executive remuneration are given in the Remuneration Report.

Committees of the Board

Certain Board responsibilities have been formally delegated to the committees of the Board, which have clearly defined terms of reference and functions. The committees are appropriately constituted with due regard to the skills required by each committee.

The committees of the Board operate in a fully transparent manner and are tasked with reporting back to the Board on all of their activities and decisions. Each committee is subject to regular evaluation by the Board in order to assess its performance and effectiveness. All of the committees are free to seek independent professional advice as and when necessary in order to fulfil their mandates. With the exception of the Executive Committee, which is chaired by the CEO, all other committees are chaired by an Independent Non-Executive Director.

The charters of the Board committees are reviewed on an ongoing basis to ensure that the duties, skills and responsibilities of the members are aligned with best-practice corporate governance guidelines.

Audit and Risk Management Committee

The Audit and Risk Management Committee is a statutory committee constituted to comply with the Companies Act and the guidelines set out in King IV™. The members of the committee are elected annually by the shareholders at the AGM.

Composition

In compliance with the requirements of King IV™, the Audit and Risk Management Committee consists of two Independent Non-Executive Directors and one Non-Executive Director. The committee operates under mandate from the Board in compliance with written terms of reference as to its membership, authority and duties.

Responsibility

The Audit and Risk Management Committee's primary responsibility is to review the interim and annual financial statements, monitor the appropriateness of accounting policies, secure the effectiveness of the internal systems of control, and consider the findings of the internal and external audits.

Further responsibilities include:

- regular reviews of the Group's financial reporting standards and processes to ensure that they are compliant with all appropriate laws, guidelines and requirements;
- regular reviews of the Group's compliance with all other laws and regulations;
- regular reviews of the Group's risk management strategy and the systems in place to identify, control and manage risk;
- regular reviews of asset management processes;
- regular reviews of the expertise, experience and performance of the Group's CFO; and
- the appointment and oversight of both the internal and external auditors.

Appointment of the Independent Auditor

The Audit and Risk Management Committee was responsible for assessing, approving and appointing the Group's external auditor, BDO South Africa Inc. (BDO), for the 2025 financial year, as well as for assessing and approving the firm's fees for the period.

As part of this process, the committee:

- assessed potential threats to the firm's auditing practice by any non-audit work that it undertakes;
- determined that neither the firm nor the engagement partner or any of the firm's staff hold shares in SOH;

- determined that the partners and staff responsible for the Group's audit comply with all legal and professional requirements, specifically with regard to rotation and independence; and
- assessed a range of other factors that could potentially impact on the firm's independence and impartiality.

The committee was satisfied with the independence, expertise and objectivity of BDO, which is accredited in terms of the JSE Listings Requirements. The annual appointment or re-appointment of the external auditor is subject to the approval of the shareholders at the AGM.

The external auditor has unrestricted access to the Group's Directors, senior managers, staff and all financial and management records. The firm provides a written report to the committee on any significant findings following the annual audit and is able to raise any matters of concern directly with the Group Chairperson.

Internal audit

The Group is responsible for reviewing all of its internal controls, systems and procedures.

As part of its annual assessment of the internal auditor, the committee:

- assessed potential threats to the independence of the internal audit function of each area of non-internal audit work that the firm undertakes;
- assessed whether the firm has appropriate safeguards in place to secure its independence;
- determined that neither the firm nor the engagement partner or any of the firm's staff hold shares in SOH; and
- assessed any other factors that could impact or be considered to impact on the firm's independence.

The Audit and Risk Management Committee is satisfied with the knowledge, expertise and objectivity of GRIPP Advisory, which was the internal auditor for the Group in 2025. The committee is also satisfied that the internal controls in place at South Ocean Holdings are adequate to safeguard the Group's assets, prevent and detect errors and fraud, ensure the accuracy and completeness of accounting records, and guarantee the integrity of the Group's annual financial statements.

The internal auditor reports to the Audit and Risk Management Committee and has unrestricted access to the CEO and the Chairperson of the Audit and Risk Management Committee. The internal audit programme, which runs in two-year cycles, is approved by the Audit and Risk Management Committee.

Internal financial controls

The committee assessed the information and explanations given by management and the internal auditor regarding the audit of the annual financial statements. No material matters came to the attention of the committee or the Board that may have caused the Directors to believe that the Company's system of internal controls and risk management is not effective or that the internal financial controls do not form a sound basis for the preparation of reliable annual financial statements.

Evaluation of the CFO and the finance function

The Audit and Risk Management Committee is satisfied that the expertise and experience of the CFO was appropriate to meet the responsibilities of the position during the reporting period. This assessment is based on his qualifications, level of experience, continuing professional education and the Board's assessment of his financial knowledge.

The Audit and Risk Management Committee is further satisfied as to the appropriateness, expertise and adequacy of the resources of the finance function and the experience of the senior managers responsible for the finance function.

Risk management

Risk management is the responsibility of the Audit and Risk Management Committee. The development, implementation and maintenance of strategies to minimise risk to the Group is designed to support the Group's strategic, operational, reporting and compliance objectives, as well as to ensure sustainable value for shareholders.

In the area of risk management, the Audit and Risk Management Committee is responsible for:

- reviewing, on behalf of the Board, the effectiveness and integrity of the Group's risk management systems, processes, procedures and controls;
- reviewing the Group's approach to risk management and the effectiveness of its systems and processes;
- reviewing reports from the compliance officer on the adequacy and effectiveness of risk management systems and procedures;
- ensuring that disclosure regarding risk is comprehensive, timely and relevant; and
- reviewing reports from management and the internal auditors on the effectiveness and integrity of the Group's risk management systems and procedures.

Risk management is a dynamic process and the Group accepts its responsibility to:

- consistently recommend policies, systems, processes and procedures to manage risk;
- create a culture of risk awareness and ownership or risk mitigation through communication and education;
- clarify the roles, responsibilities and accountability of all staff responsible for the identification, assessment, management, monitoring and reporting of all financial and non-financial risks;
- maintain a robust and measurable approach to risk identification and assessment;
- assist management to identify, assess, manage, monitor and report effectively on risks to the business;
- establish a process that requires all material changes to the business to be subject to adequate risk assessment and due diligence prior to commencement; and
- ensure that an independent, effective, comprehensive and ongoing assessment of risks to the business is provided by the Internal Audit function.

Integrated reporting

The Audit and Risk Management Committee oversees the integrated reporting process and, in particular:

- reviews the annual financial statements, interim report, preliminary results announcement and summarised integrated information;
- ensures compliance with international financial reporting standards;
- considers the frequency of interim reports and decides on whether interim results should be assured;
- reviews and approves the appropriateness of accounting policies, disclosure policies and the effectiveness of internal financial controls;
- provides oversight over the Group's integrated reporting process and considers factors and risks that could impact on the integrity of the Integrated Annual Report;
- reviews the disclosure regarding sustainability in the Integrated Annual Report and ensures it does not conflict with financial information;

- considers external assurance of material sustainability issues; and
- approves and recommends the Integrated Annual Report for approval by the Board.

The Integrated Annual Report for the year ended 31 December 2025 was approved by the Board.

Meetings

The Audit and Risk Management Committee meets at least four times a year and Non-Executive Directors who are not members of the committee are invited to attend. Executive management, the internal auditors, the external auditors and the Group's ICT service providers are also invited to attend.

Both internal and external auditors have unrestricted access to the Audit and Risk Management Committee and its Chairperson, which ensures the independence and impartiality of their audit.

The Audit and Risk Management Committee met four times during the course of the year and attendance at the meetings was as follows:

Director	Attendance of meetings in 2025			
	19 Mar	21 May	18 Aug	19 Nov
N Lalla	✓	✓	✓	✓
KH Pon (resigned 19 March 2025)	✓			
JH Yeh	✓	✓	✓	✓
J van Rensburg (appointed 17 April 2025)		✓	✓	✓

✓ Present or via Microsoft Teams

Executive Committee

Composition

The Executive Committee is made up of the CEO, the CFO SOEW's Designate General Manager: Operations, External Sales Manager, Key Accounts Manager, General Manager: Financial, Senior Human Capital Manager and Training and Development Manager. The committee refers all matters related to policy and strategy to the Board.

Responsibility

The Executive Committee is responsible for:

- developing and implementing the Group's policies and strategies;
- monitoring the business and affairs of the Group;
- prioritising the allocation of capital, technical and human resources;
- establishing best-practice management procedures and functional standards of the Group;
- appointing and monitoring the performance of senior managers;
- ensuring that regular, detailed reports on the Group's activities and performance, as measured against strategies and operational plans, are received and submitted to the Board;
- ensuring that regular, detailed reports on the Group's financial performance and forecasts against budgets are received and submitted to the Board; and
- reviewing and monitoring the Company's system of internal controls and risk management.

Meetings

The members of the Executive Committee attend the monthly Management Committee meeting of the subsidiary, except during the month of December. The purpose of attending these meetings is to plan, review and manage the day-to-day activities of the Group.

Remuneration Committee

Composition

The Remuneration Committee is made up of three members, two of whom are Independent Non-Executive Directors and one of whom is a Non-Executive Director. The Committee is responsible for ensuring that the Group's Directors and senior managers are fairly remunerated.

Responsibility

It is the responsibility of the Remuneration Committee to advise the Board on all remuneration-related matters. The committee is responsible for determining fair and market-related remuneration packages for Directors and senior managers as well as for monitoring their performance.

During the course of the year, the committee reviewed all of the Group's remuneration policies to ensure that these are aligned with Group strategy and are linked to individual performance.

The Remuneration Committee's responsibilities include:

- developing a remuneration policy that will support the achievement of the Group's strategic objectives and encourage individual performance;
- advising on the remuneration of Non-Executive Directors;
- determining and administering remuneration at senior management level;
- ensuring that the mix of fixed and variable pay – in cash, short-term and long-term incentives, and other elements – meets the Group's needs and strategic objectives;
- considering the evaluation of the performance of the CEO and the CFO, both as Directors and as executives responsible for determining remuneration;
- reviewing incentive schemes to ensure that these continue to contribute to shareholder value and are administered in terms of established rules; and
- reviewing the outcomes of the implementation of the remuneration policy to determine whether its objectives are being achieved.

Remuneration to Directors and senior managers comprises:

- A total-cost-to-company package based on position, qualifications and experience, which is divided into:
 - fixed and guaranteed monthly remuneration and employee benefits calculated as a percentage of the total-cost-to-company package; and
 - a performance bonus equal to the balance of the total cost-to-company package and payable annually after performance assessments have been completed.
- Short-term incentives, which are intended to motivate executives and senior managers to maximise short-term results and which are paid annually if pre-determined financial targets have been met.
- Long-term incentives, which are measured in relation to the year-on-year Rand value movement of the Group's NAV plus declared dividends and/or extraordinary equity items in the same period, are designed to retain executives and managers. They are managed as follows:
 - annual allocations are made for key staff to ensure retention;
 - these are payable three years after the allocation has been made; and
 - the allocation is paid in cash after the specified period.

Meetings

The Remuneration Committee met twice during the course of the year and attendance at the meetings was as follows:

Director	Attendance of meetings in 2025	
	19 Mar	19 Nov
JH Yeh	✓	✓
KH Pon (resigned 19 March 2025)	✓	
N Lalla (appointed 21 May 2025)		✓
J van Rensburg	✓	✓

✓ Present in person or via Microsoft Teams

Nominations Committee

Composition

The Nominations Committee consists of two Independent Non-Executive Directors and one Non-Executive Director and, like all of the other committees, operates under mandate from the Board. It meets whenever there is a vacancy on the Board or at executive level as well as to discuss Director development.

Responsibilities

The Nominations Committee is responsible for finding suitable candidates for any vacancies on the Board. The committee makes use of employment agencies to find suitable candidates, who are short-listed and interviewed. It then recommends the most qualified and experienced candidates for the position.

The Board has established the Nominations Committee to:

- ensure that there is a formal process for the appointment of Directors, which includes processes to:
 - identify suitable individuals for the vacant positions;
 - undertake reference and background checks of the candidates prior to nomination; and
 - formalise the appointment of Directors through an agreement between the Group and the Director;
- oversee the development of a formal induction programme for new Directors;
- ensure that inexperienced Directors are developed through a mentorship programme;
- oversee the development and implementation of continuing professional development programmes for Directors;
- ensure that Directors receive regular briefings on changes in risks, laws and the Group's operating environment;
- consider the performance of Directors and take steps to remove Directors who do not make an appropriate contribution to the activities of the Board;
- ensure that formal succession plans are in place for the Board, CEO, CFO and senior management; and
- ensure that these plans are properly implemented as and when necessary.

Gender diversity policy

The Nominations Committee is also responsible for considering all aspects of diversity on the Board, including race, disability, culture, age and gender diversity.

The Nominations Committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period.

Meetings

The committee did not meet during the course of the year.

Social and Ethics Committee

Composition

The Social and Ethics Committee is made up of two Independent Non-Executive Directors, one Non-Executive Director and the CEO. It operates within the framework of the Social and Ethics Committee Charter.

Responsibilities

The committee's role is to:

- monitor the Group's activities with regard to any relevant legislation of other legal requirements relating to socio-economic development; and
- monitor the Group's performance in relation to the United Nations Global Compact Principles.

Employment equity

The Group is an equal opportunity employer and will not tolerate discrimination on the basis of ethnicity, gender or belief. A number of programmes are in place to ensure that the Group's employee profile will progressively become more representative of the country's demographics while still maintaining the Group's high standards.

Code of Conduct and Ethics

Every employee at SOH is required to subscribe to the formal Code of Conduct and Ethics (the Code), which stipulates the Group's commitment to the highest standards of corporate governance and compliance with the laws of South Africa.

The Code sets out the standards of integrity and ethics that guide the Group's dealings with suppliers, customers, business partners, stakeholders, government and society in general. It requires that all employees act with fairness, dignity and respect to secure the Group's business reputation and a working environment that is free from harassment and discrimination.

In line with the Code, the Group recruits and promotes employees on the basis of their suitability for the requirements of each position without any discrimination on the basis of race, religion, national origin, gender, age, marital status, sexual orientation or disability unrelated to the task at hand.

Employees have been educated about the responsibility of reporting any actual, perceived or potential violation of the Code to management. Management bears the overall responsibility of monitoring compliance with the Code. The Group takes the Code very seriously and, where appropriate, employs disciplinary procedures and/or legal proceedings to address any transgressions.

Fraud, bribery, corruption and illegal acts

The Group does not condone any form of bribery, corruption or any other illegal acts in the conduct of its business. Employees are also discouraged from accepting any gifts or favours from suppliers that obligate them in any way to reciprocate. The Group's policy is to actively pursue and prosecute the perpetrators of any fraudulent or other illegal activities should they become aware of any such acts.

Corporate social investment

The Group invests in the communities in which it operates through job creation, donations, and educational and cultural contributions. The Social and Ethics Committee is responsible for the Group's activities in these areas.

Protection for whistle-blowers

In accordance with the provisions of the Protected Disclosures Act (No. 26 of 2000), management will ensure that no employee who has made a protected disclosure shall be subject to any occupational detriment and shall be afforded anonymity without fear of consequential victimisation. The Group has an independent hotline and reports are sent to the CEO, CFO and Chairperson of the Audit and Risk Management Committee.

Preferential procurement

In terms of B-BBEE spending requirements, the Group seeks to secure products and services from black-owned and black women-owned enterprises as far as it is commercially viable.

Worker participation

SOH employs a variety of participative structures to deal with issues that affect employees directly and indirectly.

These include collective bargaining mechanisms and regular shop steward and trade union meetings. They also include equity skills and development meetings, structures to drive productivity improvements, safety committees and other participative forums. These structures are designed to achieve good employer and employee relations through effective sharing of relevant information, consultation and the identification and resolution of conflict.

Meetings

The committee met twice during the course of the year and attendance at the meetings was as follows:

Director	Attendance of meetings in 2025	
	19 Mar	18 Aug
N Lalla	✓	✓
KH Pon (resigned 19 March 2025)	✓	
A Smith	✓	✓
J van Rensburg (appointed 17 April 2025)		✓
JH Yeh (appointed 21 May 2025)		✓

✓ Present or via Microsoft Teams

Other corporate governance matters

Governance of IT systems

IT systems have a vital role to play in the implementation of the Group's strategy. The Audit and Risk Management Committee has therefore adopted an IT governance charter and formed an IT steering committee to fulfil the mandate outlined in the charter. Reports on the effectiveness of the Group's IT systems are submitted to the Audit and Risk Management Committee in all regular meetings.

The IT Steering Committee ensures that the Group's strategy is aligned with its business objectives and oversees the implementation of its IT strategy. The committee meets monthly, comprises representatives from the Group, and is chaired by the account manager of Numata, the Group's IT service provider.

The Audit and Risk Management Committee is provided with reports detailing the functionality of the Group's IT systems, IT governance and IT investments. The committee also ensures that proper security controls, backup procedures and access controls are in place in the management of its information technology and associated data.

Disaster recovery plans are in place for any unforeseen circumstances to ensure minimum disruption to operations as any interruption in the Group's information technology systems can have a material impact on the business.

Dealing in Company securities

Directors are required to disclose their shareholdings and any dealings in shares of the Group to the Chairperson, CEO and Company Secretary who, together with the Group's sponsor, ensure that any such dealings are published on SENS in compliance with the JSE Listings Requirements.

In addition, all Directors, including the Company Secretary, are prohibited from dealing in the shares of the Group during prohibited periods or at any time when they are in possession of unpublished price-sensitive information in relation to those shares. The consent of the Chairperson is required before any Director or member of senior management, including the Company Secretary, can deal in the Group's shares.

Interest in contracts

Directors are required to inform the Board timeously of conflicts of interest or potential conflicts of interest they may have in relation to SOH. Directors are obliged to recuse themselves from discussions or decisions on matters in which they have a conflict of interest.

Relationships with stakeholders and investors

The Group actively promotes communication with shareholders, business analysts, business advisers and all other stakeholders. These include timeous, accurate, relevant and accessible announcements and circulars to shareholders in accordance with the JSE Listings Requirements. All shareholders are encouraged to attend the AGM and to ask questions about the Group, its results and prospects. The Group also encourages stakeholders to approach Executive Directors whenever they wish.

The Group further subscribes to the principle of fair communication and disclosure. In accordance with this, there are ongoing interactions between the executive management team and a wide range of institutional investors, analysts and potential investors during the non-closed periods. These interactions include one-on-one meetings with the investor community.

Interim and final results are published in one English newspaper, on the Group's website and on SENS. The Group also undertakes regular engagement with the media in order to promote clear and transparent communications.

Going concern status

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. These are based on the assumption that funds will be available to finance future operations and that the realisation of assets and the settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Board has assessed the Group's status as a going concern and is satisfied that it has adequate resources to continue operating for the next 12 months as well as into the foreseeable future.



Consolidated Annual Financial Statements

Consolidated Annual Financial Statements

for the year ended 31 December 2025

The reports and statements set out below comprise the Financial Statements presented to the shareholders:

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Level of assurance

These Financial Statements have been audited in compliance with the applicable requirements of the Companies Act, No. 71 of 2008 of South Africa.

Preparer



The Annual Financial Statements were internally compiled by:

WP Basson CA(SA)
Group Chief Financial Officer

Issued

18 March 2026

Audit and Risk Management Committee Report

for the year ended 31 December 2025

The Audit and Risk Management Committee is pleased to present its report for the year ended 31 December 2025.

The Audit and Risk Management Committee is a statutory committee of the Board and forms an integral component of the Group's governance framework. The Audit and Risk Management Committee has written terms of reference that deal with its membership, authority and duties. In addition to having specific statutory responsibilities to the Shareholders in terms of Section 94 of the Companies Act No. 71 of 2008 of South Africa, the Audit and Risk Management Committee assists the Board by examining, reviewing and advising on the reliability and accuracy of the financial information provided by management, as well as that provided for dissemination to other users of financial information; the risk management process; internal financial controls; external and internal audit functions; and statutory and regulatory compliance.

The Audit and Risk Management Committee has an independent role with accountability to both the Board and Shareholders.

1. Composition

The members of the Audit and Risk Management Committee, during the year were: Ms N Lalla CA(SA) (Independent Non-Executive Chairperson), Mr J van Rensburg (Non-Executive Director) who is also the Chairperson of the Board, and Mr JH Yeh (Independent Non-Executive Director). Mr J van Rensburg replaced Mr KH Pon with effect 19 March 2025 as a member of the Audit and Risk Management Committee.

