2024

AUDITED SUMMARY GROUP FINANCIAL RESULTS

FOR THE YEAR ENDED 29 FEBRUARY 2024

Raubex Group Limited | (Incorporated in the Republic of South Africa) | Registration number 2006/023666/06
Share code: RBX | ISIN code: ZAE000093183 | (“Raubex” or “the Company” or “the Group”)

Results at a glance

For the year ended 29 February 2024

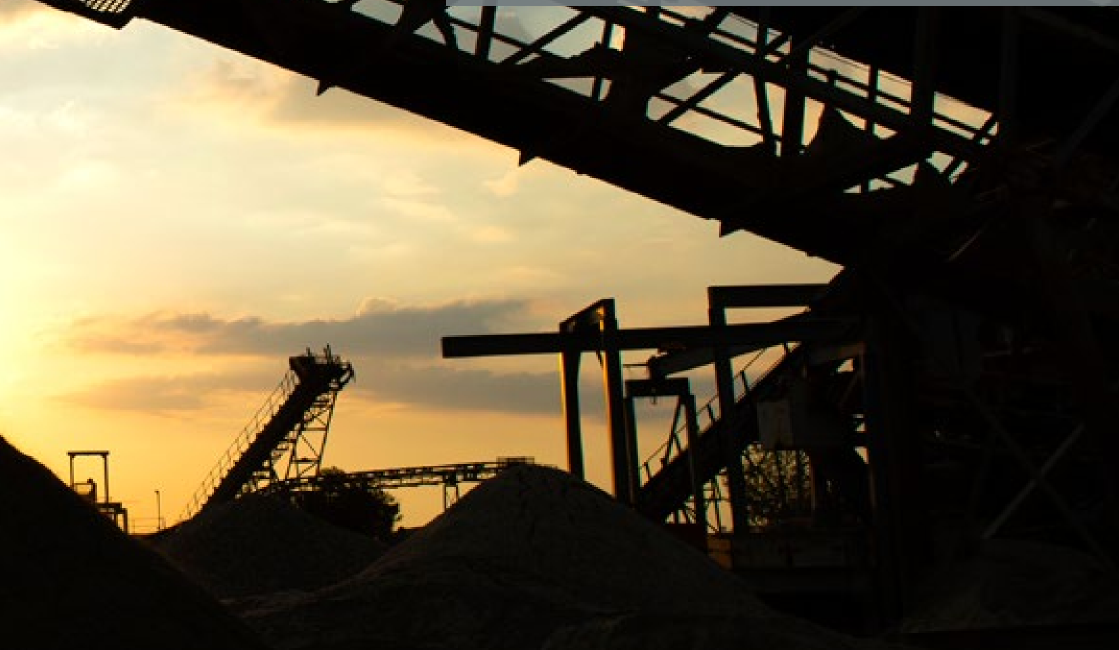
Revenue increased to	R17.43 billion (2023: R15.31 billion)	13.8%
Operating profit increased to	R1.54 billion (2023: R1.28 billion)	20.4%
Earnings per share increased to	472.1 cents (2023: 391.1 cents)	20.7%
Headline earnings per share increased to	476.3 cents (2023: 392.8 cents)	21.3%
Cash generated from operations decreased to	R1.90 billion (2023: R1.96 billion)	2.9%
Net asset value for the year increased to	R6.61 billion (2023: R5.80 billion)	13.9%
Capital expenditure increased to	R1.76 billion (2023: R1.15 billion)	53.0%
Order book increased to	R25.55 billion (2023: R20.04 billion)	27.5%
Total dividend increased to	155 cents (2023: 129 cents)	20.2%

Introduction

This year Raubex celebrates 50 years of excellence and growth, an absolute testimony to the resilience of the Group. The Group's performance for the year ended 29 February 2024 has been commendable, particularly given the myriad of challenges faced by the country as well as the industries in which it operates. This performance is especially pleasing in light of the fact that the Beitbridge Border Post project is no longer included in the numbers, given the completion of the project in the prior financial year.

The Group's results this year were attributable to all four divisions (i.e. Materials Handling and Mining, Construction Materials, Roads and Earthworks, and Infrastructure) contributing, with each division receiving tender awards from a diversified client base. This resulted in the Group having a strong and growing order book despite the prevailing unfavourable trading conditions and a slow start to the year.

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



Financial overview

Revenue increased by 13.8% to R17.43 billion (2023: R15.31 billion), mainly as a result of the very strong performance of the Materials Handling and Mining Division, more specifically Bauba Resources (Pty) Ltd ("Bauba") as well as another strong performance from Western Australia.

Operating profit increased by 20.4% to R1.54 billion (2023: R1.28 billion) and the Group operating margin improved to 8.8% (2023: 8.3%).

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 R64.4 million (2023: R47.2 million), a 36.6% increase – mainly due to a higher net debt balance and higher interest rates over the year. Finance costs include R30.5 million (2023: R33.1 million) interest attributable to lease payments accounted for in terms of IFRS 16: *Leases*. Finance costs on bank borrowings for the year under review increased from R75.0 million (2023) to R132.2 million (2024), an increase of R57.2 million or 76.2%.

Profit before tax increased by 20.5% to R1.47 billion (2023: R1.22 billion).

Earnings per share was 20.7% higher at 472.1 cents (2023: 391.1 cents) and headline earnings per share increased by 21.3% to 476.3 cents (2023: 392.8 cents).

Included in the net impairment losses on financial and contract assets is R67.8 million (2023: R47.3 million) bad debt recovery received from the Zambia Roads Authority.

Cash generated from operations before finance charges and taxation remained strong at R1.90 billion (2023: R1.96 billion). Cash and cash equivalents ended the year at R1.66 billion (2023: R1.70 billion), a slight decrease of 2.1%.

Trade and other receivables increased by 9.2% to R2.07 billion (2023: R1.89 billion) as a result of the increase in turnover for the year, while the average debt collection days improved to 38 days (2023: 39 days). Inventories were 15.9% higher at R1.51 billion (2023: R1.31 billion) owing mainly to the increase in development land as well as greater ore levels at Bauba. Trade and other payables increased by 7.3% to R2.84 billion (2023: R2.65 billion).

Capital expenditure on property, plant and equipment grew to R1.76 billion (2023: R1.15 billion), an increase of 53.0%. The increase is mainly due to the operating and mining efficiency spend at Bauba of R403.7 million, the capitalisation of mine infrastructure development and stripping costs of R443.0 million (2023: R268.4 million) and the capital requirement for the Namdeb Diamond Corporation ("Namdeb") operations of R195.4 million.

Borrowings increased by 41.3% to R1.72 billion (2023: R1.21 billion), largely to support financing requirements at Bauba and Namdeb.

