



2024 Unaudited Interim Results

for the six months ended 31 August 2024

Results at a glance

for the six months ended 31 August 2024



Revenue increased by 29.7%
to **R10.95 billion**
(1H2024: R8.45 billion)



Operating profit increased by 34.7%
to **R846.2 million**
(1H2024: R628.4 million)



Earnings per share increased by 48.2%
to **286.0 cents**
(1H2024: 193.0 cents)



Headline earnings per share increased
by 49.8% to **284.3 cents**
(1H2024: 189.8 cents)



Cash generated from operations increased
by 111.5% to **R1.54 billion**
(1H2024: R728.3 million)



Net asset value for the period increased
by 4.7% to **R6.92 billion**
(FY2024: R6.61 billion)



Capital expenditure decreased by 24.0%
to **R757.6 million**
(1H2024: R997.4 million)



Order book decreased by 4.1%
to **R24.50 billion**
(FY2024: R25.55 billion)



Interim dividend increased by 49.2%
to **94 cents**
(1H2024: 63 cents)



Introduction

We are proud to report another sterling set of results for the six months ended 31 August 2024. It is only fitting that during the year we celebrate our 50th anniversary, our share price also traded above R50 per share. Raubex's results are testimony to the perseverance and resilience of the Group as a diversified materials handling, mining, construction, and infrastructure company with a presence in Southern Africa and Western Australia. The cash generated by operations was exceptionally strong, up over 110% compared to the prior period. Although we continued to secure contracts during the period under review, our order book declined marginally to R24.50 billion.

Following the appointment of the Government of National Unity ("GNU") after the National Elections and the recommitment by the Government to accelerate infrastructure spend, especially in the electricity generation and logistics industries, there is a renewed sense of optimism that tender activity for large infrastructure projects will commence. The decrease in the interest rate should also contribute to an improved outlook for the country, stimulating much-needed economic growth. Our robust strategy will ensure sustainable growth for the Group over the medium- to long-term and places Raubex in an excellent position to benefit from any uplift in the economy. The balance sheet and cash generated from operations remain healthy.



Financial overview

Revenue increased by 29.7% to R10.95 billion (1H2024: R8.45 billion), as a result of the strong performances across all the divisions. Despite the challenges experienced at the Moeijelijk mine, the Materials Handling and Mining Division delivered a solid performance.

Operating profit increased by 34.7% to R846.2 million (1H2024: R628.4 million) and the Group operating margin improved to a satisfying 7.7% (1H2024: 7.4%).

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

Net finance costs increased to R31.1 million (1H2024: R30.0 million), a 3.5% increase. Finance costs include R14.5 million (1H2024: R15.7 million) interest attributable to lease payments accounted for in terms of IFRS 16: Leases. Finance costs on bank borrowings increased to R82.5 million (1H2024: R55.1 million), an increase of 49.7%.

Profit before tax increased by 36.6% to R821.4 million (1H2024: R601.1 million).

Earnings per share was 48.2% higher at 286.0 cents (1H2024: 193.0 cents) and headline earnings per share increased by 49.8% to 284.3 cents (1H2024: 189.8 cents).

Included in the net impairment losses on financial and contract assets is R20.1 million (1H2024: R16.2 million) bad debt recovery received from the Zambia Roads Authority.

Cash generated from operations before finance charges and taxation improved considerably to R1.54 billion (1H2024: R728.3 million). Cash and cash equivalents ended the period at R2.15 billion (FY2024: R1.66 billion), an increase of 29.5%.

Trade and other receivables increased by 21.2% to R2.50 billion (FY2024: R2.07 billion) as a result of the increase in turnover for the period, while the average debt collection days improved to 36 days (FY2024: 38 days). Inventories were 5.5% higher at R1.60 billion (FY2024: R1.51 billion) owing mainly to the increase in ore levels at Bauba Resources (Pty) Ltd ("Bauba"). Trade and other payables increased by 13.3% to R3.22 billion (FY2024: R2.84 billion).

Capital expenditure on property, plant and equipment decreased to R757.6 million (1H2024: R997.4 million), a decrease of 24.0%. The decrease is attributable to lower capital expenditure compared to the prior period which included the mining expansion cost at the Bauba mines as well as the Namdeb contract. The current period's capital expenditure includes expansion at Bauba of R176.6 million, the capitalisation of mine infrastructure development and stripping costs of R109.3 million and plant upgrades in the Construction Materials Division of R58.2 million.

Borrowings increased by 11.8% to R1.92 billion (FY2024: R1.72 billion), largely due to the plant expansions at Bauba, and an increase in mortgage bonds to finance building developments of R120.5 million.

Divisional review



MATERIALS HANDLING AND MINING DIVISION

R'million	Change %	Six months interim 31 August 2024 Unaudited	Six months interim 31 August 2023 Unaudited	Year ended 29 February 2024 Audited
Revenue	39.1	2 663.8	1 915.3	4 017.9
Operating profit	7.1	222.8	208.1	584.7
Operating profit margin		8.4%	10.9%	14.6%
Capital expenditure	(50.8)	360.0	732.4	1 291.5
Order book	(5.0)*	4 794.0	4 410.9	5 048.1

* Change since year ended 29 February 2024.

The 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.

