



AUDITED RESULTS

for the year ended
28 February 2022

www.raubex.com

Raubex Group Limited
(Incorporated in the Republic of South Africa)
Registration number 2006/023666/06
Share Code: RBX ISIN Code: ZAE000093183
("Raubex" or "the Group")

Agenda



- The Year in Review
- Group Financial Highlights
- Divisional Reviews
- Order Book
- Major Projects Progress
- Conclusion
- Leadership Transition

The Year in Review



- The Group is pleased to present a strong set of results for the year ended 28 February 2022
- The Group commenced the year with a record order book of R17,1 billion
 - Executing the order book profitably
 - The Beitbridge Border Post project in Zimbabwe, the Group's largest project to date, is progressing well
 - Maintained the order book of R17,1 billion
- Increased tender activity observed during the second half of the previous year continued during the year
 - Number of projects are still pending adjudication which can increase the order book substantially if awarded
 - The South African Government's Economic Reconstruction and Recovery Plan is encouraging
- Operationally the Group performed well when compared to more normalised operations from prior years
 - Operating profit up 97% when compared to February 2020 financial year (Pre-Covid year)
 - Strong performance by Australian operations
- Covid-19 had no major impact on the current year's results
 - Focused on efforts to create a safe working environment for employees
 - Drive to create awareness - Assisting and encouraging employees to get vaccinated
- Financially the Group focused on managing the increased working capital demand and maintaining a strong balance sheet

Group Financial Highlights



- Revenue increased 30,9% to R11,58bn (2021: R8,85bn)
- Operating profit increased 159,4% to R945,3m (2021: R364,5m)
- Group operating profit margin of 8,2% (2021: 4,1%)
- HEPS increased 263,1% to 297,4 cps (2021: 81,9 cps)
- Cash generated from operations decreased 39,8% to R800,1m (2021: R1,33bn)
- Capital expenditure of R695,9m (2021: R417,2m)
- Order book of R17,13bn (2021: R17,12bn)
- Final dividend of 54 cents per share declared

Income Statement



	Annual results 2022 (R'000)	Annual results 2021 (R'000)
Revenue	11 577 951	8 846 454
% growth	30,9%	1,3%
Operating profit	945 316	364 456
% growth	159,4%	(24,1%)
Operating margin	8,2%	4,1%
Net finance costs	24 084	21 980
Profit before tax	913 278	341 612
Profit after tax	625 433	203 013
Effective tax rate	31,5%	40,6%
Profit to non-controlling interest	73 478	44 872
EPS (cents)	305,9	87,4
% growth	250,0%	(37,1%)
DPS (cents)	101	53
Shares in issue ('000)	181 750	181 750
Treasury shares ('000)	1 699	906
Number of employees	7 473	7 161

Statement of Financial Position – Assets



	Annual results 2022 (R'000)	Annual results 2021 (R'000)
Non-current assets	5 046 367	4 193 981
Property, plant and equipment	3 043 285	2 384 052
Investment property	114 495	-
Right-of-use assets	377 188	295 030
Intangible assets	999 984	1 025 282
Investment in associates and JV's	12 359	51 152
Investment in service concessions	23 153	22 755
Deferred tax assets	115 415	155 756
Inventories	31 726	58 163
Trade and other receivables	13 516	13 555
Other financial assets (debt and equity)	315 246	188 236
Current assets	4 953 193	4 292 575
Inventories	975 461	688 944
Contract assets	461 158	324 838
Trade and other receivables	1 981 991	1 358 746
Other financial assets (debt)	17 938	6 875
Current income tax receivable	11 844	21 536
Cash (excluding bank overdrafts)	1 504 801	1 891 636
Total assets	9 999 560	8 486 556