Divisional review

MATERIALS HANDLING AND MINING DIVISION

R'million	Change %	Year ended 29 February 2024 Audited	Year ended 28 February 2023 Audited
Revenue	39.6	**4 017.9**	2 878.0
Operating profit	246.8	**584.7**	168.6
Operating profit margin		**14.6%**	5.9%
Capital expenditure	86.1	**1 291.5**	693.9
Order book	38.2	**5 048.1**	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 by 39.6% to R4.02 billion (2023: R2.88 billion) mainly due to the improved production at Bauba as a result of the Kookfontein mine's north and south pit coming online at the start of the FY2024. Operating profit rose by a remarkable 246.8% to R584.7 million (2023: R168.6 million), with the operating profit margin increasing to 14.6% (2023: 5.9%).

The Materials Handling and Mining Division's investment in Bauba continues to perform well as the demand for chrome and PGM ore remains favourable. The performance of Bauba was also supported by high chrome ore prices and a weak Rand to the US Dollar. Bauba's Kookfontein opencast chrome mine performed well during the year under review, despite the slow start of the financial year. Phase 1 of the 80 000 tonne per month ore wash plant and crushing circuit at its Kookfontein operation, was successfully commissioned during the 2H2024, which will improve profits in FY2025 due to being able to sell processed chrome. Operations at Moeijelijk mine was impacted by the installation of an underground conveyor system that disrupted operations in the 1H2024 and resulted in production targets not being achieved for the FY2024. A new mining contractor has been appointed effective 1 March 2024 which should result in an improved performance for FY2025. Logistical constraints at South Africa's harbours remain the biggest challenge faced by this industry as it negatively impacts export sales volumes. This, however, had no impact on the Group for the period under review.

Bauba completed the acquisition of a 74% ownership of Naboom Mining Company, a large undeveloped opencast primary chrome with PGM resources, located on the eastern limb of the Bushveld Igneous Complex, during the latter part of FY2024. Naboom Mining Company has 17.7 million tonnes of mineral resources estimate ("MRE") across the chrome ore seams with an estimated life of mine of 12 years.

B&E International (Pty) Ltd's ("B&E International") margins improved during the year under review given the solid performance of the five-year Namdeb contract and is ahead of schedule. The Namdeb contract provides mining services to Southern Coastal Mines in Namibia. The demand for contract crushing for the construction sector remains stable on the back of SANRAL tenders being awarded, albeit slowly. B&E International operates and maintains the processing plant at Bauba's Kookfontein and Moeijelijk mines, and the contract performs well.

SPH Kundalila (Pty) Ltd's ("SPH") operations were negatively impacted by the Pilanesberg Platinum Mine contract being terminated due to the closure of the mine.

The well-documented Transnet railway issues continue to negatively impact the iron ore materials handling contract of SPH at Saldanha harbour and no solution is expected over the medium to long term.

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, mining activities are 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 facility and service dam at the Kookfontein mine during the 2H2024. The Group, through its subsidiaries, will continue to focus on further developing investment opportunities, which is demonstrated by the acquisition of the 74% interest in Naboom Mining Company.

The force majeure restrictions imposed on operations in Mozambique due to political instability is still in place, but these restrictions are expected to be lifted in FY2025 and operations should be able to recommence.

OMV (Pty) Ltd's ("OMV") gypsum operations had a lacklustre performance on the back of the low demand for cement through the Materials Handling and Mining Division. However, the Rustenburg gypsum plant continues to perform well.

OMV's aggregates and ready-mix operations also performed well due to work secured in supplying aggregates and ready-mix to the Kareerand Tailings Storage Facility project.

OMV's investment in Attaclay, a bentonite mine located in Steelpoort, delivered a solid performance 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 added an additional bentonite mill in Olifantsfontein to meet the increased demand. OMV's industrial minerals operations also had a good financial year.

The capital expenditure amounted to R1.29 billion (2023: R693.9 million). The increase of 86.1% is mainly attributable to the large capex spend required on the expansion of Bauba's operations as well as the Namdeb contract. The R1.29 billion capital expenditure includes the capitalisation of mine infrastructure development and stripping costs of R443.0 million (2023: R268.4 million) at Bauba.

As at 29 February 2024 the secured order book was R5.05 billion (2023: R3.65 billion), an increase of 38.2%.

Bauba: Moeijelijk Mine

CONSTRUCTION MATERIALS DIVISION

R'million	Change %	Year ended 29 February 2024 Audited	Year ended 28 February 2023 Audited
Revenue	29.0	**2 421.7**	1 877.2
Operating profit	41.1	**115.0**	81.5
Operating profit margin		**4.8%**	4.3%
Capital expenditure	(5.9)	**130.5**	138.7
Order book	71.7	**1 719.1**	1 001.3

Revenue and operating profit for the division increased by 29.0% to R2.42 billion (2023: R1.88 billion) and 41.1% to R115.0 million (2023: R81.5 million), respectively. The operating profit margin also increased to 4.8% (2023: 4.3%) despite the rising fuel prices, high bitumen prices linked to the oil price, and ongoing loadshedding for most of the year under review. Despite the lower margins, strong operating cash flows were generated.

The commercial quarry operations in South Africa performed well mainly due to increased volumes in the Northern region. Certain quarries in the Southern region also performed well on the back of road projects and ballast contracts. 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 tonnes of aggregates and sand per year.

Performance from the quarry operations in Botswana was boosted by the water-related infrastructure projects in the surrounding areas of Gaborone.

Further restructuring is planned for the asphalt business in the KwaZulu-Natal region. During 1H2024, a strategy was put in place to reduce the asphalt footprint in KwaZulu-Natal. A second phase of restructuring is planned due to further operational losses incurred in 2H2024. Unfortunately, this will result in more retrenchments and costs associated with the closing of these operations. The total restructuring costs for the year under review is estimated at approximately R72 million. To meet current demands, the remaining asphalt plants were upgraded to service the N3 and N2-projects.

Due to the heavy rainfalls experienced in KwaZulu-Natal, a large number of planned volumes on the order book has been carried over into FY2025.

The profitability of asphalt operations in the rest of South Africa remained under pressure during FY2024 due to delays in the awarding of projects. As a result of these delays, increased input costs are not fully recoverable through escalation and/or 'rise-and-fall' adjustments. However, a strong pipeline of new road contracts bodes well for FY2025.