The Materials Handling and Mining Division reported a strong set of results with revenue increasing by 39.1% to R2.66 billion (1H2024: R1.92 billion). The main reason is attributable to the increased sales volumes at Bauba's Kookfontein mine. Operating profit rose by 7.1% to R222.8 million (1H2024: R208.1 million), with the operating profit margin decreasing to 8.4% (1H2024: 10.9%).

The investment in **Bauba** continues to diversify the Group's operations and earnings as the demand for chrome ore remains favourable. Despite the strengthening of the Rand to the US Dollar, the chrome ore prices remained stable during the period under review.

The successful commissioning of the chrome ore wash plant and crushing circuit at Kookfontein mine, contributed to the increase in revenue and profit. The decrease in profit margin was mainly due to increased costs through processing Run-of-Mine ("RoM"), together with higher fixed costs per tonne, lower product grades and lower yields while the processing plants were ramping up during this commissioning period. Since mid-July, the plant has consistently operated at designed feed capacity. The mine has commenced with the construction of a PGM plant, the expected commission date is 1H2026.

Moeijelijk Mine switched to a new underground mining contractor at the start of the financial year. Although this change was expensive, it was necessary to enhance safety and to employ a contractor with greater expertise in bord and pillar mining. The initial startup phase progressed slower than expected, but daily production is now meeting the set targets.

Changes at both operations were disruptive but necessary to increase Bauba's profitability in the long term.

There has been no material change to Bauba's Mineral Resources and Mineral Reserves plan as disclosed in the Integrated Report for the financial year ended 29 February 2024, other than depletion due to continued mining activities at the operations.

Divisional review continued

B&E International (Pty) Ltd (“B&E International”) continues to perform very well mainly due to its flagship Namdeb five-year contract. The Namdeb contract provides mining services to Southern Coastal Mines in Namibia and is currently ahead of schedule. There has been a notable increase in the award of tenders, which in turn increases the demand for contract crushing for the construction sector.

Operational challenges were faced by **SPH Kundaliila (Pty) Ltd’s** (“SPH”) Northern Cape operations and these operations were streamlined to reduce their cost base. SPH Saldanha’s operations were negatively impacted by the severe weather conditions experienced during the period under review.

The collaboration opportunities between the Group’s four divisions provide opportunities for Raubex, particularly concerning Bauba’s operations. At Bauba’s Kookfontein open pit mine, the mining equipment is managed by SPH, while materials processing is handled by B&E International at the Moeijelijk and Kookfontein mines. Raubex Construction has concluded the construction of a tailings storage facility at the Kookfontein mine during 2H2024. The Group, through its subsidiaries, will continue to focus on further developing investment opportunities.

The *force majeure* restrictions imposed on operations in Mozambique due to political instability are still in place and uncertainty remains on when these will be lifted.

OMV (Pty) Ltd’s (“OMV”) gypsum, aggregates, and ready-mix operations performed well, benefiting from the overall improvement in the construction industry. Additionally, the project supplying aggregates and ready-mix to the Kareerand Tailings Storage Facility is meeting expectations.

OMV’s investment in Attaclay, a bentonite mine in Steelpoort, delivered strong results due to increased production to meet the rising demand for bentonite. This mineral is crucial for constructing tailing facilities and is also used in smelter furnaces. To accommodate higher demand, an additional bentonite mill was successfully established in Olifantsfontein. OMV’s industrial minerals operations also performed well during the period under review.

The capital expenditure amounted to R360.0 million (1H2024: R732.4 million). The reduction of 50.8% is attributable to the large capex spent in 1H2024 that related to the expansion of Bauba’s operations as well as the commencement of the Namdeb contract.

As at 31 August 2024 the secured order book was R4.79 billion (FY2024: R5.05 billion).



B&E International: Namdeb

Divisional review continued



CONSTRUCTION MATERIALS DIVISION

R'million	Change %	Six months interim	Six months interim	Year ended
		31 August 2024 Unaudited	31 August 2023 Unaudited	29 February 2024 Audited
Revenue	18.0	1 442.9	1 222.6	2 421.7
Operating profit	97.3	122.0	61.8	115.0
<i>Operating profit margin</i>		8.5%	5.1%	4.8%
Capital expenditure	42.8	93.5	65.5	130.5
Order book	(17.1)*	1 425.2	1 266.0	1 719.1

* Change since year ended 29 February 2024.

The Construction Materials Division specialises in the supply of aggregates from commercial quarries, asphalt, and value-added bituminous products.

Revenue and operating profit for the division increased by 18.0% to R1.44 billion (1H2024: R1.22 billion) and 97.3% to R122.0 million (1H2024: R61.8 million), respectively. The operating profit margin also increased to 8.5% (1H2024: 5.1%). The improved performance of this division was attributable to good execution of the strong order book following the award of various contracts at the end of the 2024 financial year.

The National Elections at the end of May 2024, coupled with the high-interest rate environment, resulted in a slow start to the 2025 financial year for the commercial quarries, especially in the northern region of the country. After the elections and in anticipation of lower interest rates, the commercial quarry operations in South Africa have started performing better, driven by the more positive market sentiment. The encouraging developments at Transnet have also positively affected the Raumix quarries' volumes. The Butterworth quarry, located in the Eastern Cape, continued to perform exceptionally well due to increased economic activity in this region. Collectively, the quarries produce 5.7 million tons of aggregates and sand per year.

Our quarry operations in Botswana continued to excel, maintaining their status as the largest aggregate supplier in the country.

