Murray & Roberts

A GROUP WITH A FUTURE

REPORT TO STAKEHOLDERS

FOR THE YEAR ENDED 30 JUNE 2023

ENGINEERED EXCELLENCE

COVID-19

A 'BLACK SWAN' EVENT

- The financial year to 30 June 2023 has been **the most challenging for Murray & Roberts since the period following the 2008 global financial crisis**
- Over the last 18 months, **the Group weathered the COVID-19 storm of lockdowns and other restrictions**, which severely compromised our ability to make contracted deliverables
- The **level of risk assumed in the ERI platform, associated with fixed price lump-sum projects and order book size was reasonable** for the Group in a business-as-usual scenario. However, the unforeseen global pandemic with **worldwide lockdowns and knock-on impacts affecting the Group's entire project portfolio simultaneously,** significantly increased the Group's risk profile
- The Group's funding capacity was further undermined, as **no dividends were received from our investment in the Bombela Concession Company, nor from our international businesses** for two years spanning the peak period of the pandemic
- Although the Group's liquidity was under pressure, **cashflow forecasts indicated that we could meet our commitments and that we could trade through**, albeit with limited financial breathing space

COVID-19

A 'BLACK SWAN' EVENT *(CONTINUED)*

- There was also a marked **shift in commercial flexibility among clients, facing their own cash constraints because of the COVID-19 impact**. Claims were **more forcefully contested, in some instances rejected, and in other instances leading to protracted and only partial settlements**
- **The risk was ultimately intolerable relative to the Group's balance sheet at the time.** The Group's **balance sheet and available funding facilities could not sustain the working capital required** for the ERI platform
- Ultimately, the Group's holding company in Australia, **Murray & Roberts Pty Ltd, and Clough Limited, were placed under voluntary administration**. A further ramification was that the Group also **lost control of RUC Cementation Mining**
- MRPL, Clough and RUC have **been reported as discontinued operations and deconsolidated from the Group with effect from 5 December 2022**. The **comparative financial results for the year ended 30 June 2022 have been restated** with MRPL and its subsidiaries, previously reported as continuing operations, now **reported as discontinued operations**

REGAINING CONTROL OF RUC

MAINTAIN A PRESENCE IN THE ASIA-PACIFIC MINING REGION

- As a provider of specialist mining services, it is our intent to **maintain a presence in the Asia-Pacific (“APAC”) region**, which is the region formerly serviced by this platform through RUC
- The preferred scenario is **for Murray & Roberts to regain control of RUC and to retain this business as part of our multinational Mining platform** and efforts in this regard are continuing
- Should the Group, however, not be able to regain control of RUC, **Cementation APAC, a company recently established in Australia, will be developed and capacitated to provide engineering and contracting services** to mining clients in APAC

PRESENTATION OVERVIEW

RESULTS SALIENT FEATURES

RESULTS REFLECT DECONSOLIDATION OF BUSINESSES IN AUSTRALIA

	FY2023	FY2022*	Comments

Revenue	R12,5 billion	R8,8 billion	• Strong growth in revenue and earnings
			  • Increase in revenue and operating profit in the Mining platform
			  • Increase in revenue and reduced operating loss in the Power, Industrial & Water platform

Continuing EBIT	R91 million	R82 million	

Attributable (loss)/earnings	(R3,2 billion)	R135 million	• Loss from continuing operations of R0,3 billion and the following extraordinary losses from discontinued operations
			  • R2,7 billion attributable to the discontinued businesses in Australia
			  • R0,2 billion impairment of receivable in the Middle East

Diluted continuing HEPS	(71 cents)	(47 cents)	
Order book	R15,4 billion	R17,6 billion	• Low risk order book and strong project pipeline • Circa R10,6 billion revenue secured for FY2024

** Prior period restated for discontinued operations*

Net debt	(R0,3 billion)	(R1,1 billion)	• Significant reduction in net debt after applying proceeds from the disposal of investment in Bombela Concession Company
NAV	R4 per share	R13 per share	• Decrease in equity due to deconsolidation of businesses in Australia

REVENUE AND EBIT IN CONTEXT

ADJUSTED FOR INVESTMENT IN BOMBELA CONCESSION COMPANY

Continuing operations	FY2023	FY2022	Growth
Revenue (as reported)	R12,5 billion	R8,8 billion	42%
EBIT (as reported)	R91 million	R82 million	11%
BCC Contribution	R30 million	R193 million	
EBIT (excluding BCC)	R61 million	(R111 million)	155%

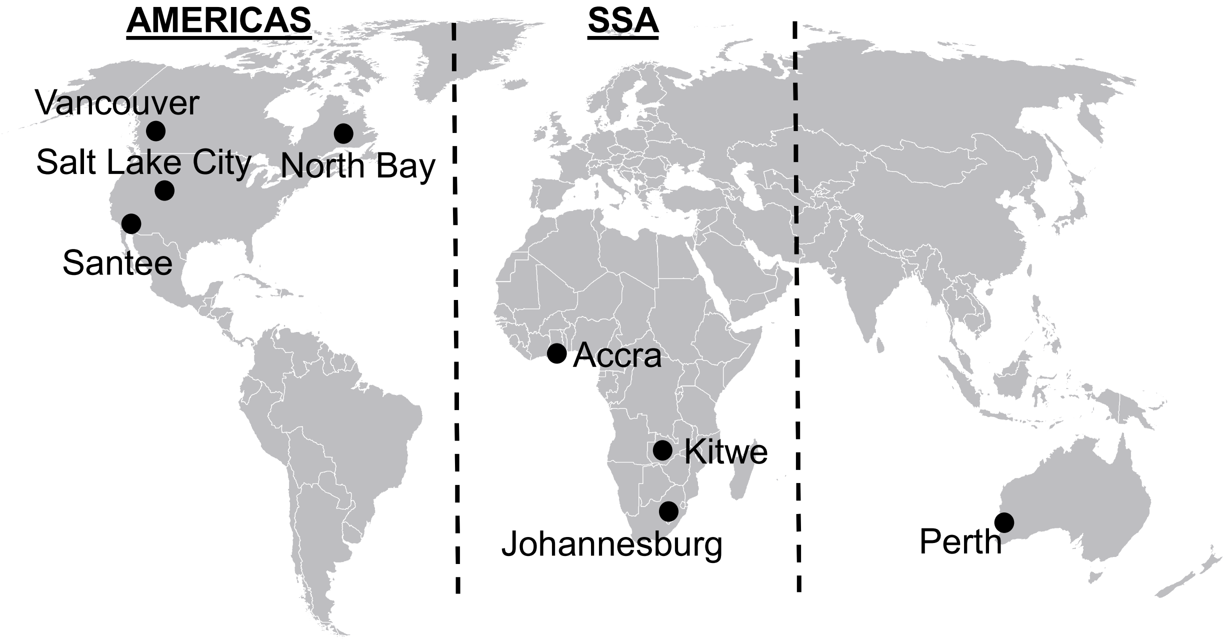
- The Group's investment in BCC was accounted for at fair value through profit or loss. As such, BCC did not contribute to Group revenue, but did contribute to earnings
- The fair value adjustment for FY2023 of R30 million was until December 2022 when the disposal value was fixed, although the transaction only reached completion in April 2023
- The fair value adjustment for FY2022 of R193 million was for the full 12-month period
- Excluding BCC, EBIT from continuing operations increased by 155%

MINING

A MULTINATIONAL BUSINESS PLATFORM

MINING

PLATFORM OVERVIEW



Office	Location
Cementation Canada	North Bay, Canada
Merit Consultants International	Vancouver, Canada
Cementation USA	Salt Lake City, United States
Terra Nova Technologies	Santee, United States
Murray & Roberts Cementation	Johannesburg, South Africa
	Kitwe, Zambia
	Accra, Ghana
Cementation Asia-Pacific	Perth, Australia

Market focus:

- **Africa & Americas:** Underground mining and material logistics services
- Intention to maintain a presence in Asia-Pacific

Market conditions:

- Price outlook for most major commodities remains strong in the medium term, which is expected to drive growth in mining investment

Order book:

- FY2023: R13,6 billion

Platform results and prospects:

- Core business and main contributor to Group earnings for the last decade
- Retains global position as a leading mining services provider
- Strong order book and pipeline
- Cementation Americas delivered a significantly better performance compared to the prior year
- Murray & Roberts Cementation experienced a difficult year
- Expected to deliver meaningful earnings as the decarbonisation of the global economy and specifically the energy transition gains pace
- Near orders of R9,1 billion and pipeline opportunities of R19,9 billion (category 1)

SEGMENTAL ANALYSIS

MINING

Mining*	Power, Industrial & Water

Rm	Africa		The Americas		Other		Total	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Revenue	4 022	3 819	7 104	4 122	-	-	**11 126**	**7 941**
Operating profit/(loss)^	76	170	347	120	(110)	(56)	**313**	**234**
Operating margin	*2%*	*4%*	*5%*	*3%*	-	-	***3%***	***3%***
Order book	6 601	9 770	6 973	7 400	-	-	**13 574**	**17 170**

Growth in revenue and earnings. The price outlook for most major commodities remains robust in the medium term

1. **Africa:**
   - Higher revenue, but a decrease in earnings mainly due to:
     - Poor geological conditions Palabora Shaft Project
     - Arnot project client entering business rescue
     - Temporary operational challenges at the Venetia project
   - A new commercial arrangement for the Venetia project under negotiation
   - Reduction in order book reflects exclusion of Arnot project

2. **The Americas:** Cementation Americas recovered well in a more normalised post-pandemic environment and delivered a significantly better performance compared to the prior year. It is expected that this strong performance will continue in the near term

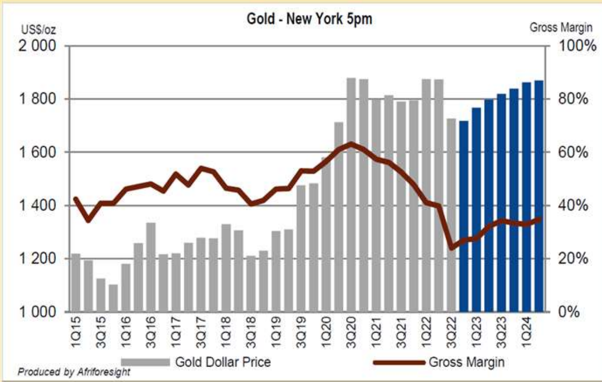
3. **Other:** Increase in platform overhead cost associated with work undertaken prior to the deconsolidation of RUC, aimed at establishing a central asset company for the Mining platform. This initiative is temporarily on hold

