

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" or "the Company")

UNAUDITED INTERIM RESULTS

FOR THE SIX MONTHS ENDED
31 AUGUST 2023



www.raubex.com

Agenda

1. About Raubex

Slide 4 – Felicia Msiza (CEO)

2. Financial Overview

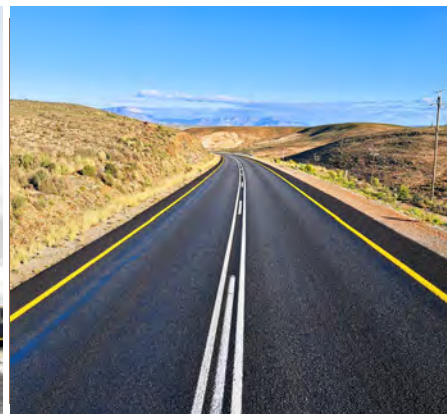
Slide 6 – Sam Odendaal (FD)

3. Operational Overview

Slide 14 – Dirk Lourens (COO)

4. Outlook and Strategy

Slide 47 – Felicia Msiza (CEO)





About Raubex

The Period in Review

Financial performance

- Solid set of interim results
- No contribution from the Beitbridge Border Post Project during 1H2024
- Bauba Resources continues to exceed expectations

Operations performance

- Tough trading macroeconomic conditions prevail
- Diversified business model spreads risks and opportunities
- All projects are performing well

Order book

- Quality order book
- Current order book similar levels as FY2023
- Focus on executing the order book profitably

Tender activities

- Number of projects are still pending adjudication
- Selective in taking on opportunities with good risk vs reward ratio
- Recent awards in all divisions



Financial Overview

Group Financial Highlights



14.5%

Group revenue increased to **R8.45bn**
(1H2023: R7.38bn)



14.2%

Operating profit increased to **R628.4m**
(1H2023: R550.3m)



19.4%

HEPS increased to **189.8 cps**
(1H2023: 159.0 cps)



23.6%

Cash generated from operations increased to **R728.3m**
(1H2023: R589.3m)



152.8%

Capital expenditure increased to **R997.4m**
(1H2023: R394.5m)



1.5%

Order book increased to **R20.29bn**
(FY2023: R20.04bn)



7.4%

Group operating profit margin
(1H2023: 7.5%)



63 cents

Interim dividend declared
(1H2023: 53c)



14.6%

Return on Equity
(1H2023: 13.6%)

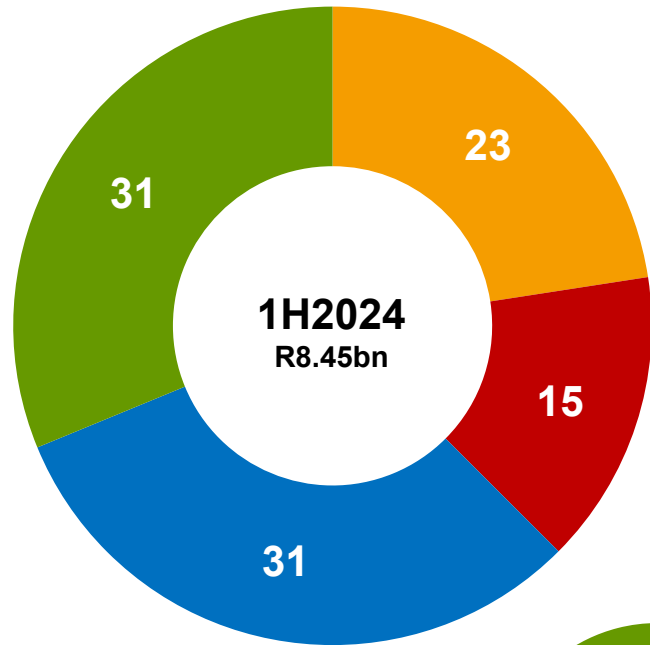
Income Statement



R'000	Unaudited 31 Aug 2023	Unaudited 31 Aug 2022	% variance
Revenue	8 445 774	7 376 859	14.5
Operating profit	628 383	550 254	14.2
Operating profit margin	7.4%	7.5%	
Net finance costs	(30 024)	(25 379)	18.3
Profit before tax	601 103	525 448	14.4
Profit after tax	440 559	368 412	19.6
Effective tax rate	26.7%	29.9%	
Profit to non-controlling interest	94 492	76 760	23.1
Earnings per share (cents)	193.0	161.8	19.3
Headline earnings per share (cents)	189.8	159.0	19.4
Interim dividend per share (cents)	63.0	53.0	18.9
Weighted number of shares ('000)	179 339	180 201	(0.5)

Segmental Analysis per Division

Revenue (%)

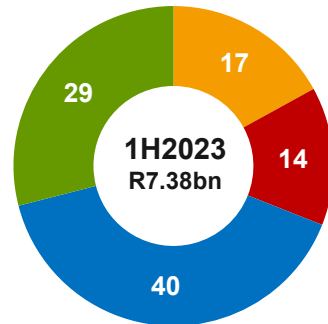


▶ Materials Handling and Mining Division

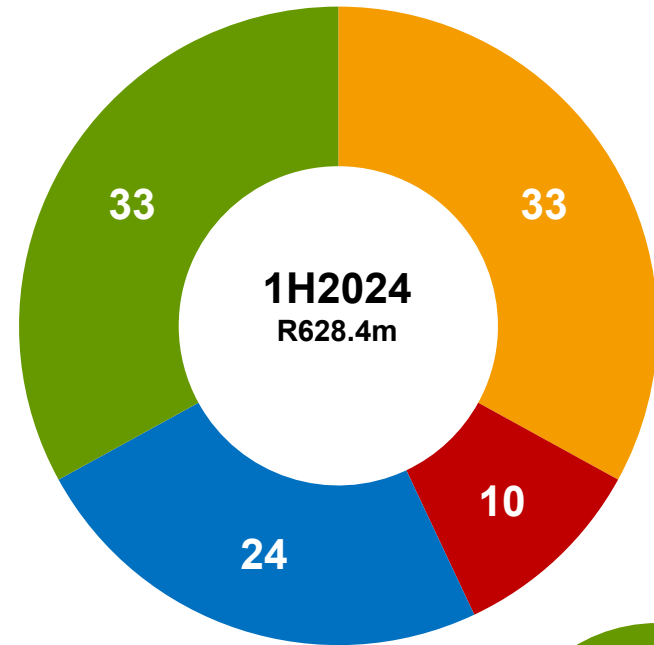
▶ Construction Materials Division

▶ Roads and Earthworks Division

▶ Infrastructure Division



Operating profit (%)

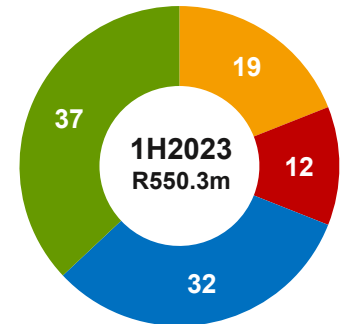


▶ Materials Handling and Mining Division

▶ Construction Materials Division

▶ Roads and Earthworks Division

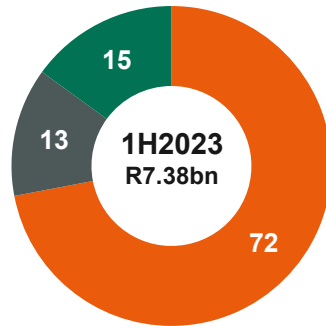
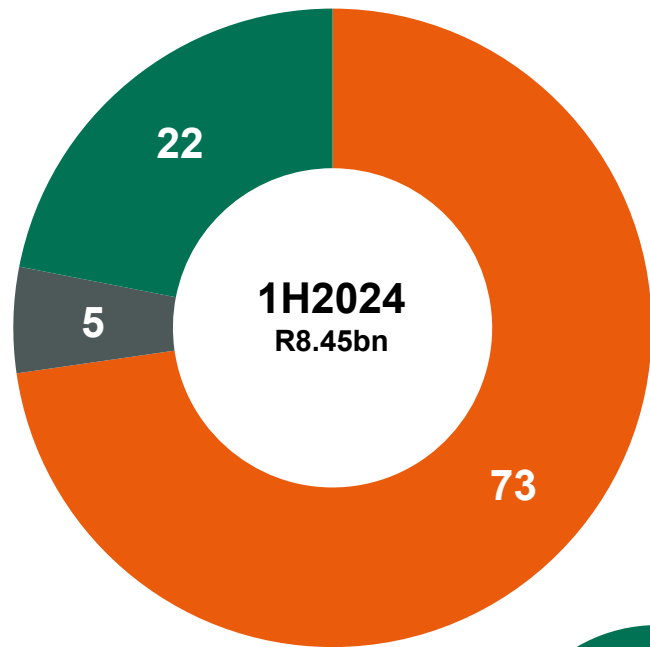
▶ Infrastructure Division