The restructure of the asphalt business in KwaZulu-Natal has been completed. The performance of the restructured business is exceeding expectations and is running efficiently and at lower cost base. The supply of asphalt to the N3 and N2 projects is running smoothly.

National Asphalt has benefited from its ability to operate from mobile sites across the country, supplying asphalt for rural contracts. Their mobile operations have performed exceptionally well.

The heightened road construction activities as well as a robust pipeline of new roads contracts awarded at the beginning of the financial period has led to a significant increase in our bitumen supply and road building aggregate volumes in this division.

Divisional review continued

Tosas imports approximately 75% of its bitumen requirements, with the remainder procured locally. Despite the Rand strengthening against the US Dollar, increased logistics costs have offset the benefits of a stronger Rand. As the market stabilises, we are seeing a consistent supply of imported bitumen, facilitated by locally established entities that have developed their own storage facilities in South Africa. This development has led to a more reliable and steady availability of various bitumen types and grades, essential for meeting our customers' demands.

The capital expenditure amounted to R93.5 million (1H2024: R65.5 million), an increase of 42.8%. The secured order book was R1.43 billion at 31 August 2024 (FY2024: R1.72 billion).



Raumix: Petra Quarry

Divisional review continued



ROADS AND EARTHWORKS DIVISION

R'million	Change %	Six months interim 31 August 2024 Unaudited	Six months interim 31 August 2023 Unaudited	Year ended 29 February 2024 Audited
Revenue	31.2	3 486.0	2 657.4	5 668.4
Operating profit	74.0	257.3	147.9	331.5
<i>Operating profit margin</i>		7.4%	5.6%	5.8%
Capital expenditure	(12.1)	89.8	102.2	164.4
Order book	(3.1)*	9 840.1	7 999.7	10 158.1

* Change since year ended 29 February 2024.

The Roads and Earthworks Division specialises in road construction and earthworks as well as road surfacing and rehabilitation. This includes the laying of asphalt, chip and spray, surface dressing, enrichments and slurry seals.

The division reported strong results with revenue increasing by 31.2% to R3.49 billion (1H2024: R2.66 billion).

Operating profit and operating profit margin also increased by 74.0% to R257.3 million (1H2024: R147.9 million) and to 7.4% (1H2024: 5.6%), mainly due to the successful focus on the execution of its projects pipeline. The operating profit margin exceeded management's medium term target range of between 5% and 6%.

The major SANRAL projects, especially the upgrade of the KwaZulu-Natal corridor, continue to run at full capacity and are performing well. There has been an increase in the awarding of SANRAL tenders to the market and this division is awaiting the award of some major construction projects within the KwaZulu-Natal province.

The concessionaires namely, N3TC, Bakwena and TRAC have already commenced with the awarding of tenders throughout South Africa. These contracts form part of the concessionaire's obligation 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. Execution of the Group's various concession contracts are also running on schedule.

The construction of the Senqu River Bridge, a joint venture project in Lesotho for the Lesotho Highlands Development Authority, continues to make good progress. The sub-structure construction of the bridge is nearing completion, with the focus shifting to the deck structure construction as of September 2024.

The Roads and Earthworks Division has delivered on its strategy of securing projects from a more diversified customer base. The noteworthy projects secured and in the process of being executed, include contracts from the Western Cape Provincial Government amounting to R1.0 billion, the Bakwena N4 Rustenburg project amounting to R1.3 billion and smaller road contracts at various mines across the country.

During the period under review, the Group recovered R20.1 million (1H2024: R16.2 million) from the Zambia Road Development Agency for the debt previously written off in FY2019. As at the end of September 2024, the total outstanding debt balance was settled.

The capital expenditure amounted to R89.8 million (1H2024: R102.2 million), a 12.1% decrease.

The secured order book decreased slightly by 3.1% to R9.84 billion (FY2024: R10.16 billion).



INFRASTRUCTURE DIVISION

R'million	Change %	Six months interim 31 August 2024 Unaudited	Six months interim 31 August 2023 Unaudited	Year ended 29 February 2024 Audited
Revenue	26.9	3 362.2	2 650.5	5 317.1
Operating profit	15.9	244.1	210.6	505.5
<i>Operating profit margin</i>		7.3%	7.9%	9.5%
Capital expenditure	120.2	214.3	97.4	177.7
Order book	(2.1)*	8 442.8	6 613.9	8 623.2

* Change since the year ended 29 February 2024.

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, commercial building refurbishment and construction.

Revenue increased by 26.9% to R3.36 billion (1H2024: R2.65 billion), with operating profit increasing by 15.9% to R244.1 million (1H2024: R210.6 million). The performance was mainly attributable to new contracts secured in South Africa as well as a solid set of results delivered by Western Australia. Operating profit margin slightly decreased to 7.3% (1H2024: 7.9%).

Our focus on privately-owned renewable energy projects has been successful, with the award of two flagship projects: a R2.4 billion private windfarm project near Murraysburg in the Western Cape, and a R500 million wind tower manufacturing project near Jeffrey's Bay in the Eastern Cape.

We have received several additions to our order book in our concrete structures business, which are mostly related to the repair of stormwater damage to concrete structures in the Western and Eastern Cape as well as KwaZulu-Natal.

The maintenance project on the Beitbridge Border Post Project in Zimbabwe is on track. The value of works still to be executed is R1.5 billion over the remaining 15 years of the project.

