Chairman's Statement

Rudolf Fourie
Chairman

> Raubex delivered a solid performance across its key operations, demonstrating the Group's resilience in a year marked by persistent headwinds. The strength of these results reflects not only disciplined execution but also the Group's enduring ability to navigate volatility while maintaining strategic focus and operational excellence. This unwavering determination continues to underpin our progress and is clearly evident in the robust financial outcomes achieved during the year.

The year in review

It is my privilege to present the Chairman's Statement for the year under review. Despite a complex macroeconomic backdrop, Raubex delivered resilient operational performance, sharpened strategic focus, and reinforced its role as a partner of choice in core construction and infrastructure markets across South Africa and Australia.

President Ramaphosa's State of the Nation Address (SONA) on 12 February 2026 reaffirmed the centrality of infrastructure-led growth, underscoring Government's commitment to more than R1 trillion in public investment over the next three years to revitalise transport networks, expand renewable-energy generation capacity, and accelerate digital-infrastructure rollout to reduce South Africa's broadband divide. This national direction was reinforced by the 2026 National Budget, which confirmed the largest infrastructure allocation in South Africa's history, approximately R1.07 trillion over the medium term, of which R577.4 billion will be executed through state-owned companies such as SANRAL, with significant allocations to transport and logistics, water systems, energy security, and digital connectivity. Importantly, the 2026 Budget positioned infrastructure investment as a cornerstone of the country's growth strategy, supported by strengthened PPP regulatory reforms, innovative funding models, and the Infrastructure Fund. These reforms collectively form what Government characterises as a transformative, long-term pipeline intended to reverse years of under-investment and enhance delivery capacity across national, provincial, and municipal spheres.

According to Statistics South Africa, the country's economy grew by approximately 1.1% in 2025, the strongest rate since 2022 but still well below the structural growth needed to meaningfully reduce unemployment. Growth was led by services and trade, while construction and manufacturing remained under pressure. Inflation moderated toward the midpoint of the target range of between 3% and 4%, but upside risks from fuel and administered prices complicated the interest-rate outlook. Into early 2026, analysts cautioned that global tensions and higher oil could delay the timing of domestic rate cuts, even as sentiment benefited from structural reform progress and stronger fiscal anchors.

Across our operational divisions, activity broadly tracked national industry trends, with infrastructure commitments continuing to support demand in roads and earthworks, materials handling, and wider infrastructure services. While the sector remained pressured by rising input costs, capacity constraints, and uneven public-sector spending, conditions gradually improved as Government accelerated investment in transport, water, energy, and digital infrastructure, supported by expanded PPP frameworks and a growing pipeline of strategic capital projects. Despite persistent challenges, such as delayed project starts and regulatory complexity, the operating environment showed signs of stabilisation, and our diversified footprint ensured we remained well positioned to capture emerging opportunities across civil construction, energy infrastructure, and essential materials supply. The order book, totalling R31.46 billion, reflects the depth of the Group's tender pipeline, which remained active throughout the year and underpinned continued visibility across our core markets.

The conflict in the Middle East that commenced on 28 February 2026, is exerting significant pressure on global diesel and fuel markets, which directly impacts South Africa's road, civil and renewable energy construction sectors. Recent analysis shows diesel sits at the centre of supply chain disruption, as rising fuel prices and surging war risk insurance premiums ripple through logistics systems worldwide. For Raubex, where road construction, bulk earthworks, solar and wind farm civil works are all heavily reliant on diesel powered fleets and cranes, these increases will materially raise project operating costs and could reduce margin certainty. Concurrently, diverted shipping routes and longer lead times for imported components, such as turbines, electrical equipment and transport machinery, will compound schedule pressures across major infrastructure programmes.

This evolving environment highlights the inherent vulnerability of South Africa's continued reliance on imported fuel, particularly during periods of geopolitical instability. Analysts caution that sustained increases in global oil prices, coupled with disruptions to key energy corridors such as the Strait of Hormuz, are likely to accelerate inflationary pressures, elevate transport and logistics costs, and place additional strain on construction-related input pricing. In response, the Board remains steadfast in its commitment to proactively managing these risks while identifying strategic opportunities that may emerge from shifting market dynamics and global volatility.

Sustainability feedback

Raubex acknowledges its responsibility to operate ethically, transparently, and sustainably in line with the expectations set out in the GRI Standards. The Group is committed to creating positive social impact in the communities where it operates while proactively managing and reducing its environmental footprint. The 2026 Sustainability Report reflects this commitment by providing clear, comparable, and accountable disclosures across material ESG topics, in accordance with GRI principles of accuracy, balance, and completeness. It presents a comprehensive overview of the Group's environmental performance, social investments, and broader sustainability initiatives, demonstrating Raubex's ongoing efforts to enhance ESG governance, strengthen stakeholder trust, and advance responsible business practices.

Environment and climate change

Raubex remains firmly committed to reducing the environmental footprint of its operations. The Group is continually strengthening its environmental performance by embedding its Board-approved ESG strategy across all business activities, ensuring that sustainability is integrated into both operational decision-making and long-term planning. This commitment reflects an ambition that extends beyond regulatory compliance: Raubex seeks to play a meaningful role in global climate action and in safeguarding the natural environment for future generations.

The Group's environmental initiatives encompass a broad range of focus areas, including efforts to lower greenhouse gas emissions, enhance resource efficiency, minimise waste generation, and conserve water, an increasingly precious and scarce resource. Raubex recognises that sustainable progress is achieved through consistent, collective action. Every improvement, regardless of scale, contributes to building a more resilient and environmentally responsible future for all.