Geographical Segmental Analysis



Revenue (%)

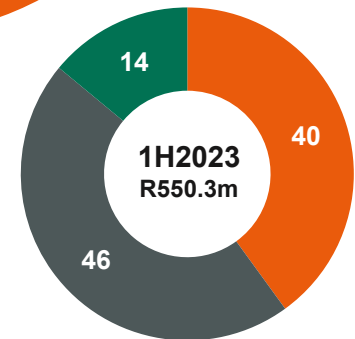
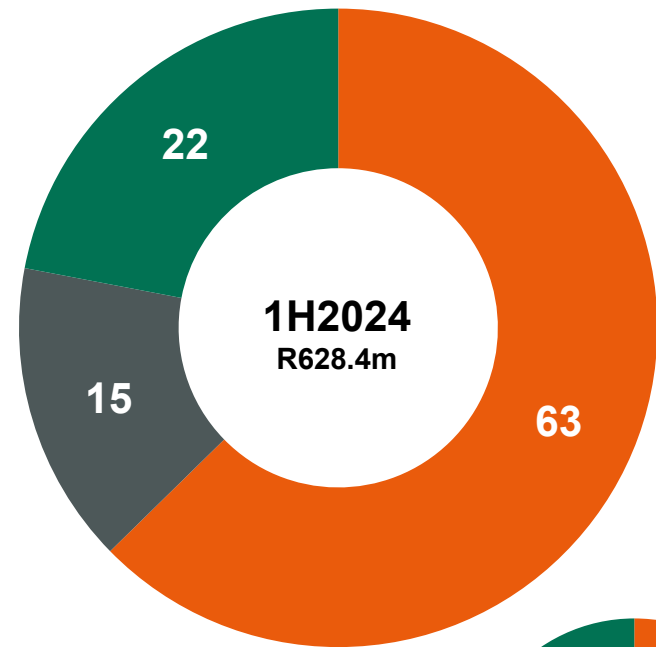


- ▶ South Africa

- ▶ Rest of Africa

- ▶ Western Australia

Operating profit (%)



- ▶ South Africa

- ▶ Rest of Africa

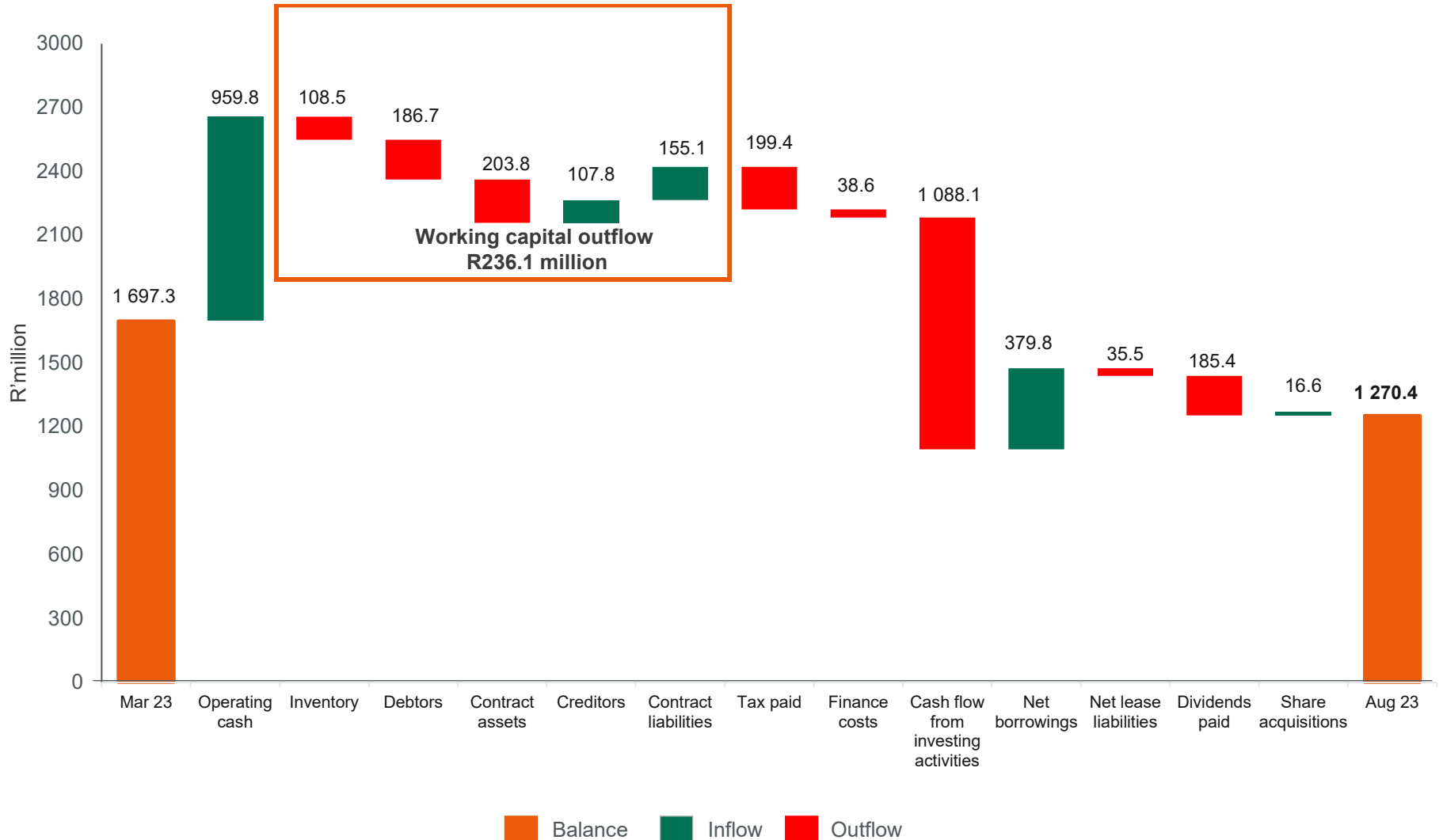
- ▶ Western Australia

Statement of Financial Position



R'000	Unaudited 31 Aug 2023	Audited 28 Feb 2023	% variance
Assets	12 191 451	11 342 788	7.5
Property, plant and equipment	4 287 200	3 668 216	16.9
Investment property	128 434	113 974	12.7
Right-of-use assets	316 217	335 472	(5.7)
Intangible assets	994 680	1 002 301	(0.8)
Investments in JV's, associates and service concessions	89 563	86 122	4.0
Deferred tax assets and current income tax receivable	218 235	189 573	15.1
Inventories	1 473 094	1 305 776	12.8
Contract assets	819 699	615 743	33.1
Trade and other receivables	2 116 814	1 893 248	11.8
Other financial assets	477 147	435 071	9.7
Cash and cash equivalents	1 270 368	1 697 292	(25.2)
Shareholders' equity and liabilities	12 191 451	11 342 788	7.5
Shareholders' equity	6 049 672	5 802 890	4.3
Borrowings	1 591 048	1 214 464	31.0
Lease liabilities	382 667	405 206	(5.6)
Deferred tax liabilities and current income tax liabilities	424 354	434 549	(2.3)
Contract liabilities	749 197	594 136	26.1
Trade and other liabilities	2 994 513	2 891 543	3.6
Net asset value per share (Rand)	33.29	31.93	4.3