** Prior period restated for discontinued operations*
^ Prior period restated for corporate cost reallocation

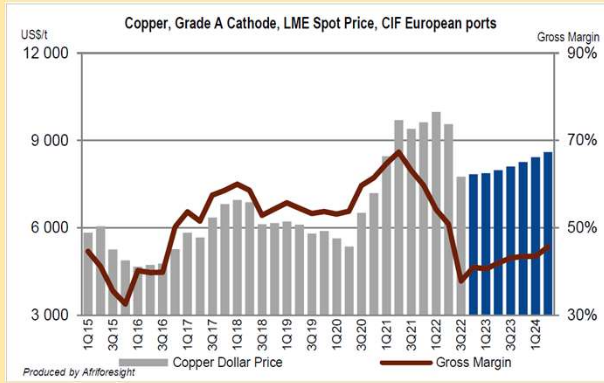
METAL PRICE FORECASTS

PRICES FORECAST TO REMAIN ROBUST IN THE NEAR TO MEDIUM TERM

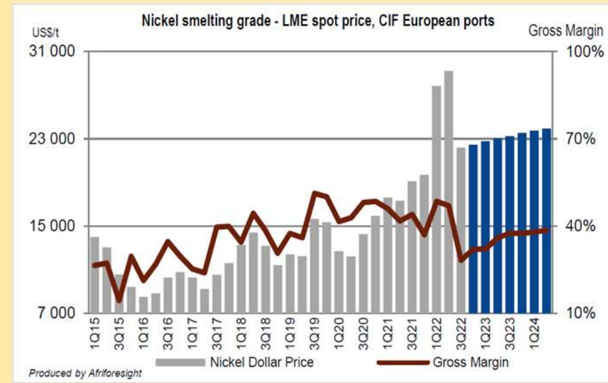
Gold



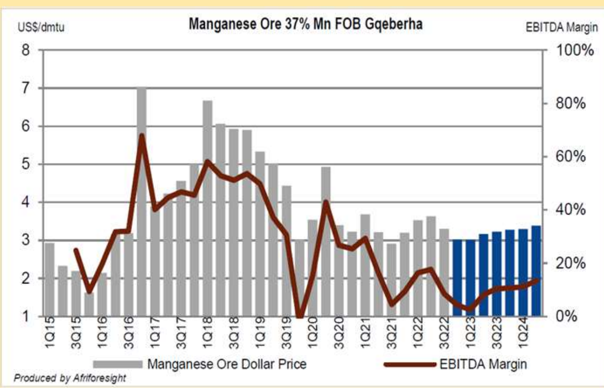
Copper



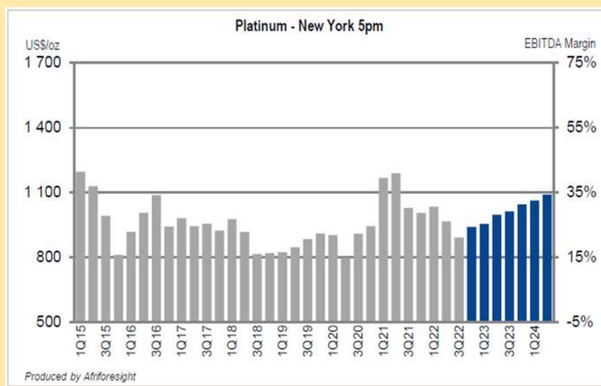
Nickel



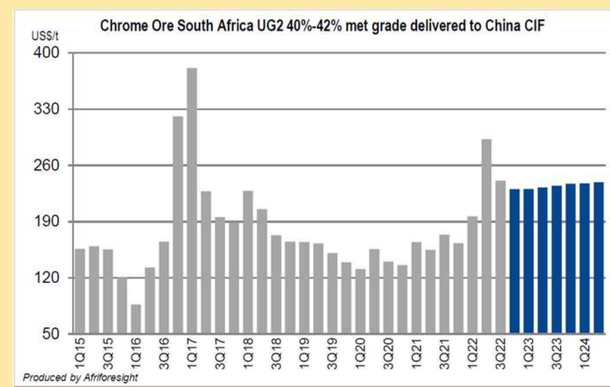
Manganese



Platinum



Chrome



MEDIUM TERM OUTLOOK

MODEST GROWTH FORECAST FOR THE MINING CONTRACTING AND CONSTRUCTION SECTOR

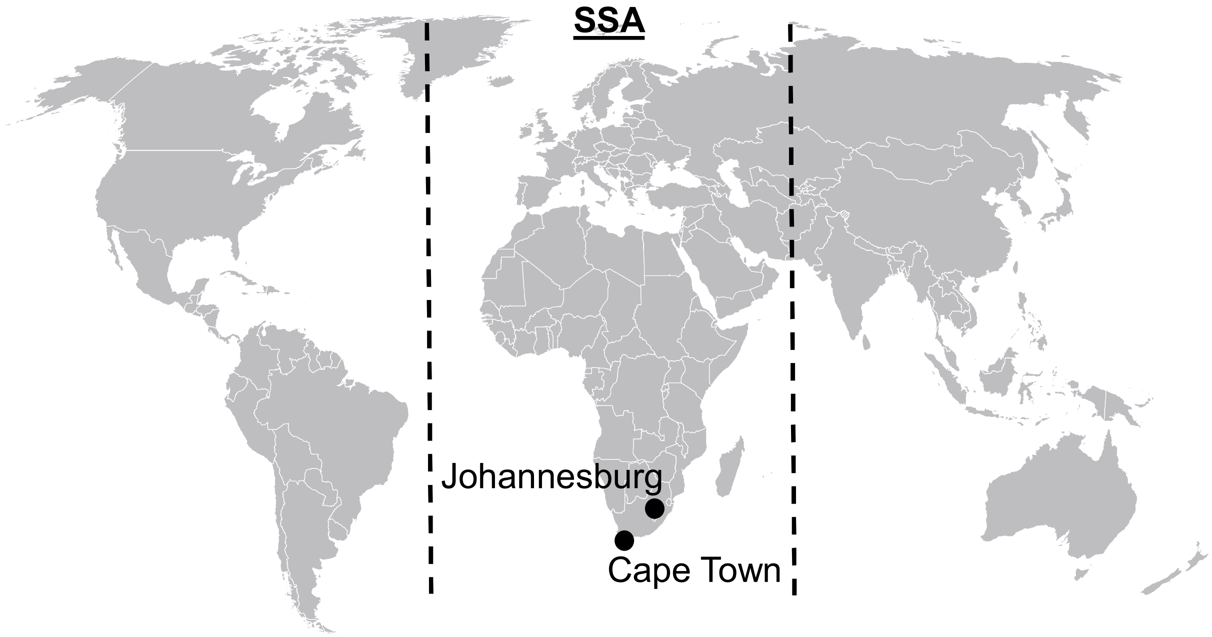
- The mining contracting and construction market to deliver modest growth over the medium term:
    - Increasing demand for energy transition metals
    - The growing need to replace depleting reserves
- Risks considered by mine owners when evaluating capital investments include inflation, geopolitical instability, threat of global recession
- Mine owners tend to defer riskier investments and invest only in projects with higher certainty and high returns, such as brown field replacement projects or expansions
- Recent increase in merger and acquisition activity suggests that some major operators consider buying production capacity to be more value accretive and lower risk than exploring for and developing new orebodies

POWER, INDUSTRIAL & WATER

SUB-SAHARAN AFRICA FOCUSED PLATFORM

POWER, INDUSTRIAL & WATER

PLATFORM OVERVIEW



Office	Location
Murray & Roberts Projects	Johannesburg, South Africa
OptiPower Projects	Cape Town, South Africa

Market focus:

- **Sub-Saharan Africa:** Power and energy markets

Market conditions:

- Increasing investment in South Africa's renewable energy and power transmission & distribution sectors presenting opportunity in the near to medium term

Order book:

- FY2023: R1,8 billion

Platform results and prospects:

- Increasing investment in utility scale renewable energy projects in South Africa expected to enable platform to return to profitability in FY2024
- South Africa's constrained transmission and distribution infrastructure requires urgent investment
- Eskom plans to build over 1,500km per year of 400kV overhead lines in South Africa into 2032
- OptiPower expected to receive Eskom transmission tender awards in the medium term
- Secured several orders in South Africa's renewable energy (wind) sector – focus to secure utility scale PV projects
- No near orders, but pipeline opportunities of R9,0 billion (category 1)

SEGMENTAL ANALYSIS

POWER, INDUSTRIAL & WATER

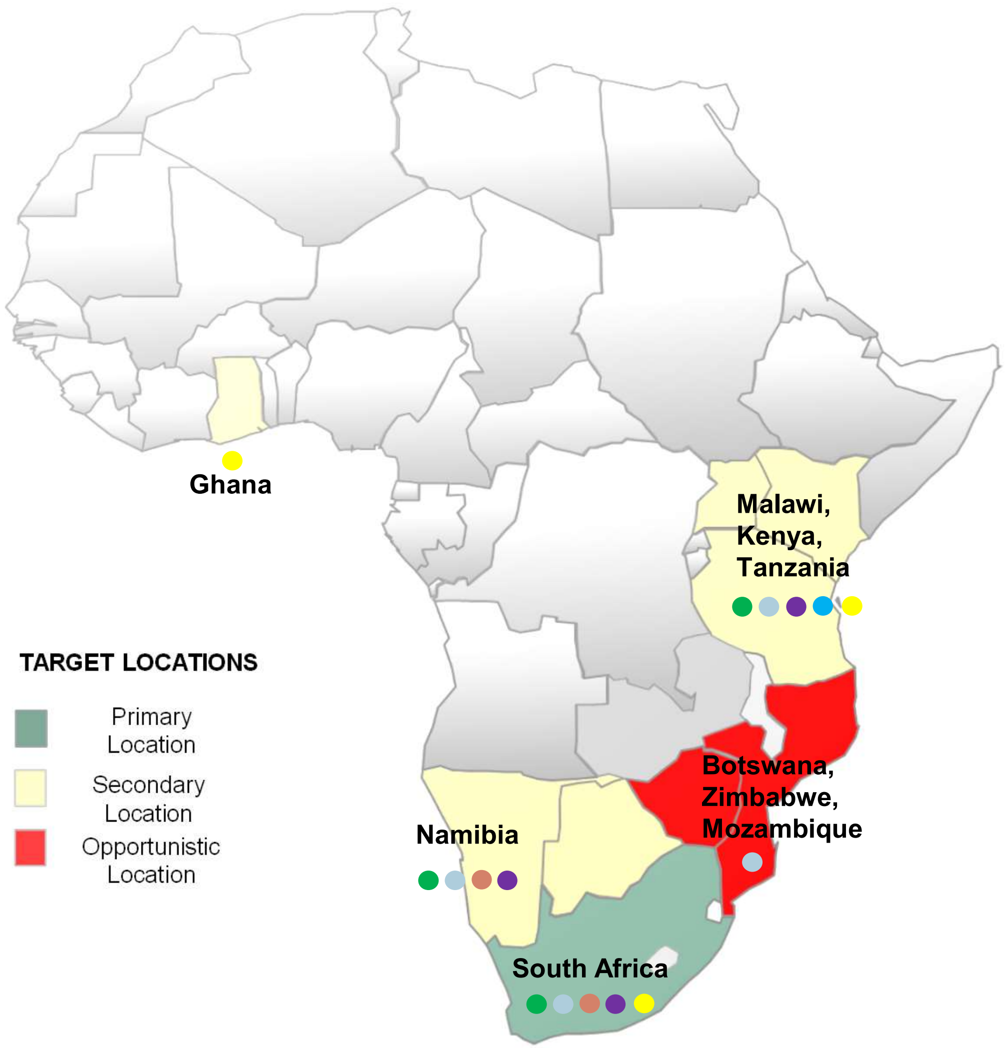
Mining	Power, Industrial & Water

Rm	Power & Industrial		Water		Solar, Transmission & Distribution		Other		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	157	325	3	18	1 171	467	-	-	**1 331**	**810**
Operating profit/(loss)	45	38	(7)	(13)	30	(44)	(115)	(136)	**(47)**	**(155)**
Operating margin	*29%*	*12%*	*(233%)*	*(72%)*	*3%*	*(9%)*	-	-	***(4%)***	***(19%)***
Order book	194	119	-	2	1 659	268	-	-	**1 853**	**389**

1. **Power & Industrial:**
   - An amicable full and final settlement agreement was reached on all outstanding commercial matters with Mitsubishi Hitachi Power Systems Africa ("MHPSA") in relation to the Group's work on the Medupi and Kusile power stations
   - Prior year includes completion of Kusile. Current year revenue includes work on the Medupi Mills contract and revenue from ongoing support for MHPSA. Increase in earnings due to risk provision releases following settlement with MHPSA
2. **Water:** Business scaled down and limited to operating contract for the Organica wastewater plant at V&A Waterfront
3. **Solar, Transmission & Distribution**: Increase in revenue and earnings due to commencement of renewable energy wind projects for EDF and Red Rocket during FY2023 H2. Investment in Aarden Solar disposed of post year end
4. **Other:** Includes overhead costs, and legal costs associated with the commercial close-out of completed projects

