Chief Executive Officer's Report

Felicia Msiza
Chief Executive Officer

> Amidst a year defined by both local and global uncertainty, the Raubex Group once again delivered results that reflect the resilience of our business and the unwavering focus that continues to anchor our success.

I am honoured to present this year's report to our shareholders, reflecting on the Group's achievements over the financial year, not only in terms of our solid economic performance, but also in the meaningful progress we have made in advancing our sustainability commitments.

Despite a backdrop of persistent geopolitical tensions and the local challenges we continue to navigate, Raubex delivered another resilient set of results for the year ended 28 February 2026. This outcome was underpinned by a strong Balance Sheet, solid cash generation throughout the year, and a robust order book that increased by 11.6% to R31.46 billion (2025: R28.18 billion). The high-quality order book continues to provide meaningful earnings visibility to stakeholders.

Our diversification strategy remains a defining pillar of the Group's success, having strengthened our position across multiple sectors over the past five decades. By broadening our operational footprint and building a resilient, future-focused business model, we have unlocked sustained growth opportunities. This achievement is made possible by the unwavering dedication of our workforce, whose passion and professionalism continue to set us apart, and by the steady leadership and strategic insight of our management team, whose guidance has driven the Group to reach significant milestones.

Operational overview

The ***Materials Handling and Mining Division*** delivered a resilient performance. The improvement was driven largely by a substantial turnaround at Bauba Resources, supported by the completion and successful commissioning of key processing infrastructure and a strong recovery in operational performance across its mining operations. Beyond Bauba Resources, both B&E International and SPH Kundalila delivered strong operational results, supported by stable contract performance, expansion of project pipelines, and high levels of intercompany collaboration that enhanced productivity and strengthened the division's competitive position during the year.

The ***Construction Materials Division*** reported a strong set of results despite region-specific pressures and shifting market dynamics. While certain operations faced volume softness, weather-related disruptions, and margin constraints, the division nonetheless benefited from plant upgrades, expanding regional demand, and the successful integration of new acquisitions that broaden our presence in niche, high-potential markets. Strong performances from key operations, including our Botswana business and the bitumen segment, supported by secure supply arrangements and solid tender activity, reinforced the division's momentum. Although some industrial mineral segments experienced a temporary slowdown, proactive measures to diversify revenue streams and reposition the portfolio are already showing encouraging early signs.

Chief Executive Officer's Report (continued)

The ***Roads and Earthworks Division*** maintained strong operational momentum during the year, supported by the consistent execution of major SANRAL projects that operated at full capacity and continued to anchor activity levels across the business. While the early part of FY2026 benefited from the award and mobilisation of several large contracts, including two significant concrete-highway upgrades along the N2 corridor valued at R3.22 billion and R2.36 billion respectively, tender activity slowed markedly in the second half, resulting in fewer new opportunities entering the pipeline. Even so, the division advanced its strategic shift toward a broader client base, with encouraging progress in the public private partnership space and the steady rollout of projects for concessionaires such as N3TC, Bakwena, and TRAC. Execution across these contracts remains on schedule, reinforcing the division's reputation for delivery at scale. A notable highlight was the completion and inauguration of the Senqu River Bridge in Lesotho, an accomplishment that underscores Raubex's technical capability and collaborative expertise. Collectively, these developments support a positive medium-term outlook, even as the division remains focused on navigating the timing of future SANRAL awards and positioning itself to capitalise on emerging infrastructure opportunities.

The ***Infrastructure Division*** continued to advance several strategically significant projects during the year, supported by strong momentum in both the renewable energy and built-environment sectors. Our wind and solar initiatives are progressing well, including the major wind-farm cluster in the Western Cape, which remains on track for completion despite industry-wide cost pressures linked to fuel-price volatility. In the building sector, notable progress was achieved on the restoration and upgrade of the Parliament precinct in Cape Town, one of the division's flagship undertakings, demonstrating our capability in delivering complex, high-profile projects. Steady advancement on the mechanical and electrical works at the Potsdam Wastewater Treatment Plant, supported by the recent acquisition of Hlumisa Engineering Services, has further enhanced our specialised expertise in water and environmental infrastructure. Meanwhile, our affordable-housing developments continued to gain traction, supported by improving market confidence and solid sales at key developments.

The ***Australia Division*** delivered a mixed performance for the year, shaped largely by an isolated loss on Raubex Construction Australia's largest mining-sector project, which impacted the overall result. Excluding this contract, the remainder of the portfolio remained stable, with operations performing to budget and new road-construction work strengthening the pipeline for the year ahead. Roadmac Australia continued to expand its presence in the subcontractor road-sealing market, delivering profitable results. Westforce Construction produced an excellent performance, securing additional work across the energy, infrastructure, and resources sectors, including a new wind-farm project awarded at year-end. The division was further strengthened by the acquisition of a 66.7% interest in Axis Mineral Services, a complementary contract-crushing business that is being successfully integrated and is expected to contribute meaningfully over time.