Cash Flow Movement



Dividend Declaration



Interim dividend of 63 cents for the period declared

3 times cover policy maintained

Relevant dates

Last day to trade cum dividend

Tuesday, 28 November 2023

Commence trading ex dividend

Wednesday, 29 November 2023

Record date

Friday, 1 December 2023

Payment date

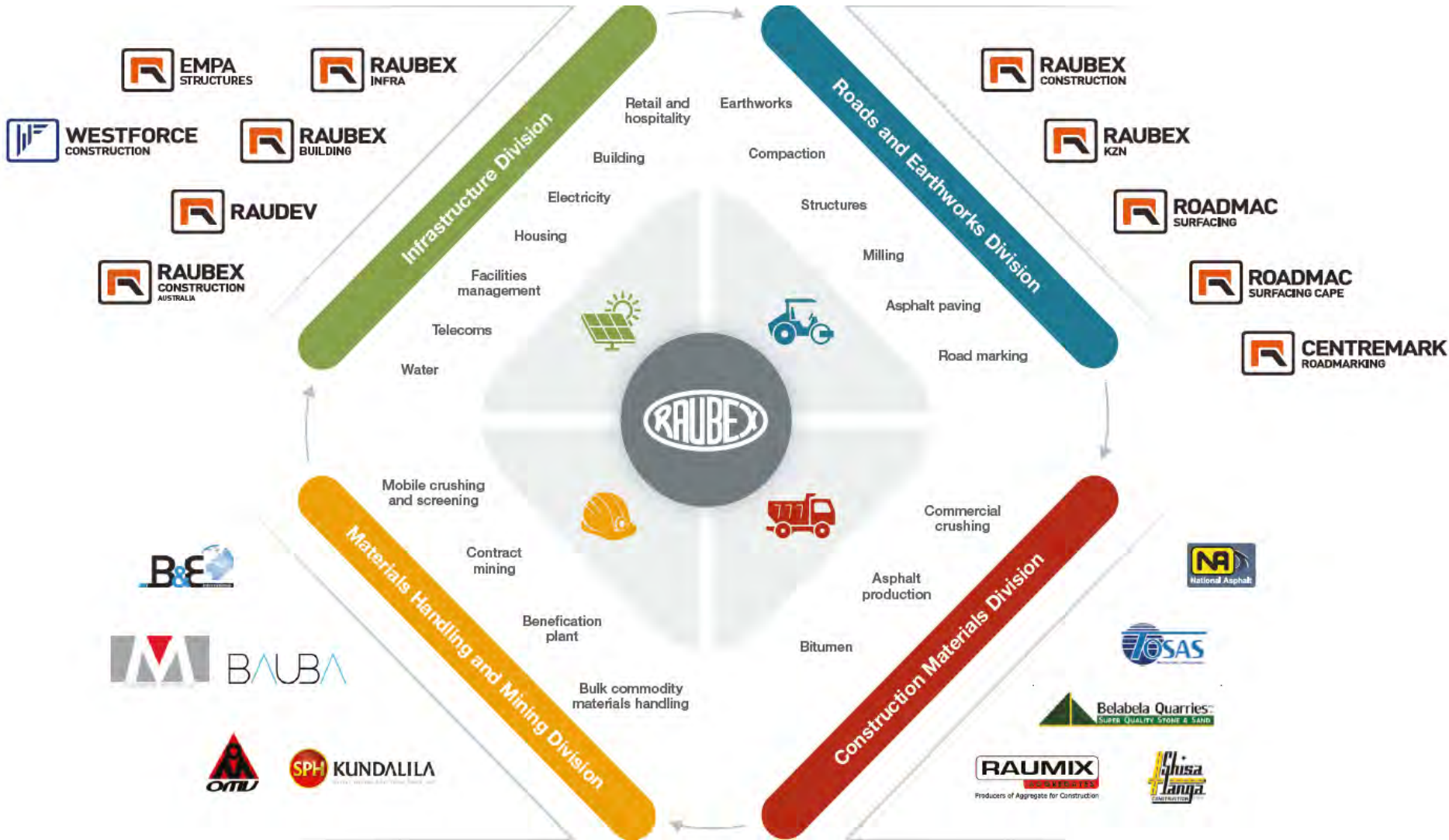
Monday, 4 December 2023



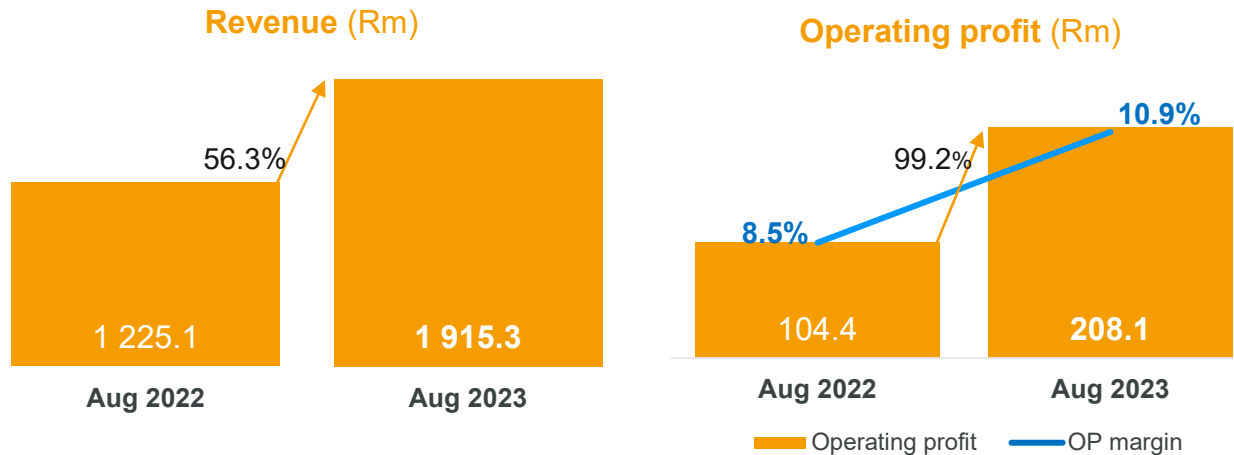
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Operational Overview

Our Divisions



Materials Handling & Mining Division



Order Book

R4.41bn

(FY2023: R3.65bn)

Capex

R732.4m

(1H2023: R221.8m)

- Bauba's Kookfontein open-cast chrome mine as well as the Moeijelijk underground chrome mine, performed exceptional
- The demand for chrome ore is high with supply agreements already secured for the remainder of the year, chrome price and exchange rate remain favorable
- Bauba investment creates various collaboration opportunities within the Group
- Sterling performance by recently commenced 5-year Namdeb contract
- The demand for contract crushing in the construction sector has improved on the back of SANRAL awards, albeit slowly
- Gypsum operations had a slow start to the year but is expected to improve in the second half of the year with the Rustenburg gypsum plant performing well
- OMV's industrial minerals operations had a good start during the period in review. Especially the newly acquired bentonite source located in Steelpoort had to increase production to meet the required demand

B&E International: Howard Quarry – Mpumalanga



Bauba: Kookfontein Mine – North West Province



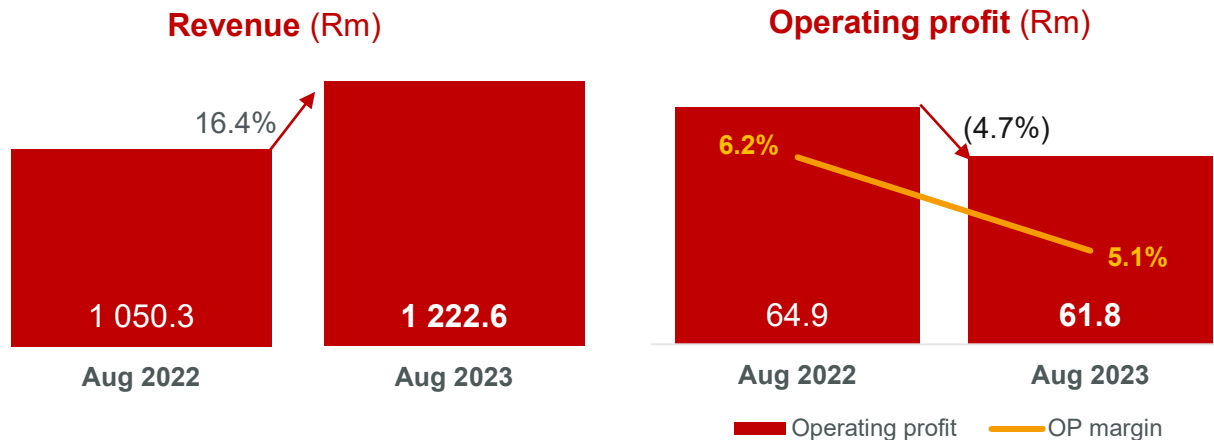
OMV: Kareerand Mine TSF – North-West Province



SPH: Saldanha Iron Ore Terminal - Western Cape



Construction Materials Division



Order Book

R1.27bn
(FY2023: R1.00bn)

