Reunert

Empower. Innovate. Thrive.

CONSOLIDATED FINANCIAL STATEMENTS[1]

and cash dividend declaration for the year ended 30 September

2026

REUNERT LIMITED

Incorporated in the Republic of South Africa
Registration number: 1913/004355/06
JSE and A2X share code: RLO
ISIN: ZAE000057428
("Reunert", "the Group" or "the Company")

The contents of this announcement are the responsibility of the board of directors of the Company (the Board). This results announcement has been prepared in compliance with the JSE Limited Listings Requirements. Shareholders are advised that this announcement does not contain full or complete details and represents a summary of the information contained in the annual financial statements, which are accessible via the JSE cloudlink at https://senspdf.jse.co.za/documents/2026/JSE/ISSE/RLO/AFS_2026.pdf and on Reunert's website (www.reunert.co.za/reporting-and-results.php) from 23 November 2026. Shareholders and investors are advised to review the annual financial statements in making any investment decisions.

SALIENT FEATURES

Unless otherwise stated, the financial information and percentage changes in this announcement are presented on a continuing operations basis.

Continuing operations

Group revenue	Operating profit	Earnings per share	Headline earnings per share
R13 554 million	**R852 million**	**297 cents**	**339 cents**
(2025: R13 881 million)	(2025: R1 515 million)	(2025: 654 cents)	(2025: 649 cents)
Down 2%	Down 44%	Down 55%	Down 48%

Dividends and cash

Final dividend per share	Dividend yield	Free cash flow[2]	Free cash flow[2] to profit for the year	Net cash[3]
293 cents	**6,5%**	**R878 million**	**183%**	**R713 million**
(2025: 293 cents)	(2025: 7,1%)	(2025: R1 170 million)	(2025: 128%)	(2025: R743 million)
			Up 55 percentage points	Down 4%

Reunert reports a difficult year, with strategic action taken and the defence order book up 25%

Operating environment

The 2026 financial year (2026) was a difficult year for the Group. Trading conditions were characterised by:

1. Weak infrastructure-driven demand in South Africa, which affected the South African power cable business;
2. Weak demand and a stronger Zambian kwacha (Kwacha) against the US dollar (USD) which negatively impacted the performance of the Group's Zambian power cable business;
3. Increasing commodity prices, which negatively impacted trading volumes and margins;
4. The sustained strength of the South African rand (Rand) against the USD and the Euro, relative to the previous financial year, which adversely impacted the Group's export businesses;
5. Operational challenges experienced at a franchise owned by Nashua Holdings (Pty) Ltd; and
6. Delays in customer orders arising from the ongoing conflict in the Middle East, exacerbated by the associated supply-chain disruption, resulting in execution constraints.

Global copper prices increased by 33% and aluminium prices by 24% during the year, which led customers to defer power cable orders and reduced margins, while the Rand strengthened by 8,4% against the USD and by 3,7% against the Euro, reducing the Rand value of the Group's export revenue. Geopolitical risk remained elevated. The conflict in the Middle East delayed defence orders and deliveries beyond the year end and disrupted shipping routes and supply chains, while sustained defence expenditure in Europe and the Middle East continued to support the medium-term demand outlook.

Strategy and positioning

Management completed the strategic refresh during the year, including a deep-dive strategy review of the Applied Electronics Segment presented at the Group's Capital Markets Day on 2 September 2026, which confirmed the segment's full potential for growth in products and market expansion. The refresh aligns the Group's portfolio of businesses with three structural growth drivers, each mapped to a segment:

1. Electrification and energy resilience in the Electrical Engineering Segment;
2. Digitalisation, cloud, cybersecurity and AI in the ICT Segment; and
3. Safety, security and defence in the Applied Electronics Segment.

Decisions taken in 2026 position the Group for these drivers: the Defence businesses increased their order book and advanced plans for a European manufacturing and distribution capability, the business communications businesses were integrated into a single connectivity platform, the ICT Segment broadened its software capability through acquisition and began work on a holistic ICT ecosystem for its longstanding small and medium enterprise customer base, the South African power cable operations were restructured to align with demand, the circuit breaker business is reviewing options to expand to meet the offshore market demand, and the restructuring of the solar engineering, procurement and construction (EPC) capability began. Internationalisation remains core, with revenue earned outside of South Africa of R5 105 million, representing 38% of the Group's total revenue. This strategic focus positions the Group to drive both market positioning and operational efficiencies across its three segments, into 2027 and beyond.

Group results

Revenue decreased by 2% to R13 554 million (2025: R13 881 million), while operating profit decreased by 44% to R852 million (2025: R1 515 million). Headline earnings per share (HEPS) decreased by 48% to 339 cents per share (cps) (2025: 649 cps) and basic earnings per share decreased by 55% to 297 cps (2025: 654 cps).

