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STRONG RELIABLE SUPPORT

2026

BELL EQUIPMENT LIMITED

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
for the six months ended 30 June 2026

Chairman and CEO's interim results report

OVERVIEW

The pinch of persisting geopolitical volatility continues in our major markets around the world. Shifting global politics and uncertainty are not good for business and have a negative bearing on investor sentiment for both construction and mining projects. While certain mining commodities have fared better than others, the traditional sectors in which our products are operated have been under pressure. The pervasive impact of fluctuating oil prices at higher levels has added further pressure at a time when this can be least afforded.

The USA ADT market has recovered from contracted levels seen during 2025, with demand being fuelled by the AI data centre development 'boom' across the country. Whilst we have managed to recoup a portion of our subsidy in respect of US tariff charges, we are still not passing on the full tariff to the market through adjusted pricing. The tariff regime, coupled with the weak US Dollar against the Euro and the SA Rand, has put our margins on sales into the USA under considerable pressure.

Going into 2026, we were hopeful of a more substantial improvement in market sentiment and demand across Europe, however this market has remained relatively flat at the subdued levels experienced since late 2023. There has been a great deal of talk in recent years around new infrastructure projects across Europe, but many of these developments are yet to come to fruition.

In our UK dealership, where we sell ADTs to end customers, the first half of 2026 has been better than anticipated for us. Much like Europe, the UK market for our products is largely dependent on the construction sector and infrastructure projects. On the other hand, in our South African dealership, BESSA, we've had a tougher start to the year in certain sectors, particularly ADT sales to mining. The construction sector has been more buoyant than in previous years, which is a long awaited and positive development. With increased demand for construction machines, our partner product lines such as JCB and Kobelco continue to stand us in good stead. The uptake on our newly launched motor grader in the South African market has been encouraging, and we are pleased to have been successful in several machine sales to local municipalities and transport departments. Our dealership in Zambia maintained its strong performance streak of the last few years, with a healthy start to 2026. Demand for equipment in Zambia is underpinned by significant growth in the mining sector, supported by the price of prevalent commodities mined in this market, such as copper. With no change in government following the recent national election in Zambia, this bodes well for ongoing investment in the country.

We have seen pleasing demand for our forestry and agricultural products during the first half of the year. Whilst this range of products is a relatively small contributor to our overall group performance, we have opportunity to grow this portion of our business, which also helps to diversify our exposure across different industries. Our independent dealer network in South Africa, selling JCB and Bell agricultural products, continues to demonstrate good performance, particularly in regions of the country which our own dealership, BESSA, does not cover.

Our performance in the aftermarket has been slower than anticipated, mostly due to lower utilisation of machines. When machines work less, they consume fewer parts. However, we believe that there is room for improvement in capturing more aftermarket revenue from the active fleet around the world. During 2026 we have begun rolling out a tool to our dealer network that leverages our telematics system and data to assist them in more proactively supporting Bell machines and customers in their respective markets.

In our manufacturing operations, supply chain challenges experienced over the last few years have largely been dissipated through careful management, although we continue to experience isolated supply related hurdles, which is unavoidable in our business. Our team has been actively managing problematic suppliers to minimise disruption to production, however in certain cases disruption has been unavoidable. At our factory in Germany, due to low production volumes, we implemented a government supported 'short-time' week last year and this arrangement ended during May 2026, with our team there reverting to a normal 5-day working week as planned production volumes for the second-half of the year improved. At Richards Bay, which is our largest and most complex operation within the Bell group, we are pleased to report that we successfully implemented SAP S/4HANA during April this year, representing a significant achievement and milestone for this factory. At the same time, our team has been hard at work streamlining the motor grader production processes and systems, to support manufacturing of higher volumes going forward. The first CASE branded motor graders for the North American market begin rolling off the Richards Bay production line imminently, following the announcement of this supply agreement at CONEXPO in Las Vegas during March this year.

Inventory management has remained a critical focus area for us during the first half of the year; this is a constant work in progress to assess and match factory production rates with sales demand. Our inventory days measure of 201 days at June 2026 is a slight deterioration on the 199 days reported for December 2025; this is largely attributable to lower than anticipated sales activity.

OUTLOOK

We are seeing rapid change in the global market landscape, necessitating that we adapt our business and product offering to stay relevant in this reshaping world. We continue to explore new ways to offer our products and services to markets, which supports our long-term objective of growing our market participation and machine volumes. Machine volume growth remains imperative to the sustainability of our business, as factory overhead costs are largely fixed irrespective of volumes produced.

Despite the headwinds we have been facing in North America, this market remains a volume growth opportunity and a key focus for our business. Our strategy for this market is being reviewed to support our objectives of market share growth and sustainable business into the future. We will endeavor to claw back more of the ADT tariff subsidy that we are paying in the US by year end, which will help to take some pressure off margins. We also look forward to participating in the motor grader sector of this market soon through our supply agreement with CNH under the CASE brand.

From a product development perspective, our attention has turned to the next generation ADT, a project which will keep us busy for the next few years as we aim to align the launch of this product with anticipated legislative changes post-2030. Our most exciting new forestry product in development is our timber processing head, for mechanized harvesting operations, which we aim to launch at the start of 2027. Running changes and enhancements to our existing ADT platform, motor graders and forestry and agriculture products will also continue to be implemented as a matter of course.

Our strategic project to grow our ADT manufacturing capacity in Europe, closer to our suppliers and larger ADT markets, continues to make good progress. Various components, sourced in the northern hemisphere, are currently being tested to ensure that these components meet Bell quality and longevity expectations. We are working closely with our suppliers through this process to implement design improvements for enhanced durability.

We recognize the importance of harnessing the power of AI in any business during the current day and age. We are working with AI to support certain back-end business processes and analytics to enhance decision-making, performance and efficiency. We continue to explore ways that we can responsibly incorporate AI into other areas of our business, where this makes sense. Our business has been built on a 'human connection', and we don't see AI replacing the front-end activities and human element to our business. We maintain that achieving a healthy balance between AI and people is key.

