2023

UNAUDITED INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 AUGUST 2023

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

Contents

Results at a glance

For the six months ended 31 August 2023

Revenue
increased by 14.5%
to **R8.45 billion**
(1H2023: R7.38 billion)

Operating profit
increased by 14.2%
to **R628.4 million**
(1H2023: R550.3 million)

Earnings per share
increased by 19.3%
to **193.0 cents**
(1H2023: 161.8 cents)

Headline earnings per share
increased by 19.4%
to **189.8 cents**
(1H2023: 159.0 cents)

Cash generated from operations
increased by 23.6%
to **R728.3 million**
(1H2023: R589.3 million)

Net asset value for the period
increased by 4.3%
to **R6.05 billion**
(FY2023: R5.80 billion)

Capital expenditure
increased by 152.8%
to **R997.4 million**
(1H2023: R394.5 million)

Order book
increased by 1.3%
to **R20.29 billion**
(FY2023: R20.04 billion)

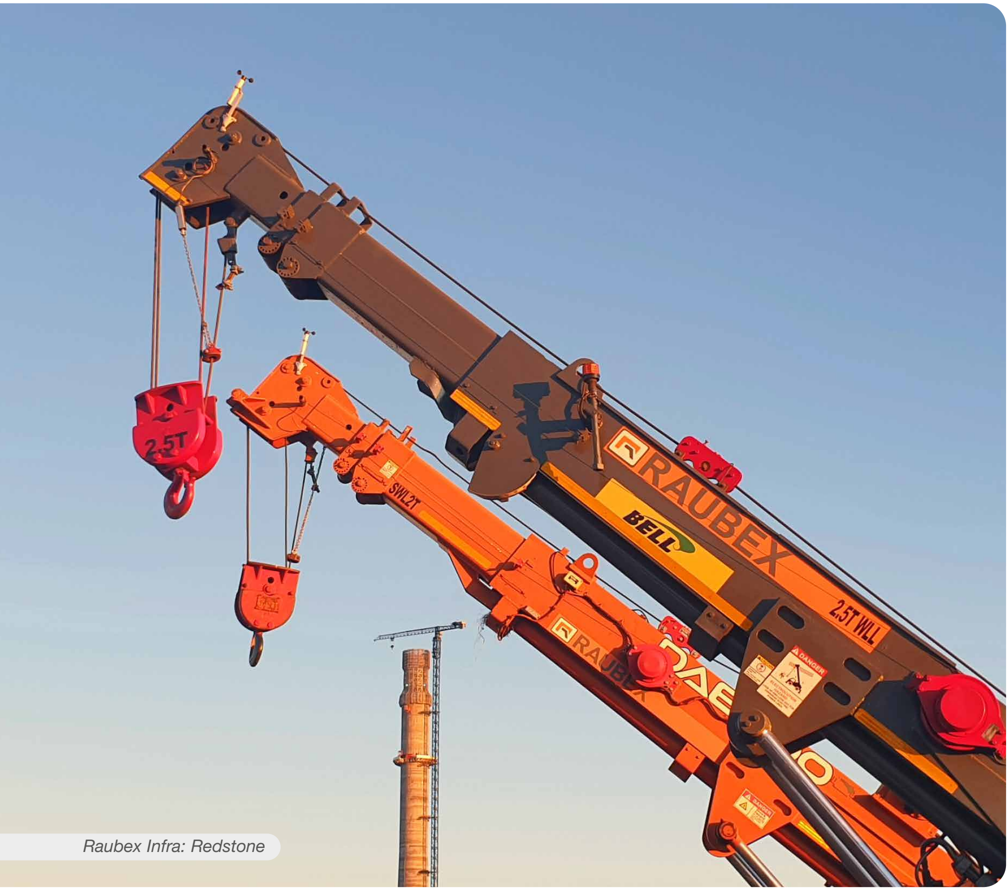
Interim dividend
increased by 18.9%
to **63 cents**
(1H2023: 53 cents)

Introduction

Despite the difficult macroeconomic conditions that prevailed during the six-month period to 31 August 2023, we are pleased to report that these interim results truly demonstrate the power of the Group to continue to drive performance as a result of being diversified and resilient.

In the results for the year ended 28 February 2023, we informed the market that the robust performance of the Group had been largely attributable to the successful completion of the flagship Beitbridge Border Post Project, the full year contribution from Bauba Resources (Pty) Ltd, and the solid performance of the Western Australian operations. It is thus pleasing that, notwithstanding the extremely challenging market conditions and without the contribution from the Beitbridge Border Post Project, the Group delivered a satisfactory performance during these six months, increasing earnings through its diversified operations.

The resilience of the Raubex team and our robust strategy will ensure the sustainability of the Group over the medium to long term. Our balance sheet and the cash generated from operations remain healthy, which will further allow us to secure meaningful tenders going forward.



Raubex Infra: Redstone

Financial overview

Revenue increased by 14.5% to R8.45 billion (1H2023: R7.38 billion), mainly as a result of the sterling performance of the Materials Handling and Mining Division, more specifically Bauba Resources (Pty) Ltd (Bauba).

Operating profit increased 14.2% to R628.4 million (1H2023: R550.3 million) while the Group operating margin decreased to 7.4% (1H2023: 7.5%).

For the comprehensive financial overview and operational performance of each division, please refer to pages 4 to 11 of this report.

Profit before tax increased 14.4% to R601.1 million (1H2023: R525.4 million).

Earnings per share was 19.3% higher at 193.0 cents (1H2023: 161.8 cents) and headline earnings per share 19.4% higher at 189.8 cents (1H2023: 159.0 cents).

Net finance costs increased to R30.0 million (1H2023: R25.4 million). Finance costs include R15.7 million (1H2023: R16.8 million) interest attributable to lease payments accounted for in terms of IFRS 16: *Leases*.

Included in the net impairment gains/(losses) on financial and contract assets is R16.2 million bad debt recovery received from the Zambia Roads Authority.

Cash generated from operations before finance charges and taxation was strong at R728.3 million (1H2023: R589.3 million). The inflow for the period was mainly attributable to the increased profits generated in the Materials Handling and Mining Division as well as another strong performance from the Australian operations. Working capital demand resulted in an outflow of R236 million for the period.

The Group had a net cash outflow for the period of R422.4 million. The largest contributors to the outflow were the repayment of borrowings of R491.6 million, the prepayment of R100 million for the Naboom transaction at Bauba and the capitalisation of mine infrastructure and stripping cost at Bauba totalling R171.3 million. Cash and cash equivalents ended the period at R1.27 billion (FY2023: R1.70 billion).

Trade and other receivables increased by 11.8% to R2.12 billion (FY2023: R1.89 billion) as a result of the increase in turnover for the period, while the average debt collection days widened slightly to 40 days (FY2023: 39 days).

Inventories were 14.2% higher at R1.47 billion (FY2023: R1.29 billion) owing mainly to the increase in development land as well as greater ore levels at Bauba.

Trade and other payables increased by 5.1% to R2.78 billion (FY2023: R2.65 billion).

Capital expenditure on property, plant and equipment increased by 152.8% to R997.4 million (1H2023: R394.5 million).

The increased capex requirements are mainly due to the capitalisation of mining infrastructure development and stripping cost of R171.3 million (1H2023: R115.4 million) required at the two Bauba mines during the period and large capex spend required on the Namdeb contract of R198.0 million.

Borrowings increased by 31.0% to R1.59 billion (FY2023: R1.21 billion), largely to support financing requirements at Namdeb and Bauba.

Divisional review

Materials Handling and Mining Division

R'million	Change %	Six months 31 August 2023 Unaudited	Six months 31 August 2022 Unaudited	Year ended 28 February 2023 Audited
Revenue	56.3	**1 915.3**	1 225.1	2 878.0
Operating profit	99.2	**208.1**	104.4	168.6
Operating profit margin		**10.9%**	8.5%	5.9%
Capital expenditure	230.1	**732.4**	221.8	693.9
Order book	20.7	**4 410.9**	2 669.7	3 653.2

The Materials Handling and Mining Division comprises four main disciplines: contract crushing; materials handling and mineral processing services for the mining industry; contract mining; and specialised resource ownership through its investment in Bauba.

