



MEDIA RELEASE

AECI CONCLUDES A BINDING MEMORANDUM OF AGREEMENT TO DISPOSE OF ITS PUBLIC WATER DIVISION

Johannesburg, 31 March 2025 - AECI, today, announced that through its wholly owned subsidiary, Improchem Proprietary Limited (Improchem), entered into a binding memorandum of agreement for the disposal of Improchem's Public Water business (Public Water Business), (Proposed Transaction), to a South African majority black-owned special purpose vehicle (the Purchaser), with Nsukutech Proprietary Limited (Nsukutech) as the controlling shareholder and Junaco (T) Limited (incorporated in Tanzania) (Junaco), as the minority shareholder.

AECI Group CEO, Holger Riemensperger said: "Divesting our Public Water Division delivers on our strategy to dispose of non-core assets, streamline operations and optimise our portfolio. It will support our capital allocation strategy and position AECI for sustainable growth and to focus on improving the performance of our core business."

The Public Water Business is a separate division of Improchem's water business and includes the manufacturing and supplying of water treatment chemicals, providing engineered water treatment solutions and supplying other complimentary products to the public water sector.

Nsukutech specialises in the manufacture of speciality chemicals for water treatment, mineral processing and other applications. Junaco is a Tanzanian-based company and a leading supplier of water treatment chemicals and equipment across Eastern and Southern Africa. Junaco has played a key role in the export of AECI's water treatment chemicals across Africa, with a partnership that has spanned over 15 years.

The Public Water Business will continue supplying its direct clients and distributor network in anticipation of a smooth transition of assets, capacity and contractual opportunities to the Purchaser and will ensure continuity of service and supply into the public water market, once the Proposed Transaction is concluded.

AECI is optimising its portfolio to create a platform for growth with the company is focusing on its core business, namely AECI Mining and AECI Chemicals and divesting from managed businesses with limited synergies with the chosen core businesses.

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About AECI

AECI is a diversified chemicals solutions company employing 7 168 people at more than 100 sites. We have a presence in 22 countries on six continents. Founded in 1896 to service South Africa's burgeoning gold and diamond mining industries, the company was formally established in 1924. AECI was listed on the Johannesburg Stock Exchange in 1966. A mainstay of the economy in South Africa, over the years we have expanded our presence and evolved our product and service offering to a broad base of customers.

Up to 31 December 2023, our operating businesses were structured into four key segments: AECI Mining, AECI Water, AECI Agri Health and AECI Chemicals. In alignment with our strategy and optimising our portfolio to create a platform for growth, we will focus on AECI Mining and AECI Chemicals.

The businesses in the Mining segment provide a mine-to-mineral solution for the international mining sector. The offering includes commercial explosives, initiating systems, blasting services and surfactants for explosives manufacture across the value chain to chemicals for ore beneficiation and tailings treatment.

We have defined a new corporate and portfolio strategy with a restated purpose: We Are One AECI, for a Better World. By reaffirming our purpose, we aim to reinforce our collective commitment as a unified team towards creating a better world. The strategy is designed to transform our organisation, with an ambition to double the profitability, by EBITDA, of the mining and chemicals business by 2026 and attain a global market position of number 3 in the industry by 2030.

Forward-Looking Statements

This media release contains forward-looking statements, including but not limited to statements regarding the anticipated closing of the transaction and future performance of AECI. These statements are based on current expectations and assumptions that are subject to risks and uncertainties. Actual results could differ materially from those anticipated due to various factors.

AECI website: www.aeciworld.com

End of Statement