We remain cautiously optimistic that certain sectors and markets will continue to support demand for our products through the second half of the year. We will place ongoing emphasis on cost containment, cash preservation and prioritizing process improvements that support operational efficiency and quality enhancement.

Whilst we have not been directly impacted by the Middle East war situations, these are having knock-on effects in the industries and markets where we operate, and we continue to monitor developments closely. It is not an easy time for any business to operate in the current global landscape, and we maintain that our best line of defence is to remain nimble and adaptable in changing macroeconomic and operating environments, to ensure our sustainability, under all circumstances.

BOARD CHANGES

During 2026 there have been some changes to the composition of the Board, and Board Committees, the most significant being the change in Chief Executive Officer (CEO). As per the Stock Exchange News Service (SENS) announcement on 11 June 2026, Mr Ashley Bell resigned as CEO effective 31 August 2026, to take a more active role in the management of his own business interests, which were established prior to his appointment as Bell Equipment CEO. Upon Ashley vacating his position as CEO on 31 August, the Board resolved to appoint him as a non-executive director. Mr Izak van Niekerk was appointed as CEO effective 01 September 2026. Izak holds a BSc Engineering degree, as well as BCom Hons degree and an MBA, and he brings with him strong engineering and commercial experience. Having worked for the company from 2003 to 2016, Izak also has an intimate understanding of Bell Equipment and the 'yellow metal' industry at large.

In line with our succession planning in respect of Board Committees, following the retirement of Mr Derek Lawrance, an independent non-executive director, Chairman of the Audit Committee, Chairman of the Remuneration Committee and member of the Risk and Sustainability Committee, at the conclusion of the Annual General Meeting in June 2026, with effect from 11 June 2026, Mr Harish Ramsumer, an independent non-executive director and member of the Audit Committee, serves as Chairperson of the Audit Committee and a member of the Remuneration Committee. Mr Rajendran Naidu, an independent non-executive director and member of the Remuneration Committee serves as Chairperson of the Remuneration Committee and Mr Shane Fitzpatrick, an independent non-executive director, serves as a member of the Risk and Sustainability Committee.

Lastly, in accordance with the SENS announcement dated 3 September 2026, Mr Ashley Bell, in his capacity as a non-executive director, has been appointed as a member of the Risk and Sustainability Committee and Mr Stephen Jones, formerly an alternate executive director to Mr Ashley Bell as CEO, has been appointed as alternate executive director to Mr Izak van Niekerk, effective from 3 September 2026.

DIVIDEND

After considering the financial position of the group, including cash flow requirements and liquidity, the Board has declared a gross interim dividend of 30 cents per ordinary share.

Condensed consolidated statement of financial position

as at 30 June 2026

	Unaudited 30 June 2026 R'000	Audited 31 December 2025 R'000
ASSETS		
Non-current assets	**1 920 350**	1 983 069
Property, plant and equipment	**994 864**	1 029 855
Right-of-use assets	**292 340**	346 267
Intangible assets	**321 420**	319 897
Investments	**25 217**	26 188
Interest-bearing receivables and contract assets	**20 741**	24 266
Deferred taxation	**265 768**	236 596
Current assets	**7 226 091**	6 962 725
Inventory	**4 508 081**	4 722 400
Trade and other receivables	**1 603 038**	1 236 700
Interest-bearing receivables and contract assets	**239 215**	168 079
Prepayments and other assets	**180 896**	169 677
Current taxation assets	**30 521**	34 421
Cash and bank balances (note 12)	**664 340**	631 448
TOTAL ASSETS	**9 146 441**	8 945 794
EQUITY AND LIABILITIES		
Capital and reserves	**5 810 556**	5 904 399
Stated capital (note 6)	**235 541**	235 541
Non-distributable reserves	**1 060 028**	1 134 415
Retained earnings	**4 381 099**	4 409 666
Attributable to owners of Bell Equipment Limited	**5 676 668**	5 779 622
Non-controlling interest	**133 888**	124 777
Non-current liabilities	**851 456**	980 129
Interest-bearing liabilities	**176 381**	204 222
Lease liabilities	**297 947**	364 975
Contract liabilities (note 11)	**169 845**	171 588
Refund liabilities	**31 087**	32 005
Provisions	**57 146**	71 018
Share-based payments and other liabilities	**31 483**	51 727
Deferred taxation	**87 567**	84 594
Current liabilities	**2 484 429**	2 061 266
Trade and other payables	**1 566 502**	1 224 111
Interest-bearing liabilities	**38 934**	45 508
Lease liabilities	**99 841**	97 297
Contract liabilities (note 11)	**228 896**	219 684
Refund liabilities	**23 579**	25 117
Provisions	**167 134**	181 070
Share-based payments and other liabilities	**13 994**	36 922
Current taxation liabilities	**4 871**	9 893
Bank overdrafts and overnight call loans	**340 678**	221 664
TOTAL EQUITY AND LIABILITIES	**9 146 441**	8 945 794

Condensed consolidated statement of profit or loss

for the period ended 30 June 2026

		Unaudited six months ended 30 June 2026 R'000	Unaudited six months ended 30 June 2025 R'000
Revenue (note 2)		**5 348 104**	6 104 635
Cost of sales		**(4 278 912)**	(4 764 976)
Gross profit		**1 069 192**	1 339 659
Other operating income		**87 239**	111 921
Distribution costs		**(442 535)**	(501 235)
Administration expenses		**(75 869)**	(68 412)
Factory and group services operating expenses		**(517 835)**	(579 129)
Profit from operating activities (note 3)		**120 192**	302 804
Net interest (expense) income (note 4)		**(10 081)**	15 288
Profit before taxation		**110 111**	318 092
Taxation		**(32 518)**	(90 204)
Profit for the interim period		**77 593**	227 888
Profit for the interim period attributable to:			
- Owners of Bell Equipment Limited		**67 038**	214 710
- Non-controlling interest		**10 555**	13 178
Earnings per share (basic) (note 5)	(cents)	**70**	225
Earnings per share (diluted) (note 5)	(cents)	**52**	204