RENEWABLE ENERGY MARKET

POTENTIAL OPPORTUNITY

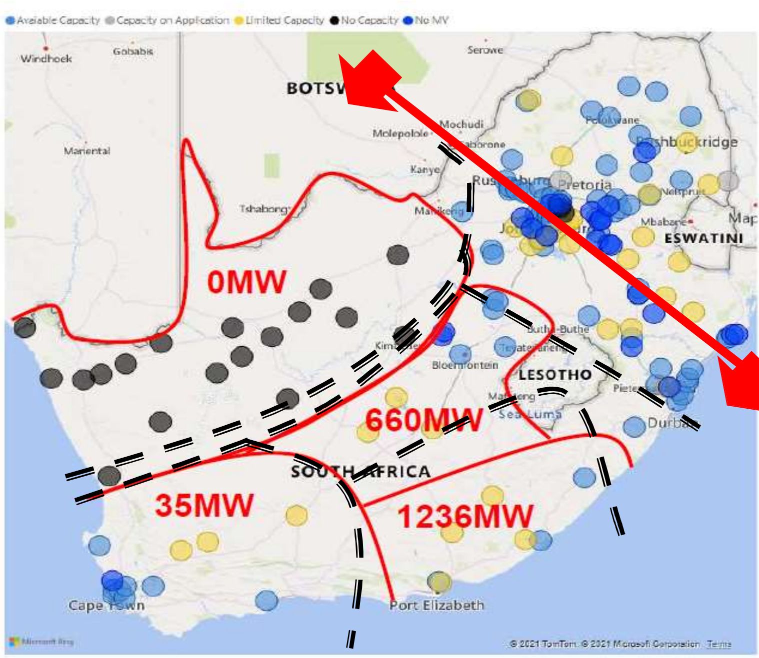


Renewable Energy	South Africa (Public and Private)	SSA (Private)
Wind	10GW	5GW
PV Solar	30GW	5GW
BESS	5GW	1GW
Hydrogen	>20 GW	>20GW
Biomass	0.5GW	1GW
Geothermal	N/A	0.5GW
Projected Total Investment	**R1.5 trillion**	**R250 billion**

- Foreseeable sustained market opportunity for FY2024-FY2026 is in excess of 12GW
- Platform target of 400 - 500MW market share per annum (two wind farms and two PV solar projects). This equates to around R4 billion per annum potential turnover (platform share approximately R2,5 billion)

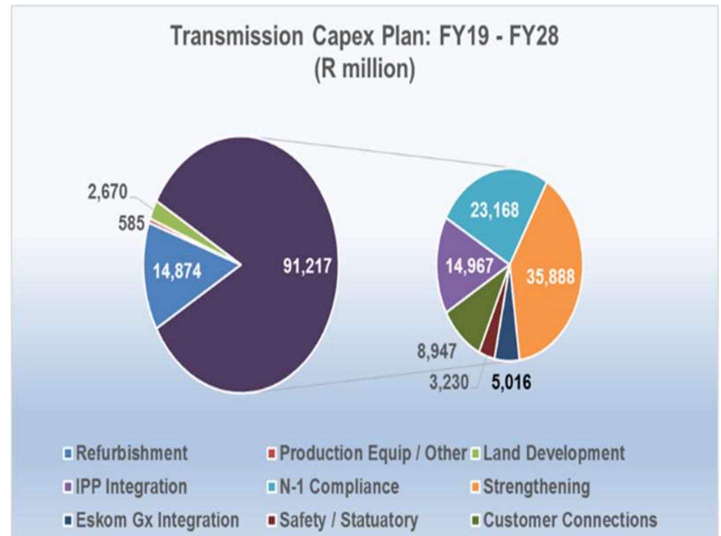
TRANSMISSION LINES

POTENTIAL OPPORTUNITY



- Generation Centres have shifted to the Northern, Western, Eastern and Central regions
- Extremely limited to no grid connection capacity in new generation centres
- 765kV TL backbone will require strengthening
- 400kV TL infrastructure will require additional capacity to support grid connection capacity upgrades
- Increasingly private developers are adopting the Eskom self-build approach and building the grid infrastructure themselves to unlock their project's business case
- Eskom roll out has been delayed considerably. Starting to see green shoots with tenders 400kV and 765kV coming to market. Expect increased procurement when Eskom transmission and distribution is unbundled
- The new Generation Capacity Connection Assessment Report for 2023 shows a dire state of capacity availability and the need to increase transformer infrastructure to support new generation

Transmission Assets Nationally	New Assets expected 2023 - 2027	New Assets expected 2028 - 2032	Total New Assets: 2023 - 2032
Power lines (km)			
765 kV	200	6128	**6328**
400 kV	2679	5019	**7698**
275 kV	14	178	**192**
Total length (km)	**2893**	**11325**	**14218**
Transformers			
Number of units	60	110	**170**
Total capacity (MVA)	26970	78 895	**105865**



BOMBELA CONCESSION COMPANY

INVESTMENT

BOMBELA INVESTMENT

DISPOSED IN APRIL 2023

Rm

	2023	2022
Revenue	-	-
Operating profit	30	193

Group completed disposal of its investment in the BCC in April 2023

1. The transaction was concluded at fair value of the investment. Proceeds of circa R1,2 billion were applied towards reducing the Group's debt

2. The fair value adjustment for FY2023 of R30 million was until December 2022 when the disposal value was fixed, although the transaction only reached completion in April 2023. The fair value adjustment for FY2022 of R193 million was for the full 12-month period

DISCONTINUED OPERATIONS

SEGMENTAL ANALYSIS

Rm	Australia		Middle East		Other		Total	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Revenue	11 928	21 114	-	-	36	-	**11 964**	**21 114**
Operating (loss)/profit	(2 538)	623	(198)	(62)	(51)	(51)	**(2 787)**	**510**

Loss largely due to the deconsolidation of Australian businesses (MRPL, Clough, RUC and Insig)

1. The deconsolidation of the **Australian businesses** resulted in a discontinued loss of R2,5 billion, comprising:
    - an operating loss in Clough of R1,3 billion and an operating profit in Mining Australia (RUC and Insig) of R45 million
    - a loss of R2,4 billion through the deconsolidation of assets and liabilities of these businesses
    - a foreign currency translation reserve ("FCTR") profit of R1,2 billion was realised as a result of this deconsolidation

    This is an extraordinary loss not to be repeated in future years

2. **Middle East:**
    - Operating loss includes legal costs to mitigate contingent liabilities and impairment of a receivable of R170m
    - Upon final exit of the Middle East, a negative FCTR adjustment of circa R520m (based on the exchange rate as at 30 June 2023) will be accounted for as part of discontinued operations at completion of the transaction. This adjustment will be a non-cash item that will not impact the Group's equity nor its net asset value

    This loss will reduce to approximately R30 million per annum until exit of the Middle East is achieved

3. **Other:** Represents costs associated with retained liabilities in the disposed Genrec operations and the closing out of minor latent defects by the Bombela Civil Joint Venture on the Gautrain project
    Following the MHPSA settlement, this cost will be minimal in future years

FINANCIAL RESULTS

MURRAY & ROBERTS TRAINING ACADEMY – SOUTH AFRICA

Murray & Roberts

GROUP FINANCIALS

STATEMENT OF FINANCIAL PERFORMANCE

Rm	FY2023	FY2022*	Variance
Revenue	**12 460**	**8 755**	**3 705**
EBITDA	**451**	**483**	**(32)**
EBIT	**91**	**82**	**9**
Net interest expense	(267)	(186)	(81)
Taxation	(106)	(74)	(32)
Loss from continuing operations	**(282)**	**(178)**	**(104)**
Discontinued operations	**(2 897)**	**311**	**(3 208)**
Non-controlling interests	**(2)**	**2**	**(4)**
Attributable (loss)/earnings	**(3 181)**	**135**	**(3 316)**

- Revenue and EBIT – increase due to improved contribution from Mining and PIW platforms
- Net interest expense - increase due to higher interest rates and debt levels. **Interest will reduce by circa R100m per annum as debt levels reduced post disposal of investment in BCC in April 2023**
- Effective tax rate remains high, as a deferred tax asset cannot be raised against interest and Corporate costs in South Africa
- Discontinued operations – increased loss following deconsolidation of Australian businesses and receivable impairment in Middle East
- Loss in attributable earnings mainly as a result of discontinued operations