Statement of Financial Position – Equity and Liabilities



	Annual results 2022 (R'000)	Annual results 2021 (R'000)
Equity	5 217 971	4 674 224
Attributable to shareholders	4 796 114	4 403 385
Non-controlling interest	421 857	270 839
Non-current liabilities	1 404 516	1 226 827
Borrowings	557 578	397 022
Lease liabilities	392 719	350 353
Deferred tax liabilities	244 568	268 380
Other liabilities and provisions	209 651	211 072
Current liabilities	3 377 073	2 585 505
Borrowings	402 313	398 173
Lease liabilities	63 003	31 527
Trade and other payables	1 867 002	1 435 652
Contract liabilities	937 858	666 620
Current income tax liabilities	67 842	32 650
Other liabilities and provisions	39 055	20 883
Total equity and liabilities	9 999 560	8 486 556
Total borrowings	959 891	795 195
Gearing (Debt/Equity)	18,4%	17,0%
Net cash	544 910	1 096 441

Statement of Cash Flows



	Annual results 2022	Annual results 2021
	(R'000)	(R'000)
Cash flows from operating activities		
Cash generated from operations	800 090	1 329 416
Finance costs – net	(21 326)	(18 428)
Taxation paid	(212 635)	(190 615)
Net cash generated from operating activities	566 129	1 120 373
Cash flows from investing activities		
Purchases of property, plant and equipment and investment property	(700 984)	(417 155)
Proceeds from sale of property, plant and equipment	171 348	101 778
Proceeds from sale and leaseback transaction	-	180 125
Acquisition of subsidiaries, associates and equity investments	(199 637)	-
Loans from/(to) associates and joint ventures and disposal of subsidiaries	46 020	(811)
Net cash used in investing activities	(683 253)	(136 063)
Cash flows from financing activities		
Proceeds from borrowings	546 127	354 420
Repayment of borrowings	(531 174)	(363 165)
Repayment of lease liabilities (capital repayments)	(38 344)	(35 962)
Dividends paid	(173 298)	(67 499)
Acquisition of treasury shares and interest in subsidiaries	(62 032)	-
Net cash used in financing activities	(258 721)	(112 206)
Net (decrease)/increase in cash and cash equivalents	(375 845)	872 104
Cash and cash equivalents at the beginning of the year	1 883 691	1 006 268
Effect of exchange rates on cash and cash equivalents	(3 047)	5 319
Cash and cash equivalents at the end of the year	1 504 799	1 883 691

Segmental Analysis



Operating segments	Materials	Roads and Earthworks	Infrastructure	Consolidated
February 2022				
Revenue (R'000)	2 491 841	5 537 481	3 548 629	11 577 951
Operating profit (R'000)	272 697	297 352	375 267	945 316
Operating margin	10.9%	5.4%	10.6%	8.2%
February 2021				
Revenue (R'000)	2 452 181	3 549 996	2 844 277	8 846 454
Operating profit (R'000)	301 811	10 439	52 206	364 456
Operating margin	12.3%	0.3%	1.8%	4.1%
Geographical segments	South Africa	Rest of Africa	Australia	Consolidated
February 2022				
Revenue (R'000)	8 401 483	1 536 389	1 640 079	11 577 951
Operating profit (R'000)	479 679	288 169	177 468	945 316
Operating margin	5.7%	18.8%	10.8%	8.2%
February 2021				
Revenue (R'000)	7 183 346	564 871	1 098 237	8 846 454
Operating profit/(loss) (R'000)	302 974	(12 794)	74 276	364 456
Operating margin	4.2%	(2.3%)	6.8%	4.1%

Dividend Declaration



- Final cash dividend declared of 54 cents per share (Full year dividend of 101 cents)
- 3 times cover policy maintained
- Relevant dates
 - Last day to trade cum dividend - Tuesday, 31 May 2022
 - Commence trading ex dividend - Wednesday, 1 June 2022
 - Record date - Friday, 3 June 2022
 - Payment date - Monday, 6 June 2022