Condensed consolidated statement of comprehensive income

for the period ended 30 June 2026

	Unaudited six months ended 30 June 2026 R'000	Unaudited six months ended 30 June 2025 R'000
Profit for the interim period	**77 593**	227 888
Other comprehensive (loss) income		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising during the period	**(74 387)**	99 114
Exchange differences on translating foreign operations	**(70 323)**	99 114
Reclassification to profit or loss of foreign currency translation reserve on deregistered operations	**(4 064)**	-
Items that may not be reclassified subsequently to profit or loss:	**-**	48 268
Surplus arising on revaluation of properties	**-**	65 535
Taxation relating to revaluation of properties	**-**	(16 782)
Fair value loss on investments designated as at fair value through other comprehensive income *	**-**	(485)
Other comprehensive (loss) income for the period, net of taxation	**(74 387)**	147 382
Total comprehensive income for the period	**3 206**	375 270
Total comprehensive (loss) income attributable to:		
- Owners of Bell Equipment Limited	**(7 349)**	362 092
- Non-controlling interest	**10 555**	13 178

* There were no corresponding tax implications on fair value loss on investments designated as at fair value through other comprehensive income in the prior period.

Condensed consolidated statement of cash flows

for the period ended 30 June 2026

	Unaudited six months ended 30 June 2026 R'000	Restated* Unaudited six months ended 30 June 2025 R'000
CASH FLOW FROM OPERATING ACTIVITIES		
Cash generated from operations	**227 114**	1 162 231
Interest paid	**(33 431)**	(46 590)
Interest received	**24 561**	67 843
Taxation paid	**(60 470)**	(103 978)
Net cash generated from operating activities	**157 774**	1 079 506
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	**(69 274)**	(63 356)
Proceeds on disposal of property, plant and equipment	**4 515**	4 309
Purchase of unlisted investment	**-**	(2 777)
Net cash utilised in investing activities	**(64 759)**	(61 824)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest-bearing liabilities repaid	**(28 892)**	(218 071)
Overnight call loans - drawdowns *	**885 513**	562 580
Overnight call loans - repaid *	**(662 009)**	(673 000)
Lease liabilities repaid	**(53 196)**	(47 744)
Dividends paid	**(97 049)**	(154 407)
Net cash generated from (utilised in) financing activities	**44 367**	(530 642)
Net cash inflow	**137 382**	487 040
Net cash (bank overdrafts) at beginning of the period	**420 033**	(27 975)
Net cash at end of the period **	**557 415**	459 065

* Refer to restatements of prior periods in note 13.

**** Comprising:**

Bank overdrafts and overnight call loans, as per the condensed consolidated statement of financial position	**(340 678)**	(54 078)
Less: overnight call loans	**233 753**	1 142
Bank overdrafts	**(106 925)**	(52 936)
Cash and bank balances	**664 340**	512 001
Net cash at end of the period	**557 415**	459 065

Condensed consolidated statement of changes in equity

for the period ended 30 June 2026

	Attributable to owners of Bell Equipment Limited					
	Stated capital R'000	Non-distributable reserves R'000	Retained earnings R'000	Total R'000	Non-controlling interest R'000	Total capital and reserves R'000
Balance at 1 January 2025 - audited	**235 541**	**1 146 183**	**4 192 403**	**5 574 127**	**102 813**	**5 676 940**
Total comprehensive income attributable to owners of Bell Equipment Limited	-	147 382	214 710	362 092	-	362 092
Total comprehensive income attributable to non-controlling interest	-	-	-	-	13 178	13 178
Transfer between reserves relating to investments classified as at fair value through other comprehensive income	-	6 258	(6 258)	-	-	-
Increase in statutory reserves of foreign subsidiaries	-	7 694	(7 694)	-	-	-
Decrease in BBBEE share-based payment reserve	-	(450)	-	(450)	-	(450)
Dividends paid	-	-	(153 013)	(153 013)	(1 394)	(154 407)
Balance at 30 June 2025 - unaudited	**235 541**	**1 307 067**	**4 240 148**	**5 782 756**	**114 597**	**5 897 353**
Balance at 31 December 2025 - audited	**235 541**	**1 134 415**	**4 409 666**	**5 779 622**	**124 777**	**5 904 399**
Total comprehensive (loss) income attributable to owners of Bell Equipment Limited	**-**	**(74 387)**	**67 038**	**(7 349)**	**-**	**(7 349)**
Total comprehensive income attributable to non-controlling interest	**-**	**-**	**-**	**-**	**10 555**	**10 555**
Dividends paid	**-**	**-**	**(95 605)**	**(95 605)**	**(1 444)**	**(97 049)**
Balance at 30 June 2026 - unaudited	**235 541**	**1 060 028**	**4 381 099**	**5 676 668**	**133 888**	**5 810 556**

Abbreviated Notes to the Unaudited Condensed Consolidated Interim Financial Statements

for the six months ended 30 June 2026

1. BASIS OF PREPARATION

The recognition and measurement criteria applied in the preparation of these condensed consolidated interim financial statements are in terms of IFRS® Accounting Standards. The same accounting policies and methods of computation are followed in the condensed consolidated interim financial statements as compared with the most recent consolidated annual financial statements. The presentations and disclosures in these condensed consolidated interim financial statements are in terms of *IAS 34 Interim Financial Reporting*. There were no significant assets held for sale, discontinued operations or acquisitions within the group during the current period.

The group has adopted all of the amended accounting standards relevant to its operations and effective for annual reporting periods beginning 1 January 2026. The adoption of these amended standards has not had any significant impact on the amounts reported in the condensed consolidated interim financial statements or the disclosures herein.

The condensed consolidated interim financial statements are prepared in accordance with the requirements of the JSE Limited's Listings Requirements ("Listings Requirements") for interim reports and the requirements of the Companies Act in South Africa. The Listings Requirements require interim reports to be prepared in accordance with and containing the information required by *IAS 34 Interim Financial Reporting*, as well as the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council. The preparation of this interim report was supervised by the Group Finance Director, KJ van Haght CA(SA).