** Prior period restated for discontinued operations*

GROUP FINANCIALS

STATEMENT OF FINANCIAL POSITION

Rm		June 2023	June 2022	Variance
Total assets		**8 387**	**20 303**	**(11 916)**
Property, plant and equipment		1 572	4 397	(2 825)
Other non-current assets		847	4 034	(3 187)
Current assets		3 639	8 604	(4 965)
Cash and cash equivalents		1 264	2 256	(992)
Assets classified as held for sale		1 065	1 012	53
Total equity and liabilities		**8 387**	**20 303**	**(11 916)**
Shareholders' equity		1 841	5 713	(3 872)
Interest-bearing debt	- short term	827	2 143	(1 316)
	- long term	706	1 193	(487)
Other non-current liabilities		374	197	177
Current liabilities		3 658	10 212	(6 554)
Liabilities classified as held for sale		981	845	136
Net debt		**(269)**	**(1 080)**	**811**

- Reduction in assets and liabilities due to the deconsolidation of the Australian businesses
- Assets and liabilities held for sale relate mainly to the Middle East companies
- Shareholders' equity decreased after deconsolidation of Australian businesses
- **Net debt reduced significantly following the disposal of the investment in BCC**

DEBT ANALYSIS

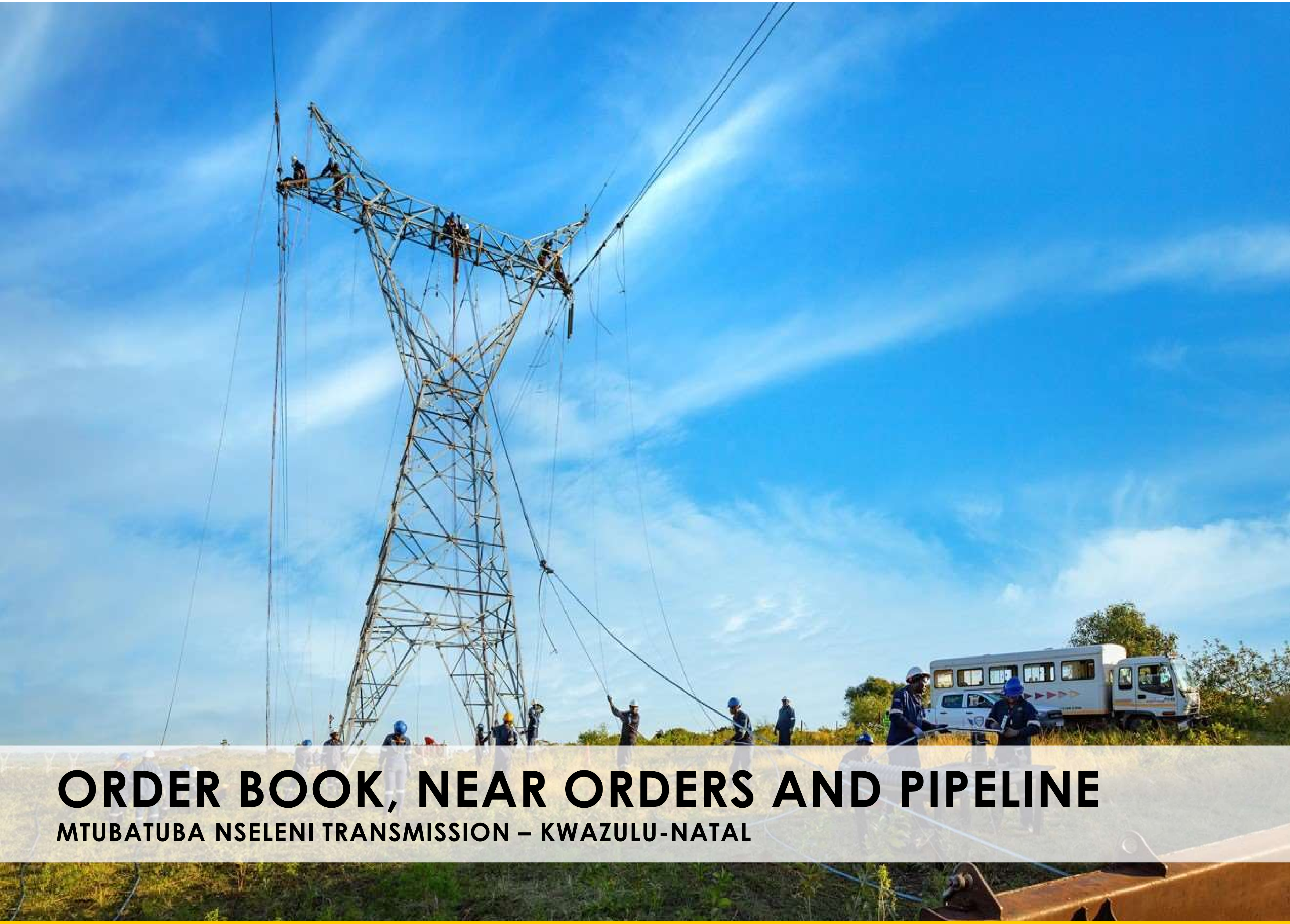
GEARING LEVEL

		June 2023	June 2022
Group Debt	**Total Debt** (Rm)	**(1 533)**	**(3 336)**
	Corporate debt	**(1 021)**	**(1 909)**
	TNT acquisition – March 19 (R635 million)	(84)	(171)
	Overdraft, term debt and sundry loans	(937)	(1 738)
	Self-servicing debt	**(356)**	**(902)**
	Asset-based finance - project specific	(356)	(710)
	Bombela Concession Company preference shares	-	(192)
	IFRS 16	**(156)**	**(525)**

		June 2023	June 2022
Group Gearing Ratios	**Total Debt** (Rm)	**(1 533)**	**(3 336)**
	Corporate debt	(1 021)	(1 909)
	Self-servicing debt	(356)	(902)
	IFRS 16	(156)	(525)
	Total Equity (Rm)	**1 841**	**5 713**
	Gearing (Corporate debt)	**55%**	**33%**
	Gearing (Corporate and self-servicing debt)	**75%**	**49%**
	Gearing (Total debt post IFRS 16)	**83%**	**58%**

DEBT RESTRUCTURING INITIATIVES

- **Total debt reduced by R1,8 billion** due to the sale of **BCC (R1,2 billion), deconsolidation (R0,5 billion)** and **payment of TNT debt (R0,1 billion)**
- Remaining TNT debt will be **repaid by May 2024**
- Financial plans indicate that **corporate debt** (overdraft, term debt, and sundry loans) **is capable of being repaid over the next three years from cash generated from continuing operations**
- However, the **corporate debt is predominantly held by South African lenders,** which includes a R650 million overdraft facility. In South Africa, the Group is marginally cash generative, while **the majority of cash is generated in the USA and Canada**
- This imbalance must be addressed, and **initiatives are underway to de-lever the South African lenders** and establish a **sustainable debt structure that is more suitable to the Group's requirements**