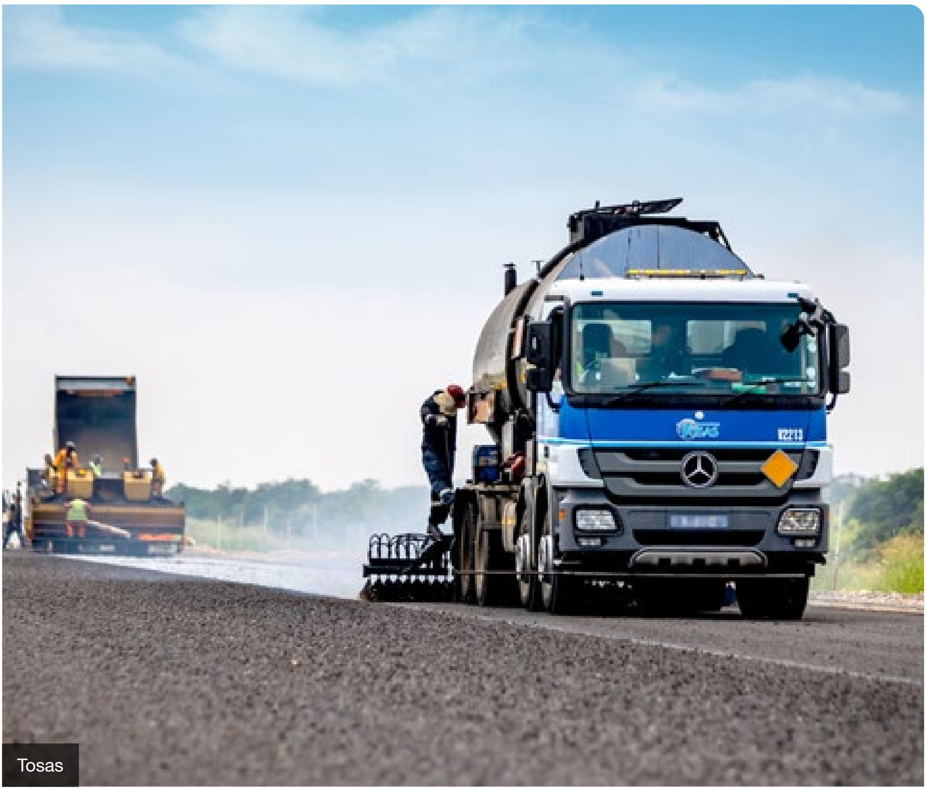
The higher demand for bitumen products during the summer months in the second half of the financial year, resulted in a solid performance by Tosas.

Divisional review continued

The shortage of bitumen throughout South Africa due to reduced production from Natref (the only remaining refinery that produces bitumen in the country) continues. This necessitated Tosas having to import and store more than expected bitumen volumes which places working capital constraints on the business. Currently, Tosas imports about 75% of its bitumen requirements and procures the balance locally from the Natref refinery. Tosas has successfully aligned itself with reliable international suppliers with the correct quality bitumen.

Historically, South Africa boasted four refineries, supplying more than the required bitumen volumes to sustain the projects, while even exporting. Currently, only Natref (Total and Sasol) in Sasolburg remains operational. It is crucial to note that even Natref has reduced its bitumen production by almost 50%, intensifying the bitumen supply constraints. The implication of this reduction is far-reaching. While Total and Sasol out of Natref continue to provide wholesale list prices, Masana (BP), Rubis and others have become permanent importers which we now rely on for tender pricing purposes. For projects in the Northern region, the demand, unfortunately, exceeds the supply by far in this region and that often results in serious costing complications to keep contracts supplied at higher costs of stored and imported bitumen.

The capital expenditure amounted to R130.5 million (2023: R138.7 million), a decrease of 5.9%. The secured order book was R1.72 billion at 29 February 2024 (2023: R1.00 billion), an impressive 71.7% increase.



Tosas

ROADS AND EARTHWORKS DIVISION

R'million	Change %	**Year ended 29 February 2024 Audited**	Year ended 28 February 2023 Audited
Revenue	(6.1)	**5 668.4**	6 038.0
Operating profit	(35.1)	**331.5**	510.9
Operating profit margin		**5.8%**	8.5%
Capital expenditure	56.1	**164.4**	105.3
Order book	30.2	**10 158.1**	7 802.5

Revenue in the Roads and Earthworks Division decreased by 6.1% to R5.67 billion (2023: R6.04 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 year in review.

Operating profit decreased by 35.1% to R331.5 million (2023: R510.9 million). The operating profit margin decreased to 5.8% (2023: 8.5%), well within the management target range of between 5% and 6%. Excluding the Beitbridge Border Post Project from the previous year's results, revenue and operating profit increased by 8.0% and 47.3%, 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. SANRAL has also been awarding new projects during the 2H2024, albeit at a slower pace than anticipated.

The various concession projects for N3TC, Bakwena and TRAC throughout South Africa, are also running on schedule. These concessionaires have already started with an aggressive tender roll-out process as part of their 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.

The construction on the Senqu River Bridge joint venture project in Lesotho for the Lesotho Highlands Development Authority, which commenced at the beginning of 2023, is slightly behind schedule, however still progressing well. This three-year project is being implemented at attractive profit margins, with 10% of the project fee having been received in advance.

The Roads and Earthworks Division has delivered on their strategy of securing more non-SANRAL projects from other customers. The noteworthy projects secured include contracts from the Western Cape Provincial Government amounting to R1.02 billion, the Bakwena N4 Rustenburg project amounting to R1.3 billion and smaller road contracts at various mines.

During the reporting year, the Group recovered R67.8 million from the Zambia Road Development Agency for the debt previously written-off in FY2019. As at the end of February 2024, the outstanding debt balance was R70.3 million. Subsequent to year-end, an additional R15 million was received and going forward, further periodic payment tranches are expected.

The capital expenditure amounted to R164.4 million (2023: R105.3 million), a 56.1% increase. The increase is attributable to capital expenditure for the Lesotho Senqu River Bridge contract amounting to approximately R58.5 million.

The secured order book increased by 30.2% to R10.16 billion (2023: R7.80 billion) at 29 February 2024.

INFRASTRUCTURE DIVISION

R'million	Change %	Year ended 29 February 2024 Audited	Year ended 28 February 2023 Audited
Revenue	17.8	**5 317.1**	4 514.4
Operating profit	(1.9)	**505.5**	515.2
Operating profit margin		**9.5%**	11.4%
Capital expenditure	(17.2)	**177.7**	214.7
Order book	13.8	**8 623.2**	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.

The solid performance delivered by Western Australia was the main contributor to revenue growth for this division. Revenue increased by 17.8% to R5.32 billion (2023: R4.51 billion) and operating profit decreased slightly by 1.9% to R505.5 million (2023: R515.2 million). Operating profit margin also decreased to a more normalised 9.5% (2023: 11.4%). The decrease 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 year's results, revenue and operating profit increased by a pleasing 42.7% and 120.4%, respectively.

