ABOUT RAUBEX

01

Senqu River Bridge | Lesotho

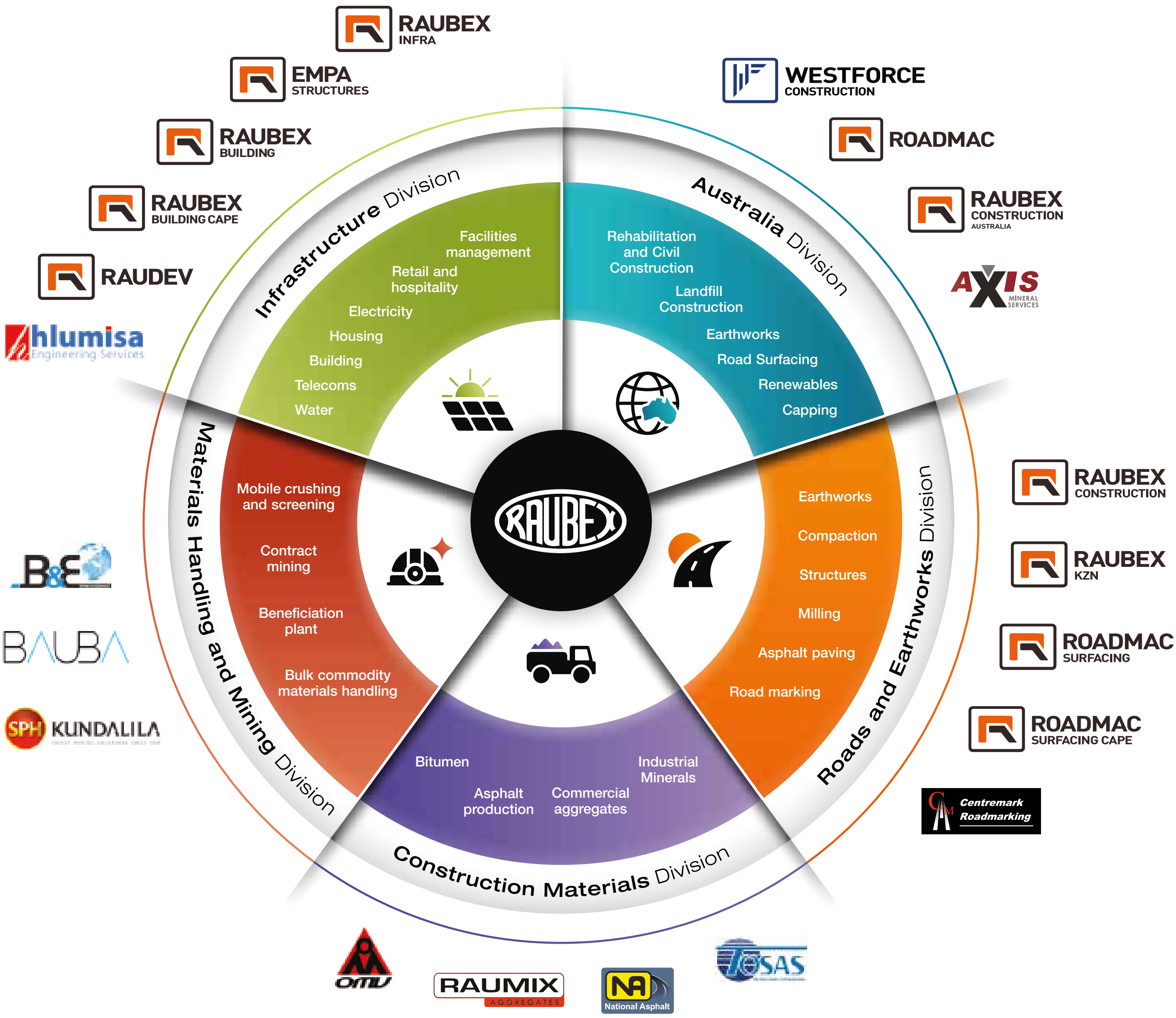
Raubex at a glance

Raubex is one of South Africa's leading infrastructure development and construction materials supply groups. Established in 1974, Raubex listed on the JSE in March 2007 and operates throughout southern Africa and Western Australia. As a Level 1 B-BBEE Group, Raubex has over 9 000 employees and is focused on ensuring high levels of integrity, professionalism and quality in all of its work.

Raubex aims to be the African leader in road and civil engineering contracting and the provision of construction materials and mining services, while meeting all stakeholder expectations.

Effective 1 March 2025, the Group reports its operations under five reportable segments, namely:

Materials Handling and Mining	Construction Materials	Roads and Earthworks	Infrastructure	Australia



For more detail on each of these divisions, refer to pages 51 to 63 of this Integrated Report.

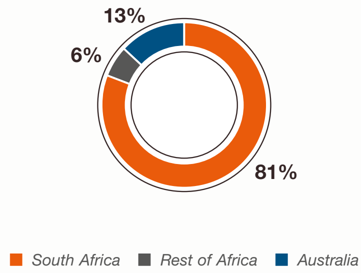
Geographical footprint

Raubex currently has active operations in eight countries. The contributions to revenue and operating profit by the international operations were 19% (2025: 22%) and 13% (2025: 38%), respectively.

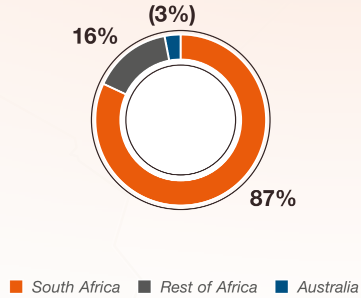
Raubex had 9 208 employees as at 28 February 2026 (2025: 9 239) of which 92% work in South Africa, 4% in Rest of Africa and 4% in Western Australia.

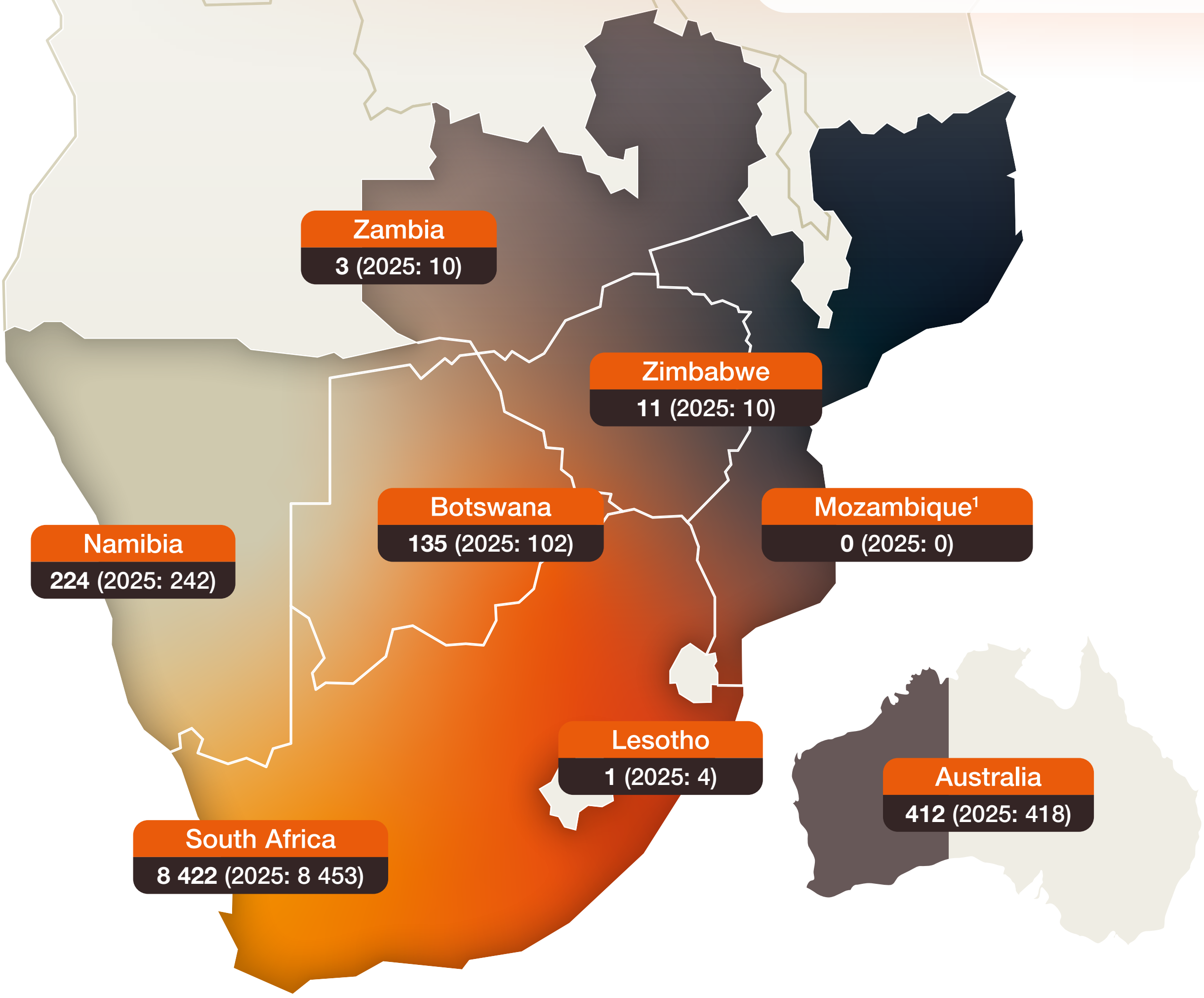
Total **9 208** (2025: 9 239)

