Geographical analysis

	South Africa	Rest of Africa	Australia	Consolidation	Group
Turnover	**10 432**	**1 121**	**535**	**(3 320)**	**8 768**
Non-current assets	**7 458**	**484**	**208**	**(2 162)**	**5 988**
Audited year to 30 June 2025					
Turnover	10 729	1 182	543	(3 578)	8 876
Non-current assets	7 459	494	226	(1 999)	6 180

Notes

01 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICY

Basis of preparation

The reviewed condensed consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements and the requirements of the Companies Act of South Africa. The Listings Requirements require reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards ("IFRS") and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting.

The accounting policies applied in the preparation of the reviewed condensed consolidated financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements. These results have been prepared under the supervision of the Chief Financial Officer, Mr L Booysen.

New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of these condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2025, except for the adoption of new and amended IFRS and International Financial Reporting Interpretations Committee interpretations, which became effective during the current review year. The application of these standards and interpretations did not have a significant impact on the Group's reported results and cash flows for the year ended 30 June 2026 and the financial position at 30 June 2026.

02 COMMITMENTS AND CONTINGENCIES

There are no material contingent assets or liabilities at 30 June 2026.

	30 June 2026	30 June 2025
– Contracted	**99**	163
– Authorised but not contracted for	**276**	126
Total	**375**	289

Capital commitments will be funded by cash generated by operations.

03 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Except for financial assets at fair value through profit or loss, the Group does not fair value its financial assets or liabilities in accordance with quoted prices in active markets or market observables, as their carrying value approximates fair value due to the short-term nature of these items and/or existing terms are equivalent to market observables.

The Italtile and Ceramic Foundation Trust invested R30 million (2025: R50 million) in financial assets classified at fair value through profit and loss, in the form of a managed investment portfolio. This investment is classified as level 2 in the fair value hierarchy. In accordance with IFRS 13, the fair value measurement of the investment is determined using the stated valuation technique, whereby the Company receives a statement from the fund manager reflecting the market value of the units held in the fund. The fund manager's statement provides an observable input under level 2 of the fair value hierarchy, ensuring transparency and reliability in the valuation process.

The financial instruments held within the investment includes, South African equities, gilts and bonds, cash, local unit trusts, and asset swaps which are tradable instruments on the open market. There have been no transfers between levels 1 and 2 for recurring fair value measurements during the year and there have been no level 3 measurements during the 2026 financial year (2025: Rnil).

04 STAFF SHARE SCHEME

The Group's current staff share scheme, implemented on 31 March 2023, is for the benefit of qualifying employees of the Group and its franchisees who have completed three uninterrupted years of service by the relevant annual allotment date.

As a result, 2,6 million of the Group's shares net of forfeitures were held by qualifying staff members at 30 June 2026 (2025: 2,5 million). Until vesting, the shares will continue to be accounted for as treasury shares and have an impact on the diluted weighted average number of shares.

The second allotment of shares in the scheme, granted in 2024, vested on 31 March 2026. A total of 104 employees qualified for the vesting, 103 of whom elected to have the shares disposed of on their behalf to receive the net value of the awards in cash with the balance electing to retain the shares.

The schemes are classified as equity-settled schemes in terms of IFRS 2 Share-Based Payment and have resulted in a total expense of R4,9 million (2025: R5,9 million) to the Group's income.

05 EARNINGS PER SHARE

	Reviewed year to June 2026	Audited year to 30 June 2025
Reconciliation of shares in issue (all figures in millions):		
– Total number of shares issued	**1 322**	1 322
– Shares held by the Italtile Share Incentive Trust	**(10)**	(10)
– Shares held by the Italtile Retention Trust	**(12)**	(15)
– Black economic empowerment treasury shares	**(59)**	(60)
– Shares held by Italtile Ceramics (Pty) Ltd	**(69)**	(44)
– Shares held by Italtile Staff Share Scheme Trust	**(3)**	(3)
Shares in issue to external parties	**1 169**	1 190
Reconciliation of share numbers used for earnings per share calculations (all figures in millions):		
Weighted average number of shares	**1 186**	1 190
Dilution effect of share awards	**6**	–
Diluted weighted average number of shares	**1 192**	1 190
Reconciliation of headline earnings (Rand millions):		
– Profit attributable to equity shareholders	**1 341**	1 494
– Profit on sale of property, plant and equipment – after taxation[#]	**(4)**	(7)
– Impairment of property, plant and equipment – after taxation[##]	**7**	–
Headline earnings	**1 344**	1 487
Headline EPS (cents)	**113,4**	125,1
Diluted headline EPS (cents)	**112,7**	125,6
Dividends per share (cents)	**70,0**	148,0
Net asset value per share (cents)	**653,6**	705,0