Operating profit was impacted negatively in all three segments by the factors described above and includes an impairment of goodwill of R67 million in the Applied Electronics Segment (Omnigo (Pty) Ltd R40 million and Reutech Communications, a division of Reutech (Pty) Ltd, R27 million), which is excluded from headline earnings, a non-cash IFRS 2 – Share-based Payment remeasurement expense of R18 million (2025: income of R30 million) on the Group's cash-settled Employee Share Ownership Plan, and an impairment of financial assets of R43 million (2025: reversal of R4 million). The Group also recognised, below operating profit, its R33 million share of the after-tax loss of Lumika, its renewable energy joint venture (2025: Rnil).

Cash generated from operations was R1 346 million (2025: R1 623 million), a strong free cash flow of R878 million (2025: R1 170 million) was delivered and the net cash position after borrowings was R713 million (2025: R743 million). The Group has total funding facilities of R2 875 million of which R1 000 million was utilised and remains in compliance with all its debt covenants.

Segmental review[4]

Electrical Engineering

Segment revenue increased by 2% to R7 781 million (2025: R7 604 million), while segment operating profit decreased by 61% to R176 million (2025: R457 million), reflecting continued weakness in South African infrastructure demand, adverse currency and commodity price movements, and subdued trading in certain export and regional markets.

Volumes at African Cables, the South African power cable business, were 20% below the prior year as government infrastructure investment fell well short of expectations and higher copper prices dampened demand. With no near-term recovery in sight, the South African operating facilities were restructured to align with current demand, while retaining the core skills and plant capacity to scale up should demand increase.

At CBi Low Voltage, local volumes were stable, although demand remained constrained by weak infrastructure investment and broader economic pressures in South Africa. The United States of America (USA) export market continued to deliver strong volume growth, with poles sold into the USA increasing by 27%. Export profitability was, however, subdued by the stronger Rand and higher copper and silver prices.

In Zambia, the appreciation of the Kwacha placed sustained pressure on Zamefa's gross margins, and higher copper and aluminium prices delayed customer orders. Deliveries to Zambia's power utility (ZESCO) resumed at renegotiated prices, restoring margins to tendered levels.

Terra Firma, the solar energy business, underperformed as a result of reduced build activity. The restructuring of its EPC capability has started and is expected to deliver a leaner cost base and improved profitability. Apollo Africa continued to develop its wheeling pipeline and concluded various consumer power purchase agreements on the Eskom Holdings SOC Limited (Eskom) and municipal networks.

ICT

Segment revenue decreased by 5% to R3 696 million (2025: R3 903 million) and segment operating profit decreased by 17% to R530 million (2025: R636 million). The segment nevertheless contributed 60% of the Group's segment operating profit.

Reunert Connect, formed from the integration of ECN and SkyWire, benefited from structurally positive demand for enterprise connectivity and last-mile broadband, while traditional voice services remained under pressure. Nashua's performance weakened due to operational challenges experienced at a franchise owned by Nashua Holdings (Pty) Ltd and delayed large enterprise contracts, which were concluded after the year end, with implementation expected during the first half of the 2027 financial year.

Quince continued to deliver quality recurring earnings, although lower interest rates reduced the yield on the finance book. IQbusiness increased operating profit under refreshed leadership and a leaner cost base, and the acquisition of the Silversoft group for R147 million in July 2026 broadened its enterprise software capability and provided access to customers in the United Kingdom and the Middle East.

Applied Electronics

Segment revenue decreased by 14% to R2 240 million (2025: R2 610 million) and segment operating profit decreased by 30% to R358 million (2025: R508 million), as a result of the order delays arising from the conflict in the Middle East, exacerbated by supply-chain disruption, together with the impact of the stronger Rand on the segment's hard currency export revenue.

Fuchs, the fuze business, remained the segment's largest profit contributor, but its result was below expectations due to programme execution delays and a large European mortar fuze order that moved into the 2027 financial year. Progress continued towards establishing Fuchs Electronics Europe in Slovakia with CSG. Reutech Radar ended the year with a healthy order book and a strong pipeline, although delays in mining orders constrained revenue. The secure communications businesses benefited from improved local order intake but could not execute all orders due to programme delays. The logistics businesses remained the most challenged as a large export order moved into the 2027 financial year.

Underlying demand remained resilient. Order intake exceeded sales and the Defence order book closed 25% higher than at the start of the year, with 61% attributable to export markets. The order book as at 30 September 2026, together with orders contracted after that date, is estimated to exceed R3 billion, the majority of which is expected to be executed in the 2027 financial year.