Revenue for the division increased significantly by 56.3% to R1.92 billion (1H2023: R1.23 billion) on the back of improved production at Bauba's Kookfontein mine. Operating profit rose by a remarkable 99.2% to R208.1 million (1H2023: R104.4 million), with the operating profit margin increasing to 10.9% (1H2023: 8.5%).

The Materials Handling and Mining Division's investment in Bauba is performing well, as the demand for chrome and PGM ore is still favourable despite recent pricing issues with respect to the latter. Both Bauba's Kookfontein open-cast chrome mine as well as the underground chrome mine, Moeijelijk, performed well during the period under review. The Kookfontein mine had a slow start to the financial year, where the 1Q2024 was impacted by the depletion of the UG2 pit and the transition to mining the primary chrome ore pits. This ramp up is progressing well with steady state primary chrome mining achieved in August 2023. Although the Moeijelijk mine performed well with respect to profitability, it was impacted by the installation of an underground conveyor system that disrupted operations. Chrome ore pricing is strong and is expected to remain so for the 2H2024. Chrome supply agreements have already been secured for the remainder of the financial year, which bodes well for this business. Bauba has started the construction of an 80 000 tonne per month ore wash plant and crushing circuit at its Kookfontein operation, which will be commissioned end of FY2024, which will improve profits in FY2025 due to being able to sell processed chrome. Although chrome prices have been relatively stable, logistical constraints at the harbours are the biggest challenge faced by this industry, which could affect sales volumes.

B&E International (Pty) Ltd's (B&E International's) margins improved during the period under review given the sterling performance of the five-year Namdeb Diamond Corporation (Namdeb) contract that recently commenced and is already ahead of schedule. The Namdeb contract provides mining services to Southern Coastal Mines in Namibia. The demand for contract crushing for the construction sector has also improved on the back of SANRAL tenders being awarded, albeit slowly. B&E International operates and maintains the processing plant at Bauba's Moeijelijk mine, and the contract performs well. Work in Mozambique continues to be suspended due to political instability, and operations are only expected to recommence in FY2025. Work at the Tschudi Copper Mine (Namibia) is also expected to commence in FY2025.

The well-documented Transnet railway issues have negatively impacted the iron ore materials handling contract of SPH at Saldanha harbour. Operations at Pilanesberg Platinum Mine delivered a healthy performance in the first six months of the financial year. However, the client has initiated cost-saving measures due to the PGM prices being under severe pressure, which will negatively impact SPH Kundalila (Pty) Ltd (SPH) operations in the remaining six months of the financial year.

There are great chances for collaboration within the division, particularly concerning Bauba operations. At Bauba's Kookfontein open pit mine, mining activities are managed by SPH, while materials processing is handled by B&E International at the Moeijelijk mine. B&E International will also handle materials processing at the wash plants in the Kookfontein mine when it is commissioned. Furthermore, Raubex Construction has begun constructing a tailings facility and service dam at the Kookfontein mine. The above demonstrates the benefits of our vertically integrated model, which improves the Group's margins. SPH will focus on further developing opportunities from its key investments, which include Arcadia Minerals, Vanadium Resources and Steinkopf. These opportunities are long-term contracts and are still in the exploration phase.

OMV (Pty) Ltd's (OMV's) gypsum operations had a slow start to the new financial year, however, given the trend seen in the demand for cement through the Materials and Handling Division, it is expected to improve in the second half of the financial year. The Rustenburg gypsum plant is doing well.

OMV's aggregates and ready-mix operations performed well during the period under review due to work secured in supplying aggregates and ready-mix to the Kareerand Tailings Storage Facility.

OMV's acquisition of Attaclay, a bentonite source located in Steelpoort performed well during the period under review due to increased production to meet the demand for bentonite, a critical component in constructing tailing facilities and in smelter furnaces reducing the environmental impact and lower operational costs. OMV's industrial minerals operations also had a good start during the period in review.

During the period under review, capital expenditure amounted to R732.4 million (1H2023: R221.8 million). The increase is mainly attributable to the large capex spend required on the Namdeb contract as well as expansion capex at the two Bauba mines. The R732.4 million capital expenditure includes the capitalisation of mining infrastructure development and stripping cost of R171.3 million (1H2023: R115.4 million) at Bauba.

As at 31 August 2023 the secured order book was R4.41 billion (FY2023: R3.65 billion).

B&E International

Construction Materials Division

R'million	Change %	Six months 31 August 2023 Unaudited	Six months 31 August 2022 Unaudited	Year ended 28 February 2023 Audited
Revenue	16.4	**1 222.6**	1 050.3	1 877.2
Operating profit	(4.7)	**61.8**	64.9	81.5
Operating profit margin		**5.1%**	6.2%	4.3%
Capital expenditure	(11.1)	**65.5**	73.7	138.7
Order book	26.4	**1 266.0**	1 123.5	1 001.3

The Construction Materials Division specialises in the production and supply of materials to the construction market, including aggregates from commercial quarries, asphalt manufacture and supply, and value-added bituminous products.

Revenue for the division increased by 16.4% to R1.22 billion (1H2023: R1.05 billion), whilst operating profit decreased by 4.7% to R61.8 million (1H2023: R64.9 million). 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, which negatively affected production and profit margins throughout the division. The operating profit margin decreased to 5.1% (1H2023: 6.2%).

The commercial quarry operations in South Africa performed well, with increased volumes in the Northern region, this resulted in strong operating cash flows despite the lower margins. The Butterworth quarry located in the Eastern Cape is performing exceptionally well. The current focus is reducing operational costs across all operations and improving cost efficiencies wherever possible.

The quarry operations in Botswana experienced a slowdown in demand and increased competition, but market conditions have been improving since the latter part of 1H2024. Sales have increased due to water-related infrastructure projects in the surrounding areas of Gaborone. Cost efficiencies have also been implemented to increase margins.

During the period under review, a strategy was put in place to reduce and relocate the asphalt footprint in KwaZulu-Natal (KZN). However, this restructuring process led to additional operating losses. As part of the plan, unprofitable operations were closed down. The costs associated with the relocation and closing of the asphalt plants amounted to approximately R15 million. To meet future demands, some of the remaining asphalt plants were upgraded to service the N3 and N2 projects.

The profitability of asphalt operations in the rest of South Africa has also been under pressure due to the execution of projects that were tendered over 24 months ago and only awarded in this reporting period, resulting in delays and increased input costs that are not compensated for by escalation and/or "rise-and-fall" adjustments.

South Africa continues to experience a shortage of bitumen due to reduced production from the only remaining refinery in the country. As a result, Tosas had to increase its imports to meet demand. Exacerbating the bitumen shortage situation, the Natref refinery also reduced its bitumen production modes from two (2) to one (1) per month, halving local bitumen availability. This necessitated Tosas having to import more than expected bitumen volumes in this period and for the foreseeable future. Currently, Tosas imports about 75% of its bitumen requirements and procures the balance locally. Securing a reliable international bitumen supplier with the correct quality remains a challenge, but Tosas has to date, successfully managed to do so.

The pressing bitumen supply issue has significantly influenced the Construction Materials Division's performance, specifically pertaining to the erosion of margins. One of the pivotal elements in the bitumen business is the dramatic price volatility, which has a profound impact on operational costs and, consequently, operating margins, as price increases cannot always be passed on to the customer.

However, despite these challenges, the increased demand for bitumen products during the coming summer months should result in a good 2H2024 for Tosas. Tosas's recent project awards have resulted in a full order book for FY2024.

Capital expenditure was R65.5 million during the period under review (1H2023: R73.7 million). The secured order book was R1.27 billion at 31 August 2023 (FY2023: R1.00 billion).