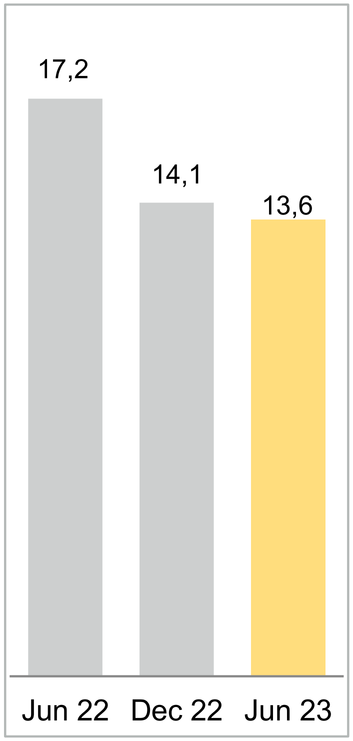
ORDER BOOK, NEAR ORDERS AND PIPELINE

MTUBATUBA NSELENI TRANSMISSION – KWAZULU-NATAL

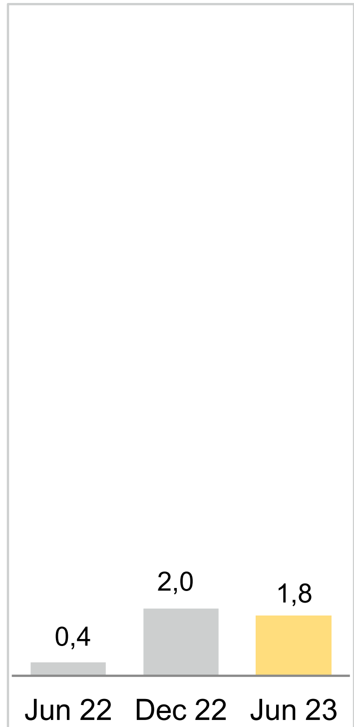
ORDER BOOK

LOW RISK ORDER BOOK OF R15,4 BILLION

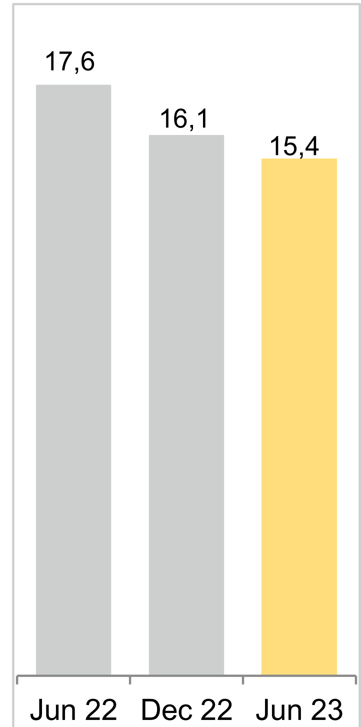
Mining*



Power, Industrial & Water



Total



1. Group order book largely represented by Mining platform orders secured on favourable commercial terms
2. Decline in Group order book reflects exclusion of Arnot project, with client entering business rescue
3. Mining order book expected to increase due to strong near-term prospects and project pipeline
4. Power, Industrial & Water order book expected to increase due to growth in investment in the renewable energy sector

** Prior periods order book now excluding RUC*

ORDER BOOK JUNE 2023

ESTABLISHED FOUNDATION FOR STRONG EARNINGS GROWTH

Platform	Order book % split		Order book Rbn		Order book Rbn	
	SADC	Int.	June 2023	June 2022	FY Time Distribution	
Mining*	49	51	13,6	17,2	2024	8,8
					2025	3,0
					>2025	1,8
Power, Industrial & Water	100		1,8	0,4	2024	1,8
					2025	-
					>2025	-
	55%	45%	15,4	17,6		

	FY2024	FY2025	>FY2025
	10,6	3,0	1,8

FY 2022*	7,7	4,0	5,9
	FY2023	FY2024	>FY2024
FY 2021*	6,6	5,2	7,5
	FY2022	FY2023	>FY2023

- **R10,6 billion of revenue for the FY2024 has already been secured, FY2024 revenue is expected to exceed R13 billion.**

** Prior period restated for discontinued operations*

ORDER BOOK, NEAR ORDERS & PIPELINE

STRONG PIPELINE

		Pipeline			
Rbn	**Order book**	**Near orders**	**Category 1**	**Category 2**	**Category 3**
Mining	13,6	9,1	19,9	46,4	48,6
Power, Industrial & Water	1,8	-	9,0	31,4	3,7
30 June 2023	**15,4**	**9,1**	**28,9**	**77,8**	**52,3**
31 December 2022	**16,1**	**14,4**	**20,3**	**101,0**	**47,0**
30 June 2022*	**17,6**	**16,2**	**26,0**	**78,0**	**45,9**

** Prior period restated for discontinued operations*

PIPELINE DEFINITION

Near orders: Preferred bidder status and final award is subject to financial/commercial close – more than a 95% likelihood that these orders will be secured

Category 1: Tenders submitted or under preparation (excluding near orders) – projects developed by clients to the stage where firm bids are being invited – reasonable chance to secure, function of (1) final client approval and (2) bid win probability

Category 2: Budgets, feasibility studies and prequalifications – project planning underway, not at a stage yet where projects are ready for tender

Category 3: Leads and opportunities which are being tracked and are expected to come to market in the next 36 months – identified opportunities that are likely to be implemented, but still in prefeasibility stage

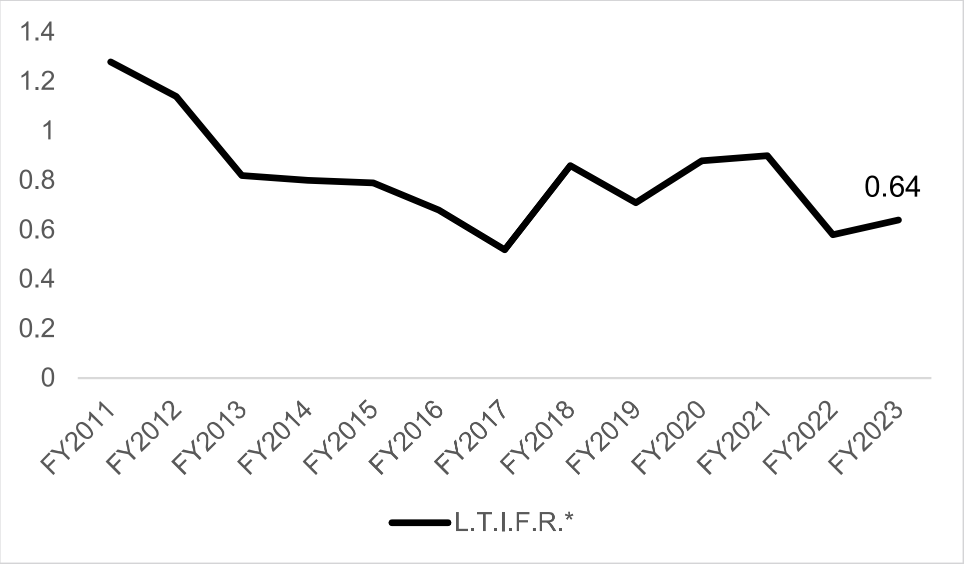
- **Near orders of R9,1 billion**
- **Category 1 project pipeline of R28,9 billion**

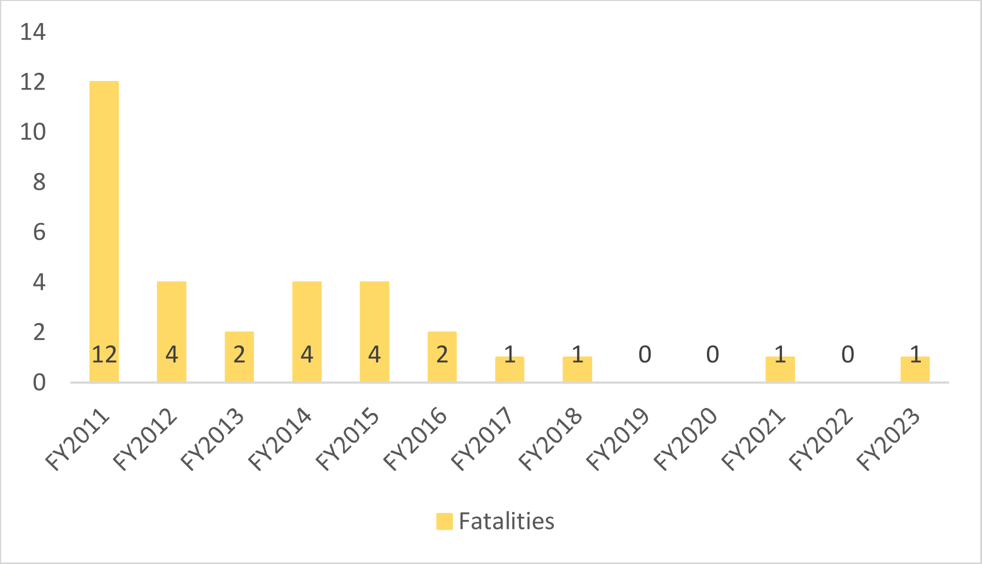
HEALTH & SAFETY

VENETIA DIAMOND MINE - SOUTH AFRICA

SAFETY PERFORMANCE

TOGETHER TO ZERO HARM





* Lost Time Injury Frequency Rate per million work-hours

The Group remains focused on ensuring the safety, health and wellbeing of our employees