- Revenue increased 1,6% to R2,49bn (2021: R2,45bn)
- Operating profit decreased 9,6% to R272,7m (2021: R301,8m)
- Operating margin decreased to 10,9% (2021: 12,3%)
- Capital expenditure of R430,5m (2021: R215,8m)
- Order book of R2,30bn (2021: R1,85bn)
- The division continued to provide materials handling services to a diversified customer base
- Strategic partnerships with resource owners in the mining sector established which will provide more opportunities to participate in materials handling contracts
 - 51,09% stake in Bauba Resources Limited;
 - 27,73% stake in Arcadia Minerals Limited; and
 - 9,56% stake in Vanadium Resources Limited
- The Group will continue to explore bolt-on acquisitions in the quarry space
- Commercial quarry operations performed well with increased demand for aggregates

Roads and Earthworks Division



- Revenue increased 56,0% to R5,54bn (2021: R3,55bn)
- Operating profit increased to R297,4m (2021: R10,4m)
- Operating margin increased to 5,4% (2021: 0,3%)
- Capital expenditure of R172,5m (2021: R108,1m)
- Order book of R10,20bn (2021: R11,06bn)
- The division focused on the efficient execution of the record order book
 - After a slow start, all the SANRAL projects awarded on the N3 are under way and on program
- Tender activity is at a high and with a good base load over the medium term, the division can look for higher margin opportunities
- The demand for asphalt slowed down in the second half of the year
- Bitumen operations back to profitability for the year
- The division also jointly participates in the upgrade and expansion of the Beitbridge Border Post in Zimbabwe together with the Infrastructure Division

- Revenue increased 24,8% to R3,55bn (2021: R2,84bn)
- Operating profit increased to R375,3m (2021: R52,2m)
- Operating margin of 10,6% (2021: 1,8%)
- Capital expenditure of R93,0m (2021: R93,3m)
- Order book of R4,63bn (2021: R4,21bn)
- Strong performance from commercial building and housing operations
- Renewable energy operations had no major impact on the year's results due to delay in award of Renewable Energy IPP Risk-mitigation round and Bid Window 5 of REIPPP
- Commercial building projects and opportunities to participate in Public Private Partnerships are also coming to the fore as well as student accommodation and affordable housing developments which could grow this division over the medium term
- The division also jointly participates in the upgrade and expansion of the Beitbridge Border Post in Zimbabwe together with the Roads and Earthworks Division

Infrastructure Division – Renewable Energy Update



- Renewable Energy IPP Risk-mitigation round
 - Commercial close was delayed due to various legal actions
 - In final stages of signing these contract awards
 - Raubex is well positioned with strategic partners
- Renewable Energy IPP Bid Window 5
 - Preferred bidders on 12 Onshore Wind and 13 Solar PV projects were selected, totaling 2600MW
 - Commercial close – phased approach estimated to be no later than September 2022
 - Raubex to capitalise on well established relationships with renowned IPP's
- Renewable Energy IPP Bid Window 6
 - Bid Window 6 is scheduled to open to market in August 2022
 - 1600MW of Onshore Wind and 1000MW of Solar PV are anticipated
 - This round will ensure continuity in the Renewable Energy market
- The amendment of schedule 2 of the Electricity Regulation Act to increase NERSA licensing threshold from 1 MW to 100 MW
 - Increased activity in the private sector

International (Rest of Africa)