The condensed consolidated interim financial statements are the responsibility of the directors. The directors take full responsibility for the preparation of the condensed consolidated interim financial statements.

These results have not been audited or reviewed by the group's auditor, PricewaterhouseCoopers Inc.

2. REVENUE

The group derives its revenue from the sale of equipment and aftermarket products, which includes the sale of parts, service contracts and transport revenue, extended warranty, finance lease revenue and rental revenue.

The disaggregation below is consistent with the external revenue information that is disclosed for each reportable segment under IFRS 8 (refer to note 8) and the information that is provided to the group's chief operating decision maker on a regular basis.

Disaggregation of revenue	**Manufacturing, assembly, logistics and dealer sales operations**		**Direct Sales operations**		
	South Africa R'000	**Europe R'000**	**South Africa R'000**	**Zambia R'000**	**Total Revenue R'000**
June 2026					
Revenue					
Sale of equipment	627 979	1 311 753	1 613 079	324 496	3 877 307
Sale of parts	247 822	130 036	521 280	162 582	1 061 720
Service contracts and transport revenue	46 787	25 136	136 981	8 809	217 713
Extended warranty	94 468	-	-	-	94 468
Finance lease revenue	-	-	89 174	-	89 174
Rental revenue	-	2 397	5 325	-	7 722
Total revenue - unaudited	**1 017 056**	**1 469 322**	**2 365 839**	**495 887**	**5 348 104**
June 2025					
Revenue					
Sale of equipment	650 468	1 757 420	1 824 321	392 001	4 624 210
Sale of parts	311 973	136 124	570 077	130 357	1 148 531
Service contracts and transport revenue	58 607	23 787	150 223	7 879	240 496
Extended warranty	69 949	-	-	-	69 949
Rental revenue	-	7 999	13 450	-	21 449
Total revenue - unaudited	**1 090 997**	**1 925 330**	**2 558 071**	**530 237**	**6 104 635**

The transfer of goods and services occurs over time and at a point in time as reflected below.	**Unaudited six months ended 30 June 2026 R'000**	Unaudited six months ended 30 June 2025 R'000
Timing of revenue recognition		
At a point in time		
Sale of equipment	**3 877 307**	4 624 210
Sale of parts	**1 061 720**	1 148 531
Total	**4 939 027**	5 772 741
Over time		
Service contracts and transport revenue	**217 713**	240 496
Extended warranty	**94 468**	69 949
Total	**312 181**	310 445
Revenue from lease arrangements		
Finance lease and rental revenue	**96 896**	21 449
Total revenue	**5 348 104**	6 104 635

Included in revenue for the period is an amount of R87,7 million (June 2025: R292,0 million) relating to bill and hold arrangements for the sale of equipment to certain customers. Control of the equipment has passed to the customers and management's assessment is that the likelihood of revenue reversals in future periods is remote.

The group had remaining and unsatisfied performance obligations at period end in terms of extended warranty contracts, service contracts, and in terms of certain equipment sales contracts where the consideration was received in advance from customers. These obligations are reflected as contract liabilities in the statement of financial position (refer to note 11).

Abbreviated Notes to the Unaudited Condensed Consolidated Interim Financial Statements *continued*

for the six months ended 30 June 2026

3. PROFIT FROM OPERATING ACTIVITIES

	Unaudited six months ended 30 June 2026 R'000	Unaudited six months ended 30 June 2025 R'000
Profit from operating activities is arrived at after taking into account:		
Income		
Currency exchange gains	**221 753**	113 477
APDP - production incentives	**58 615**	69 646
Expenditure		
Amortisation of intangible assets	**24 533**	18 368
Auditors' remuneration - audit and other services	**10 953**	10 823
(Decrease) increase in cash-settled employee share awards	**(12 798)**	21 441
Consulting fees	**20 484**	22 108
Currency exchange losses	**223 562**	187 275
Impairment loss recognised on intangible assets	**-**	33 241
Increase in allowance for expected credit losses	**19 313**	4 217
Depreciation of property, plant and equipment	**47 980**	60 213
Depreciation of right-of-use assets	**50 963**	50 033
Decrease in contract provision - warranty	**(20 527)**	(19 210)
Lease expenses	**15 713**	15 772
Repairs and maintenance	**33 086**	31 609
Research expenses (excluding staff costs)	**34 076**	23 565
Staff costs (including directors' remuneration)	**988 533**	985 378

4. NET INTEREST EXPENSE (INCOME)

Interest expense	**36 159**	41 269
Interest income	**(26 078)**	(56 557)
Net interest expense (income)	**10 081**	**(15 288)**

5. EARNINGS PER SHARE, NET ASSET VALUE PER SHARE AND GEARING RATIO

		Unaudited six months ended 30 June 2026	Unaudited six months ended 30 June 2025
Earnings per share:			
Basic earnings per share is arrived at as follows:			
Profit for the interim period attributable to owners of Bell Equipment Limited	(R'000)	**67 038**	214 710
Weighted average number of ordinary shares in issue during the period	('000)	**95 629**	95 629
Earnings per share (basic)	**(cents)**	**70**	225
Diluted earnings per share is arrived at as follows:			
Profit for the interim period attributable to owners of Bell Equipment Limited	(R'000)	**67 038**	214 710
Less: Adjustment to profit for dilutive impact of potential BECSA and BESSA shares	(R'000)	**(17 508)**	-
Earnings used to calculate diluted earnings per share	(R'000)	**49 530**	214 710
Weighted average number of ordinary shares in issue during the period (June 2025: Fully converted weighted average number of shares)	('000)	**95 629**	105 250
Earnings per share (diluted)	**(cents)**	**52**	204

In terms of the BEE transaction entered into in 2019, the BEE parties are required to sell their shareholding in certain group entities to the group at the end of the lock-in period in exchange for cash, shares in the company or shares in another group entity or entities or for a combination of cash and shares, at the company's discretion. The profit for the interim period attributable to owners of Bell Equipment Limited has been adjusted for the effect of the dilutive potential shares in Bell Equipment Company SA Proprietary Limited (BECSA) and Bell Equipment Sales South Africa Limited (BESSA) relating to these options because the company's current intention is to settle the parties in BECSA and BESSA shares. In the prior period, the number of company shares was adjusted for the effect of the dilutive potential shares relating to these options. If the non-controlling interest approach had been used in the prior period, this would have resulted in diluted earnings per share and diluted headline earnings per share of 203 cents and 226 cents respectively. For a detailed understanding of the 2019 BEE transaction, refer to note 19.2 of the group's annual financial statements for the year ended 31 December 2025.