The committee is satisfied that the members have the required knowledge, experience and expertise as set out in Section 94(5) of the Companies Act No. 71 of 2008 of South Africa and Regulation No. 42 of the Companies Regulation, 2011.

All the members have the required financial and commercial skills and experience to contribute to the Committee's deliberations. The Board is satisfied that the Audit and Risk Management Committee members act independently.

2. Terms of reference

The Audit and Risk Management Committee functions within the scope provided by approved terms of reference which were reviewed and updated during the year. The Audit and Risk Management Committee has acted upon its statutory duties and functions during the year. The Board has assessed and is satisfied with the performance of the Audit and Risk Management Committee and its members and found it to be functioning effectively.

3. Meetings

The Audit and Risk Management Committee performs the duties laid upon it by Section 94(7) of the Companies Act No. 71 of 2008 of South Africa by holding meetings with the key role players on a regular basis and by the unrestricted access granted to all stakeholders.

The Audit and Risk Management Committee held four scheduled meetings during 2025 and all the members attended the committee meetings.

The Group CEO, Group CFO and all other Board members who are not Audit and Risk Management Committee members and representatives from the external and internal auditors attend the Audit and Risk Management Committee meetings by invitation.

4. Duties

For the year ended 31 December 2025 the Audit and Risk Management Committee met their objectives and carried out their duties as per the statutory requirements.

5. External auditor

The Audit and Risk Management Committee has recommended the re-appointment of BDO South Africa Inc. as the independent auditors and Ms S Kock as the designated auditor, who is a registered independent auditor, for the year ended 31 December 2025 audit. The appointment of the auditors for the 2026 financial year will be approved at the next AGM.

The committee satisfied itself through enquiry and receiving a written independence declaration through the Audit and Risk Management Committee document that the external auditors are independent as defined in the Companies Act No. 71 of 2008 of South Africa and as per the standards stipulated by the auditing profession. Requisite assurance was sought that internal governance processes within BDO South Africa Inc. support and demonstrate the claim to independence.

The Audit and Risk Management Committee, in consultation with executive management, agreed to the terms of the engagement. The audit fee for the external audit has been considered and approved taking into consideration such factors as the timing of the audit, the extent of the work required and the scope.

The Audit and Risk Management Committee considers and pre-approves the fees relative thereto to ensure the independence of the external auditors is maintained. All non-audit services provided by the external auditors are pre-approved by the Audit and Risk Management Committee prior to the work commencing. No non-audit services were provided during the year under review.

At the end of each meeting during the year, the Audit and Risk Management Committee provided an opportunity to meet with the external auditors where management was not present, during which no matter of concern was raised by the auditors in compliance with Section 5.7(h)(iii) of the Listings Requirements.

The Audit and Risk Management Committee reviewed the external auditor's reports and management responses to matters raised.

The Audit and Risk Management Committee has evaluated and is satisfied with the competence, quality and effectiveness of the external auditors.

The Audit and Risk Management Committee has satisfied itself through representation that the external auditors are independent and approved the following fees for work done by them. The fees approved during the year for audit services amounted to R3 015 000 (2024: R3 200 000). Fees approved for non-audit services amounted to Rnil (2024: Rnil).

Audit and Risk Management Committee Report (continued)

for the year ended 31 December 2025

6. Annual Financial Statements and internal controls

The Audit and Risk Management Committee has:

Reviewed the Annual Financial Statements for the year ended 31 December 2025 and commented on the accounting policies and the effectiveness of the internal controls with regards to:

- the appropriateness and consistent application in the adoption of accounting policies and any changes in accounting policies and practices;
- significant financial estimates based on judgement which are included in the Annual Financial Statements;
- the appropriateness of major adjustments processed at the interim and at year-end;
- the going concern assumption;
- compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), Interpretations as issued by the IFRS Interpretations Committee (IFRIC), SA financial reporting requirements, the JSE Listings Requirements and the requirements of the South African Companies Act, No. 71 of 2008 (the Companies Act);
- whether the Annual Financial Statements present a balanced and understandable assessment of the Group statements of financial position, statements of financial performance and cash flow statements; and
- the directors' statement included in the Annual Financial Statements, including the statement on effectiveness of the system of internal control.

Reviewed the content of the summary financial information for whether it provides a balanced view.

Following the review of the Annual Financial Statements, the Audit and Risk Management Committee recommend to the Board the approval thereof.

The Audit and Risk Management Committee will review the integrated report and make recommendations to the Board for approval. The Committee will also comment on the state of the internal control environment in the integrated report once it has been prepared.

7. Internal auditors

The Audit and Risk Management Committee has:

- appointed GRiPP Advisory as the internal auditors for 2026 and 2027;
- satisfied itself with the competence of the internal auditor and adequacy of the internal audit staffing;
- satisfied itself through enquiry that GRiPP Advisory is independent;
- approved the annual risk-based internal audit plan;
- reviewed the internal auditors' assessment of internal controls and confirmed that nothing has come to their attention to indicate any material failure of internal control systems;
- reviewed the internal audit reports and management's response to matters raised;
- reviewed and is satisfied with the quality and effectiveness of the internal audit;
- satisfied itself with the competence of the internal audit firm; and
- satisfied itself with the co-ordination between internal and external auditors.

8. Legal and regulatory compliance

The Audit and Risk Management Committee reports that, to its knowledge, SOH is in compliance with the legislative provisions and JSE Listing Requirements applicable to its operational environment.

9. Review of financial function and Chief Financial Officer

The Audit and Risk Management Committee has reviewed the performance, appropriateness and expertise of the Group CFO and confirms his suitability in terms of the JSE Listing Requirements.

10. Going concern

The Audit and Risk Management Committee has reviewed management's assessment and the key assumptions of the going concern status of the Group. The Audit and Risk Management Committee recommended to the Board, giving due cognisance of the Group's current financial position and cash flows, that the Group is a going concern.

On behalf of the Audit and Risk Management Committee:

N Lalla CA(SA)

Chairperson: Audit and Risk Management Committee

Johannesburg
18 March 2026

Directors' Responsibilities and Approval

for the year ended 31 December 2025

The directors are required in terms of the Companies Act No. 71 of 2008 of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the Annual Financial Statements and related financial information included in this report. It is their responsibility to ensure that the Annual Financial Statements fairly present the state of affairs of the Group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with IFRS Accounting Standards (Accounting Standards). The Group Annual Financial Statements are prepared in accordance with the Accounting Standards and IFRIC Interpretations adopted by the International Accounting Standards Board, and comply with the SA financial reporting standards, the JSE Listings Requirements and the requirements of the Companies Act and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgement and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the Group and place considerable importance on maintaining a strong control environment. 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 to ensure an acceptable level of risk. These controls are monitored throughout the Group and all employees 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 operational 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 directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the Annual Financial Statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

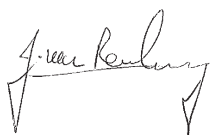
The directors of the company are responsible for the controls over, and the security of the website and, where applicable for establishing and controlling the process for electronically distributing annual reports and other financial information to Shareholders and to the Companies and Intellectual Property Commission (CIPC).

The directors have reviewed the Group's cash flow forecast for the year to 31 December 2026 and, in light of this review and the current financial position, they are satisfied that the Group has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently auditing and reporting on the Group's Financial Statements. The Financial Statements have been examined by the Group's external auditor and their report is presented on pages 62 to 67.

Approval of the Annual Financial Statements

The Directors' Report and Annual Financial Statements set out on pages 58 to 61 and pages 68 to 119, which have been prepared on the going concern basis, were approved by the Board of Directors on 18 March 2026 and were signed on their behalf by:



J Van Rensburg CA(SA)
Non-Executive Director
(Chairperson)

Johannesburg
18 March 2026



A Smith
Executive Director
(Chief Executive Officer)

Johannesburg
18 March 2026

CEO and FD Responsibility Statement

for the year ended 31 December 2025

Annual compliance certificate in terms of form D1 of the JSE Listings Requirements

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

A Smith
WP Basson

- The Annual Financial Statements set out on pages 68 to 119, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of the 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 and Risk Management 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 directors.



A Smith
Executive Director
(Group Chief Executive Officer)

Johannesburg
18 March 2026



WP Basson
Executive Director
(Group Chief Financial Officer)

Johannesburg
18 March 2026

Company Secretary's Certification

for the year ended 31 December 2025

Annual compliance certificate in terms of form D1 of the JSE Listings Requirements

In terms of Section 88(2)(e) of the Companies Act No. 71 of 2008 of South Africa, as amended, I certify that the company has lodged with the Commissioner all such returns as are required of a public company in terms of the Act and that all such returns are true, correct and up to date.



WT Green

Company Secretary

Johannesburg
18 March 2026

Directors' Report

for the year ended 31 December 2025

The directors have pleasure in submitting their report on the Annual Financial Statements of South Ocean Holdings Limited and its subsidiary companies for the year ended 31 December 2025.

1. Nature of business

South Ocean Holdings Limited is the holding Company of four main operating subsidiary companies (Group) being SOEW, Icembu Cables Proprietary Limited (Icembu), electrical wire manufacturing companies, Icembu Services Proprietary Limited, manufacturer of conduit and compounding material, and Anchor Park Investments, a property investment company. It is also the holding Company of Icembu Holdings Proprietary Limited and South Ocean Electric Wire Company Namibia Proprietary Limited, two dormant companies. It has investments in NC Cables (previously known as Consupro) Proprietary Limited, Powerhouse Reman Mozambique, NC Dynamic Desert Energy, Green Energy SOEW Proprietary Limited, Green Energy Projects Proprietary Limited The Electric Owl Proprietary Limited, The Electric Owl KZN Proprietary Limited, Power Cables Trading Proprietary Limited, Lomami SARL and Mwanga Afrika Cables Proprietary Limited which serves as outlets for electrical wire and cable. It also wholly owns SOH Calibre International Limited, a foreign procurement company.

There have been no material changes to the nature of the Group's business from the prior year.

2. Financial results

The Group Annual Financial Statements are prepared in accordance with IFRS Accounting Standards and IFRIC Interpretations adopted by the International Accounting Standards Board, and Comply with the SA financial reporting standards, the JSE Listings Requirements and the requirements of the Companies Act and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgement and estimates.

The financial position, results of operations and cash flows of the Group are adequately reflected in the attached Annual Financial Statements.

The user of the Annual Financial Statements should, in conjunction with this set, view the Company's separate financial statements titled "South Ocean Holdings Limited Annual Financial Statements for the year ended 31 December 2025" separately. This can be found on the Company's website at www.southoceanholdings.co.za.

3. Share capital

Authorised share capital

The authorised share capital amounts to R5 000 000, being 500 000 000 ordinary shares of R0.01 each. There were no changes in the authorised share capital during the year under review.

Issued share capital

The issued share capital value amounts to R1 743 000 (2024: R1 743 000), being 203 276 794 (2024: 203 276 794) ordinary shares issued. There were no changes to the issued share capital during the year under review.

4. Special resolutions

At the AGM of the Company held on 11 August 2025, shareholders approved the following special resolutions:

Special Resolution Number 1:

Non-executive directors' fees for the financial year ended 31 December 2025 and quarters ending 31 March 2026 and 30 June 2026.

Resolved that the fees, to be paid to the non-executive directors for their services as directors of the Company, for the year ended 31 December 2025 and the quarters ending 31 March 2026 and 30 June 2026 (being two quarters of the fees payable for the year ending 31 December 2026) be approved as follows:

Chairperson	R838 657.00
Deputy Vice-Chairperson	R425 765.00
Non-Executive Director	R246 007.00
Chairperson of the Audit Committee	R369 008.00
Member of the Audit Committee	R79 725.00
Chairperson of the Remuneration Committee	R113 466.00
Member of the Remuneration Committee	R79 725.00
Chairperson of the Social and Ethics Committee	R113 466.00
Member of the Social and Ethics Committee	R79 725.00
Chairperson of Special Committees	R4 784.00 per hour
Member of Special Committees	R2 872.00 per hour

Directors' Report (continued)

for the year ended 31 December 2025

The reason for special resolution number 1 is to obtain shareholder approval for the remuneration of each of the Non-Executive Directors' of the Company for the financial year ended 31 December 2025 and for the quarters ending 31 March 2026 and 30 June 2026 in accordance with Section 66(9) of the Companies Act, 2008 and to confirm and ratify the fees payable to the directors for the quarters ended 31 March 2025 and 30 June 2025. The passing of the special resolution will have the effect of approving the remuneration of the Non-Executive Directors of the Company for the financial year ended 31 December 2025 and quarter ending 31 March 2026 and 30 June 2026 as well as confirming and ratifying the increase in fees paid to the Directors for the quarters ended 31 March 2025 and 30 June 2025. The fees payable for the quarters ending 31 March 2026 and 30 June 2026 will be based on a quarters of the fees as approved above. Shareholders will be requested to approve any adjustment to the fees payable for the quarters ending 31 March 2026 and 30 June 2026 at the 2026 AGM.

Special Resolution Number 2:

Loans or other financial assistance

Resolved that the Board of Directors may authorise the Company, in terms of Section 45 of the Companies Act, 2008, to provide any direct or indirect financial assistance that the Board of Directors may deem fit to any related or inter-related companies as defined in terms of Section 2 of the Companies Act, 2008.

The reason and effect of special resolution number 2 is to approve generally the provision of financial assistance to the Company's related or inter-related companies and as, from time to time, may be required in the normal course of the Company's businesses.

5. Borrowing limitations

In terms of the MOI of the Company, the directors may exercise their right to acquire funding as they consider appropriate.

On behalf of the Company, the directors have established credit facilities with financial institutions for use by the Company and its subsidiary companies.

6. Directorate

The directors in office during the year are as follows:

Directors	Designation	Nationality
A Smith	Executive	South African
WP Basson	Executive	South African
KH Pon (resigned 19 March 2025)	Independent Non-executive	South African
HL Li (resigned 14 May 2025)	Independent Non-executive	Taiwanese
N Lalla	Independent Non-executive	South African
JH Yeh	Independent Non-executive	South African
LL Chen	Non-executive	Hong Kong
J van Rensburg	Non-executive	South African
MM Hohman (appointed 10 March 2025)	Non-executive	American
SN Yeh (alternate)	Non-executive	Taiwanese

7. Directors' emoluments

The directors' emoluments are set out in note 28 of the Annual Financial Statements.

Directors' Report (continued)

for the year ended 31 December 2025

8. Dividends

Taking into account the loss performance for the year ended 31 December 2025, no dividend per ordinary share was approved by the directors on 18 March 2026. A dividend of 5.50 cents per share was declared in 2024 and paid in 2025.

9. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the Group had an interest and which significantly affected the business of the Group.

10. Secretary

The Company Secretary is Mr WT Green.

Postal address:	Business address:
PO Box 123738	21 West Street
Alrode	Houghton
1451	2198

11. Directors' interests in shares

The interest of directors in the issued share capital of the Company as at 31 December 2025 was as follows:

Interests in shares

Directors	2025 Indirect	Percentage of issued share capital
J van Rensburg	62 930 067	30.96%

No shares were traded by any Director from 31 December 2025 until the date of this report.

12. Share-based payments

The Group has a long-term incentive plan for identified senior management. Details of the scheme and rights allocated are disclosed in note 12 of the Annual Financial Statements.

13. Management by third and related parties

Neither the business of the Company nor its subsidiaries, nor any part thereof, has been managed by a third person or a company in which a Director had an interest during the year under review.

14. Interests in subsidiaries and associates

Details of material interests in subsidiary companies and investments in associates are presented in the Annual Financial Statements in notes 29 and 35.

15. Auditor

BDO South Africa Inc. continued in office as auditors for the Company and its subsidiaries for the year ended 31 December 2025.

At the AGM, the Shareholders will be requested to reappoint BDO South Africa Inc. as the independent external auditors of the Company and to confirm Ms S Kock as the designated lead audit partner for the 2026 annual financial year.

Directors' Report (continued)

for the year ended 31 December 2025

16. Events after the reporting period

The directors are not aware of any other matters or circumstances arising since the end of the financial year, not otherwise dealt with in the Annual Financial Statements, which would affect the operations of the Group or the results of those operations significantly.

17. Going concern

The Annual Financial Statements have been prepared on the basis of accounting applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

At 31 December 2025, the Group's assets, fairly valued, exceeded its liabilities. Furthermore, management assessed the Group's liquidity forecasts for a period of 12 months from reporting date. Various scenarios have been considered to test the Group's resilience against operational risks and management concluded that the Group is a going concern.

The Group has short-term borrowings to the value of R13.1 million (2024: R19.2 million) as disclosed in note 11 of the Annual Financial Statements. The Group has an overdraft facility with First National Bank available of R450 million (2024: R417 million). The facility is due for renewal during November 2026.

The directors perform a property valuation every three to five years, with the latest independent valuation having been performed in 2025. Management performs its own internal valuation every year. The market valuation at the time and management assessment in the current financial year indicates that the value of the properties are in excess of the carrying value. The properties are stated at historical cost less accumulated depreciation and accumulated losses in line with the Group's accounting policy.

18. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act No. 71 of 2008 of South Africa which indicated that the Group is liquid and solvent.

Independent Auditor's Report



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South Africa

INDEPENDENT AUDITOR'S REPORT **To the Shareholders of** **South Ocean Holdings Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of South Ocean Holdings Limited and its subsidiaries ("the group") set out on pages 68 to 119, which comprise the consolidated statement of financial position as at 31 December 2025; and the consolidated statement of profit or loss and other comprehensive income; the consolidated statement of changes in equity; and the consolidated statement of cash flows for the year then ended; and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of South Ocean Holdings Limited and its subsidiaries as at 31 December 2025, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International

Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the group in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code), as applicable to audits of financial statements of public interest entities, 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.

BDO South Africa Incorporated
Registration number: 1995/002310/21
Practice number: 905526
VAT number: 4910148685

Independent Auditor's Report (continued)

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

Overall materiality	Overall Group materiality is R37 534 000, which represents 1.5% of consolidated revenue.
Rationale for benchmark Applied	<p>Consolidated revenue is the appropriate benchmark since it is consistent against which the performance of the group can be measured, as profit and loss before taxation year-on-year is volatile.</p> <p>1.5% is a qualitative benchmark for profit orientated entities.</p> <p>Based on the nature of the entity and the industry in which it operates, focus by users would be on revenue to achieve profitability.</p>

Group Audit Scope

Our group audit was scoped by obtaining an understanding of the group and its environment, including the structure and organisation of the group, and assessing the risks of material misstatement at the group level. Components were selected to provide an appropriate basis for undertaking audit work to address the risks of material misstatement.

The group consists of 6 entities that operate across South Africa and one foreign procurement subsidiary. Each of these are considered to be components for group scoping purposes. There is one holding company, 3 operating subsidiaries, 1 intermediary holding company, 1 property investment holding company and 1 foreign procurement subsidiary.

A full scope audit was performed on the holding company and South Ocean Electric Wire Company Proprietary Limited (SOEW) due to the significance of this component's contribution to revenue and the audit risk associated with these entities. An audit of certain financial statement line items for 3 other components was performed due to group audit risks identified and analytical procedures were performed on the remaining financial line items of insignificant components.

Key Audit Matters

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

Independent Auditor's Report (continued)



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.