Revenue



Operating profit





1. *Permanent staff (eight employees) are salaried in South Africa, with the remainder engaged as contract workers.*

Raubex business model

Inputs

FC
Financial capital
- Borrowings: R2.73 billion
- Equity: R7.87 billion
- Gearing: 34.7%

MC
Manufactured capital
- Property, plant and equipment: R6.49 billion
- Investment property: R331.3 million
- ROU assets: R109.3 million
- Capital expenditure: R1.20 billion
- Proceeds on disposal: R99.8 million

IC
Intellectual capital
- Mining rights
- Asphalt and bitumen technology
- Systems, procedures and protocols
- Leading brands and reputation
- Over 50 years industry experience
- CIDB registration and industry accreditations

HC
Human capital
- Diversified Board of Directors
- Strong management team
- Experienced workforce
- Ongoing training and skills development
- Total employees: 9 208

SRC
Social and relationship capital
- Stakeholder engagement
- CSI spend: R35.6 million
- Employee and community development trusts
- Empowered communities through contract participation goals
- Contribution to the VRP (page 23)
- Level 1 B-BBEE status

NC
Natural capital
- Right to access geological resources
- Rehabilitation provisions
- Electricity and water
- Bitumen
- Diesel

Business activities and processes

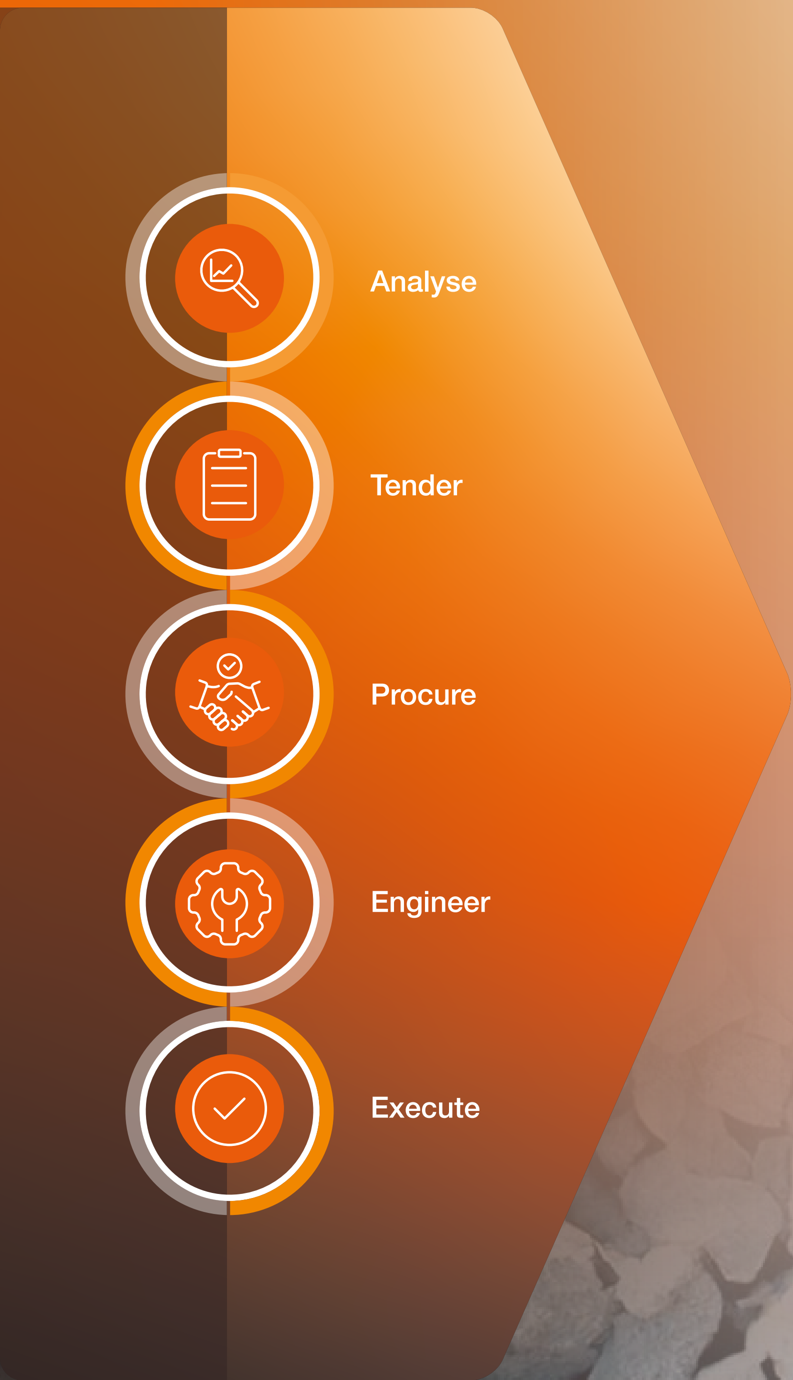
Materials Handling and Mining
Division
- Mobile crushing and screening
- Contract mining
- Beneficiation plant
- Bulk commodity materials handling

Construction Materials
Division
- Commercial crushing
- Asphalt production
- Bitumen
- Industrial Minerals

Roads and Earthworks
Division
- Earthworks
- Compaction
- Structures
- Milling
- Asphalt paving
- Road marking

Infrastructure
Division
- Retail and hospitality
- Building
- Electricity
- Housing
- Facilities management
- Telecoms
- Water

Australia
Division
- Road construction
- Infrastructure



Outputs

Construction products

- Aggregate
- Asphalt
- Bitumen
- Gypsum
- Finishing plaster
- Chrome

Construction services

- Road construction
- Road surfacing
- Road rehabilitation
- Runways
- Earthworks
- Bridges
- Concrete structures
- Township development
- Residential housing
- Commercial buildings
- Facilities management
- Water infrastructure, dams and pipelines
- Electrical infrastructure
- Renewable energy
- Landfill sites

Mining services

- Materials handling and processing
- Contract mining
- Crushing and screening
- Load and haul
- Plant design and engineering
- Plant hire

UN SDGs applicable to Raubex

Strategic objectives

Raubex has identified the following strategic objectives as key to its future growth and performance:

Profitability

- Profits supported by sustainable cash flow.
- Deliver excellence in quality and service that exceed stakeholder expectations.

Focus 2026	Progress during 2026	Focus for 2027
Focus on the efficient execution of the secured order book.	Good results were reported by the Group with revenue increasing by 4.6% from R21.08 billion to R22.05 billion and operating profit increasing by 11.6% from R1.56 billion to R1.74 billion with an order book of R31.46 billion, up 11.6%.	• Focus on the successful execution of the secured order book.
• Procure high-margin work using selective tendering and implemented procedures to prevent over-trading. • Further diversification of our value offering and geographical footprint to limit exposure to any one type of customer. • Increase the private and international customer base. • Increase toll concessionaires' contracts.	• The year was marked by no over-trading and successful procurement of high-margin work due to a more selective tendering approach. • Tender activity has declined across SANRAL, municipalities and other parastatals. Tender activity from private customers, Provincial Government and international have increased by 41.9%, 33.5% and 23.5%, respectively, compared to the 2025 financial year.	• Continue to procure high-margin work using selective tendering and implemented procedures to prevent over-trading. • Diversify the Group's value offering and geographical footprint to limit exposure to any one type of customer. • Further increase our participation on contracts for the different toll concessionaires.
• Continue to build an investment case for the potential sale over the short to medium term of the investment properties. • Continue to monitor the housing market in the area for signs of demand growth which will allow for further rollout of new complexes in Woodwind Estate.	The investment properties Dulcian Manor (128 residential units) and Bassoon Park (150 residential units) are advancing towards maturity as stable, yield-generating investments and are expected to hold strong appeal for prospective purchasers.	• Build on our investment case for property development. • Startup of the marketing and building of the next phases in Woodwind Estate. • Continue with the marketing and building of the next phases in Newinbosch Estate.
Focus on executing the Lufhereng Integrated Urban Development project based on the additional budget allocated by the Government.	Multiple contractors are currently on site at Lufhereng undertaking the installation of essential infrastructure to support the internal service requirements of various housing typologies. These include Breaking New Ground (BNG) units, Finance-Linked Individual Subsidy Programme (FLISP/FHF) units, social housing units managed by JOSHCO, and bonded housing units.	Focus on executing the Lufhereng Integrated Urban Development project based on the renewed focus by Government in the affordable housing sector.
Continue to focus on the remaining 15-year Beitbridge Border Post operation and maintenance contract project.	The maintenance contract project at the Beitbridge Border Post is ongoing and continues to provide a stable revenue stream.	Focus on the remaining 14-year Beitbridge Border Post operation and maintenance contract project.
Resumption of crushing operations in Mozambique during FY2026.	Operations resumed in FY2026.	Focus on the successful execution of the Mozambique crushing contract.