Headline earnings per share is arrived at as follows:			
Profit for the interim period attributable to owners of Bell Equipment Limited	(R'000)	**67 038**	214 710
Net surplus on disposal of property, plant and equipment	(R'000)	**(1 053)**	(3 127)
Taxation effect of net surplus on disposal of property, plant and equipment	(R'000)	**284**	845
Impairment loss recognised on intangible assets	(R'000)	**-**	33 241
Taxation effect of impairment loss on intangible assets	(R'000)	**-**	(8 975)
Reclassification to profit or loss of foreign currency translation reserve	(R'000)	**(4 064)**	-
Headline earnings	(R'000)	**62 205**	236 694
Weighted average number of ordinary shares in issue during the period	('000)	**95 629**	95 629
Headline earnings per share (basic)	**(cents)**	**65**	248
Diluted headline earnings per share is arrived at as follows:			
Headline earnings calculated above	(R'000)	**62 205**	236 694
Less: Adjustment to headline earnings for dilutive impact of potential BECSA and BESSA shares	(R'000)	**(17 508)**	-
Headline earnings used to calculate diluted earnings per share	(R'000)	**44 697**	236 694
Weighted average number of ordinary shares in issue during the period (June 2025: Fully converted weighted average number of shares)	('000)	**95 629**	105 250
Headline earnings per share (diluted)	**(cents)**	**47**	225

Headline earnings is calculated in accordance with *Circular 1/2023 Headline Earnings issued* by the South African Institute of Chartered Accountants.

5. EARNINGS PER SHARE, NET ASSET VALUE PER SHARE AND GEARING RATIO *continued*

		Unaudited 30 June 2026	Audited 31 December 2025
Net asset value per share:			
Net asset value per share is arrived at as follows:			
Total capital and reserves	(R'000)	5 810 556	5 904 399
Number of shares in issue	('000)	95 629	95 629
Net asset value per share	**(cents)**	**6 076**	**6 174**
Gearing ratio:			
The gearing ratio at the end of the period was as follows:			
Short-term and long-term borrowings	(R'000)	**555 993**	471 394
Cash and bank balances	(R'000)	**(664 340)**	(631 448)
Net cash	(R'000)	**(108 347)**	(160 054)
Total equity	(R'000)	**5 810 556**	5 904 399
Net debt to equity ratio	**(%)**	**(1,9)**	(2,7)

6. STATED CAPITAL

Authorised		
100 000 000 (December 2025: 100 000 000) ordinary shares of no par value		
Issued and fully paid		
95 629 385 (December 2025: 95 629 385) ordinary shares of no par value	**235 541**	235 541

7. CAPITAL EXPENDITURE COMMITMENTS

Contracted	**37 347**	28 007
Authorised, but not contracted - property, plant and equipment	**67 720**	116 120
Authorised, but not contracted - intangible assets	**19 868**	34 806
Total capital expenditure commitments	**124 935**	178 933

This capital expenditure is to be financed from internal resources.

8. CONDENSED SEGMENTAL ANALYSIS

Information regarding the group's reportable segments is presented below in a manner consistent with information reported to the group's chief operating decision maker for purposes of resource allocation and assessment of segment performance.

The group conducts two main business operations:

Manufacturing, assembly, logistics and dealer sales operations
- OEM operations comprising manufacturing, assembly and sales of equipment and aftermarket products to independent dealers for their distribution to market.

The Manufacturing, assembly, logistics and dealer sales operations comprise operations in South Africa and Europe:
- South Africa includes the group's main OEM and manufacturing operations in Richards Bay and the group's global parts logistics centre in Johannesburg. The main function of these operations is to manufacture and distribute product to the rest of the group and to independent distributors and dealers in North America, Africa, South America and Australasia.
- Europe includes an assembly and manufacturing plant and a parts logistics centre in Germany as well as dealer support operations in the United Kingdom, France and Germany.
  These operations distribute product to independent distributors and dealers in North America, Europe and Asia.

Direct Sales operations
- owned distribution operations for direct sales of own manufactured products, other third party products and the supply of aftermarket support and products to market.

The Direct Sales operations comprise operations in South Africa, which includes a number of customer service centres in South Africa and Eswatini, and in Zambia.

Other operations include the results of the group's holding companies, property investment company and BBBEE companies and trust.

The accounting policies of the reportable segments are the same as the group's accounting policies except in the prior year when goods in transit between the Richards Bay and Germany manufacturing plants was included as revenue in the Manufacturing, assembly, logistics and dealer sales South Africa segment at the time the goods were shipped at Richards Bay rather than in accordance with the contractual shipping terms.

Each reportable segment, except for the other operations and inter-segmental eliminations segment, derives its revenue mainly from the sale of equipment and aftermarket products.