Health and safety

The Group places the health and safety of its people at the forefront of its operations and remains firmly committed to continually strengthening its safety performance. Raubex maintains a zero-tolerance approach to unsafe practices and strives to ensure that every employee, contractor, and stakeholder returns home safely each day.

Despite this unwavering commitment, the Group deeply regrets the loss of one employee during the year under review. We extend our heartfelt condolences to the family, colleagues, and loved ones. These incidents reinforce the critical importance of continuously improving our safety systems and behaviours.

Raubex has a comprehensive safety strategy in place, focused on achieving zero fatalities and zero lost-time incidents. The Group continues to drive this goal by cultivating a proactive safety culture, enhancing behavioural-based safety practices, and strengthening accountability at all levels of the organisation. Through ongoing training, rigorous risk management, and leadership commitment, Raubex remains determined to build a safer workplace for all.

Transformation and gender equality

The Board and management recognise the critical importance of transformation within the construction industry and are fully committed to advancing diversity and inclusion across the Group. Raubex continues to drive meaningful transformation throughout its value chain, contributing to broader socio-economic progress while strengthening the organisation's long-term sustainability.

Although the Group has achieved year-on-year improvements that reflect steady progress in transforming both the business and the communities it serves, we acknowledge that further work is required, particularly in improving employment equity at senior management levels. Raubex remains committed to addressing this gap through a deliberate and organic approach that includes structured mentorship, targeted training interventions, and bursary programmes designed to develop future leaders from under-represented groups.

The Group upholds strong principles of race and gender diversity and is intentional about cultivating an inclusive workplace where all employees feel valued and respected.

Chairman's Statement (continued)

Raubex also enforces a zero-tolerance stance on discrimination, bullying, or any behaviour that undermines human dignity. Furthermore, the Group actively promotes adherence to human rights principles, ensuring that its culture and practices reflect fairness, equality, and respect.

Through these commitments, Raubex aims not only to meet regulatory expectations but also to set a standard for responsible corporate citizenship within the construction sector.

Critical skills development

The construction sector continues to face a persistent and escalating shortage of critical skills. In response, the Group remains firmly committed to developing its people and strengthening the skills pipeline essential to long-term sector sustainability. During the year under review, Raubex invested R42.1 million (2025: R46.8 million) in a wide range of training and development programmes designed to uplift competencies across the organisation.

Raubex also operates a structured apprenticeship programme in partnership with merSETA and the Mining Qualifications Authority and offers bursaries to high-potential students, primarily those pursuing careers in construction-related fields. Many of these individuals secure permanent roles within the Group, ensuring that this investment directly contributes to future leadership and technical capacity.

Beyond internal development, the Group continues to make meaningful contributions to skills upliftment within the communities in which it operates. Substantial investment has been directed towards community-based training initiatives focused on practical, construction-related competencies such as bricklaying, painting, carpentry, plastering, and renovation. These programmes are specifically aimed at enhancing employability and creating livelihood opportunities, thereby supporting a more resilient and inclusive construction sector.

Board composition, governance and King IV™

All changes to the Board and its committees are detailed on page 73. Raubex is governed by a stable, majority-independent Board with the depth of experience, strategic insight, and governance acumen required to steer long-term value creation and safeguard shareholder interests.

The Board is firmly committed to ethical leadership and rigorous corporate governance. Its practices are aligned with the requirements of King IV™. King V™ is applicable for year ends commencing after January 2026. These principles are embedded throughout the Group's governance structures, strengthening oversight, accountability, and risk management, key considerations for investors assessing organisational resilience and sustainability.

Board composition remains a strategic priority. Raubex's comprehensive Board Diversity Policy is designed to secure an optimal mix of directors with strong commercial acumen, industry expertise, and relevant professional qualifications. The Board also values diversity of culture, race, and gender, recognising that a multifaceted perspective base enhances decision-making quality, mitigates concentration risk, and supports long-term strategic agility.

This balanced, highly skilled Board is well-positioned to guide the Group through varying market cycles and ensure disciplined execution of its strategy, while maintaining robust protection of shareholder value.

Raubex has also retained its Level 1 B-BBEE rating under the Construction Sector Codes. This achievement reflects the Group's continued commitment to transformation, empowerment, and inclusive growth – factors increasingly scrutinised by investors evaluating long-term sustainability, regulatory alignment, and access to broader market opportunities.

Dividend

The Board has declared a gross final cash dividend from income reserves of 121 cents per share on 11 May 2026 for the year ended 28 February 2026. This amounts to a total dividend of 202 cents per share for the year, an increase of 2.0%, which is in line with the increase in HEPS.

Appreciation

I wish to express my sincere appreciation to the Board, Exco, and management teams for their unwavering support and commitment throughout the year. Despite a challenging economic environment and volatile market conditions, the dedication and resilience demonstrated by Exco have played a pivotal role in sustaining Raubex's growth trajectory.

Looking ahead, Raubex remains strategically positioned to deliver on its business plan and strengthen its reputation as a leading integrated construction services provider in South Africa.

On behalf of the Board, Exco, and management, I extend our heartfelt thanks to all employees and stakeholders for their continued support, hard work, and meaningful contributions over the past year. Your commitment remains central to our long-term success.

Rudolf Fourie
Chairman

17 June 2026