UNREVIEWED CONDENSED CONSOLIDATED RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST 2025

Insimbi Industrial Holdings Limited ("Insimbi" or "the Group" or "the Company") is a group of companies that sustainably source, process, and recycle metals. The core business expertise is the ability to source and provide local, regional, and global industrial consumers with the required commodity over its three distinct business segments. The Group herewith announces its unreviewed condensed consolidated financial results for the six months ended 31 August 2025.

FINANCIAL INDICATORS

	2025	2024	% Change
Revenue (R'000)	**2 754 265**	2 706 581	2%
Net Loss (R'000)	**(8 634)**	(9 434)	8%
Operating profit (R'000)	**25 184**	15 223	65%
Cash (utilised in)/generated from operations (R'000) Note 1	**(30 922)**	36 607	(184%)
Earnings before interest, tax, depreciation and amortisation ("EBITDA") (R'000)	**36 470**	30 658	19%
Earnings per share (cents)	**(2.69)**	(2.61)	(3%)
Headline earnings per share (cents)	**(1.30)**	(1.22)	(6%)
Net Asset Value per share (cents) Note 2	**170.70**	204.91	(17%)

Note 1: R158 million was received from debtors in the first week after month-end, delayed only because the due date fell on a non-banking Sunday.
Note 2: On 28 February 2025 the group recognised impairments of goodwill totalling R78million, which resulted in a decrease of Net Asset Value per share of 12%.

CEO of Insimbi, Fred Botha, commented:

The past year has been one of continued challenges but also resilience and progress across our Group. The decision to streamline operations has resulted in a significant reduction in costs.

The trading environment remains complex. Uncertainty around US tariffs continues to weigh on sentiment, particularly for the local automotive industry. Meanwhile, Arcelor Mittal New Castle has officially commenced winding down, this is expected to create opportunities for other mills, which will in turn benefit our operations. On the restructuring front, the ferrous segment has stabilised and is now operating at a more sustainable monthly cost base.

Across the Group, ferrous volumes continue to grow steadily despite the ongoing uncertainty in the local steel sector Encouragingly, our non-ferrous segment has also shown steady volume growth on last year (up 9%). Quarter two volumes increased by 14% increase on quarter one. That said, tariff developments remain volatile, with recent announcements undoing some of the recovery seen earlier in the year. Export permits also continue to be a slow and frustrating process. In KwaZulu-Natal, the operating environment remains stable but subdued, with volumes trailing both budget and prior year by nearly 20%. Our export division delivered solid growth, which helped offset some of the decline in our aluminium operations, while revenues remained consistent overall. Seasonal winter weakness weighed on the local foundry and steel divisions, yet encouragingly, margins have held up well, and volumes were broadly in line with the prior year at 99%.

Our secondary aluminium smelting business has faced sustained headwinds over the last 18 to 24 months, driven primarily by higher raw material input costs for aluminium scrap, as well as escalating gas and electricity prices. While recent innovations and improved melting processes have yielded some improvement, we have taken the strategic decision to accelerate the wind-down and dismantling of the Benoni Dunswart plant. This site is currently leased, the lease ends in February 2028 and will not be renewed. Rather the equipment will be repositioned, repurposed, and recommissioned in phases at 359 Crocker Road in Wadeville, Germiston which we own and is adjacent to our main operations situated at 360 Crocker Road thereby creating a more consolidated “campus” in Wadeville. Melting at Dunswart will be scaled back to service the local market only, while select plant and equipment is recommissioned next door in a more efficient and less labour-intensive configuration.

The Refractory segment provides encouragement, having recovered strongly after a slow start to the year. Historically, the performance of this segment has served as a leading indicator for infrastructure investment, with positive momentum here often preceding upturns in steel, foundry, ferrous and non-ferrous markets by six to nine months.

I am encouraged by the way our teams have continued to adapt and deliver strong operational performance under increasingly unpredictable local and global market conditions. Our programme of administrative consolidation is now at an advanced stage and already delivering efficiency benefits. However, challenges remain, requiring ongoing focus and attention.

Looking ahead, while the external environment is likely to remain volatile, the strategic actions we have taken are positioning the Group to operate more efficiently, capitalise on opportunities in adjacent markets, and build on the resilience demonstrated over the past year.

Financial Overview

Revenue for the reporting period is up by 2%, or R48million year-on-year. However, volatile exchange rates and fluctuating commodity prices placed pressure on margins, which declined from 7.3% in the comparative period to 5.9% in the current period. This volatility stems largely from the US’s recently announced trade policies and tariffs on

2 April, which have had a direct impact on global trading conditions. As a result, gross profit of R162 million is 17% lower year-on-year.

