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")

TRADING STATEMENT IN RESPECT OF THE YEAR ENDED 28 FEBRUARY 2025

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 advised that Raubex expects its earnings per share ("EPS") to be between 25% and 35% higher than the EPS from the previous corresponding period and headline earnings per share ("HEPS") to be between 15% and 25% higher than the HEPS from the previous corresponding period. This translates to EPS being between 590.1 cents and 637.3 cents (2024: 472.1 cents) and HEPS being between 547.7 cents and 595.4 cents (2024: 476.3cents) for the year ended 28 February 2025.

Shareholders are referred to the SENS announcement released on 28 February 2020 titled "Disposal of Raubex Property Investments Proprietary Limited to Acorn Black Investments Proprietary Limited" where an initial sale and leaseback transaction was entered to sell a non-core property portfolio to Acorn Black Investments Proprietary Limited and lease these properties back. Effective 28 February 2025, Raubex repurchased these properties, resulting in the original sale and leaseback transaction being terminated, with a gain of R62.9 million, after tax, being recognised in terms of IFRS 16.

As a result, the Group's normalised EPS, excluding the above-mentioned gain, is expected to be between 15% and 25% higher than that of the previous corresponding period. This translates to normalised EPS being between 542.9 cents and 590.1 cents (2024: 472.1 cents) for the year ended 28 February 2025. The termination of lease gain has already been excluded from HEPS.

The Group is pleased to report a robust set of results for the financial year ended February 2025, with three out of the four divisions improving their 1H2025 earnings in 2H2025. The Raubex diversification strategy played a pivotal role in driving the Group's performance throughout the year.

Roads and Earthworks Division

The increase in operating profit in this division is attributable to the effective execution of our project pipeline. The major SANRAL projects, particularly the upgrade of the KwaZulu-Natal corridor, are operating at full capacity and performing excellently.

The execution of the Group's various concession contracts as well as the construction of the Senqu River Bridge project in Lesotho are progressing well and all the contracts are on schedule.

Since November 2024, the division has managed to secure R3.04 billion worth of additional work and is still awaiting the award of some major SANRAL projects. The concessionaires, namely N3TC, Bakwena and TRAC, are making good progress with the awarding of tenders with the Group managing to secure a portion of these awards during the latter part of the year.

The Roads and Earthworks Division is still focused on its strategy to diversify its customer base and continues to explore various opportunities in South Africa as well as in the rest of Africa.

Construction Materials Division

The division's improved performance for the year is largely due to increased volumes across most of its operations. The performance of the restructured asphalt business exceeded expectations and operations are running efficiently and at a lower cost base. The supply of asphalt to the N3 and N2 projects is running smoothly. Asphalt volumes exceeded a million tonnes for the first time since 2018. The bitumen operations also reported a strong performance, with volumes increasing during this financial year.

Although experiencing a slow start to FY2025, the commercial quarry operations in South Africa have started performing better, driven by the more positive market sentiment experienced after the May 2024 National Elections. The encouraging developments at Transnet have also positively affected quarry volumes, specifically the ballast stone sold at the Kimberley and Petra quarries. The Butterworth quarry, located in the Eastern Cape, and the quarry operations in Botswana continued to perform exceptionally well.

Infrastructure Division

The division's strategy to concentrate on privately-owned renewable energy projects has begun to yield positive results. The R2.4 billion private wind farm project, near Murraysburg in the Western Cape, and our R500 million wind tower manufacturing project, near Jeffrey's Bay in the Eastern Cape, both contributed positively to the division's results for the year.

The affordable housing projects continue to develop well as the South African property market is being stimulated by the interest rate cuts with additional cuts expected in FY2026.

The design and build of the mechanical and electrical works for the upgrade and expansion of the Potsdam Wastewater Treatment Plant is ongoing and the project is on schedule.

Operations in Western Australia continued its strong performance of the first half of the year in the second half and will contribute approximately 19% of the Group's operating profit.

Since November 2024, the division has successfully secured contracts totaling R2.88 billion, R2.07 billion in South Africa and R812.2 million in Australia. Included in this total is the recent award for the repair and upgrade of the Parliament buildings in Cape Town to the value of R1.98 billion. This project will be a key project for our Commercial Building business in the new financial year.

Materials Handling and Mining Division

This division is the only division that will be reporting a decrease in operating profit for the year under review.

Bauba's results for the financial year ended February 2025 unfortunately did not meet the Group's earnings expectations. It was definitely a year of two halves for this business, with the 2H2025 being weaker than 1H2025, mainly due to the deterioration of the chrome price.

The successful commissioning of the chrome ore wash plant and crushing circuit at Kookfontein mine, contributed to an increase in revenue. However, 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. This contributed to profit margin pressure in the 1H2025. Since mid-July, the plant has consistently operated at designed feed capacity.

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 with various operational challenges being experienced throughout the year.

During the 2H2025, the chrome price experienced a sharp decline and had a significant impact on profitability of both operations resulting in a combined operating loss for the year.

The Group is still positive about the outlook of Bauba's operations for FY2026 and beyond. The recent recovery of the chrome price to more sustainable levels bodes well for the Group. Operations are also expected to be running closer to full capacity and measures put in place to lower the cost base should yield better returns for FY2026. The new PGM plant at Kookfontein, to be commissioned early in the new financial year, will also increase the profitability of operations.

Other operations in this division performed well during the year with a good contribution from our Namdeb contract, which provides mining services to Southern Coastal Mines in Namibia.

OMV's investment in Attaclay, a bentonite mine located in Steelpoort, continued to perform well. Attaclay increased production to meet the rising demand for bentonite. Bentonite is a crucial component in constructing tailings facilities and smelter furnaces, which helps reduce the environmental impact and lowers the operational costs for these types of operations. The additional mill in Olifantsfontein also contributed positively to this division's results. Overall, OMV's industrial minerals operations performed well for the year under review.

The Group has maintained a strong balance sheet and a healthy cash balance throughout the year and, combined with its diversified operations and strong leadership, it is well positioned to extract value from future opportunities.

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 year ended 28 February 2025 is anticipated to be published on or about 12 May 2025.

Centurion
24 March 2025

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