Key audit matter	How our audit addressed the key audit matter
<p>Impairment assessment of the assets included in South Ocean Electric Wire Company Proprietary Limited ("SOEW")</p>	
<p>South Ocean Holdings Limited is required to perform an assessment of all of its assets when conditions exist or there are changes in circumstances that indicate that the carrying value of these assets might not be recoverable.</p>	<p>Our audit procedures for the impairment assessment of the carrying value of the CGU and its related assets included the following:</p>
<p>As at 31 December 2025, the market capitalisation of the company was lower than its consolidated net asset value, which was considered to be an impairment indicator.</p>	<ul style="list-style-type: none"> • Obtained an understanding and tested the design and implementation of relevant controls relating to the value in use impairment assessment. • We obtained management's models with respect to their determination and assessment of the recoverable amount of the SOEW CGU; • Where appropriate, we involved our independent valuation expertise to perform the following procedures below:
<p>Management performed an impairment assessment on the group's main cash generating unit ("CGU") namely SOEW to determine the recoverable amount.</p>	<ul style="list-style-type: none"> ○ Assessing the valuation methodology to confirm that the methodology applied by management to determine the recoverable amount was appropriate and in line with the requirements of IAS 36 – Impairment of Assets. The methodology was confirmed to be appropriate.
<p>The recoverable amount was determined through an assessment of the higher of the CGU's value in use, or the fair value less costs to sell.</p>	<ul style="list-style-type: none"> ○ Testing the critical inputs applied to the cash flows prepared by management against approved budgets and historical actual information. No material exceptions were noted.
<p>The relevant assumptions and judgements applied are included in note 9 to the consolidated financial statements.</p>	<ul style="list-style-type: none"> ○ Assessing the reasonableness of management's budgeting process by comparing the budget for the year against actuals to ascertain whether the budgeting process is reasonable. Where differences were noted, we obtained corroborating evidence in relation to the explanations from management to support these differences. We found the budgeting process to be reasonable.
<p>We considered the impairment assessment of the CGU to be a matter of most significance in our current year audit of the consolidated financial statements, due to the degree of estimation uncertainty and complexity of determining the recoverable amount of the CGU based on certain estimates and assumptions.</p>	<ul style="list-style-type: none"> ○ Independently recalculating the weighted average cost of capital discount rate (WACC), considering independently obtained data such as the risk-free rate, market risk premium, beta, small stock premium, cost of debt and the weighted average cost of capital for similar entities within the sector. The recoverable amount was recalculated based on the application of the independently determined WACC to the free cash flows. The recoverable amount recalculated was
<p>Based on the results of the assessment, no impairment was accounted for in the current year's consolidated financial statements.</p>	

Independent Auditor's Report (continued)

compared to that of management, and based on the results of our comparison, management's recoverable amount was found to be within an acceptable range.

- Performing a sensitivity analysis to the relevant inputs to the valuation.
 - Comparing the value in use of the CGU to the net asset value of the same CGU.
- We evaluated the adequacy of disclosures against the requirements of IAS 36 and IFRS 13 Fair Value Measurement (refer note 9).

Other Information

The directors are responsible for the other information. The other information comprises the information included in the documents titled "South Ocean Holdings Limited Consolidated Annual Financial Statements for the year ended 31 December 2025", and "South Ocean Holdings Limited Annual Financial Statements for the year ended 31 December 2025" which includes the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate as required by the Companies Act of South Africa, which we obtained prior to the date of this report, and the "Integrated Annual Report 2025", 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 reports thereon.

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

In connection with our audit of the consolidated 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 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.

Responsibilities of the Directors for the Consolidated Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 financial statements.

Independent Auditor's Report (continued)



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 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 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'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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 consolidated 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.

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year 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.

Independent Auditor's Report (continued)

Report on Other Legal and Regulatory Requirements

Audit Tenure

In terms of the IRBA Rule published in Government Gazette No. 39475 dated 4 December 2015, we report that BDO South Africa Incorporated has been the auditor of South Ocean Holdings Limited for 2 years.



BDO South Africa Incorporated

Registered Auditors

Soné Kock

Director

Registered Auditor

19 March 2026

Wanderers Office Park 52 Corlett Drive Illovo, 2196

Consolidated Statement of Financial Position

for the year ended 31 December 2025

Figures in Rand thousand	Note	Group	
		2025 R'000	2024 R'000
Assets			
Non-Current Assets			
Property, plant and equipment	3	275 154	269 039
Right-of-use assets	4	55 569	73 741
Investment in associates	35	–	354
Loans to associates	36	87	263
Deferred tax assets	5	42 967	22 423
		373 777	365 820
Current Assets			
Inventories	6	759 208	510 973
Trade and other receivables	7	276 270	234 660
Current tax receivable		12 093	905
Cash and cash equivalents	8	12 107	121 452
		1 059 678	867 990
Total Assets		1 433 455	1 233 810
Equity and Liabilities			
Equity			
Share capital	10	461 343	461 343
Reserves		485	503
Retained earnings		250 438	247 784
Non-controlling interest	29	(56 835)	(27 705)
		655 431	681 925
Liabilities			
Non-Current Liabilities			
Interest-bearing borrowings	11	106 526	117 800
Lease liabilities	4	46 557	65 464
Deferred tax liabilities	5	26 602	23 612
Share-based payments	12	1 545	11 501
		181 230	218 377
Current Liabilities			
Trade and other payables	13	501 733	295 020
Interest-bearing borrowings	11	13 056	19 214
Lease liabilities	4	18 671	16 472
Current tax payable		1 783	429
Share-based payments	12	3 717	2 373
Bank overdraft	8	57 834	–
		596 794	333 508
Total Liabilities		778 024	551 885
Total Equity and Liabilities		1 433 455	1 233 810

The accounting policies on pages 72 to 81 and the notes on pages 82 to 119 form an integral part of the Annual Financial Statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 31 December 2025

Figures in Rand thousand	Note	Group	
		2025 R'000	2024 R'000
Revenue	14	2 502 283	2 567 980
Cost of sales	16	(2 421 876)	(2 419 937)
Gross profit		80 407	148 043
Other operating income	15	26 383	24 659
Administration expenses	16	(36 366)	(47 689)
Distribution expenses	16	(11 188)	(6 034)
Operating expenses	16	(48 477)	(36 571)
Movement in credit loss allowance	16	631	465
Share of net loss from associates	35	(354)	(2 885)
Operating profit		11 036	79 988
Finance income	18	3 682	4 704
Finance costs	19	(41 012)	(39 369)
(Loss)/profit before taxation		(26 294)	45 323
Taxation	20	11 016	(11 432)
(Loss)/profit for the year		(15 278)	33 891
Other comprehensive loss for the year net of taxation			
Foreign currency translation	21	(18)	(18)
Total comprehensive income for the year		(15 296)	33 873
Total comprehensive (loss)/income attributable to:			
Equity holders of the parent		13 834	46 018
Non-controlling interest		(29 130)	(12 145)
Earnings per share			
Basic and diluted earnings per share (cents):	22	6.81	22.64*

* Refer to note 22 for the restatement of the 2024 Basic and diluted earnings per share.

The accounting policies on pages 72 to 81 and the notes on pages 82 to 119 form an integral part of the Annual Financial Statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2025

Figures in Rand	Group						
	Share capital R'000	Share premium R'000	Total share capital R'000	Foreign currency translation reserve* R'000	Retained earnings R'000	Non-controlling interest R'000	Total equity R'000
Balance at 1 January 2024	1 743	459 600	461 343	521	208 566	-	670 430
Change in holdings**	-	-	-	-	15 560	(15 560)	-
Profit/(loss) for the year	-	-	-	-	46 018	(12 145)	33 873
Dividend paid	-	-	-	-	(22 360)	-	(22 360)
Other comprehensive loss	-	-	-	(18)	-	-	(18)
Total income/(loss) for the year	-	-	-	(18)	39 218	(27 705)	11 495
Balance at 1 January 2025	1 743	459 600	461 343	503	247 784	(27 705)	681 925
Profit/(loss) for the year	-	-	-	-	13 834	(29 130)	(15 296)
Dividend paid	-	-	-	-	(11 180)	-	(11 180)
Other comprehensive loss	-	-	-	(18)	-	-	(18)
Total income/(loss) for the year	-	-	-	(18)	2 654	(29 130)	(26 494)
Balance at 31 December 2025	1 743	459 600	461 343	485	250 438	(56 835)	655 431
Note	10	10	10				

* The translation represents the accumulative position of translation gains and losses arising from the conversion of the net assets of the foreign subsidiary company and also long-term loan of the subsidiary company to the reporting currency.

** Change in holdings represents the equity value where the Group's interest in subsidiaries was diluted. Details of subsidiaries are presented in note 29 Interest in subsidiaries.

The accounting policies on pages 72 to 81 and the notes on pages 82 to 119 form an integral part of the Annual Financial Statements.

Consolidated Statement of Cash Flows

for the year ended 31 December 2025

Figures in Rand thousand	Note	Group	
		2025 R'000	2024 R'000
Cash flows (used in)/from operating activities			
Cash (used in)/generated from operations	23	(40 929)	110 908
Interest received	18	3 682	4 704
Interest paid	19	(41 012)	(39 369)
Tax paid	24	(11 595)	(22 323)
Share-based payments paid		(3 020)	–
Net cash (used in)/from operating activities		(92 874)	53 920
Cash flows used in investing activities			
Purchase of property, plant and equipment	3	(29 143)	(46 539)
Proceeds on disposal of property, plant and equipment	25	–	434
Proceeds on disposal of associates	35	–	5 806
Repayments on loan to associates	36	176	6 333
Net cash used in investing activities		(28 967)	(33 966)
Cash flows (used in)/from financing activities			
Repayment of interest-bearing borrowings	26	(17 432)	(16 355)
Proceeds from interest-bearing borrowings	26	–	71 359
Payment of dividends	34	(11 180)	(22 360)
Repayment of lease liabilities	26	(16 708)	(15 389)
Net cash (used in)/from financing activities		(45 320)	17 255
Total cash and cash equivalents movement for the year			
Cash and cash equivalents at the beginning of the year		121 452	84 261
Effect of exchange rate movement on cash balances		(18)	(18)
Total cash and cash equivalents at end of the year	8	(45 727)	121 452

The accounting policies on pages 72 to 81 and the notes on pages 82 to 119 form an integral part of the Annual Financial Statements.

Accounting Policies

for the year ended 31 December 2025

1. Presentation of the Annual Financial Statements

General Information

South Ocean Holdings Limited (the Company or Group) is a holding company of a number of subsidiaries whose businesses are involved in the manufacture and distribution of electrical wire and rental of property. It has investments in a number of associates whose businesses are involved in outlets for electrical wire.

The Company is a public limited company, which is listed on the JSE and is incorporated in South Africa.

Summary of material accounting policies

The principal accounting policies applied in the preparation of these consolidated Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The Group consolidated Financial Statements have been prepared on the historical cost basis in accordance with Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations as issued by the IFRS Interpretations Committee (IFRIC), and comply with the SA Financial reporting requirements, the JSE Listings Requirements and the requirements of the South African Companies Act, No. 71 of 2008 (the Companies Act). The Group have adopted all new accounting standards and interpretations that is relevant to the business that became effective in the current reporting period. The consolidated Financial Statements are presented in South African Rands (R), which is the Group's functional and the Group's presentation currency.

The preparation of consolidated Financial Statements in conformity with the Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated Financial Statements are disclosed in note 1.15.

For the full view of the consolidated Financial Statements of the Group, the user of the consolidated Financial Statements should, in conjunction with this set, view the Company's separate financial statements titled "South Ocean Holdings Limited Annual Financial Statements for the year ended 31 December 2025" separately. This can be found on the Company's website at www.southoceanholdings.co.za.

1.1 Consolidation

Investments in associates

An associate is an entity in which the group has significant influence. The Group's interests in associates are accounted for on the equity accounting basis.

Financial results of the associates are prepared for the same reporting period as the parent company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity accounting method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in an associate. The Group determines at each statement of financial position date whether there is any objective evidence that the investment in the joint venture and associate is impaired. If this is the case, the Group calculates the amount of impairment as being the difference between the recoverable amount of the associate and the carrying value and recognises the amount in profit and loss.

The losses in the associate get recognised in profit and loss until the investment is written down to its nominal value. Equity accounting will apply once the associate has retained profits. Refer to note 36 of the notes to the consolidated financial statements for assessment of the recoverability of the loan receivable from the associate.

1.2 Property, plant and equipment

The cost of an item of property, plant and equipment comprises the purchase consideration and plus any acquisition costs and is recognised as an asset 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.

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, 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 are charged to the statement of comprehensive income during the financial period in which they are incurred.

Accounting Policies (continued)

for the year ended 31 December 2025

1. Presentation of the Annual Financial Statements (continued)

1.2 Property, plant and equipment (continued)

Land is not depreciated, and capital work-in-progress is depreciated once the asset is available for use. Depreciation on other assets is calculated using the straight-line basis over its estimated useful lives, to the estimated residual value, as follows:

Item	Average useful life
Buildings	50 years
Plant and machinery	5–25 years
Furniture and fixtures	3–10 years
Motor vehicles	5–7 years
Solar equipment	10 years

The assets' residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. Depreciation is recognised from the date when the assets are available for use.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within "operating expenses" in the statement of comprehensive income.

Where the estimated residual value of an asset is above the carrying value, no depreciation is raised.

1.3 Leases

The Group assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

To assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the Group has the right to substantially use all of the economic benefits from the asset as well as the right to direct the use of the asset.

In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgements and sources of estimation uncertainty section of these accounting policies.

Group as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the Group is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Low value assets are defined as any assets with a value of R200 000 or less when new.

Details of leasing arrangements where the Group is a lessee are presented in note 4 Leases (Group as lessee).

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

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

- fixed lease payments, including in-substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the Company under residual value guarantees;
- the exercise price of purchase options, if the Company is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

The related payments are recognised as an expense in the period incurred and are included in operating expenses (note 16).

The lease liability is presented as a separate line item on the Statement of Financial Position.

Accounting Policies (continued)

for the year ended 31 December 2025

1. Presentation of the Annual Financial Statements (continued)

1.3 Leases (continued)

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 19).

Right-of-use assets

Right-of-use assets are presented as a separate line item on the statement of financial position. Lease payments included in the measurement of the lease asset comprise the following:

- the initial amount of the corresponding lease liability;
- any lease payments made at or before the commencement date;
- any initial direct costs incurred;
- any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the Group incurs an obligation to do so, unless these costs are incurred to produce inventories; and
- less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation gets applied on a straight line basis.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

For right-of-use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.4 Share capital

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Ordinary shares are classified as equity.

1.5 Translation of foreign currencies

Functional and presentation currency

Items included in the Consolidated Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency).

The Consolidated Financial Statements are presented in Rand which is the Group's presentation currency.

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the average exchange rate between the functional currency and foreign currency.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous Consolidated Financial Statements are recognised in profit or loss in the period in which they arise.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

Accounting Policies (continued)

for the year ended 31 December 2025

1. Presentation of the Annual Financial Statements (continued)

1.5 Translation of foreign currencies (continued)

Group companies

The results and financial position of a foreign operation are translated into the functional currency using the following procedures:

- monetary assets and liabilities for each reporting date presented are translated at the closing rate at the reporting date;
- income and expenses for each item of profit or loss are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates in which case income and expenses are translated at the rate on the dates of the individual transactions); and
- all resulting exchange differences are recognised to other comprehensive income.

The cash flows of a foreign subsidiary are translated at the average exchange rates between the functional currency and the foreign currency or at the exchange rate applicable at the date of the respective cash flows, where applicable.

1.6 Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of manufactured goods is determined using the weighted average cost method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less variable selling expenses. There was no inventory write down recognised in the statement of comprehensive income. Therefore, there were no significant judgements made in determining the variable selling expenses.

Provision is made for slow moving goods and obsolete inventories.

1.7 Impairment of non-financial assets

The Group assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell or disposal and its value-in-use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss.

1.8 Financial instruments

Financial instruments held by the Group are classified in accordance with the provisions of IFRS 9 Financial Instruments. Broadly, the classification possibilities, which are adopted by the Group, as applicable, are as follows:

Financial assets which are debt instruments:

- Amortised cost.

Financial liabilities:

- Amortised cost.

Note 30, Financial instruments and risk management, presents the financial instruments held by the Group based on their specific classifications.

All purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Group are presented below:

Classification

Trade and other receivables, excluding, when applicable, VAT, deposits and prepayments, are classified as financial assets subsequently measured at amortised cost (note 7).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Group's business model is to collect the contractual cash flows on trade and other receivables.

Accounting Policies (continued)

for the year ended 31 December 2025

1. Presentation of the Annual Financial Statements (continued)

1.8 Financial instruments (continued)

Recognition and measurement

Trade and other receivables are recognised when the Group becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Trade and other receivables

Application of the effective interest method

For receivables which contain a significant financing component, interest income is calculated using the effective interest method and is included in finance income (note 18).

The application of the effective interest method to calculate interest income on trade receivables is dependent on the credit risk of the receivable as follows:

- The effective interest rate is applied to the gross carrying amount of the receivable, provided the receivable is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a receivable was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the receivable in the determination of interest. If, in subsequent periods, the receivable is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Impairment

The Group recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT, deposits and prepayments. The amount of expected credit losses is updated at each reporting date.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses, which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

Measurement and recognition of expected credit losses

The Group makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. All trade receivables are credit insured. Details of the provision matrix is presented in note 7.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in the statement of other comprehensive income and is separately disclosed in terms of IFRS 9.

Write off policy

The Group writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Group recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Credit risk

Details of credit risk are included in the trade and other receivables note (note 7) and the financial instruments and risk management note (note 30).

Borrowings

Classification

Interest-bearing borrowings (note 11) are classified as financial liabilities subsequently measured at amortised cost. Where the Group has an unconditional right to defer payments beyond 12 months, the obligation is classified as a non-current liability. If there is no right to defer the obligation, the obligation is classified as a current liability.

Recognition and measurement

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Accounting Policies (continued)

for the year ended 31 December 2025

1. Presentation of the Annual Financial Statements (continued)

1.8 Financial instruments (continued)

Interest expense, calculated on the effective interest method, is included in finance costs (note 19).

Borrowings expose the Group to liquidity risk and interest rate risk. Refer to note 30 for details of risk exposure and management thereof.

Trade and other payables

Classification

Trade and other payables (note 13), excluding VAT, payroll accruals and deposits, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the Group becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in finance costs (note 19).

Trade and other payables expose the Group to liquidity risk and possibly to interest rate risk. Refer to note 30 for details of risk exposure and management thereof.

Trade and other payables denominated in foreign currencies

When trade payables are denominated in a foreign currency, the carrying amount of the payables are determined in the foreign currency. The carrying amount is then translated to the Rand equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in profit or loss.

Details of foreign currency risk exposure and the management thereof are provided in the financial instruments and risk management note (note 30).

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at the bank, bank overdraft and other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Derecognition

Financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The Group derecognises financial liabilities when, and only when, the Group obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Reclassification

Financial assets

The Group only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities

Financial liabilities are not reclassified.

Accounting Policies (continued)

for the year ended 31 December 2025

1. Presentation of the Annual Financial Statements (continued)

1.9 Employee benefits

Defined contribution plans

The Group operates a number of defined contribution plans. The schemes are generally funded through payments to insurance companies or trustee-administered funds. A defined contribution plan is a pension or provident fund plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Group's shareholders after certain adjustments.

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.10 Revenue recognition

The Group recognises revenue from the following major sources:

Revenue from contracts with customers:

- Sales of goods;

Revenue other than from contracts with customers:

- Rental income

Revenue from contracts with customers is measured based on the consideration specified in the contract with the customer and excludes amounts collected on behalf of third parties.

Sale of goods

The Group manufactures and sells copper and aluminium cables and conduit which is considered to represent a single performance obligation. Sales are recognised when control of the goods has transferred, being when the goods are delivered to the customer, the customer has full discretion over the channel and price to sell the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods.

In majority of sales, transport is considered to be a fulfilment activity as the costs are incurred as the goods are shipped to the specific location and control of the goods transfer upon delivery to the customer's premises.

The goods are often sold with retrospective volume rebates to customers based on aggregate sales over a 12-month period. In addition, trade and settlement discounts are provided to customers when the criteria for early settlement have been met. Revenue is recognised based on the price specified in the contract, net of the estimated trade and settlement discounts and volume rebates. Accumulated experience is used to estimate and provide for the discounts and rebates, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

The Group also provides a right of return to its customers. At the end of each reporting period it has been concluded that a significant reversal of cumulative revenue recognised in relation to goods sold as a result of the right of return provided will not occur from a change in the estimated returns. As a result, any impact from right of return has been concluded to be immaterial.

No significant element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice. Due to the short period of time that elapses between the satisfaction of the performance obligation and billing of amounts due, no material contract assets are expected to arise at reporting date. In addition, customer payments are also not received in advance resulting in no contract liabilities having to be accounted for.

Sale of goods

The Group's obligation is to replace faulty products under the standard warranty terms.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Accounting Policies (continued)

for the year ended 31 December 2025

1. Presentation of the Annual Financial Statements (continued)

1.11 Finance income

Finance income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Finance income on impaired loans and receivables are recognised using the original effective interest rate.

1.12 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments has been identified as the Executive Committee that makes strategic decisions.

1.13 Tax

Current income tax assets and liabilities

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

Current tax liabilities/(assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes income tax liabilities where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit/(tax loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit/(tax loss).

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Income tax expenses

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income; or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

1.14 Share-based payments

Cash-settled share-linked instruments have been granted to certain employees in the Group. The fair value of the amount payable to the employee is recognised as an expense with a corresponding increase in liabilities. The fair value is initially measured at grant date and expensed over the period during which the employees are required to provide services to become unconditionally entitled to payment.