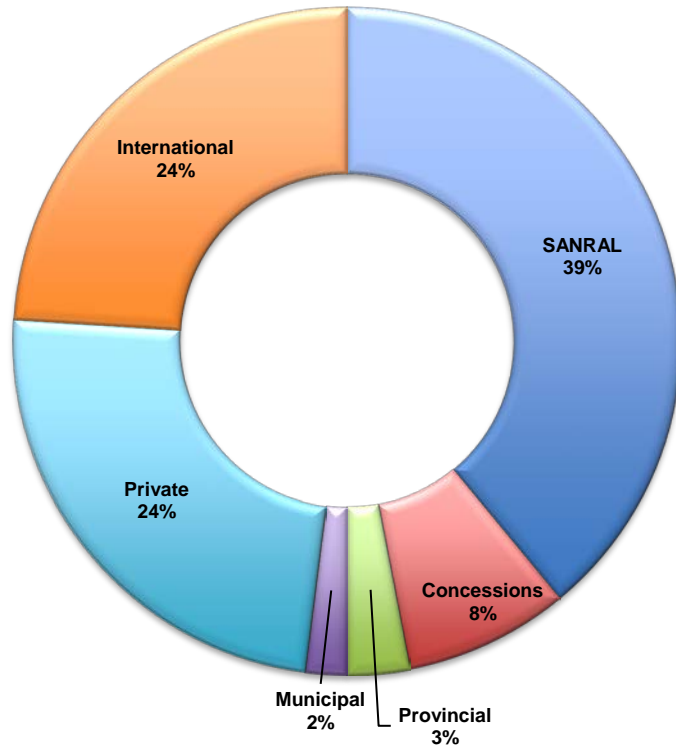
- Revenue increased 172,0% to R1,54bn (2021: R564,9m)
- Operating profit increased to R288,2m (2021: -R12,8m operating loss)
- Operating margin increased to 18,8% (2021: -2,3% operating loss margin)
- Order book of R3,05bn (2021: R4,36bn)
- Strong results reported from commercial aggregate operations in Botswana
- The EPC Contract for the expansion and upgrade of the Beitbridge Border Post in Zimbabwe is on program and performing well
 - Profitable execution of operations to date
 - On target to reach all remaining milestones
- The Group has adopted a more conservative tendering strategy for work in Africa and will only consider projects with suitable risk and reward profiles
 - Operations in Mozambique still suspended
 - Recovered portion of bad debt from Zambian Roads Development Agency during the financial year

International (Australia)

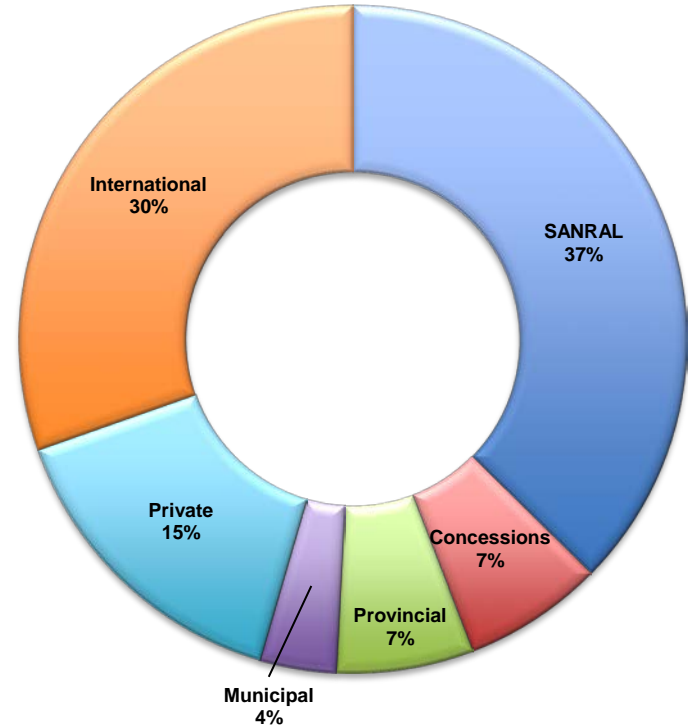


- Revenue increased 49,3% to R1,64bn (2021: R1,10bn)
- Operating profit increased 138,9% to R177,5m (2021: R74,3m)
- Operating margin increased to 10,8% (2021: 6,8%)
- Order book of R1,03bn (2021: R848,3m)
- Good results were reported by Westforce Construction during the year and all projects are performing well
- The new Raubex Construction business unit, focused on roads and earthworks, is now well established and gaining market share
- Raubex will continue with a cautious approach to exploring the Australian market and will look to grow its footprint at a measured pace
- Operations are to remain focused on Western Australia only