Focus 2026	Progress during 2026	Focus for 2027
• Continuously improve the focus on community engagement, production monitoring and efficiencies at site level. • Build on the inter-group initiatives to make optimum use of the synergies in the Group.	• Dedicated expert personnel are assigned to each project to ensure the achievement of community participation targets for all clients. • Continued engagement with communities and stakeholders on inefficiencies caused by community unrest and disturbances. • The R2.4 billion ACED wind farm project in the Northern Cape has leveraged intercompany synergies across five Group subsidiaries – Raubex Infra, Empa Structures, Raubex Construction, B&E International, and SPH. This collaborative approach has enhanced operational efficiency and resource optimisation.	• Continue to focus on community and stakeholder engagement, production monitoring and efficiencies at site level. • Maximise Group synergies through the collaboration of Group companies and the optimisation of internal opportunities.
Focus on initiatives to reduce costs and overheads in the Materials Handling and Mining Division.	The operating profit margin of the Materials Handling and Mining Division increased to a pleasing 10.8% from 0.1% in FY2025 due to major operational improvements and strong execution across key operations.	• Increase profitability by managing input costs. • Implement new technology to increase production and maximising cost reduction measures.
• Continue to supply high-quality asphalt along the N2 and N3 corridors in KZN to support ongoing infrastructure projects and maintenance requirements. • Focus on implementing advanced asphalt technology.	• Successful completion of the N3 corridor in KZN. • High-quality asphalt continued to be supplied along the N2 corridor in KZN, with the project progressing well during the year. • Increased use of recycled asphalt across existing asphalt mixes and the implementation of warm mix technology.	• Not applicable.
• Capitalise on sales opportunities presented by the newly commissioned Rossway Sand crushing and washing plant. • Continue to focus on strategic acquisitions in areas where the life of mine of quarries is coming to an end.	• The Rossway Sand plant was commissioned and upgraded during the year, with new products introduced to the existing customer base while also identifying and actively marketing to new potential markets. • The acquisition of Mowcop Silica Quarry introduced a high-potential niche market opportunity.	• Capitalise on sales opportunities presented by the newly commissioned Rossway Sand crushing and washing plant. • Secure bitumen supply for the Group while optimising stock and storage levels. • Focus on strategic acquisitions in areas where the life of mine of quarries is coming to an end.

Strategic objectives (continued)

Growth	
Growth	• Consolidate our core market position. • Grow organically and through strategic acquisitions. • Ensure profitable growth and long-term value creation. • Unlock untapped synergies within the Group.

Focus 2026	Progress during 2026	Focus for 2027
• Focus on the efficient execution and successful close out of the Senqu River Bridge JV Project. • Continue to focus on the efficient execution of the Namdeb project. • Continue to investigate opportunities in new geographies in line with diversification and growth strategy.	• The Senqu River Bridge JV Project in Lesotho has reached completion. • The flagship Namdeb Project for Southern Coastal Mines has been consistent in its performance. The mining services contract has been extended to December 2028. • Completed the acquisition of Axis Minerals in Western Australia, expanding the Group's international footprint. • Finalised the acquisition of the Mowcop Silica mine, which has been successfully incorporated under Raumix Aggregates. • Completed the acquisition of Hlumisa Engineering Services which has been successfully incorporated under the Infrastructure Division.	• Investigate opportunities in new geographies in line with our diversification and growth strategy. • Stabilise operations in Western Australia. • Exploring opportunities in the industrial minerals space. • Strengthen Raubex Building Cape's resources and capacity to support continued growth in the Western Cape building market.
Prioritise the commissioning of the PGM plant at Kookfontein mine.	• The PGM plant at Kookfontein mine has been commissioned at the beginning of the second half of the year. • PGM production has exceeded expectations.	• Continue to further refine productions and chrome grade at the Kookfontein mine. • Focus on mine development at Naboom mine. • Potential disposal of a partial or full interest in Bauba Resources.
Continue with the rollout of the next phases of the Power Park Student Housing Project.	• The second phase of the Power Park Student Housing Project was completed during the year.	• Continue with the rollout of the next phases of the Power Park Student Housing Project units. • Focus on securing further phases at the Orlando Towers development.
Continue exploring opportunities to participate in the South African ERRP initiatives.	No significant projects were tendered for the year under review.	Exploring opportunities to participate in the South African ERRP initiative.
• Focus on the efficient execution of the Parliament building. • Continue to focus on the commercial building sector with potential opportunities in the retail and hospitality sector.	Construction on the Parliament building upgrade is making good progress.	• Focus on the efficient execution of the Parliament building project. • Focus on the commercial building sector with potential opportunities in the retail and hospitality sector.

Focus 2026	Progress during 2026	Focus for 2027
• Further investigate opportunities in the pit dewatering space at the mines in the Pilbara in Western Australia. • Continue to investigate further expansion to our service offering in the mining environment, water and telecommunication infrastructure in Western Australia. • Continue to focus on the brand establishment of Roadmac as a seal contractor in Western Australia.	• No significant tendering activity occurred for pit dewatering projects at Pilbara mines during the year under review. • We experienced a slowdown in the renewable energy sector in Western Australia. • Roadmac Australia continued to expand its market presence, delivering profitable projects.	• Further investigate opportunities in the pit dewatering space at the mines in the Pilbara. • Investigate further expansion to our service offering in the mining environment, water and telecommunication infrastructure. • Build capacity in the value offering of road surfacing construction. • Strengthen our road rehab capacity under Raubex Construction Australia.
Focus on: • the preservation of the Group Balance Sheet; • converting profits into cash; and • strategic capex spend.	• The Group's net asset value increased to R7.87 billion from R7.15 billion in the financial year. • Increased banking facilities (including guarantees and asset-based finance) on the back of the strong Balance Sheet of the Group.	Continue to focus on: • the preservation of the Group Balance Sheet; • converting profits into cash; and • strategic capex spend.
Continue to build on the optimisation and realisation of synergies between the Group's different business units.	• Regular meetings between the CEO, COO, and divisional MDs to ensure synergies were maximised and realised. • All divisional MDs attend each other's divisional meetings every second month.	Strengthen and leverage synergies across all business units to maximise optimisation and value creation.

Tosas

Strategic objectives (continued)

Preferred supplier	• Preferred partner of choice associated with quality projects and service excellence. • Strengthen stakeholder relationships.

Focus 2026	Progress during 2026	Focus for 2027
Maintain relationships with the client base in the affordable housing and commercial building sector and deliver a quality product.	• The affordable housing projects continue to progress positively as the property market is being stimulated by interest rate cuts. • Established solid new relationships with developers in the student housing markets.	Maintain relationships with the client base in the affordable housing and commercial building sector and deliver a quality product.
Further expansion in the Western Cape as a construction partner.	• Raubex Building Cape continues to execute well on the Newinbosch project. • Raudev has successfully completed their participation in the Voliere Development.	Further expansion in the Western Cape as a construction partner, focus on affordable housing and commercial building.
Continue to partner with strategic private developers.	Raubex Building was awarded the second and third phase of the Power Park Student Housing project, comprising 1 450 beds, with a contract value of R299.9 million.	Focus on being the partner of choice for developers in the housing, student accommodation and commercial building sector.
Continue to explore and promote Raubex Construction as a key partner in mining infrastructure development opportunities.	No tendering activity occurred in the mining infrastructure development during the year under review.	Explore and promote Raubex Construction as a key partner in mining infrastructure development opportunities.
Focus on the successful completion of the Aggeneys project and continue to target strategic private housing developers, with focus on infrastructure and electrical work.	The Aggeneys project has been completed during the year.	Focus on the strategic offering of infrastructure, and mining services in the Northern Cape area.
Maintain Level 1 B-BBEE rating on the Construction Sector Codes.	Maintained Level 1 B-BBEE rating on the Construction Sector Codes.	Maintain Level 1 B-BBEE rating on the Construction Sector Codes.
Maintain the required B-BBEE ownership level of the quarrying entities regulated by the Mining Charter III.	Maintained the required B-BBEE ownership level of the quarrying entities regulated by the Mining Charter III.	Maintain the required B-BBEE ownership level of the quarrying entities regulated by the Mining Charter III.

Alternative markets

Explore opportunities in niche markets, like marine, energy, rail, freight, logistics and transmission sectors.

Focus 2026	Progress during 2026	Focus for 2027
Continue focusing on negotiations with preferred bidders in the Eskom REIPPPP to secure future work.	Raubex Infra strategically shifted its focus toward the private renewables sector. This was supported by an increase in tender awards within the private sector during the year of 41.9%.	Continue focusing on the private renewables sector as well as negotiations with preferred bidders in the Eskom REIPPPP to secure future work.
• Focus on the efficient execution of the African Clean Energy Development (ACED) contracts. • Continue pursuing private renewable opportunities in the wind generation space. • Focus on the private Photo Voltaic sector.	• The Northern cluster wind energy project for ACED valued at R2.4 billion is progressing well. • The various Solar PV projects in the Northern Cape have been completed, with additional similar projects awarded during the year under review. • In final negotiations in securing Battery Energy Storage Systems (BESS) projects.	• Focus on the efficient completion and energising of the ACED wind projects. • Continue pursuing private renewable opportunities in the wind and Photo Voltaic sector. • Investigate the opportunities in niche markets, like marine, energy, rail, freight, logistics and transmission sectors.
Continue to increase market share in the renewable energy sector.	Westforce Construction successfully secured its fourth and fifth wind farm contracts during the year, further strengthening its position in the renewable energy sector.	Increase market share in the renewable energy sector.

Raubex Infrastructure

Strategic objectives (continued)

Technology	Promote innovation and agility: • Encourage a culture of continuous improvement, knowledge sharing and innovation, enabling Raubex to adapt rapidly to industry trends and emerging technologies. • Invest in Research and Development (R&D) in all business aspects, to enhance offerings.