National Asphalt

Roads and Earthworks Division

R'million	Change %	Six months 31 August 2023 Unaudited	Six months 31 August 2022 Unaudited	Year ended 28 February 2023 Audited
Revenue	(9.7)	**2 657.4**	2 944.2	6 038.0
Operating profit	(15.3)	**147.9**	174.6	510.9
Operating profit margin		**5.6%**	5.9%	8.5%
Capital expenditure	113.8	**102.2**	47.8	105.3
Order book	2.5	**7 999.7**	7 307.9	7 802.5

This division specialises in road construction, earthworks, road surfacing, and rehabilitation, providing extensive services for major public and private sector projects across various infrastructural applications. It depends primarily on the South African road construction sector through its construction capacity. It is directly and indirectly exposed to Government expenditure on road construction and maintenance in the country.

Revenue in the Roads and Earthworks Division decreased by 9.7% to R2.66 billion (1H2023: R2.94 billion), mainly due to the completion of the Beitbridge Border Post Project in the previous financial year. No profits from this project are thus included in the division's results during the period in review.

Operating profit decreased by 15.3% to R147.9 million (1H2023: R174.6 million). The operating profit margin decreased to 5.6% (1H2023: 5.9%), well within the management target range of between 5% and 6%. Excluding the Beitbridge Border Post Project from the previous period's results, revenue and operating profit increased by 4.3% and 122.1%, respectively, demonstrating the sustainability of the underlying operations.

All the major SANRAL projects, especially on the upgrade of the KZN corridor, are running at full capacity and performing well. The various concession projects for N3TC, Bakwena and TRAC throughout South Africa, are also running on schedule.

Construction on the Senqu River Bridge joint venture project in Lesotho for the Lesotho Highlands Development Authority commenced at the beginning of 2023 after initial delays were experienced with the start-up date, which was only resolved in November 2022. This three-year project is being implemented at attractive profit margins, with 10% of the project fee having been received in advance.

During the reporting period, the Group successfully recovered R16.2 million from the Zambia Road Development Agency for the debt that was previously written off in FY2019. As at the end of August 2023, the outstanding balance stands at R134 million, which had already been written off in FY2019. Subsequent to the period end, an additional amount of R26 million was received, which will further improve the operating profit due to the provision of debt. Additionally, further periodic payment tranches are expected in the future.

During the period under review, capital expenditure amounted to R102.2 million (1H2023: R47.8 million), a 113.8% increase. The increase is attributable to capital expenditure for the Lesotho Senqu Bridge contract amounting to R38 million.

The secured order book was R8.00 billion at 31 August 2023 (FY2023: R7.80 billion).

Infrastructure Division

R'million	Change %	Six months 31 August 2023 Unaudited	Six months 31 August 2022 Unaudited	Year ended 28 February 2023 Audited
Revenue	22.9	**2 650.5**	2 157.3	4 514.4
Operating profit	2.1	**210.6**	206.3	515.2
Operating profit margin		**7.9%**	9.6%	11.4%
Capital expenditure	90.0	**97.4**	51.2	214.7
Order book	(12.7)	**6 613.9**	5 302.8	7 579.6

The Infrastructure Division specialises in disciplines outside of the road construction sector, including energy (with a specific focus on renewable energy), facilities management, telecommunications, housing infrastructure projects, and commercial building refurbishment and construction.

Revenue for this division increased by 22.9% to R2.65 billion (1H2023: R2.16 billion) mainly as a result of the solid performance by Western Australia. Operating profit increased by 2.1% to R210.6 million (1H2023: R206.3 million), however, the operating profit margin decreased to a more normalised 7.9% (1H2023: 9.6%). The lower increase in operating profit compared to revenue growth is attributable to the completion of the Beitbridge Border Post Project in the previous financial year. Excluding the Beitbridge Border Post Project from the previous period's results, revenue and operating profit increased by a pleasing 50.4% and 114.2%, respectively.

The floods that severely impacted infrastructure in mainly KZN earlier in the year and in the Western Cape as recently as September 2023 have not materially impacted the Raubex projects in these provinces other than a day or two of delays. The Tongaat Bridge Project is progressing well. We have received several additions to our order book in our concrete structures unit that are mostly related to the repair of stormwater damage to concrete structures in the Western and Eastern Cape as well as KZN.

The 17-year maintenance project on the Beitbridge Border Post Project in Zimbabwe, to the value of R1.5 billion, commenced in this financial period.

The division's affordable housing projects are progressing well as the demand for this low-cost accommodation increases on the back of the current economic conditions, exacerbated by high interest rate levels. In the housing sector, several anchor projects include the 2 900-bed student housing project for Unilim in Limpopo, housing projects in Stellenbosch, and the Lufhereng project in Soweto funded by the Johannesburg Social Housing Agency. The division's residential housing projects include the development of Kleijne Wingerd in Cape Town and the Newinbosch and Voliere projects in Stellenbosch. The Western Cape remains popular as semigration to this region continues unabated. Commercial projects include the construction of 201 houses in the mining town of Aggeneys.

As a result of the continued delays in the award of the South African Government's Independent Power Producer Procurement Programme (IPPPP), the division's strategy is to focus on privately funded renewable energy projects. A number of recent awards, especially in the mining sector, as well as various imminent awards for anchor projects in this market will positively contribute to results going forward. The solar project in Barberton is progressing well and the private windfarm project near Murraysburg in the Western Cape should start before the end of 2023. These private IPP clients normally have power purchase agreements with Eskom.

The design and build of the mechanical and electrical works for the upgrade and expansion of the Potsdam Wastewater Treatment Plant, a five-year project that was awarded at the end of last year, is progressing well and the project is on schedule. Our share in the consortium project is approximately R800 million. We are currently finalising designs and plan to begin construction in April 2024.

The division's results were supported by a strong performance from the operations in Western Australia that are summarised in the section relating to international operations.

During the period under review, the division incurred capital expenditure of R97.4 million (1H2023: R51.2 million). The secured order book was R6.61 billion (FY2023: R7.58 billion) at 31 August 2023.

Belhar Student Accommodation

INTERNATIONAL

The Group's international operations consist of materials supply and mining services as well as construction activities. These operations are located in Botswana, Mozambique, Namibia, Zambia, Lesotho, Swaziland and Zimbabwe ("Rest of Africa") as well as Western Australia.

Rest of Africa

Revenue decreased by 55.0% to R451.8 million (1H2023: R1.00 billion) and operating profit decreased by 61.6% to R96.8 million (1H2023: R252.2 million), respectively. The main reason for these sharp declines is attributable to the flagship project relating to the expansion, upgrading and improvement of the Beitbridge Border Post in Zimbabwe, which was completed in the previous financial year ended 28 February 2023. The operating profit margin decreased to 21.4% (1H2023: 25.1%). If the Beitbridge Border Post Project is excluded from the 1H2023 numbers, the revenue and operating profit increased by 112.2% and 167.4%, respectively.

Raubex will also participate in a 17-year maintenance project for the Beitbridge Border Post, as mentioned in the Infrastructure Division commentary.

The recently awarded Senqu River Bridge JV Project in Lesotho, in which the Group has a 21% stake, and which is valued at R2.4 billion, is progressing well. The Namdeb Project in Namibia for the provision of mining services to Southern Coastal Mines is also progressing well and contributes well to the division's results. Although the Bela-Bela quarry operation in Botswana had a slow start in this period volumes picked up in the latter part of the period, and the trend for the remainder of the financial year is positive with good sales volumes expected.

During the period under review, the division incurred capital expenditure of R190.6 million (1H2023: R0.35 million). The secured order book for the Rest of Africa increased to R3.83 billion (FY2023: R3.79 billion).

Australia

The operations in Western Australia continue to perform well, with the Group gaining market share in this region. With the successful completion of our first Windfarm project, subsequent awards for similar projects have been secured and construction has commenced. In the Iron Belt in the Pilbara region, the current commodity price levels continue to drive infrastructure activity funded by mining houses. We are well positioned to capitalise on this market, and we continue to do so. The Group is pleased with the profitability and progress in production to date.