Capex

R65.5m
(1H2023: R73.6m)

- The disparity between revenue growth and the decline in operating profit is mainly attributable to the increase in fuel prices, high bitumen prices linked to the oil price, and ongoing loadshedding
- Commercial quarries performed well with increased volumes in the Northern region resulting in strong operating cash flows despite the lower margins
- The strategy to reduce and relocate the Group's asphalt footprint in KZN led to additional operating losses and restructuring costs of approximately R15 million
- Asphalt plants adjacent to the N2-N3 projects have been upgraded to meet future demands
- Asphalt operations continue to be adversely affected by ongoing delays in awarding contracts
- The continuous shortage of bitumen in the industry necessitates Tosas to import about 75% of the bitumen requirements at higher costs, exerting unprecedented pressure on operating margins

Tosas: Discharge of bitumen from the Ship to Tosas haulers via gantry at Cape Town port



National Asphalt: Ultra Mobile Plant – Beaufort West



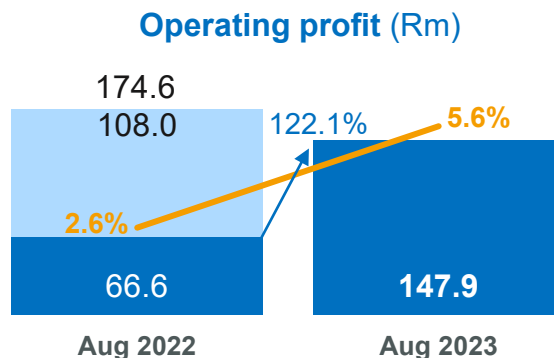
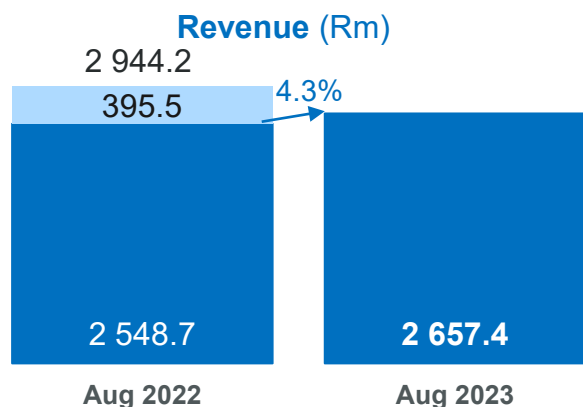
Shishalanga Construction: Umlaas Plant – KwaZulu- Natal



Raumix Aggregates: Willows Quarry – Pretoria East



Roads and Earthworks Division



■ Beitbridge Project
■ Operating profit
— OP margin (excl Beitbridge Project)

Order Book

R7.99bn
(FY2023: R7.80bn)

Capex

R102.2m
(1H2023: R47.8m)

- The main focus of the division for the period in review was the execution of the current order book
 - All the SANRAL projects, especially on the upgrade of the KZN corridor, are performing well
 - Well supported by various projects for the toll concessionaires (N3TC, TRAC and Bakwena)
 - The Senqu River Bridge project in Lesotho for LHDA commenced at the beginning of 2023, although it is still early days, this 3-year project will yield attractive profit margins
- This division is encouraged by increased activity in tender awards in the sector over the last few months
 - Given the success of the Beitbridge Border Post Project, the division plans to submit bids for the 6 newly advertised South African border posts
 - Good base load of work for the next 18 months with the award of R1.2 billion of work by SANRAL since March 2023
 - A significant number of contract awards are still pending adjudication and can increase the secured order book
 - New tender opportunities are tendered at higher margins

Raubex Construction: N3 Cato Ridge – Durban



Raubex Construction: N3 Dardanelles - Durban

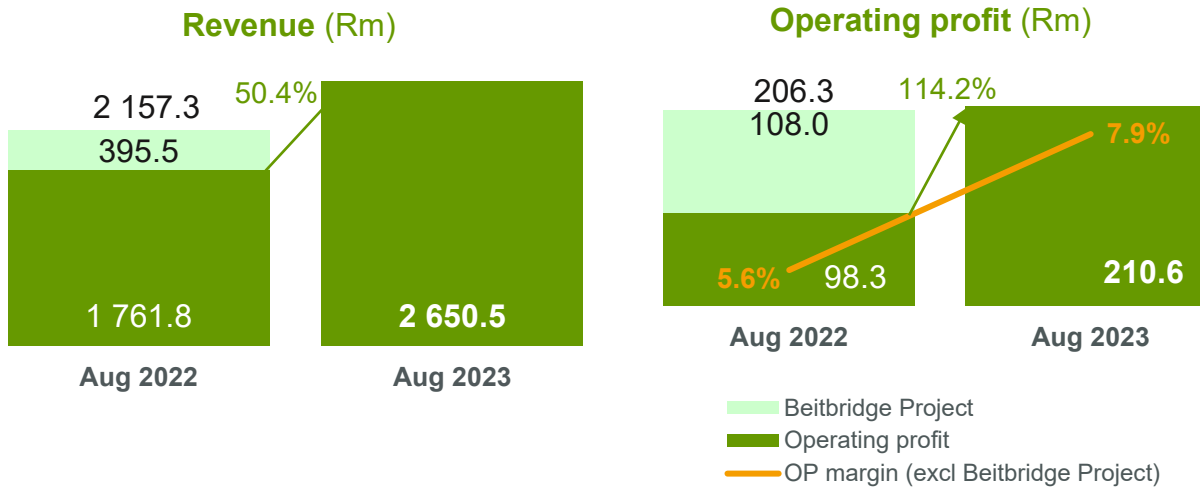


Raubex KZN: The Upgrading of the N2 Freeway between N2 KwaMashu I/C and Umdloti I/C - Durban



Roadmac Surfacing Cape: N7 Clanwilliam – Northern Cape





Order Book

R6.61bn
(FY2023: R7.58bn)

Capex

R97.4m
(1H2023: R51.2m)

- Good, secured order book in the commercial building and housing space
- Residential development projects in the Western Cape are progressing well and focus remains on affordable housing projects given the current economic climate
- Renewable energy operations had no major impact on the period's results due to delay in award of REIPPP projects
- The Potsdam Wastewater Treatment Plant in the Western Cape, a 5-year R800 million project awarded at the end of last year, is on schedule and the design and build is progressing well
- Experienced increased activity in the private renewable energy sector
 - The Wind Cluster Private Project in Murraysburg, Western Cape should start before the end of the 2024 financial year
 - Private Solar project in Barberton is progressing well

Raubex Infra: Bigen-Vista Park Residential Development - Bloemfontein



Raubex Building: UniLim student accommodation - Gauteng



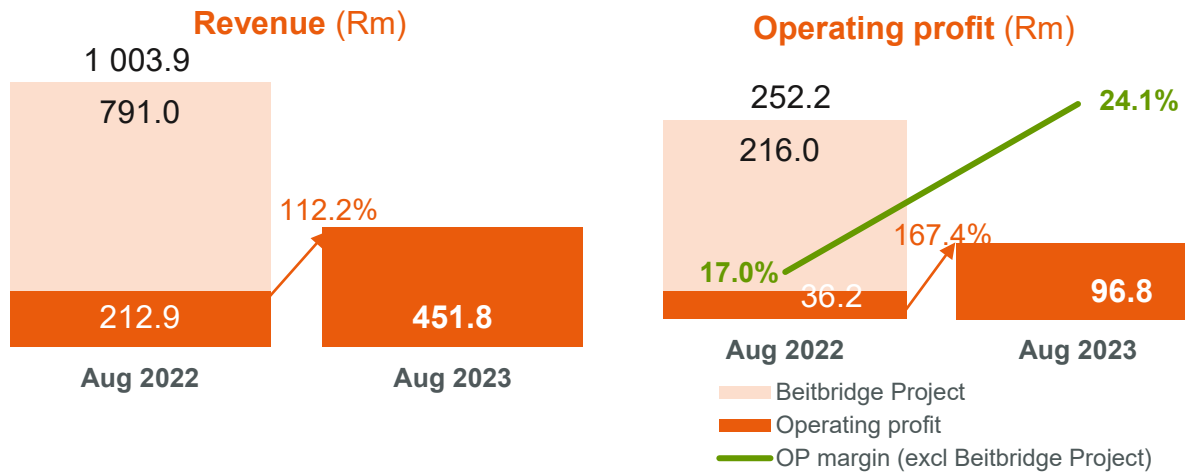
Raudev: Woodwind Estate – Midrand, Gauteng