Prospects

The strategic work completed during the 2026 financial year, together with the actions underway across the three segments, is intended to improve Reunert's growth options.

In the Electrical Engineering Segment, the focus remains on margin protection, improving cost competitiveness, operational efficiencies and strategy execution. Investing in the capacity and capability required to support the international growth of the circuit breaker business will continue, while the cable businesses are geared for a recovery in infrastructure investment. The renewable energy business should benefit from continued demand for embedded generation and wheeling solutions, supported by growth in the BOO asset portfolio.

In the ICT Segment, the next phase is to scale the ecosystem, deepen customer penetration and invest in and accelerate the commercialisation of the Group's connectivity, digital and AI capabilities.

The Applied Electronics Segment's deep-dive strategy review has clarified the products, markets, routes to market and operating capabilities required to support the segment's longer-term growth ambitions. The focus has shifted to converting the strong opportunity pipeline into executable orders and the investment to scale the engineering, production and delivery capacity will continue.

Subject to no material deterioration in the macroeconomic environment, the 2027 financial year will be a year of disciplined investment and execution. Internationalisation will remain central to the Group's growth strategy, with the European fuze venture an important milestone, while continued investment in the circuit breaker and defence businesses will support growth over the medium to longer term.

Reunert remains focused on strengthening earnings resilience and delivering sustainable long-term shareholder value.

Subsequent events

With effect from 30 October 2026, IQbusiness repurchased and cancelled approximately 11,2% of its issued shares held indirectly by its management shareholders, for a purchase consideration of approximately R97 million, increasing the Group's effective shareholding in IQbusiness from 67,0% to 75,5%. As Reunert retains control of IQbusiness, the transaction will be accounted for in equity as a transaction with non-controlling interests in the 2027 financial year, with no impact on profit or loss.

Cash dividend

Notice is hereby given that a gross final cash dividend No. 201 of 293,0 cents per ordinary share (2025: 293,0 cents per ordinary share) has been declared by the directors for the year ended 30 September 2026.

This brings the total dividend declared for the year to 383,0 cents per ordinary share (2025: 383,0 cents per ordinary share).

The dividend has been declared from retained earnings. A dividend withholding tax of 20% will be applicable to all shareholders who are not exempt from, or who do not qualify for, a reduced rate of withholding tax. Accordingly, for those shareholders subject to withholding tax, the net dividend amounts to 234,4 cents per ordinary share (2025: 234,4 cents per ordinary share). The issued share capital at the declaration date is 182 665 316 ordinary shares.

Income tax reference number: 9100/101/71/7P.

In compliance with the requirements of Strate Proprietary Limited and the JSE Limited Listings Requirements, the following dates are applicable:

Last date to trade (*cum* dividend)	Tuesday, 19 January 2027
First date of trading (*ex* dividend)	Wednesday, 20 January 2027
Record date	Friday, 22 January 2027
Payment date	Monday, 25 January 2027

Shareholders may not dematerialise or rematerialise their shares between Wednesday, 20 January 2027 and Friday, 22 January 2027, both days inclusive.

On behalf of the Board

Mohamed Husain	Anthonie de Beer	Mark Kathan
Chair	Chief Executive Officer	Chief Financial Officer

Sandton, 19 November 2026

1. *Extracted financial information from the Group Audited Annual Financial Statements for the year ended 30 September 2026.*
2. *Free cash flow is calculated as net cash inflow from operating activities before dividends less cash outflow from replacement of property, plant and equipment and intangible assets. Free cash flow to profit for the year is calculated on profit for the year from total operations.*
3. *Net cash is calculated as net cash and cash equivalents less external borrowings.*
4. *The 2025 segmental comparatives have been re-presented to reflect the re-classification of the Lumika group and Reunert International Investments (Mauritius) Ltd between segments.*

This announcement itself is not audited or reviewed. The Group Annual Financial Statements have been audited by KPMG Inc., who expressed an unmodified audit opinion thereon. The unmodified auditor's report is available for inspection at the registered office of the Company.

Directors
MJ Husain (Chair)*, T Abdool-Samad*, RJ Boëttger*, GB Dalgleish*, AC de Beer (Chief Executive Officer, appointed 1 March 2026), E Botha* (appointed 1 July 2026), TNM Eboka*, CD Flemming* (appointed 7 November 2026), LP Fourie (Chair of the Audit Committee)*, JP Hulley*, KM Kathan (Chief Financial Officer), Dr MT Matshoba-Ramuedzisi*, ET Moabi* (appointed 7 November 2026), M Moodley.

* Independent non-executive

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reunert.com

23 November 2026 (publication date)