Revenue increased by 72.9% to R1.85 billion (1H2023: R1.07 billion) and operating profit was up 73.2% to R139.0 million (1H2023: R80.2 million). The operating profit margin remained stable at 7.5% (1H2023: 7.5%).

During the period under review, the division incurred capital expenditure of R87.5 million (1H2023: R36.2 million). The secured order book is R1.68 billion at 31 August 2023 (FY2023: R2.37 billion).

Outlook

We are expecting the remainder of the financial year to remain challenging with tender activity slowing even further as we go into an election year. Our order book is solid and we are confident that, despite the unfavourable macroeconomic conditions, Raubex should deliver a solid set of results for the year ending 29 February 2024.

The **Materials Handling and Mining Division** focus on strategic partnerships allowing the Group to participate in various long-term materials handling and processing opportunities. The division will also continue to explore opportunities to increase mineral resources and improve production efficiencies.

As disclosed at our February 2023 results presentation, Bauba acquired 74% ownership of an undeveloped opencast primary chrome with PGMs resources. We are now completing all regulatory requirements to transfer ownership. The above project is located on the eastern limb of the Bushveld Igneous Complex. The Mineral Resource Estimate (MRE) is about 17.7 million tonnes with an estimated life of mine of 12 years.

The **Construction Materials Division** is expected to benefit from recently awarded tenders across the industry. However, ongoing headwinds may arise due to delays in awards, energy crises, supply chain disruptions, and rising inflation. The current focus is on reducing operational costs across all operations and improving cost efficiencies wherever possible.

The division will continue to pursue strategic acquisitions of commercial quarries to afford the opportunity to increase its footprint throughout South Africa.

The **Roads and Earthworks Division** has a strong pipeline of projects for the remainder of the financial year. The division's top priority remains completing these contracts efficiently and within budget. Given the success of the Beitbridge Border Post Project, the division plans to submit bids for the six newly advertised South African border posts. These bids will close in March 2024, with project execution to commence in the second half of FY2025 or FY2026, if awarded. The division also anticipates a considerable increase in tenders from the N3TC, Bakwena, and TRAC concession projects in the upcoming years. This is due to the concessionaires being obligated to hand over the management of the SANRAL roads they oversee in a well-maintained state between 2027 to 2031, which marks the end of their 30-year concession period.

Although the Group has noted a slight rise in new tenders being released within the road construction sector, the concern remains regarding the constant delays in closing new SANRAL tenders. As a result, the division's strategy is to focus on other potential clients, such as toll concessionaires, provincial governments – especially in the Western Cape – and private sector companies, including mines, to compensate for the potential delay in new SANRAL work.

The **Infrastructure Division** remains well positioned to participate in the development of affordable housing as well as private renewable energy projects. Furthermore, the bid for the six newly advertised South African border posts should also benefit this division given its co-involvement in the successful completion of the Beitbridge Border Post Project. As previously mentioned, going forward, the division is expecting a number of new tenders to be released to restore infrastructure in the affected areas in the Western and Eastern Cape as well as KZN.

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.

Dividend Declaration

The directors declared a gross interim cash dividend from income reserves of 63 cents per share for the period ended 31 August 2023. The salient dates for the payment of the dividend are as follows:

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

No share certificates may be dematerialised or rematerialised between Wednesday, 29 November 2023 and Friday, 1 December 2023, both dates inclusive.

In terms of Dividends Tax ("DT"), the following additional information is disclosed:

- The local DT rate is 20%.
- The number of ordinary shares in issue at the date of this declaration is 181 750 036.
- The dividend to utilise for determining the DT due is 63 cents per share.
- The DT amounts to 12.6 cents per share.
- The net local dividend amount is 50.4 cents per share for shareholders liable to pay the DT.
- Raubex Group Limited's income tax reference number is 9370/905/151.

In terms of the DT legislation, the DT amount due will be withheld and paid over to the South African Revenue Service by a nominee company, stockbroker or Central Securities Depository Participant (collectively "Regulated Intermediary") on behalf of shareholders. All shareholders should declare their status to their Regulated Intermediary, as they may qualify for a reduced DT rate or exemption.

Unaudited Interim Results will be available on the Group's website on 13 November 2023 once the SENS announcement has been released. Copies of the full announcement are available on request from the Company Secretary, Grace Chemaly, at Grace.C@raubex.com. The Group's website is www.raubex.com.

Any forward-looking information is the responsibility of the directors and has not been reviewed or reported on by the Group's External Auditor.

Condensed Group Statement of Financial Position

	Unaudited six months 31 August 2023 R'000	Unaudited six months 31 August 2022 R'000	Audited 12 months 28 February 2023 R'000
ASSETS			
Non-current assets			
Property, plant and equipment	**4 287 200**	3 175 714	3 668 216
Investment property	**128 434**	114 427	113 974
Right-of-use assets	**316 217**	354 012	335 472
Intangible assets	**994 680**	1 036 718	1 002 301
Investment in associates and joint ventures	**11 817**	17 159	9 073
Investment in service concessions	**77 746**	25 318	77 049
Deferred income tax assets	**181 836**	179 695	171 216
Inventories	**25 623**	30 278	27 419
Trade and other receivables	**2 818**	17 910	3 892
Other financial assets – debt	**399 462**	269 089	323 998
Other financial assets – equity	**70 734**	110 617	103 944
Total non-current assets	**6 496 567**	5 330 937	5 836 554
Current assets			
Inventories	**1 447 471**	1 259 942	1 278 357
Contract assets	**819 699**	682 933	615 743
Trade and other receivables	**2 113 996**	2 184 693	1 889 356
Other financial assets – debt	**6 951**	10 811	7 129
Current income tax receivable	**36 399**	9 688	18 357
Cash and cash equivalents (excluding bank overdrafts)	**1 270 368**	1 349 551	1 697 292
Total current assets	**5 694 884**	5 497 618	5 506 234
Total assets	**12 191 451**	10 828 555	11 342 788
EQUITY			
Share capital	**1 817**	1 817	1 817
Share premium	**2 059 688**	2 059 688	2 059 688
Treasury shares	**(62 953)**	(17 051)	(78 801)
Other reserves	**(1 040 655)**	(1 078 081)	(1 007 709)
Retained earnings	**4 512 246**	4 039 390	4 322 910
Equity attributable to owners of the parent	**5 470 143**	5 005 763	5 297 905
Non-controlling interest	**579 529**	408 773	504 985
Total equity	**6 049 672**	5 414 536	5 802 890
LIABILITIES			
Non-current liabilities			
Borrowings	**1 039 446**	516 003	684 125
Lease liabilities	**339 092**	371 785	349 117
Provisions for liabilities and charges	**138 701**	148 945	134 965
Deferred income tax liabilities	**351 802**	269 381	317 181
Other financial liabilities	**43 845**	53 557	56 193
Total non-current liabilities	**1 912 886**	1 359 671	1 541 581
Current liabilities			
Trade and other payables	**2 780 330**	2 308 425	2 645 718
Contract liabilities	**749 197**	950 406	594 136
Borrowings	**551 602**	603 456	530 339
Lease liabilities	**43 575**	57 897	56 089
Current income tax liabilities	**72 552**	102 451	117 368
Provisions for liabilities and charges	**16 637**	2 331	28 186
Other financial liabilities	**15 000**	29 382	26 481
Total current liabilities	**4 228 893**	4 054 348	3 998 317
Total liabilities	**6 141 779**	5 414 019	5 539 898
Total equity and liabilities	**12 191 451**	10 828 555	11 342 788