Focus 2026	Progress during 2026	Focus for 2027
Continue to be at the forefront of new technologies and products and remain the leader/preferred supplier in the bitumen and asphalt industry.	• Tosas remained the preferred supplier of bitumen in the industry. • National Asphalt completed the implementation of automated workshop maintenance schedules and is rolling out service schedules across all plants to support preventative maintenance and operational efficiency. • National Asphalt implemented the Lastrada laboratory software for asphalt testing, with implementation and training currently in progress.	• Continue to be at the forefront of new technologies and products and remain the leader/preferred supplier in the bitumen and asphalt industry. • Promote a culture of innovation and agility. • Actively invest in R&D across all business aspects to enable rapid adaption to evolving industry trends and emerging technologies. • Roll out of the Raubex Digital Transformation: Business Intelligence, AI, and IT Governance Strategy.
Continue with the SANAS accreditation and Manual 35 product development.	All laboratories at National Asphalt were upgraded to perform manual 35 testing, with SANAS accreditation in progress.	Continue with the SANAS accreditation.

Public Private Partnerships (“PPP”)	• Continue targeting PPP opportunities (including unsolicited bids). • Leverage our Balance Sheet. • Leverage our strong existing infrastructure expertise. • Build/increase capacity for PPP service offering.

Focus 2026	Progress during 2026	Focus for 2027
• Continue to explore opportunities to selectively participate in PPP projects that meet the Group’s required risk and reward profile. • The South African Border Post PPP tender is scheduled to close in September 2025. • Focus on other cross-border opportunities in the optimisation of border posts in Africa.	• No new contracts were secured during the year due to the protracted process involved in finalising PPPs. • Raubex was awarded preferred bidder status for the Lebombo Border Post Project.	• Explore opportunities to selectively participate in PPP projects that meet the Group’s required risk and reward profile. • Continue with the process to reach financial and commercial close on the Lebombo Border Post PPP. • Focus on other cross-border opportunities in the optimisation of border posts in Africa.

National Asphalt

Strategic objectives (continued)

Our people	Foster an inclusive and empowering culture: • Cultivate a diverse, inclusive workplace that attracts, retains, and develops top talent while empowering employees through training, development, and meaningful engagement.

Focus 2026	Progress during 2026	Focus for 2027
• Roll out the implementation of the talent management programme incorporating succession and retention planning. • Enhance performance review processes to the development needs of lower to middle management employees. • Expand Training Centre services. • Monitor the "I Am a Safety Leader Campaign" rollout and implementation.	• SAP Success Factors has been successfully implemented. The system is designed to support talent retention by enhancing employee engagement, career development, and performance management. • Upgrade of the existing training centre to establish the Raubex Academy. • E-learning opportunities were made available to employees through the LinkedIn Learning platform, supporting continuous professional development. • The implementation of the "I Am a Safety Leader" campaign was actively monitored during the year to ensure consistent adoption and reinforcement of the Group's safety standards and behaviours.	• Roll out and implement the remainder of SAP Success Factors modules. • Enhance performance review processes to determine the development needs of lower to middle management employees. • Operationalise the Training Centre (Raubex Academy) as the central platform for technical, leadership and cultural development, integrating apprenticeships, bursaries, accredited training and leadership programmes. • Monitor the "I Am a Safety Leader Campaign" implementation. • Formalise and roll out of the Group People and Culture Framework.
Continued implementation of the retention strategy to retain critical skills.	The Retention Scheme was renewed and expanded to additional participants for the three years starting 1 March 2026. There were no Retention Scheme awards made effective 1 March 2025.	• Implementation of the long-term incentive strategy for senior and middle management to retain critical skills, for the period 1 March 2026 to 28 February 2029. • Focus on employee wellbeing, including remuneration, learning and development, overall staff retention.
Further consultation will take place and depending on the final regulations which will result in a process whereby Employment Equity plans will be re-drafted.	• 1 January 2025 – The new Employment Equity Amendment Act came into operation following a Presidential proclamation published on 28 November 2024. • 15 April 2025 – The Minister of Employment and Labour published the new Employment Equity Regulations; the regulations took effect on the same day it was published. • All revised Employment Equity reports were completed and submitted ahead of the due date of 15 January 2026. • The Group was fully compliant for the year 2026.	Focus on pro-active compliance with the new Employment Equity Regulations.
Once the new targets are promulgated, new plans will be drafted to align with the new sector targets.	The Group made measured and reasonable progress in implementing its Employment Equity commitments, in line with the amended Employment Equity Act.	Focus on sustainable and measurable Employment Equity progress aligned with business performance and employee inclusion.

ESG/ Sustainability

- Continue implementing the comprehensive ESG strategy developed by the Group.
- Incorporate sustainability principles across all projects and operations by adopting environmentally responsible practices, improving resource efficiency, and integrating ESG considerations into decision-making, project delivery, and risk management.

Focus 2026	Progress during 2026	Focus for 2027
Monitor ESG targets and strategic KPIs.	• Reporting strengthened for IFRS S1 (governance, risk and controls). • Climate disclosures strengthened for IFRS S2 (risks/opportunities, metrics, scenarios). • ESG principles are integrated across all operations.	• Track and report quarterly ESG performance. • Implement an ESG dashboard and KPI suite.
• Complete Scope 3 disclosures under IFRS S2 to fully comply with IFRS S2 requirements. • Improve the Group's Standard & Poor's (S&P) Corporate Sustainability Assessment (CSA) disclosed; however, Scope 3 disclosure remains pending.	• Scope 3 emissions were calculated using supplier spend across all divisions. • Improved S&P CSA score.	• Refine Materials Division Scope 3 data reporting. • Improve S&P CSA rating.
Continue to monitor any changes in legislation relating to the B-BBEE scorecard and ensure compliance.	There were no significant changes in legislation during the year relating to B-BBEE.	Monitor any changes in legislation relating to the B-BBEE scorecard and ensure compliance.
Continue to monitor the progress and report on compliance in terms of the VRP agreement with Government.	The Group has fulfilled its commitment to the VRP agreement and fully complied with the requirements and necessary reports submitted to the relevant stakeholders.	Monitor the progress and report on compliance in terms of the VRP agreement with Government.
The Group remains committed to the R15.0 million annual payment arrangement.	Payment has been made for FY2026. Two years remain on the settlement agreement.	The Group remains committed to the R15.0 million annual payment.


Senqu River Bridge

Board of Directors

Non-Executive Director

Rudolf Johannes Fourie (60) — **Non-Executive Chairman**

NDip Marketing Management

Rudolf holds a National Diploma in Marketing Management and was employed as Regional Manager of the Colas Group after completing his studies in 1989. Rudolf joined Raubex in 1997 as Managing Director of the then newly formed Roadmac Surfacing, which under his management grew into the leading road surfacing company in South Africa. Rudolf has more than 20 years' experience in road surfacing and the bitumen industry. He was appointed as CEO of the Group effective 1 March 2010. Effective 31 July 2022, Rudolf retired as CEO and assumed the position as Non-Executive Deputy Chairman from 1 August 2022 with a focus on business strategy and M&A. With the resignation of Freddie Kenney, Les Maxwell was appointed as Acting Chairman with Rudolf being appointed permanent Chairman effective 6 December 2022.

Independent Non-Executive Directors

Setshego Rebecca Bogatsu (63) — **Lead Independent Non-Executive Director**

BCom, MBA

Setshego joined Raubex as an Independent Non-Executive Director effective 1 June 2017. She has over 30 years' professional experience in financial management, procurement and strategic planning. Most recently, she served in senior financial management and procurement positions at Fluor South Africa (Pty) Ltd for 10 years, prior to which she was the CFO at the National Nuclear Regulator. She also held financial management roles at BMW South Africa and Sasol Ltd. Setshego also served as a Non-Executive Director on the board of Pikitup Johannesburg (SOC) Ltd and as member of the Group Remuneration Panel of the City of Johannesburg. She currently serves as Non-Executive Director of TRS Staffing Solutions, a global engineering recruitment agency. As a result of Rudolf Fourie being CEO of Raubex prior to his appointment as Chairman of the Board, Setshego was appointed Lead Independent Non-Executive Director effective 6 December 2022.

Nosisa Fubu (47) — **Independent Non-Executive Director**

BCom, CA(SA)

Nosisa has been an Executive Partner: Clients and Markets, Board member and Head of Forensic at KPMG SA. Nosisa successfully led various high-profile investigations in both private and public sectors, resulting in multi-million Rand recoveries. She has deep skills across governance, risk management, ethics, sales and brand reputation management. Nosisa is a nation builder known for cultural intelligence and providing exemplary back-boned ethical and trusted leadership. Nosisa is a qualified Chartered Accountant (SA) and an experienced executive and business leader. She holds 17 years' experience as a partner and nine years as a board member at KPMG and has also completed Graduate of Leadership Programmes at the London and Stellenbosch Business Schools. She also serves on the board of the African Renaissance Capital, a fund established to fund the Thabo Mbeki Foundation, an institution dedicated to the economic, political and cultural development of Africa. Nosisa was appointed as an Independent Non-Executive Director on the board of MTN Ghana, MTN Sudan and MTN South Sudan. Nosisa was appointed Non-Executive Director at Raubex effective 6 December 2022.