The floods experienced in KwaZulu-Natal for the year under review, severely impacted the already fragile infrastructure in this province. Although none of Raubex's projects were materially impacted, various awards were received as result of the flood damage. The flood damaged 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 KwaZulu-Natal.

The 17-year maintenance project on the Beitbridge Border Post Project in Zimbabwe, to the value of R1.5 billion, has commenced and is progressing well.

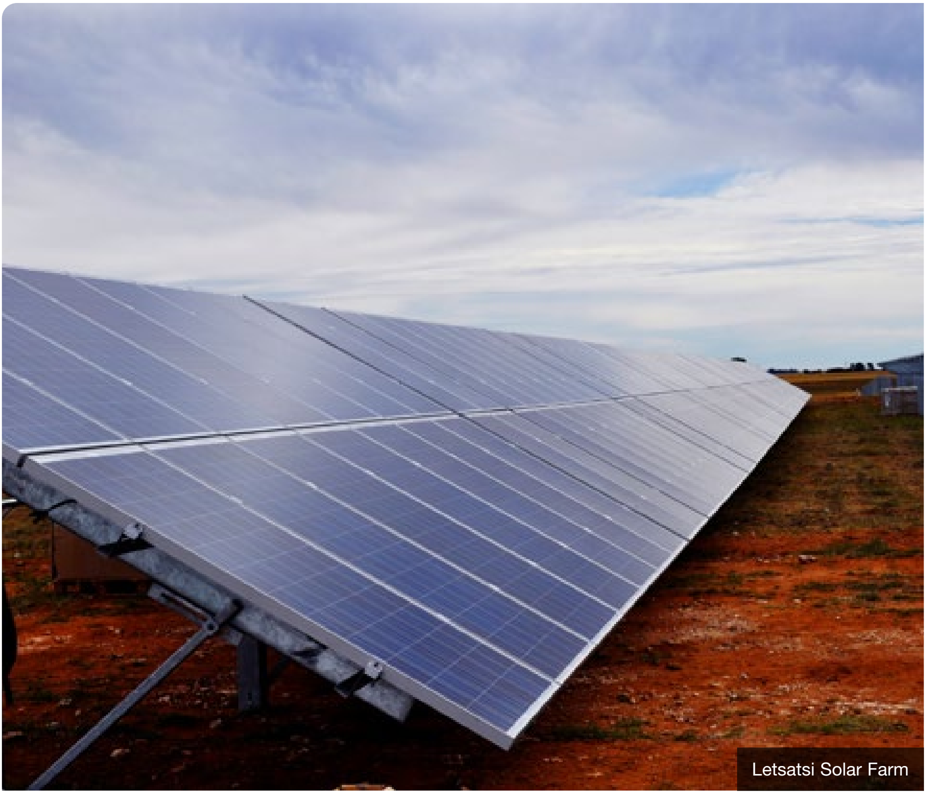
The division's affordable housing projects are progressing well as the demand for this low-cost accommodation increases on the back of the current economic conditions, exacerbated by high interest rate levels. In the housing sector, several anchor projects include the 2 900-bed student housing project for Unilim in Limpopo, housing projects in Stellenbosch, and the Lufhereng project in Soweto. The division's residential housing projects include the construction of 201 houses in the mining town of Aggeneys as well as 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. Sales of our own Newinbosch development are noteworthy.

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. 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 mid-year. 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. Design work is completed and construction is due to commence in June 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.

Capital expenditure was R177.7 million (2023: R214.7 million), a decrease of 17.2%. The secured order book was R8.62 billion (2023: R7.58 billion) at 29 February 2024.



Letsatsi Solar Farm

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 and operating profit decreased by 49.8% to R996.8 million (2023: R1.99 billion) and by 68.0% to R189.5 million (2023: R592.0 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 Project in Zimbabwe, which was completed in the previous financial year ended 28 February 2023. The operating profit margin decreased to 19.0% (2023: 29.8%). If the Beitbridge Border Post Project is excluded from the 2023 numbers, the revenue and operating profit increased by 142.6% and 827.2%, respectively.

Raubex will also participate in a 17-year maintenance project for the border post.

The Senqu River Bridge JV Project in Lesotho, in which the Group has a 21% stake, and which is valued at R2.4 billion, which commenced at the beginning of 2023, is slightly behind schedule, however still progressing well. The Namdeb Project in Namibia for the provision of mining services to Southern Coastal Mines is ahead of schedule. The Bela-Bela quarry operation in Botswana also performed exceptionally well during the year under review, boosted by the water-related infrastructure projects in the surrounding areas of Gaborone.

As at 29 February 2024, the order book for the Rest of Africa decreased to R3.49 billion (2023: R3.79 billion).

Australia

The operations in Western Australia continued to perform well, with the Group gaining market share in this region. Subsequent awards for similar projects to the successfully completed Windfarm project, have been secured and construction is progressing well. In the Pilbara region, the iron ore 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. To replicate our successful South African model, we are expanding our operations into surface dressing. We are also exploring other opportunities in the mining space, specifically pit dewatering.

Revenue increased by 31.5% to R3.32 billion (2023: R2.52 billion) and operating profit was up 12.6% to R278.6 million (2023: R247.4 million). The operating profit margin decreased to 8.4% (2023: 9.8%).

The secured order book is R1.58 billion (2023: R2.37 billion) at 29 February 2024.

Outlook

The Group remains cautiously optimistic about the outlook for FY2025 given as this is an election year. The growth in the secured order book to R25.55 billion is indicative of future prospects for the Group.

The **Materials Handling and Mining Division** focuses 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.

The Bauba acquisition of the 74% ownership of Naboom Mining Company should start contributing to earnings from FY2026 and will increase the life of mine of the chrome and PGM operations. The Section 11 consent from the Department of Mineral Resources and Energy was obtained in November 2023.

The **Construction Materials Division** is expecting a solid performance for FY2025 on the back of a strong pipeline of work due to recently awarded tenders and current tender activity. Ongoing loadshedding and rising input costs, above inflation, will continue to put pressure on operating margins. 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 as well as invest in exciting new technology bituminous product to enhance the division's competitive advantage.

The **Roads and Earthworks Division** is positive regarding the outlook for the FY2025 given 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 still plans to submit bids for the advertised South African border posts. These bids' closing date of March 2024 has been extended to June 2024, with further extensions expected.

The constant delays in closing new SANRAL tenders remain of concern. As a result, the division's strategy will continue to focus on other potential clients, such as toll concessionaires, provincial governments – especially in the Western Cape – and private sector companies, including mines.