Condensed Group Income Statement

	Unaudited six months 31 August 2023 R'000	Unaudited six months 31 August 2022 R'000	Audited 12 months 28 February 2023 R'000
Revenue	**8 445 774**	7 376 859	15 307 479
Cost of sales	**(7 351 704)**	(6 455 197)	(13 197 757)
Gross profit	**1 094 070**	921 662	2 109 722
Other income	**8 949**	15 397	13 820
Other gains/(losses) – net	**24 703**	16 422	28 591
Administrative expenses	**(500 636)**	(429 016)	(852 929)
Net impairment gains/(losses) on financial and contract assets	**1 297**	25 789	(23 065)
Operating profit	**628 383**	550 254	1 276 139
Finance income	**45 048**	28 311	81 219
Finance costs	**(75 072)**	(53 690)	(128 384)
Finance costs – net	**(30 024)**	(25 379)	(47 165)
Share of profit/(loss) of equity accounted investments	**2 744**	573	(7 013)
Profit before income tax	**601 103**	525 448	1 221 961
Income tax expense	**(160 544)**	(157 036)	(363 327)
Profit for the period	**440 559**	368 412	858 634
Profit for the period attributable to:			
Owners of the parent	**346 068**	291 652	704 344
Non-controlling interest	**94 491**	76 760	154 290
	440 559	368 412	858 634
Basic earnings per share (cents)	**193.0**	161.8	391.1
Diluted earnings per share (cents)	**192.2**	161.4	388.9

Condensed Group Statement of Comprehensive Income

	Unaudited six months 31 August 2023 R'000	Unaudited six months 31 August 2022 R'000	Audited 12 months 28 February 2023 R'000
Profit for the period	**440 559**	368 412	858 634
Other comprehensive income for the period, net of tax:			
Items that may be subsequently reclassified to profit or loss:			
Currency translation differences	**(8 517)**	9 644	50 940
Items that will not be reclassified to profit or loss:			
Change in fair value of investments held at FV through OCI	**(26 162)**	14 779	58 540
Remeasurement of post-employment benefit obligations	**–**	–	414
Total comprehensive income for the period	**405 880**	392 835	968 528
Comprehensive income for the period attributable to:			
Owners of the parent	**313 154**	313 464	803 639
Non-controlling interest	**92 726**	79 371	164 889
Total comprehensive income for the period	**405 880**	392 835	968 528

Condensed Group Statement of Cash Flows

	Unaudited six months 31 August 2023 R'000	Unaudited six months 31 August 2022 R'000	Audited 12 months 28 February 2023 R'000
Cash flows from operating activities			
Cash generated from operations	**728 292**	589 286	1 959 176
Interest received	**34 104**	19 330	62 143
Interest paid	**(72 732)**	(47 628)	(111 702)
Income tax paid	**(199 361)**	(170 419)	(318 558)
Net cash generated from operating activities	**490 303**	390 569	1 591 059
Cash flows from investing activities			
Purchases of property, plant and equipment	**(997 353)**	(394 523)	(1 152 670)
Proceeds from sale of property, plant and equipment	**61 932**	25 704	64 060
Prepayments in Escrow*	**(100 000)**	–	–
Acquisition of subsidiaries	**146**	(19 618)	(18 040)
Acquisition of associates and joint ventures	**–**	–	(1 227)
Acquisition of equity instruments (other financial assets)	**–**	–	(429)
Loan repayments from associates and joint ventures	**22 155**	12 210	44 969
Loans granted to associates and joint ventures	**(74 993)**	(51 996)	(115 866)
Net cash used in investing activities	**(1 088 113)**	(428 223)	(1 179 203)
Cash flows from financing activities			
Proceeds from borrowings	**871 391**	405 259	1 102 186
Repayment of borrowings	**(491 641)**	(262 547)	(866 605)
Repayment of lease liabilities (capital repayments)	**(35 541)**	(34 975)	(66 141)
Acquisition of non-controlling interest	**(18 317)**	(116 701)	(138 077)
Dividends paid to owners of the parent	**(136 230)**	(97 227)	(192 231)
Dividends paid to non-controlling interests	**(49 200)**	(14 017)	(52 421)
Disposal of interest in a subsidiary	**–**	–	37 499
Shares issued by subsidiary*	**34 946**	–	–
Contingent consideration settled	**–**	(12 587)	(12 282)
Acquisition of treasury shares	**–**	–	(61 750)
Share buy-back transaction by subsidiary	**–**	–	(6 694)
Net cash generated from/(used in) financing activities	**175 408**	(132 795)	(256 516)
Net (decrease)/increase in cash and cash equivalents	**(422 402)**	(170 449)	155 340
Cash and cash equivalents at the beginning of the period	**1 697 290**	1 504 799	1 504 799
Effects of exchange rates on cash and cash equivalents	**(4 520)**	15 197	37 151
Cash and cash equivalents at the end of the period	**1 270 368**	1 349 547	1 697 290

* *During the period, Bauba Resources (Pty) Ltd, effectively 65.01% owned by the Group, made a payment in Escrow for the acquisition of Naboom Mining Company Mauritius Limited. The prepayment was funded by a share issue to existing shareholders. Refer to the "BUSINESS COMBINATIONS AND ASSET ACQUISITIONS" section of the notes for further information in this regard.*

Condensed Group Statement of Changes in Equity

	Share capital R'000	Share premium R'000	Treasury shares R'000	Other reserves R'000	Retained earnings R'000	Total attributable to owners of the parent company R'000	Non-controlling interest R'000	Total equity R'000
Balance at 28 February 2022 restated	1 817	2 059 688	(47 077)	(1 096 014)	3 879 482	4 797 896	425 161	5 223 057
Share option reserve	–	–	–	12 438	–	12 438	–	12 438
Share option reserve utilised during the period	–	–	–	(16 317)	16 317	–	–	–
Treasury shares issued in terms of equity-settled share scheme	–	–	30 026	–	(30 026)	–	–	–
Acquisition of shares from non-controlling interest	–	–	–	–	(19 026)	(19 026)	(97 675)	(116 701)
Acquisition of subsidiaries	–	–	–	–	–	–	19 238	19 238
Profit for the period	–	–	–	–	291 652	291 652	76 760	368 412
Other comprehensive income for the period	–	–	–	21 812	–	21 812	2 611	24 423
Dividends paid	–	–	–	–	(97 227)	(97 227)	(14 017)	(111 244)
Balance at 31 August 2022	1 817	2 059 688	(17 051)	(1 078 081)	4 041 172	5 007 545	412 078	5 419 623
Share option reserve	–	–	–	(6 697)	–	(6 697)	–	(6 697)
Acquisition of treasury shares	–	–	(61 750)	–	–	(61 750)	–	(61 750)
Acquisition of shares from non-controlling interest	–	–	–	–	(22 373)	(22 373)	997	(21 376)
Disposal of shares to non-controlling shareholders	–	–	–	–	(3 362)	(3 362)	40 861	37 499
Share buy-back from non-controlling shareholders of subsidiary	–	–	–	–	429	429	(7 123)	(6 694)
Rights offer by subsidiary	–	–	–	–	(11 058)	(11 058)	11 058	–
Profit for the period	–	–	–	–	412 692	412 692	77 530	490 222
Other comprehensive income for the period	–	–	–	77 069	414	77 483	7 988	85 471
Dividends paid	–	–	–	–	(95 004)	(95 004)	(38 404)	(133 408)
Balance at 28 February 2023	1 817	2 059 688	(78 801)	(1 007 709)	4 322 910	5 297 905	504 985	5 802 890
Share option reserve	**–**	**–**	**–**	**10 240**	**–**	**10 240**	**–**	**10 240**
Share option reserve utilised during the period	**–**	**–**	**–**	**(10 272)**	**10 272**	**–**	**–**	**–**
Treasury shares issued in terms of equity-settled share scheme*	**–**	**–**	**15 848**	**–**	**(15 848)**	**–**	**–**	**–**
Acquisition of shares from non-controlling interest	**–**	**–**	**–**	**–**	**(14 926)**	**(14 926)**	**(3 391)**	**(18 317)**
Additional shares issued by subsidiary	**–**	**–**	**–**	**–**	**–**	**–**	**34 946**	**34 946**
Acquisition of subsidiaries	**–**	**–**	**–**	**–**	**–**	**–**	**(537)**	**(537)**
Profit for the period	**–**	**–**	**–**	**–**	**346 068**	**346 068**	**94 491**	**440 559**
Other comprehensive income for the period	**–**	**–**	**–**	**(32 914)**	**–**	**(32 914)**	**(1 765)**	**(34 679)**
Dividends paid	**–**	**–**	**–**	**–**	**(136 230)**	**(136 230)**	**(49 200)**	**(185 430)**
Balance at 31 August 2023	**1 817**	**2 059 688**	**(62 953)**	**(1 040 655)**	**4 512 246**	**5 470 143**	**579 529**	**6 049 672**