The fair value of the instrument granted is measured using generally accepted valuation techniques, taking into account the terms and conditions upon which the instruments are granted. The liability is remeasured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as employees' remuneration in employee costs (note 17).

Accounting Policies (continued)

for the year ended 31 December 2025

1. Presentation of the Annual Financial Statements (continued)

1.15 Significant judgements and sources of estimation uncertainty

In preparing the Consolidated Financial Statements, management is required to make estimates and judgements that affect the amounts represented in the Consolidated Financial Statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the Consolidated Financial Statements. Significant estimates and judgements include:

Impairment of non-financial assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or disposal and value-in-use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impairment losses are recognised as an expense immediately and are recorded in the statement of profit or loss and other comprehensive income. (Refer to note 9 for details on the estimates involved).

Non-financial assets that were previously impaired are reviewed for possible reversal of impairment at each reporting date. Impairment losses are recognised as an expense immediately and are recorded in the statement of profit or loss and other comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, however, the increased carrying amount is limited to the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years.

A reversal of an impairment loss is recognised in the statement of profit or loss and other comprehensive income.

Share-based payments (estimate)

The fair value of employee share appreciation rights granted are being determined using the Black-Scholes valuation model. The significant inputs into the model are: vesting period and conditions, risk free interest rate, volatility, price on date of grant and dividend yield. (Refer to note 12 for details on each of the share option schemes).

Tax (judgement and estimate)

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

Impairment of inventory (estimate)

The Company provides for slow moving goods and will write off obsolete materials where required.

Impairment of trade receivables (estimate)

The Company recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date. The Company measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses (lifetime ECLs), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable. (Refer to note 7 for details on the estimates involved).

1.16 Related party transactions

All subsidiaries, major shareholders and key management personnel of the Group are related parties. A list of all transactions with major subsidiaries, major shareholders and key management personnel is included in note 27. All transactions entered into with related parties were on terms no more favourable than those with third parties and have been eliminated in the consolidated Group financial statements. There were no other material contracts with related parties.

Accounting Policies (continued)

for the year ended 31 December 2025

1. Presentation of the Annual Financial Statements (continued)

1.17 Earnings/(loss) per share

Earnings/(loss) per share is based on attributable earnings/(loss) for the year divided by the weighted average number of ordinary shares in issue during the year. Diluted earnings/(loss) per share is presented when the inclusion of potential ordinary shares have a dilutive effect on the earnings/(loss) per share.

1.18 Headline earnings/(loss) per

Headline earnings/(loss) per share is based on the same calculation as above, except that attributable loss specifically excludes items as set out in Circular 1/2023: "Headline Earnings" issued by The South African Institute of Chartered Accountants. Fully diluted headline earnings (loss) per share is presented when the inclusion of potential ordinary shares has a dilutive effect on headline earnings/(loss) per share.

1.19 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.20 Dividends

Dividend distributions to the Company's shareholders are recognised as a liability in the Group financial statements in the period in which the dividends are approved by the Company directors.

Notes to the Annual Financial Statements

for the year ended 31 December 2025

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/Interpretation:	Effective date: Years beginning on or after	Expected impact:
<p>IAS 21 The Effects of Changes in Foreign Exchange Rates (Amendment – Lack of Exchangeability)</p> <ul style="list-style-type: none"> On 15 August 2023, the IASB issued <i>Lack of Exchangeability</i> which amended IAS 21 <i>The Effects of Changes in Foreign Exchange Rates (the Amendments)</i>. The Amendments arose as a result of a submission received by the IFRS Interpretations Committee (the Committee) about the determination of the exchange rate when there is a long-term lack of exchangeability. IAS 21, prior to the Amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice. The Committee recommended that the IASB develop narrow-scope amendments to IAS 21 to address this issue. After further deliberations, the IASB issued an exposure draft of the proposed amendments to IAS 21 in April 2021 and the final amendments were issued in August 2023. The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. 	1 January 2025	The impact of this amendment is not material

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 1 January 2026 or later periods:

Standard/Interpretation:	Effective date: Years beginning on or after	Expected impact:
<p>IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosure (Amendment – Contracts Referencing Nature-dependent Electricity) (previously Power Purchase Agreements)</p> <ul style="list-style-type: none"> In response to matters that had been raised to the IFRS Interpretations Committee as well as matters that arose during the post-implementation review of classification and measurement requirements of IFRS 9 <i>Financial Instruments</i>, in May 2024, the IASB issued <i>Amendments to the Classification and Measurement of Financial Instruments</i>. The Amendments modify the following requirements in IFRS 9 and IFRS 7: <i>Derecognition of financial liabilities</i> <ul style="list-style-type: none"> <i>Derecognition of financial liabilities settled through electronic transfers</i> <i>Classification of financial assets</i> <ul style="list-style-type: none"> <i>Elements of interest in a basic lending arrangement (the solely payments of principle and interest assessment – "SPPI test")</i> <i>Contractual terms that change the timing or amount of contractual cash flows</i> <i>Financial assets with non-recourse features Investment in contractually linked instrument</i> 	1 January 2026	Unlikely there will be a material impact

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

2. New Standards and Interpretations (continued)

2.2 Standards and interpretations not yet effective (continued)

Standard/Interpretation:	Effective date: Years beginning on or after	Expected impact:
<p>IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosure (Amendment – Classification and Measurement of Financial Instruments)</p> <ul style="list-style-type: none"> • Disclosures <ul style="list-style-type: none"> – Investments in equity instruments designated at fair value through other comprehensive income – Contractual terms that could change the timing or amount of contractual cash flows • The Amendments may significantly affect how entities account for the derecognition of financial liabilities and how financial assets are classified. • The Amendments permit an entity to early adopt only the amendments related to the classification of financial assets and the related disclosures and apply the remaining amendments later. This would be particularly useful to entities that wish to apply the Amendments early for financial instruments with ESG (Environmental, Social and Governance)-linked or similar features. 	1 January 2026	Unlikely there will be a material impact
<p>Annual Improvements to IFRS Accounting Standards</p> <ul style="list-style-type: none"> • Annual improvements are limited to changes that either clarify the wording in an IFRS Accounting Standard, or correct relatively minor unintended consequences, oversights or conflicts between requirements of the Accounting Standards. The proposed improvements are packaged together in one document. This cycle of annual improvements addresses the following: <ul style="list-style-type: none"> – Hedge Accounting by a First-time Adopter (Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards) – Disclosure of Deferred Difference between Fair Value and Transaction Price (Amendments to Guidance on implementing IFRS 7) – Gain or Loss on Derecognition (Amendments to IFRS 7) – Introduction and Credit Risk Disclosures (Amendments to Guidance on implementing IFRS 7) – Derecognition of Lease Liabilities (Amendments to IFRS 9) – Transaction Price (Amendments to IFRS 9) – Determination of a “De Facto Agent” (Amendments to IFRS 10) – Cost Method (Amendments to IAS 7). 	1 January 2026	Unlikely there will be a material impact
<p>IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosure (Amendment – Contracts Referencing Nature – dependent Electricity (previously Power Purchase Agreements))</p> <ul style="list-style-type: none"> • On 18 December 2024 the IASB issued amendments to improve the reporting by companies of the financial effects of nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs). • Nature-dependent electricity contracts assist companies to secure their electricity supply from wind and solar power sources. Since the amount of electricity generated under these contracts may vary based on uncontrollable factors related to weather conditions, current accounting requirements may not adequately capture how these contracts affect a company’s performance. In response, the IASB has made targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to improve the disclosure of these contracts in the financial statements. The amendments include: <ul style="list-style-type: none"> – Clarifying the application of the “own-use” requirements; – Permitting hedge accounting if these contracts are used as hedging instruments; and – Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows. • Early application of the amendments is permitted. However, for certain jurisdictions the amendments must be endorsed prior to application. 	1 January 2026	Unlikely there will be a material impact

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

2. New Standards and Interpretations (continued)

2.2 Standards and interpretations not yet effective (continued)

Standard/Interpretation:	Effective date: Years beginning on or after	Expected impact:
<p>IFRS 18 Presentation and Disclosure in Financial Statements</p> <ul style="list-style-type: none"> • <i>IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements and is mandatorily effective for annual reporting periods beginning on or after 1 January 2027.</i> • <i>IFRS 18, which was published by the IASB on 9 April 2024, sets out significant new requirements for how financial statements are presented, with particular focus on:</i> <ul style="list-style-type: none"> – <i>The statement of profit or loss, including requirements for mandatory sub-totals to be presented. IFRS 18 introduces requirements for items of income and expense to be classified into one of five categories in the statement of profit or loss. This classification results in certain sub-totals being presented, such as the sum of all items of income and expense in the operating category comprising the new mandatory “operating profit or loss” sub-total.</i> – <i>Aggregation and disaggregation of information, including the introduction of overall principles for how information should be aggregated and disaggregated in financial statements.</i> – <i>Disclosures related to management-defined performance measures (MPMs), which are measures of financial performance based on a total or sub-total required by IFRS Accounting Standards with adjustments made (e.g. “adjusted profit or loss”). Entities will be required to disclose MPMs in the financial statements with disclosures, including reconciliations of MPMs to the nearest total or sub-total calculated in accordance with IFRS Accounting Standards.</i> • <i>The aim of the IASB in publishing IFRS 18 is to improve comparability and transparency of companies’ performance reporting. IFRS 18 has also resulted in narrow changes to statements of cash flows.</i> 	1 January 2027	Likely to be a material impact. Effect to be determined.
<p>IFRS 19 Subsidiaries without Public Accountability: Disclosures</p> <ul style="list-style-type: none"> • <i>On 9 May 2024, the International Accounting Standards Board (IASB) issued IFRS 19 Subsidiaries without Public Accountability: Disclosures.</i> • <i>Stakeholders have asked the IASB to permit a subsidiary reporting to a parent applying IFRS Accounting Standards in its consolidated financial statements to apply IFRS Accounting Standards with reduced disclosure requirements in its own financial statements. Considering this feedback, the IASB added a project to its research pipeline to provide reduced disclosure requirements for subsidiaries without public accountability. The project has culminated in the issuance of IFRS 19, which permits eligible subsidiaries to apply reduced disclosure requirements while applying the recognition, measurement and presentation requirements in IFRS Accounting Standards.</i> 	1 January 2027	Unlikely there will be a material impact

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

3. Property, plant and equipment

	Group					
	2025			2024		
	Cost R'000	Accumulated depreciation R'000	Carrying value R'000	Cost R'000	Accumulated depreciation R'000	Carrying value R'000
Buildings	102 461	(14 991)	87 470	102 461	(13 987)	88 474
Plant and machinery	298 233	(175 833)	122 400	290 286	(161 358)	128 928
Furniture and fixtures	29 092	(27 516)	1 576	29 092	(26 077)	3 015
Motor vehicles	16 704	(10 350)	6 354	12 645	(9 043)	3 602
Solar equipment	52 191	(3 046)	49 145	–	–	–
Capital work-in-progress	8 209	–	8 209	45 020	–	45 020
Total	506 890	(231 736)	275 154	479 504	(210 465)	269 039

Reconciliation of property, plant and equipment

2025	Group					Total
	Opening balance	Additions	Transfers	Depreciation		
Buildings	88 474	–	–	(1 004)		87 470
Plant and machinery	128 928	2 826	5 121	(14 475)		122 400
Furniture and fixtures	3 015	–	–	(1 439)		1 576
Motor vehicles	3 602	4 059	–	(1 307)		6 354
Solar equipment	–	–	52 191	(3 046)		49 145
Capital work-in-progress	45 020	20 501	(57 312)*	–		8 209
	269 039	27 386	–	(21 271)		275 154

Reconciliation of property, plant and equipment

2024	Group					
	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Buildings	89 478	–	–	–	(1 004)	88 474
Plant and machinery	128 097	305	–	16 416	(15 890)	128 928
Furniture and fixtures	2 472	–	–	1 988	(1 445)	3 015
Motor vehicles	4 252	–	(214)	737	(1 173)	3 602
Capital work-in-progress	17 927	46 234	–	(19 141)**	–	45 020
	242 226	46 539	(214)	–	(19 512)	269 039

* This cost mainly relates to the solar and battery installation which are capitalised.

** This cost mainly relates to the acquisition of machinery which is capitalised as such.

Cost and accumulated depreciation for property, plant and equipment, at the start of the 2024 comparative year was R452 735 000 and (R210 509 000) respectively.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

3. Property, plant and equipment (continued)

Property, plant and equipment encumbered as security

Carrying value of assets pledged as security for interest-bearing borrowings (note 11):

	Group	
	2025 R'000	2024 R'000
Buildings	87 470	88 474
Plant and machinery	39 882	30 523

A register containing the information required by Regulation 25(3) of the Companies Regulations is available for inspection at the registered office of the Company.

4. Right-of-use assets (Group as lessee)

The Group leases several assets consisting of buildings and motor vehicles. The average lease term for buildings is six years and motor vehicles is five years. The interest rate for buildings and motor vehicles ranges from 6% to 11.25%. The buildings are subject to a 6% annual escalation clause. There is an option to extend and or to terminate the contracts on buildings. The contracts have no residual values, guarantees or restrictions. The net cash outflow effect will be R154 356 113 should the option to extend be exercised. The option to extend will not be exercised. There are no leases not yet commenced to which the Group is committed and there are no residual value guarantees in place either.

Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are as follows:

	Group	
	2025 R'000	2024 R'000
Buildings	45 473	60 761
Motor vehicles	10 096	12 980
	55 569	73 741
Additions to right-of-use-assets		
Building	-	-
Motor vehicles	-	14 422
	-	14 422
Depreciation recognised on right-of-use assets		
Depreciation recognised on each class of right-of-use assets, is presented below and is included in the total depreciation charge in profit or loss (note 16).		
Buildings	15 288	14 840
Motor vehicles	2 884	3 751
	18 172	18 591
Other disclosures		
Interest expense on lease liabilities	5 040	5 292
Capital repayment on lease liabilities	16 708	15 389
Total cash outflow for leases	21 748	20 681
Leases of low value assets included in operating expense	770	501
Lease liabilities		
Non-current liabilities	46 557	65 464
Current liabilities	18 671	16 472
	65 228	81 936

Refer to note 30 Financial instruments and financial risk management for details of the maturity analysis of lease liabilities and the liquidity risk exposure and management.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

5. Deferred tax

The deferred tax asset and the deferred tax liabilities are calculated on all temporary differences under the liability method using a principal taxation rate of 27%. Deferred taxation asset and liabilities are offset when the income taxes relate to the same legal entity, and there is a legal right to offset at settlement. The amount disclosed in the statement of financial position is analysed as follows:

	Group	
	2025 R'000	2024 R'000
Deferred tax asset		
Accruals	9 557	10 057
Estimated assessed loss	51 608	21 899
ROU liability	24 209	25 720
ECL allowance on receivables	183	366
Total deferred tax asset	85 557	58 042
Deferred tax liability		
Property plant and equipment	(49 539)	(39 578)
ROU assets	(19 653)	(19 653)
Total deferred tax liability	(69 192)	(59 231)
Deferred tax asset	42 967	22 423
Deferred tax liability	(26 602)	(23 612)
Total net deferred tax liability	16 365	(1 189)
Reconciliation of deferred tax (liability)/asset		
At beginning of year	(1 189)	(11 011)
Current year tax losses raised	29 709	11 735
Temporary differences on capital allowances	(9 961)	(5 219)
Temporary differences on accruals	(683)	494
Movement in leases	(1 511)	2 812
At end of year	16 365	(1 189)
Disclosed as		
Non-current assets	42 967	22 423
Non-current liabilities	(26 602)	(23 612)
	16 365	(1 189)

Recognition of deferred tax asset

The Group recognises a deferred tax asset when a loss is incurred in either the current or preceding period and the Group expects future taxable profits based on budgets and forecasted cash flows. Utilisation of the deferred tax asset is dependent on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences. The Group expect to recover this after 12 months.

Unremitted earnings from a foreign entity

The unremitted earnings from foreign entities are Rnil (2024: R91 038 loss). Deferred tax on the future remittances has not been provided for as the future dividends will not be subject to tax in South Africa.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

	Group	
	2025 R'000	2024 R'000
6. Inventories		
Raw materials, components	69 806	42 407
Work in progress	520 299	337 437
Finished goods	147 947	110 449
Consumable stores	21 156	20 680
	759 208	510 973

The cost of inventories recognised as an expense and included in cost of sales is R2 436 910 000 (2024: R2 322 206 000).

	Group	
	2025 R'000	2024 R'000
7. Trade and other receivables		
Financial instruments:		
Trade receivables	257 107	233 506
Other receivables	1 887	1 886
Deposits	887	266
Loss allowance	(1 734)	(2 364)
Trade receivables at amortised cost	258 147	233 294
Non-financial instruments:		
VAT receivable	17 990	1 241
Prepayments	133	125
Total trade and other receivables	276 270	234 660
Categorisation of trade and other receivables		
Trade and other receivables are categorised as follows in accordance with IFRS 9:		
Financial Instruments:		
Financial instruments	258 147	233 294
Non-financial instruments	18 123	1 366
	276 270	234 660

Trade and other receivables pledged as security

70% (2024: 65%) of the carrying value of trade and other receivables were pledged as security for overdraft facilities limited to R450 000 000 (2024: R417 479 179) of the Group. At year end the overdraft amounted to R45 742 000 (2024: Rnil).

Trade receivables are insured with Credit Guarantee Insurance Corporation of South Africa Limited. The Group is exposed to 15% (2024: 15%) trade receivables within their credit limits and 100% of trade receivables in excess of their approved credit limits. No trade receivables were in excess of their credit limit.

Exposure to credit risk

Trade receivables inherently expose the Group to credit risk, being the risk that the Group will incur financial loss if customers fail to make payments as they fall due.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are subject to enforcement activities.

The Group measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime expected credit losses are estimated using a provision matrix, which is presented below. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information, including competition in the industry, volatility of copper prices and demand, and other factors such as industry stability and unemployment levels. The Group has an improved outlook towards the factors influencing the market conditions. Trade receivables default is defined

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

7. Trade and other receivables (continued)

by a customer exceeding its approved trading terms. 90% of all customers have payment terms of 30 to 60 days. Trade receivables are considered to be past due the standard approved trading terms which is between 30 and 60 days and, the repayment profile of the customers. 60 days past due is considered to be an appropriate indicator of default when considered against the group's customer base, the trading terms for which are predominantly 30 to 60 days. This is also informed by the Group's extensive experience with its customer base.

The Group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The provision for credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance provision is as follows:

	Group			
	2025		2024	
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
Expected credit loss rate:				
Not past due: 0.35% (2024: 0.52%)	94 062	325	98 932	519
Less than 30 days past due: 0.35% (2024: 0.61%)	119 881	425	75 989	467
31 to 60 days past due: 0.91% (2024: 0.12%)	18 140	165	42 383	51
61 to 90 days past due: 3.27% (2024: 8.20%)	25 024	819	16 202	1 328
Total	257 107	1 734	233 506	2 365

Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:

	Group	
	2025 R'000	2024 R'000
Opening balance	(2 365)	(2 830)
Reversal in expected credit losses on trade receivables*	631	465
Closing balance	(1 734)	(2 365)

* None of the expected credit losses were utilised and the expected credit losses relates to existing customers.

Trade receivables balance in the 61 to 90 days bucket increased in current year because of improved debtor terms with existing customers. This resulted in the decrease in the loss allowance in the current year.

Due to the short-term nature of trade and other receivables, the carrying amount is considered to be the same as the fair value.

Exposure to currency risk

The net carrying amounts, in Rand, of trade and other receivables are denominated in the following currency:

	Group	
	2025 R'000	2024 R'000
Rand amount		
Rand	273 421	234 660
US Dollar	1 938	–
Euro	190	–
GBP	721	–
	276 270	234 660

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

	Group	
	2025 R'000	2024 R'000
8. (Bank overdraft)/Cash and cash equivalents		
Cash and cash equivalents consist of:		
Bank balances	(45 742)	121 443
Cash on hand	15	9
	(45 727)	121 452

Exposure to currency risk

The net carrying amounts, in Rand, of cash and cash equivalents, are denominated in the following currencies. The amounts have been presented in Rand by converting the foreign currency amount at the closing rate at the reporting date.