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. The division is expecting a number of new tenders to be released to restore infrastructure damaged by floods in the affected areas in the Western and Eastern Cape as well as KwaZulu-Natal.

The outlook for **Western Australia** remains positive. We are well-positioned to capitalise on the infrastructure market in this region, and we continue to do so. To replicate our successful South African integrated model, we are expanding our operations into surface dressing. We are also exploring other opportunities in the mining space, specifically pit dewatering.

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

Dividend declaration

The directors declared a gross final cash dividend from income reserves of 92 cents per share for the year ended 29 February 2024. The salient dates for the payment of the dividend are as follows:

Last day to trade cum dividend	Monday, 27 May 2024
Commence trading ex dividend	Tuesday, 28 May 2024
Record date	Friday, 31 May 2024
Payment date	Monday, 3 June 2024

No share certificates may be dematerialised or rematerialised between Tuesday, 28 May 2024 and Friday, 31 May 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 92 cents per share.
- The DT amounts to 18.4 cents per share.
- The net local dividend amount is 73.6 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.

Independent Auditor's Report on the Summary Consolidated Financial Statements

To the shareholders of Raubex Group Limited

Opinion

The summary consolidated financial statements of Raubex Group Limited, set out on pages 15 to 31, which comprise the summary consolidated statement of financial position as at 29 February 2024, the summary group statement of profit or loss, the summary consolidated statements of comprehensive income, summary group statement of changes in equity and summary group statement of cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Raubex Group Limited for the year ended 29 February 2024.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the requirements of the JSE Limited Listings Requirements for summary financial statements, as set out in notes to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summary consolidated financial statements

The summary consolidated financial statements do not contain all the disclosures required by IFRS Accounting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon. The summary consolidated financial statements and the audited consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 10 May 2024. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

Director's responsibility for the summary consolidated financial statements

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for summary financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

PricewaterhouseCoopers Inc.
Director: L Rossouw
Registered Auditor
Bloemfontein, South Africa

10 May 2024

Summary Group Statement of Financial Position

	Audited 12 months 29 February 2024 R'000	Audited 12 months 28 February 2023 R'000
ASSETS		
Non-current assets		
Property, plant and equipment	**4 685 908**	3 668 216
Investment property	**198 425**	113 974
Right-of-use assets	**289 855**	335 472
Intangible assets	**1 084 204**	1 002 301
Investment in associates and joint ventures	**9 784**	9 073
Investment in service concessions	**77 606**	77 049
Deferred income tax assets	**205 182**	171 216
Inventories	**26 962**	27 419
Trade and other receivables	**1 863**	3 892
Other financial assets – debt	**261 221**	323 998
Other financial assets – equity	**52 909**	103 944
Total non-current assets	**6 893 919**	5 836 554
Current assets		
Inventories	**1 486 142**	1 278 357
Contract assets	**951 198**	615 743
Trade and other receivables	**2 065 560**	1 889 356
Other financial assets – debt	**125 099**	7 129
Current income tax receivable	**11 005**	18 357
Cash and cash equivalents (excluding bank overdrafts)	**1 662 083**	1 697 292
Total current assets	**6 301 087**	5 506 234
Total assets	**13 195 006**	11 342 788
EQUITY		
Share capital	**1 817**	1 817
Share premium	**2 059 688**	2 059 688
Treasury shares	**(62 953)**	(78 801)
Other reserves	**(1 063 193)**	(1 007 709)
Retained earnings	**4 970 377**	4 322 910
Equity attributable to owners of the parent	**5 905 736**	5 297 905
Non-controlling interest	**701 196**	504 985
Total equity	**6 606 932**	5 802 890
LIABILITIES		
Non-current liabilities		
Borrowings	**1 061 912**	684 125
Lease liabilities	**322 704**	349 117
Provisions for liabilities and charges	**221 705**	134 965
Deferred income tax liabilities	**424 781**	317 181
Other financial liabilities	**36 470**	56 193
Total non-current liabilities	**2 067 572**	1 541 581
Current liabilities		
Trade and other payables	**2 838 857**	2 645 718
Contract liabilities	**825 253**	594 136
Borrowings	**653 826**	530 339
Lease liabilities	**46 562**	56 089
Current income tax liabilities	**90 885**	117 368
Provisions for liabilities and charges	**50 119**	28 186
Other financial liabilities	**15 000**	26 481
Total current liabilities	**4 520 502**	3 998 317
Total liabilities	**6 588 074**	5 539 898
Total equity and liabilities	**13 195 006**	11 342 788

Summary Group Statement of Profit or Loss

	Audited 12 months 29 February 2024 R'000	Audited 12 months 28 February 2023 R'000
Revenue	**17 425 168**	15 307 479
Cost of sales	**(14 944 249)**	(13 197 757)
Gross profit	**2 480 919**	2 109 722
Other income	**21 477**	13 820
Other gains/(losses) – net	**57 450**	28 591
Administrative expenses	**(942 701)**	(852 929)
Net impairment losses on financial and contract assets	**(80 457)**	(23 065)
Operating profit	**1 536 688**	1 276 139
Finance income	**113 705**	81 219
Finance costs	**(178 122)**	(128 384)
Share of profit/(loss) of equity accounted investments	**504**	(7 013)
Profit before income tax	**1 472 775**	1 221 961
Income tax expense	**(398 800)**	(363 327)
Profit for the year	**1 073 975**	858 634
Profit for the year attributable to:		
Owners of the parent	**847 621**	704 344
Non-controlling interest	**226 354**	154 290
	1 073 975	858 634
Basic earnings per share (cents)	**472.1**	391.1
Diluted earnings per share (cents)	**467.5**	388.9

Summary Group Statement of Comprehensive Income

	Audited 12 months 29 February 2024 R'000	Audited 12 months 28 February 2023 R'000
Profit for the year	**1 073 975**	858 634
Other comprehensive income for the year, net of tax:		
Items that may be subsequently reclassified to profit or loss		
Currency translation differences	**(7 027)**	50 940
Items that will not be reclassified to profit or loss		
Change in fair value of investments held at FV through OCI	**(49 694)**	58 540
Remeasurement of post-employment benefit obligations	**185**	414
Total comprehensive income for the year	**1 017 439**	968 528
Comprehensive income for the year attributable to:		
Owners of the parent	**791 315**	803 639
Non-controlling interest	**226 124**	164 889
Total comprehensive income for the year	**1 017 439**	968 528

