

RAUBEX GROUP LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2006/023666/06)

JSE Share code: RBX

ISIN: ZAE000093183

("Raubex" or "the Company" or "the Group")

TRADING STATEMENT IN RESPECT OF THE SIX MONTH PERIOD ENDED 31 AUGUST 2021

In terms of paragraph 3.4(b) of the JSE Limited Listings Requirements, companies are required to publish a trading statement as soon as they are satisfied that, with a reasonable degree of certainty, the financial results for the current reporting period will differ by at least 20% from the financial results of the previous corresponding period.

Shareholders are advised that Raubex expects its earnings and headline earnings per share to be at least 123 cents and 117 cents respectively, for the six months ended 31 August 2021 compared with the loss per share of 25.2 cents and headline loss per share of 26.6 cents achieved in the previous corresponding period.

As the year ended 28 February 2021 was an abnormal trading year due to the impact of Covid-19, the Company believes it will provide value if the current performance is also compared with the six months ended 31 August 2019 ("pre-Covid-19 comparative period"). Accordingly, the Company expects its earnings per share to be at least 90% higher and headline earnings per share to be at least 100% higher than the earnings per share and headline earnings per share from the pre-Covid-19 comparative period. This translates to earnings per share and headline earnings per share being at least 123 cents and 117 cents respectively, for the six months ended 31 August 2021 compared with the earnings per share of 64.6 cents and headline earnings per share of 58.6 cents achieved in the pre-Covid-19 comparative period, namely the six months ended 31 August 2019.

The increase in earnings is a result of the Group's diversified business model allowing it to benefit from the increased tender activity in the construction sector, particularly benefitting the Group's materials supply operations, including the supply of aggregates, asphalt and bitumen products. The Group has also started with the efficient execution of its record order book during the first six months of the current financial year.

In the roads and earthworks division, the Group has secured a strong order book supported by significant contract awards by SANRAL at the end of 2020. Work on all these projects commenced during the period and are progressing well. The Group is encouraged by the current tender activity in the market and further contract awards are anticipated.

The EPC contract relating to the Expansion, Upgrading and Improvement of the Beitbridge Border Post Project in Zimbabwe that was awarded at the end of 2020, is also well under way and construction progress is on schedule.

The materials division, which contributed 67% of the Group's total operating profit in the pre-Covid-19 comparative period, has experienced stable operating conditions during the first six months of the current financial year and its diversified operations including materials handling services to the mining sector and commercial aggregate supply, have continued to support the Group's earnings.

The infrastructure division has experienced favourable conditions in the building sector and was well supported by the operations in Western Australia. In the South African renewables sector, the delay in the start-up of the Risk-mitigation IPP round of renewable energy projects impacted this division's profitability. The division is however well positioned to benefit from the roll out of round 5 of the work related to the Renewable Energy Independent Power Producer Procurement Programme ("REIPPPP") later in the year.

The Group has maintained a strong balance sheet and a healthy cash balance throughout the period and combined with its diversified operations, it is well positioned to participate in the increased construction activity in the South African market.

In terms of paragraph 3.4(b)(iii)(3) of the JSE Limited Listings Requirements, once more certainty is obtained, the Company will provide further guidance.

The financial information on which this trading statement is based has not been reviewed or reported on by the Company's auditors. The release of the results for the six month period ended 31 August 2021 is anticipated to be published on or about Monday, 8 November 2021.

Centurion
13 September 2021

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