The division's affordable housing projects continue to develop well as the demand for low-cost accommodation increases. Several anchor projects include the 2 900 bed student housing project for University of Limpopo, the 1 446 bed Power Park student housing development next to University of Johannesburg, as well as housing projects in Stellenbosch, and the Lufhereng project in Soweto. Sales in the Newinbosch development are exceeding our expectations.

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 ongoing and the project is on schedule. The Group's share in the consortium project is approximately R800 million.

Divisional review continued

In addition to this satisfactory performance, the division's results also continue to be supported by a strong performance from our operations in Western Australia, which are summarised in the section relating to international operations.

Capital expenditure was R214.3 million (1H2024: R97.4 million), an increase of 120.2% mainly due to the capex requirements at the wind tower production factory near Jeffrey's Bay in the Eastern Cape, which amounted to R67.1 million for the period. The secured order book decreased by 2.1% to R8.44 billion (FY2024: R8.62 billion).





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 and operating profit increased by 54.5% to R698.1 million (1H2024: R451.8 million) and by 51.4% to R146.6 million (1H2024: R96.8 million), respectively. The operating profit margin is 21.0% (1H2024: 21.4%).

The Group's 21% stake in the Senqu River Bridge JV Project in Lesotho which commenced at the beginning of 2023, is on schedule. The Namdeb Project in Namibia for the provision of mining services to Southern Coastal Mines is progressing very well. The Bela-Bela quarry operation in Botswana continued to perform exceptionally well during the period under review.

Raubex also participate in a 17-year maintenance project for the Beitbridge Border Post. Focus will be on South African contracts on the back of the GNU's commitment to award major infrastructure projects to stimulate economic growth. The Group will continue to explore opportunities in the Rest of Africa with an acceptable risk reward profile.

As at 31 August 2024, the order book for the Rest of Africa decreased by 11.5% to R3.09 billion (FY2024: R3.49 billion).

Australia

Operations in Western Australia have been consistently strong. The renewable energy projects awarded earlier this financial year are advancing smoothly, with our third small windfarm contract nearing completion. Our experience with these contracts is growing, and we anticipate the possibility of securing more projects in the near future. Our surface dressing company is meeting performance expectations, with a positive outlook for the upcoming summer months. Additionally, we are actively exploring opportunities in the mining and telecommunications sectors.

Revenue increased by 3.7% to R1.92 billion (1H2024: R1.85 billion) and operating profit was up 13.9% to R158.3 million (1H2024: R139.0 million). The operating profit margin increased to 8.2% (1H2024: 7.5%).

The secured order book increased 38.2% to R2.19 billion (FY2024: R1.58 billion) at 31 August 2024.

Outlook

The Group is optimistic about the FY2025 outlook, particularly for our South African operations, buoyed by positive market sentiment and anticipated economic growth. With a robust tender pipeline for the remainder of the year, Raubex is well-positioned to capitalise on upcoming tender awards, further bolstering our secured order book. Our diversified business model continues to unlock long-term value for stakeholders.

The **Materials Handling and Mining Division** is expecting trading conditions to remain favourable for the materials handling business with the FY2025 results improving on last year's performance. High levels of rainfall are predicted in the latter part of the year in the north of the country, which could potentially impact on our production volumes at the Kookfontein open-cast mine. Subsequent to the reporting period, the chrome price has decreased by approximately 12% and during this same period, the ZAR has also strengthened against the USD. If pricing remains at these levels, this will be a dampener on 2H2025 earnings especially while Kookfontein plant's performance continues to improve and with increased production at Moeijelijk mine. However, the construction of the PGM flotation plant at Kookfontein is progressing well and is on track to be commissioned in 1H2026. Kookfontein will then resume benefiting from the PGM credits from our chrome ore.

The division continues to focus on strategic partnerships allowing the Group to participate in various long-term materials handling and processing opportunities. The division further explores opportunities to increase mineral resources and improve production efficiencies.

The **Construction Materials Division** is anticipating a softer 2H2025 vs 1H2025 due to the December construction break. The division will still deliver a strong set of results. The anticipated award of road contracts in the country bodes very well for this division for FY2026. The division remains focused on reducing operational costs across all its operations and improving cost efficiencies wherever possible.

The division will continue to pursue strategic acquisitions of commercial quarries to increase its footprint throughout South Africa as well as invest in exciting new technologies for bituminous products to enhance the division's competitive advantage.

The **Roads and Earthworks Division** is optimistic regarding the outlook for 2H2025 given the various infrastructure programmes announced by the GNU, SANRAL's commitment to upgrade South Africa's road infrastructure as well as the concessionaires' contractual obligation to maintain the existing SANRAL roads. Following the success of the Beitbridge Border Post Project, the division submitted three bids for the six advertised South African border post projects during October 2024.

The outlook for the **Infrastructure Division** is positive for the remainder of the financial year ending 28 February 2025 and all indications are that the division will outperform the 2024 full year results. The development of affordable housing as well as private renewable energy projects remain strong. The GNU has committed to an infrastructure programme and the division is well positioned to benefit from any increase in tender activity. This division should also benefit from the three bids submitted for the six advertised South African border posts if awarded.

The outlook for **Western Australia** remains positive with a number of tender opportunities and the regular award of tenders. The Group is well positioned to capitalise on the infrastructure market in this region.

