

AGM 2026 - Business Update

Whilst we had anticipated some level of normality and stability to prevail in our markets through 2025, recent geopolitical developments have accelerated the reshaping of the global landscape, testing our resilience and tenacity.

We have been navigating the turbulent, and largely declining, demand cycle for more than two years. Shifting global dynamics and uncertainty are not good for business and have a negative bearing on investor sentiment for both construction and mining projects. While some commodities are faring better than others, the traditional sectors in which our products are operated are feeling the pressure and government infrastructure spending is at risk of being redirected to bolster military capacity in certain geographies.

The north American ADT market contracted by around 20% in 2025 compared to the prior year, largely due to the USA trade tariffs, which have been a major theme for Bell since April 2025, impacting the group and the industry at large.

Outside of the USA, we have seen the side effects of heightened geopolitical tensions impacting demand in some regions and a higher level of competition in markets due to products being redirected from the USA market.

The aftermarket has been slower than anticipated, largely on the back of reduced activity and equipment utilisation in major markets. When machines work less, fewer parts are consumed. However, during 2026 we plan to roll out some exciting new initiatives which leverage our telematics system and information, to assist our dealer network to better support our customers and proactively capture more service and parts business in the markets where they operate.

Inventory management and ensuring the appropriate level of inventory investment for our current demand and business structure has remained key. While progress during 2025 was slower than planned due to supply chain challenges and weak sales in the second half, we reduced our inventory investment and maintained our cash position at comfortable levels considering the tumultuous market conditions.

Overhead expenses are tightly managed with an ongoing emphasis on cash preservation. We have been and continue to rigorously pursue sales opportunities through our network of

Bell owned and independent dealers, especially in territories where Bell has a low market share, and we are appointing new dealers where we see opportunities for representation.

Many mining sectors are under pressure, but certain commodities such as gold and copper are strong. This bodes well for our business in Zambia, which enjoyed another buoyant year during 2025 for both ADT and Kobelco excavator sales, underpinned by considerable growth in that country's mining sector.

We remain cautiously optimistic that we will start to see greater traction in infrastructure spending in South Africa in the near term, as well as some recovery in such spending in Europe. Our operation in the UK, which is largely driven by construction, saw a pleasing recovery during 2025 compared with the prior year. However, one can't ignore the pervasive effect of the oil price globally and the negative impact that this has in driving inflation and higher interest rates, which will potentially slow progress.

The 2025 launch of the Bell motor grader product line – our most considerable product development project over the last few years – is proving to be a noteworthy success. The motor grader is being rolled out to market in a controlled manner starting in southern Africa where we are pleased with the market response.

In another exciting new development, Bell entered into a supply agreement with CNH Industrial America in March 2026 to supply CASE Construction Equipment branded motor graders for exclusive distribution in the United States and Canada, with first deliveries expected in the second half of 2026. This move accelerates the introduction of this product line to North America and aligns with our strategy to grow motor grader production volumes over the medium to long term. Bell will continue to distribute its articulated dump trucks in the USA, under the Bell brand, through its independent distributor, Bell Trucks America.

A fleet of preproduction timber processing heads were manufactured and installed to customer machines working in KZN, South Africa, and we are aiming to launch production during early 2027. Our timber processing head will be the first forestry product developed by Bell sold into fully mechanised cut to length timber harvesting operations, representing an exciting growth opportunity for our forestry and agriculture equipment offering.

We are making steady progress with our long-term project of growing ADT manufacturing capability in Europe, particularly with the testing of new componentry sourced from suppliers in the northern hemisphere. Although testing has had its challenges, this is the purpose of

the exercise, and we continue to work closely with our suppliers to implement design improvements to ensure we deliver ongoing superior quality and durability in our products.

Our investment in SAP in Richards Bay, our most complex and pivotal operation in the Bell group, has been considerable for the group and 'go live' took place during April this year. Despite there being isolated challenges that the team is working through to bed down this new system and new processes, all indications at this stage are that the implementation project has overall been successful.

Given the uncertainty and fluidity of the world we operate in today, as a global business our best line of defence is to remain agile and adaptable in changing macroeconomic and operating environments, to ensure our sustainability, whatever the circumstances. Now, more than ever, our team must stay focused on the positive opportunities that exist in our markets and do our utmost to influence what is within our control.

In closing, on behalf of the Bell team and board of directors, we extend our heartfelt appreciation to our customers, dealers, suppliers and shareholders for continuing to place their trust in our company and the Bell brand. For many companies and industries worldwide, headwinds are likely to persist for a while longer. Tough times build strong teams, and strong teams build resilient businesses. Thank you for your support and encouragement.