Strategic objectives

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

Objectives	Focus 2025	Progress during 2025	Focus for 2026
Profitability Focus on profitability and quality order book.	Focus on the efficient execution of the secured order book.	Good results were reported by the Group with revenue increasing 21.0% from R17.43 billion to R21.08 billion and operating profit increasing 1.3% from R1.54 billion to R1.56 billion with an order book of R28.18 billion, up 10.3%.	Continue to focus on the successful execution of the secured order book.
	➤ Continue to procure high-margin work using selective tendering and implemented procedures to prevent over-trading. ➤ Maintain a diversified order book 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 procurement of high-margin work due to a more selective tendering approach. ➤ Tender activity has shown a notable increase across multiple sectors, particularly among Toll Concessionaires and Other Parastatals with work volumes increasing by 7.7% and 7.6% respectively compared to the 2024 financial year.	➤ Continue to procure high-margin work using selective tendering and implemented procedures to prevent over-trading. ➤ Further diversification of the order book to limit exposure to any one type of customer. ➤ Continue to increase the private and international customer base. ➤ Further increase of Toll Concessionaires' contracts.
	➤ Focus on rental and occupancy of Woodwind Estate's complexes, Dulcian Manor and Bassoon Park, to build an investment case for potential sale over the short to medium term. ➤ Continue to monitor the housing market in the area for signs of demand growth which will allow for further roll-out of new complexes in Woodwind Estates.	The investment properties Dulcian Manor (128 residential units) and Bassoon Park (150 residential units) are considered strategic assets within the Group's portfolio. Both properties are advancing towards maturity as stable, yield-generating investments and are expected to hold strong appeal for prospective purchasers.	➤ Continue to build an investment case for the potential sale over the short to medium term of the investment property. ➤ Continue to monitor the housing market in the area for signs of demand growth which will allow for further roll-out of new complexes in Woodwind Estates.
	Focus on executing the Lufhereng Integrated Urban Development project based on the additional budget allocated by the Government.	Multiple contractors are currently on site 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 additional budget allocated by the Government.
	Continue to focus on the remaining 16-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.	Continue to focus on the remaining 15-year Beitbridge Border Post operation and maintenance contract project.
	Continue to monitor the situation in Mozambique to assess the possible resumption of operations during FY2025.	Operations remained suspended for the year with an optimistic view of resuming operations in FY2026.	Resumption of crushing operations in Mozambique during FY2026.
	➤ Further improve the focus on community engagement, production monitoring and efficiencies at site level. ➤ Promote inter-group synergies.	➤ 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 African Clean Energy Development (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.	➤ 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.
	Continue to focus on initiatives to expand volumes and reduce costs and overheads in the Construction Materials Division.	The operating profit margin of the Construction Materials Division increased to a satisfactory 10.6% (2024: 4.8%).	Focus on initiatives to reduce costs and overheads in the Materials Handling and Mining Division.
	Focus on the efficient execution of the final phase of restructuring of the asphalt business in KZN.	The recently restructured asphalt business is exceeding performance expectations, operating with improved efficiency and profitability on a reduced cost base.	➤ 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.
	➤ Finalise the consolidation of quarries in the northern parts of the country. ➤ Evaluate the effect of the cost management tool roll-out on the Group quarries. ➤ Continue to focus on strategic acquisitions in areas where the life of mine of quarries is coming to an end.	➤ The consolidation of the quarries in the northern parts of the country was completed during the year. ➤ The cost management tool was successfully implemented and adopted across the Group's quarries during the year, tailored to address the specific operational requirements of quarry activities. ➤ During the year, a strategic quarry acquisition was undertaken to facilitate entry into a new market segment. The transaction is currently in its final stages, pending approval from the Competition Commission.	➤ 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 ending.

Strategic objectives (continued)