	Group	
	2025 R'000	2024 R'000
Rand amount		
Rand	(46 951)	120 234
US Dollar	10	4
Hong Kong Dollar	1 213	1 213
Euro	1	1
	(45 727)	121 452
Disclosed as		
Current assets	12 107	121 452
Current liability	(57 834)	–

Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating

BB- (2024: BB-) – First National Bank, a division of FirstRand Bank Limited

AA- (2024: AA+) – HSBC Hong Kong

There has been an increase in the credit risk of HSBC Hong Kong, however the Group has determined that no expected credit loss is required.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

9. Impairment assessment

The market capitalisation of the company is lower than its net asset value which was an impairment indicator at group level. An impairment assessment was performed to determine if the recoverable amounts of the two cash generating units (CGU's), namely South Ocean Electric Wire Company Proprietary Limited (SOEW) and Anchor Park Investments 48 Proprietary Limited (Anchor Park), exceeded the net asset value of the Group included in the Statements of Financial Position. This assessment and disclosure was included in the annual financial statements for this purpose.

The following valuation methods were used:

- SOEW CGU – Income approach to calculate the value-in-use
- Anchor Park CGU – Fair value less costs of disposal

The debt of both units was then deducted from the values calculated above to determine the value of the businesses.

The recoverable amount of the SOEW CGU is determined based on the higher of its value-in-use or fair value less costs of disposal. Value-in-use calculations are prepared using cash flow projections based on financial budgets approved by management and cover a five-year period. The estimated growth rates applied are in line with that of the industries in which the companies operate and are materially similar to assumptions of external market sources. The CGU's recoverable amount is most sensitive to the growth rate and gross margin assumptions applied. Management assumed budgeted gross margins and growth rates for the first five years based on past performance and best estimates regarding forecasts. Cash flows beyond the five-year period are extrapolated using the estimated growth rate stated below. The discount rates used reflect the appropriate risk associated with the industry and respective business.

In addition to the assumptions mentioned above, the other key assumptions used for value-in-use calculations are as follows: Terminal growth rate – (Weighted average growth rate used to extrapolate cash flows into perpetuity) 3.5% (2024: 5.0%).

Discount rate – (Weighted pre-tax discount rate applied to the cash flow projections) 15.4% (2024: 16.2%). Revenue growth rate – (Average growth rate applied to the revenue cash flow projections) 9.5% (2024: 9.5%) Gross profit rate – (Average growth rate applied to the cash flow projections) 8.6% (2024: 8.6%)

The recoverable amount of the Anchor Park CGU is determined based on the higher of its value-in-use or its fair value less costs of disposal. The fair value of the properties was determined by management. The value was performed using a single year's cash flow and applying a capitalisation rate which is the ratio between the net operating income produced by the asset and its capital cost. The single year cash flow was calculated using the square meters available for rental multiplied by the expected market rental per square meter and deducting operating expenses using an expected operating expenses ratio in relation to the derived revenues based on the market rental per square meter. All rates used in the calculation was obtained from publicly available rates prepared by a reputable source. The calculation represents the open market value of the properties.

A summary of the key assumptions used for fair value calculations are as follows:

- Vacancy allowance 3.0% – 5.0% (2024: 3.0% – 5.0%).
- Capitalisation rate – (weighted average rate used to calculate the market value of the property) 11.0% (2024: 11.0%).

After calculating the value for the individual CGUs the individual results were reduced by the associated debt and these amounts were compared to the carrying value of the underlying assets and liabilities in the CGUs and no impairment losses were identified.

After calculating the individual recoverable amount of the CGUs and comparing it to the net asset value of each CGU, no impairment were identified and recognised for the Group in 2025 (2024: Rnil).

Sensitivity analysis

No SOEW and Anchor Park sensitivity analysis assessments were performed as any reasonably possible change in the input would not result in an impairment.

	Group	
	2025 R'000	2024 R'000
10. Share capital		
Authorised		
500 000 000 ordinary shares of R0.01 each	5 000	5 000
Issued		
203 276 794 fully paid ordinary shares	1 743	1 743
Share premium	459 600	459 600
	461 343	461 343

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

	Group	
	2025 R'000	2024 R'000
11. Interest-bearing borrowings		
Mortgage bond		
First National Bank, a division of FirstRand Bank Limited:	99 374	106 491
Other loans		
Instalment sales agreement	20 208	30 523
	119 582	137 014
Non-current liabilities		
Mortgage bonds	92 256	99 438
Instalment sales agreements	14 270	18 362
	106 526	117 800
Current liabilities		
Mortgage bonds	7 118	7 053
Instalment sales agreements	5 938	12 161
	13 056	19 214

Refer to note 30 Financial instruments and financial risk management for details of the maturity analysis of interest-bearing borrowings and the liquidity risk exposure and management.

Borrowing powers

The Company's MOI does not limit the Company's borrowing powers.

Securities

The interest-bearing borrowings are secured as follows:

First National Bank, a division of FirstRand Bank Limited

The loan is secured by first covering mortgage bond over the following properties:

Loan agreement 3-000-021-317-784 for an initial R108 000 000

Erf 685 and Erf 688 Alrode Extension 2 Township and Erf 637 Alrode Extension 4 Township of R29 000 000, R54 000 000 and R25 000 000 respectively and a cession dated 16 September 2021 of all rights, title, and interest in, and to any existing and future income derived from rental of the property, and all rental agreements in respect of the property in favour of First National Bank. The interest is payable at First National Bank's prime lending rate less 1.40% per annum. The prime lending rate at year end is 10.25% (2024: 11.25%). The loan is secured by a cross suretyship for R300 000 000 dated 29 October 2025 by Anchor Park and SOEW, a combined cross suretyship for R250 000 000 by Anchor Park and SOEW and a combined cross suretyship for R60 000 000 by Icembu Cables and SOEW. The loan is repayable in monthly instalments of R1 376 369 (2024: 1 434 106) inclusive of interest. Covenant includes that the loan as a ratio to the value of the mortgaged property may not exceed the loan-to-value for the term of the loan. There have been no breaches and were compliant for the financial year ended 31 December 2025.

Other loans

Instalment sale agreements are secured by the underlying assets with a net book value of R39 882 489 (2024: R30 523 119), bear interest at rates varying from 10.25% to 10.75% (2024: ranged between 11.25% to 11.75%) and are repayable over 36 months (note 3).

Exposure to liquidity risk

Refer to note 30 Financial instruments and financial risk management for details of liquidity risk exposure and management. For the borrowings, the fair values are not materially different from their carrying amounts since the interest payable on those borrowings are close to current market rates.

Banking facilities

The following securities are held by the Group's bankers:

First National Bank Limited, a division of FirstRand Bank Limited

The Group has an overdraft facility with First National Bank of R450 million (2024: R417 million). The facility is secured by a cession of the Group's trade receivables, a cession of trade receivables cover policy with Credit Guarantee Insurance Corporation of Africa Limited, a general notarial bond over stock for the amount of R180 million (2024: R135 million), as well as noting the bank's interest and deed of negative pledge of assets. The facility, when utilised, bears interest at prime (2024: prime). The unused facility at year end amounted to R392 million (2024: R417 million). The facility is renewable annually in November. The Group has an instalment sale facility of R35 million (2024: R60 million) with the same bank, of which R14.8 million (2024: R29.4 million) was un-utilised at year end.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

12. Share-based payment liabilities

Share Appreciation Rights – Long-term incentive plan

The Group has a 100% cash-settled Share Appreciation Rights (SAR) plan in place, which has been in place since 2009. The next SARs were eligible to be exercised in 2025, if not exercised in 2025, they can be exercised in 2026. The fair value of the rights was calculated using the Black-Scholes Valuation Model. The assumptions used in determining the fair value of each SAR granted as at the end of the respective reporting periods are summarised as follows:

	2025	2024
Share price (Volume Weighted Average Price)	R1.18	R1.85
Strike price: SOH	R1.24	R1.97
Strike price: SOEW	R38.57	R62.48
Spot price: SOH	R1.24	R1.97
Spot price: SOEW	R92.74	R92.44
Dividend yield	0.00%	0.00%
Retention of employees	60.00%	60.00%

Expected SAR life: Three years, may be extended at the option of the holder for one more year.

Risk-free rate: Zero coupon perfect fit swap curve from the JSE Debt Market of South Africa.

The volatility was determined by applying the equally weighted methodology to the historical share prices of SOH. The spot price of the rights in the subsidiary is determined using three-year average profit after tax.

	Group	
	2025 R'000	2024 R'000
Rights granted	1 January	1 January
Grant date	2025	2024
Grant price: SOEW	R90.10	R62.48
Grant price: SOH	R1.85	R1.85
Number of units granted	4 373	4 580
Reconciliation of liability		
Opening balance	13 874	11 842
Change in statement of comprehensive income	(8 612)	2 032
Closing balance	5 262	13 874
Non-current liabilities	1 545	11 501
Current liabilities	3 717	2 373
	5 262	13 874
	Number of SAR units 2025	Number of SAR units 2024
Reconciliation of units		
Opening balance	11 641	11 049
Units granted	4 373	6 122
Equity units forfeited	(640)	(1 105)
Encashment of units	(1 770)	(4 425)
Closing balance	13 604	11 641

Units and values comprise a combination of SOH and SOEW units and values.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

12. Share-based payment liabilities (continued)

			Number of SAR units	Value R'000
Directors' interest in long-term incentive plans				
2025				
A Smith			7 215	273
W Basson			3 588	133
2024				
A Smith			6 329	4 744
W Basson			3 229	2 398
			Value 2025 R'000	Value 2024 R'000
Reconciliation of units and value: A Smith				
Opening balance	6 359	3 268	4 744	292
Units/value granted	1 855	3 061	–	4 452
Encashment/reevaluation of units/value	(999)	–	(4 471)	–
Closing balance	7 215	6 329	273	4 744
Reconciliation of units and value: W Basson				
Opening balance	3 229	4 517	2 398	2 733
Units/value granted	953	1 543	–	2 268
Encashment/reevaluation of units/value	(594)	(2 831)	(2 265)	(2 604)
Closing balance	3 588	3 229	133	2 398

	Group	
	2025 R'000	2024 R'000
13. Trade and other payables		
Financial instruments:		
Trade payables	479 877	234 696
Accruals*	14 063	45 832
Deposits received	–	212
Non-financial instruments:		
Payroll accruals	7 291	7 608
South African Revenue Services – VAT payable	402	6 672
	501 733	295 020
Financial instrument and non-financial instrument components of trade and other payables		
Financial instruments	493 940	280 740
Non-financial instruments	7 693	14 280
	501 733	295 020

* Accruals mainly consist of audit fees, printing and stationery, professional fees, and legal fees.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

13. Trade and other payables (continued)**Exposure to currency risk**

The trade and other payables are denominated in the following currencies. The amounts have been presented in Rand by converting the foreign currency amount at the closing rate at the reporting date.

	Group	
	2025 R'000	2024 R'000
Rand amount		
US Dollar	114 936	57 778
Euro	-	(721)
	114 936	57 057

The carrying amounts of trade and other payables are considered to be the same as their fair values due to the short-term nature. Refer to note 30 Financial instruments and financial risk management for details of liquidity risk exposure and management.

14. Revenue**Revenue from contracts with customers**

	Group	
	2025 R'000	2024 R'000
Sale of goods	2 502 283	2 567 980
	2 502 283	2 567 980
Disaggregation of revenue per geographical area		
South Africa	2 497 093	2 555 098
Other countries	5 190	12 882
	2 502 283	2 567 980

Disaggregation of revenue from contracts with customers

The Group disaggregates revenue from customers as follows:

Sale of goods at a point in time

Copper cable sold	2 415 061	2 436 239
Aluminium cable sold	73 725	115 422
Conduit sold	13 497	16 319
Total revenue from contracts with customers	2 502 283	2 567 980

15. Other operating income

	Group	
	2025 R'000	2024 R'000
Profit on exchange differences	25 546	23 466
Profit on the sale of assets	-	220
Sundry income	837	973
	26 383	24 659

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

	Group	
	2025 R'000	2024 R'000
16. Expenses by nature		
The total cost of sales, administrative expenses, distribution expenses and other operating expenses are analysed by nature as follows:		
Cost of sales		
Depreciation	16 542	14 961
Electricity and water	40 468	41 760
Employee benefit expense (refer to note 17)	119 830	134 010
Rental	13 405	13 920
Changes in inventories of finished goods and WIP	(252 648)	(130 465)
Motor vehicle expenses	5 582	5 593
Other expenses	18 007	(385)
Raw materials and consumables purchased	2 436 910	2 322 206
Repairs and maintenance	23 780	18 337
Administration expenses		
Auditors' remuneration	2 207	3 200
Depreciation	1 421	1 427
Advertising	965	715
Employee benefit expense (refer to note 17)	22 280	36 564
Legal fees	6 014	1 097
Other expenses	(5 864)	119
Security expenses	9 343	4 567
Distribution expenses		
Other expenses	11 188	6 034
Operating expenses		
Depreciation	5 371	7 360
Electricity and water	2 420	2 757
Employee benefit expense (refer to note 17)	16 392	6 199
Insurance – trade receivables	4 503	4 498
Insurance – all assets, public liability, directors and officers	9 121	6 894
Low value leases	770	501
Motor vehicle expenses	6 044	4 630
Other expenses	2 767	529
Repairs and maintenance	1 089	3 203
Movement in credit loss allowance		
Loss allowance movement	(631)	(465)
Total cost of sales, administration, distribution and operating expense	2 517 276	2 509 766

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

	Group	
	2025 R'000	2024 R'000
17. Employee benefit expense		
Salaries, wages and bonuses	159 888	167 595
Share-based payment expense	(8 612)	2 032
Pension and provident fund contributions	7 226	7 146
	158 502	176 773
The employees of the Group are the members of the following contribution plans:		
<ul style="list-style-type: none"> Alexander Forbes Access Retirement Fund MEIBC Provident Fund 		
Number of persons employed at 31 December		
Full time	384	473
Part time	36	104
	420	577
	Group	
	2025 R'000	2024 R'000
18. Finance income		
Bank and other cash	1 192	2 578
Other*	2 490	2 126
Total finance income	3 682	4 704
* Consists of interest charged on overdue customer accounts.		
19. Finance costs		
Mortgage bonds	11 956	6 416
Bank overdraft	23 502	24 118
Lease liabilities	5 040	5 292
Other	514	3 543
Total finance costs	41 012	39 369

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

	Group	
	2025 R'000	2024 R'000
20. Tax		
Major components of the tax expense/(income)		
Current		
Local income tax – current period	1 761	21 254
	1 761	21 254
Deferred		
Originating and reversing temporary differences – current period	(12 777)	(7 665)
Originating and reversing temporary differences – prior period	–	(2 157)
	(11 016)	11 432
Reconciliation of the tax expense		
Reconciliation between accounting profit and tax expense		
Accounting (loss)/profit	(26 294)	45 323
Tax at the applicable tax rate of 27% (2024: 27%)	(7 099)	12 237
Tax effect of adjustments on taxable income		
Expenses of a capital nature which are deductible	(2 786)	(114)
Non-taxable income	–	1 466
Deferred tax – prior period	–	(2 157)
Other	(1 131)	–
	(11 016)	11 432

	Group		
	Gross	Tax	Net
21. Other comprehensive (loss)/income			
2025			
Components of other comprehensive (loss)			
Items that may be reclassified to (loss)			
Exchange differences on translating foreign operations			
Exchange differences arising during the year	(18)	–	(18)
	(18)	–	(18)
2024			
Components of other comprehensive income			
Items that may be reclassified to income			
Exchange differences on translating foreign operations			
Exchange differences arising during the year	(18)	–	(18)
	(18)	–	(18)

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

	Group			
	2025 R'000	2024 R'000		
22. Earnings per share				
Basic and diluted earnings per share (cents)	6.81	22.64 [^]		
Basic and diluted earnings attributable to equity holders of the parent	13 834	46 018 [^]		
Headline earnings per share				
Headline earnings and diluted headline earnings per share (cents)	6.81	22.56 [^]		
	Gross 2025 R'000	Net 2025 R'000	Gross 2024 R'000	Net 2024 R'000
Reconciliation between earnings and headline earnings				
Basic earnings attributable to equity holders of the parent	13 834	13 834	46 018	46 018 [^]
Profit on disposal of property, plant and equipment	–	–	(220)	(161)
Headline earnings attributable to equity holders of the parent	13 834	13 834	45 798	45 857 [^]
Number of shares in issue ('000)	203 277	203 277	203 277	203 277
			Previously stated	Restated
^Restatement				
Basic and diluted earnings			33 873	46 018
Headline earnings			33 712	45 857
Basic and diluted earnings per share (cents)			16.66	22.64
Headline earnings per share (cents)			16.58	22.56
Net asset and tangible net asset value per share				
Tangible net asset value per share (cents)*			3.01	3.24
Net asset value per share (cents)**			3.22	3.35
Tangible net asset value ('000)			612 775	659 502
Net asset value ('000)			655 431	681 925
* Calculated as the net asset value less intangible assets divided by the weighted average shares in issue				
** Calculated as the net asset value divided by the weighted average shares in issue				
Total comprehensive income for the year, was incorrectly used for the computation of earnings per share and headline earnings per share, as opposed to the Total comprehensive income attributable to equity holders of the parent.				
Weighted average number of shares				
Number of shares			203 276 794	203 276 794
Weighted average number of shares in issue at the beginning of the year			203 276 794	203 276 794
Weighted average number of shares in issue at the end of the year			203 276 794	203 276 794

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

	Group	
	2025 R'000	2024 R'000
23. Cash generated from operations		
(Loss)/profit before taxation from operations	(26 294)	45 323
Adjustments for:		
Depreciation	39 443	38 103
Finance income	(3 682)	(4 704)
Finance costs	41 012	39 369
Share-based payment provision	(8 612)	2 032
Profit on disposal of property, plant and equipment	-	(220)
Share in net loss from associates	354	2 885
Other non-cash items	(18)	(18)
Changes in working capital:		
Inventories	(248 235)	(130 573)
Trade and other receivables	(41 610)	38 669
Trade and other payables	206 713	80 042
	(40 929)	110 908
24. Tax paid		
Balance at beginning of the year	476	(593)
Current tax for the year recognised in profit or loss	(1 761)	(21 254)
Balance at end of the year	(10 310)	(476)
	(11 595)	(22 323)
25. Proceeds on disposal of property, plant and equipment		
Profit on disposal of property, plant and equipment	-	220
Net book value of assets disposed of	-	214
	-	434

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

	Group	
	2025 R'000	2024 R'000
26. Net debt reconciliation		
Cash and cash equivalents	(45 727)	121 452
Interest-bearing borrowings repayable within one year	(13 056)	(19 214)
Interest-bearing borrowings repayable after one year	(106 526)	(117 800)
Lease liabilities repayable within one year	(18 671)	(16 472)
Lease liabilities repayable after one year	(46 557)	(65 464)
Net debt	(230 537)	(97 498)

Net debt movement reconciliation	Group			
	Cash and cash equivalents	Interest-bearing borrowings	Lease liabilities	Total
Balance at 1 January 2024	84 261	(82 010)	(82 903)	(80 652)
Cash movement capital repayments	(13 621)	16 355	15 389	18 123
Cash movement interest repayments	(24 118)	6 416	5 292	(12 410)
Funds advanced	74 948	(71 359)	–	3 589
Non-cash movement*	(18)	(6 416)	(19 714)	(26 148)
Balance at 1 January 2025	121 452	(137 014)	(81 936)	(97 498)
Cash movement capital repayments	(143 659)	17 432	16 708	(109 519)
Cash movement interest repayments	(23 502)	11 956	5 040	(6 506)
Non-cash movement*	(18)	(11 956)	(5 040)	(17 014)
Balance at 31 December 2025	(45 727)	(119 582)	(65 228)	(230 537)

* Non-cash movement includes interest charge and the effect of the exchange rate movement on cash balances.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

27. Related parties

Relationships

Directors	J van Rensburg N Lalla JH Yeh LL Chen MM Hohman A Smith W Basson KH Pon (resigned) HL Li (resigned) SN Yeh (alternate)
Subsidiaries	Anchor Park Investments 48 Proprietary Limited Icembu Holdings Proprietary Limited Icembu Cables Proprietary Limited Icembu Services Proprietary Limited South Ocean Electric Wire Company Proprietary Limited South Ocean Electric Wire Company Namibia Proprietary Limited SOH Calibre International Limited
Associates	The Electric Owl Proprietary Limited The Electric Owl KZN Proprietary Limited Power Cable Trading Proprietary Limited Lomami SARI Mwanga Afrika Cables Proprietary Limited Powerhouse Reman Mozambique NC Dynamic Desert Energy Proprietary Limited Green Energy SOEW Proprietary Limited NC Cables (previously known as Consupro) Proprietary Limited

Dividends paid to directors were as follows:

	2025 R'000	2024 R'000
J van Rensburg through Joseph Investments (Pty) Ltd	3 421	6 842
	Group	
Related party balances	2025 R'000	2024 R'000
Loan accounts – Owing by related parties		
The Electrical Owl Proprietary Limited	87	263

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

27. Related parties (continued)

	Group	
	2025 R'000	2024 R'000
Related party balances		
Amounts included in trade receivables regarding related parties		
The Electrical Owl Proprietary Limited	15 471	11 164
The Electrical Owl KZN Proprietary Limited	17 579	13 362
Power Cable Trading Proprietary Limited	616	221
NC Cables (previously known as Consupro) Proprietary Limited	76	1 071
	34 669	27 036
Sales to related parties		
The Electrical Owl Proprietary Limited	24 139	20 463
The Electrical Owl KZN Proprietary Limited	22 485	24 385
Power Cable Trading Proprietary Limited	9 194	6 323
NC Cables (previously known as Consupro) Proprietary Limited	1 234	3 206
	67 254	223 754
Compensation to directors and other key management personnel		
Salaries and short-term benefits	11 714	17 097

Refer to note 12 Share-based payments for details on key management personnel. Refer to note 28 Directors' and prescribed officers' emoluments for details on terminations and post-employment details on key personnel.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

28. Directors' and prescribed officers' emoluments

Executive	Group				
	Salary R'000	Medical group benefit contributions R'000	Provident fund R'000	Bonus and performance payments* R'000	Total R'000
2025					
A Smith	3 525	206	466	540	4 737
W Basson	2 447	30	184	501	3 162
	5 972	236	650	1 041	7 899
2024					
A Smith	3 294	205	431	2 901	6 831
W Basson	2 276	67	170	4 387	6 900
	5 570	272	601	7 288	13 731

* Refer to note 12 for share-based payment portion.