Summary 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	1 817	2 059 688	(47 077)	(1 096 014)	3 879 482	4 797 896	425 161	5 223 057
Share option reserve	–	–	–	5 741	–	5 741	–	5 741
Share option reserve utilised during the year	–	–	–	(16 317)	16 317	–	–	–
Treasury shares issued in terms of equity-settled share scheme	–	–	30 026	–	(30 026)	–	–	–
Acquisition of treasury shares	–	–	(61 750)	–	–	(61 750)	–	(61 750)
Acquisition of shares from non-controlling interest	–	–	–	–	(41 399)	(41 399)	(96 678)	(138 077)
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	–
Acquisition of subsidiaries	–	–	–	–	–	–	19 238	19 238
Profit for the year	–	–	–	–	704 344	704 344	154 290	858 634
Other comprehensive income for the year	–	–	–	98 881	414	99 295	10 599	109 894
Dividends paid	–	–	–	–	(192 231)	(192 231)	(52 421)	(244 652)
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	**–**	**–**	**–**	**11 279**	**–**	**11 279**	**–**	**11 279**
Share option reserve utilised during the year	**–**	**–**	**–**	**(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	**–**	**–**	**–**	**–**	**(22 570)**	**(22 570)**	**(5 747)**	**(28 317)**
Disposal of shares to non-controlling shareholders	**–**	**–**	**–**	**–**	**77 335**	**77 335**	**6 674**	**84 009**
Additional shares issued by subsidiary	**–**	**–**	**–**	**–**	**(54)**	**(54)**	**34 548**	**34 494**
Acquisition of subsidiaries	**–**	**–**	**–**	**–**	**–**	**–**	**(537)**	**(537)**
Profit for the year	**–**	**–**	**–**	**–**	**847 621**	**847 621**	**226 354**	**1 073 975**
Other comprehensive income for the year	**–**	**–**	**–**	**(56 491)**	**185**	**(56 306)**	**(230)**	**(56 536)**
Dividends paid	**–**	**–**	**–**	**–**	**(249 474)**	**(249 474)**	**(64 851)**	**(314 325)**
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**

Summary Group Statement of Cash Flows

	Audited 12 months 29 February 2024 R'000	Audited 12 months 28 February 2023 R'000
Cash flows from operating activities		
Cash generated from operations	**1 902 147**	1 959 176
Interest received	**77 601**	62 143
Interest paid	**(166 785)**	(111 702)
Dividend received	**6 431**	–
Income tax paid	**(338 000)**	(318 558)
Net cash generated from operating activities	**1 481 394**	1 591 059
Cash flows from investing activities		
Purchases of property, plant and equipment	**(1 700 872)**	(1 152 670)
Proceeds from sale of property, plant and equipment	**74 967**	64 060
Acquisition of subsidiaries	**(99 854)**	(18 040)
Acquisition of associates and joint ventures	**–**	(1 227)
Acquisition of equity instruments (other financial assets)	**(5 308)**	(429)
Repayment of loans granted to service concession investee	**30 948**	–
Loan repayments from associates and joint ventures	**59 483**	44 969
Loans granted to associates and joint ventures	**(98 723)**	(115 866)
Net cash used in investing activities	**(1 739 359)**	(1 179 203)
Cash flows from financing activities		
Proceeds from borrowings	**1 317 849**	1 102 186
Repayment of borrowings	**(818 401)**	(866 605)
Repayment of lease liabilities (capital repayments)	**(56 786)**	(66 141)
Dividends paid to owners of the parent	**(249 474)**	(192 231)
Dividends paid to non-controlling interests	**(64 851)**	(52 421)
Disposal of interest in a subsidiary	**84 009**	37 499
Acquisition of non-controlling interests	**(28 317)**	(138 077)
Contingent considerations settled	**–**	(12 282)
Share buy-back transaction by subsidiary	**–**	(6 694)
Shares issued by subsidiary	**34 494**	–
Acquisition of treasury shares	**–**	(61 750)
Net cash generated from/(used in) financing activities	**218 523**	(256 516)
Net (decrease)/increase in cash and cash equivalents	**(39 442)**	155 340
Cash and cash equivalents at the beginning of the year	**1 697 290**	1 504 799
Effects of exchange rates on cash and cash equivalents	**4 235**	37 151
Cash and cash equivalents at the end of the year	**1 662 083**	1 697 290

Notes

Basis of preparation

The summary consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements (“Listings Requirements”) for abridged reports and the requirements of the Companies Act (2008) applicable to summary financial statements. The Listings Requirements require abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (“IFRS”) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and also, as a minimum, to contain the information required by IAS 34: *Interim Financial Reporting.*

The principal accounting policies used in the preparation of the audited annual results for the year ended 29 February 2024 are consistent with those applied for the year ended 28 February 2023 in terms of IFRS.

These summary consolidated financial statements for the year ended 29 February 2024 have been prepared under the supervision of the Financial Director, Mr SJ Odendaal CA(SA) and audited by PricewaterhouseCoopers Inc., who expressed an unmodified opinion thereon. The auditor also expressed an unmodified opinion on the annual financial statements from which these summary consolidated financial statements were derived. A copy of the auditor’s report on the summary consolidated financial statements and of the auditor’s report on the annual consolidated financial statements are available for inspection at the company’s registered office and on the company’s website at www.raubex.com.

The auditor’s report does not necessarily report on all of the information contained in this announcement. Any reference to pro forma or future financial information included in this announcement has not been reviewed or reported on by the auditor. Shareholders are advised that in order to obtain a full understanding of the nature of the auditor’s engagement they should obtain a copy of that report together with the accompanying financial information from the company’s registered office.

Summary 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					
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%**
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
Margin	5.9%	4.3%	8.5%	11.4%	8.3%

	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%**
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
Margin	4.0%	29.8%	9.8%	8.3%

Calculation of diluted earnings per share

	Audited 12 months 29 February 2024 R'000	Audited 12 months 28 February 2023 R'000
Profit attributable to owners of the parent entity	**847 621**	704 344
Weighted average number of ordinary shares in issue ('000)	**179 532**	180 104
Adjustments for:		
Shares deemed issued for no consideration (share options) ('000)	**1 791**	1 016
Weighted average number of ordinary shares for diluted earnings per share ('000)	**181 323**	181 120
Diluted earnings per share (cents)	**467.5**	388.9

Calculation of headline earnings per share

	Audited 12 months 29 February 2024 R'000	Audited 12 months 28 February 2023 R'000
Profit attributable to owners of the parent entity	**847 621**	704 344
Adjustments for:		
Profit on sale of property, plant and equipment	**(23 292)**	(10 103)
Impairment on property, plant and equipment	**34 227**	3 300
Loss on remeasurement of associate	**–**	3 769
Bargain purchase on acquisition of subsidiary	**–**	(8 790)
Goodwill and intangible asset impairment	**–**	13 493
Add back: Non-controlling interests' portion of impairment and profit on sale of property, plant and equipment	**50**	(646)
Total tax effects of adjustments	**(3 462)**	2 043
Basic headline earnings	**855 144**	707 410
Weighted average number of shares ('000)	**179 532**	180 104
Headline earnings per share (cents)	**476.3**	392.8
Diluted headline earnings per share (cents)	**471.6**	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
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**
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	15 307 479