Our growth strategy remains underpinned by our diversified business model, committed workforce, strength in leadership and healthy balance sheet. Raubex is well-positioned to take advantage of the various opportunities across the sectors it services and build on its positive performance for the remainder of the financial year.

Dividend declaration

The directors declared a gross interim cash dividend from income reserves of 94 cents per share for the six months ended 31 August 2024. The salient dates for the payment of the dividend are as follows:

Last day to trade cum dividend	Tuesday, 26 November 2024
Commence trading ex dividend	Wednesday, 27 November 2024
Record date	Friday, 29 November 2024
Payment date	Monday, 2 December 2024

No share certificates may be dematerialised or rematerialised between Wednesday, 27 November 2024 and Friday, 29 November 2024, 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 94 cents per share.
- The DT amounts to 18.8 cents per share.
- The net local dividend amount is 75.2 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.

Condensed Group Statement of Financial Position

	Unaudited six months 31 August 2024 R'000	Unaudited six months 31 August 2023 R'000	Audited 12 months 29 February 2024 R'000
ASSETS			
Non-current assets			
Property, plant and equipment	5 061 448	4 287 200	4 685 908
Investment property	197 994	128 434	198 425
Right-of-use assets	284 025	316 217	289 855
Intangible assets	1 079 538	994 680	1 084 204
Investment in associates and joint ventures	16 044	11 817	9 784
Investment in service concessions	68 146	77 746	77 606
Deferred income tax assets	250 466	181 836	205 182
Inventories	22 764	25 623	26 962
Trade and other receivables	5 681	2 818	1 863
Other financial assets – debt	239 837	399 462	261 221
Other financial assets – equity	32 641	70 734	52 909
Total non-current assets	7 258 584	6 496 567	6 893 919
Current assets			
Inventories	1 573 011	1 447 471	1 486 142
Contract assets	1 073 335	819 699	951 198
Trade and other receivables	2 499 139	2 113 996	2 065 560
Other financial assets – debt	125 369	6 951	125 099
Current income tax receivable	18 323	36 399	11 005
Cash and cash equivalents (excluding bank overdrafts)	2 152 519	1 270 368	1 662 083
Total current assets	7 441 696	5 694 884	6 301 087
Total assets	14 700 280	12 191 451	13 195 006
EQUITY			
Share capital	1 817	1 817	1 817
Share premium	2 059 688	2 059 688	2 059 688
Treasury shares	(57 431)	(62 953)	(62 953)
Other reserves	(1 095 719)	(1 040 655)	(1 063 193)
Retained earnings	5 311 442	4 512 246	4 970 377
Equity attributable to owners of the parent	6 219 797	5 470 143	5 905 736
Non-controlling interest	698 791	579 529	701 196
Total equity	6 918 588	6 049 672	6 606 932
LIABILITIES			
Non-current liabilities			
Borrowings	1 264 472	1 039 446	1 061 912
Lease liabilities	317 255	339 092	322 704
Provisions for liabilities and charges	253 457	138 701	221 705
Deferred income tax liabilities	459 021	351 802	424 781
Other financial liabilities	23 341	43 845	36 470
Total non-current liabilities	2 317 546	1 912 886	2 067 572
Current liabilities			
Trade and other payables	3 217 400	2 780 330	2 838 857
Contract liabilities	1 383 776	749 197	825 253
Borrowings	654 162	551 602	653 826
Lease liabilities	48 464	43 575	46 562
Current income tax liabilities	122 696	72 552	90 885
Provisions for liabilities and charges	22 648	16 637	50 119
Other financial liabilities	15 000	15 000	15 000
Total current liabilities	5 464 146	4 228 893	4 520 502
Total liabilities	7 781 692	6 141 779	6 588 074
Total equity and liabilities	14 700 280	12 191 451	13 195 006

Condensed Group Statement of Profit or Loss

	Unaudited six months 31 August 2024 R'000	Unaudited six months 31 August 2023 R'000	Audited 12 months 29 February 2024 R'000
Revenue	10 954 943	8 445 774	17 425 168
Cost of sales	(9 584 673)	(7 351 704)	(14 944 249)
Gross profit	1 370 270	1 094 070	2 480 919
Other income	7 385	8 949	21 477
Other gains/(losses) – net	(11 594)	24 703	57 450
Administrative expenses	(543 945)	(500 636)	(942 701)
Net impairment gains/(losses) on financial and contract assets	24 106	1 297	(80 457)
Operating profit	846 222	628 383	1 536 688
Finance income	75 173	45 048	113 705
Finance costs	(106 251)	(75 072)	(178 122)
Share of profit of equity accounted investments	6 260	2 744	504
Profit before income tax	821 404	601 103	1 472 775
Income tax expense	(231 211)	(160 544)	(398 800)
Profit for the period	590 193	440 559	1 073 975
Profit for the period attributable to:			
Owners of the parent	512 699	346 068	847 621
Non-controlling interest	77 494	94 491	226 354
	590 193	440 559	1 073 975
Basic earnings per share (cents)	286.0	193.0	472.1
Diluted earnings per share (cents)	282.1	192.2	467.5