Anna (Modi) Hlobo (51) — **Independent Non-Executive Director**

BCom, BCompt (Hons), CTA, Masters in Financial Management, PhD (Accounting), CA(SA)

Modi joined Raubex as an Independent Non-Executive Director on 29 May 2023. She is a Senior Lecturer in Accounting at the University of Johannesburg. She began her career at Absa Group Limited, where she completed her articles and worked as an internal auditor, before joining the National Empowerment Fund and later the Development Bank of Southern Africa as a Senior Investment and Portfolio Officer. She has held several non-executive directorships, including Acsion Limited and PSG Group Limited. She currently serves as Vice Chairperson of the University of Johannesburg Pension and Provident Fund and as Chairperson of the Audit Committee at Stanlib.

Louis Johannes Raubenheimer (59) — **Independent Non-Executive Director**

Bachelor of Engineering in Civil Engineering (B. Eng (Civil))

Louis holds a Bachelor of Engineering in Civil Engineering (B. Eng (Civil)) and brings more than 30 years of executive leadership experience within the construction industry. He previously served in the Group from 1992 until his early retirement on 1 July 2022, during which time he held various senior roles, culminating in his position as Divisional Managing Director of the Roads and Earthworks Division. Louis was appointed as Non-Executive Director effective 1 March 2026.

Moses Zolinjani (Zweli) Ndese (57) — **Independent Non-Executive Director**

National Higher Diploma in Metalliferous Mining, Mine Manager's Certificate of Competency, Master of Business Administration (MBA)

Zweli joined Raubex as an Independent Non-Executive Director on 24 January 2025. Zweli is an experienced executive with a career spanning over 25 years in the mining industry. He brings a wealth of experience in strategic planning to develop and implement robust medium and long-term business plans that drive sustainable growth, operational excellence to ensure the achievement of business plans across key areas including production, costs, quality, health and safety, people development and succession planning. He is also well versed in business improvement to initiate and execute projects that drive growth. His experience also includes project execution and stakeholder management.

After completing the Management Trainee Programme at AngloGold Ashanti, Zweli went on to hold senior mine operations roles at various reputable mining companies including Goldfields, Anglo American Platinum and Sibanye-Stillwater, with his most recent executive position being Regional General Manager: Operations, at Harmony Gold Mining Company Limited until his early retirement in May 2024. Much earlier in his career he also gathered experience in the Department of Mineral Resources as a Mining Inspector in the Directorate of Mine Health and Safety.

Executive Directors

Ntombi (Felicia) Msiza (51) — **Chief Executive Officer**

BCom, HDip (Tax), MBA, Chartered Director (SA)

Felicia joined Raubex as an Independent Non-Executive Director in February 2011. She has extensive knowledge and experience in the field of governance, including internal audit, external audit and risk management. Felicia was appointed as Executive Director responsible for Governance, Risk and Compliance for the Group effective 1 March 2017. She previously served as Group Chief Audit Executive at Denel SOC Ltd, Director of Risk and Assurance at City Power Johannesburg SOC Ltd, Head of Internal Audit at the Independent Development Trust (IDT) and as a partner and director at SizweNtsalubaGobodo VSP. Felicia also held a directorship position within the Institute of Internal Auditors of South Africa (IIASA) where she served on the Audit Committee and Public Sector Committee, in addition to various roles in both the public and private sector. Felicia served on the Board of the Institute of Directors South Africa from 2018 to 2021. Felicia was the Group's Executive Director responsible for Governance, Risk and Compliance until her appointment as CEO effective 1 August 2022.

Samuel (Sam) Jacobus Odendaal (50) — **Financial Director**

BCom, CA(SA)

Sam joined Raubex in July 2007 as the Financial Manager of Raubex Construction (Pty) Ltd and has grown through the financial ranks of the Group, where he was appointed as the Financial Manager of the Roads and Earthworks Division in May 2015, before being appointed as the Group Financial Manager in March 2020. Sam is an experienced Chartered Accountant and holds an Honours Bachelor of Commerce Degree from the University of the Free State. Sam completed his articles with Havenga Rossouw Viljoen in Bloemfontein in 2004, following which he was appointed as a partner at GJ Maasz & Kie before joining Raubex. Sam was appointed Financial Director of Raubex effective 1 June 2021.

Dirk Cornelius Lourens (53) — **Chief Operating Officer**

SACPCMP – Pr.CM

Dirk joined Raubex in July 2012, where he was instrumental in the establishment of Raubex Infra (Pty) Ltd. Dirk was appointed as Divisional Managing Director of the Infrastructure Division and has served on Exco from May 2017. Prior to this, Dirk was co-founder of Meyker Construction in 1995, which was later acquired by Sanyati Construction. Dirk is a professional construction manager registered with SACPCMP with over 20 years' experience in the construction industry, the majority of which was gained in supervisory, managerial and executive positions. Dirk was appointed as COO effective 1 August 2022.

Company Secretary and Legal Advisor

Grace Miriam Chemaly (53) — **Company Secretary and Legal Advisor**

B.Iuris, LLB, admitted attorney, notary & conveyancer

Grace joined Raubex as Group Company Secretary and Legal Advisor effective 16 October 2017. Grace was admitted as an attorney in 1998 and as a notary and conveyancer in 2000 and has more than 15 years' experience as a Company Secretary and Legal Advisor in the JSE listed environment.

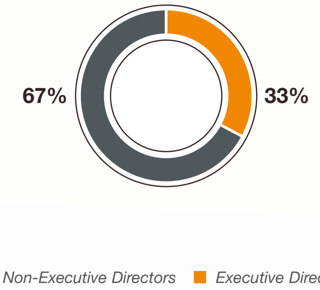
Board of Directors (continued)

Retiring

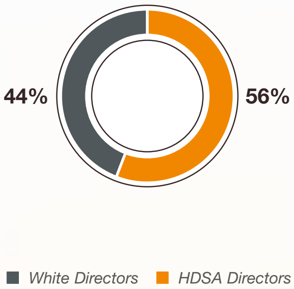
Bryan Hugh Kent

Bryan joined Raubex as an Independent Non-Executive Director in February 2011. He is an independent financial consultant and has served on the boards of numerous listed and unlisted companies. Bryan was also a partner at PwC for 13 years where he managed the national tax practice and gained considerable experience in the areas of property matters, financial structuring, leveraged buyouts, international taxation and listings. Bryan will be retiring as a Non-Executive Director at the AGM on 24 July 2026 and will still be available as a consultant to Raubex, if and when required.

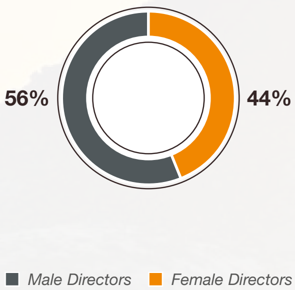
Directors*



Demographics*



Gender*



* *The statistics include LJ Raubenheimer and exclude BH Kent.*

Belabela Quarries

Five-year review

Year ended February		2026	2025	2024	2023	2022
Profit performance						
Revenue	R'm	**22 048**	21 077	17 425	15 307	11 578
Operating profit	R'm	**1 737**	1 556	1 537	1 276	945
Depreciation on property, plant and equipment	R'm	**796**	703	670	578	375
Depreciation on ROU assets	R'm	**23**	56	64	53	44
Profit before income tax	R'm	**1 643**	1 522	1 473	1 221	915
Profit after income tax	R'm	**1 166**	1 069	1 074	859	625
Profit attributable to owners of the parent	R'm	**1 100**	1 082	848	705	552
Profit/(loss) attributable to non-controlling interest	R'm	**66**	(13)	226	154	73
Financial position						
Total assets	R'm	**16 459**	14 907	13 195	11 343	10 000
Total equity	R'm	**7 872**	7 149	6 607	5 803	5 218
Total liabilities	R'm	**8 587**	7 758	6 588	5 540	4 782
Total property, plant and equipment	R'm	**6 485**	5 582	4 686	3 668	3 043
Total ROU assets	R'm	**109**	111	290	335	377
Cash flow information						
Cash from operating activities	R'm	**1 747**	2 507	1 902	1 959	800
Capital expenditure	R'm	**1 205**	1 352	1 701	1 153	696
Free cash flow	R'm	**183**	646	(62)	552	58
Cash and cash equivalents	R'm	**1 875**	2 117	1 662	1 697	1 505
Ratio and statistics						
Operating profit margin	%	**7.9**	7.4	8.8	8.3	8.2
EPS	cents	**610.2**	601.7	472.1	391.1	305.9
Diluted EPS	cents	**597.4**	593.5	467.5	388.9	303.7
HEPS	cents	**611.3**	599.8	476.3	392.8	297.4
Total dividend per share	cents	**202.0**	198.0	155.0	129.0	101.0
Net asset value per share	Rand	**40.50**	36.69	32.90	32.22	26.58
ROCE	%	**14.8**	15.4	16.5	16.2	13.5
ROE	%	**14.8**	15.0	16.3	14.8	12.0
Current ratio	times	**1.3**	1.3	1.4	1.4	1.5
Gearing (debt:equity)	%	**34.7**	31.7	26.0	20.9	18.4
Head count	number	**9 208**	9 239	8 276	7 660	7 473
JSE statistics						
Market value per share						
– At year-end	cents	**5 705**	4 199	2 800	2 847	4 008
– Highest (year to 28 February)	cents	**5 752**	5 949	3 000	4 286	4 240
– Lowest (year to 28 February)	cents	**3 841**	2 702	2 140	2 387	2 276
Closing PE ratio	times	**9.3**	7.0	5.9	8.9	13.1
Market capitalisation – close	R'm	**10 369**	7 632	5 089	5 174	7 285
Volume traded (year to 28 February)	'000	**157 059**	106 561	52 100	64 811	69 624
Weighted number of shares	'000	**180 188**	179 851	179 532	180 104	180 422
Issued shares at 28 February	'000	**181 750**	181 750	181 750	181 750	181 750

Material risks and opportunities

Our risk management systems are underpinned by our values and strategic objectives. We proactively manage risks to enable the achievement of strategic goals and deliver value to our stakeholders. Risk management is part of our strategy and remains a critical component of good corporate governance. While it is important to deal with uncertainty, our risk management processes also enable us to take advantage of opportunities.

