

**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")

**FURTHER TRADING STATEMENT IN RESPECT OF THE SIX MONTH PERIOD ENDED 31 AUGUST 2020 AND NOTIFICATION OF CONTRACT AWARD**

Further to the trading statement released on 30 July 2020 in which shareholders were advised that Raubex expects its earnings per share and headline earnings per share for the six month period ended 31 August 2020 to be at least 80% lower than the earnings per share and headline earnings per share from the previous corresponding period, the Company is now in a position to provide specific guidance on its trading range in terms of paragraph 3.4(b)(iii)(2) of the JSE Limited Listings Requirements.

Shareholders are accordingly now advised that Raubex expects its earnings per share and headline earnings per share for the six month period ended 31 August 2020 to be between 130% and 150% lower than the earnings per share and headline earnings per share from the previous corresponding period. This translates to a loss per share of between 19,4 cents and 32,3 cents (H1 2020: earnings per share of 64,6 cents) and a headline loss per share of between 17,6 cents and 29,3 cents (H1 2020: headline earnings per share of 58,6 cents).

The decrease in earnings is a result of the respective lockdowns declared in response to the Coronavirus ("Covid-19") pandemic. In South Africa, a National State of Disaster was declared on 15 March 2020, followed by a 21-day national lockdown which commenced on 26 March 2020 and a further 14-day extension to 30 April 2020. All businesses other than those providing essential services as defined by legislation were required to be closed for the duration of the lockdown. On 23 April 2020, the government announced a risk adjusted strategy for a gradual and phased reopening of the economy. The country moved from a level 5 to a level 4 lockdown status from 1 May 2020, allowing *inter alia*, certain construction activities as well as mining operations to recommence under strict health and safety regulations. South Africa has now moved through the various lockdown levels, relaxing restrictions and is currently on a level 1 status with effect from 21 September 2020.

The majority of Raubex operations in South Africa were able to commence under level 4 lockdown status, with a gradual increase in efficiencies to near normal levels of operation towards the end of July 2020. All of the Company's South African operations are now fully operational.

Internationally, in Western Australia, operations performed well during the period and were not materially impacted by Covid-19. In the rest of Africa, Botswana imposed a 48-day lockdown which ended on 20 May 2020, during which time all operations in the country were suspended, while in Mozambique and Namibia, materials handling and crushing operations experienced cross-border logistical issues which impacted production efficiencies during the period. In Cameroon, operations were more severely impacted by Covid-19

challenges, including travel restrictions and quarantine periods that personnel were required to comply with both in South African and Cameroonian jurisdictions.

The Company has maintained a strong balance sheet during the period with strict working capital management and cash preservation measures resulting in cash and cash equivalents growing to an average daily balance of R1,50 billion during the month of August 2020. The cash balance has been supported by proceeds of R138,1 million received from the disposal of Raubex Property Investments (Pty) Ltd in the sale and leaseback transaction, which was concluded in the prior year as more fully disclosed in the year end results announcement released on 29 May 2020. The Company's interest bearing debt amounted to R844,4 million at 31 August 2020.

The contract opportunities which the Company has tendered for in the South African construction sector remain encouraging and we are pleased to advise shareholders that Raubex was recently awarded a significant contract from the South African National Roads Agency SOC Limited ("SANRAL") for the upgrade of National Route 3, Section 2 from Dardanelles (Km36.6) to Lynnfield Park (Km 30.6) in the amount of R1,48 billion (including VAT) for a contract period of 45 months.

We also remain encouraged by the notice published in South African Government Gazette No. 43547 on 24 July 2020, in which the Presidential Infrastructure Coordinating Commission designated 18 Strategic Integrated Projects ("SIPs") including 50 sub-projects. These designated projects emanated from the Sustainable Infrastructure Development Symposium which was hosted by President Cyril Ramaphosa on 23 June 2020 and focused on the prioritisation of infrastructure development to support structural transformation, growth and job creation. The Company will be monitoring the development of these SIPs closely in the period ahead.

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 interim results for the six month period ended 31 August 2020 is anticipated to be published on or about 9 November 2020.

Centurion  
8 October 2020

Sponsor  
Investec Bank Limited