[#] (Profit)/loss on sale of property, plant and equipment is net of taxation of R1 million (2025: R2 million).
[##] Impairment of property, plant and equipment is net of taxation of R3 million (2025: nil).

06 DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

(Rand millions unless otherwise stated)

	Reviewed year to June 2026	Audited year to 30 June 2025
Turnover#	**8 768**	8 876
– Retail	**5 142**	5 302
CTM	**3 208**	3 380
TopT	**1 107**	1 110
Italtile Retail	**827**	812
– Manufacturing	**3 149**	3 116
Ceramic Industries – South Africa	**2 048**	2 049
Ceramic Industries – Australia	**535**	543
Ezee Tile	**566**	523
– Supply and support services	**477**	458
Royalty income from franchising	**139**	133
Other franchise income	**65**	72
	8 972	9 081

Turnover represents net revenue from sale of goods, excluding value added tax and intercompany sales.

07 RECONCILIATION OF PROFIT BEFORE TAX TO CASH GENERATED FROM OPERATIONS

(Rand millions unless otherwise stated)

	Reviewed year to June 2026	Audited year to 30 June 2025
Cash flows from operating activities:		
Profit before taxation	**1 900**	2 116
Adjusted for:		
Income from associates	**(8)**	(6)
Depreciation and amortisation	**422**	444
Depreciation – right-of-use asset	**89**	89
Finance cost – lease liability	**33**	38
Profit on sale of property, plant and equipment	**(6)**	(12)
Impairment of property, plant and equipment	**12**	–
Loss on sale of controlling interest of subsidiary	**–**	6
Finance income	**(127)**	(125)
Finance costs (excluding lease liability finance costs)	**49**	38
Share-based payment expenses	**31**	40
Loss on sale of controlling interest in subsidiary	**–**	
Foreign currency translation difference	**3**	(26)
Working capital changes:		
– Inventory	**35**	43
– Trade and other receivables	**2**	23
– Trade and other payables (including provisions)	**108**	(2)
Cash generated by operations	**2 543**	2 666

08 INTEREST-BEARING LOANS

During the prior year, management negotiated on-demand loan facilities with two institutions and drew down on these facilities for the purpose of early settling the previously existing interest-bearing loan.

The facilities bear interest at rates ranging from 7,50% to 7,75%. These facilities are repayable on demand and are subject to annual renewal. Management has renewed these facilities and intends to roll them forward for a further 12 months during the year. The facilities are presented as loans on the face of the statement of financial position and are classified as financial liabilities measured at amortised cost in terms of IFRS 9.

09 NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale relate to non-productive land and buildings, which are in the process of being sold.

An impairment loss of R3 million was recognised on the fair value adjustment on these assets during the year.

10 RELATED PARTIES

The Group is controlled by Rallen (Pty) Ltd which owns 56,46% (2025: 56,46%) of its share capital. Management fees totalling R4,7 million (2025: R3,4 million) were paid by the Group to Rallen (Pty) Ltd during the year. Various other transactions occur between companies within the Group, all of which are eliminated on consolidation. These transactions include rendering of services and supply of product. Key management personnel and prescribed officers comprise only the Group executive directors and executive directors of Ceramic Industries. Executive directors' remuneration is paid by Italtile Ceramics (Pty) Ltd, a subsidiary of the Company. No balances were owing at year-end (2025: Rnil).

11 EVENTS AFTER REPORTING DATE

Other than the dividend declaration, the directors are not aware of any matters or circumstances arising since the end of the reporting year which significantly impact the financial position at 30 June 2026 or the results of its operations or cash flow for the year then ended.