* *During the period, 502 788 treasury shares were issued in terms of the Group's equity-settled share scheme for option vesting on 1 August 2023. At 31 August 2023, the Group still held 1 997 212 treasury shares (2023: 2 500 000).*

Notes

BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared under the supervision of the Financial Director, SJ Odendaal CA(SA), in accordance with International Financial Reporting Standards (IFRS), IAS 34: *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the Companies Act, 71 of 2008, of South Africa.

The accounting policies applied in the preparation of these interim condensed consolidated financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements.

CONDENSED SEGMENTAL ANALYSIS

	Materials Handling and Mining R'000	Construction Materials R'000	Roads and Earthworks R'000	Infrastructure R'000	Consolidated R'000
Operating segments					
31 August 2023					
Segment revenue	**1 915 316**	**1 222 576**	**2 657 418**	**2 650 464**	**8 445 774**
Operating profit	**208 077**	**61 841**	**147 857**	**210 608**	**628 383**
Operating profit margin	**10.9%**	**5.1%**	**5.6%**	**7.9%**	**7.4%**
Inter-segmental revenue	**99 963**	**503 406**	**34 321**	**47 554**	**685 244**
31 August 2022					
Segment revenue	1 225 052	1 050 330	2 944 162	2 157 315	7 376 859
Operating profit	104 445	64 914	174 585	206 310	550 254
Operating profit margin	8.5%	6.2%	5.9%	9.6%	7.5%
Inter-segmental revenue	107 228	578 933	53 943	239 898	980 003
28 February 2023					
Segment revenue	2 877 958	1 877 175	6 037 985	4 514 361	15 307 479
Operating profit	168 589	81 511	510 859	515 180	1 276 139
Operating profit margin	5.9%	4.3%	8.5%	11.4%	8.3%
Inter-segmental revenue	145 361	1 082 867	130 301	537 865	1 896 394

	South Africa R'000	Rest of Africa R'000	Australia R'000	Consolidated R'000
Geographical information				
31 August 2023				
Segment revenue	**6 141 815**	**451 783**	**1 852 176**	**8 445 774**
Operating profit	**392 549**	**96 840**	**138 994**	**628 383**
Operating profit margin	**6.4%**	**21.4%**	**7.5%**	**7.4%**
Inter-segmental revenue	**202 114**	**274**	**–**	**202 388**
31 August 2022				
Segment revenue	5 301 792	1 003 902	1 071 165	7 376 859
Operating profit	217 833	252 178	80 243	550 254
Operating profit margin	4.1%	25.1%	7.5%	7.5%
Inter-segmental revenue	917 383	223	–	917 606

	South Africa R'000	Rest of Africa R'000	Australia R'000	Consolidated R'000
Geographical information				
28 February 2023				
Segment revenue	10 798 190	1 985 429	2 523 860	15 307 479
Operating profit	436 740	592 038	247 361	1 276 139
Operating profit margin	4.0%	29.8%	9.8%	8.3%
Inter-segmental revenue	1 442 700	3 088	–	1 445 788

CALCULATION OF DILUTED EARNINGS PER SHARE

	Unaudited six months 31 August 2023 R'000	Unaudited six months 31 August 2022 R'000	Audited 12 months 28 February 2023 R'000
Profit attributable to owners of the parent entity	**346 068**	291 652	704 344
Weighted average number of ordinary shares in issue ('000)	**179 339**	180 201	180 104
Adjustments for:			
Shares deemed issued for no consideration (share options) ('000)	**704**	549	1 016
Weighted average number of ordinary shares for diluted earnings per share ('000)	**180 043**	180 750	181 120
Diluted earnings per share (cents)	**192.2**	161.4	388.9

CALCULATION OF HEADLINE EARNINGS PER SHARE

	Unaudited six months 31 August 2023 R'000	Unaudited six months 31 August 2022 R'000	Audited 12 months 28 February 2023 R'000
Profit attributable to owners of the parent entity	**346 068**	291 652	704 344
Adjustments for:			
Profit on sale of property, plant and equipment	**(9 551)**	(7 485)	(10 103)
Impairment on property, plant and equipment	**–**	–	3 300
Bargain purchase on acquisition of subsidiary	**–**	–	(8 790)
Loss on remeasurement of associate	**–**	–	3 769
Goodwill and intangible asset impairment	**–**	–	13 493
Add back: Non-controlling interests' portion of profit on sale of property, plant and equipment	**1 688**	499	(646)
Total tax effects of adjustments	**2 201**	1 935	2 043
Basic headline earnings	**340 406**	286 601	707 410
Weighted average number of shares ('000)	**179 339**	180 201	180 104
Headline earnings per share (cents)	**189.8**	159.0	392.8
Diluted headline earnings per share (cents)	**189.1**	158.6	390.6

REVENUE DISAGGREGATION

The following disclosures are provided in terms of IAS 34.16A(l) and IFRS 15.114:

Disaggregation of revenue by activity and segment	Materials Handling and Mining R'000	Construction Materials R'000	Roads and Earthworks R'000	Infrastructure R'000	Consolidated R'000
31 August 2023					
Contracting revenue	**772 427**	**6 762**	**2 657 418**	**2 575 264**	**6 011 871**
Sale of ore	**902 594**	**–**	**–**	**–**	**902 594**
Commercial quarry aggregates and gypsum revenue	**239 739**	**549 640**	**–**	**–**	**789 379**
Bitumen and emulsion products	**–**	**311 891**	**–**	**–**	**311 891**
Asphalt supply revenue	**–**	**354 283**	**–**	**–**	**354 283**
Property sales, property rentals and development fees	**556**	**–**	**–**	**75 200**	**75 756**
Total revenue	**1 915 316**	**1 222 576**	**2 657 418**	**2 650 464**	**8 445 774**
31 August 2022					
Contracting revenue	569 423	19 366	2 944 162	2 136 249	5 669 200
Sale of ore	468 048	–	–	–	468 048
Commercial quarry aggregates and gypsum revenue	186 687	453 444	–	–	640 131
Bitumen and emulsion products	–	294 322	–	–	294 322
Asphalt supply revenue	–	283 198	–	–	283 198
Property sales, property rentals and development fees	894	–	–	21 066	21 960
Total revenue	1 225 052	1 050 330	2 944 162	2 157 315	7 376 859
28 February 2023					
Contracting revenue	1 147 042	14 789	6 037 985	4 458 811	11 658 627
Sale of ore	1 359 851	–	–	–	1 359 851
Commercial quarry aggregates and gypsum revenue	369 602	629 331	–	–	998 933
Bitumen and emulsion products	–	682 264	–	–	682 264
Asphalt supply revenue	–	550 791	–	–	550 791
Property sales, property rentals and development fees	1 463	–	–	55 550	57 013
Total revenue	2 877 958	1 877 175	6 037 985	4 514 361	15 370 479