On a positive note, operating costs remain tightly controlled. The Group achieved a R40 million (23%) saving against the comparative period, and costs were also R9 million (6%) lower than the second half of the previous financial year. As a result, “EBITDA” (Earnings before interest, tax, depreciation and amortisation) is up R5.8million, or 19%. The Group continues to prioritise cost reduction and operational streamlining. Operating losses include losses on disposal of assets from non-performing operations and foreign exchange losses amounting to R2.4 million.

Finance costs increased by 16%, driven by higher utilisation of working capital facilities. This aligns with a working capital outflow of R72 million during the period.

Within working capital management, debtors’ days reduced from 36 to 32 days, showing improved collection efficiency. Notably, R158 million was received in the first week after month-end, delayed only because the due date fell on a non-banking Sunday. Inventory days increased slightly from 26 to 27 days, largely due to delays in the issuing of export permits in the non-ferrous segment. Creditors’ days decreased by 4 days, reflecting a greater reliance on imported materials, which typically require payment upfront or on delivery, unlike the more favourable terms previously secured from local suppliers. The Group continues to negotiate improved terms with foreign suppliers.

The combined effect of these working capital shifts resulted in negative cash flow from operations of R31 million, compared to a positive R37 million generated in the prior period. Working capital pressures also contributed to an increase in the debt-to-equity ratio from 90.83% at financial year-end to 104%. Despite these pressures, the Group repaid R20 million of debt during the period.

The Group reported a loss of 2.69 cents per share (cps), marginally higher than the 2.61 cps loss recorded in the prior period.

The working capital cycle is expected to normalise in the next reporting period, and management remains focused on stabilising cash flows, maintaining cost discipline, and supporting operational resilience in the face of external volatility.

On 28 February 2025 the Group recognised impairments of goodwill totalling R78million, which resulted in a decrease of Net Asset Value per share of 12%. The impairments were primarily due to a decline in expected market demand, regulatory changes and lower-than-expected operating performance in certain of the Cash Generating Units.

CONSOLIDATED STATEMENT OF PROFT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED

R'000	Unreviewed 31 August 2025	Unreviewed 31 August 2024	Audited 28 February 2025
Revenue (from contracts with customers)	**2 754 265**	**2 706 581**	**4 984 574**
Sale of goods	2 730 450	2 678 088	4 946 699
Sale of goods - Local	*2 358 603*	*2 303 957*	*4 301 919*
Sale of goods - Export	*371 847*	*374 131*	*644 780*
Rendering of services	23 815	28 493	37 875
Services revenue - Transport and insurance	*23 815*	*28 493*	*37 875*
Cost of sales	(2 591 805)	(2 510 201)	(4 645 362)
Gross profit	**162 460**	**196 380**	**339 212**
Other operating income	1 950	739	9 042
Other operating losses	(8 605)	(11 617)	(12 738)
Other operating expenses	(130 621)	(170 279)	(309 844)
Operating profit	**25 184**	**15 223**	**25 672**
Investment income	746	79	3 887
Finance costs	(34 699)	(29 879)	(66 445)
Impairment of goodwill	-	-	(77 816)
Income from equity accounted investments	1 021	2 074	3 276
Loss before taxation	**(7 749)**	**(12 503)**	**(111 426)**
Taxation	(885)	3 069	881
Loss for the period/year	**(8 634)**	**(9 434)**	**(110 545)**
Total comprehensive income for the period/year	**(8 634)**	**(9 434)**	**(110 545)**
Basic earnings per share (cents)	(2.69)	(2.61)	(32.37)
Diluted earnings per share (cents)	(2.65)	(2.58)	32.03

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT

R'000	Unreviewed 31 August 2025	Unreviewed 31 August 2024	Audited 28 February 2025
Assets			
Non-current assets			
Property, plant and equipment	280 780	315 099	295 908
Right-of-use assets	1 677	6 346	2 401
Goodwill	92 668	170 484	92 668
Intangible assets	11 704	12 985	12 346
Investments in joint ventures	2 107	2 555	3 513
Lease receivables	916	1 307	916
Deferred taxation	9 666	12 846	6 437
	399 520	**521 623**	**414 189**
Current assets			
Inventories	375 781	341 976	330 109
Lease receivables	643	526	643
Trade and other receivables	550 694	587 806	567 024
Derivatives	-	636	-
Current taxation receivable	2 466	105	4 591
Cash and cash equivalents	58 678	101 321	31 998
Assets in disposal groups classified as held for sale	18 522	3 491	24 878
	1 006 784	**1 035 862**	**959 243**
Total assets	**1 406 303**	**1 557 485**	**1 373 432**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT (continued)