FY 2022



FY 2021



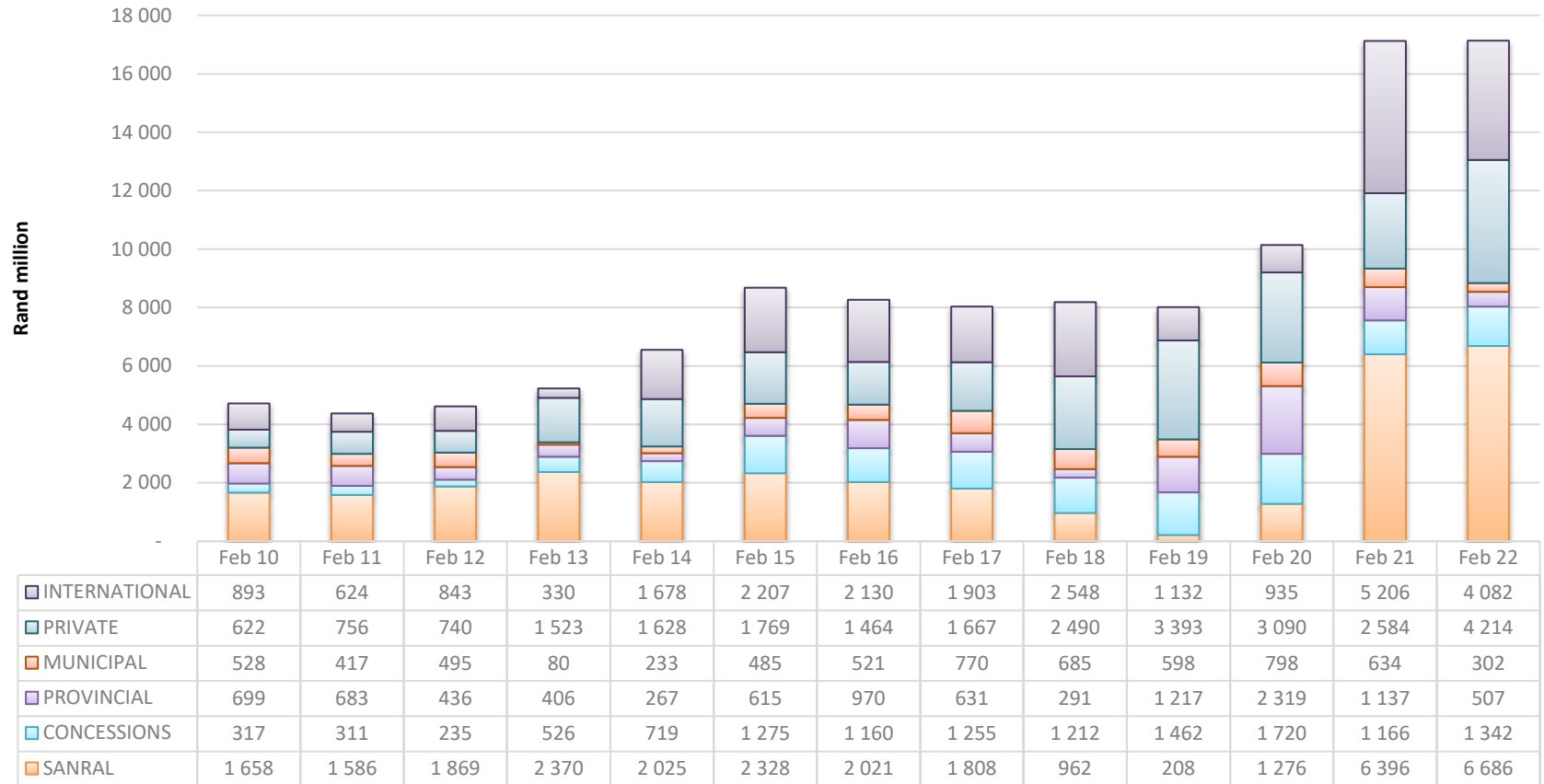
Timing	R17,133bn
FY 2023	R9,997bn
FY 2024	R4,191bn
FY 2025	R1,429bn
Beyond	R1,516bn