Non-executive	Group	
	Directors' fees 2025	Directors' fees 2024
KH Pon (resigned 19 March 2025)	815	1 044
HL Li (resigned 14 May 2025)	171	405
N Lalla	925	722
M Chong (resigned 31 July 2024)	–	316
JH Yeh	492	355
J van Rensburg	961	287
LL Chen	246	237
M Hohman (appointed 10 March 2025)	205	–
	3 815	3 366

Directors' interests in share capital

No shares were traded by any Director from 31 December 2025 until the date of this report. Refer to note 12 for details of share appreciation rights allocated to the directors during the year.

The interest in the issued share capital of the Company as at 31 December 2025 was as follows:

	Direct beneficial holding	Indirect beneficial holding	Total	Percentage of issued share capital
	2025			
J van Rensburg	86 930	62 843 137	62 930 067	30.96%
2024				
J van Rensburg	87 000	62 118 447	62 205 447	30.60%
			2025	2024
Beneficial Shareholders holdings >5% of Issued Shares	Total	Percentage of issued share capital	Total	Percentage of issued share capital
Joseph Investments Proprietary Limited	62 930 067	30.96%	62 205 447	30.60%
Hong Tai Electric Industrial Co Limited	56 270 187	27.68%	56 270 187	27.68%
SAF Metal Holdings LLC	41 048 988	20.19%	–	–
Metalic City International Limited	–	–	41 048 988	20.19%

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

29. Interest in subsidiaries

	Issued share capital and percentage held	
	2025 %	2024 %
Direct Holdings		
South Ocean Electric Wire Company Proprietary Limited	100	100
Anchor Park Investments 48 Proprietary Limited	100	100
SOH Calibre International Limited	100	100
Indirect Holdings		
Icembu Holdings Proprietary Limited	70	70
Icembu Services Proprietary Limited	49	49
Icembu Cables Proprietary Limited	49	49
South Ocean Electric Wire Company Namibia Proprietary Limited	100	100

The carrying amount of subsidiaries are shown net of impairment changes. The carrying amount of the investment in South Ocean Electric Wire Company Proprietary Limited and Anchor Park Investments 48 Proprietary Limited were evaluated at year end. No impairments were recognised in the current year (2024: Nil). Cumulative impairments for 2025 amounted to R302 290 000 (2024: R302 290 000). All subsidiaries are incorporated and operate in South Africa with the exception of SOH Calibre International Limited which is incorporated in Hong Kong. All subsidiaries have a 31 December year end.

The group owns 70% equity shares of Icembu Holdings, Icembu Holdings owns 70% equity shares in Icembu Services, and 70% of the equity shares Icembu Cables, collectively known as Icembu. The Directors of the company concluded that the company has control in terms of IFRS10: Consolidated Financial Statements over Icembu, and that they are consolidated in the group's financial statements due to the following reasons:

- the group's directors are the only appointees to the Icembu executive board of directors at financial year end;
- Icembu is dependent on South Ocean for providing key management services and vital expertise and the Icembu operations are dependent on South Ocean's key management personnel;
- South Ocean is the only appointee of key management personnel and the Icembu business is run by South Ocean appointed personnel;
- Icembu is dependent on South Ocean to fund a significant portion of its operations and guarantees a significant portion of the investees obligation;
- the Group is responsible to secure Icembu's suppliers and customers; and
- the Group's exposure to variable returns disproportionately exceeds the exposure of the other investors due to a significant management fee being charged.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

29. Interest in subsidiaries (continued)

Summarised financial information of non-wholly owned subsidiaries:

	Group 2025				
Summary statement of comprehensive income	Revenue	Interest expense	Tax income/ (expense)	Loss from continuing operations	Total comprehensive income
Icembu Holdings	–	–	–	–	–
Icembu Cables	24 117	(13 234)	(21 842)	(90 072)	(90 072)
Icembu Services	13 497	(1 554)	3 575	(5 552)	(5 552)
	37 614	(14 788)	(18 267)	(95 624)	(95 624)

	Group 2025				
Summary statement of financial position	Non-current assets	Cash and cash equivalents	Other current assets	Total current assets	Total assets
Assets					
Icembu Holdings	–	–	–	–	–
Icembu Cables	109 815	804	1 063	1 867	111 682
Icembu Services	5 460	1 969	6 660	8 629	14 089
	115 275	2 773	7 723	10 496	125 771

	Group 2025				
	Non-current liabilities	Total non-current liabilities	Other current liabilities	Total current liabilities	Total liabilities
Liabilities					
Icembu Holdings	–	–	–	–	–
Icembu Cables	(190 931)	(190 931)	(24 839)	(24 839)	(215 770)
Icembu Services	(20 648)	(20 648)	(1 695)	(1 695)	(22 343)
	(211 579)	(211 579)	(26 534)	(26 534)	(238 113)

	Group 2025				
Net liability value (NLV)	NLV at 1 January 2025	Loss since date of transaction	NLV at 31 December 2025	Non-controlling interest %	Non-controlling interest %
Icembu Holdings	–	–	–	30%	–
Icembu Cables	(51 601)	(51 566)	(103 167)	51%	(52 615)
Icembu Services	(2 722)	(5 552)	(8 274)	51%	(4 220)
	(54 323)	(57 118)	(111 441)		(56 835)

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

29. Interest in subsidiaries (continued)

Summarised financial information of non-wholly owned subsidiaries continued:

	Group 2024				
Summary statement of comprehensive income	Revenue	Interest expense	Tax income/ (expense)	Loss from continuing operations	Total comprehensive income
Icembu Holdings	–	–	–	–	–
Icembu Cables	57 781	(10 018)	7 817	(21 135)	(21 135)
Icembu Services	16 318	(1 100)	990	(2 678)	(2 678)
	74 099	(11 118)	8 807	(23 813)	(23 813)

	Group 2024				
Summary statement of financial position	Non-current assets	Cash and cash equivalents	Other current assets	Total current assets	Total assets
Assets					
Icembu Holdings	–	–	–	–	–
Icembu Cables	107 851	999	1 204	2 203	110 054
Icembu Services	3 027	1 665	9 439	11 104	14 131
	110 878	2 664	10 643	13 307	124 185

	Group 2024				
	Non-current liabilities	Total non-current liabilities	Other current liabilities	Total current liabilities	Total liabilities
Liabilities					
Icembu Holdings	–	–	–	–	–
Icembu Cables	(135 216)	(135 216)	(26 439)	(26 439)	(161 655)
Icembu Services	(16 694)	(16 694)	(159)	(159)	(16 853)
	(151 910)	(151 910)	(26 598)	(26 598)	(178 508)

	Group 2024				
Net liability value (NLV)	NLV at transaction date	Loss since date of transaction	NLV at 31 December 2024	Non-controlling interest %	Non-controlling interest %
Icembu Holdings	–	–	–	30%	–
Icembu Cables	(30 466)	(21 135)	(51 601)	51%	(10 779)
Icembu Services	(44)	(2 678)	(2 722)	51%	(1 366)
	(30 510)	(23 813)	(54 323)		(12 145)

There were no contingent liabilities or commitments in the non-wholly owned subsidiaries.

There were no unrecognised share of losses realised during the period under review.

The principle place of business for the subsidiaries are in Alrode and Elandsfontein.

No dividends were received from the subsidiaries.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

30. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets	Notes	Group	
		Amortised cost R'000	Total R'000
2025			
Trade and other receivables	7	258 147	258 147
Cash and cash equivalents	8	12 107	12 107
Loan to associates	36	87	87
		270 341	270 341
2024			
Trade and other receivables	7	233 294	233 294
Cash and cash equivalents	8	121 452	121 452
Loan to associates	36	263	263
		355 009	355 009

Categories of financial liabilities	Notes	Group	
		Amortised cost R'000	Total R'000
2025			
Trade and other payables	13	493 940	493 940
Interest-bearing borrowings	11	119 582	119 582
Lease liabilities	4	65 228	65 228
Bank overdraft	8	58 834	58 834
		736 584	736 584
2024			
Trade and other payables	13	280 740	280 740
Interest-bearing borrowings	11	137 014	137 014
Lease liabilities	4	81 936	81 936
		499 690	499 690

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The executive directors are involved in the daily operations of the Group, and the necessary decisions regarding capital risk management are made as and when necessary.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in notes 4 and 11, cash and cash equivalents disclosed in note 8, and equity as disclosed in the statement of financial position.

The Group maintains overdraft facilities with reputable financial institutions for short-term financing needs. Where operational needs require prolonged use of overdraft facilities, the Group seeks opportunities to use long-term financing. Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as the total debt plus net overdraft divided by total equity. The Group's strategy is to maintain the ratio below 50%.

At 31 December 2025 the gearing ratio was 9.00% (2024: 12.00%). The gearing ratio considers interest-bearing borrowings and decreased as a result thereof.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

30. Financial instruments and risk management (continued)**Financial risk management****Overview**

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (foreign currency risk, interest rate risk).

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out under policies approved by Board of Directors.

Credit risk

Potential concentrations of credit risk consist primarily of cash and cash equivalents and trade receivables. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas, but we draw attention to the fact that 25% (2024: 25%) of revenue was derived from a single customer. The Group has policies in place to ensure that sales are made to customers with an appropriate credit history and in most instances, utilises credit insurance. The ongoing creditworthiness of the trade receivables is assessed taking into account the specific debtors balances against their credit limit. Details of credit risk for trade receivables is disclosed in note 7.

The Group manages outstanding trade receivables using a combination of Credit Guarantee and outside collection agents. The Credit Guarantee terms require that before the outstanding accounts are handed over to them for management, an effort must have been made by management to collect the outstanding amounts. The amount not recoverable from Credit Guarantee is limited to 15% (2024: 15%) of trade receivables within their credit limit and 100% of trade receivables in excess of their approved limits. The amounts recoverable from Credit Guarantee are only recoverable 60 to 90 days after they have been handed over to Credit Guarantee for management. Trade debtors are not individually classed for insurance purposes, as all trade debtors within their credit limits are covered by Credit Guarantee.

The overdraft is renewable annually in November. All the indications from the Group's bankers is that the facility will be renewed.

The maximum exposure to credit risk is presented in the table below:

		Group					
		2025			2024		
Note		Gross carrying amount	Credit loss allowance	Amortised cost	Gross carrying amount	Credit loss allowance	Amortised cost
Trade and other receivables	7	259 881	(1 734)	258 147	235 659	(2 365)	233 294
Cash and cash equivalents	8	12 107	–	12 107	121 452	–	121 452
Loan to associates	36	87	–	87	263	–	263
		272 075	(1 734)	270 341	357 374	(2 365)	355 009

Liquidity risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained to meet short-term obligations as they become due and payable. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit lines available.

		Group			
		2025		2024	
		Credit limit R'000	Balance utilised R'000	Credit limit R'000	Balance utilised R'000
Counter party					
First National Bank – Overdraft		(450 000)	58 834	(417 000)	–

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

30. Financial instruments and risk management (continued)

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Note	Group				Total R'000	Carrying amount R'000
		Less than 1 year R'000	1 to 2 years R'000	2 to 5 years R'000	Over 5 years R'000		
2025							
Non-current liabilities							
Interest-bearing borrowings	11	–	36 318	24 429	104 828	165 575	106 526
Lease liabilities	4	–	43 525	51 101	–	94 626	46 557
Current liabilities							
Trade and other payables	13	493 940	–	–	–	493 940	493 940
Interest-bearing borrowings	11	13 056	–	–	–	13 056	13 056
Lease liabilities	4	18 671	–	–	–	18 671	18 671
Bank overdraft	8	58 834	–	–	–	58 834	58 834
		583 501	79 843	75 530	104 828	843 702	736 584
2024							
Non-current liabilities							
Interest-bearing borrowings	11	–	37 278	67 375	63 164	167 817	117 800
Lease liabilities	4	–	23 907	56 531	–	80 438	65 464
Current liabilities							
Trade and other payables	13	280 740	–	–	–	280 740	280 740
Interest-bearing borrowings	11	31 667	–	–	–	31 667	19 214
Lease liabilities	4	21 359	–	–	–	21 359	16 472
		333 766	61 185	123 906	63 164	582 021	499 690

Foreign currency risk

The Group operates and trades internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States Dollars (USD). The Group buys its major machinery and raw copper in USD. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities when they are denominated in a currency that is not the entity's functional currency.

The Group does not hedge foreign currency risk.

At 31 December 2025, if the currency had weakened/strengthened against the United States Dollar (USD) by 2.00% (2024: 2.00%) with all other variables held constant, (loss)/profit after tax would have decreased/increased by R1 627 027 (2024: R832 974), mainly as a result of foreign exchange gains/losses on translation of trade payables.

At 31 December 2025, if the currency had weakened/strengthened against the Hong Kong Dollar (HKD) by 2.00% (2024: 2.00%) with all other variables held constant, (loss)/profit after tax would have decreased/increased by R17 710 (2024: R17 710), mainly as a result of foreign exchange gains/losses on translation of trade payables and cash and cash equivalents.

At 31 December 2025, if the currency had weakened/strengthened against the Euro by 2.00% (2024: 2.00%) with all other variables held constant, (loss)/profit after tax would have decreased/increased by R2 789 (2024: Rnil), mainly as a result of foreign exchange gains/losses on translation of trade payables and cash and cash equivalents.

At 31 December 2025, if the currency had weakened/strengthened against the Great Britain Pound (GBP) by 2.00% (2024: 2.00%) with all other variables held constant, (loss)/profit after tax would have decreased/increased by R10 527 (2024: Rnil), mainly as a result of foreign exchange gains/losses on translation of trade payables and cash and cash equivalents.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

30. Financial instruments and risk management (continued)

Currency exposure

The net carrying amounts, in Rand, of the various exposures, are denominated in the following currencies. The amounts have been presented in Rand by converting the foreign currency amounts at the closing rate at the reporting date:

	Notes	Group	
		2025 R'000	2024 R'000
USD exposure			
Current assets:			
Cash and cash equivalents	8	10	4
Trade and other receivables	7	1 938	–
Current liabilities:			
Trade and other payables	13	(114 936)	(57 057)
Net USD exposure		(112 988)	(57 053)
HKD exposure			
Current assets:			
Cash and cash equivalents	8	1 213	1 213
Net HKD exposure		1 213	1 213
Current assets:			
Cash and cash equivalents	8	190	–
Trade and other receivables	7	1	1
Net Euro exposure		191	1
GBP exposure			
Current assets:			
Trade and other receivables		721	–
Net GDP exposure		721	–
Net exposure to foreign currency in Rand		(110 863)	(55 839)

Interest rate risk

As the Group has no significant interest-bearing assets, the Group's income is substantially independent of changes in market interest rates. The Group's interest rate risk arises from long-term and current borrowings as well as cash and cash equivalents. Borrowings, cash balances and leasing arrangements issued at fixed rates expose the Group to fair value interest rate risk. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The interest rates are monitored when there are indications that rates may change. Details of interest rates on borrowings are disclosed in note 11.

All Group borrowings are denominated in Rands. The Group is exposed to interest rate risk as it borrows funds at floating interest rates. Interest rate exposure is not analysed on a specific basis. However, should the interest rates increase/decrease by 2% the Group profit after tax will decrease/increase by R1 745 897 (2024: R1 973 002).

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

31. Segment reporting

The Group is organised into two main business segments:

- Electrical cable manufacturing – manufacturing and distribution of electric wire (South Ocean Electric Wire Company and Icembu Cables); and
- Property investments (Anchor Park).

The activities of other group companies are not significant enough and do not warrant to be regarded as a segment on their own and are reported together with corporate activities as other assets or liabilities or other overheads and are included in corporate and other assets in the reconciliation of total assets. The chief operating decision maker who has been identified as the Group's executive committee, reviews the Group's internal reporting to assess performance and has determined the operating segments based on these reports.

The assessment of the performance of the operating segments is based on the adjusted operating profit before interest, income tax, depreciation and amortisation (adjusted EBITDA). This measurement basis excludes intercompany management fees and the effect of non-recurring expenditure from the operating segments, such as profit on disposal of property, plant and equipment and impairments. Earnings are defined as the operating profits. The reported total assets and liabilities exclude current and deferred taxation and intercompany balances.

The details of the business segments are reported as follows:

	Electric cable manufacturing R'000	Property investments R'000	Total R'000
2025			
Revenue	2 526 400	20 886	2 547 286
Employee benefit expense	(158 502)	–	(158 502)
Change in inventories of finished goods and WIP	(252 648)	–	(252 648)
Raw materials and consumables purchased	(2 434 369)	–	(2 434 369)
Other expenses	374 780	13 476	388 256
Adjusted EBITDA	55 661	34 362	90 023
Segment assets	1 271 867	157 251	1 429 118
Segment liabilities	653 552	161 088	814 641
2024			
Revenue	2 625 761	20 886	2 646 647
Employee benefit expense	(176 773)	–	(176 773)
Change in inventories of finished goods and WIP	(130 465)	–	(130 465)
Raw materials and consumables purchased	(2 322 206)	–	(2 322 206)
Other expenses	146 295	(6 839)	139 456
Adjusted EBITDA*	142 612	14 047	156 659
Segment assets	1 119 996	160 990	1 280 986
Segment liabilities	417 518	175 836	593 354

Segment assets consist primarily of property, plant and equipment, inventories, receivables, and operating cash. Segment assets exclude taxes and any inter-group loans existing at reporting date.

Segment liabilities comprises operating liabilities and exclude taxes and any inter-group liabilities existing at reporting date.

Corporate assets and liabilities incorporates the assets and liabilities of South Ocean Holdings Limited and SOH Calibre International which comprise receivables, payables, and cash balances.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

31. Segment reporting (continued)

Reconciliation of segment results to statements of comprehensive income and financial position

	Group	
	2025 R'000	2024 R'000
Revenue		
Reportable segment revenue	2 547 286	2 646 647
Inter-segment revenue	(45 003)	(78 667)
Revenue per statement of profit or loss and other comprehensive income	2 502 283	2 567 980
EBITDA		
Adjusted EBITDA	90 023	156 659
Corporate and other overheads	(9 123)	(20 655)
Depreciation	(69 228)	(68 334)
Impairment of group loans	(12 754)	(28 784)
Inter-segment eliminations	12 472	43 987
Share of net loss in equity accounted investments	(354)	(2 885)
Operating profit per consolidated statement of profit or loss and other comprehensive income	11 036	79 988
Operating profit	11 036	79 988
Finance income	3 682	4 704
Finance costs	(41 012)	(39 369)
(Loss)/profit before taxation per consolidated statement of profit or loss and other comprehensive income	(26 294)	45 323
Assets		
Reportable segment assets	1 429 118	1 280 986
Corporate and other assets	4 847	3 239
Current tax receivable	12 093	905
Deferred tax	42 967	22 423
Inter-segment eliminations	(55 570)	(73 743)
Total assets per statement of financial position	1 433 455	1 233 810
Liabilities		
Reportable segment liabilities	814 641	593 354
Corporate and other liabilities	227	16 426
Current tax payable	1 783	429
Deferred tax	26 602	23 611
Inter-segment eliminations	(65 229)	(81 935)
Total Liabilities per statement of financial position	778 024	551 885

The Group operates primarily in South Africa. No geographical segmental information is disclosed as there are no separately defined segments that contribute more than 10% of revenue, results, assets or liabilities.