Empa Structures: Thembalethu Interchange Upgrade – George



International (Rest of Africa)



Order Book

R3.83bn

(FY2023: R3.79bn)

Capex

R190.6m

(1H2023: R0.35m)

- Awarded two new projects in Africa to replace a portion of the Beitbridge Border Post profits
 - Namdeb project in Namibia to the value of R1.2bn is progressing well and will start contributing to the division's results
 - Senqu River Bridge project in Lesotho to the value of R2.4bn (Raubex is a 21% JV partner) is also progressing well with site establishment completed
- The 17-year maintenance project on the Beitbridge Border Post Project in Zimbabwe, to the value of R1.5 billion commenced in the current financial period
- Sales at the Bela-Bela quarry operations in Botswana picked up during the period because of increased infrastructure spend in and around Gaborone.
- Recovered R16.2 million of bad debt from the Zambia Road Development Agency during the period
- No change in the Group's conservative tendering strategy in Africa, only projects with suitable risk and reward profiles will be considered

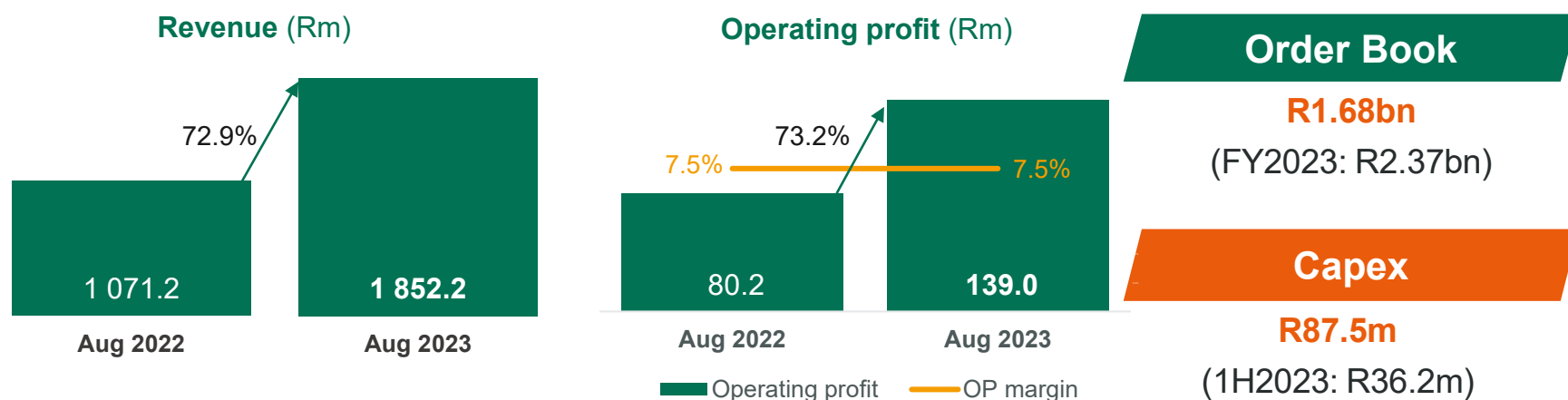
B&E International: Namdeb – Oranjemund, Namibia



Raubex Construction: Recent award of Senqu Bridge (JV with Webuild, Enza and Lesotho based Sigma)



International (Australia)



- Once again good set of results was reported by Western Australia during the period with all projects performing well
- Tender activity remains high driven by the mining sector and the Infrastructure spend by Western Australia Government
- Renewable energy is gaining momentum in Western Australia
 - We successfully completed our first Windfarm project, subsequent awards for similar projects have been secured and construction has commenced
- Raubex will continue with a cautious approach exploring the Australian market and grow its footprint at a measured pace
- Operations are to remain focused on Western Australia only

Westforce Construction: Flat Rocks Wind Farm, Kojonup



Westforce Construction: Thales NN03 - Deep Space Antenna, Western Australia



Raubex Construction: Shepperton Road Bus Lanes, Western Australia



Raubex Construction: Thomas Road, Western Australia

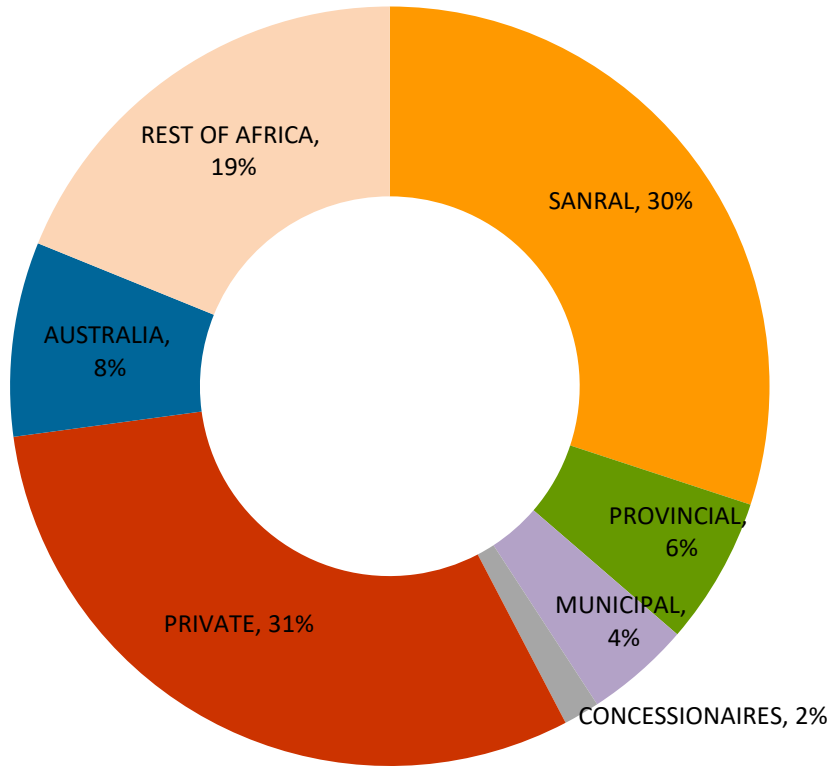




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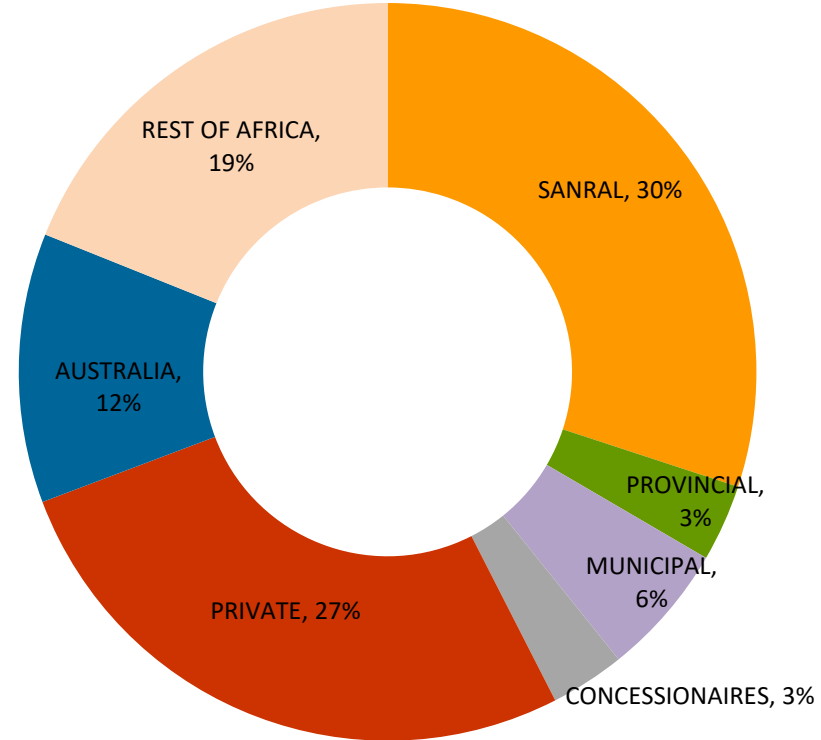
Outlook and Strategy