Disaggregation of revenue by activity and geography	South Africa R'000	Rest of Africa R'000	Australia R'000	Consolidated R'000
31 August 2023				
Contracting revenue	**3 854 919**	**304 776**	**1 852 176**	**6 011 871**
Sale of ore	**902 594**	**–**	**–**	**902 594**
Commercial quarry aggregates and gypsum revenue	**730 098**	**59 281**	**–**	**789 379**
Bitumen and emulsion products	**242 228**	**69 663**	**–**	**311 891**
Asphalt supply revenue	**336 220**	**18 063**	**–**	**354 283**
Property sales, property rentals and development fees	**75 756**	**–**	**–**	**75 756**
Total revenue	**6 141 815**	**451 783**	**1 852 176**	**8 445 774**
31 August 2022				
Contracting revenue	3 721 743	876 292	1 071 165	5 669 200
Sale of ore	468 048	–	–	468 048
Commercial quarry aggregates and gypsum revenue	587 568	52 563	–	640 131
Bitumen and emulsion products	219 275	75 047	–	294 322
Asphalt supply revenue	283 198	–	–	283 198
Property sales, property rentals and development fees	21 960	–	–	21 960
Total revenue	5 301 792	1 003 902	1 071 165	7 376 859
28 February 2023				
Contracting revenue	7 391 902	1 742 865	2 523 860	11 658 627
Sale of ore	1 359 851	–	–	1 359 851
Commercial quarry aggregates and gypsum revenue	905 501	93 432	–	998 933
Bitumen and emulsion products	533 287	148 977	–	682 264
Asphalt supply revenue	550 636	155	–	550 791
Property sales, property rentals and development fees	57 013	–	–	57 013
Total revenue	10 798 190	1 985 429	2 523 860	15 307 479

Disaggregation of revenue by customer sector and segment	Materials Handling and Mining R'000	Construction Materials R'000	Roads and Earthworks R'000	Infrastructure R'000	Consolidated R'000
31 August 2023					
Public sector	**–**	**29 965**	**2 129 115**	**877 189**	**3 036 269**
Private sector	**1 915 316**	**1 192 611**	**528 303**	**1 773 275**	**5 409 505**
Total revenue	**1 915 316**	**1 222 576**	**2 657 418**	**2 650 464**	**8 445 774**
31 August 2022					
Public sector	–	15 616	2 086 722	384 774	2 487 112
Private sector	1 225 052	1 034 714	857 440	1 772 541	4 889 747
Total revenue	1 225 052	1 050 330	2 944 162	2 157 315	7 376 859
28 February 2023					
Public sector	–	26 109	4 549 552	974 272	5 549 933
Private sector	2 877 958	1 851 066	1 488 433	3 540 089	9 757 546
Total revenue	2 877 958	1 877 175	6 037 985	4 514 361	15 307 479

Disaggregation of revenue by customer sector and geography	South Africa R'000	Rest of Africa R'000	Australia R'000	Consolidated R'000
31 August 2023				
Public sector	**2 187 107**	**93 730**	**755 432**	**3 036 269**
Private sector	**3 954 708**	**358 053**	**1 096 744**	**5 409 505**
Total revenue	**6 141 815**	**451 783**	**1 852 176**	**8 445 774**
31 August 2022				
Public sector	2 178 924	28 138	280 050	2 487 112
Private sector	3 122 868	975 764	791 115	4 889 747
Total revenue	5 301 792	1 003 902	1 071 165	7 376 859
28 February 2023				
Public sector	4 653 052	82 732	814 149	5 549 933
Private sector	6 145 138	1 902 697	1 709 711	9 757 546
Total revenue	10 798 190	1 985 429	2 523 860	15 307 479

FINANCE INCOME AND COSTS

	Unaudited six months 31 August 2023 R'000	Unaudited six months 31 August 2022 R'000	Audited 12 months 28 February 2023 R'000
Finance income:			
Cash finance income			
Interest income on cash resources	**27 173**	18 253	49 325
Other interest	**6 931**	1 077	12 818
Non-cash finance income			
Accrued interest	**10 944**	8 981	19 076
Total finance income	**45 048**	28 311	81 219
Finance costs:			
Cash finance costs			
Bank borrowings	**(55 141)**	(30 448)	(75 011)
Interest expense on lease liabilities	**(15 708)**	(16 788)	(33 104)
Other interest	**(1 883)**	(392)	(3 587)
Non-cash finance costs			
Unwinding of discount – rehabilitation provision	**–**	–	(3 985)
Unwinding of discount – voluntary rebuilding programme	**(2 340)**	(2 760)	(5 520)
Significant financing component on advance payment	**–**	(3 302)	(7 177)
Total finance costs	**(75 072)**	(53 690)	(128 384)
Net finance costs	**(30 024)**	(25 379)	(47 165)

CASH AND CASH EQUIVALENTS

	Unaudited six months 31 August 2023 R'000	Unaudited six months 31 August 2022 R'000	Audited 12 months 28 February 2023 R'000
For purposes of the consolidated cash flow, cash and cash equivalents consists of:			
Cash on hand	**1 270 368**	1 349 551	1 697 292
Bank overdrafts	**–**	(4)	(2)
Total cash and cash equivalents as stated on the statement of cash flows	**1 270 368**	1 349 547	1 697 290

CAPITAL EXPENDITURE AND DEPRECIATION

	Unaudited six months 31 August 2023 R'000	Unaudited six months 31 August 2022 R'000	Audited 12 months 28 February 2023 R'000
Capital expenditure for the period	**997 353**	394 523	1 152 670
Depreciation for the period on property, plant and equipment	**318 682**	254 316	577 036
Depreciation for the period on right-of-use assets	**32 604**	25 933	53 081
Amortisation of intangible assets for the period	**8 137**	8 075	15 256
Capital commitments	**155 977**	78 720	233 799

BUSINESS COMBINATIONS AND ASSET ACQUISITIONS

Acquisition pending – prepayment in Escrow

Naboom (Pty) Ltd ("Naboom")

On 9 May 2023, Bauba Resources (Pty) Ltd ("Bauba") entered into a sale of shares and claims agreement to acquire 100% of Naboom Mining Company Mauritius Limited ("Naboom") for R100 million. The transfer of shares in Naboom is subject to the Group receiving the consent of the Minister of Mineral Resources and Energy contemplated in section 11(1) of the Mineral and Petroleum Resources Development Act 28 of 2002, which approves the change in controlling interest in Naboom Mining Company (Pty) Ltd ("Naboom SA"). The R100 million purchase price was paid over to an Escrow account pursuant to the sale of shares and claims agreement on 16 May 2023.

Bauba raised the capital for the transaction in the form of a share offer to existing shareholders. The share offer was taken up fully by all shareholders, in proportion of their respective shareholdings resulting in no change in the ownership of Bauba. R34.9 million was received from the non-controlling shareholder in this regard.

Naboom owns 74% of Naboom SA who holds a mining right for chrome in Limpopo. Once the section 11(1) is approved, the Group will effectively own 65.01% of Naboom and 48.11% of Naboom SA.

Acquisitions concluded during the current financial period

Ukumaka (Pty) Ltd ("Ukumaka")

Effective 1 March 2023, the Group, through its subsidiary Raubex Roads and Earthworks Holdings (Pty) Ltd acquired 49% of Ukumaka (Pty) Ltd for R49. This Group is deemed to control Ukumaka in terms of IFRS 10 based on the Group's board participation. Ukumaka is involved in the painting and installation of roadmarkings in South Africa.

Similan Developments (Pty) Ltd ("Similan")

The Group's subsidiary, Raubex Building (Pty) Ltd, acquired 85% of Similan Developments (Pty) Ltd ("Similan") for R102, effective 1 August 2023. The Group's effective ownership of Similan is 69.7%. It was concluded that the shares obtained in Similan did not meet the definition of a business and therefore the acquisition is not a business combination in terms of IFRS 3. The transaction constituted an asset acquisition. Similan owns a 2.2ha piece of land in Kuils River in the Western Cape which is earmarked for the Kleijne Wingerd residential development.