R'000	Unreviewed 31 August 2025	Unreviewed 31 August 2024	Audited 29 February 2025
Equity and liabilities			
Equity			
Share capital	145 516	145 516	145 516
Reserves	44 852	46 227	44 852
Retained income	357 236	465 606	365 870
	547 605	**657 349**	**556 238**
Liabilities			
Non-current liabilities			
Financial liabilities at amortised cost	109 267	160 504	121 441
Lease liabilities	2 765	7 055	2 765
Deferred taxation	21 695	34 013	27 379
	133 727	**201 571**	**151 585**
Current liabilities			
Trade and other payables	204 045	253 477	246 635
Financial liabilities at amortised cost	519 017	441 820	415 813
Derivatives	403	-	964
Lease liabilities	1 507	3 267	2 197
Current taxation payable	-	-	-
	724 972	**698 564**	**665 609**
Total liabilities	**858 699**	**900 136**	**817 194**
Total equity and liabilities	**1 406 303**	**1 557 485**	**1 373 432**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED

R'000	Share capital and premium	Treasury shares	Total share capital
Balance on 31 August 2024 (unreviewed)	156 151	(10 635)	145 516
Total comprehensive income	-	-	-
Shares delisted and cancelled	(3 175)	3 175	-
Transfers between reserves	-	-	-
Balance on 28 February 2025 (audited)	**152 976**	**(7 460)**	**145 516**
Total comprehensive income	-	-	-
Balance on 31 August 2025 (unreviewed)	**152 976**	**(7 460)**	**145 516**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED (continued)

R'000	Revaluation reserve	Share based payment reserve	Retained income	Total equity
Balance on 31 August 2024 (unreviewed)	42 143	4 084	465 606	657 349
Total comprehensive income	-	-	(101 111)	(101 111)
Treasury shares cancelled	-	-	-	-
Transfers between reserves	-	(1 375)	1 375	-
Balance on 28 February 2025 (audited)	**42 143**	**2 709**	**365 870**	**556 238**
Total comprehensive income	-	-	(8 634)	(8 634)
Balance on 31 August 2025 (unreviewed)	**42 143**	**2 709**	**357 236**	**547 604**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED

R'000	Unreviewed 31 August 2025	Unreviewed 31 August 2024	Audited 28 February 2025
Cash flow from operating activities			
Cash generated from/(utilised in) operations	(30 922)	36 607	75 906
Investment income	707	79	3 697
Tax paid	(1 258)	(11 234)	(18 060)
Net cash flow from operating activities	**(31 473)**	**25 452**	**61 543**
Cash flow from investing activities			
Additions to property, plant and equipment	(1 668)	(5 563)	(7 965)
Proceeds on disposal of property, plant and equipment	3 466	15 216	20 445
Proceeds on disposal of assets classified as held for sale	356	2 369	2 448
Dividend from investment in joint ventures	2 427	5 857	6 102
Net cash from investing activities	**4 581**	**17 879**	**21 030**
Cash flow from financing activities			
Proceeds from financial liabilities	108 535	71 048	17 500
Repayment of financial liabilities	(19 613)	(15 714)	(33 726)
Finance costs	(34 351)	(29 879)	(65 822)
Purchase of treasury shares	0	(41 652)	(41 652)
Principal elements of lease repayments	(998)	(870)	(1 931)
Net cash outflow from financing activities	**53 573**	**(17 066)**	**(125 631)**
Total cash movement for the period/year	26 680	26 265	(43 058)
Cash and cash equivalents at the beginning of the period/year	31 998	75 056	75 056
Cash and cash equivalents at the end of the period/year	**58 678**	**101 321**	**31 998**

CONDENSED SEGMENT REPORT

R'000	Unreviewed 31 August 2025	Unreviewed 31 August 2024	Audited 28 February 2025
Revenue by segment			
Sale of goods - local			
Non-Ferrous	1 844 628	1 676 917	3 129 841
Ferrous	458 152	526 572	1 057 933
Refractory	55 823	54 929	114 145
	2 358 603	**2 258 418**	**4 301 919**
Sale of goods - exports			
Non-Ferrous	337 971	374 457	565 448
Ferrous	17 619	38 311	67 127
Refractory	16 257	4 275	12 205
	371 847	**417 043**	**644 780**