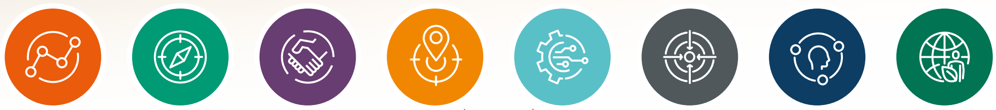
Risk management approach

Risk management is an ongoing process and the Raubex management team has assessed all the material issues and potential risks which could influence or impact key drivers in managing the Group:

Establish context | Identify risks | Analyse risks | Evaluate risks | Treat risks

Manage risks

Achieve strategic objectives



Pursue opportunities

Risk governance

The Board's approach to risk governance supports the Group's strategic objectives. The Risk Committee oversees risk management on behalf of the Board, through regular reporting by Exco and divisional management on strategic risks and related mitigating controls. The Risk Committee continually assesses the risk management structure to ensure clear roles of identifying, analysing, evaluating, treating, managing and reporting of risks are defined. The Risk Committee's responsibilities are set out in the Governance Report on page 76 of this Integrated Report.

Group risks			Divisional top risks
Board	**Risk Committee**	**Exco**	**Divisional management**
The Board sets the approach to risk governance for the Group, including identifying opportunities and risks when approving the strategy. The Board has delegated the monitoring of risk governance to the Risk Committee, which is a committee of the Board.	The Risk Committee oversees risk management including the assessment of risk and opportunities in relation to the triple context. The committee receives periodic and independent assurance on the effectiveness of risk management, to ensure compliance with governance requirements and standards.	Exco is responsible for executive oversight of the Group's top risks. Exco is responsible and accountable for the management of risks. Risk management is a standing agenda item for all Exco meetings. Divisional MDs discuss the top risks and mitigation strategies in their respective divisions.	Oversight of risk governance at divisional level is executed through Divisional Exco and cost management meetings. Risks identified at each subsidiary company are discussed during cost management meetings and consolidated into top risks and discussed at relevant Divisional Exco meetings.

Roadmac Surfacing

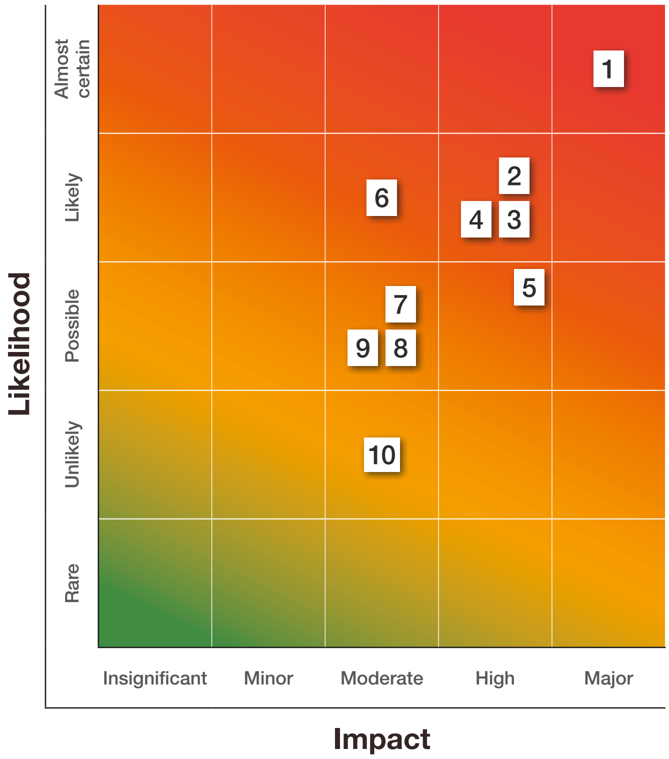
Top Group risks

The Group's top risks are identified by Exco together with the required strategies to mitigate chances of occurrence and to reduce the impact should they occur.

The Group's top 10 risks include:

1. **Local community unrest/business forums causing work stoppages**
2. **Loss of critical skills**
3. **Tender award corruption/delay in tender awards**
4. **Volatility in commodity prices**
5. **Impact of unscheduled power outages on business operations**
6. **Inflationary pressure on input costs**
7. **Competitive conditions leading to low margins**
8. **Quality of imported bitumen**
9. **Credit risk**
10. **Risk of overtrading**

Residual risk ratings



The diagram above is the heat map depicting the top residual risks at Group level. Certain risks affect multiple divisions of the Group. The residual risk rating has been assessed after considering the key controls mitigating the risk. Some of the current risks are attributed to external dynamics which are beyond management's control.

Some of the risks were reassessed for the year, however, the overall risk profile of the Group did not change significantly during the 2026 financial year. The movement and reprioritisation of risks are highlighted in the "Risk movement" column on pages 30 to 33. We continue to leverage the Group's risk position to support strategic decision-making. Our risk management systems enable the Group to identify and consider opportunities as they arise, with the approach under continuous review by subsidiary companies, Exco, the Risk Committee, and the Board.

Material risks and opportunities (continued)

The following is a detailed outline of the Group's current key risks as identified and assessed together with the mitigating controls. This process enhances the Group's ability to manage uncertainty and to consider how much risk to accept as it strives to increase stakeholder value.

Detailed risk register

Unchanged	Risk increase	Risk reduction
–	^	v

Risk description	Previous risk rating	Mitigation of risk	Risk movement	Current risk rating
1 Local community unrest/business forums causing work stoppages				
Raubex operates in locations throughout South Africa where projects are subject to the risk of social unrest, which leads to unsafe working conditions for employees, project delays, lower production and damage to equipment. The risk is associated with criminal elements, illegal occupation of construction sites and soliciting protection money from businesses. There are ongoing instances of work stoppages and standing time as a result of disruptions caused by criminal elements within communities illegally occupying construction sites in a bid to solicit protection money from businesses.	Major	• A Group policy on responding to labour and community unrest was developed. • The Group continually engages with local labour and communities through project consultants and community liaison officers. • Communities are engaged before site establishment to manage expectations relating to the work and contract participation goals. • Ongoing engagement with professional bodies, Government and SAPS in addressing the unrest. • Police Task Team headed by the SAPS has been established by the Government. • Risk assessments are performed before the start of contracts to ascertain the safety of our personnel.	–	Major
2 Loss of critical skills				
Loss of critically skilled personnel to competitors in the industry as their order books increase, as well as the emigration of experienced and skilled personnel.	High	• Continuous engagement with key personnel and the implementation of retention policies to retain critical skills. • Long-term retention scheme implemented for personnel with critical skills. • Talent management processes implemented for recruiting, training and retention of skilled individuals.	–	High

Risk description	Previous risk rating	Mitigation of risk	Risk movement	Current risk rating
3 Tender award corruption/delay in tender awards				
Lack of transparency in the award of provincial and municipal tenders effectively excludes the Group from sources of revenue it would otherwise participate in.	High	• The Group is committed to the highest standards of ethical behaviour in its business conduct and has adopted an Anti-Fraud and Corruption Policy. • Key controls over the Group's tendering processes are in place, including approved levels of authority. • It is the Group's policy to take a firm stance against tender award irregularities and to challenge the award of tenders through formal legal processes where awards are not consistent with pricing, technical ability and other scorecard criteria.	–	High
The slow rollout of Government infrastructure investment programmes, together with delays in the SANRAL tender process, has affected the adjudication and awarding of tenders.		• The Group endeavours to achieve greater portfolio diversification, thereby mitigating concentration risk associated with any one customer. • The Group continues to tender for new opportunities as we await the outcome of several bids.		
4 Volatility in commodity prices				
The volatility in commodity prices has an impact on production volumes of mines. The Group's Materials Handling and Mining operations are particularly exposed to the commodity cycles of copper, coal, gold, PGMs, chrome, zinc, manganese, vanadium, lithium, tantalite and iron ore commodities.	High	• The Group follows due diligence procedures before contracts are entered into and evaluates both price risk and client risk relating to the commodity before committing resources to contracts. • Capital employed is spread across various commodities to mitigate risks related to specific commodities.	–	High
5 Impact of unscheduled power outages on business operations				
Unscheduled power outages/loadshedding has a serious impact on the Group's business operations that rely on continuous electricity supply. The use of back-up electricity systems has resulted in a significant increase in the running cost of operations due to the increase in fuel/diesel usage.	High	• Contingency plans are in place to make up for lost production or lost activity. • Back-up systems are in place to secure business information and business continuity. • Back-up electricity supply such as generators, solar power, UPS systems, etc. are in place.	⌄	Moderate

Material risks and opportunities (continued)