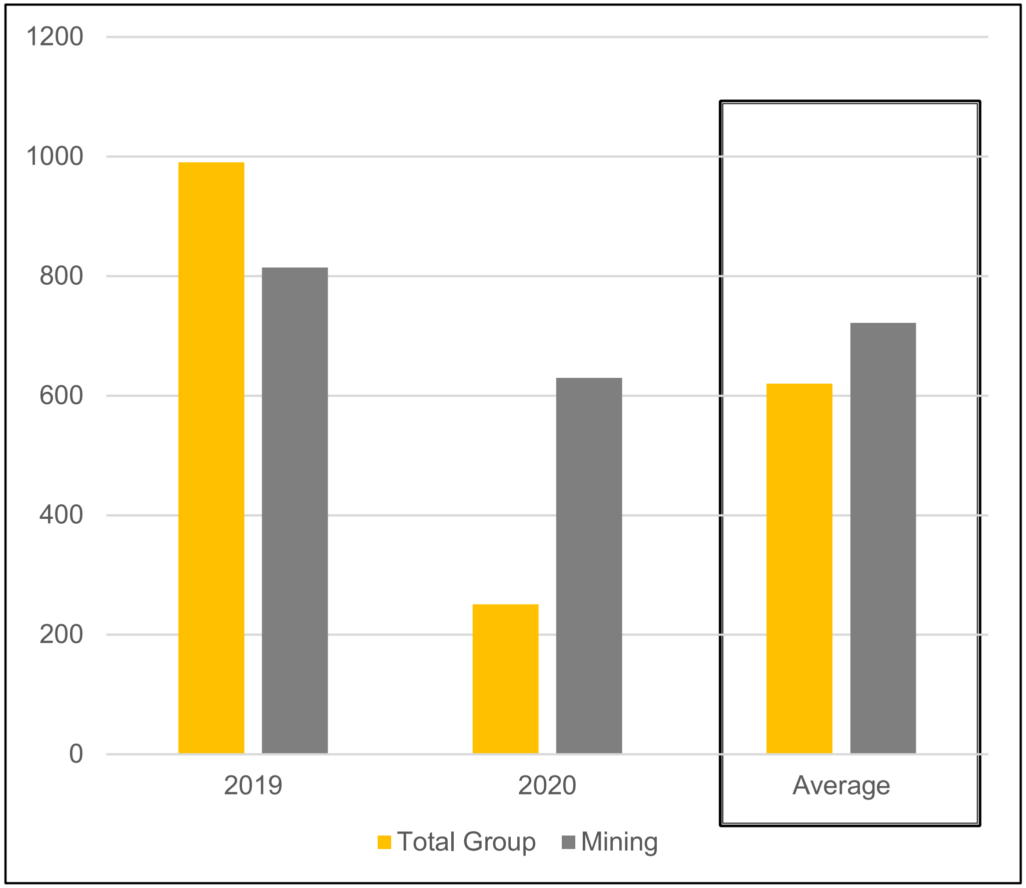
- The Board is saddened by the passing of a colleague at RUC, who sustained fatal injuries in October 2022
- Lost-time injury frequency rate was 0.64 (FY2022: 0.58)
- The Group is implementing technically challenging projects in high-risk environments and aspires to deliver projects with Zero Harm to its people, local communities, and the environment
- 32 Zero Harm projects (FY2022: 21)

PRESENTATION TAKEAWAYS

EBIT BEFORE CORPORATE COSTS

GROW EARNINGS FROM A FY2019/20 PRE-PANDEMIC BASELINE

	2019	2020
Bombela (BCC)	306	119
Energy, Resources & Infrastructure	-98	-454
Mining	814	630
Africa	239	242
Australasia	253	-
Americas	322	388
Power, Industrial & Water	-32	-44
Total Group	990	251
Mining	814	630



- Average EBIT from the Mining platform over the two pre-pandemic years was greater than the average EBIT for the entire Group, including contribution from BCC
- Should the Group retain RUC, the Mining platform is expected to generate earnings at a level similar to that of FY2019/20
- The PIW platform was lossmaking in the pre-pandemic years and is expected to return to profitability in FY2024

ENGINEERED EXCELLENCE

PRESENTATION TAKEAWAYS

A GROUP WITH A FUTURE

Group

- **Revenue for continuing operations increased** by 42% and EBIT (excluding BCC) by 155%
- **Net debt reduced significantly** to R0,3 billion
- Working towards establishing a **debt structure more suitable to the Group's requirements**

Mining Platform

- The Group's **core business,** and retains its **global position** as a mining services provider
- The platform is expected to **continue to deliver meaningful earnings as the decarbonisation of the global economy** and specifically the energy transition gains pace
- Efforts are continuing to **regain control of RUC**

Power, Industrial & Water Platform

- A **regionally focused** platform
- The platform **recorded a significantly reduced loss** and is expected to **return to profitability in FY2024**
- South Africa's constrained **transmission and distribution infrastructure requires urgent investment** and investment in renewable energy is increasing

Prospects

- **A Group with a future**
- Committed to **grow earnings** from a pre-pandemic baseline

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REPORT TO STAKEHOLDERS

FOR THE YEAR ENDED 30 JUNE 2023

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ENGINEERED EXCELLENCE

Murray & Roberts

REPORT TO STAKEHOLDERS

FOR THE YEAR ENDED 30 JUNE 2023

APPENDIX

ENGINEERED EXCELLENCE

GROUP FINANCIALS

STATEMENT OF FINANCIAL PERFORMANCE

Rm	FY2023	FY2022*	Variance
Revenue	**12 460**	**8 755**	**3 705**
EBITDA	**451**	**483**	**(32)**
EBIT	**91**	**82**	**9**
Net interest expense	(267)	(186)	(81)
Taxation	(106)	(74)	(32)
Loss from continuing operations	**(282)**	**(178)**	**(104)**
Discontinued operations	**(2 897)**	**311**	**(3 208)**
Non-controlling interests	**(2)**	**2**	**(4)**
Attributable (loss)/earnings	**(3 181)**	**135**	**(3 316)**

** Prior period restated for discontinued operations*

GROUP FINANCIALS

STATEMENT OF FINANCIAL PERFORMANCE

Rm	FY2023	FY2022*	Variance
Revenue	**12 460**	**8 755**	**3 705**

Revenue increased by 42%

1. Increase due to improved contribution from Mining and PIW platforms

** Prior period restated for discontinued operations*

GROUP FINANCIALS

STATEMENT OF FINANCIAL PERFORMANCE

Rm	FY2023	FY2022*	Variance
Revenue	12 460	8 755	3 705
EBITDA	**451**	**483**	**(32)**

EBITDA reflective of:

1. Improved contribution from Mining and PIW platforms

** Prior period restated for discontinued operations*

GROUP FINANCIALS

STATEMENT OF FINANCIAL PERFORMANCE

Rm	FY2023	FY2022*	Variance
Revenue	12 460	8 755	3 705
EBITDA	451	483	(32)
EBIT	**91**	**82**	**9**

EBIT after:

1. Depreciation of R337m (FY2022: R381m)
2. Amortisation of intangible assets of R23m (FY2022: R20m)

** Prior period restated for discontinued operations*

GROUP FINANCIALS

STATEMENT OF FINANCIAL PERFORMANCE

Rm	FY2023	FY2022*	Variance
Revenue	12 460	8 755	3 705
EBITDA	451	483	(32)
EBIT	91	82	9
Net interest expense	**(267)**	**(186)**	**(81)**

1. Increase due to higher interest rates and debt levels. Interest will reduce by circa R100m per annum as debt levels reduced post disposal of investment in BCC in April 2023

** Prior period restated for discontinued operations*

GROUP FINANCIALS

STATEMENT OF FINANCIAL PERFORMANCE

Rm	FY2023	FY2022*	Variance
Revenue	12 460	8 755	3 705
EBITDA	451	483	(32)
EBIT	91	82	9
Net interest expense	(267)	(186)	(81)
Taxation	**(106)**	**(74)**	**(32)**

Effective tax rate remains high at 61% mainly due to:

1. Effective tax rate remains high, as a deferred tax asset cannot be raised against interest and Corporate costs in South Africa

** Prior period restated for discontinued operations*

GROUP FINANCIALS

STATEMENT OF FINANCIAL PERFORMANCE

Rm	FY2023	FY2022*	Variance
Revenue	12 460	8 755	3 705
EBITDA	451	483	(32)
EBIT	91	82	9
Net interest expense	(267)	(186)	(81)
Taxation	(106)	(74)	(32)
Loss from continuing operations	(282)	(178)	(104)
Discontinued operations	**(2 897)**	**311**	**(3 208)**