Objectives	Focus 2025	Progress during 2025	Focus for 2026
Growth Grow the Group at a measured pace through strategic acquisitions. Focus on development of skills and unlocking of synergies within the Group.	➤ Continue to focus on the efficient execution of the Namdeb and Senqu River Bridge JV projects. ➤ Continue to successfully execute the current order book and maintain a cautious approach to tendering in Africa.	➤ The Senqu River Bridge project in Lesotho is progressing well and has reached approximately 60% completion to date. ➤ The flagship Namdeb Project in Namibia for the provision of mining services to Southern Coastal Mines has been consistent in its performance.	➤ 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.
	➤ Continue to focus on the profitable execution of the mining opportunities on key investments made in Bauba and Attaclay. ➤ Achieving steady state production at Kookfontein and Moeijelijk mines.	➤ The Bauba business faced numerous operational challenges, especially at the Moeijelijk mine, where the current third-party mine operator, appointed on 1 March 2024, was unable to meet the production capacity targets. ➤ It was a year of two halves for Bauba with the 2H2025 being weaker than 1H2025, mainly due to the deterioration of the chrome price. ➤ Attaclay, a bentonite mine located in Steelpoort, continued to perform well.	➤ Prioritise the commissioning of the PGM Plant at Kookfontein mine.
	➤ Focus on the successful completion of the Unilim and Power Park units.	The Unilim Project was completed during the year, with only minor electrical work and final commissioning remaining. The initial phase of the Power Park Student Housing Project was completed.	Continue with the roll-out of the next phases of the Power Park units.
	Continue exploring opportunities to participate in the South African ERRP.	No significant projects were tendered for the year under review.	Continue exploring opportunities to participate in the South African ERRP initiative.
	Continue to focus on the commercial building sector with potential opportunities in the retail and hospitality sector.	Raubex Building has recently been awarded a R2.3 billion tender to repair and upgrade the Parliament building in Cape Town, following the devastating fire in 2022.	➤ Focus on the efficient execution of the Parliament building project. ➤ Continue to focus on the commercial building sector with potential opportunities in the retail and hospitality sector.
	➤ Further investigate opportunities in the pit dewatering space at the mines in the Pilbara. ➤ Promote and establish Roadmac as a seal contractor in Western Australia.	➤ The operations in Western Australia continued to perform well, with the Group gaining market share in this region. Revenue increased 3.4% from R3.32 billion to R3.43 billion and operating profit increased 9.1% from R278.6 million to R303.9 million, with a secured order book of R1.74 billion. ➤ No significant tendering activity occurred for pit dewatering projects at Pilbara mines during the year under review. ➤ Roadmac, the surface dressing company, has been successfully resourced and is building a strong order book.	➤ Further investigate opportunities in the pit dewatering space at the mines in the Pilbara. ➤ Continue to investigate further expansion to our service offering in the mining environment, water and telecommunication infrastructure. ➤ Continue to focus on the brand establishment of Roadmac as a seal contractor in Western Australia.
	Focus on: ➤ the preservation of the Balance Sheet; ➤ converting profits into cash; and ➤ strategic capex spend.	➤ The Group's net asset value increased to R7.15 billion from R6.61 billion in the financial year. ➤ Increased bank facilities (including guarantees and asset-based finance) on the back of the strong Balance Sheet.	Focus on: ➤ the preservation of the Balance Sheet; ➤ converting profits into cash; and ➤ strategic capex spend.
	Continue to build on the optimisation and realisation of synergies between the 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.	Continue to build on the optimisation and realisation of synergies between the different business units.
Preferred supplier To become the leading supplier in the Infrastructure Development and Mining sectors.	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 develop well as the property market is being stimulated by interest rate cuts.	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 is currently serving as the development partner on the Newinbosch project valued at R203.8 million. Two additional contracts related to the project, with a combined value of R248.9 million, have been secured and are scheduled to commence on 1 May 2025.	Further expansion in the Western Cape as a construction partner.
	Continue to partner with strategic private developers.	The Orlando Towers and Power Park Student Housing projects were completed during the year. Raubex Building was also awarded the second phase of the Power Park Student Housing project, comprising 1 548 beds, with a contract value of R272.0 million.	Continue to partner with strategic private developers.
	Focus on the successful completion of the Tailings Facility project at Kookfontein and continue to explore mining infrastructure opportunities.	Raubex Construction completed the Tailings Facility contract for the Kookfontein opencast chrome mine during the year.	Continue to explore and promote Raubex Construction as a key player in mining infrastructure 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 was placed on hold during the year due to various circumstances. The current intention remains to resume and complete the project once conditions allow work to recommence.	Focus on the successful completion of the Aggeneys project and continue to target strategic private housing developers, with focus on infrastructure and electrical work.
	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 black ownership level of the quarrying entities regulated by the Mining Charter III.	Maintained the required black ownership level of the quarrying entities regulated by the Mining Charter III.	Maintain the required black ownership level of the quarrying entities regulated by the Mining Charter III.

Strategic objectives (continued)