8. CONDENSED SEGMENTAL ANALYSIS continued

	External Revenue R'000	Inter-segment Revenue R'000	Total Revenue R'000	Operating (loss) profit R'000	Assets R'000	Liabilities R'000
June 2026						
Manufacturing, assembly, logistics and dealer sales operations						
South Africa	**1 017 056**	**2 365 161**	**3 382 217**	**(81 390)**	**5 776 962**	**4 500 441**
Europe	**1 469 322**	**182 024**	**1 651 346**	**12 909**	**2 331 389**	**648 680**
Direct Sales operations						
South Africa	**2 365 839**	**8 399**	**2 374 238**	**84 603**	**1 649 569**	**1 048 883**
Zambia	**495 887**	**-**	**495 887**	**33 291**	**467 993**	**183 326**
Other operations and inter-segmental eliminations *	**-**	**(2 555 584)**	**(2 555 584)**	**70 779**	**(1 079 472)**	**(3 045 444)**
Total - unaudited	**5 348 104**	**-**	**5 348 104**	**120 192**	**9 146 441**	**3 335 886**
June 2025						
Manufacturing, assembly, logistics and dealer sales operations						
South Africa	1 090 997	2 340 428	3 431 425	60 949		
Europe	1 925 330	241 073	2 166 403	52 238		
Direct Sales operations						
South Africa	2 558 071	19 001	2 577 072	115 336		
Zambia	530 237	-	530 237	23 673		
Other operations and inter-segmental eliminations *	-	(2 600 502)	(2 600 502)	50 608		
Total - unaudited	**6 104 635**	**-**	**6 104 635**	**302 804**		
December 2025						
Manufacturing, assembly, logistics and dealer sales operations						
South Africa					5 670 753	4 325 615
Europe					2 443 089	698 556
Direct Sales operations						
South Africa					1 868 149	1 310 181
Zambia					345 913	80 209
Other operations and inter-segmental eliminations *					(1 382 110)	(3 373 166)
Total - audited					**8 945 794**	**3 041 395**

* Inter-segmental eliminations above relate to the following:
i) Revenue - the elimination of intra-group sales transactions, mainly sales from the manufacturing, assembly, logistics and dealer sales operations to other group operations.
ii) Operating profit - the elimination of profit or loss on intra-group transactions, mainly sales transactions from the manufacturing, assembly, logistics and dealer sales operations to the other group operations, where the inventory has not yet been on-sold to a third party at period end.
iii) Assets and liabilities - unearned profit on the intra-group sales transactions is eliminated from inventory. The intra-group transactions result in intra-group receivables and payables balances and furthermore intra-group loans are in place between certain group operations. These are eliminated on consolidation.

9. CONTINGENT ASSETS AND LIABILITIES

		Unaudited 30 June 2026 R'000	Audited 31 December 2025 R'000
9.1	**Contingent Assets**		
	Reimbursement right relating to standard warranty in respect of manufactured goods		
	Reimbursement right from component suppliers in respect of standard warranties where virtual certainty of recovery has not yet been established	**47 944**	62 430

		Unaudited 30 June 2026 R'000	Audited 31 December 2025 R'000
9.2	**Contingent liabilities**		
	Credit risk undertakings with financial institutions During the period the group entered into credit risk arrangements with certain financial institutions with recourse to the group to facilitate the financing of equipment for certain of the group's customers.		
	Transactions where the group carries all the credit risk (100%) In terms of these arrangements the group is liable for the full balance due to the financial institution in the event of default by the customer. At period-end the group's credit risk exposure under these arrangements totalled	**20 756**	35 830
	In the event of default, the equipment financed would be recovered and it is estimated that on re-sale the equipment would presently realise the following towards the above liability	**40 906**	56 695
		(20 150)	(20 865)
	Less: refund liability recognised	**-**	-
	Net credit risk	**-**	-
	Transactions where the group carries a portion of the credit risk (first loss) (15%-50%) In terms of these arrangements the group is liable for a portion of the balance due to the financial institution in the event of default by the customer. These are first loss undertakings and the group's liability is determined as the lesser of the recourse amount agreed upon or the net shortfall between the resale price achieved on the equipment and the total balance due by the customer to the financial institution.		
	At period-end the group's credit risk exposure under these arrangements totalled	**39 852**	46 252
	In the event of default, the equipment financed would be recovered and it is estimated that on re-sale the equipment would presently realise the following towards the above liability	**48 044**	54 431
		(8 192)	(8 179)
	Less: refund liability recognised	**-**	-
	Net credit risk	**-**	-
	Transactions where the group carries a portion of the credit risk (20%) In terms of these arrangements the group is liable for 20% of the balance due to the financial institution in the event of default by the customer. At period-end the group's credit risk exposure under these arrangements totalled	**8 700**	11 406
	In the event of default, the equipment financed would be recovered and it is estimated that on re-sale the equipment would presently realise the following towards the above liability	**12 683**	14 295
		(3 983)	(2 889)
	Less: refund liability recognised	**-**	-
	Net credit risk	**-**	-

No refund liability was recognised on these transactions as the risk of expected credit losses was considered to be insignificant.

10. FINANCIAL INSTRUMENTS

Categories of financial instruments included in the condensed consolidated statement of financial position:

Financial assets
- financial assets at fair value through profit or loss;
- financial assets at amortised cost; and
- financial assets at fair value through other comprehensive income.

Classification is determined by both the group's business model as well as the contractual cash flow characteristics of the asset.

Financial assets carried on the statement of financial position include cash and bank balances, investments, interest-bearing receivables, trade and other receivables and other assets.

Financial liabilities
- financial liabilities at fair value through profit or loss; and
- financial liabilities at amortised cost.

Financial liabilities carried on the statement of financial position include interest-bearing liabilities, lease liabilities, trade and other payables, bank overdrafts and overnight call loans and other liabilities.

Fair value of financial instruments

Financial assets at amortised cost
Interest-bearing receivables, trade and other receivables and cash and bank balances are measured at amortised cost. The directors consider that the carrying amount of trade and other receivables, excluding the value added taxation receivable, and cash and bank balances approximates their fair value due to the short-term nature of these instruments. The carrying amount of interest-bearing receivables approximates their fair value owing to the market related interest rates charged on these agreements.

Financial liabilities at amortised cost
Interest-bearing liabilities, lease liabilities, trade and other payables and bank overdrafts and overnight call loans are measured at amortised cost. The directors consider that the carrying amount of trade and other payables, excluding the value added taxation payable, and bank overdrafts and overnight call loans approximates their fair value due to the short-term nature of these instruments. The carrying amount of interest-bearing liabilities approximates their fair value owing to the market related interest rates on these instruments.