Summary of acquisitions

	Ukumaka R'000	Similan R'000	Total R'000
Consideration			
Cash consideration	–	–	–
Total consideration	–	–	–
Recognised amounts of identifiable assets and acquired liabilities assumed			
Inventories	–	73 507	73 507
Trade and other receivables	328	412	740
Contract assets	194	–	194
Cash and cash equivalents	12	134	146
Deferred tax asset	13	–	13
Deferred tax liability	(53)	–	(53)
Trade and other payables	(1 548)	(74 053)	(75 601)
Total identifiable net assets	(1 054)	–	(1 054)
Non-controlling interest (proportionate share of the subsidiary)	538	–	538
Goodwill attributable to owners of the parent	516	–	516
Total	–	–	–
Total purchased consideration settled in cash	–	–	–
Less: Cash and cash equivalents in the business combination acquired	12	134	146
Cash outflow on acquisition for cash flow statement	12	134	146

Transactions with non-controlling interests ("NCI")

Bauba Resources (Pty) Ltd ("Bauba")

Effective 15 August 2023, the Group, through its subsidiary, Ndarama Mineral Resources (Pty) Ltd, acquired 6 543 116 shares from a non-controlling shareholder of Bauba for R14.4 million. The Group's effective ownership of Bauba increased from 64.63% to 65.01%.

Tosas Eastern Cape (Pty) Ltd ("Tosas EC")

Effective 1 June 2023, Tosas (Pty) Ltd acquired the remaining 50% of the shares in Tosas EC from the minority shareholders for R3.9 million. Tosas Eastern Cape is now 100% owned by Tosas (Pty) Ltd, effectively 100% held by the Group.

	Change in ownership – Increase/ (decrease) in equity R'000	NCI acquired/ (disposed of) R'000	Total equity effect and cash flow effect R'000
Bauba	(14 325)	(59)	(14 384)
Tosas Eastern Cape	(600)	(3 333)	(3 933)
Total	(14 925)	(3 392)	(18 317)

FAIR VALUE ESTIMATION

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 August 2023:

	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
Liabilities				
At 31 August 2023				
Financial liabilities at fair value through profit or loss				
Contingent considerations[1]	**–**	**–**	**9 715**	**9 715**
Foreign exchange contract[2]	**–**	**–**	**–**	**–**
Total liabilities	**–**	**–**	**9 715**	**9 715**
At 31 August 2022				
Financial liabilities at fair value through profit or loss				
Contingent considerations[1]	–	–	9 623	9 623
Foreign exchange contract[2]	–	14 286	–	14 286
Total liabilities	–	14 286	9 623	23 909
At 28 February 2023				
Financial liabilities at fair value through profit or loss				
Contingent considerations[1]	–	–	9 403	9 403
Foreign exchange contract[2]	–	11 481	–	11 481
Total liabilities	–	11 481	9 403	20 884

1. *Contingent considerations are initially and subsequently measured at fair value. These originate from the acquisition of business combinations where additional considerations are payable by the Group contingent on the acquired company's earnings over a period in the future. The fair value of the contingent consideration has been determined using an income approach and a discount rate of 8.15% (2023: 6.9%) (August 2022: 3.9%).*
2. *The fair value of foreign exchange contracts is determined by the mark to market valuation provided by the contracting party at the end of each period. The fair value of the outstanding positions is determined using the Black-Scholes model. At the end of August 2023, there were no outstanding positions remaining on the contract.*

	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
Assets				
At 31 August 2023				
Financial assets at fair value through profit or loss				
Preference shares[1]	**–**	**–**	**58 103**	**58 103**
Foreign exchange contract[2]	**–**	**–**	**–**	**–**
Financial assets at fair value through other comprehensive income				
Equity investments[3]	**70 305**	**–**	**429**	**70 734**
Investments in service concessions[4]	**–**	**–**	**77 746**	**77 746**
Total assets	**70 305**	**–**	**136 278**	**206 583**
At 31 August 2022				
Financial assets at fair value through profit or loss				
Preference shares[1]	–	–	52 430	52 430
Foreign exchange contract[2]	–	3 575	–	3 575
Financial assets at fair value through other comprehensive income				
Equity investments[3]	110 616	–	–	110 616
Investments in service concessions[4]	–	–	25 318	25 318
Total assets	110 616	3 575	77 748	191 939
At 28 February 2023				
Financial assets at fair value through profit or loss				
Preference shares[1]	–	–	55 156	55 156
Foreign exchange contract[2]	–	178	–	178
Financial assets at fair value through other comprehensive income				
Equity investments[3]	103 515	–	429	103 944
Investments in service concessions[4]	–	–	77 049	77 049
Total assets	103 515	178	132 634	236 327

1. *The preference shares were discounted on subscription date to fair value using a rate 10.82%, being the similar lending rate applicable to the Group on a similar transaction, plus a 1% risk premium for the private nature of the equity investment.*
2. *The fair value of foreign exchange contracts is determined by the mark to market valuation provided by the contracting party at the end of each period. The fair value of the outstanding positions is determined using the Black-Scholes model. At the end of August 2023, there were no outstanding positions remaining on the contract.*
3. *The fair value of the equity investments under level one, is measured using their respective ASX listed prices at the end of each period. The level three investment's fair value is measured using the net asset value of the unlisted entity.*
4. *The fair value of the investment in service concession was determined using a discounted cash flow. The underlying project cash flows are derived from cash flow models provided by the concession's management board. The primary inputs to such models include the most recent independent traffic study, macroeconomic forecast application, updated overhead budgets and road rehabilitation plans. Discount rate used 12.7% (2023: 12.5%).*

SIGNIFICANT RELATED PARTY TRANSACTIONS

The Group had the following significant related party transactions with non-controlling shareholders during the period:

	Unaudited six months August 2023 R'000	Unaudited six months August 2022 R'000	Audited 12 months February 2023 R'000
Sale of ore to/(from) related parties[1]			
Pelagic Resources (Pty) Ltd	**759 073**	267 865	741 503
Pelagic Resources PTE Limited	**9 950**	(84)	(14 793)
	769 023	267 781	726 710

1. *Pelagic Resources is a global commodities marketing and sales agent. Sales of ore to/(from) Pelagic Resources are done at prevailing market rates. Invoicing is done per order with varying payment terms. Invoices are settled on average within 15 days.*

EVENTS AFTER THE REPORTING PERIOD

No material events after the reporting period occurred up to the date of preparation of these condensed consolidated interim financial statements.

On behalf of the board

RJ Fourie
Chairman

NF Msiza
Chief Executive Officer

DC Lourens
Chief Operating Officer

SJ Odendaal
Financial Director

13 November 2023

Company information

Directors
RJ Fourie (Non-Executive Chairman)
NF Msiza (Chief Executive Officer)
SJ Odendaal (Financial Director)
DC Lourens (Group Chief Operating Officer)
SR Bogatsu (Lead Independent Non-Executive Director)
N Fubu (Independent Non-Executive Director)
AM Hlobo (Independent Non-Executive Director)
BH Kent (Independent Non-Executive Director)

Company Secretary
GM Chemaly

Registration number
2006/023666/06

Share code
RBX

ISIN
ZAE000093183

Registered office
Building 1
Highgrove Office Park
50 Tegel Avenue
Centurion, 0169

Postal address
PO Box 66192
Highveld
South Africa
0169

Telephone number
+27 (0)12 648 9400

Website
www.raubex.com

Sponsor
Investec Bank Limited
100 Grayston Drive
Sandown
Sandton
2196

Auditors
PricewaterhouseCoopers Inc.

Transfer Secretaries
Computershare Investor Services (Pty) Ltd
Rosebank Towers
15 Biermann Avenue
Rosebank
2196

(Private Bag X9000, Saxonwold, 2132)

Investor Relations
investor.relations@raubex.com

maxx

Contacts

Raubex Group

Felicia Msiza

+27 (0) 12 648 9400

Sam Odendaal

+27 (0) 51 406 2000

Investor relations

investor.relations@raubex.com

www.raubex.com