Condensed Group Statement of Comprehensive Income

	Unaudited six months 31 August 2024 R'000	Unaudited six months 31 August 2023 R'000	Audited 12 months 29 February 2024 R'000
Profit for the period	590 193	440 559	1 073 975
Other comprehensive income for the period, net of tax:			
<i>Items that may be subsequently reclassified to profit or loss</i>			
Currency translation differences	(20 434)	(8 517)	(7 027)
<i>Items that will not be reclassified to profit or loss</i>			
Change in fair value of investments held at FV through OCI	(25 757)	(26 162)	(49 694)
Remeasurement of post-employment benefit obligations	–	–	185
Total comprehensive income for the period	544 002	405 880	1 017 439
Comprehensive income for the period attributable to:			
Owners of the parent	472 411	313 154	791 315
Non-controlling interest	71 591	92 726	226 124
Total comprehensive income for the period	544 002	405 880	1 017 439

Condensed Group Statement of Cash Flows

	Unaudited six months 31 August 2024 R'000	Unaudited six months 31 August 2023 R'000	Audited 12 months 29 February 2024 R'000
Cash flows from operating activities			
Cash generated from operations	1 540 325	728 292	1 902 147
Interest received	56 778	34 104	77 601
Interest paid	(99 249)	(72 732)	(166 785)
Dividend received	1 337	–	6 431
Income tax paid	(217 759)	(199 361)	(338 000)
Net cash generated from operating activities	1 281 432	490 303	1 481 394
Cash flows from investing activities			
Purchases of property, plant and equipment	(757 613)	(997 353)	(1 700 872)
Proceeds from sale of property, plant and equipment	19 505	61 932	74 967
Acquisition of subsidiaries	–	146	(99 854)
Prepayments in Escrow	–	(100 000)	–
Acquisition of equity instruments (other financial assets)	–	–	(5 308)
Repayment of loans granted to service concession investee	6 444	–	30 948
Loan repayments from associates and joint ventures	92 561	22 155	59 483
Loans granted to associates and joint ventures	(67 595)	(74 993)	(98 723)
Net cash used in investing activities	(706 698)	(1 088 113)	(1 739 359)
Cash flows from financing activities			
Proceeds from borrowings	566 647	871 391	1 317 849
Repayment of borrowings	(357 758)	(491 641)	(818 401)
Repayment of lease liabilities (capital repayments)	(25 689)	(35 541)	(56 786)
Dividends paid to owners of the parent	(165 373)	(136 230)	(249 474)
Dividends paid to non-controlling interests	(46 558)	(49 200)	(64 851)
Disposal of interest in a subsidiary	–	–	84 009
Acquisition of non-controlling interests	(35 000)	(18 317)	(28 317)
Shares issued by subsidiary	–	34 946	34 494
Net cash (used in)/generated from financing activities	(63 731)	175 408	218 523
Net increase/(decrease) in cash and cash equivalents	511 003	(422 402)	(39 442)
Cash and cash equivalents at the beginning of the period	1 662 083	1 697 290	1 697 290
Effects of exchange rates on cash and cash equivalents	(20 567)	(4 520)	4 235
Cash and cash equivalents at the end of the period	2 152 519	1 270 368	1 662 083

Condensed Group Statement of Changes in Equity

	Share capital R'000	Share premium R'000	Share 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 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	
Share option reserve	-	-	-	1 039	-	1 039	-	1 039	
Acquisition of shares from non-controlling interest	-	-	-	(7 644)	(7 644)	(2 356)	(10 000)	(10 000)	
Disposal of shares to non-controlling shareholders	-	-	-	77 335	77 335	6 674	84 009	84 009	
Additional shares issued by subsidiary	-	-	-	(54)	(54)	(398)	(452)	(452)	
Profit for the period	-	-	-	501 553	501 553	131 863	633 416	633 416	
Other comprehensive income for the period	-	-	-	(23 577)	185	(23 392)	1 535	(21 857)	
Dividends paid	-	-	-	-	(113 244)	(113 244)	(15 651)	(128 895)	
Balance at 29 February 2024	1 817	2 059 688	(62 953)	(1 063 193)	4 970 377	5 905 736	701 196	6 606 932	
Share option reserve	-	-	-	14 585	-	14 585	-	14 585	
Share option reserve utilised during the period	-	-	-	(6 823)	6 823	-	-	-	
Treasury shares issued in terms of equity-settled share scheme	-	-	5 522	-	(5 522)	-	-	-	
Acquisition of shares from non-controlling interest	-	-	-	-	(7 562)	(7 562)	(27 438)	(35 000)	
Profit for the period	-	-	-	-	512 699	512 699	77 494	590 193	
Other comprehensive income for the period	-	-	-	(40 288)	-	(40 288)	(5 903)	(46 191)	
Dividends paid	-	-	-	-	(165 373)	(165 373)	(46 558)	(211 931)	
Balance at 31 August 2024	1 817	2 059 688	(57 431)	(1 095 719)	5 311 442	6 219 797	698 791	6 918 588	

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 IFRS[®] Accounting 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 2024					
Segment revenue	2 663 841	1 442 936	3 485 983	3 362 183	10 954 943
Operating profit	222 805	122 031	257 299	244 087	846 222
Margin	8.4%	8.5%	7.4%	7.3%	7.7%
Inter-segmental revenue	99 467	716 522	122 871	79 512	1 018 372
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
Margin	10.9%	5.1%	5.6%	7.9%	7.4%
Inter-segmental revenue	99 963	503 406	34 321	47 554	685 244
29 February 2024					
Segment revenue	4 017 939	2 421 660	5 668 427	5 317 142	17 425 168
Operating profit	584 660	115 042	331 495	505 491	1 536 688
Margin	14.6%	4.8%	5.8%	9.5%	8.8%
Inter-segmental revenue	295 326	1 026 378	106 434	68 176	1 496 314

