

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")

TRADING STATEMENT IN RESPECT OF THE SIX MONTH PERIOD ENDED 31 AUGUST 2019

In terms of paragraph 3.4(b) of the JSE Limited Listings Requirements, companies are required to publish a trading statement as soon as they are satisfied that, with a reasonable degree of certainty, the financial results for the current reporting period will differ by at least 20% from the financial results of the previous corresponding period.

Shareholders are accordingly advised that Raubex expects its earnings per share for the six month period ended 31 August 2019 to be between 70% and 90% higher than the earnings per share from the previous corresponding period and its headline earnings per share for the six month period ended 31 August 2019 to be between 60% and 80% higher than the headline earnings per share from the previous corresponding period. This translates to earnings per share of between 60,7 cents and 67,8 cents (H1 2019: 35,7 cents) and headline earnings per share of between 57,1 cents and 64,3 cents (H1 2019: 35,7 cents).

The roads and earthworks division has continued to experience weak trading conditions in the South African construction industry during the first half of the financial year. The division is still carrying some excess capacity to that which is required for the current volume of work on hand, however the right sizing initiatives undertaken in the prior year have substantially curtailed the losses reported in the previous corresponding period and the division is now better positioned to manage the lower volume of work while it has maintained sufficient capacity to participate in an expected improvement in the sector.

The materials division has experienced a challenging six months with considerable margin pressure and a decrease in operating profit during the first half of the year compared to the previous corresponding period. A combination of factors have impacted on the performance of this division during the period including i) community unrest, which has affected a number of commercial quarry operations across the country; ii) completion of certain material handling contracts in the mining sector; iii) establishment costs and lower initial production volumes achieved on the transition to new material handling contracts in the mining sector.

The infrastructure division has experienced strong growth during the first half of the year compared to the previous corresponding period, mainly as a result of work related to the division's participation in the Renewable Energy Independent Power Producer Procurement Programme ("REIPPPP") where a number of contracts are in progress. Stable conditions have persisted in the affordable housing and commercial building sector.

The Company has maintained a strong balance sheet throughout the period and is well positioned to participate in future opportunities in the South African construction sector. Some of these opportunities have

now started to come to the market to tender on including extensive upgrades to the N2/N3 road network in KwaZulu-Natal as well as upgrades to OR Tambo International Airport and Cape Town International Airport.

The financial information on which this trading statement is based has not been reviewed or reported on by the Company's auditors.

The release of the results for the six months ended 31 August 2019 is anticipated to be published on or about 11 November 2019.

Centurion
3 October 2019

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