Objectives	Focus 2025	Progress during 2025	Focus for 2026
Renewables sector Grow market share in the renewables sector (public and private) both locally and internationally.	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 activity within the private sector during the year.	Continue focusing on the private renewables sector as well as negotiations with preferred bidders in the Eskom REIPPPP to secure future work by tendering on the following bid windows.
	› Focus on the efficient execution of the ACED contracts. › Finalise and reach financial close on the third ACED legal contract to the value of R800 million. › 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. › Progress across the various Solar PV projects in the Northern Cape has been positive, with all projects advancing according to plan.	› Focus on the efficient execution of the ACED contracts. › Continue pursuing private renewable opportunities in the wind generation space. › Focus on the private Photo Voltaic sector.
	Continue to increase market share in the renewables sector.	Westforce Construction successfully secured its fourth and fifth wind farm contracts during the year further strengthening its position in the renewable energy sector.	Continue to increase market share in the renewables sector.
Technology Be at the forefront of new technologies and products.	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 has implemented automated workshop maintenance schedules across all plants to ensure regular preventative maintenance and enhance operational efficiency. › National Asphalt implemented the Lastrada laboratory software for asphalt testing, becoming the first company in South Africa to adopt this advanced system. › A new, modern ERP system, Acumatica, was successfully implemented at Tosas, Raumix Aggregates, and OMV.	Continue to be at the forefront of new technologies and products and remain the leader/preferred supplier in the bitumen and asphalt industry.
	Continue with the SANAS accreditation and Manual 35 product development.	All laboratories at National Asphalt have been upgraded to facilitate Manual 35 testing and design requirements.	Continue with the SANAS accreditation and Manual 35 product development.
Public Private Partnerships ("PPP") Target PPP project opportunities.	› 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 2024. › Focus on other cross border opportunities in the optimisation of border posts in Africa.	› No new contracts were secured due to delays in the bidding process. › The South African Border Post PPP tender was submitted and has completed the evaluation phase. The bid validity period has been extended by six months, and the process is currently under review by the National Treasury.	› Continue to explore opportunities to selectively participate in PPP projects that meet the Group's required risk and reward profile. › Awaiting the award of preferred bidder status on the Border Post PPP. › Focus on other cross border opportunities in the optimisation of border posts in Africa.
Our people Develop, retain, and ensure the wellness and safety of our people.	› Implementing a talent management programme incorporating succession and retention planning. › Implementing performance review processes to determine the development needs of lower to middle management employees. › Expand Training Centre services. › Monitor the "I am a Safety Leader Campaign" roll-out and implementation.	› A talent management programme, SAP SuccessFactors, has been implemented and is scheduled to go live in September 2025. The system is designed to support talent retention by enhancing employee engagement, career development, and performance management. › The Training Centre completed its training warehouse and was awarded QCTO accreditation, enabling it to facilitate the training of Diesel Mechanics for the Group. › E-learning opportunities were made available to employees through the LinkedIn Learning platform, supporting continuous professional development. › The "I Am a Safety Leader" campaign was successfully rolled out during the year, reinforcing the Group's commitment to a proactive safety culture.	› Roll out the implementation of the talent management programme incorporating succession and retention planning. › Enhance performance review processes to determine the development needs of lower to middle management employees. › Expand Training Centre services. › Monitor the "I am a Safety Leader Campaign" implementation.
	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 2024.	Continued implementation of the retention strategy to retain critical skills.
	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.	The Draft Regulations on Proposed Sectorial Targets was published in the Government gazette on 1 February 2024 for public input. The window for public input closed on 2 May 2024. In December 2024 the new Amendment Act was published and the new Regulations on Proposed Sectorial Targets were published in April 2025.	Further consultation will take place and depending on the final regulations will result in a process whereby employment equity plans will be re-drafted.
	Once the new targets are promulgated, new plans will be drafted to align with the new sector targets.	The current workforce is being analysed and results will be compared to the new targets in the Regulations. The new Employment Equity Plan will be drafted as well as submitted and will come into effect 1 September 2025.	Once the new targets are promulgated, new plans will be drafted to align with the new sector targets.
ESG Develop and implement a comprehensive Group ESG strategy.	Set a baseline for ESG targets and strategic KPIs.	The establishment of baseline metrics for ESG targets and strategic KPIs is in progress. The Group's diverse operations add complexity to defining these baseline metrics.	Monitor ESG targets and strategic KPIs.
	Report in accordance with IFRS S1 and S2.	The current sustainability report is compiled in accordance with IFRS S1. In alignment with IFRS S2, Scope 1 and Scope 2 emissions have been disclosed; however, Scope 3 disclosure remains pending.	› Complete Scope 3 disclosures under IFRS S2 to fully comply with IFRS S2 requirements. › Improve the Standard & Poor's Corporate Sustainability Assessment.
	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.	Continue to 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.	Progress towards the targets set out in the VRP agreement continues to be monitored and compliance with the VRP agreement was maintained with selected VRP contractors to ensure their revenue growth is in line with VRP agreement targets.	We have executed our commitment to the VRP alliance and fully complied with the requirements and necessary reports submitted to the relevant stakeholders.
	The Group remains committed to the R15 million annual payment arrangement.	Strive to meet the targets set out in the VRP agreement with the Government. Three years remain on the VRP agreement.	The Group remains committed to the R15.0 million annual payment arrangement and has achieved the VRP targets as defined in the settlement agreement.