	South Africa R'000	Rest of Africa R'000	Australia R'000	Consolidated R'000
Geographical information				
31 August 2024				
Segment revenue	8 336 874	698 120	1 919 949	10 954 943
Operating profit	541 293	146 649	158 280	846 222
Margin	6.5%	21.0%	8.2%	7.7%
Inter-segmental revenue	313 698	–	–	313 698
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
Margin	6.4%	21.4%	7.5%	7.4%
Inter-segmental revenue	202 114	274	–	202 388

	South Africa R'000	Rest of Africa R'000	Australia R'000	Consolidated R'000
Geographical information				
29 February 2024				
Segment revenue	13 108 414	996 778	3 319 976	17 425 168
Operating profit	1 068 579	189 509	278 600	1 536 688
Margin	8.2%	19.0%	8.4%	8.8%
Inter-segmental revenue	792 137	33	–	792 170

Calculation of diluted earnings per share

	Unaudited six months 31 August 2024 R'000	Unaudited six months 31 August 2023 R'000	Audited 12 months 29 February 2024 R'000
Profit attributable to owners of the parent entity	512 699	346 068	847 621
Weighted average number of ordinary shares in issue ('000)	179 250	179 339	179 532
<i>Adjustments for:</i>			
Shares deemed issued for no consideration (share options) ('000)	2 515	704	1 791
Weighted average number of ordinary shares for diluted earnings per share ('000)	181 765	180 043	181 323
Diluted earnings per share (cents)	282.1	192.2	467.5

Calculation of headline earnings per share

	Unaudited six months 31 August 2024 R'000	Unaudited six months 31 August 2023 R'000	Audited 12 months 29 February 2024 R'000
Profit attributable to owners of the parent entity	512 699	346 068	847 621
<i>Adjustments for:</i>			
Profit on sale of property, plant and equipment	(4 656)	(9 551)	(23 292)
Impairment on property, plant and equipment	–	–	34 227
<i>Add back:</i> Non-controlling interests' portion of impairment and profit on sale of property, plant and equipment	138	1 688	50
Total tax effects of adjustments	1 382	2 201	(3 462)
Basic headline earnings	509 563	340 406	855 144
Weighted average number of shares ('000)	179 250	179 339	179 532
Headline earnings per share (cents)	284.3	189.8	476.3
Diluted headline earnings per share (cents)	280.3	189.1	471.6

Revenue disaggregation

The following disclosures are provided in terms of IAS 34.16A(i) 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 2024					
Contracting revenue	771 512	–	3 485 983	3 147 087	7 404 582
Sale of ore	1 546 584	–	–	–	1 546 584
Commercial quarry aggregates and gypsum revenue	344 294	517 467	–	–	861 761
Bitumen and emulsion products	–	466 848	–	–	466 848
Asphalt supply revenue	–	458 621	–	–	458 621
Property sales, property rentals and development fees	1 451	–	–	215 096	216 547
Total revenue	2 663 841	1 442 936	3 485 983	3 362 183	10 954 943
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
29 February 2024					
Contracting revenue	1 099 387	7 417	5 668 427	5 156 506	11 931 737
Sale of ore	2 367 974	–	–	–	2 367 974
Commercial quarry aggregates and gypsum revenue	548 899	960 289	–	–	1 509 188
Bitumen and emulsion products	–	696 261	–	–	696 261
Asphalt supply revenue	–	757 693	–	–	757 693
Property sales, property rentals and development fees	1 679	–	–	160 636	162 315
Total revenue	4 017 939	2 421 660	5 668 427	5 317 142	17 425 168

Disaggregation of revenue by activity and geography	South Africa R'000	Rest of Africa R'000	Australia R'000	Consolidated R'000
31 August 2024				
Contracting revenue	5 021 049	463 584	1 919 949	7 404 582
Sale of ore	1 546 584	–	–	1 546 584
Commercial quarry aggregates and gypsum revenue	786 646	75 115	–	861 761
Bitumen and emulsion products	311 969	154 879	–	466 848
Asphalt supply revenue	454 079	4 542	–	458 621
Property sales, property rentals and development fees	216 547	–	–	216 547
Total revenue	8 336 874	698 120	1 919 949	10 954 943
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
29 February 2024				
Contracting revenue	7 945 392	666 369	3 319 976	11 931 737
Sale of ore	2 367 974	–	–	2 367 974
Commercial quarry aggregates and gypsum revenue	1 393 039	116 149	–	1 509 188
Bitumen and emulsion products	511 176	185 085	–	696 261
Asphalt supply revenue	728 518	29 175	–	757 693
Property sales, property rentals and development fees	162 315	–	–	162 315
Total revenue	13 108 414	996 778	3 319 976	17 425 168

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	Total R'000
31 August 2024					
Public sector	–	13 385	2 706 181	1 274 163	3 993 729
Private sector	2 663 841	1 429 551	779 802	2 088 020	6 961 214
Total revenue	2 663 841	1 442 936	3 485 983	3 362 183	10 954 943
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
29 February 2024					
Public sector	–	53 861	4 377 756	1 998 108	6 429 725
Private sector	4 017 939	2 367 799	1 290 671	3 319 034	10 995 443
Total revenue	4 017 939	2 421 660	5 668 427	5 317 142	17 425 168