Timing	R17,123bn
FY 2022	R8,733bn
FY 2023	R4,491bn
FY 2024	R1,928bn
Beyond	R1,971bn

Order Book History



Order book trend to 28 February 2022





Major Projects Progress

Raubex Building & Raubex Construction: Beitbridge Border Post Zimbabwe (Phase 1 – Truck Terminal)



Raubex Building & Raubex Construction: Beitbridge Border Post Zimbabwe (Phase 2 – Bus Terminal)



Raubex Building & Raubex Construction: Staff Village at Beitbridge Border Post Zimbabwe



Empa Structures: Reservoir at Beitbridge Border Post Zimbabwe



Raubex Infra: Extension of Vereeniging Drive, Bloemfontein, Bridge Construction and Interchange



Raubex Building: Belhar Student Housing Facility – Cape Town



Raubex Building: Bridge City - Durban



Raudev: Woodwind Bassoon Park



B&E International: Howard Quarry



Transkei Quarries: Butterworth Operation



Shisalanga Construction: Ixopo Plant



SPH Kundalila: Kookfontein Mine – North West Province



Raubex Construction: N4 Witbank to Maputo Toll Road - Karino Interchange - Before



Raubex Construction: N4 Witbank to Maputo Toll Road - Karino Interchange - After



Raubex Construction: N3 Dardanelles



Raubex Construction: N4 Witbank



Roadmac Surfacing Cape: R311 Riebeeek Kasteel



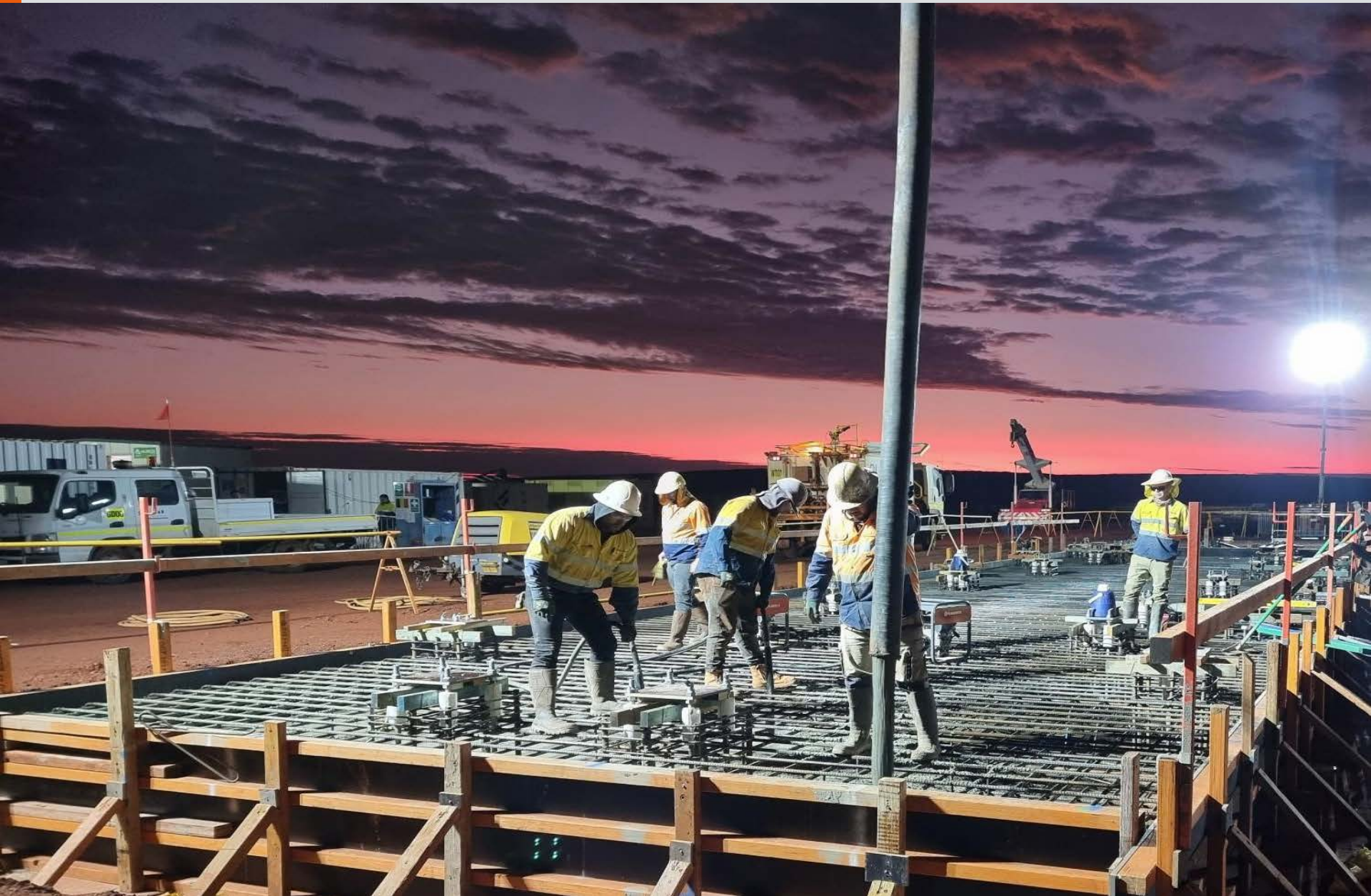
National Asphalt: Portland Plant – Cape Town