Rendering of services - transport and insurance			
Non-Ferrous	13 804	18 865	23 215
Ferrous	9 881	12 255	14 660
Refractory	130	-	-
	23 815	**31 120**	**37 875**
Total revenue from contracts with customers			
Non-Ferrous	2 196 403	2 070 239	3 718 504
Ferrous	485 652	577 138	1 139 720
Refractory	72 210	59 204	126 350
	2 754 265	**2 706 581**	**4 984 574**
Gross profit by segment			
Non-Ferrous	120 128	123 778	247 511
Ferrous	34 774	67 594	78 145
Refractory	7 558	5 008	13 556
	162 460	**196 380**	**339 212**
Operating profit by segment			
Non-Ferrous	18 482	(22 467)	6 091
Ferrous	5 771	36 467	9 641
Refractory	931	1 223	9 940
	25 184	**15 223**	**25 672**

Note: The basis of segmentation and basis of measurement are consistent with those applied in the annual financial statements for the previous year.

OTHER GROUP SALIENT FEATURES

R'000	**Unreviewed 31 August 2025**	**Unreviewed 31 August 2024**	**Audited 28 February 2025**

Basic earnings per share is determined by dividing profit or loss attributable to ordinary equity shareholders of the parent by the weighted average number of ordinary shares outstanding during the year.

Basic earnings per share	**(2.69)**	**(2.61)**	**(32.37)**
Weighted number of shares in issue at the end of the period ('000)	330 898	374 691	352 974
Less: weighted number of treasury shares held in a subsidiary at the end of the period ('000)	(10 107)	(12 721)	(11 424)
	320 791	**361 970**	**341 550**
Headline earnings per share (cents)	**(1.30)**	**(1.22)**	**(6.50)**

Headline earnings are determined by adjusting basic earnings by excluding separately identifiable remeasurement items. Headline earnings are presented after tax.

Reconciliation between earnings and headline earnings			
Basic earnings	(8 634)	(9 434)	(110 545)
Adjusted for			
Loss on disposal of property, plant and equipment, net of tax (R'000)	4 469	5 003	10 541
Impairment of goodwill, net of tax (R'000)	-	-	77 816
Headline earnings for the Group (R'000)	**(4 164)**	**(4 431)**	**(22 188)**

Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has potentially dilutive share options.

A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued, assuming the exercise of the options.

Reconciliation of number of shares for diluted earnings (loss)			
Weighted average number of ordinary shares in issue ('000)	320 791	361 970	341 550
Adjusted for: Share options ('000)	5 272	3 424	3 571
Weighted average number of ordinary shares for diluted earnings per share ('000)	**326 063**	**365 394**	**345 121**
Diluted earnings per share (cents)	(2.65)	(2.58)	(32.03)
Diluted headline earnings per share (cents)	(1.28)	(1.21)	(6.43)
Other salient features			
Net asset value per share (cents)	170.70	204.91	173.40
Tangible net asset value per share (cents)	138.17	147.72	140.66
EBITDA	36 470	30 658	51 149
Depreciation and amortisation	10 265	13 361	22 202

Basis of preparation and accounting policies

The unreviewed condensed consolidated financial statements for the interim period ended 31 August 2025 have been prepared in accordance with the framework concepts and the measurement and recognition requirements of IFRS® Accounting Standards, IAS 34 – Interim Reporting issued by the International Accounting Standards Board (IASB®) and comply with the IFRS interpretations issued by the IFRS Interpretations Committee (IFRS IC) and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, as well as the JSE Listings Requirements and the requirements of the Companies Act, No 71 of 2008. It also, as a minimum, contains the information required by IAS 34 Interim Financial Reporting. The unreviewed condensed consolidated financial statements have been prepared under the supervision of the Chief Financial Officer, Nadia Winde, CA (SA). The accounting policies are consistent with those applied in the annual financial statements for the previous year. Management has considered standards and amendments issued but not yet effective at 31 August 2025 (including IFRS 18 Presentation and Disclosure in Financial Statements) and has not early adopted any of those standards. The above information has not been audited or reported on by Insimbi's auditors.

Approval:

RI Dickerson	F Botha
Chairman	Chief Executive Officer
17 October 2025	

Directors:	F Botha (Chief Executive Officer)
	N Winde (Chief Financial Officer)
	RI Dickerson* (Chairperson)
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	CS Ntshingila*
	(*non-executive)
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Sponsor:	PSG Capital Proprietary Limited
Transfer Secretaries:	Computershare Investor Services Proprietary Limited
Auditors:	Moore Cape Town Inc.