Risk description	Previous risk rating	Mitigation of risk	Risk movement	Current risk rating
6 Inflationary pressure on input costs				
While headline inflation has moderated and remained relatively contained during the year, the Group continues to experience upward pressure on the cost of certain construction materials. These cost increases may not be fully recoverable, depending on the timing, structure, and duration of individual contracts, as well as the effectiveness of contractual escalation clauses and price adjustment mechanisms. This creates a risk of margin compression where input cost increases are incurred ahead of, or are not adequately covered by, contractual price escalations.	High	• Selective tendering based on a contract's exposure to input costs susceptible to high levels of inflation, that are not covered in escalation clauses. • Qualification of tenders based on the rise and fall of the price and the contract price adjustment of key material inputs.		Moderate
7 Competitive conditions leading to low margins				
Excess capacity in the industry and slow rollout of infrastructure projects have resulted in the competitive conditions being experienced. Tender margins are at levels that are insufficient to compensate for risk on a sustainable basis. The Group is seeing an increased rollout of tenders in the market, and we anticipate improved margins over the short to medium term.	Moderate	• Contract pricing is closely reviewed by experienced senior management before tenders are submitted. • The Group focuses more on tenders where synergies can be realised through its vertically integrated business model to enhance the Group's margins. • Effective project execution and close out. • Drive to attain a more balanced portfolio of work. • Increase tender margins over time.		Moderate
8 Quality of imported bitumen				
The closing down of refineries in South Africa has had an impact on the local supply of bitumen resulting in reliance on the import market. However, there is currently an oversupply of imported bitumen which has created a new risk relating to the quality of procured bitumen.	Moderate	• The Group owns and rents bitumen storage facilities which are sufficient to ensure approximately six weeks' worth of supply to its operations depending on stock levels between import cargoes. • The Group has supply agreements in place to continuously service the market. • A three-stage quality assurance process is in place, together with strict protocols, to ensure quality of bitumen that is procured from all sources that supply into South Africa. • The Group ensures alignment with preferred suppliers of bitumen with strict quality assurance processes.		Moderate

Risk description	Previous risk rating	Mitigation of risk	Risk movement	Current risk rating
9 Credit risk				
Challenging trading conditions continue to be experienced in the South African market, with certain customers showing signs of financial distress arising from reduced activity levels and constrained cash flows. This has resulted in an increased incidence of payment delays and, in some cases, non-payment. As a consequence, the Group is exposed to elevated levels of credit risk within its customer base, which may adversely affect cash flow and working capital management if not effectively mitigated.	Moderate	• Credit risk management processes are in place. • Strict credit approval and review procedures as well as a "stop supply" policy are in place in order to manage the risk to an acceptable level. • The Group makes use of credit risk insurance, payment guarantees and advance payments as mechanisms to mitigate risks identified in its credit review processes.	–	Moderate
10 Risk of overtrading				
Due to the size of recent SANRAL tenders and awards and the overall increase in opportunities across the Group, Raubex needs to be cautious and selective in tendering to manage the potential realisation of over-trading consequences resulting in cash flow and other resource constraints.	Moderate	• Monitoring of tenders on a weekly basis by divisions. • Selective tendering based on size and available capacity. • Adequate project management procedures and resource management. • Working capital requirements are assessed frequently to ensure adequate management.	–	Moderate

Material risks and opportunities (continued)

Emerging risks

Through its risk management processes, the Group anticipates and responds to emerging risks, enabling the pursuit of its strategic goals while mitigating threats and capitalising on potential opportunities. The emerging risks are discussed at Exco, the Risk Committee and Board level.

Risk description	Risk rating	Mitigation of risk
1 Growth and expansion into new markets		
The Group continues to selectively explore growth and expansion into new markets, particularly in Western Australia. Entry into these territories increases the Group's risk due to the additional investment required, the risk associated with operating in new markets and within their regulatory compliance frameworks.	Moderate	• Extensive research and due diligence in understanding the market, local culture and specific risks and compliance requirements. • Experienced teams and project managers are deployed in new markets to monitor performance on a contract-by-contract basis. • Policies and approval procedures are in place to regulate entry into new markets.
2 Foreign currency exposure risk		
The management of foreign currency exposure when operating in non-Rand-based currency geographies has increased with the current order book and growth in new markets.	Moderate	• The Group favours contracts that allow for currency selective payment options to naturally hedge revenues against costs. • The Group is selective in tendering for foreign contracts, which is conditional on payment being received in hard currency which can be effectively hedged. • Forward exchange contracts are implemented when appropriate to mitigate foreign exchange losses in circumstances when sufficient risk margin is not embedded in the contract price.
3 Cyber-attacks including data fraud or theft		
The risk of cyber-attacks by cybercriminals is on the increase. This includes identity theft, where an individual or company information is illegally obtained by the criminals to obtain credit or other forms of financial gain.	Moderate	• An IT policy is in place which is updated annually and includes password protocols. • IT risk assessments and vulnerability tests are conducted on a continuous basis. • IT systems and data are secured by firewalls. • Cyber-attacks are reported to relevant authorities.
4 Supply chain delays affecting logistics and the procuring of machinery		
The risks of the ongoing geopolitical tensions and trade policies result in logistics disruptions and the overall increase in the cost of procuring machinery.	Moderate	• Continuous planned maintenance of plant and equipment currently in use. • Rebuild programmes and facilities to extend the life of plant and equipment. • Processes in place to constantly inspect plant to ensure that upgrades, refurbishments, and replacements happen when the need arises.

Risk description	Risk rating	Mitigation of risk
5 Climate action and the reduction of our carbon footprint in alignment with global standards		
The risk of not adequately reducing the impact our operations have on the environment and overall, not improving our environmental performance.	Moderate	• Raubex has a dedicated ESG manager that assists in achieving climate action targets. • Continued monitoring of ESG verifiable data. • Established the Data Point Base line and ESG targets for the next five years. • Reporting being aligned with IFRS S1 and S2. • The 2026 Sustainability Report has been fully and independently assured.
6 Quality of aggregates of third parties		
The risk of declining aggregate quality from third parties and the lack of adequate supply.	Moderate	• Identify preferred suppliers of aggregates with strict quality assurance processes.
7 Cash flow risk due to increased business operations		
Though the Group still maintains a healthy cash position, the Group's strong and growing order book creates a potential risk to cash flow due to additional working capital requirements.	Moderate	• Regular updates to cash flow projections to account for increased operations and identify potential shortfalls. • Strengthened controls over working capital management.

Insurance

The Group has a comprehensive insurance programme to protect against a wide variety of insurable risks. External advisors are consulted to advise on the appropriate type and level of cover. The terms and levels of each facility are reviewed annually to ensure that satisfactory cover is in place.

Fraud hotline

The Group is committed to conducting ethical business practices with honesty and integrity, which will not only ensure a stable employment environment for employees but also ensure the continued future success of the Group. We are committed to the highest standards of ethical behaviour in our business conduct. An Anti-Fraud and Corruption Policy is in place to ensure consistent and effective investigation, reporting and disclosure of fraud and corruption within the Group. For this reason, the Group subscribes to a service which enables all stakeholders, but more specifically employees, to report anonymously on any fraud or unethical behaviour. Raubex makes use of the professional services from Deloitte that are managed independently. Cases reported are investigated and the outcome of the investigations are reported to the Audit Committee as well as the Social and Ethics Committee.

South Africa Toll-free:
0800 205 314

Namibia Toll-free:
0800 015 005

Australia Toll-free:
1 800 633 293

Zimbabwe:
+263 24 2799916

Botswana:
71119 602 (Mascom)
0800 600 644 (BTC)
1144 (Orange)

Email:
raubex@tip-offs.com

Website:
www.tip-offs.com

FreeFax:
0800 00 77 88
(free for South Africa only)

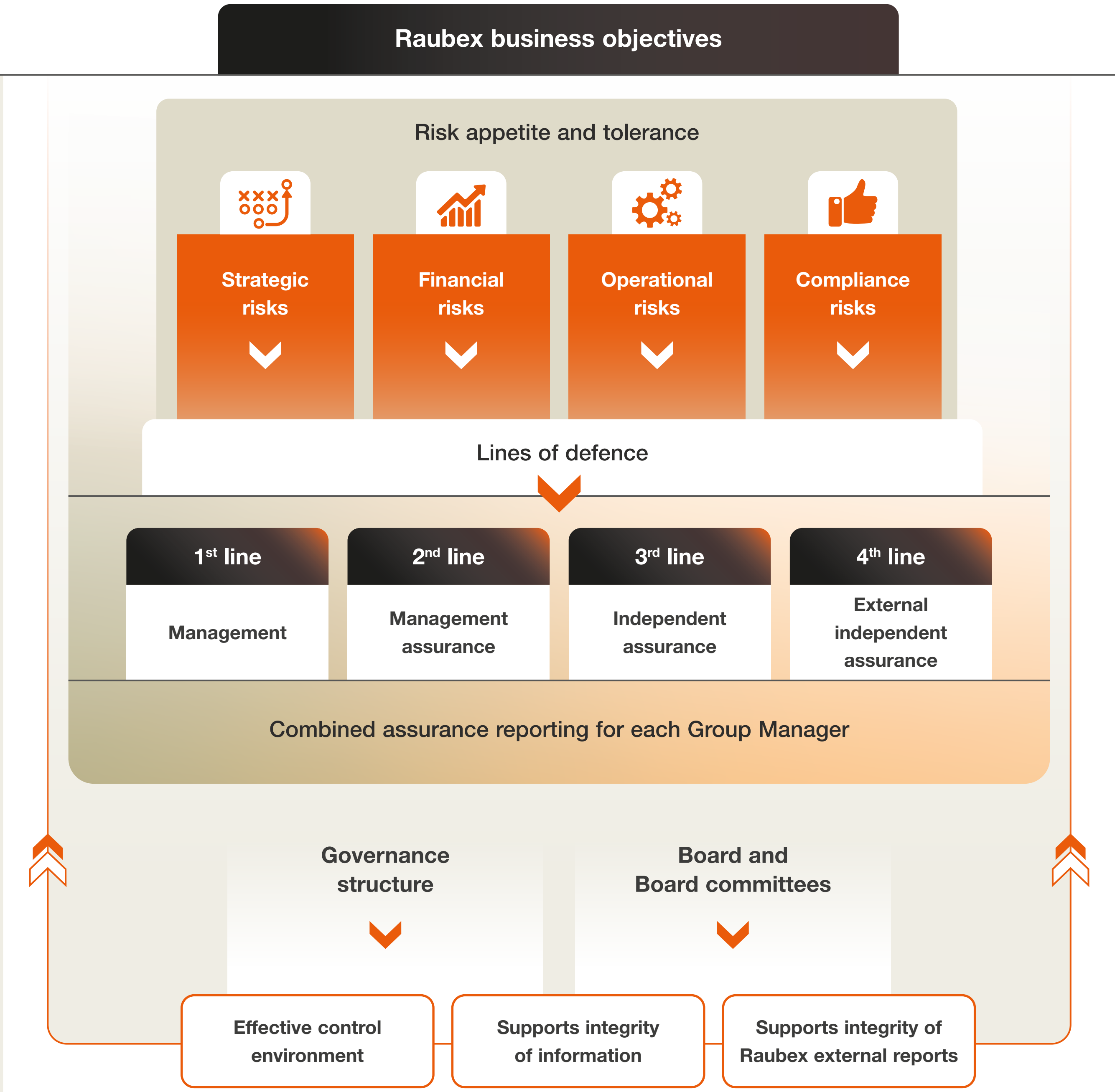
FreePost:
KZN 138
(free for South Africa only)
Umhlanga Rocks, 4320