The Group revenue earned in South Africa is R2 497 093 010 (2024: R2 555 097 713) and earned from other countries is R5 189 907 (2024: R12 882 404). 25% (2024: 25%) of total revenue was derived from a single external customer.

The total non-current assets other than financial instruments and excluding deferred tax assets located in South Africa is R275 153 515 (2024: R269 038 296) and the total of these non-current assets located in other countries is Rnil (2024: Rnil).

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

32. Going concern

The Annual Financial Statements have been prepared on the basis of accounting applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

At 31 December 2025, the Group's assets, fairly valued, exceeded its liabilities. Furthermore, management assessed the Group's liquidity forecasts for a period of 12 months from reporting date. Various scenarios have been considered to test the Group's resilience against operational risks and management concluded that the Group is a going concern.

The Group has short-term borrowings to the value of R13.1 million (2024: R19.2 million) as disclosed in note 11 of the Annual Financial Statements. The Group has an overdraft facility with First National Bank available of R450 million (2024: R417 million). The facility is due for renewal during November 2026.

The directors perform a property valuation every three to five years, with the latest independent valuation having been performed in 2025, management performs its own internal valuation every year. The market valuation of the properties was in excess of the carrying value at the time. The properties are stated at historical cost less accumulated depreciation and accumulated losses in line with the Group's accounting policy.

33. Events after the reporting period

The directors are not aware of any other matter or circumstance arising since the end of the financial year, not otherwise dealt with in the Financial Statements.

	Group	
	2025 R'000	2024 R'000
34. Dividends per share		
Dividends recommended (R'000)	–	11 180
Number of shares in issue ('000)	203 277	203 277
Dividend per share (cents)	–	5.50

No dividend per share was approved at the board meeting of the Company held on 18 March 2026.

35. Investment in associates

The following amounts represent the Group's share of the aggregate carrying amount of the assets and liabilities and income and expenses in the associates.

Name of company	2025 % Ownership interest	2024 % Ownership interest	2025 Carrying amount	2024 Carrying amount
The Electric Owl Proprietary Limited	30	30	28	74
The Electric Owl KZN Proprietary Limited	30	30	(1 497)	(127)
Power Cable Trading Proprietary Limited	30	30	232	90
Lomami SARI	30	30	282	282
Mwanga Afrika Cables Proprietary Limited	30	30	–*	–*
NC Cables (previously known as Consupro) Proprietary Limited	50	50	50	35
Powerhouse Reman Mozambique [^]	–	48	–*	–*
NC Dynamic Desert Energy Proprietary Limited	30	30	–*	–*
Green Energy SOEW Proprietary Limited	30	30	–*	–*
Green Energy Projects Proprietary Limited**	30	–	–*	–*
			(905)^{^^}	354

* Denotes amounts of less than R 1 000.

** Investments in associates acquired during the financial year ended 31 December 2025. This was acquired through a subscription of shares at a nominal value. This associate had no value at date of subscription.

[^] Investments in associates disposed of during the financial year ended 31 December 2025.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

35. Investment in associates (continued)

Group 2025						
	Opening net assets	Profit/(loss) for the period	Closing net assets	Group's share in profit/(loss) for the period	Group share in CU	Carrying amount
Reconciliation to carrying value						
The Electric Owl Proprietary Limited	249	(153)	96	30	28	28
The Electric Owl KZN Proprietary Limited	(425)	(4 566)	(4 991)	30	(1 497)	(1 497)
Power Cable Trading Proprietary Limited	302	474	776	30	232	232
Lomami SARI	940 [#]	–	940	30	282	282
Mwanga Afrika Cables Proprietary Limited	– [*]	–	– [*]	30	– [*]	– [*]
NC Cables (previously known as Consupro) Proprietary Limited	70	29	99	50	50	50
Powerhouse Reman Mozambique [^]	– [*]	–	– [*]	48	– [*]	– [*]
NC Dynamic Desert Energy Proprietary Limited	– [*]	–	– [*]	30	– [*]	– [*]
Green Energy SOEW Proprietary Limited	– [*]	–	– [*]	30	– [*]	– [*]
Green Energy Projects Proprietary Limited ^{**}	– [*]	–	– [*]	30	– [*]	– [*]
	1 136	(4 216)	(3 080)		(905)^{^^}	(905)^{^^}

* Denotes amounts of less than R 1 000.

** Investments in associates acquired during the financial year ended 31 December 2025. This was acquired through a subscription of shares at a nominal value. This associate had no value at date of subscription.

Value represents initial equity investment.

[^] Investments in associates disposed of during the financial year ended 31 December 2025.

^{^^} Negative carrying amount limited to zero as the Group does not share in the losses of the associates.

All associates are incorporated and operate in South Africa except for Niehoff Electrical Warehouse, Powerhouse Reman and Lomami which is incorporated in Namibia, Mozambique and the Democratic Republic of Congo respectively.

The associates serve as outlets for electrical wire and cable.

There are no quoted market prices for these investments.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

35. Investment in associates (continued)

Summarised financial information of associates:

	Group 2025				
	Revenue R'000	Tax/ (expense) R'000	Profit/ (loss) R'000	Total comprehensive income/(loss) R'000	
Summary statement of comprehensive income					
The Electric Owl Proprietary Limited	24 407	–	(153)	(153)	
The Electric Owl KZN Proprietary Limited	23 787	(112)	(4 566)	(4 566)	
Power Cable Trading Proprietary Limited	8 411	–	474	474	
NC Cables (previously known as Consupro) Proprietary Limited	3 816	(17)	29	29	
Other associates in aggregate	–*	–*	–*	–*	
	60 421	(129)	(4 216)	(4 216)	
Summary statement of financial position	Non-current assets R'000	Cash and cash equivalents R'000	Other current assets R'000	Total current assets R'000	Total assets R'000
Assets					
The Electric Owl Proprietary Limited	485	1 855	13 301	15 156	15 641
The Electric Owl KZN Proprietary Limited	6	2 258	10 573	12 831	12 837
Power Cable Trading Proprietary Limited	–	806	1 196	2 002	2 002
NC Cables (previously known as Consupro) Proprietary Limited	44	(147)	1 299	1 152	1 196
Other associates in aggregate	–*	–*	–*	–*	–*
	535	4 772	26 369	31 141	31 676
Summary statement of financial position	Non-current liabilities R'000	Total non-current liabilities R'000	Other current liabilities R'000	Total current liabilities R'000	Total liabilities R'000
Liabilities					
The Electric Owl Proprietary Limited	(286)	(286)	(15 509)	(15 509)	(15 795)
The Electric Owl KZN Proprietary Limited	(200)	(200)	(17 662)	(17 662)	(17 862)
Power Cable Trading Proprietary Limited	(365)	(365)	(830)	(830)	(1 195)
NC Cables (previously known as Consupro) Proprietary Limited	(370)	(370)	(751)	(751)	(1 121)
Other associates in aggregate	–*	–*	–*	–*	–*
	(1 221)	(1 221)	(34 752)	(34 752)	(35 973)

* Denotes amounts of less than R 1 000.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

35. Investment in associates (continued)

	Group 2024						
	Opening	Profit/(loss)	Closing	Group's	Group	Disposal of	Carrying
	net assets	for the	net assets	share in %	share in	interest	amount
	R'000	period	R'000	R'000	CU	R'000	R'000
		R'000			R'000		
Reconciliation to carrying value							
Global Cables PE Proprietary Limited	4 739	1 981	6 720	50	3 360	(3 360)	–
Global Cables PTA Proprietary Limited	5 877	(2 224)	3 653	50	1 826	(1 826)	–
Global Cables DBN Proprietary Limited	7 133	(5 627)	1 506	50	753	(753)	–
Global Cables CPT Proprietary Limited	614	1 213	1 827	50	914	(914)	–
Global Cables NLP Proprietary Limited	(578)	(1 166)	(1 744)	50	(872)	872	–
The Electric Owl Proprietary Limited	(715)	964	249	30	74	–	74
The Electric Owl KZN Proprietary Limited	(384)	(41)	(425)	30	(127)	–	(127)
Power Cable Trading Proprietary Limited	–	302	302	30	90	–	90
Lomami SARI	940 [#]	–	940	30	282	–	282
Niehoff Electrical Warehouse Proprietary Limited	805	(1 509)	(704)	25	(176)	176	–
Mwanga Afrika Cables Proprietary Limited	–	–	–	30	–	–	–
NC Cables (previously known as Consupro) Proprietary Limited	–	70	70	50	35	–	35
Powerhouse Reman Mozambique	–	–	–	48	–	–	–
NC Dynamic Desert Energy Proprietary Limited	–	–	–	30	–	–	–
Green Energy SOEW Proprietary Limited	–	–	–	30	–	–	–
	18 431	(6 037)	12 394		6 159	(5 805)	354

[#] Value represents initial equity investment.

	Group 2024				
	Revenue	Interest expense	Tax/(expense)	Profit/(loss)	Total comprehensive income/(loss)
Summary statement of comprehensive income					
Global Cables PE Proprietary Limited	79 248	(255)	(2 409)	1 981	1 981
Global Cables PTA Proprietary Limited	87 639	(992)	(1 551)	(2 224)	(2 224)
Global Cables DBN Proprietary Limited	97 600	(1 228)	(1920)	(5 627)	(5 627)
Global Cables CPT Proprietary Limited	106 787	(760)	(486)	1 213	1 213
Global Cables NLP Proprietary Limited	13 501	(143)	–	(1 166)	(1 166)
The Electric Owl Proprietary Limited	19 341	–	(167)	964	964
The Electric Owl KZN Proprietary Limited	22 848	–	(112)	(41)	(41)
Niehoff Electrical Warehouse Proprietary Limited	–	–	–	(1 509)	(1 509)
Power Cable Trading Proprietary Limited	6 750	–	–	302	302
NC Cables (previously known as Consupro) Proprietary Limited	2 219	–	–	70	70
Other associates in aggregate	–*	–*	–*	–*	–*
	435 933	(3 378)	(6 645)	(6 037)	(6 037)

* Denotes amounts of less than R1 000.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

35. Investment in associates (continued)

Summary statement of financial position	Group 2024				
	Non-current assets R'000	Cash and cash equivalents R'000	Other current assets R'000	Total current assets R'000	Total assets R'000
Assets					
The Electric Owl Proprietary Limited	857	1 053	9 393	10 446	11 303
The Electric Owl KZN Proprietary Limited	6	1 669	10 300	11 969	11 975
Power Cable Trading Proprietary Limited	–	364	268	632	632
NC Cables (previously known as Consupro) Proprietary Limited	41	–	1 606	1 606	1 647
Other associates in aggregate	–*	–*	–*	–*	–*
	904	3 086	21 567	24 653	25 557
Summary statement of financial position	Non-current liabilities R'000	Total non-current liabilities R'000	Other current liabilities R'000	Total current liabilities R'000	Total liabilities R'000
Liabilities					
The Electric Owl Proprietary Limited	(463)	(463)	(10 591)	(10 591)	(11 054)
The Electric Owl KZN Proprietary Limited	(200)	(200)	(12 200)	(12 200)	(12 400)
Power Cable Trading Proprietary Limited	(32)	(32)	(298)	(298)	(330)
NC Cables (previously known as Consupro) Proprietary Limited	(452)	(452)	(1 124)	(1 124)	(1 576)
Other associates in aggregate	–*	–*	–*	–*	–*
	(1 147)	(1 147)	(24 213)	(24 213)	(25 360)

* Denotes amounts of less than R1 000.

There were no contingent liabilities or commitments in the associates.

There were no unrecognised share of losses realised during the period under review.

The associates are outlets, established mainly for the sale and distribution of electric cables and house wire.

The principle place of business for the associates are in Gqeberha, Pretoria, Durban, Cape Town, Nelspruit, Brits, Richards Bay, Lubumbashi,, Upington, Maputo, Cape Town and Alrode respectively.

No dividends were received from the associates.

Profit/(loss) in the sale of associates	Group	
	2025 R'000	2024 R'000
Proceeds on the sale of associates	–	5 806
Carrying value of the associates disposed of	–	(5 806)
	–	–

Powerhouse Reman Mozambique was shares returned for no consideration. The business/operations were discontinued and there was no value attached to the shares nor the business.

Notes to the Annual Financial Statements (continued)

for the year ended 31 December 2025

36. Loan to associates

The following amounts represent the Group's loans to associates:

Name of company	Basis of accounting	Group	
		2025 R'000	2024 R'000
The Electric Owl Proprietary Limited	Amortised costs	87	263
		87	263
These loans bear no interest (2024: 0%) per annum. These loans are available to settle with 12 months' notice, which has not been given nor is it expected to be given at the reporting date.			
Split between non-current and current portions			
Non-current assets		87	263
Current assets		–	–
		87	263

Exposure to credit risk

Loans receivable inherently expose the company to credit risk, being the risk that the company will incur financial loss if counterparties fail to make payments as they fall due.

Management has considered the effect of forward-looking information, taking into account the cash flow forecast information for the company and have concluded that any potential resulting impact in ECL is not material.

The Company's exposure to various risks associated with financial instruments is discussed in note 30.

Credit loss allowances

The following tables set out the carrying amount, loss allowance and measurement basis of expected credit losses for the Group loans receivable by credit rating grade:

Summary statement of comprehensive income		Group 2025		
		Gross carrying amount	Loss allowance	Amortised cost
The Electric Owl Proprietary Limited	12 month ECL (not credit impaired)	87	–	87
		87	–	87

Summary statement of comprehensive income		Group 2024		
		Gross carrying amount	Loss allowance	Amortised cost
The Electric Owl Proprietary Limited	12 month ECL (not credit impaired)	263	–	263
		263	–	263

37. Commitments and contingencies

The Group is currently party to a legal arbitration with respect to the acquisition of certain equipment. The possible outcome at this stage is uncertain.

Analysis of ordinary shareholders

for the year ended 31 December 2025

Shareholder spread	Number of shareholder accounts	% of total shareholder accounts	Number of shares	% of issued shares
1–1 000	3 663	91.32%	212 389	0.10%
1 001–10 000	199	4.96%	810 864	0.40%
10 001–100 000	104	2.59%	3 879 479	1.91%
100 001–1 000 000	36	0.91%	11 584 721	5.70%
Over 1 000 000	9	0.22%	186 789 341	91.89%
Total	4 011	100.00%	203 276 794	100.00%

Shareholder types	Number of shareholder accounts	% of total shareholder accounts	Number of shares	% of issued shares
Banks, Brokers and Nominees	6	0.15%	122 500	0.06%
Close Corporations	5	0.12%	640 836	0.32%
Collective Investment Schemes	3	0.08%	7 908 773	3.89%
Non-SA Custodians	3	0.08%	6 682 626	3.29%
NPO and Charity Funds	1	0.02%	90	0.00%
Private Companies	22	0.55%	105 671 390	51.99%
Public Companies	2	0.05%	62 492 817	30.74%
Retail Individuals	3 946	98.38%	14 582 169	7.17%
Retirement Benefit Funds	5	0.12%	1 775 393	0.87%
Trusts and Investment Partnerships	18	0.45%	3 400 200	1.67%
Total	4 011	100.00%	203 276 794	100.00%

Key shareholders	Number of shareholder accounts	% of total shareholder accounts	Number of shares	% of issued shares
Non-public shareholders	3	0.07%	160 162 312	78.80%
Beneficial holders >10%	2	0.05%	97 319 175	47.88%
Directors and associates (indirect holdings)	1	0.02%	62 843 137	30.92%
Directors and associates (direct holdings)	0	0.00%	–	0.00%
Public shareholders	4 008	99.93%	43 114 482	21.20%
Total	4 011	100.00%	203 276 794	100.00%

Beneficial shareholders holding >3% of issued shares	Number of shares	% of issued shares
Joseph Investments (Pty) Ltd	62 843 137	30.92%
Hong Tai Electric Industrial Co Ltd	56 270 187	27.68%
SAF Metal Holdings LLC	41 048 988	20.19%
Ninety One	7 131 491	3.51%
Moneywin International Ltd	6 222 630	3.06%
Total	173 516 433	85.36%

Fund managers holding >3% of issued shares	Number of shares	% of issued shares
Ninety One	9 686 366	4.77%
Total	9 686 366	4.77%

Analysis of ordinary shareholders (continued)

for the year ended 31 December 2025

Shareholders by country	Number of shares	% of issued shares
South Africa	88 756 731	43.66%
Taiwan, Province of China	60 464 501	29.75%
United States	45 894 822	22.58%
Virgin Islands, British	6 222 630	3.06%
Luxembourg	1 836 792	0.90%
Australia	60 663	0.03%
Botswana	29 898	0.01%
Namibia	9 998	0.01%
Swaziland	423	0.00%
Other	336	0.00%
Total	203 276 794	100.00%

Share price performance	Indicator
Opening price 2 January 2025	R1.80
Closing price 31 December 2025	R1.24
High for period (14 October 2025)	R2.85
Low for period (15, 16 and 24 to 30 October 2025)	R0.92
Number of shares in issue	203 276 794
Volume traded during period	3 256 297
Ratio of volume traded to shares issued	1.60%
Rand value traded during the period	R4 523 649
Dividend yield as at 31 December 2025	4.78
Earnings yield as at 31 December 2025	21.86
Price/earnings ratio as at 31 December 2025	–
Market capitalisation at 31 December 2025	R252 063 225

Notice of the Annual General Meeting

for the year ended 31 December 2025

Notice is hereby given that the Annual General Meeting of shareholders of South Ocean Holdings Limited (“SOH” or “the Company”) will be held virtually on Tuesday, 11 August 2026 at 11:00. The Annual General Meeting will be conducted entirely by electronic communication as contemplated in section 63 (2) of the South African Companies Act, 2008. Shareholders or their proxies may only participate in the Annual General Meeting by way of electronic participation. Shareholders will need to access an online meeting platform. Shareholders who wish to participate in the Annual General Meeting are advised to contact Computershare Investor Services Proprietary Limited on +27 11 370 5000 or via email on proxy@computershare.co.za.

The Board has determined, in terms of section 62(3)(a), as read with sections 59(1)(a) and (b) of the South African Companies Act, 2008 the following dates in respect of the Annual General Meeting (AGM).

	2026
Record date for determining those shareholders entitled to receive the notice of AGM	Friday, 24 April
Last day to trade to be eligible to participate in, and vote at the AGM	Tuesday, 28 July
Record date (for voting purposes at the AGM)	Friday, 31 July

The purpose of the Annual General Meeting is to propose the passing of the following ordinary and special resolutions:

1. ORDINARY RESOLUTION NUMBER 1

Approval of Annual Financial Statements

Resolved that the Annual Financial Statements of the Company and its subsidiary companies for the year ended 31 December 2025, together with the reports of the Directors, Auditors, Social and Ethics Committee and Audit and Risk Management Committee be and are hereby considered and adopted.

2. ORDINARY RESOLUTION NUMBER 2

Appointment of auditors and designated auditor

Resolved that BDO South Africa Inc. be and are hereby re-appointed auditors of the Company and that Ms S Kock is hereby appointed the designated auditor to hold office for the ensuing year.

The Company’s Audit and Risk Management Committee has recommended the re-appointment of BDO South Africa Inc. as auditors of the Company with Ms S Kock being appointed the designated auditor for the current financial year.

3. ORDINARY RESOLUTION NUMBER 3

Re-election of Mr Yeh as a Director

Resolved that Mr J H Yeh, who retires in terms of the Company’s Memorandum of Incorporation, be re-elected a Director of the Company.

The curriculum vitae for Mr J H Yeh appears on page 7 of this annual report.

4. ORDINARY RESOLUTION NUMBER 4

Re-election of Mr Van Rensburg as a Director

Resolved that Mr J Van Rensburg, who retires in terms of the Company’s Memorandum of Incorporation, be re-elected a Director of the Company.