Financial assets and liabilities at fair value through profit or loss
Financial assets and liabilities carried at fair value through profit or loss include foreign exchange contracts (forwards and options) presented in the statement of financial position as other assets or liabilities.

The group measures foreign exchange contracts (forwards and options) at fair value on a recurring basis based on the market approach, using inputs other than quoted prices (Level 2).

The fair value of forward foreign exchange contracts is based on observable forward exchange rates at period-end from an independent provider of financial market data. The fair value of foreign exchange option contracts is determined using generally accepted option pricing models, incorporating observable market inputs at period-end, including spot exchange rates, forward exchange rates, volatility, interest rate differentials and time to maturity.

10. FINANCIAL INSTRUMENTS continued

Fair value of financial instruments continued

The details of foreign exchange contracts (forwards and options) held at 30 June 2026 are listed below.

	Foreign amount '000	Rate R	Contract value in Rands R'000	Market value in Rands R'000	Fair value (loss) gain R'000
June 2026					
Forward foreign exchange contracts					
Import contracts					
British Pound	**3 000**	**22,10**	**66 297**	**65 241**	**(1 056)**
Euro	**2 228**	**19,05**	**42 450**	**42 060**	**(390)**
Japanese Yen	**1 471 815**	**0,10**	**151 491**	**149 576**	**(1 915)**
United States Dollar	**2 100**	**16,36**	**34 355**	**33 507**	**(848)**
Export contracts					
United States Dollar	**8 850**	**16,52**	**146 227**	**145 372**	**855**
December 2025					
Forward foreign exchange contracts					
Import contracts					
British Pound	4 000	22,92	91 694	89 564	(2 130)
Euro	5 703	20,06	114 373	111 357	(3 016)
Japanese Yen	994 377	0,11	112 245	106 318	(5 927)
Export contracts					
United States Dollar	4 500	17,59	79 163	74 789	4 374
Foreign exchange option contracts					
Zero collar options					
United States Dollar	1 000	17,65	17 650	17 257	393

Investments at fair value through other comprehensive income

Investments carried at fair value through other comprehensive income include unlisted equity instruments. These investments are measured at fair value on a recurring basis.

The group has a 10% interest in the equity of an unlisted entity registered in the United States of America. The group used the market approach, an EBITDA multiple method, to estimate the fair value of this investment as the group does not have access to future forecast information with regards to the investment entity. The unlisted entity operates within the dealer and distribution network of the heavy equipment industry. An EBITDA multiple of 9.47 (2025: 9.41) was used to estimate the fair value of the entity and represents an average of observable EBITDA multiples of a number of listed entities within the heavy equipment industry. The EBITDA multiples were obtained from a reputable market database. The fair value measurement has been classified as a Level 3 measurement. A 10% decrease or increase in the EBITDA multiple, would have a R6,5 million (2025: R6,5 million) decrease or increase impact on the fair value of the investment. There were no significant inter-relationships between unobservable inputs that materially affect the fair value of the investment. The group did not adjust the carrying amount of this investment in the current period as the carrying amount approximated the fair value.

A reconciliation of this unlisted equity investment is presented below:

	Unaudited six months ended 30 June 2026 R'000	Audited twelve months ended 31 December 2025 R'000
Opening balance	**23 411**	23 444
Translation difference	**(971)**	(33)
Closing balance	**22 440**	23 411

Valuation techniques and fair value hierarchy

There was no change in the valuation techniques used for foreign exchange contracts (Level 2) and unlisted investments (Level 3).

For all fair value measurements disclosed above, there were no transfers between levels of the fair value hierarchy during the period.

11. CONTRACT LIABILITIES

	Unaudited 30 June 2026 R'000	Audited 31 December 2025 R'000
Contract liabilities consist of the following:		
Advance receipts from customers	**38 404**	21 335
Deferred warranty income	**289 560**	303 811
Deferred service contract revenue	**70 777**	66 126
	398 741	391 272
Less: current portion	**(228 896)**	(219 684)
Long-term portion	**169 845**	171 588

12. RESTRICTED ACCESS TO CASH AND BANK BALANCES

The group's cash and bank balances include an amount which forms part of the group's operation in Russia and which is not accessible by the group outside Russia due to sanctions.		
Cash and bank balances in Russia (i)	**82 789**	**83 202**

(i) There are no other significant assets in this operation.

13. PRIOR PERIOD RESTATEMENTS - 30 JUNE 2025

Financing activities in the condensed consolidated statement of cash flows
At the June 2026 period-end, it was identified that cashflows pertaining to certain bank call deposits and bank call deposit withdrawals which met the definition of cash and cash equivalents were incorrectly classified as financing activities in the consolidated statement of cash flows for the period ended 30 June 2025. The prior period has been restated accordingly, resulting in bank call deposits of R1,0 billion and call deposit withdrawals of R1,0 billion being reclassified from net cash utilised in financing activities to net increase in cash for the period.

The condensed consolidated statement of cash flows was impacted by the correction of this prior period error. There was no impact on the condensed consolidated statement of financial position or the condensed consolidated statement of profit or loss.

The restatement adjustments relating to the correction of the above error are as follows:

FOR THE PERIOD ENDED 30 JUNE 2025	As previously reported R'000	Correction of errors R'000	**Restated R'000**
Net cash utilised in financing activities	(530 642)	-	**(530 642)**
Within which the following were impacted:			
Overnight call loans - drawdowns	1 589 699	(1 027 119)	**562 580**
Overnight call loans - repaid	(1 700 119)	1 027 119	**(673 000)**
Net cash inflow	487 040	-	**487 040**

14. IMPAIRMENT CONSIDERATIONS AND IMPACT ON THE INTERIM FINANCIAL RESULTS FOR THE PERIOD ENDED 30 JUNE 2026

IAS 36 Impairment of Assets
In terms of *IAS 36 Impairment of Assets* the group is required to perform tests for impairment of assets based on the expected future cash flows pertaining to these assets whenever there is an indication that these assets may be impaired.