Material risks and opportunities (continued)

Combined assurance approach

The Board, supported by the Audit Committee, has adopted a combined assurance model which incorporates and optimises all assurance services and functions. This combined assurance approach ensures that as a whole, these lines of defence enable an effective control environment for the Group, supports the integrity of information used for decision making and also supports the integrity of the Group's external reports.

The combined assurance model adopted by the Group optimises assurance received from management, internal and external assurance providers. The Audit Committee has established the combined assurance model for the Group and oversees its implementation. The Audit Committee further oversees the scope of the combined assurance model as informed by the Group's material risks and opportunities.



The Audit Committee has delegated the facilitation of the process to the Group Manager responsible for Governance, Risk and Compliance.

The following four lines of defence are applied to govern risk across the Group. The Combined Assurance Policy and model assign specific responsibilities to each line of defence:

1st line	Management, as the first line of defence, provides assurance on all areas within their span of control. Management oversight includes strategy implementation, performance measurement, risk management, internal control and other control and governance processes, including control self-assessment and continuous monitoring mechanisms and systems. Management is also responsible for implementing corrective actions to address process and control deficiencies.
2nd line	Management has established various risk management and compliance functions to help build and/or monitor the first line of defence controls. Legal, Human Resources, ESG, risk management, compliance, health and safety, quality assurance, the Exco and Group Finance Department are included in the second line of defence.
3rd line	Independent and objective assurance of the overall adequacy and effectiveness of risk management, governance, and internal control within the Group as established by the first and second lines of defence. The third line only comprises internal auditors. The third line is the most independent internal line of defence from line management, which further increases the level of confidence in the assurance.
4th line	The fourth line comprises external assurers, the most significant, which the external auditor provides. The fourth line is independent of the Group itself, with external assurers being required to comply with the Code of Ethics. External assurance may include an assessment of internal controls in the first three lines of defence.

Opportunities

The Group's risk management approach balances the traditional negative view of risk with one that recognises the potential business opportunities inherent in some of the risks. The Group also recognises opportunities that do not always originate from the current risks identified by the Group. The Board together with Exco considers various other opportunities when setting the strategic direction for the Group.

Despite tough trading conditions, the Group has maintained a strong Balance Sheet and healthy cash position throughout the period and is well-positioned to participate in current and future opportunities in the South African market.

The Group continuously reviews its strategic objectives to identify opportunities to further enhance performance. The following opportunities have been identified to further unlock and create stakeholder value:

The South African Government National Development Plan

The South African Government has an infrastructure development plan that is intended to transform the economic landscape of South Africa, create a significant number of new jobs, strengthen the delivery of basic services to the people of South Africa and support the integration of African economies. This multi-billion Rand plan lists SIPs which include energy, transport and logistics infrastructure. These projects cover all the key infrastructure platforms of rail, road, port, dams, irrigation systems, sanitation, new energy generation plants, transmission lines, distribution of electricity to households, communication and broadband infrastructure, social infrastructure in the form of hospitals, schools and universities.

The South African ERRP

The South African Government's ERRP focuses on four areas, namely infrastructure, industrialisation and local production, employment stimulus and energy security. The 2026 SONA and National Budget reaffirmed Government's commitment to infrastructure-led growth, with over R1 trillion allocated over the medium term to priority sectors including transport, energy, water and digital infrastructure. Infrastructure investment has been positioned as a key driver of economic growth, supported by enhanced PPP frameworks, innovative funding mechanisms and the Infrastructure Fund. A total of 88 projects were gazetted as SIPs up to 2025 in terms of the Infrastructure Development Act No. 23 of 2014, as amended, with no additional projects

Material risks and opportunities (continued)

gazetted up to April 2026. The Group is executing some of the projects and continues to be well positioned to participate in more projects, in particular, projects in the renewable energy, transport, human settlements as well as water and sanitation categories.

Workflow from SANRAL

During the second half of the year under review, the release of large new SANRAL tenders to the market slowed, although contracts previously awarded during the period enabled the Group to secure a solid and well-balanced order book, with several material projects still awaiting adjudication. The pipeline of road infrastructure projects expected to be awarded during the 2027 financial year remains encouraging. SANRAL continues to be a strategically important stakeholder for the Group, with road construction playing a vital role in job creation and broader economic stimulation through its multiplier effect. Raubex is well positioned to execute its existing order book and to compete effectively for future opportunities within the road construction sector.

Growth in the affordable housing and commercial building market

Raubex continues to experience favourable conditions in the affordable residential housing market, including multi-storey BNG units, student accommodation and commercial building projects, which include hospitals, prisons and Urban Regeneration Projects. The Group is well positioned to participate in the delivery of SIPs in the Human Settlements category as mentioned above, including building and civil infrastructure opportunities created by the Lufhereng Integrated Urban Development Project to the west of Soweto. There has been a renewed uptake in the property market recently and the outlook for 2027 is positive.

Opportunities in the mining sector

Raubex has a well-established presence in the mining services sector, providing materials handling and processing services, infrastructure solutions and mine-related construction. Market conditions in the sector remain influenced by commodity price volatility and operational constraints across the mining value chain. In line with its disciplined capital allocation and portfolio optimisation strategy, the Group continuously evaluates its exposure to mining-related activities and associated investments.

As previously communicated to shareholders through SENS, the Group is currently exploring strategic options for its investment in Bauba Resources, including a possible partial or full sale. This review is still ongoing, with no decisions made yet. As such, Bauba Resources is now treated as a "portfolio asset under review" rather than a long-term investment.

Other entities within the Materials Handling and Mining Division continue to hold various prospecting and mining rights in South Africa and Namibia. The Group will continue to pursue opportunities in the sector selectively, with a focus on risk-adjusted returns, operational resilience and alignment with the Group's broader long-term value creation strategy.

Participation in alternative markets

As part of the Group's revised strategy to explore alternative markets, Raubex is evaluating opportunities in marine, energy and related niche markets.

The Infrastructure Division's strategy to focus on privately funded renewable energy contracts is yielding positive results through the private wind farm project, near Murraysburg in the Western Cape. In addition, we are actively involved in several PV projects, all of which are progressing well. The Group is well positioned to capitalise on the current upswing in the renewable energy sector. We are also investigating and seeking new opportunities in the energy market.

Participation in Public Private Partnerships

Opportunities to participate in PPP projects have started coming to the fore in the South African market and the Group will review these opportunities and look to participate in these projects on a selective basis.

The Roads and Earthworks Division continues to advance its strategy of broadening its customer base, placing particular emphasis on securing work within the PPP environment. This approach is beginning to yield meaningful results, with several noteworthy projects already reaching preferred bidder status.

These projects are often complex and entail lengthy development lifecycles before financial closure can be reached. Raubex was named the preferred bidder on the Lebombo Border Post project and anticipates that work will only commence in the third or fourth quarter of the 2027 financial year-end.

Geographical expansion of the Group

The Group's strong Balance Sheet and healthy cash balance positions it well to expand its current operations geographically throughout Southern Africa and Western Australia. This is supported by the opportunities identified by the Western Australia operations. Strategic partnerships and acquisition opportunities are continuously assessed by Raubex in the domestic market, while the Group will look to grow its business in Western Australia, at a measured pace.

Commitment to transformation

The Group is committed to transformation and the development of its employees. Our transformation agenda supports Government's initiatives, which seek to address the inequalities of the past and to make the South African economy more inclusive of HDSAs. To ensure sustainability, we strive to continue making progress in improving our B-BBEE credentials as measured by the B-BBEE scorecard set out on page 56 of the Sustainability Report. Raubex constantly educates and trains its employees.