Disaggregation of revenue by activity and geography	South Africa R'000	Rest of Africa R'000	Australia R'000	Consolidated R'000
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**
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	Total R'000
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**
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	Total R'000
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**
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

	Audited 12 months 29 February 2024 R'000	Audited 12 months 28 February 2023 R'000
Finance income:		
Cash finance income		
Interest income on cash resources	**73 540**	49 325
Other interest	**4 061**	12 818
Non-cash finance income		
Accrued interest	**36 104**	19 076
Total finance income	**113 705**	81 219
Finance costs:		
Cash finance costs		
Bank borrowings	**(132 185)**	(75 011)
Interest expense on lease liabilities	**(30 510)**	(33 104)
Other interest	**(4 090)**	(3 587)
Non-cash finance costs		
Unwinding of discount – rehabilitation provision	**(6 657)**	(3 985)
Unwinding of discount – voluntary rebuilding programme	**(4 680)**	(5 520)
Significant financing component on advance payment	**–**	(7 177)
Total finance costs	**(178 122)**	(128 384)
Net finance costs	**(64 417)**	(47 165)

Cash and cash equivalents

	Audited 12 months 29 February 2024 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	**1 662 083**	1 697 292
Bank overdrafts	**–**	(2)
Total cash and cash equivalents as stated on the statement of cash flows	**1 662 083**	1 697 290

Capital expenditure and depreciation

	Audited 12 months 29 February 2024 R'000	Audited 12 months 28 February 2023 R'000
Capital expenditure for the year	**1 764 131**	1 152 670
Depreciation for the year on property, plant and equipment and investment property	**670 978**	577 577
Depreciation for the year on right-of-use assets	**63 523**	53 081
Amortisation of intangible assets for the year	**15 781**	15 256

Business combinations and asset acquisitions

Acquisition made during the previous financial period

Attaclay (Pty) Ltd ("Attaclay")

On 1 July 2022, the Group, through its subsidiary OMV (Pty) Ltd, acquired 49% of Stopetek Properties ("Stopetek") for R18 million. The Group has assessed that in terms of IFRS 10 it controls Stopetek. Stopetek holds 51.8% in Attaclay which produces bentonite and attapulgite through its open cast mining operations.

The revenue included in the consolidated income statement since 1 July 2022 contributed by Attaclay was R23.2 million with a net profit contribution of R2.9 million over the same period. Had Attaclay been consolidated from the beginning of the year, Attaclay would have contributed revenue of R33.6 million and a net profit of R4.1 million.

Centremark Roadmarking (Pty) Ltd ("Centremark")

Effective 1 February 2023, the Group, through its subsidiary Raubex Roads and Earthworks Holdings (Pty) Ltd acquired the remaining 56% of Centremark for R560. This increased the Group's effective ownership from 44% to 100% giving the Group control in terms of IFRS 10, therefore changing Centremark from an associate to a subsidiary.

Dune Resources (Pty) Ltd ("Dune Resources")
Effective 1 April 2022, the Group, through its subsidiary SPH Kundalila (Pty) Ltd, acquired 61.8% of Dune Resources for a total cost of R6.9 million. R3.9 million was paid in cash, while the other R3 million was for exploration costs incurred on behalf of Dune Resources. The Group has assessed that in terms of IFRS 10 it controls Dune Resources. Dune Resources owns 65% of Namli Exploration and Mining (Pty) Ltd ("Namli Exploration"), which holds an exploration right.

Dune Resources and Namli Exploration have been consolidated into the Group effective 1 April 2022, neither have contributed any revenue or net profit to date.

Details of the net assets acquired, purchase consideration and goodwill/bargain purchase from acquisitions are set out below:

	Dune Resources R'000	Attaclay R'000	Centremark R'000	Total R'000
Consideration				
Cash consideration	3 900	18 000	1	21 901
Exploration costs incurred for shares	3 000	–	–	3 000
Total consideration	6 900	18 000	1	24 901
Recognised amounts of identifiable assets and acquired liabilities assumed				
Property, plant and equipment	–	1 000	8 226	9 226
Intangible assets	9 821	33 820	–	43 641
Inventories	–	5 034	1 725	6 759
Trade and other receivables	–	7 733	1 343	9 076
Contract assets	–	–	23	23
Current tax receivable	–	1 279	–	1 279
Cash and cash equivalents	–	5 282	1 579	6 861
Deferred tax asset	111	1 596	110	1 817
Deferred tax liability	(110)	(9 516)	(2 236)	(11 862)
Provisions	–	(3 339)	–	(3 339)
Trade and other payables	(1 204)	(8 537)	(1 979)	(11 720)
Total identifiable net assets	8 618	34 352	8 791	51 761
Non-controlling interest	(1 718)	(17 520)	–	(19 238)
Goodwill/(bargain purchase) attributable to owners of the parent	–	1 168	(8 790)	(7 622)
Total	6 900	18 000	1	24 901
Total purchase consideration settled in cash	6 900	18 000	1	24 901
Less: Cash and cash equivalents in the business combination acquired	–	(5 282)	(1 579)	(6 861)
Cash outflow/(inflow) on acquisition for cash flow statement	6 900	12 718	(1 578)	18 040

Acquisitions made during the current financial period

Naboom Mauritius Mining Company Limited ("Naboom")

On 9 May 2023, Bauba Resources (Pty) Ltd ("Bauba") entered into a sale of shares and claims agreement to acquire 100% of Naboom for R100 million. The transfer of shares in Naboom was 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 s11(1) was approved on 3 November 2023. Naboom owns 74% of Naboom SA who holds a mining right for chrome in Limpopo. The Group will effectively own 65.01% of Naboom and 48.11% of Naboom SA.

In terms of IFRS 3 it was determined that the operations of Naboom did not meet the definition of a business and therefore the acquisition constituted an asset acquisition. This was based on the fact that no actual operations exist yet at this stage as this project is still in the early stages of development.

Naboom and Naboom SA have been consolidated into the Group effective 3 November 2023, neither have contributed any revenue and together they have contributed a net loss to date of R0.1 million to the Group. Had Naboom been consolidated from 1 March 2023, no revenue would have been contributed with a net loss of R3.9 million for the same period.