Tosas: R61 from Beaufort West to Aberdeen



Westforce Construction: Roy Hill ROM 4 Concrete Works



Westforce Construction: FMG Mobile Maintenance Works, Western Australia



Raubex Construction: Cape Busselton, Western Australia



Raubex Construction: Coolgardie Landfill, Western Australia



Raubex Construction: CBH, Carnamah Wheatbelt, Western Australia



- The Materials Division will continue to pursue strategic partnerships with mineral resource owners to afford the Group the opportunity to participate in various materials handling and processing opportunities over the medium and long term
- In the Roads and Earthworks Division the current tender activity in the market remains encouraging
 - Numerous contract opportunities which have been tendered by the Group are still pending adjudication
 - Good base load of work will enable higher margin opportunities
 - Increased activity will also benefit the Group's material crushing operations, including the supply of aggregates, asphalt and bitumen products
- The Infrastructure Division is well positioned to take advantage of Government's drive to increase power generation capacity
- Opportunities to participate in a number of Public Private Partnerships are also being explored – Looking to participate on a selective basis
- In Western Australia, the construction sector continues to show high levels of activity as government continues to implement their infrastructure development stimulus programme
- In southern Africa, effective execution of the Beitbridge Border Post upgrade in Zimbabwe remains a key focus
- The Group's strong balance sheet and healthy cash reserves position it well for future growth and participation in the South African Government's infrastructure build programme

Leadership Transition

- Important leadership changes to take the business forward on its next growth phase
- Felicia and Dirk both have over a decade experience with Raubex and strong complementary skills
- Addressing Raubex's growing complexity and scale; in-line with ongoing succession processes
- Ability to continuously promote internally demonstrates strength of leadership team
- Rudolf to become Deputy Chairman focused on strategy, M&A and executive support



**Felicia Msiza,
incoming CEO**



**Dirk Lourens,
incoming Exec. COO**

Ready to build on the solid foundations set through astute leadership, operational discipline, customer focus and a caring approach for people

Q&A