1H2024



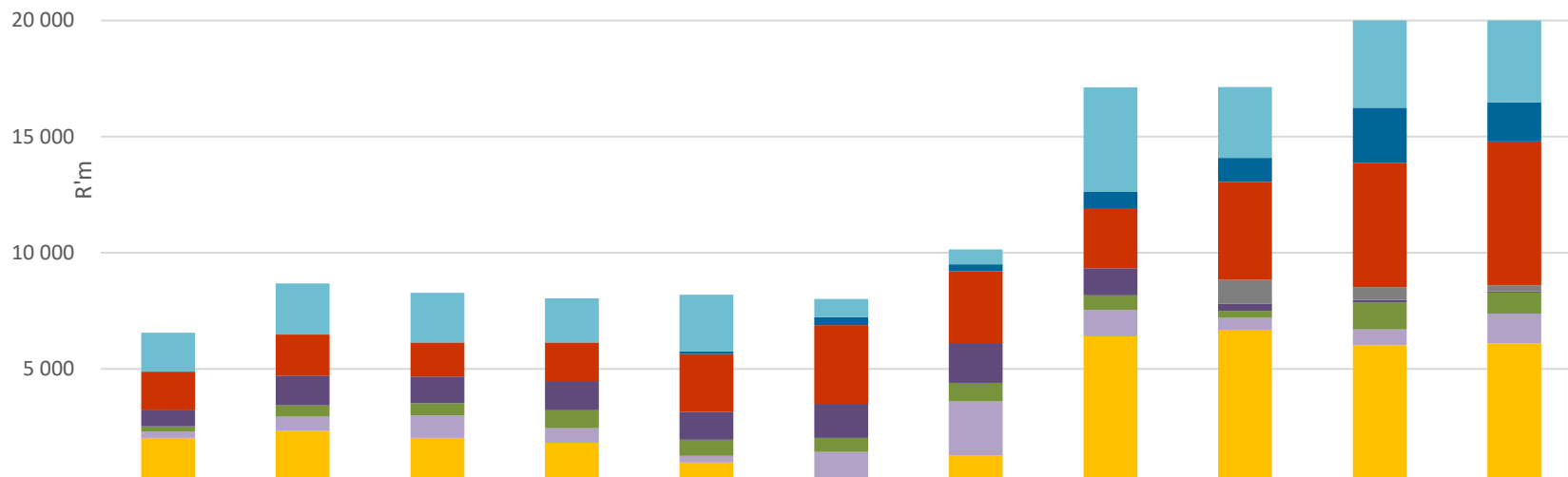
Timing	R20,290bn
FY 2024 (6 months)	R8,593bn
FY 2025	R6,728bn
FY 2026	R2,506bn
Beyond	R2,463bn

FY2023



Timing	R20,037bn
FY 2024	R11,895bn
FY 2025	R3,620bn
FY 2026	R1,699bn
Beyond	R2,823bn

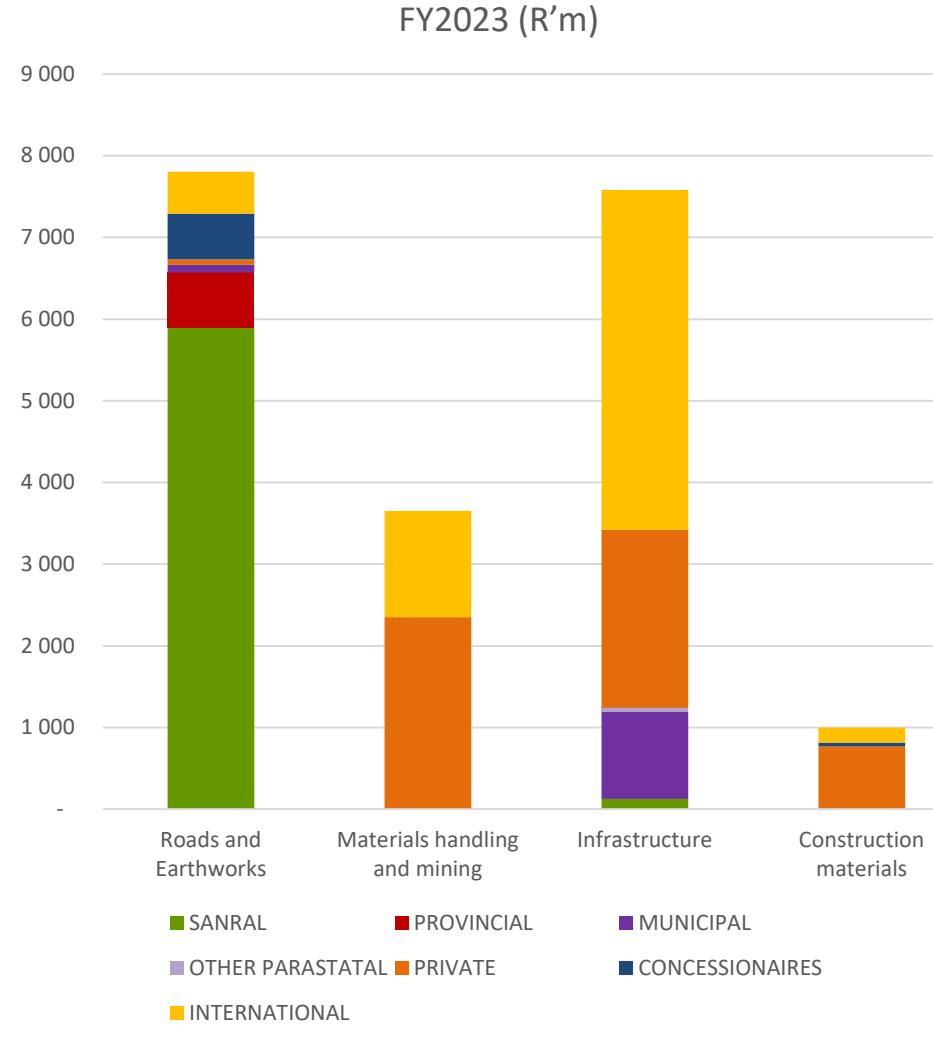
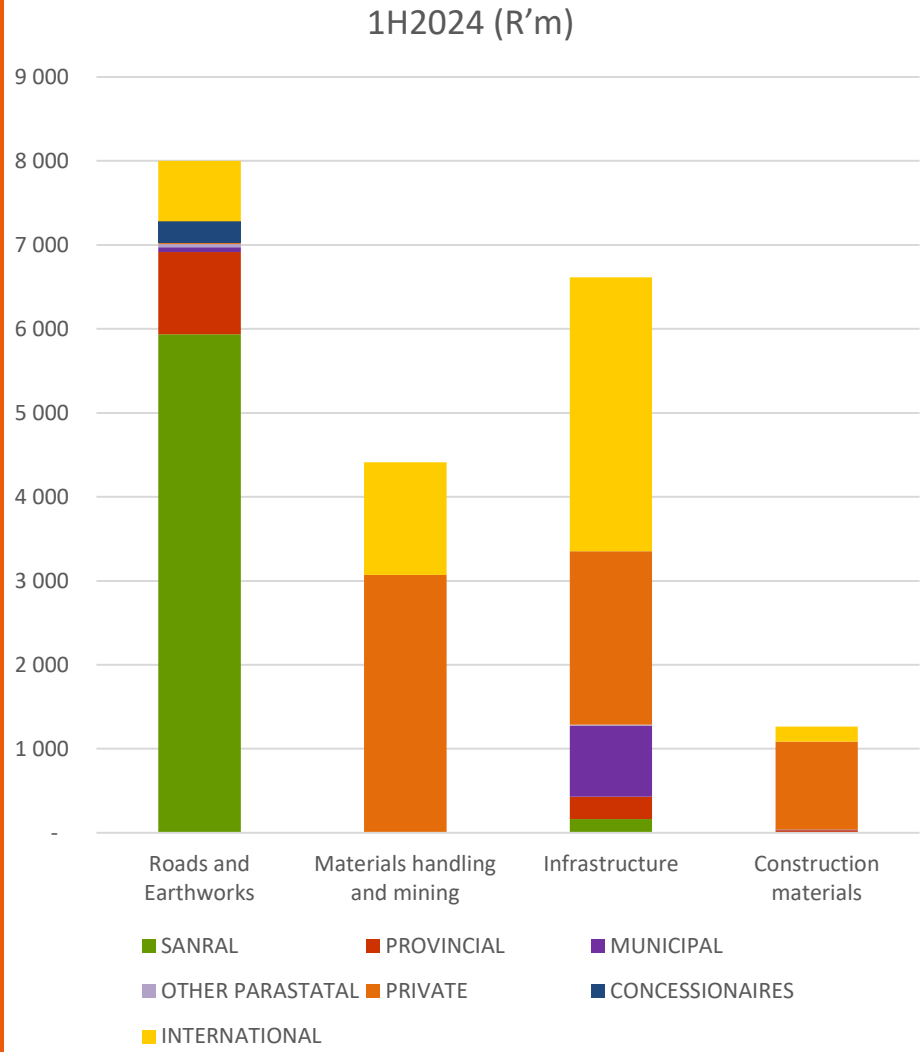
Order Book History