Similan Development Company (Pty) Ltd ("Similan")

The Group's subsidiary, Raubex Building (Pty) Ltd, acquired 85% of Similan for R102, effective 1 August 2023. The Group's effective ownership of Similan is 69.7%. Similan owns a 2.2ha piece of land in Kuils River in the Western Cape which is earmarked for the Kleijne Wingerd residential development.

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 is the legal owner of the property with no actual operations or employees. On application of the concentration, the fair value of the assets acquired was also deemed to be concentrated in inventory.

Similan has been consolidated into the Group effective 1 August 2023. Similan contributed revenue of R40.3 million with a net loss of R0.1 million over the same period. Had Similan been consolidated from 1 March 2023 the contribution would have been R40.4 million revenue with a net loss of R0.1 million.

Ukumaka (Pty) Ltd ("Ukumaka")

Effective 1 March 2023, the Group, through its subsidiary Raubex Roads and Earthworks Holdings (Pty) Ltd acquired 49% of Ukumaka for R49. The 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 road markings in South Africa.

The goodwill is attributable to the business expansion opportunities to the Group in terms of road marking. Synergies are expected to arise from integrating Ukumaka into the Roads and Earthworks Division. The fair value of trade and other receivables is R0.3 million which is the same as the gross contractual amount. The full amount is expected to be recoverable.

The revenue included in the consolidated income statement since 1 March 2023 contributed by Ukumaka was R2.8 million with a net profit contribution of R0.3 million over the same period.

Details of the net assets acquired, purchase consideration and goodwill/bargain purchase from acquisitions are set out below:

	Naboom R'000	Similan R'000	Ukumaka R'000	Total R'000
Consideration				
Cash consideration	100 000	–	–	100 000
Total consideration	**100 000**	**–**	**–**	**100 000**
Recognised amounts of identifiable assets and acquired liabilities assumed				
Intangible assets	100 089	–	–	100 089
Inventories	–	73 507	–	73 507
Trade and other receivables	–	412	328	740
Contract assets	–	–	194	194
Cash and cash equivalents	–	134	12	146
Deferred tax asset	–	–	13	13
Deferred tax liability	–	–	(53)	(53)
Trade and other payables	(89)	(74 053)	(1 548)	(75 690)
Total identifiable net assets	**100 000**	**–**	**(1 054)**	**98 946**
Non-controlling interest	–	–	538	538
Goodwill attributable to owners of the parent	–	–	516	516
Total	**100 000**	**–**	**–**	**100 000**
Total purchase consideration settled in cash	100 000	–	–	100 000
Less: Cash and cash equivalents in the business combination acquired	–	(134)	(12)	(146)
Cash outflow/(inflow) on acquisition for cash flow statement	**100 000**	**(134)**	**(12)**	**99 854**

Transactions with non-controlling interests ("NCI")

Bauba Resources (Pty) Ltd ("Bauba")

Transaction 1:

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%.

Transaction 2:

In terms of the Naboom acquisition noted above, 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.

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 EC is now 100% owned by Tosas (Pty) Ltd, effectively 100% held by the Group.

Shisalanga Construction (Pty) Ltd ("Shisalanga")

On 31 October 2023, the Group acquired an additional 14% through a rights offer done by Shisalanga. The non-controlling shareholders did not take up their portion of the offer. The Group's effective shareholding has increased from 76% to 90%.

Raubex Construction (Pvt) Ltd ("Raubex Construction Zimbabwe")
Effective 1 December 2023, the Group acquired an additional 13% in Raubex Construction Zimbabwe for R65. The Group's effective shareholding increased from 65% to 88%.

Namli Exploration and Mining (Pty) Ltd ("Namli")
Transaction 1:
Effective 30 November 2023, the Group through its subsidiary Dune Resources (Pty) Ltd, increased its effective shareholding in Namli to 74% through a rights offer.

Transaction 2:
Effective 31 January 2024, the Group through its subsidiary Dune Resources (Pty) Ltd, increased its effective shareholding in Namli to 100% through a call option agreement signed between themselves and the non-controlling shareholder. The call option gave Dune Resources the right to acquire the remaining shares in Namli for R10 million.

Dune Resources (Pty) Ltd ("Dune Resources")
Effective 31 January 2024, the Group, through its subsidiary SPH Kundalila (Pty) Ltd, sold 40% of Dune Resources to a non-controlling shareholder for R84 million cash (USD 4.5 million). The Group's effective shareholding in Dune Resources decreased from 100% to 60%. Therefore also decreasing the effective ownership of Namli from 100% to 60%.

The above mentioned sale of 40% of Dune Resources represents part A of a disposal of shares agreement that SPH Kundalila has entered into with the respective third party. Parts B and C are contingent on the approval being received from the Department of Mineral Resources and Energy ("DMRE"). Part A was contingent on the ownership transfer request submission to the DMRE. The DMRE approval will trigger the sale of the remaining 60% of the shares in Dune Resources for USD 6.8 million. This will be made up of an additional 40% being sold on receipt of the DMRE approval and the remaining 20% being sold on submission of a renewal application to the DMRE for the prospecting right indirectly owned by Dune Resources through its investment in Namli.

Details of each of the above mentioned transactions are set out below:

	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 – Transaction 1	–	34 946	34 946
Bauba – Transaction 2	(14 325)	(59)	(14 384)
Tosas EC	(600)	(3 333)	(3 933)
Shisalanga	1 464	(1 464)	–
Raubex Construction Zimbabwe	2 391	(2 391)	–
Namli – Transaction 1	(1 518)	1 066	(452)
Namli – Transaction 2	(10 036)	36	(10 000)
Dune Resources	77 335	6 674	84 009
Total	54 711	35 475	90 186
Total movements/cash (outflow)/inflow on transactions with NCI:			
Acquisition of shares from non-controlling shareholders	(22 570)	(5 747)	(28 317)
Disposal of shares to non-controlling shareholders	77 335	6 674	84 009
Additional shares issued by subsidiary	(54)	34 548	34 494

Events after the reporting period

Effective 1 March 2024, the Group acquired the remaining 30% of Empa Structures (Pty) Ltd from non-controlling shareholders for R35 million, increasing the Group's effective ownership to 100%.

The directors are not aware of any other subsequent events that occurred between year-end and date of authorisation of the Annual Financial Statements that require any adjustment or additional disclosure in the annual financial statements.

On behalf of the board:

RJ Fourie	**NF Msiza**	**DC Lourens**	**SJ Odendaal**
Chairman	*Chief Executive Officer*	*Chief Operating Officer*	*Financial Director*

13 May 2024

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RJ Fourie#
N Fubu*
AM Hlobo*
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