Consistent with the position at the 2025 financial year end, the market capitalisation of the group at 30 June 2026 of R3,3 billion (December 2025: R4,0 billion) was significantly lower than the net asset value of the group of R5,8 billion (December 2025: R5,9 billion). This is an indicator of possible impairment in terms of IAS 36. A review was performed at period end to identify any significant changes that may indicate that assets are impaired since the impairment tests conducted at year end.

14.1 Impairment considerations of the cash-generating units (CGUs)

The following was considered to assess the CGUs for impairment:

1. The identification of the group's cash generating units was reviewed and it was confirmed that there has been no change in these cash generating units.
2. It was confirmed that there have been no significant changes to long-term financial forecasts since year-end and therefore there is no indication of a significant change in the valuation of the cash generating units since then.

Consequently, no impairment loss has been recognised.

14.2 Impairment considerations of specific asset categories

Further consideration was given to the possible impairment of specific asset categories on the statement of financial position.

- ***Inventory***
  The group conducted a detailed assessment of the valuation of inventory at 30 June 2026. All inventory is valued at the lower of cost and net realisable value. Included in cost of sales in the current period is an amount of R44,0 million (June 2025: R49,1 million) in respect of write-downs of inventory and inventory provisions.

- ***Trade and interest-bearing receivables***
  The balances owed to the group by customers are reviewed on an ongoing basis, with specific emphasis on protecting the value of the group's security, comprising mainly the financed equipment. There has been no change to the group's approach for measuring allowances for expected credit losses during the current period. At 30 June 2026, the total allowances for expected credit losses on trade and interest-bearing receivables totalled R54,5 million (December 2025: R35,2 million).

  The group has a concentration of credit risk in the USA in respect of the North American distributor, in which the group holds a 10% equity interest, in the customers of BESSA, the group's direct sales operation in South Africa, and in the customers in the Zambia region. At 30 June 2026, trade and interest-bearing receivables balances for these regions, which are considered recoverable, totalled:

	Unaudited 30 June 2026 R'000	Audited 31 December 2025 R'000
USA	**172 594**	118 210
South Africa	**422 738**	277 666
Zambia	**282 777**	274 158
Total	**878 109**	670 034

- ***Property, plant and equipment***
  There has been no change in the group's plans to use its assets to support revenue generating activities. No impairment of property, plant and equipment was considered necessary in the current period.

- ***Intangible assets***
  In its assessment of intangible assets at 30 June 2026 the group conducted a review of capitalised engineering development costs and projects and concluded that no impairment (December 2025: R33,2 million) was considered necessary. No projects had to be discontinued.

14.3 Impairment considerations of Russian operation

Due to the ongoing Russia-Ukraine conflict and sanctions imposed, the assets relating to the group's operation in Russia were tested for impairment. Access to the cash and bank balances in this operation is restricted at present (refer note 12). There are no other significant assets in this operation. No impairment losses were identified from this review.

Abbreviated Notes to the Unaudited Condensed Consolidated Interim Financial Statements *continued*

for the six months ended 30 June 2026

15. DIRECTORS' ASSESSMENT OF GOING CONCERN

As part of the assessment of the appropriateness of adopting the going concern basis in preparing the interim financial statements for the period ended 30 June 2026, the directors considered the group's cash flow forecast for the next twelve months. This forecast is based on expected demand for the next twelve months. The cash flow forecast reflects that the group expects to operate within facility levels and generate sufficient cash flows to settle its obligations when due. Management constantly monitors the facility levels in relation to the group's cash flow forecast. The group's lenders continue to support the business.

The group's net cash position at 30 June 2026 was approximately R0,1 billion (31 December 2025: R0,2 billion).

Conflict in the Middle East
The directors have considered the ongoing geopolitical tensions in the Middle East and the potential impact on global supply chains and energy markets. At this stage, the group has not experienced any material disruption to its operations. The directors will continue to monitor developments closely and assess any potential impact on the group's operations and financial performance as the situation evolves.

The directors consider it appropriate that the interim financial statements are prepared on a going concern basis.

16. SUBSEQUENT EVENTS

Notice is hereby given that the directors have declared a gross interim cash dividend of 30 cents per ordinary share for the six-month period ended 30 June 2026 payable to ordinary shareholders in accordance with the timetable below.

The net interim dividend is 24 cents per share for ordinary shareholders who are subject to the 20 percent dividend withholding tax. The aggregate amount of the proposed dividend expected to be paid, but not recognised as a liability at period end, is R28,7 million.

The dividend has been declared from income reserves.

The company's income tax reference number is 9022169206.

The issued share capital at the declaration date is 95 629 385 ordinary shares.

The salient dates for the dividend will be as follows:

Last day of trade to receive a dividend	Monday, 21 September 2026
Shares commence trading "ex" dividend	Tuesday, 22 September 2026
Record date	Friday, 25 September 2026
Payment date	Monday, 28 September 2026

Share certificates may not be dematerialised or rematerialised between Tuesday, 22 September 2026 and Friday, 25 September 2026, both days inclusive.

No other fact or circumstance material to the appreciation of these condensed consolidated interim financial statements has occurred between 30 June 2026 and the date of this report.

By order of the board
3 September 2026

Directors
Non-executive
GW Bell (Chairman), HR van der Merwe* (Lead Independent), AJ Bell, ME Ramathe*, R Naidu*, U Maharaj*,
M Geyer*, S Fitzpatrick*, H Ramsumer*
* *Independent*
DH Lawrance retired as non-executive director on 4 June 2026.

Executive
IJM van Niekerk (Group Chief Executive), SR Jones (Alternate),
KJ van Haght (Group Finance Director), A Goordeen (Alternate)
Appointed: IJM van Niekerk was appointed as Group Chief Executive with effect from 1 September 2026.
Appointed: SR Jones was appointed as alternate executive director to IJM van Niekerk from 3 September 2026.
Resigned: AJ Bell resigned as Group Chief Executive with effect from 31 August 2026. From 1 September 2026,
AJ Bell's designation changed from executive director to non-executive director.

Company Secretary
D McIlrath

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Release date: 4 September 2026

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