Divisional reviews

At the start of the financial year, management undertook a comprehensive review of the Group's internal reporting structure to ensure closer alignment with the operational management model and the manner in which performance is assessed by the Chief Operating Officer. The detailed divisional reviews for the Materials Handling and Mining; Construction Materials; Roads and Earthworks; Infrastructure and Australia Divisions are set out on pages 52 to 63 of this Integrated Report. The Rest of Africa is now reported under the respective divisions.

Sustainability

Our Board-approved ESG strategy now provides a structured framework for identifying, monitoring, measuring, and critically mitigating the Group's material ESG risks and impacts through targeted, sustainable interventions. The 2026 Sustainability Report presents a transparent and comprehensive account of our initiatives, reinforcing our commitment to responsible business practices. Through consistent measurement and disclosure, we ensure that stakeholders remain confident in our dedication to integrating sustainability into our strategy, operations, and decision-making processes. This ongoing record of performance enables us to track our progress effectively, with continuous improvement firmly established as our ultimate objective. It is especially pleasing that this year we are reporting our Scope 3 emissions, in line with our commitment to adhering to global best practice and climate change reporting. In addition, the 2026 Sustainability Report has been fully and independently assured, providing our stakeholders with confidence in our reporting.

We are equally committed to uplifting the well-being and quality of life within the communities where we operate. Employment creation, community training programmes, and support for SMME development form an integral part of our social investment approach. In a South African context, where unemployment and the lack of quality education continue to constrain societal progress, these initiatives are both essential and urgent.

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an increase of 18.3%, to expand our impact across projects in education, health, community development, sport, and arts and culture, as detailed in our Sustainability Report. We remain steadfast in our commitment to ensuring that these initiatives create tangible, positive change in the lives of people in disadvantaged communities.

Recognising that our people are the backbone of the Group, we continue to invest in comprehensive learning and development initiatives, including bursaries, accredited training, and skills programmes for both current and future employees. In the year under review, Raubex employed 9 208 individuals (2025: 9 239), onboarding 3 934 new employees, and providing indirect employment opportunities across numerous projects. These efforts resulted in 12 834 indirect jobs (2025: 9 980), reinforcing our role as a significant contributor to job creation within the communities we serve. We trained 5 988 employees (2025: 6 812), with 76% of beneficiaries being HDSAs and 9% being women. Our Employment Equity Plan continues to advance inclusive growth by ensuring that all employees have equitable access to development opportunities and are free from systemic barriers. Addressing gender-based violence remains a key organisational priority, and we are committed to fostering a culture grounded in equality, respect, and safety.

It is with profound sadness that we report the tragic loss of one employee during the year. On behalf of the executive management team, I extend our deepest condolences to the family, colleagues, and friends. The incident was subjected to a thorough investigation to determine root causes and implement robust preventative measures. Every loss of life is a stark reminder of the importance of safety. As such, we remain unwavering in our commitment to embedding comprehensive safety systems and awareness programmes throughout the Group, and we will not deviate from our unwavering commitment to achieving zero harm, a non-negotiable standard for our organisation.

Pleasingly, we saw a 44% decrease in Lost Time Injuries (LTIs), with all five divisions showing year-on-year improvement. These outcomes demonstrate the dedication, discipline, and care our people bring to their work every day. However, our Road Construction teams remain especially vulnerable, with the fatality and two LTIs resulting from employees being struck by public vehicles. Our future safety performance will thus be shaped not only by our safety systems but also by our collective resolve to embed safe habits, courageous leadership, and consistent verification into our daily actions. From a people well-being perspective, we are elevating employee well-being to a leadership priority. We have already taken significant steps to modernise and strengthen our well-being model, including the integration of both physical and psychological safety into HSE practices, and the appointment of Kaelo Lifestyle, offering a more integrated and comprehensive Employee Assistance Programme. This proactive approach is aimed at addressing significant well-being risks that are present across our workforce.

To demonstrate the meaningful impact of our initiatives across both social and environmental spheres, this year's Sustainability Report once again features several compelling case studies.

Chief Executive Officer's Report (continued)

I strongly encourage you to engage with these stories, which illustrate the real-world outcomes of our commitment to responsible, sustainable business practices.

Prospects

The operating environment in the year ahead is expected to remain influenced by elevated energy and logistics costs arising from ongoing geopolitical tensions in the Middle East. Diesel price volatility and longer procurement lead times for certain imported inputs continue to present challenges across the construction and infrastructure sector.

Notwithstanding these factors, the Group has demonstrated a strong ability to recover cost increases from clients where contractually feasible and has implemented a range of mitigating controls to manage input cost volatility and supply chain disruption, limiting the overall impact on project delivery and margins.

The Group maintains a positive outlook for FY2027, supported by the encouraging pipeline of opportunities across all divisions. The secured order book of R31.46 billion further underscores Raubex's strong future potential and provides a solid foundation for sustained growth.