The curriculum vitae for Mr J Van Rensburg appears on page 5 of this annual report.

5. ORDINARY RESOLUTION NUMBER 5

Re-appointment of Audit and Risk Management Committee member

Resolved that Ms N Lalla be re-appointed as a member of the Company’s Audit and Risk Management Committee and that this appointment shall be valid up to the date of the next Annual General Meeting of the Company.

6. ORDINARY RESOLUTION NUMBER 6

Re-appointment of Audit and Risk Management Committee member

Resolved that Mr J Van Rensburg be re-appointed as a member of the Audit and Risk Management Committee and that this appointment shall be valid up to the date of the next Annual General Meeting of the Company.

7. ORDINARY RESOLUTION NUMBER 7

Re-appointment of Audit and Risk Management Committee member

Resolved that Mr J H Yeh be re-appointed as a member of the Audit and Risk Management Committee and that this appointment shall be valid up to the date of the next Annual General Meeting of the Company.

8. ORDINARY RESOLUTION NUMBER 8**Re-appointment of Social and Ethics Committee member**

Resolved that Ms N Lalla be re-appointed as a member of the Social and Ethics Committee and that this appointment shall be valid up to the date of the next Annual General Meeting of the Company.

9. ORDINARY RESOLUTION NUMBER 9**Re-appointment of Social and Ethics Committee member**

Resolved that Mr A Smith be re-appointed as a member of the Social and Ethics Committee and that this appointment shall be valid up to the date of the next Annual General Meeting of the Company.

10. ORDINARY RESOLUTION NUMBER 10**Re-appointment of Social and Ethics Committee member**

Resolved that Mr J Van Rensburg be re-appointed as a member of the Social and Ethics Committee and that this appointment shall be valid up to the date of the next Annual General Meeting of the Company.

11. ORDINARY RESOLUTION NUMBER 11**Appointment of Social and Ethics Committee member**

Resolved that Mr J H Yeh be appointed a member of the Social and Ethics Committee and that this appointment shall be valid up to the date of the next Annual General Meeting of the Company.

12. ORDINARY RESOLUTION NUMBER 12**Remuneration Report and Implementation Report**

Section 3.84(k) of the JSE Listings Requirements requires the Company to submit its Remuneration Report and Implementation Report every year to shareholders for consideration and to provide shareholders with an opportunity to indicate whether they do or do not support the material provisions of the Remuneration Report and policy of the Company and the implementation thereof. Shareholders are referred to the Remuneration Report and the Implementation Report set out on pages 39 to 42 of the Integrated Annual Report.

As the above are not matters that are required to be resolved or approved by shareholders, no minimum voting threshold is required. Nevertheless, for record purposes, the minimum percentage of voting rights that is required for each resolution to be adopted as non-binding advisory votes is 50% (fifty percent) of the voting rights plus 1 (one) vote to be cast on the resolutions.

12.1 Ordinary resolution number 12.1

Resolved that, as a non-binding advisory vote, the Remuneration Report, as tabled, be and is hereby approved.

12.2 Ordinary resolution number 12.2

Resolved that, as a non-binding advisory vote, the Implementation Report, as tabled, be and is hereby approved.

The Remuneration Policy, which forms part of the Remuneration Report, as set out on page 39 of the annual report, for the financial year ended 31 December 2025, will be tabled at the Annual General Meeting.

Notice of the Annual General Meeting (continued)

for the year ended 31 December 2025

13. SPECIAL RESOLUTION NUMBER 1

Non-Executive Directors' fees for the financial year ending 31 December 2026 and quarters ending 31 March 2027 and 30 June 2027

Resolved that the fees, to be paid to the Non-Executive Directors for their services as Directors of the Company, for the year ending 31 December 2026 and the quarters ending 31 March 2027 and 30 June 2027 (being two quarters of the fees payable for the year ending 31 December 2027) be approved as follows:

	31 December 2026
• Chairperson	R880 590.00
• Lead Independent Non-Executive Director	R447 053.00
• Non-Executive Director	R258 307.00
• Chairperson of the Audit Committee	R387 458.00
• Member of the Audit Committee	R 83 711.00
• Chairperson of the Remuneration Committee	R119 139.00
• Member of the Remuneration Committee	R 83 711.00
• Chairperson of the Social and Ethics Committee	R119 139.00
• Member of Social and Ethics Committee	R 83 711.00
• Chairperson of Special Committees	R5 023.00 per hour
• Member of Special Committees	R3 015.00 per hour

The reason for special resolution number 1 is to obtain shareholders' approval for the remuneration of each of the Non-Executive Directors of the Company for the financial year ending 31 December 2026 and for the quarters ending 31 March 2027 and 30 June 2027 in accordance with section 66(9) of the Companies Act, 2008 and to confirm and ratify, if necessary, the fees payable to the Directors for the quarters ended 31 March 2026 and 30 June 2026. The passing of this special resolution will have the effect of approving the remuneration of each of the Non-Executive Directors of the Company for the financial year ending 31 December 2026 and quarters ending 31 March 2027 and 30 June 2027 as well as confirming and ratifying, if necessary, the increase in fees paid to the Directors for the quarters ended 31 March 2026 and 30 June 2026. The fees payable for the quarters ending 31 March 2027 and 30 June 2027 will be based on a quarter of the fees as approved above. Shareholders will be requested to approve, if necessary, any adjustment to the fees payable for the quarters ending 31 March 2027 and 30 June 2027 at the 2027 Annual General Meeting.

14. SPECIAL RESOLUTION NUMBER 2

Loans or other financial assistance

Resolved that the Board of Directors may authorise the Company, in terms of section 45 of the Companies Act, 2008, to provide any direct or indirect financial assistance that the Board of Directors may deem fit to any related or inter-related companies as defined in terms of section 2 of the Companies Act, 2008.

The reason and effect of special resolution number 2 is to approve generally the provision of financial assistance to the Company's related or inter-related companies and as, from time to time, may be required in the normal course of the Company's businesses.

15. ORDINARY RESOLUTION NUMBER 13

Directors' or Company Secretary's authority to implement special and ordinary resolutions

Resolved that any Director of the Company or the Company Secretary be and is hereby authorised to do all such things and sign all such documents as may be necessary for or incidental to the implementation of the resolutions passed at this meeting.

SOCIAL AND ETHICS COMMITTEE

A report on the Social and Ethics Committee, in terms of Regulation 43 of the Companies Act, 2008, has been included in the annual report (page 30). The report sets out the matters as required in terms of the Social and Ethics Committee's terms of reference. Shareholders will not be asked to vote on any matters contained in the Social and Ethics Committee's terms of reference but may raise any questions they may have regarding the said terms of reference.

General instructions and information

The annual report to which this notice of the Annual General Meeting is attached, provides details of:

- the Directors of the Company on pages 5 to 7;
- the major shareholders of the Company on pages 120 to 121;
- the Directors' shareholding in the Company on page 104; and
- the share capital of the Company in note 10 on page 91.

There are no other material changes to the Company's financial or trading position, nor are there any material, legal or arbitration proceedings (pending or threatened) that may affect the financial position of the Company between 31 December 2025 and 18 March 2026.

The Directors, whose names are given on pages 5 to 7 of the integrated annual report, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and beliefs there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that the annual report and this notice contains' all information required by law and the JSE Listings Requirements.

All shareholders are encouraged to attend, speak and vote at the Annual General Meeting.

Entitlement to attend and vote at the Annual General Meeting in person or by proxy

If you hold certificated shares (i.e. have not dematerialised your shares in the Company) or are registered as an own name dematerialised shareholder (i.e. have specifically instructed your Central Securities Depository Participant (CSDP) to hold your shares in your own name in the Company sub-register), as at Friday, 31 July 2026, then:

- You may participate and vote at the Annual General Meeting; alternatively
- You may appoint an individual as a proxy (who need not also be a shareholder of the Company) to participate in and speak and vote in your place at the Annual General Meeting by completing the attached form of proxy and returning it to the registered office of the Company or to the transfer secretaries, Computershare Investor Services Proprietary Limited, the details of which are set out on the inside back cover of the annual report. Please note that your proxy may delegate his/her authority to act on your behalf to another person, subject to the restrictions set out in the attached form of proxy. Please also note that the attached form of proxy must be delivered to the registered office of the Company or to the transfer secretaries, Computershare Investor Services Proprietary Limited as aforesaid, before your proxy may exercise any of your rights as a shareholder at the Annual General Meeting.

Any shareholder of the Company that is a company may authorise any person to act as its representative at the Annual General Meeting. Section 63(1) of the 2008 Companies Act, requires that persons wishing to participate at the Annual General Meeting (including the aforementioned representative) provide satisfactory identification before they may participate.

Please note that if you are the owner of dematerialised shares i.e. have replaced the paper share certificates representing the shares with electronic records of ownership under the JSE's electronic settlement system, Share Transactions Totally Electronic (STRATE) held through a CSDP or broker (or their nominee) and are not registered as an "own name dematerialised shareholder" then you are not a registered shareholder of the Company, but your CSDP or broker (or their nominee) would be. You must not complete the attached form of proxy. The instructions must be provided in accordance with the mandate between yourself and your CSDP or broker, as the case may be, within the time period required by your CSDP or broker, as the case may be.

Accordingly, in these circumstances, subject to the mandate between yourself and your CSDP or broker as the case may be:

- If you wish to participate at the Annual General Meeting of the Company you must contact your CSDP or broker, as the case may be, and obtain the relevant letter of representation from it; alternatively
- If you are unable to participate at the Annual General Meeting but wish to be represented at the meeting, you must contact your CSDP or broker, as the case may be, and furnish it with your voting instructions in respect of the Annual General Meeting and/or request it to appoint a proxy.

CSDPs, brokers or their nominees, as the case may be, recorded in the Company's sub-register as holders of dematerialised shares held on behalf of an investor/beneficial owner in terms of STRATE should, when authorised in terms of their mandate or instructed to do so by the owner on behalf of whom they hold dematerialised shares in the Company, vote by either appointing a duly authorised representative to participate and vote at the Annual General Meeting or by completing the attached form of proxy in accordance with the instructions thereon and returning it to the registered office of the Company or to the transfer secretaries, Computershare Investor Services Proprietary Limited, the details of which are set out on the inside back cover of the annual report.

By order of the Board



WT Green
Company Secretary

Johannesburg
18 March 2026

Form of proxy

for the year ended 31 December 2025

Form of proxy for use at the Annual General Meeting of South Ocean Holdings Limited (the Company) to be held, at 11:00 on Tuesday, 11 August 2026. Shareholders listed in the shareholder register as at Friday, 31 July 2026 will be eligible to vote at the Annual General Meeting.

This form of proxy is not to be used by beneficial owners of shares who have dematerialised their shares (dematerialised shares) through a Central Securities Depository Participant (CSDP) or broker, as the case may be, unless you are recorded on the sub-register as an own name dematerialised shareholder. Generally, you will not be an own name dematerialised shareholder unless you have specifically requested your CSDP to record you as the holder of the shares in your own name in the Company's sub-register.

This form of proxy is only for use by certificated, own name dematerialised shareholders and CSDPs or brokers (or their nominees) registered in the Company's sub-register as the holder of dematerialised ordinary shares.

Each shareholder entitled to participate and vote at the Annual General Meeting is entitled to appoint a proxy (who need not also be a shareholder of the Company) to participate in and speak and vote in place of that shareholder at the Annual General Meeting, and at any adjournment thereafter.

Please note the following:

- The appointment of your proxy may be suspended at any time to the extent that you choose to act directly and in person in the exercise of your rights as a shareholder at the Annual General Meeting;
- The appointment of the proxy is revocable; and
- You may revoke the proxy appointment by (i) cancelling it in writing or, making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, and to the Company.

Please note that any shareholder of the Company that is a company may authorise any person to act as its representative at the Annual General Meeting. Please also note that section 63(1) of the Companies Act, 2008 requires that persons wishing to participate in the Annual General Meeting (including the afore mentioned representative) provide satisfactory identification before they may participate.

Note that voting will be performed by way of a poll so each shareholder present or represented by way of proxy will be entitled to vote.

I/We _____

Address: _____

Contact telephone number: _____

being the holder/s of ordinary shares in the Company, hereby appoint:

1. _____ or failing him/her,

2. _____ or failing him/her,

3. the Chairperson of the Annual General Meeting,

as my/our proxy to participate in and speak and vote at the meeting in my/our place and on my/our behalf at the Annual General Meeting which will be held for the purpose of considering and, if deemed fit, passing the resolutions to be proposed thereat and at any adjournment thereof and to vote for or against such resolutions or to abstain from voting in respect of the shares in the issued capital of the Company registered in my/our name/s, in accordance with the instructions set out below.

My/our proxy may delegate to another person his/her authority to act on my behalf at the Annual General Meeting, provided that my/our proxy:

- May only delegate his/her authority to act on my behalf at the Annual General Meeting to a Director of the Company; and
- Must provide written notification to the transfer secretaries of the Company, namely Computershare Investor Services Proprietary Limited, of the delegation by my/our proxy of his/her authority to act on my behalf at the Annual General Meeting; and
- Must provide to his/her delegatee a copy of his/her authority to delegate his/her authority to act on my behalf at the Annual General Meeting.

Number of votes (one vote per ordinary share)		For	Against	Abstain
Ordinary resolution number 1:	Adoption of Annual Financial Statements			
Ordinary resolution number 2:	Appointment of the auditors and designated auditor			
Ordinary resolution number 3:	Re-election of Mr J H Yeh as a Director			
Ordinary resolution number 4:	Re-election of Mr Van Rensburg as a Director			
Ordinary resolution number 5:	Re-Appointment of Audit and Risk Management Committee member Ms N Lalla			
Ordinary resolution number 6:	Re-Appointment of Audit and Risk Management Committee member Mr J Van Rensburg			
Ordinary resolution number 7:	Re-Appointment of Audit and Risk Management Committee member Mr J H Yeh			
Ordinary resolution number 8:	Re-Appointment of Social and Ethics Committee member Ms N Lalla			
Ordinary resolution number 9:	Re-appointment of Social and Ethics Committee member Mr A Smith			
Ordinary resolution number 10:	Re-Appointment of Social and Ethics Committee member Mr Van Rensburg			
Ordinary resolution number 11:	Appointment of Social and Ethics Committee member Mr J H Yeh			
Ordinary resolution number 12.1:	Approval of Remuneration report			
Ordinary resolution number 12.2:	Approval of Implementation report			
Special resolution number 1:	Approval of Non-Executive Directors' fees for financial year ending 31 December 2026 and quarters ending 31 March 2027 and 30 June 2027			
Special resolution number 2:	Approval of loans or other financial assistance to related or inter-related companies			
Ordinary resolution number 13:	Directors' and Company Secretary's authority to implement ordinary and special resolutions			

Insert an "X" in the relevant spaces above according to how you wish your votes to be cast. If you wish to cast your votes in respect of a lesser number of shares than you own in the Company, insert the number of shares held in respect of which you desire to vote.

Signed at _____ on _____ 2026

Signature: _____

(Authority of signatory to be attached if applicable – see note 8)

Telephone number: _____

Notes to the form of proxy

for the year ended 31 December 2025

Summary of shareholders' rights in respect of proxy appointments as contained in section 58 of the Companies Act, 2008

Please note that in terms of section 58 of the Companies Act, 2008:

- This proxy form must be dated and signed by the shareholder appointing the proxy;
 - You may appoint an individual as a proxy, including an individual who is not a shareholder of the Company, to participate in and speak and vote at the Annual General Meeting on your behalf;
 - Your proxy may delegate his/her authority to act on your behalf to another person, subject to any restriction set out in this proxy form;
 - This proxy form must be delivered to the Company, or to the transfer secretaries of the Company, namely Computershare Investor Services Proprietary Limited, before your proxy exercises any of your rights as a shareholder at the Annual General Meeting;
 - The appointment of your proxy or proxies will be suspended at any time to the extent that you choose to act directly and in person in the exercise of any of your rights as a shareholder at the Annual General Meeting;
 - The appointment of your proxy is revocable unless you expressly state otherwise in this proxy form;
 - As the appointment of your proxy is revocable, you may revoke the proxy appointment by (i) cancelling it in writing or, by making a later appointment of a proxy and (ii) delivering a copy of the revocation instrument to the proxy and to the Company. Please note the revocation of a proxy appointment constitutes a complete and final cancellation of your proxy's authority to participate on your behalf as of the later of the date stated in the revocation instrument, if any, or the date on which the revocation instrument was delivered to the Company and the proxy as aforesaid;
 - If this proxy form has been delivered to the Company, as long as that appointment remains in effect, any notice that is required by the Companies Act, 2008 or the Company's Memorandum of Incorporation to be delivered by the Company to you will be delivered by the Company to you or your proxy or proxies, if you have directed the Company to do so, in writing and paid any reasonable fee charged by the Company for doing so;
 - Your proxy is entitled to exercise, or abstain from exercising, any voting right of yours at the Annual General Meeting, but only as directed by you on this proxy form;
 - The appointment of your proxy remains valid only until the end of the Annual General Meeting or any adjournment or postponement thereof or for a period of 6 (six) months, whichever is shortest, unless it is revoked by you before then on the basis set out above.
1. Only shareholders listed in the shareholder register as at Friday, 31 July 2026 will be eligible to participate and vote at the Annual General Meeting to which this proxy forms part.
 2. The person whose name stands first on the proxy form and who is present at the Annual General Meeting will be entitled to participate as a proxy to the exclusion of those whose names which follow thereafter.
 3. If no proxy is inserted in the spaces provided, then the Chairperson shall be deemed to be appointed as the proxy to vote or abstain as the Chairperson deems fit.
 4. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided. If there is no clear indication as to the voting instructions to the proxy, the proxy form will be deemed to authorise the proxy to vote or to abstain from voting at the Annual General Meeting as he/she deems fit in respect of all the shareholder's votes exercisable thereat.
 5. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or by his/her proxy, but the total of the votes cast and in respect of which abstention is recorded may not exceed the total of the votes exercisable by the shareholder or by his/her proxy.
 6. Proxy forms must be lodged at the Head Office of the Company, 16 Botha Street, Alrode, 1451 or lodged with or posted to the transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (PO Box 61051, Marshalltown, 2107, South Africa).
 7. Documentary evidence establishing the authority of a person signing this proxy form in a representative capacity must be attached to this proxy form unless previously recorded by the Company Secretary or waived by the Chairperson of the Annual General Meeting if he is reasonably satisfied that the right of the representative to participate and vote has been reasonably verified. CSDPs or brokers registered in the Company's sub-register voting on instructions from beneficial owners of shares registered in the Company's sub-register, are requested that they identify the beneficial owner in the sub-register on whose behalf they are voting and return a copy of the instruction from such owner to the Company Secretary or to the transfer secretaries, Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196 (PO Box 61051, Marshalltown, 2107, South Africa), together with this form of proxy.
 8. Any alteration or correction made to this proxy form must be initialled by the signatory/ies.
 9. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Company Secretary.

General information

COMPANY REGISTRATION NUMBER

2007/002381/06

COUNTRY OF INCORPORATION AND DOMICILE

South Africa

NATURE OF BUSINESS AND PRINCIPLE ACTIVITIES

Holding company with interest in electrical wire, power cable and conduit manufacturing and property investments

DIRECTORS

J van Rensburg
A Smith
W Basson
N Lalla
JH Yeh
LL Chen
MM Hohman
SN Yeh (Alternate)

REGISTERED OFFICE

12 Botha Street
Alrode
1451

BUSINESS ADDRESS

16 Botha Street
Alrode
1451

POSTAL ADDRESS

PO Box 123738
Alrode
1451

BANKER

First National Bank, a division of FirstRand Bank Limited

AUDITOR

BDO South Africa Inc.

SPONSOR

AcasiaCap Advisors Proprietary Limited

LEVEL OF ASSURANCE

These Annual Financial Statements have been audited in compliance with the applicable requirements of the Companies Act No. 71 of 2008 of South Africa.

PREPARER

The Annual Financial Statements were internally compiled by:

WP Basson CA(SA)
Group Chief Financial Officer

ISSUED

28 April 2026

Shareholders' diary

2025 FINANCIAL YEAR-END

Annual General Meeting – 11 August 2026

FINANCIAL YEAR-END

Financial year-end – 31 December

REPORTS

2026 Interim Report – August 2026

2026 Final Report – March 2027

Publication of 2025 Annual Report – April 2026

2026 ANNUAL GENERAL MEETING

Annual General Meeting – August 2027



southoceanholdings.co.za