Disaggregation of revenue by customer sector and geography	South Africa R'000	Rest of Africa R'000	Australia R'000	Total R'000
31 August 2024				
Public sector	2 694 316	267 727	1 031 686	3 993 729
Private sector	5 642 558	430 393	888 263	6 961 214
Total revenue	8 336 874	698 120	1 919 949	10 954 943
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
29 February 2024				
Public sector	4 537 964	306 807	1 584 954	6 429 725
Private sector	8 570 450	689 971	1 735 022	10 995 443
Total revenue	13 108 414	996 778	3 319 976	17 425 168

Finance income and costs

	Unaudited six months 31 August 2024 R'000	Unaudited six months 31 August 2023 R'000	Audited 12 months 29 February 2024 R'000
Finance income:			
<i>Cash finance income</i>			
Interest income on cash resources	56 601	27 173	73 540
Other interest	177	6 931	4 061
<i>Non-cash finance income</i>			
Accrued interest	18 395	10 944	36 104
Total finance income	75 173	45 048	113 705
Finance costs:			
<i>Cash finance costs</i>			
Bank borrowings	(82 526)	(55 141)	(132 185)
Interest expense on lease liabilities	(14 515)	(15 708)	(30 510)
Other interest	(2 208)	(1 883)	(4 090)
<i>Non-cash finance costs</i>			
Unwinding of discount – rehabilitation provision	(5 131)	–	(6 657)
Unwinding of discount – voluntary rebuilding programme	(1 871)	(2 340)	(4 680)
Total finance costs	(106 251)	(75 072)	(178 122)
Net finance costs	(31 078)	(30 024)	(64 417)

Capital expenditure and depreciation

	Unaudited six months 31 August 2024 R'000	Unaudited six months 31 August 2023 R'000	Audited 12 months 29 February 2024 R'000
Capital expenditure for the period	757 613	997 353	1 764 131
Depreciation for the period on property, plant and equipment and investment property	344 853	318 682	670 978
Depreciation for the period on right-of-use assets	30 129	32 604	63 523
Amortisation of intangible assets for the period	4 666	8 137	15 781

Business combinations and asset acquisitions

Transactions with non-controlling interests (“NCI”)

Empa Structures (Pty) Ltd (“Empa Structures”)

Effective 1 March 2024, Raubex Infrastructure Holdings (Pty) Ltd acquired the remaining 30% of the shares in Empa Structures from the minority shareholders for R35.0 million. Empa Structures is now 100% owned by Raubex Infrastructure Holdings (Pty) Ltd, effectively 100% held by the Group.

Details of the above-mentioned transaction are set out below:

	Change in ownership – increase in equity R'000	NCI acquired R'000	Total equity effect and cash flow effect R'000
Empa Structures	7 562	27 438	35 000

Fair value estimation

The following table presents the Group’s financial assets and liabilities that are measured at fair value at 31 August 2024:

	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
Liabilities				
At 31 August 2024				
Financial liabilities at fair value through profit or loss				
Contingent considerations ¹	–	–	–	–
Total liabilities	–	–	–	–
At 31 August 2023				
Financial liabilities at fair value through profit or loss				
Contingent considerations ¹	–	–	9 715	9 715
Total liabilities	–	–	9 715	9 715
At 29 February 2024				
Financial liabilities at fair value through profit or loss				
Contingent considerations ¹	–	–	–	–
Total liabilities	–	–	–	–

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%.

	Level 1 R'000	Level 2 R'000	Level 3 R'000	Total R'000
Assets				
At 31 August 2024				
Financial assets at fair value through profit or loss				
Preference shares ¹	–	–	64 390	64 390
Financial assets at fair value through other comprehensive income				
Equity investments ²	32 212	–	429	32 641
Investments in service concessions ³	–	–	68 146	68 146
Total assets	32 212	–	136 965	165 177
At 31 August 2023				
Financial assets at fair value through profit or loss				
Preference shares ¹	–	–	58 103	58 103
Financial assets at fair value through other comprehensive income				
Equity investments ²	70 305	–	429	70 734
Investments in service concessions ³	–	–	77 746	77 746
Total assets	70 305	–	136 278	206 583
At 29 February 2024				
Financial assets at fair value through profit or loss				
Preference shares ¹	–	–	61 124	61 124
Financial assets at fair value through other comprehensive income				
Equity investments ²	52 480	–	429	52 909
Investments in service concessions ³	–	–	77 606	77 606
Total assets	52 480	–	139 159	191 639

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 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.
3. 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 15.0% (2024: 13.2%)

Significant related party transactions

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

	Unaudited six months August 2024 R'000	Unaudited six months August 2023 R'000	Audited 12 months February 2024 R'000
Sale of ore to/(from) related parties¹			
Pelagic Resources (Pty) Ltd	1 482 017	759 073	1 947 934
Pelagic Resources PTE Limited	–	9 950	22 776
	1 482 017	769 023	1 970 710

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

11 November 2024

Company information

Directors

NF Msiza

DC Lourens

SJ Odendaal

BH Kent*

SR Bogatsu*

RJ Fourie#

N Fubu*

AM Hlobo*

* *Independent non-executive*

Non-executive

Company secretary

GM Chemaly

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