	Feb-14	Feb-15	Feb-16	Feb-17	Feb-18	Feb-19	Feb-20	Feb-21	Feb-22	Feb-23	Aug-23
REST OF AFRICA	1 678	2 207	2 130	1 903	2 427	793	640	4 504	3 049	3 793	3 827
AUSTRALIA	-	-	-	-	120	339	295	702	1 033	2 366	1 678
PRIVATE	1 628	1 769	1 464	1 667	2 490	3 393	3 090	2 584	4 214	5 364	6 195
CONCESSIONAIRES	-	-	-	-	-	-	-	-	1 038	551	258
OTHER PARASTATAL	719	1 275	1 160	1 255	1 212	1 462	1 720	1 166	304	103	53
MUNICIPAL	233	485	521	770	685	598	798	634	302	1 164	907
PROVINCIAL	267	615	970	631	291	1 217	2 319	1 138	507	675	1 275
SANRAL	2 025	2 328	2 021	1 808	962	208	1 276	6 396	6 686	6 021	6 097
Total	6 551	8 679	8 267	8 035	8 188	8 010	10 137	17 123	17 133	20 037	20 290

Concessionaires order book value was included under Other Parastatal in the previous years. For FY22 and FY23, we stripped out the Concessionaires order book value to further disaggregate the clients.

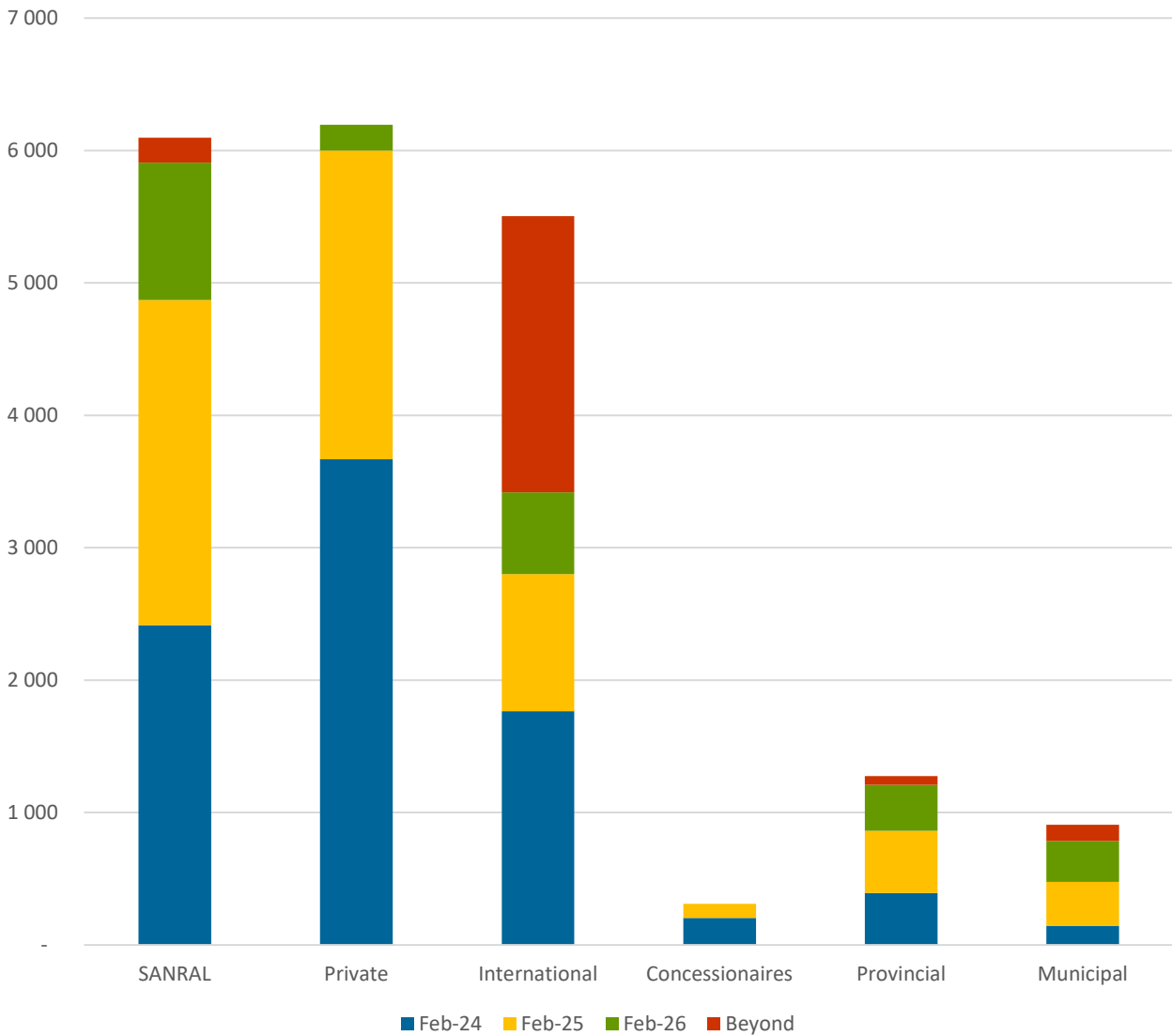
Order Book – Customer per division



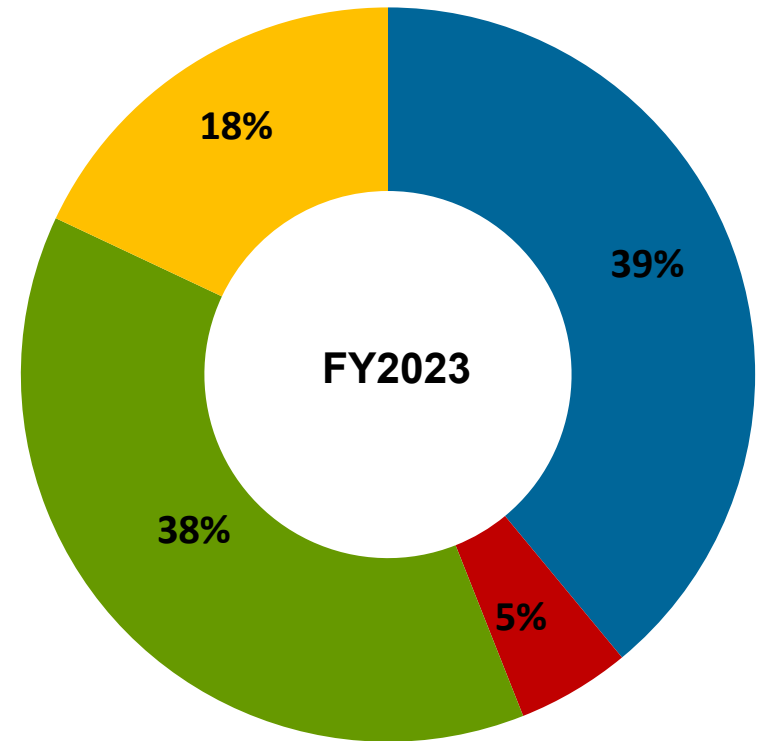
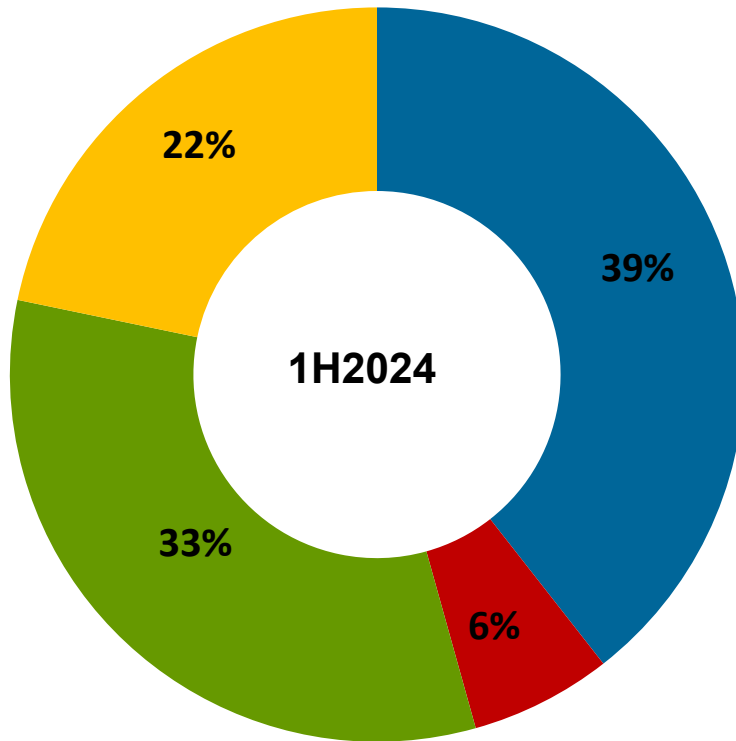
Order Book – Timeline per customer