Materials Handling and Mining Division: Bauba Resources continues to demonstrate encouraging operational momentum as it enters FY2027, supported by a recovery in chrome prices and improved PGM market conditions. Production is expected to move closer to full capacity, and the benefits of ongoing cost-efficiency initiatives are beginning to materialise. These factors collectively position the Group to deliver stronger returns in the year ahead, even as Raubex evaluates strategic options regarding its shareholding to ensure continued focus on core infrastructure capabilities. Raubex is evaluating the potential partial or full disposal of its interest in Bauba Resources as part of a strategic realignment to sharpen its focus on core infrastructure competencies, unlock capital for reinvestment, and support long-term value creation, with the outcome to be communicated once discussions progress.

The outlook for the ***Construction Materials Division*** remains strongly positive. While geopolitical conflict presents a degree of risk and delays in the awarding of major Government tenders continue to challenge planning and execution, the business is well-positioned, supported by a solid pipeline of opportunities and a resilient market presence. Confidence in the division's strategic direction is high, and with the Government maintaining its commitment to infrastructure investment, the medium- to long-term prospects remain encouraging. Overall, the division enters the year on a firm footing with significant potential for continued growth.

Performance in the industrial minerals business is expected to improve in the year ahead as greater certainty is expected to emerge in the domestic ferrochrome sector. Following the conclusion of electricity tariff agreements between Eskom and major ferrochrome producers, several smelters that were previously curtailed or placed on care and maintenance are expected to progressively resume operations, supporting improved demand for industrial minerals.

The ***Roads and Earthworks Division*** remains confident in its FY2027 outlook, supported by the infrastructure initiatives outlined in the 2026 SONA and Budget speeches, SANRAL's ongoing commitment to upgrading the national road network, and the concessionaires' obligations to ensure the continued maintenance of existing SANRAL routes.

There are also promising opportunities across Africa, with the outcomes of the current tender processes expected to be concluded later in the year.

The ***Infrastructure Division*** continues to face a favourable outlook, supported by a strong order book. Significant opportunities continue to emerge within the PPP environment, where these collaborations allow the Government to draw on private-sector expertise to advance and develop infrastructure projects. Raubex has put forward several robust PPP proposals and remains confident about their potential success. Growth in affordable housing and privately funded renewable energy initiatives also remains encouraging, further strengthening the positive trajectory. In addition, the Government's sustained focus on infrastructure investment continues to reinforce this optimistic view.

Raubex anticipates that work on the Lebombo Border Post project will commence only in the third or fourth quarter of FY2027.

The ***Australia Division's*** outlook has improved following the resolution of prior project challenges, with operations having returned to normal and the business now well positioned to pursue selective opportunities in road infrastructure and renewable energy within a more measured market environment.

Raubex's ability to deliver sustained performance is anchored in a business model that has been deliberately diversified over time, supported by a skilled and dedicated workforce, strong leadership, and a Balance Sheet that equips us to pursue growth with confidence. By embedding innovation into project delivery, through enhanced operational technologies, improved execution methodologies, and smarter, collaborative solutions, the Group continues to strengthen its competitive advantage. These attributes position the Group to capitalise on emerging opportunities across the sectors in which we operate, whether through disciplined organic growth or strategic acquisitions.

OMV

Our integrated structure enhances collaboration across the Group, enabling seamless coordination in the execution of major projects and tenders. This level of alignment ensures that we bring the full strength of our collective expertise to every opportunity, reinforcing our capability to compete and deliver at scale.

With this solid foundation, Raubex is well placed to advance its ambition of evolving into a leading construction and infrastructure organisation. Our focus remains firmly on driving sustainable growth, maintaining resilience, and creating long-term value for all stakeholders.

Appreciation

As we conclude this financial year, I would like to extend my deepest gratitude to our remarkable team. Your dedication, unwavering loyalty, and steadfast commitment to excellence have been truly exceptional. It is through your collective expertise, operational discipline, and collaborative spirit that we continue to advance as an organisation. For more than five decades, these qualities have formed the bedrock of our growth, enabling us not only to deliver strong results but also to uphold the reputation for quality and reliability that defines Raubex. The unity and strength within our organisation are unmatched, propelling the Group forward even in challenging environments and setting us apart in the markets we serve.

I also wish to express my sincere appreciation to our Board of Directors for their invaluable support and strategic guidance throughout the year under review. Your oversight and commitment to strong governance continue to be central to our long-term success. A special word of thanks is owed to the Exco team, whose relentless drive, leadership, and operational stewardship have been vital in reinforcing Raubex's position as an industry leader across our respective sectors. Your dedication to excellence and clarity of purpose are deeply valued.

Finally, I extend heartfelt thanks to our clients, partners, suppliers, service providers, and shareholders. Your ongoing confidence in Raubex and willingness to collaborate with us have been instrumental in reaching the significant milestones we have achieved this year. We remain committed to earning and honouring that trust as we continue to build on our strong foundation, pursue new opportunities, and deliver sustainable value for all stakeholders.

Felicia Msiza
Chief Executive Officer

17 June 2026