1. Increased loss following deconsolidation of Australian businesses and receivable impairment in Middle East

** Prior period restated for discontinued operations*

GROUP FINANCIALS

STATEMENT OF FINANCIAL POSITION

Rm		June 2023	June 2022	Variance
Total assets		**8 387**	**20 303**	**(11 916)**
Property, plant and equipment		1 572	4 397	(2 825)
Other non-current assets		847	4 034	(3 187)
Current assets		3 639	8 604	(4 965)
Cash and cash equivalents		1 264	2 256	(992)
Assets classified as held for sale		1 065	1 012	53
Total equity and liabilities		**8 387**	**20 303**	**(11 916)**
Shareholders' equity		1 841	5 713	(3 872)
Interest-bearing debt	- short term	827	2 143	(1 316)
	- long term	706	1 193	(487)
Other non-current liabilities		374	197	177
Current liabilities		3 658	10 212	(6 554)
Liabilities classified as held for sale		981	845	136
Net debt		**(269)**	**(1 080)**	**811**

GROUP FINANCIALS

STATEMENT OF FINANCIAL POSITION

Rm	June 2023	June 2022	Variance
Total assets	8 387	20 303	(11 916)
Property, plant and equipment	**1 572**	**4 397**	**(2 825)**

Property, plant and equipment decrease relates mainly to:

1. Deconsolidation of Australian businesses

GROUP FINANCIALS

STATEMENT OF FINANCIAL POSITION

Rm	June 2023	June 2022	Variance
Total assets	8 387	20 303	(11 916)
Property, plant and equipment	1 572	4 397	(2 825)
Other non-current assets	**847**	**4 034**	**(3 187)**

Non-current assets comprise of:

1. Deferred taxation assets (R93m)
2. Goodwill and intangible assets (R753m)
3. Other (R1m)

GROUP FINANCIALS

STATEMENT OF FINANCIAL POSITION

Rm	June 2023	June 2022	Variance
Total assets	8 387	20 303	(11 916)
Property, plant and equipment	1 572	4 397	(2 825)
Other non-current assets	847	4 034	(3 187)
Current assets	**3 639**	**8 604**	**(4 965)**

Current assets comprise of:

1. Contracts-in-progress and contract receivables (R2 965m)
2. Trade and other receivables, including joint venture loans (R398m)
3. Inventories (R240m)
4. Current taxation asset (R36m)

GROUP FINANCIALS

STATEMENT OF FINANCIAL POSITION

Rm	June 2023	June 2022	Variance
Total assets	8 387	20 303	(11 916)
Property, plant and equipment	1 572	4 397	(2 825)
Other non-current assets	847	4 034	(3 187)
Current assets	3 639	8 604	(4 965)
Cash and cash equivalents	**1 264**	**2 256**	**(992)**

Cash consists of:

1. Unrestricted cash of R1 254m (excluding overdraft of R479m)
2. Restricted cash of R10m

GROUP FINANCIALS

STATEMENT OF FINANCIAL POSITION

Rm	June 2023	June 2022	Variance
Total assets	**8 387**	**20 303**	**(11 916)**
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Other non-current assets	847	4 034	(3 187)
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Cash and cash equivalents	1 264	2 256	(992)
Assets classified as held for sale	1 065	1 012	53
Total equity and liabilities	**8 387**	**20 303**	**(11 916)**
Shareholders' equity	**1 841**	**5 713**	**(3 872)**

Movement in shareholders' equity due to:

1. Deconsolidation of Australian businesses

GROUP FINANCIALS

STATEMENT OF FINANCIAL POSITION

Rm		June 2023	June 2022	Variance
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Total equity and liabilities		**8 387**	**20 303**	**(11 916)**
Shareholders' equity		1 841	5 713	(3 872)
Interest-bearing debt	**- short term**	**827**	**2 143**	**(1 316)**
	- long term	**706**	**1 193**	**(487)**

Significant reduction in net debt:

1. After applying proceeds from the disposal of investment in BCC

GROUP FINANCIALS

STATEMENT OF FINANCIAL POSITION

Rm		June 2023	June 2022	Variance
Total assets		**8 387**	**20 303**	**(11 916)**
Property, plant and equipment		1 572	4 397	(2 825)
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Assets classified as held for sale		1 065	1 012	53
Total equity and liabilities		**8 387**	**20 303**	**(11 916)**
Shareholders' equity		1 841	5 713	(3 872)
Interest-bearing debt	- short term	827	2 143	(1 316)
	- long term	706	1 193	(487)
Other non-current liabilities		**374**	**197**	**177**

Other non-current liabilities consists of:

1. Non-current payables (R227m)
2. Deferred Taxation (R147m)

ENGINEERED EXCELLENCE

GROUP FINANCIALS

STATEMENT OF FINANCIAL POSITION

Rm		June 2023	June 2022	Variance
Total assets		8 387	20 303	(11 916)
Property, plant and equipment		1 572	4 397	(2 825)
Other non-current assets		847	4 034	(3 187)
Current assets		3 639	8 604	(4 965)
Cash and cash equivalents		1 264	2 256	(992)
Assets classified as held for sale		1 065	1 012	53
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Interest-bearing debt	- short term	827	2 143	(1 316)
	- long term	706	1 193	(487)
Other non-current liabilities		374	197	177
Current liabilities		**3 658**	**10 212**	**(6 554)**

Decrease in current liabilities mainly due to:

1. Deconsolidation of Australian businesses

STRATEGY & PLATFORM CAPABILITY

MURRAY & ROBERTS TRAINING ACADEMY, SOUTH AFRICA

STRATEGIC DIRECTION

BUSINESS MODEL: COMPREHENSIVE SERVICE OFFERING ACROSS PROJECT LIFE CYCLE IN SELECTED TARGET MARKETS

Business Platform	Capabilities (Project Life Cycle)	Geography (Multinational)
Mining	• Detailed engineering • Procurement • Construction • Commissioning and maintenance • Operations	• Americas • Sub-Saharan Africa • APAC
Power, Industrial & Water	• Detailed engineering • Procurement • Construction • Commissioning and maintenance	• Sub-Saharan Africa

Project Life Cycle

- Design and Engineering / Technical Consulting
- Process EPC
- Infrastructure Construction General
- Service and Operations

MINING

Cementation Canada & USA is a leading provider of underground mining contracting and engineering services throughout North and South America. The company specialises in the design and construction of underground facilities including shaft, ramp accesses, mine development and raises, as well as large diameter raise drilling

Murray & Roberts Cementation (Africa) is a first-choice mining contractor. The company offers a comprehensive range of capabilities and services, from concept to commissioning, and is the reputed leader in exploration drilling, shaft sinking, tunnelling, contract mining, raisedrilling and specialised mining services (engineering and design), with a strong track record of successful mine project delivery

Merit (Canada) provides project and construction consulting management services. Committed to keeping the scope of a project in the “owner's control", Merit acts as an extension of a project owner's development team and assists in the selection and co-ordination of resources best suited to a particular project

Terra Nova Technologies (USA) designs, supplies and commissions overland conveyors, crushing/conveying systems, industry-renowned mobile stacking systems, heap leach systems and crushing and screening plants

POWER, INDUSTRIAL & WATER

Murray & Roberts Power & Energy is the platform's engineering, procurement and construction ("EPC") projects implementer, adding unique value to the constructability, integration and ultimate performance of the projects it undertakes. Murray & Roberts Power & Energy offers the full spectrum of multi-disciplinary EPC services including piping, tanks farms & platework, mechanical, electrical, process equipment, structural steel & instrumentation

Murray & Roberts Water has the capability and expertise to design, supply equipment, construct, commission, operate and maintain water treatment plants in Africa. Services include: mine water treatment; sea water desalination; industrial effluent treatment; municipal water & waste water re-use and water supply for power generation infrastructure. These can be offered as large scale permanent plants or modular containerised plants with the option to scale up if necessary

OptiPower Projects is a leading energy infrastructure company and provides turnkey engineering, procurement and construction solutions for high and medium voltage power lines, high and medium voltage substations, overhead and below ground fibre optic lines, and renewable energy projects

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