1H2023 (R'm)







Order book - Segmental Analysis



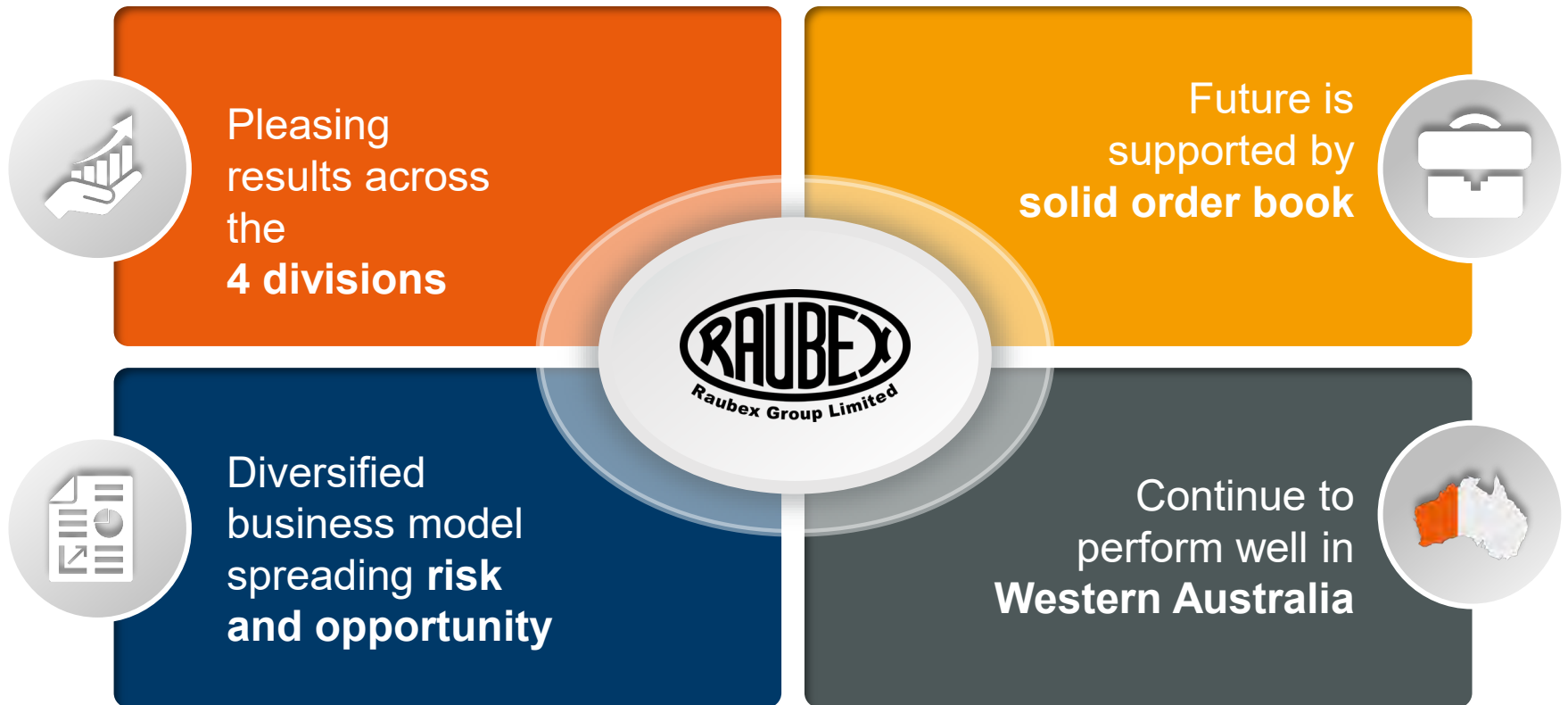
Order Book	R20.3bn
Materials Handling and Mining	R4.4bn
Construction Materials	R1.3bn
Roads and Earthworks	R8.0bn
Infrastructure	R6.6bn

Order Book	R20.0bn
Materials Handling and Mining	R3.7bn
Construction Materials	R1.0bn
Roads and Earthworks	R7.8bn
Infrastructure	R7.5bn

-  Materials Handling and Mining Division
-  Construction Materials Division

-  Roads and Earthworks Division
-  Infrastructure Division

Core message



Our people and communities



7 988
Employees



1 365
Women in total
workforce



85%
HDSAs in total
workforce



Level 1
B-BBEE
(Construction
Sector Codes)



R29.4 million
Training and
Development
spend



R3.4 million
CSI spend

ESG: Our commitment to sustainability means the integration of ESG considerations in the execution of the Group's strategy

5-year Strategy



Focus on profitability and quality order book



PROFITABILITY

Grow the Group at a measured pace through the strategic acquisition and/or organic growth of the business, development of skills and unlocking synergies within the Group



GROWTH

To become the leading supplier in the Infrastructure Development and Mining sectors



PREFERRED SUPPLIER

STRATEGIC OBJECTIVES

RENEWABLE SECTOR



Grow market share in the renewable sector (Public and Private) both locally and internationally

TECHNOLOGY



Be at the forefront of new technologies and products

PPP



Target public private partnership ("PPP") project opportunities

OUR PEOPLE



Develop, retain, and ensure the wellness and safety of our people

Looking ahead



- Despite difficult macroeconomic conditions prevailing, the good interim results demonstrate the power of the Group. We will continue to drive performance through being diversified and resilient
- The **Materials Handling and Mining Division's** strategy is to:
 - focus on strategic partnerships allowing the Group to participate in various long-term materials handling and processing opportunities
 - Continue collaboration within the division to benefit from our vertically integrated model
- The **Construction Materials Division** is expected to:
 - benefit from recently awarded tenders across the industry
 - explore opportunities to improve production efficiencies and reduce operating costs
- The **Roads and Earthworks Division** the current tender activity in the market remains encouraging
 - Focus is on efficient execution of current projects
 - Strategy to increase potential client base to private sector companies and more concession projects
 - Good base load of work will enable higher margin opportunities
- The **Infrastructure Division** remains well positioned to:
 - participate in the development of affordable housing as well as private renewable energy projects
 - bid for the 6 newly advertised South African border posts
 - Continue to explore the Western Australia market and look for growth at a measured pace
- The Group's strategy is robust and the focus by each of the divisions are on efficient execution of current projects, securing new tenders and growing their operations through strategic partnerships

THANK YOU FOR YOUR ATTENDANCE AND PARTICIPATION

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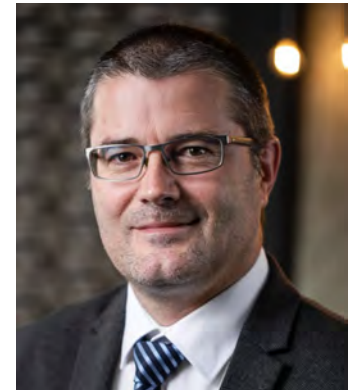
Felicia Msiza

- *Chief Executive Officer*
- *12 years at Raubex*



Dirk Lourens

- *Chief Operating Officer*
- *11 years at Raubex*



Sam Odendaal

- *Financial Director*
- *16 years at Raubex*

Disclaimer



The financial information pertaining to Raubex Group Limited's (Raubex's) results are based on the results published on SENS in terms of the JSE Limited's Listings Requirements.

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